

TWENTY-NINTH DAY

St. Paul, Minnesota, Thursday, April 2, 2009

The Senate met at 11:30 a.m. and was called to order by the President.

CALL OF THE SENATE

Senator Pogemiller imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Scott Carlson.

The roll was called, and the following Senators answered to their names:

Anderson	Erickson Ropes	Kubly	Ortman	Sieben
Bakk	Fischbach	Langseth	Pappas	Skoe
Berglin	Fobbe	Latz	Pariseau	Skogen
Betzold	Foley	Limmer	Pogemiller	Sparks
Bonoff	Frederickson	Lourey	Prettner Solon	Stumpf
Carlson	Gerlach	Lynch	Rest	Tomassoni
Chaudhary	Hann	Marty	Robling	Torres Ray
Clark	Higgins	Metzen	Rosen	Vandever
Cohen	Ingebrigtsen	Michel	Rummel	Vickerman
Dahle	Johnson	Moua	Saltzman	Wiger
Day	Jungbauer	Murphy	Saxhaug	
Dibble	Kelash	Olseen	Scheid	
Dille	Koch	Olson, G.	Senjem	
Doll	Koering	Olson, M.	Sheran	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

REPORTS OF COMMITTEES

Senator Pogemiller moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Senator Vickerman from the Committee on Agriculture and Veterans, to which was referred

S.F. No. 1972: A bill for an act relating to energy; requiring legislative reports by commissioner of agriculture on use of federal money for state biomass-related activities.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Senator Vickerman from the Committee on Agriculture and Veterans, to which was referred

S.F. No. 1794: A bill for an act relating to veterans; clarifying the circumstances under which pay differential applies for deployed National Guard and reserve members who are teachers; amending Minnesota Statutes 2008, section 471.975.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 11, 14, and 21, strike "basic" and insert "base"

Page 2, line 1, before "rate" insert "base" and before "military" insert "base"

Page 2, line 7, before "rates" insert "base"

Page 2, line 9, before "rate" insert "base"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Pogemiller from the Committee on Rules and Administration, to which was re-referred

S.F. No. 3: A bill for an act relating to state government operations; eliminating unnecessary state mandates.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

EDUCATION

Section 1. Minnesota Statutes 2008, section 16E.18, subdivision 2, is amended to read:

Subd. 2. **Creation.** Except as provided in subdivision 4, the chief information officer, through the state information infrastructure, shall arrange for the provision of information technology and telecommunications services to state agencies. The state information infrastructure may also serve educational institutions, including public schools as defined in section 120A.05, subdivisions 9, 11, 13, and 17, nonpublic, church or religious organization schools that provide instruction in compliance with sections 120A.22, and 120A.24, and ~~120A.41,~~ and private colleges; public corporations; Indian tribal governments; state political subdivisions; and public noncommercial educational television broadcast stations as defined in section 129D.12, subdivision 2. It is not a telephone company for purposes of chapter 237. The chief information officer may purchase, own, or lease any telecommunications network facilities or equipment after first seeking bids or proposals and having determined that the private sector cannot, will not, or is unable to provide these services, facilities, or equipment as bid or proposed in a reasonable or timely fashion consistent with policy set forth in this section. The chief information officer shall not resell or sublease any services or facilities to nonpublic entities except to serve private schools and colleges. The chief information

officer has the responsibility for planning, development, and operations of the state information infrastructure in order to provide cost-effective telecommunications transmission services to state information infrastructure users consistent with the policy set forth in this section.

Sec. 2. Minnesota Statutes 2008, section 120A.24, subdivision 4, is amended to read:

Subd. 4. **Reports to the state.** A superintendent must make an annual report to the commissioner of education. The report must include ~~the following information:~~

~~(1) the number of children residing in the district attending nonpublic schools or receiving instruction from persons or institutions other than a public school;~~

~~(2) the number of children in clause (1) who are in compliance with section 120A.22 and this section; and~~

~~(3) the number of children in clause (1) who the superintendent has determined are not in compliance with section 120A.22 and this section.~~

Sec. 3. Minnesota Statutes 2008, section 120A.26, subdivision 5, is amended to read:

Subd. 5. **Notice to county attorney.** If the alleged violations are not corrected ~~through the fact finding and mediation process under subdivision 4~~ within 15 days of receipt of the written notification, the superintendent must notify the county attorney of the alleged violations. The superintendent must notify the parents, by certified mail, of the superintendent's intent to notify the county attorney of the alleged violations.

Sec. 4. Minnesota Statutes 2008, section 120A.32, is amended to read:

120A.32 OFFICERS, TEACHERS; NEGLECT OF DUTY; PENALTY.

Any school officer, truant officer, public or nonpublic school teacher, principal, district superintendent, or person providing instruction other than a parent refusing, willfully failing, or neglecting to perform any duty imposed by sections 120A.22 to 120A.30, 120A.35, ~~120A.41,~~ and 123B.03 is guilty of a misdemeanor. All persons found guilty shall be punished for each offense by a fine of not more than \$10 or by imprisonment for not more than ten days. All fines, when collected, shall be paid into the county treasury for the benefit of the school district in which the offense is committed.

Sec. 5. Minnesota Statutes 2008, section 120B.11, subdivision 5, is amended to read:

Subd. 5. **Report.** (a) By October 1 of each year, the school board shall use standard statewide reporting procedures the commissioner develops and adopt a report that includes the following:

(1) student achievement goals for meeting state academic standards;

(2) results of local assessment data, and any additional test data;

(3) the annual school district improvement plans including staff development goals under section 122A.60;

(4) information about district and learning site progress in realizing previously adopted improvement plans; and

(5) the amount and type of revenue attributed to each education site as defined in section 123B.04.

(b) The school board shall publish a summary of the report in the local newspaper with the largest circulation in the district, by mail, or by electronic means such as the district Web site. If electronic means are used, school districts must publish notice of the report in a periodical of general circulation in the district. School districts must make copies of the report available to the public on request. ~~The board shall make a copy of the report available to the public for inspection. The board shall send a copy of the report to the commissioner of education by October 15 of each year.~~

(c) The title of the report shall contain the name and number of the school district and read "Annual Report on Curriculum, Instruction, and Student Achievement." The report must include at least the following information about advisory committee membership:

- (1) the name of each committee member and the date when that member's term expires;
- (2) the method and criteria the school board uses to select committee members; and
- (3) the date by which a community resident must apply to next serve on the committee.

Sec. 6. Minnesota Statutes 2008, section 122A.09, subdivision 7, is amended to read:

Subd. 7. **Commissioner's assistance; board money.** The commissioner shall provide all necessary materials and assistance for the transaction of the business of the Board of Teaching and all moneys received by the Board of Teaching shall be paid into the state treasury as provided by law. The expenses of administering sections 122A.01, 122A.05 to 122A.09, 122A.15, 122A.16, 122A.17, 122A.18, 122A.20, 122A.21, 122A.22, 122A.23, 122A.26, 122A.30, ~~122A.32~~, 122A.40, 122A.41, 122A.42, 122A.45, 122A.49, 122A.52, 122A.53, 122A.54, 122A.55, 122A.56, 122A.57, and 122A.58 which are incurred by the Board of Teaching shall be paid for from appropriations made to the Board of Teaching.

Sec. 7. Minnesota Statutes 2008, section 122A.50, is amended to read:

122A.50 PREPARATION TIME.

Beginning with agreements effective July 1, 1995, and thereafter, all collective bargaining agreements for teachers provided for under chapter 179A, must include provisions for preparation time or a provision indicating that the parties to the agreement chose not to include preparation time in the contract. Preparation time included in bargaining agreements beginning July 1, 2009, and later must not exceed 80 percent of the preparation time agreed upon in the bargaining agreement immediately preceding July 1, 2009.

If the parties cannot agree on preparation time the following provision shall apply and be incorporated as part of the agreement: "Within the student day for every 25 minutes of classroom instructional time, a minimum of five additional minutes of preparation time shall be provided to each licensed teacher. Preparation time shall be provided in one or two uninterrupted blocks during the student day. Exceptions to this may be made by mutual agreement between the district and the exclusive representative of the teachers."

Sec. 8. Minnesota Statutes 2008, section 122A.61, subdivision 1, is amended to read:

Subdivision 1. **Staff development revenue.** A district is required to reserve an amount equal to at

least two percent of the basic revenue under section 126C.10, subdivision 2, for in-service education for programs under section 120B.22, subdivision 2, for staff development plans, including plans for challenging instructional activities and experiences under section 122A.60, and for curriculum development and programs, other in-service education, teachers' workshops, teacher conferences, the cost of substitute teachers staff development purposes, preservice and in-service education for special education professionals and paraprofessionals, and other related costs for staff development efforts. A district may annually waive the requirement to reserve their basic revenue under this section if a majority vote of the licensed teachers in the district and a majority vote of the school board agree to a resolution to waive the requirement. A district in statutory operating debt is exempt from reserving basic revenue according to this section. Districts may expend an additional amount of unreserved revenue for staff development based on their needs. ~~With the exception of amounts reserved for staff development from revenues allocated directly to school sites, the board must initially allocate 50 percent of the reserved revenue to each school site in the district on a per teacher basis, which must be retained by the school site until used. The board may retain 25 percent to be used for district wide staff development efforts. The remaining 25 percent of the revenue must be used to make grants to school sites for best practices methods. A grant~~ The revenue may be used for any purpose authorized under section 120B.22, subdivision 2, 122A.60, or for the costs of curriculum development and programs, other in-service education, teachers' workshops, teacher conferences, substitute teachers for staff development purposes, and other staff development efforts, and determined by the site professional development team. The site professional development team must demonstrate to the school board the extent to which staff at the site have met the outcomes of the program. The board may withhold a portion of initial allocation of the revenue if the board determines that the staff development outcomes are not being met.

Sec. 9. Minnesota Statutes 2008, section 123B.10, subdivision 1, is amended to read:

Subdivision 1. **Budgets; form of notification.** (a) Every board must publish revenue and expenditure budgets for the current year and the actual revenues, expenditures, fund balances for the prior year and projected fund balances for the current year in a form prescribed by the commissioner within one week of the acceptance of the final audit by the board, or November 30, whichever is earlier. The forms prescribed must be designed so that year to year comparisons of revenue, expenditures and fund balances can be made.

(b) A school board annually must notify the public of its revenue, expenditures, fund balances, and other relevant budget information. The board must include the budget information required by this section in the materials provided as a part of its truth in taxation hearing, post the materials in a conspicuous place on the district's official Web site, including a link to the district's school report card on the Department of Education's Web site, and publish a summary of the information in a qualified newspaper of general circulation in the district.

Sec. 10. Minnesota Statutes 2008, section 123B.71, subdivision 1, is amended to read:

Subdivision 1. **Consultation.** A school district shall consult with the commissioner of education before developing any plans and specifications to construct, remodel, or improve the building or site of an educational facility for which the estimated cost exceeds ~~\$250,000~~ \$500,000. This consultation shall occur before a referendum for bonds, solicitation for bids, or use of capital expenditure facilities revenue according to section 126C.10, subdivision 14, clause (2). The commissioner may require the district to participate in a management assistance plan before conducting a review and comment on the project.

Sec. 11. Minnesota Statutes 2008, section 123B.71, subdivision 8, is amended to read:

Subd. 8. **Review and comment.** A school district, a special education cooperative, or a cooperative unit of government, as defined in section 123A.24, subdivision 2, must not initiate an installment contract for purchase or a lease agreement, hold a referendum for bonds, nor solicit bids for new construction, expansion, or remodeling of an educational facility that requires an expenditure in excess of ~~\$500,000~~ \$1,000,000 per school site prior to review and comment by the commissioner. The commissioner may exempt a facility maintenance project funded with general education aid and levy, alternative facilities bonding and levy program, or health and safety revenue from this provision after reviewing a written request from a school district describing the scope of work. A school board shall not separate portions of a single project into components to avoid the requirements of this subdivision.

Sec. 12. Minnesota Statutes 2008, section 123B.71, subdivision 12, is amended to read:

Subd. 12. **Publication.** (a) At least 20 days but not more than 60 days before a referendum for bonds or solicitation of bids for a project that has received a positive or unfavorable review and comment under section 123B.70, the school board shall publish a summary of the commissioner's review and comment of that project in the legal newspaper of the district. Supplementary information shall be available to the public.

(b) The publication requirement in paragraph (a) does not apply to alternative facilities projects approved under section 123B.59. Publication for alternative facilities projects shall be as specified in section 123B.59, subdivisions 3 and 3a.

Sec. 13. Minnesota Statutes 2008, section 124D.10, subdivision 13, is amended to read:

Subd. 13. **Length Timing of school year.** A charter school ~~must provide instruction each year for at least the number of days required by section 120A.41.~~ It may provide instruction throughout the year according to sections 124D.12 to 124D.127 or 124D.128.

Sec. 14. Minnesota Statutes 2008, section 124D.19, subdivision 3, is amended to read:

Subd. 3. **Community education director.** (a) Except as provided under paragraphs (b) and (c), each board shall employ a licensed community education director. The board shall submit the name of the person who is serving as director of community education under this section on the district's annual community education report to the commissioner.

(b) A board may apply to the Minnesota Board of School Administrators under Minnesota Rules, part 3512.3500, subpart 9, for authority to use an individual who is not licensed as a community education director.

(c) A board of a district with a total population of ~~2,000~~ 10,000 or less may identify an employee who holds a valid Minnesota teacher, principal, or superintendent license under Minnesota Rules, chapter 3512, to serve as director of community education. To be eligible for an exception under this paragraph, the board shall certify in writing to the commissioner that the district has not placed a licensed director of community education on unrequested leave.

Sec. 15. Minnesota Statutes 2008, section 125A.57, subdivision 2, is amended to read:

Subd. 2. **Assistive technology device.** "Assistive technology device" means any item, piece of

equipment, ~~software~~, or product system, whether acquired commercially off the shelf, modified, or customized, that is used to increase, maintain, or improve functional capabilities of children with disabilities. It does not mean a medical device that is surgically implanted, or replacement of the device.

Sec. 16. Minnesota Statutes 2008, section 125A.61, subdivision 1, is amended to read:

Subdivision 1. **State schools at Faribault.** The Minnesota State Academy for the Deaf and the Minnesota State Academy for the Blind are residential schools in Faribault. They are public schools under sections 122A.15, and 122A.16, ~~and 122A.32~~ and state educational institutions.

Sec. 17. Minnesota Statutes 2008, section 237.065, subdivision 2, is amended to read:

Subd. 2. **Basic and advanced telecommunication service; reduced rate.** (a) Notwithstanding the provisions of sections 237.09, 237.14, 237.60, subdivision 3, and 237.74, each telephone company and telecommunications carrier that provides local telephone service in a service area that includes a school that has classes within the range from kindergarten to grade 12, a public library, or a telecommunication services purchasing cooperative may provide, upon request, basic and advanced telecommunication services at reduced or no cost to that school, library, or may provide, upon request, advanced telecommunication services at reduced wholesale rates to the members of a telecommunication services purchasing cooperative. For purposes of this section, a "telecommunication services purchasing cooperative" means a cooperative organized under section 308A.210. A school or library receiving telecommunications services at reduced or no cost may not resell or sublease the discounted services. No members of a telecommunication services purchasing cooperative may resell or sublease the discounted services. A purchasing cooperative is not required to negotiate or provide a uniform rate for its members. Telecommunications services shall be provided in accordance with Public Law 104-104, and the regulations of the Federal Communications Commission adopted under the act.

(b) An agent that provides telecommunications services to a school or library may request the favorable rate on behalf of and for the exclusive benefit of the school or library. The school or library must authorize the agent to make the request of the local telephone company or telecommunications carrier. The telephone company or telecommunications carrier is not required to offer the same price discount to the agent that it would offer to the school district or library. An agent that receives a price discount for telecommunications services on behalf of a school or library may only resell or sublease the discounted services to that school or library.

(c) For the purposes of this subdivision, "school" includes a public school as defined in section 120A.05, nonpublic, and church or religious organization schools that provide instruction in compliance with sections 120A.22, and 120A.24, ~~and 120A.41.~~

Sec. 18. Minnesota Statutes 2008, section 237.066, subdivision 2, is amended to read:

Subd. 2. **Program participation.** A state government telecommunications pricing plan may be available to serve individually or collectively: state agencies; educational institutions, including public schools complying with section 120A.05, subdivision 9, 11, 13, or 17, and nonpublic schools complying with sections 120A.22, and 120A.24, ~~and 120A.41;~~ private colleges; public corporations; and political subdivisions of the state. Plans shall be available to carry out the commissioner of administration's duties under sections 16E.17 and 16E.18 and shall also be available to those entities not using the commissioner for contracting for telecommunications services.

Sec. 19. **REPEALER.**

Minnesota Statutes 2008, sections 120A.26, subdivision 4; 120A.41; 120B.11, subdivisions 6, 7, and 8; 120B.39; 122A.32; 122A.628; and 122A.75, are repealed.

ARTICLE 2

HUMAN SERVICES

Section 1. Minnesota Statutes 2008, section 157.22, is amended to read:

157.22 EXEMPTIONS.

This chapter shall not be construed to apply to:

(1) interstate carriers under the supervision of the United States Department of Health and Human Services;

(2) any building constructed and primarily used for religious worship;

(3) any building owned, operated, and used by a college or university in accordance with health regulations promulgated by the college or university under chapter 14;

(4) any person, firm, or corporation whose principal mode of business is licensed under sections 28A.04 and 28A.05, is exempt at that premises from licensure as a food or beverage establishment; provided that the holding of any license pursuant to sections 28A.04 and 28A.05 shall not exempt any person, firm, or corporation from the applicable provisions of this chapter or the rules of the state commissioner of health relating to food and beverage service establishments;

(5) family day care homes and group family day care homes governed by sections 245A.01 to 245A.16;

(6) nonprofit senior citizen centers for the sale of home-baked goods;

(7) fraternal or patriotic organizations that are tax exempt under section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(7), 501(c)(10), or 501(c)(19) of the Internal Revenue Code of 1986, or organizations related to or affiliated with such fraternal or patriotic organizations. Such organizations may organize events at which home-prepared food is donated by organization members for sale at the events, provided:

(i) the event is not a circus, carnival, or fair;

(ii) the organization controls the admission of persons to the event, the event agenda, or both; and

(iii) the organization's licensed kitchen is not used in any manner for the event;

(8) food not prepared at an establishment and brought in by individuals attending a potluck event for consumption at the potluck event. An organization sponsoring a potluck event under this clause may advertise the potluck event to the public through any means. Individuals who are not members of an organization sponsoring a potluck event under this clause may attend the potluck event and consume the food at the event. Licensed food establishments other than schools cannot be sponsors of potluck events. A school may sponsor and hold potluck events in areas of the school other than

the school's kitchen, provided that the school's kitchen is not used in any manner for the potluck event. For purposes of this clause, "school" means a public school as defined in section 120A.05, subdivisions 9, 11, 13, and 17, or a nonpublic school, church, or religious organization at which a child is provided with instruction in compliance with sections 120A.22 and 120A.24. Potluck event food shall not be brought into a licensed food establishment kitchen; ~~and~~

(9) a home school in which a child is provided instruction at home; and

(10) group residential facilities of ten or fewer beds licensed by the commissioner of human services under Minnesota Rules, chapter 2960, provided the facility employs or contracts with a certified food manager under Minnesota Rules, part 4626.2015.

Sec. 2. Minnesota Statutes 2008, section 245.4871, subdivision 10, is amended to read:

Subd. 10. **Day treatment services.** "Day treatment," "day treatment services," or "day treatment program" means a structured program of treatment and care provided to a child in:

(1) an outpatient hospital accredited by the Joint Commission on Accreditation of Health Organizations and licensed under sections 144.50 to 144.55;

(2) a community mental health center under section 245.62;

(3) an entity that is under contract with the county board to operate a program that meets the requirements of section 245.4884, subdivision 2, and Minnesota Rules, parts 9505.0170 to 9505.0475; or

(4) an entity that operates a program that meets the requirements of section 245.4884, subdivision 2, and Minnesota Rules, parts 9505.0170 to 9505.0475, that is under contract with an entity that is under contract with a county board.

Day treatment consists of group psychotherapy and other intensive therapeutic services that are provided for a minimum ~~three-hour~~ two-hour time block by a multidisciplinary staff under the clinical supervision of a mental health professional. Day treatment may include education and consultation provided to families and other individuals as an extension of the treatment process. The services are aimed at stabilizing the child's mental health status, and developing and improving the child's daily independent living and socialization skills. Day treatment services are distinguished from day care by their structured therapeutic program of psychotherapy services. Day treatment services are not a part of inpatient hospital or residential treatment services. ~~Day treatment services for a child are an integrated set of education, therapy, and family interventions.~~

A day treatment service must be available to a child ~~at least five days a week~~ throughout the year and must be coordinated with, integrated with, or part of an education program offered by the child's school.

Sec. 3. Minnesota Statutes 2008, section 245.4885, subdivision 1a, is amended to read:

Subd. 1a. **Emergency admission.** Effective July 1, 2006, if a child is admitted to a treatment foster care setting, residential treatment facility, or acute care hospital for emergency treatment or held for emergency care by a regional treatment center under section 253B.05, subdivision 1, the level of care determination must occur within ~~three~~ five working days of admission.

Sec. 4. Minnesota Statutes 2008, section 256.935, is amended to read:

256.935 CREMATION AND FUNERAL EXPENSES, PAYMENT BY COUNTY AGENCY.

Subdivision 1. **Funeral expenses.** On the death of any person receiving public assistance through MFIP, the county agency shall attempt to contact the decedent's spouse or next of kin. If the agency is not able to contact a spouse or next of kin, the agency shall pay for cremation of the person's remains. If the county agency contacts the decedent's spouse or next of kin and it is determined that cremation is not in accordance with the religious and moral beliefs of the decedent or the decedent's spouse or the decedent's next of kin, the county agency shall pay an amount for funeral expenses not exceeding the amount paid for comparable services under section 261.035 plus actual cemetery charges. No cremation or funeral expenses shall be paid if the estate of the deceased is sufficient to pay such expenses or if the spouse, who was legally responsible for the support of the deceased while living, is able to pay such expenses; ~~provided, that the additional payment or donation of the cost of cemetery lot, interment, religious service, or for the transportation of the body into or out of the community in which the deceased resided, shall not limit payment by the county agency as herein authorized. Freedom of choice in the selection of a funeral director shall be granted to persons lawfully authorized to make arrangements for the burial of any such deceased recipient.~~ In determining the sufficiency of such estate, due regard shall be had for the nature and marketability of the assets of the estate. The county agency may grant cremation or funeral expenses where the sale would cause undue loss to the estate. Any amount paid for cremation or funeral expenses shall be a prior claim against the estate, as provided in section 524.3-805, and any amount recovered shall be reimbursed to the agency which paid the expenses. The commissioner shall specify requirements for reports, including fiscal reports, according to section 256.01, subdivision 2, paragraph ~~(17)~~ (q). The state share shall pay the entire amount of county agency expenditures. Benefits shall be issued to recipients by the state or county subject to provisions of section 256.017.

Sec. 5. Minnesota Statutes 2008, section 256B.0943, subdivision 4, is amended to read:

Subd. 4. **Provider entity certification.** (a) Effective July 1, 2003, the commissioner shall establish an initial provider entity application and certification process and recertification process to determine whether a provider entity has an administrative and clinical infrastructure that meets the requirements in subdivisions 5 and 6. The commissioner shall recertify a provider entity at least every three years. The commissioner shall establish a process for decertification of a provider entity that no longer meets the requirements in this section. The county, tribe, and the commissioner shall be mutually responsible and accountable for the county's, tribe's, and state's part of the certification, recertification, and decertification processes.

(b) For purposes of this section, a provider entity must be:

- (1) an Indian health services facility or a facility owned and operated by a tribe or tribal organization operating as a 638 facility under Public Law 93-638 certified by the state;
- (2) a county-operated entity certified by the state; or
- (3) a noncounty entity ~~recommended for certification by the provider's host county and~~ certified by the state.

Sec. 6. Minnesota Statutes 2008, section 256B.0943, subdivision 6, is amended to read:

Subd. 6. **Provider entity clinical infrastructure requirements.** (a) To be an eligible provider

entity under this section, a provider entity must have a clinical infrastructure that utilizes diagnostic assessment, an individualized treatment plan, service delivery, and individual treatment plan review that are culturally competent, child-centered, and family-driven to achieve maximum benefit for the client. The provider entity must review, and update as necessary, the clinical policies and procedures every three years and must distribute the policies and procedures to staff initially and upon each subsequent update.

(b) The clinical infrastructure written policies and procedures must include policies and procedures for:

(1) providing or obtaining a client's diagnostic assessment that identifies acute and chronic clinical disorders, co-occurring medical conditions, sources of psychological and environmental problems, ~~and~~ including a functional assessment. The functional assessment component must clearly summarize the client's individual strengths and needs;

(2) developing an individual treatment plan that is:

(i) based on the information in the client's diagnostic assessment;

(ii) developed no later than the end of the first psychotherapy session after the completion of the client's diagnostic assessment by the mental health professional who provides the client's psychotherapy;

(iii) developed through a child-centered, family-driven planning process that identifies service needs and individualized, planned, and culturally appropriate interventions that contain specific treatment goals and objectives for the client and the client's family or foster family;

(iv) reviewed at least once every 90 days and revised, if necessary; and

(v) signed by the client or, if appropriate, by the client's parent or other person authorized by statute to consent to mental health services for the client;

(3) developing an individual behavior plan that documents services to be provided by the mental health behavioral aide. The individual behavior plan must include:

(i) detailed instructions on the service to be provided;

(ii) time allocated to each service;

(iii) methods of documenting the child's behavior;

(iv) methods of monitoring the child's progress in reaching objectives; and

(v) goals to increase or decrease targeted behavior as identified in the individual treatment plan;

(4) clinical supervision of the mental health practitioner and mental health behavioral aide. A mental health professional must document the clinical supervision the professional provides by cosigning individual treatment plans and making entries in the client's record on supervisory activities. Clinical supervision does not include the authority to make or terminate court-ordered placements of the child. A clinical supervisor must be available for urgent consultation as required by the individual client's needs or the situation. Clinical supervision may occur individually or in a small group to discuss treatment and review progress toward goals. The focus of clinical

supervision must be the client's treatment needs and progress and the mental health practitioner's or behavioral aide's ability to provide services;

(4a) CTSS certified provider entities providing day treatment programs must meet the conditions in items (i) to (iii):

(i) the supervisor must be present and available on the premises more than 50 percent of the time in a five-working-day period during which the supervisee is providing a mental health service;

(ii) the diagnosis and the client's individual treatment plan or a change in the diagnosis or individual treatment plan must be made by or reviewed, approved, and signed by the supervisor; and

(iii) every 30 days, the supervisor must review and sign the record ~~of~~ indicating the supervisor has reviewed the client's care for all activities in the preceding 30-day period;

(4b) for all other services provided under CTSS, clinical supervision standards provided in items (i) to (iii) must be used:

(i) medical assistance shall reimburse a mental health practitioner who maintains a consulting relationship with a mental health professional who accepts full professional responsibility ~~and is present on-site for at least one observation during the first 12 hours in which the mental health practitioner provides the individual, family, or group skills training to the child or the child's family;~~

(ii) ~~thereafter,~~ the mental health professional is required to be present on site for observation as clinically appropriate when the mental health practitioner is providing individual, family, or group skills training to the child or the child's family; and

(iii) when conducted, the observation must be a minimum of one clinical unit. The on-site presence of the mental health professional must be documented in the child's record and signed by the mental health professional who accepts full professional responsibility;

(5) providing direction to a mental health behavioral aide. For entities that employ mental health behavioral aides, the clinical supervisor must be employed by the provider entity or other certified children's therapeutic supports and services provider entity to ensure necessary and appropriate oversight for the client's treatment and continuity of care. The mental health professional or mental health practitioner giving direction must begin with the goals on the individualized treatment plan, and instruct the mental health behavioral aide on how to construct therapeutic activities and interventions that will lead to goal attainment. The professional or practitioner giving direction must also instruct the mental health behavioral aide about the client's diagnosis, functional status, and other characteristics that are likely to affect service delivery. Direction must also include determining that the mental health behavioral aide has the skills to interact with the client and the client's family in ways that convey personal and cultural respect and that the aide actively solicits information relevant to treatment from the family. The aide must be able to clearly explain the activities the aide is doing with the client and the activities' relationship to treatment goals. Direction is more didactic than is supervision and requires the professional or practitioner providing it to continuously evaluate the mental health behavioral aide's ability to carry out the activities of the individualized treatment plan and the individualized behavior plan. When providing direction, the professional or practitioner must:

(i) review progress notes prepared by the mental health behavioral aide for accuracy and

consistency with diagnostic assessment, treatment plan, and behavior goals and the professional or practitioner must approve and sign the progress notes;

(ii) identify changes in treatment strategies, revise the individual behavior plan, and communicate treatment instructions and methodologies as appropriate to ensure that treatment is implemented correctly;

(iii) demonstrate family-friendly behaviors that support healthy collaboration among the child, the child's family, and providers as treatment is planned and implemented;

(iv) ensure that the mental health behavioral aide is able to effectively communicate with the child, the child's family, and the provider; and

(v) record the results of any evaluation and corrective actions taken to modify the work of the mental health behavioral aide;

(6) providing service delivery that implements the individual treatment plan and meets the requirements under subdivision 9; and

(7) individual treatment plan review. The review must determine the extent to which the services have met the goals and objectives in the previous treatment plan. The review must assess the client's progress and ensure that services and treatment goals continue to be necessary and appropriate to the client and the client's family or foster family. Revision of the individual treatment plan does not require a new diagnostic assessment unless the client's mental health status has changed markedly. The updated treatment plan must be signed by the client, if appropriate, and by the client's parent or other person authorized by statute to give consent to the mental health services for the child.

Sec. 7. Minnesota Statutes 2008, section 256B.0943, subdivision 9, is amended to read:

Subd. 9. **Service delivery criteria.** (a) In delivering services under this section, a certified provider entity must ensure that:

(1) each individual provider's caseload size permits the provider to deliver services to both clients with severe, complex needs and clients with less intensive needs. The provider's caseload size should reasonably enable the provider to play an active role in service planning, monitoring, and delivering services to meet the client's and client's family's needs, as specified in each client's individual treatment plan;

(2) site-based programs, including day treatment and preschool programs, provide staffing and facilities to ensure the client's health, safety, and protection of rights, and that the programs are able to implement each client's individual treatment plan;

(3) a day treatment program is provided to a group of clients by a multidisciplinary team under the clinical supervision of a mental health professional. The day treatment program must be provided in and by: (i) an outpatient hospital accredited by the Joint Commission on Accreditation of Health Organizations and licensed under sections 144.50 to 144.55; (ii) a community mental health center under section 245.62; and (iii) an entity that is under contract with the county board to operate a program that meets the requirements of sections 245.4712, subdivision 2, and 245.4884, subdivision 2, and Minnesota Rules, parts 9505.0170 to 9505.0475. The day treatment program must stabilize the client's mental health status while developing and improving the client's independent living and socialization skills. The goal of the day treatment program must be to reduce or relieve the effects

of mental illness and provide training to enable the client to live in the community. The program must be available at least one day a week for a ~~three-hour~~ two-hour time block. The ~~three-hour~~ two-hour time block must include at least one hour, ~~but no more than two hours~~, of individual or group psychotherapy. ~~The remainder of the three-hour time block may include recreation therapy, socialization therapy, or independent living skills therapy, but only if the therapies are included in the client's individual treatment plan.~~ The structured treatment program may include individual or group psychotherapy and recreation therapy, socialization therapy, or independent living skills therapy, if included in the client's individual treatment plan. Day treatment programs are not part of inpatient or residential treatment services; and

(4) a preschool program is a structured treatment program offered to a child who is at least 33 months old, but who has not yet reached the first day of kindergarten, by a preschool multidisciplinary team in a day program licensed under Minnesota Rules, parts 9503.0005 to 9503.0175. The program must be available at least one day a week for a minimum two-hour time block. The structured treatment program may include individual or group psychotherapy and recreation therapy, socialization therapy, or independent living skills therapy, if included in the client's individual treatment plan.

(b) A provider entity must deliver the service components of children's therapeutic services and supports in compliance with the following requirements:

(1) individual, family, and group psychotherapy must be delivered as specified in Minnesota Rules, part 9505.0323;

(2) individual, family, or group skills training must be provided by a mental health professional or a mental health practitioner who has a consulting relationship with a mental health professional who accepts full professional responsibility for the training;

(3) crisis assistance must be time-limited and designed to resolve or stabilize crisis through arrangements for direct intervention and support services to the child and the child's family. Crisis assistance must utilize resources designed to address abrupt or substantial changes in the functioning of the child or the child's family as evidenced by a sudden change in behavior with negative consequences for well being, a loss of usual coping mechanisms, or the presentation of danger to self or others;

(4) medically necessary services that are provided by a mental health behavioral aide must be designed to improve the functioning of the child and support the family in activities of daily and community living. A mental health behavioral aide must document the delivery of services in written progress notes. The mental health behavioral aide must implement goals in the treatment plan for the child's emotional disturbance that allow the child to acquire developmentally and therapeutically appropriate daily living skills, social skills, and leisure and recreational skills through targeted activities. These activities may include:

(i) assisting a child as needed with skills development in dressing, eating, and toileting;

(ii) assisting, monitoring, and guiding the child to complete tasks, including facilitating the child's participation in medical appointments;

(iii) observing the child and intervening to redirect the child's inappropriate behavior;

(iv) assisting the child in using age-appropriate self-management skills as related to the child's

emotional disorder or mental illness, including problem solving, decision making, communication, conflict resolution, anger management, social skills, and recreational skills;

(v) implementing deescalation techniques as recommended by the mental health professional;

(vi) implementing any other mental health service that the mental health professional has approved as being within the scope of the behavioral aide's duties; or

(vii) assisting the parents to develop and use parenting skills that help the child achieve the goals outlined in the child's individual treatment plan or individual behavioral plan. Parenting skills must be directed exclusively to the child's treatment; and

(5) direction of a mental health behavioral aide must include the following:

(i) a total of one hour of on-site observation by a mental health professional during the first 12 hours of service provided to a child;

(ii) ongoing on-site observation by a mental health professional or mental health practitioner for at least a total of one hour during every 40 hours of service provided to a child; and

(iii) immediate accessibility of the mental health professional or mental health practitioner to the mental health behavioral aide during service provision.

Sec. 8. Minnesota Statutes 2008, section 256F.13, subdivision 1, is amended to read:

Subdivision 1. **Federal revenue enhancement.** (a) The commissioner of human services may enter into an agreement with one or more family services collaboratives to enhance federal reimbursement under title IV-E of the Social Security Act and federal administrative reimbursement under title XIX of the Social Security Act. The commissioner may contract with the Department of Education for purposes of transferring the federal reimbursement to the commissioner of education to be distributed to the collaboratives according to clause (2). The commissioner shall have the following authority and responsibilities regarding family services collaboratives:

(1) the commissioner shall submit amendments to state plans and seek waivers as necessary to implement the provisions of this section;

(2) the commissioner shall pay the federal reimbursement earned under this subdivision to each collaborative based on their earnings. Payments to collaboratives for expenditures under this subdivision will only be made of federal earnings from services provided by the collaborative;

(3) the commissioner shall review expenditures of family services collaboratives using reports specified in the agreement with the collaborative to ensure that the base level of expenditures is continued and new federal reimbursement is used to expand education, social, health, or health-related services to young children and their families;

(4) the commissioner may reduce, suspend, or eliminate a family services collaborative's obligations to continue the base level of expenditures or expansion of services if the commissioner determines that one or more of the following conditions apply:

(i) imposition of levy limits that significantly reduce available funds for social, health, or health-related services to families and children;

(ii) reduction in the net tax capacity of the taxable property eligible to be taxed by the lead county or subcontractor that significantly reduces available funds for education, social, health, or health-related services to families and children;

(iii) reduction in the number of children under age 19 in the county, collaborative service delivery area, subcontractor's district, or catchment area when compared to the number in the base year using the most recent data provided by the State Demographer's Office; or

(iv) termination of the federal revenue earned under the family services collaborative agreement;

(5) the commissioner shall not use the federal reimbursement earned under this subdivision in determining the allocation or distribution of other funds to counties or collaboratives;

(6) the commissioner may suspend, reduce, or terminate the federal reimbursement to a provider that does not meet the reporting or other requirements of this subdivision;

(7) the commissioner shall recover from the family services collaborative any federal fiscal disallowances or sanctions for audit exceptions directly attributable to the family services collaborative's actions in the integrated fund, or the proportional share if federal fiscal disallowances or sanctions are based on a statewide random sample; and

(8) the commissioner shall establish criteria for the family services collaborative for the accounting and financial management system that will support claims for federal reimbursement.

(b) The family services collaborative shall have the following authority and responsibilities regarding federal revenue enhancement:

(1) the family services collaborative shall be the party with which the commissioner contracts. A lead county shall be designated as the fiscal agency for reporting, claiming, and receiving payments;

(2) the family services collaboratives may enter into subcontracts with other counties, school districts, special education cooperatives, municipalities, and other public and nonprofit entities for purposes of identifying and claiming eligible expenditures to enhance federal reimbursement, or to expand education, social, health, or health-related services to families and children;

~~(3) the family services collaborative must continue the base level of expenditures for education, social, health, or health-related services to families and children from any state, county, federal, or other public or private funding source which, in the absence of the new federal reimbursement earned under this subdivision, would have been available for those services, except as provided in paragraph (a), clause (4). The base year for purposes of this subdivision shall be the four-quarter calendar year ending at least two calendar quarters before the first calendar quarter in which the new federal reimbursement is earned;~~

~~(4) the family services collaborative must use all new federal reimbursement resulting from federal revenue enhancement to expand expenditures for education, social, health, or health-related services to families and children beyond the base level, except as provided in paragraph (a), clause (4);~~

~~(5)~~ (4) the family services collaborative must ensure that expenditures submitted for federal reimbursement are not made from federal funds or funds used to match other federal funds. Notwithstanding section 256B.19, subdivision 1, for the purposes of family services collaborative

expenditures under agreement with the department, the nonfederal share of costs shall be provided by the family services collaborative from sources other than federal funds or funds used to match other federal funds;

~~(6)~~ (5) the family services collaborative must develop and maintain an accounting and financial management system adequate to support all claims for federal reimbursement, including a clear audit trail and any provisions specified in the agreement; and

~~(7)~~ (6) the family services collaborative shall submit an annual report to the commissioner as specified in the agreement.

Sec. 9. Minnesota Statutes 2008, section 260C.212, subdivision 4a, is amended to read:

Subd. 4a. **Monthly caseworker visits.** (a) Every child in foster care or on a trial home visit shall be visited by the child's caseworker on a monthly basis, with the majority of visits occurring in the child's residence. For the purposes of this section, the following definitions apply:

(1) "visit" is defined as a face-to-face contact between a child and the child's caseworker;

(2) "visited on a monthly basis" is defined as at least one visit per calendar month;

(3) "the child's caseworker" is defined as the person who has responsibility for managing the child's foster care placement case or another person who has responsibility for visitation of the child, as assigned by the responsible social service agency; and

(4) "the child's residence" is defined as the home where the child is residing, and can include the foster home, child care institution, or the home from which the child was removed if the child is on a trial home visit.

(b) Caseworker visits shall be of sufficient substance and duration to address issues pertinent to case planning and service delivery to ensure the safety, permanency, and well-being of the child.

Sec. 10. Minnesota Statutes 2008, section 260C.212, subdivision 11, is amended to read:

Subd. 11. **Rules; family and group foster care.** ~~The commissioner shall revise Minnesota Rules, parts 9545.0010 to 9545.0260, the rules setting standards for family and group family foster care. The commissioner shall:~~

(1) require that, as a condition of licensure, foster care providers attend training on understanding and validating the cultural heritage of all children in their care, and on the importance of the Indian Child Welfare Act, United States Code, title 25, sections 1901 to 1923, and the Minnesota Indian Family Preservation Act, sections 260.751 to 260.835; ~~and~~

(2) review and, where necessary, revise foster care rules to reflect sensitivity to cultural diversity and differing lifestyles. Specifically, the commissioner shall examine whether space and other requirements discriminate against single-parent, minority, or low-income families who may be able to provide quality foster care reflecting the values of their own respective cultures; and

(3) relieve relative foster care providers of the requirements promulgated as a result of clauses (1) and (2) when the safety of the child is not jeopardized and as allowed under federal law.

Sec. 11. Minnesota Statutes 2008, section 261.035, is amended to read:

261.035 CREMATION AND FUNERALS AT EXPENSE OF COUNTY.

When a person dies in any county without apparent means to provide for that person's funeral or final disposition, the county board shall first investigate to determine whether that person had contracted for any prepaid funeral arrangements. If prepaid arrangements have been made, the county shall authorize arrangements to be implemented in accord with the instructions of the deceased. If it is determined that the person did not leave sufficient means to defray the necessary expenses of a funeral and final disposition, nor any spouse of sufficient ability to procure the burial, the county board shall provide for ~~a funeral and final disposition~~ cremation of the person's remains ~~to be made~~ at the expense of the county. If it is determined that cremation is not in accordance with the religious and moral beliefs of the decedent or the decedent's spouse or the decedent's next of kin, the county board shall provide for a funeral. Any funeral and final disposition provided at the expense of the county shall be in accordance with religious and moral beliefs of the decedent or the decedent's spouse or the decedent's next of kin. If the wishes of the decedent are not known and the county has no information about the existence of or location of any next of kin, the county ~~may determine the method of final disposition~~ shall provide for cremation of the person's remains.

ARTICLE 3

HEALTH CARE

Section 1. Minnesota Statutes 2008, section 62Q.37, subdivision 3, is amended to read:

Subd. 3. **Audits.** (a) The commissioner may conduct routine audits and investigations as prescribed under the commissioner's respective state authorizing statutes. If a nationally recognized independent organization has conducted an audit of the health plan company using audit procedures that are comparable to or more stringent than the commissioner's audit procedures:

(1) the commissioner ~~may~~ shall accept the independent audit and require no further audit if the results of the independent audit show that the performance standard being audited meets or exceeds state standards;

(2) the commissioner may accept the independent audit and limit further auditing if the results of the independent audit show that the performance standard being audited partially meets state standards;

(3) the health plan company must demonstrate to the commissioner that the nationally recognized independent organization that conducted the audit is qualified and that the results of the audit demonstrate that the particular performance standard partially or fully meets state standards; and

(4) if the commissioner has partially or fully accepted an independent audit of the performance standard, the commissioner may use the finding of a deficiency with regard to statutes or rules by an independent audit as the basis for a targeted audit or enforcement action.

(b) If a health plan company has formally delegated activities that are required under either state law or contract to another organization that has undergone an audit by a nationally recognized independent organization, that health plan company may use the nationally recognized accrediting body's determination on its own behalf under this section.

Sec. 2. Minnesota Statutes 2008, section 144A.04, subdivision 11, is amended to read:

Subd. 11. **Incontinent residents.** Notwithstanding Minnesota Rules, part 4658.0520, an incontinent resident must be checked according to a specific time interval written in the resident's treated according to the comprehensive assessment and care plan. The resident's attending physician must authorize in writing any interval longer than two hours unless the resident, if competent, or a family member or legally appointed conservator, guardian, or health care agent of a resident who is not competent, agrees in writing to waive physician involvement in determining this interval, and this waiver is documented in the resident's care plan.

Sec. 3. Minnesota Statutes 2008, section 144A.04, is amended by adding a subdivision to read:

Subd. 12. **Resident positioning.** Notwithstanding Minnesota Rules, part 4658.0525, subpart 4, the position of residents unable to change their own position must be changed based on the comprehensive assessment and care plan.

Sec. 4. Minnesota Statutes 2008, section 144A.43, is amended by adding a subdivision to read:

Subd. 5. **Medication reminder.** "Medication reminder" means providing a verbal or visual reminder to a client to take medication. This includes bringing the medication to the client and providing liquids or nutrition to accompany medication that a client is self-administering.

Sec. 5. Minnesota Statutes 2008, section 144A.45, subdivision 1, is amended to read:

Subdivision 1. **Rules.** The commissioner shall adopt rules for the regulation of home care providers pursuant to sections 144A.43 to 144A.47. The rules shall include the following:

(1) provisions to assure, to the extent possible, the health, safety and well-being, and appropriate treatment of persons who receive home care services;

(2) requirements that home care providers furnish the commissioner with specified information necessary to implement sections 144A.43 to 144A.47;

(3) standards of training of home care provider personnel, which may vary according to the nature of the services provided or the health status of the consumer;

(4) standards for medication management which may vary according to the nature of the services provided, the setting in which the services are provided, or the status of the consumer. Medication management includes the central storage, handling, distribution, and administration of medications;

(5) standards for supervision of home care services requiring supervision by a registered nurse or other appropriate health care professional which must occur on site at least every 62 days, or more frequently if indicated by a clinical assessment, and in accordance with sections 148.171 to 148.285 and rules adopted thereunder, except that, notwithstanding the provisions of Minnesota Rules, part 4668.0110, subpart 5, item B, supervision of a person performing home care aide tasks for a class B licensee providing paraprofessional services must occur only every 180 days, or more frequently if indicated by a clinical assessment does not require nursing supervision;

(6) standards for client evaluation or assessment which may vary according to the nature of the services provided or the status of the consumer;

(7) requirements for the involvement of a consumer's physician, the documentation of physicians' orders, if required, and the consumer's treatment plan, and the maintenance of accurate, current clinical records;

(8) the establishment of different classes of licenses for different types of providers and different standards and requirements for different kinds of home care services; and

(9) operating procedures required to implement the home care bill of rights.

Sec. 6. Minnesota Statutes 2008, section 144A.45, is amended by adding a subdivision to read:

Subd. 1b. **Home health aide qualifications.** Notwithstanding the provisions of Minnesota Rules, part 4668.0100, subpart 5, a person may perform home health aide tasks if the person maintains current registration as a nursing assistant on the Minnesota nursing assistant registry. Maintaining current registration on the Minnesota nursing assistant registry satisfies the documentation requirements of Minnesota Rules, part 4668.0110, subpart 3.

Sec. 7. **[245B.031] ACCREDITATION, ALTERNATIVE INSPECTION, AND DEEMED COMPLIANCE.**

Subdivision 1. **Day training and habilitation or supported employment services programs; alternative inspection status.** (a) A license holder providing day training and habilitation services or supported employment services according to this chapter, with a three-year accreditation from the Commission on Rehabilitation Facilities, that has had at least one on-site inspection by the commissioner following issuance of the initial license may request alternative inspection status under this section.

(b) The request for alternative inspection status must be made in the manner prescribed by the commissioner, and must include:

(1) a copy of the license holder's application to the Commission on Rehabilitation Facilities for accreditation;

(2) the most recent Commission on Rehabilitation Facilities accreditation survey report; and

(3) the most recent letter confirming the three-year accreditation and approval of the license holder's quality improvement plan.

Based on the request and the accompanying materials, the commissioner may approve alternative inspection status.

(c) Following approval of alternative inspection status, the commissioner may terminate the alternative inspection status or deny a subsequent alternative inspection status if the commissioner determines that any of the following conditions have occurred after approval of the alternative inspection process:

(1) the license holder has not maintained full three-year accreditation;

(2) the commissioner has substantiated maltreatment for which the license holder or facility is determined to be responsible during the three-year accreditation period; and

(3) during the three-year accreditation period, the license holder has been issued an order for conditional license, a fine, suspension, or license revocation that has not been reversed upon appeal.

(d) The commissioner's decision that the conditions for approval for the alternative licensing inspection status have not been met is final and not subject to appeal under the provisions of chapter

14.

Subd. 2. **Programs with three-year accreditation, exempt from certain statutes.** (a) A license holder approved for alternative inspection status under this section is exempt from the requirements under:

- (1) section 245B.04;
- (2) section 245B.05, subdivisions 5 and 6;
- (3) section 245B.06, subdivisions 1, 3, 4, 5, and 6; and
- (4) section 245B.07, subdivisions 1, 4, and 6.

(b) Upon receipt of a complaint regarding a requirement under paragraph (a), the commissioner shall refer the complaint to the Commission on Rehabilitation Facilities for possible follow-up.

Subd. 3. **Programs with three-year accreditation, deemed to be in compliance with nonexempt licensing requirements.** (a) License holders approved for alternative inspection status under this section are required to maintain compliance with all licensing standards from which they are not exempt under subdivision 2, paragraph (a).

(b) License holders approved for alternative inspection status under this section shall be deemed to be in compliance with all nonexempt statutes, and the commissioner shall not perform routine licensing inspections.

(c) Upon receipt of a complaint regarding the services of a license holder approved for alternative inspection under this section that is not related to a licensing requirement from which the license holder is exempt under subdivision 2, the commissioner shall investigate the complaint and may take any action as provided under section 245A.06 or 245A.07.

Subd. 4. **Investigations of alleged maltreatment of minors or vulnerable adults.** Nothing in this section changes the commissioner's responsibilities to investigate alleged or suspected maltreatment of a minor under section 626.556 or vulnerable adult under section 626.557.

Subd. 5. **Commissioner request to the Commission on Rehabilitation Facilities to expand accreditation survey.** The commissioner shall submit a request to the Commission on Rehabilitation Facilities to routinely inspect for compliance with standards that are similar to the following nonexempt licensing requirements:

- (1) section 245A.65;
- (2) section 245A.66;
- (3) section 245B.05, subdivisions 1, 2, and 7;
- (4) section 245B.055;
- (5) section 245B.06, subdivisions 2, 7, 9, and 10;
- (6) section 245B.07, subdivisions 2, 5, and 8, paragraph (a), clause (7);
- (7) section 245C.04, subdivision 1, paragraph (f);

(8) section 245C.07;

(9) section 245C.13, subdivision 2;

(10) section 245C.20; and

(11) Minnesota Rules, parts 9525.2700 to 9525.2810.

Sec. 8. Minnesota Statutes 2008, section 256.962, subdivision 6, is amended to read:

Subd. 6. School districts and charter schools. (a) At the beginning of each school year, a school district or charter school shall provide information to each student on the availability of health care coverage through the Minnesota health care programs.

~~(b) For each child who is determined to be eligible for the free and reduced price school lunch program, the district shall provide the child's family with information on how to obtain an application for the Minnesota health care programs and application assistance.~~

~~(c)~~ (e) A school district or charter school shall also ensure that applications and information on application assistance are available at early childhood education sites and public schools located within the district's jurisdiction.

~~(d)~~ (c) Each district shall designate an enrollment specialist to provide application assistance and follow-up services with families who have indicated an interest in receiving information or an application for the Minnesota health care program. A district is eligible for the application assistance bonus described in subdivision 5.

~~(e) Each~~ (d) If a school district or charter school maintains a district Web site, the school district or charter school shall provide on ~~their~~ its Web site a link to information on how to obtain an application and application assistance.

Sec. 9. Minnesota Statutes 2008, section 471.61, subdivision 1, is amended to read:

Subdivision 1. **Officers, employees.** A county, municipal corporation, town, school district, county extension committee, other political subdivision or other body corporate and politic of this state, other than the state or any department of the state, through its governing body, and any two or more subdivisions acting jointly through their governing bodies, may insure or protect its or their officers and employees, and their dependents, or any class or classes of officers, employees, or dependents, under a policy or policies or contract or contracts of group insurance or benefits covering life, health, and accident, in the case of employees, and medical and surgical benefits and hospitalization insurance or benefits for both employees and dependents or dependents of an employee whose death was due to causes arising out of and in the course of employment, or any one or more of those forms of insurance or protection. A governmental unit, including county extension committees and those paying their employees, may pay all or any part of the premiums or charges on the insurance or protection. A payment is deemed to be additional compensation paid to the officers or employees, but for purposes of determining contributions or benefits under a public pension or retirement system it is not deemed to be additional compensation. One or more governmental units may determine that a person is an officer or employee if the person receives income from the governmental subdivisions without regard to the manner of election or appointment, including but not limited to employees of county historical societies that receive funding from the county and employees of the Minnesota Inter-county Association. The appropriate officer of the governmental

unit, or those disbursing county extension funds, shall deduct from the salary or wages of each officer and employee who elects to become insured or so protected, on the officer's or employee's written order, all or part of the officer's or employee's share of premiums or charges and remit the share or portion to the insurer or company issuing the policy or contract.

A governmental unit, other than a school district, that pays all or part of the premiums or charges is authorized to levy and collect a tax, if necessary, in the next annual tax levy for the purpose of providing the necessary money for the payment of the premiums or charges, and the sums levied and appropriated are not, in the event the sum exceeds the maximum sum allowed by the charter of a municipal corporation, considered part of the cost of government of the governmental unit as defined in any levy or expenditure limitation; provided at least 50 percent of the cost of benefits on dependents must be contributed by the employee or be paid by levies within existing charter tax limitations.

The word "dependents" as used in this subdivision means spouse and minor unmarried children under the age of 18 years actually dependent upon the employee.

Notwithstanding any other law to the contrary, a political subdivision described in this subdivision may provide health benefits to its employees, dependents, and other eligible persons through negotiated contributions to self-funded multiemployer health and welfare funds.

EFFECTIVE DATE. This section is effective the day following final enactment; applies to contributions made before, on, or after that date; and is intended as a clarification of existing law.

ARTICLE 4

PUBLIC SAFETY

Section 1. Minnesota Statutes 2008, section 260B.171, subdivision 3, is amended to read:

Subd. 3. **Disposition order; copy to school.** (a) If a juvenile is enrolled in school, the juvenile's probation officer shall ~~transmit~~ ensure that either mailed notice or an electronic copy of the court's disposition order be transmitted to the superintendent of the juvenile's school district or the chief administrative officer of the juvenile's school if the juvenile has been adjudicated delinquent for committing an act on the school's property or an act:

(1) that would be a violation of section 609.185 (first-degree murder); 609.19 (second-degree murder); 609.195 (third-degree murder); 609.20 (first-degree manslaughter); 609.205 (second-degree manslaughter); 609.21 (criminal vehicular homicide and injury); 609.221 (first-degree assault); 609.222 (second-degree assault); 609.223 (third-degree assault); 609.2231 (fourth-degree assault); 609.224 (fifth-degree assault); 609.2242 (domestic assault); 609.24 (simple robbery); 609.245 (aggravated robbery); 609.25 (kidnapping); 609.255 (false imprisonment); 609.342 (first-degree criminal sexual conduct); 609.343 (second-degree criminal sexual conduct); 609.344 (third-degree criminal sexual conduct); 609.345 (fourth-degree criminal sexual conduct); 609.3451 (fifth-degree criminal sexual conduct); 609.498 (tampering with a witness); 609.561 (first-degree arson); 609.582, subdivision 1 or 2 (burglary); 609.713 (terroristic threats); or 609.749 (harassment and stalking), if committed by an adult;

(2) that would be a violation of section 152.021 (first-degree controlled substance crime); 152.022 (second-degree controlled substance crime); 152.023 (third-degree controlled substance crime); 152.024 (fourth-degree controlled substance crime); 152.025 (fifth-degree controlled

substance crime); 152.0261 (importing a controlled substance); 152.0262 (possession of substances with intent to manufacture methamphetamine); or 152.027 (other controlled substance offenses), if committed by an adult; or

(3) that involved the possession or use of a dangerous weapon as defined in section 609.02, subdivision 6.

When a disposition order is transmitted under this subdivision, the probation officer shall notify the juvenile's parent or legal guardian that the disposition order has been shared with the juvenile's school.

(b) In addition, the juvenile's probation officer may transmit a copy of the court's disposition order to the superintendent of the juvenile's school district or the chief administrative officer of the juvenile's school if the juvenile has been adjudicated delinquent for offenses not listed in paragraph (a) and placed on probation. The probation officer shall notify the superintendent or chief administrative officer when the juvenile is discharged from probation.

(c) The disposition order must be accompanied by a notice to the school that the school may obtain additional information from the juvenile's probation officer with the consent of the juvenile or the juvenile's parents, as applicable. The disposition order must be maintained, shared, or released only as provided in section 121A.75.

(d) The juvenile's probation officer shall maintain a record of disposition orders released under this subdivision and the basis for the release.

(e) No later than September 1, 2002, the criminal and juvenile justice information policy group, in consultation with representatives of probation officers and educators, shall prepare standard forms for use by juvenile probation officers in forwarding information to schools under this subdivision and in maintaining a record of the information that is released. The group shall provide a copy of any forms or procedures developed under this paragraph to the legislature by January 15, 2003.

(f) As used in this subdivision, "school" means a charter school or a school as defined in section 120A.22, subdivision 4, except a home school.

Sec. 2. Minnesota Statutes 2008, section 609.115, subdivision 1, is amended to read:

Subdivision 1. **Presentence investigation.** (a) When a defendant has been convicted of a misdemeanor or gross misdemeanor, the court may, and when the defendant has been convicted of a felony, the court shall, before sentence is imposed, cause a presentence investigation and written report to be made to the court concerning the defendant's individual characteristics, circumstances, needs, potentialities, criminal record and social history, the circumstances of the offense and the harm caused by it to others and to the community. At the request of the prosecutor in a gross misdemeanor case, the court shall order that a presentence investigation and report be prepared. The investigation shall be made by a probation officer of the court, if there is one; otherwise it shall be made by the commissioner of corrections. The officer conducting the presentence or predispositional investigation shall make reasonable and good faith efforts to contact and provide the victim with the information required under section 611A.037, subdivision 2. Presentence investigations shall be conducted and summary hearings held upon reports and upon the sentence to be imposed upon the defendant in accordance with this section, section 244.10, and the Rules of Criminal Procedure.

(b) When the crime is a violation of sections 609.561 to 609.563, 609.5641, or 609.576 and involves a fire, the report shall include a description of the financial and physical harm the offense has had on the public safety personnel who responded to the fire. For purposes of this paragraph, "public safety personnel" means the state fire marshal; employees of the Division of the State Fire Marshal; firefighters, regardless of whether the firefighters receive any remuneration for providing services; peace officers, as defined in section 626.05, subdivision 2; individuals providing emergency management services; and individuals providing emergency medical services.

(c) When the crime is a felony violation of chapter 152 involving the sale or distribution of a controlled substance, the report ~~shall~~ may include a description of any adverse social or economic effects the offense has had on persons who reside in the neighborhood where the offense was committed.

(d) The report shall also include the information relating to crime victims required under section 611A.037, subdivision 1. If the court directs, the report shall include an estimate of the prospects of the defendant's rehabilitation and recommendations as to the sentence which should be imposed. In misdemeanor cases the report may be oral.

(e) When a defendant has been convicted of a felony, and before sentencing, the court shall cause a sentencing worksheet to be completed to facilitate the application of the Minnesota Sentencing Guidelines. The worksheet shall be submitted as part of the presentence investigation report.

(f) When a person is convicted of a felony for which the Sentencing Guidelines presume that the defendant will be committed to the commissioner of corrections under an executed sentence and no motion for a sentencing departure has been made by counsel, the court may, when there is no space available in the local correctional facility, commit the defendant to the custody of the commissioner of corrections, pending completion of the presentence investigation and report. When a defendant is convicted of a felony for which the Sentencing Guidelines do not presume that the defendant will be committed to the commissioner of corrections, or for which the Sentencing Guidelines presume commitment to the commissioner but counsel has moved for a sentencing departure, the court may commit the defendant to the commissioner with the consent of the commissioner, pending completion of the presentence investigation and report. The county of commitment shall return the defendant to the court when the court so orders.

ARTICLE 5

LOCAL GOVERNMENT

Section 1. Minnesota Statutes 2008, section 6.80, is amended by adding a subdivision to read:

Subd. 8. **Group applications.** Local government units similarly situated for the purposes of a specific administrative rule or state procedural law may submit a group application for a waiver or temporary exemption. The application must provide all of the information required in subdivision 2 with regard to each local government unit included in the application to the extent the information differs from any other local government unit included in the application. Each local government unit included must provide a copy of the application to the exclusive representative certified under section 179A.12 to represent employees who provide the service or program affected by the requested waiver or exemption. Review of the group application shall be the same as for a single local government unit's application. If granted, the agreement must be the same for all included in the application and it applies to each local government unit that enters into the agreement with

the state auditor.

Sec. 2. [14.128] EFFECTIVE DATE FOR RULES REQUIRING LOCAL IMPLEMENTATION.

Subdivision 1. **Determination.** An agency must determine if a local government will be required to adopt or amend an ordinance or other regulation to comply with a proposed agency rule. An agency must make this determination before the close of the hearing record or before the agency submits the record to the administrative law judge if there is no hearing. The administrative law judge must review and approve or disapprove the agency's determination. "Local government" means a town, county, or home rule charter or statutory city.

Subd. 2. **Effective dates.** If the agency determines that the proposed rule requires adoption or amendment of an ordinance or other regulation, or if the administrative law judge disapproves the agency's determination that the rule does not have this effect, the rule may not become effective until:

(1) the next July 1 or January 1 after notice of final adoption is published in the State Register;
or

(2) a later date provided by law or specified in the proposed rule.

Subd. 3. **Exceptions.** Subdivision 2 does not apply:

(1) to a rule adopted under section 14.388, 14.389, or 14.3895, or under another law specifying that the rulemaking procedures of this chapter do not apply;

(2) if the administrative law judge approves an agency's determination that the rule has been proposed pursuant to a specific federal statutory or regulatory mandate that requires the rule to take effect before the date specified in subdivision 1; or

(3) if the governor waives application of subdivision 2.

Sec. 3. Minnesota Statutes 2008, section 168.33, subdivision 7, is amended to read:

Subd. 7. Filing fees; allocations. (a) In addition to all other statutory fees and taxes, a filing fee of:

(1) \$4.50 is imposed on every vehicle registration renewal, excluding pro rate transactions; and

(2) \$8.50 is imposed on every other type of vehicle transaction, including pro rate transactions;

except that a filing fee may not be charged for a document returned for a refund or for a correction of an error made by the Department of Public Safety, a dealer, or a deputy registrar. The filing fee must be shown as a separate item on all registration renewal notices sent out by the commissioner. No filing fee or other fee may be charged for the permanent surrender of a title for a vehicle.

(b) The fees imposed under paragraph (a) may be paid by credit card or debit card. The deputy registrar may collect a surcharge on the fee not to exceed the cost of processing a credit card or debit card transaction, in accordance with emergency rules established by the commissioner of public safety.

(c) All of the fees collected under paragraph (a), clause (1), by the department, must be paid into

the vehicle services operating account in the special revenue fund under section 299A.705. Of the fee collected under paragraph (a), clause (2), by the department, \$3.50 must be paid into the general fund with the remainder deposited into the vehicle services operating account in the special revenue fund under section 299A.705.

EFFECTIVE DATE. This section is effective for fees collected after July 31, 2009.

Sec. 4. Minnesota Statutes 2008, section 211B.37, is amended to read:

211B.37 COSTS ASSESSED.

Subdivision 1. Cost of proceedings; statewide ballot questions. Except as otherwise provided in subdivision 2 and section 211B.36, subdivision 3, the chief administrative law judge shall assess the cost of considering complaints filed under section 211B.32 as provided in this section. Costs of complaints relating to a statewide ballot question or an election for a statewide or legislative office must be assessed against the appropriation from the general fund to the general account of the state elections campaign fund in section 10A.31, subdivision 4. Costs of complaints relating to any other ballot question or elective office must be assessed against the county or counties in which the election is held. ~~Where the election is held in more than one county, the chief administrative law judge shall apportion the assessment among the counties in proportion to their respective populations within the election district to which the complaint relates according to the most recent decennial federal census as provided in subdivision 2.~~

Subd. 2. Cost of proceedings; other ballot questions. The costs of complaints relating to a ballot question other than a statewide ballot question or an election other than an election for a statewide or legislative office must be paid by the parties in the proportions that they agree to. Notwithstanding section 14.53 or other law, the Office of Administrative Hearings is not liable for the costs. If the parties do not agree to a division of the costs before the commencement of mediation, arbitration, or hearing, the costs must be allocated on an equitable basis by the mediator, arbitrator, or chief administrative law judge. The chief administrative law judge may contract with the parties to a matter for the purpose of providing administrative law judges and reporters for an administrative proceeding or alternative dispute resolution. The chief administrative law judge shall assess the cost of services rendered by the Office of Administrative Hearings as provided by section 14.53.

Sec. 5. Minnesota Statutes 2008, section 306.243, is amended by adding a subdivision to read:

Subd. 6. Abandonment; end of operation as cemetery. A county that has accepted responsibility for an abandoned cemetery may prohibit further burials in the abandoned cemetery, and may cease all acceptance of responsibility for new burials.

Sec. 6. Minnesota Statutes 2008, section 326B.145, is amended to read:

326B.145 ANNUAL REPORT.

~~Beginning with the first report filed by June 30, 2003,~~ Each municipality shall annually report by June 30 to the department, in a format prescribed by the department, all construction and development-related fees collected by the municipality from developers, builders, and subcontractors if the cumulative fees collected exceeded \$5,000 in the reporting year, except that, for reports due June 30, 2009, to June 30, 2013, the reporting threshold is \$10,000. The report must include:

- (1) the number and valuation of units for which fees were paid;
- (2) the amount of building permit fees, plan review fees, administrative fees, engineering fees, infrastructure fees, and other construction and development-related fees; and
- (3) the expenses associated with the municipal activities for which fees were collected.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 7. Minnesota Statutes 2008, section 344.18, is amended to read:

344.18 COMPENSATION OF VIEWERS.

Fence viewers must be paid for their services by the person employing them at the rate of \$15 each for each day's employment. \$60 must be deposited with the town or city treasurer before the service is performed. Upon completion of the service, any of the \$60 not spent to compensate the fence viewers must be returned to the depositor. The town board may by resolution require the person employing the fence viewers to post a bond or other security acceptable to the board for the total estimated costs before the viewing takes place. The total estimated costs may include the cost of professional and other services, hearing costs, administrative costs, recording costs, and other costs and expenses the town may incur in connection with the viewing.

Sec. 8. Minnesota Statutes 2008, section 365.28, is amended to read:

365.28 PUBLIC BURIAL GROUND IS TOWN'S AFTER TEN YEARS.

A tract of land in a town becomes town property after it has been used as a public burial ground for ten years if the tract is not owned by a cemetery association. The town board shall control the burial ground as it controls other town cemeteries. A town that has accepted responsibility for an abandoned cemetery may prohibit further burials in the abandoned cemetery, and may cease all acceptance of responsibility for new burials.

Sec. 9. Minnesota Statutes 2008, section 373.052, subdivision 1, is amended to read:

Subdivision 1. **Business days.** County offices shall be open for public business on all business days except (a) designated by the county board. County offices shall not be open for public business on legal holidays, (b) holidays established by the county board pursuant to contract with certified employee bargaining units, and (c) emergency situations. For purposes of this section "business day" means Monday, Tuesday, Wednesday, Thursday and, or Friday.

Sec. 10. Minnesota Statutes 2008, section 373.052, is amended by adding a subdivision to read:

Subd. 1c. **Four-day work week.** The county board may by contract with certified employee bargaining units establish a four-day, 40-hour work week for county employees that may include staggered business days off or a uniform closure of county offices on the same business day each week. The county board must recognize a collective bargaining agreement under this subdivision before designating the business days as required by subdivision 1.

Sec. 11. Minnesota Statutes 2008, section 373.052, subdivision 2, is amended to read:

Subd. 2. **No loss if closed.** Any act authorized, required, or permitted by law or contract to be performed at or in county buildings, or their offices, which are closed as provided in this section,

may be performed on the next succeeding regular business day in the county and no liability or loss of rights on the part of any person shall result from the closing.

Sec. 12. Minnesota Statutes 2008, section 375.12, subdivision 2, is amended to read:

Subd. 2. **Small claims totaled.** Individualized itemized accounts, claims or demands allowed by the county board pursuant to section 471.38, subdivision 1, need not be published pursuant to subdivision 1, if the amount allowed from each claim is ~~\$300~~ \$2,000 or less. The official proceedings following the itemization of accounts required shall contain a statement showing the total number of claims that did not exceed ~~\$300~~ \$2,000 and their total dollar amount.

Sec. 13. Minnesota Statutes 2008, section 382.265, is amended to read:

382.265 CLERK HIRE IN CERTAIN COUNTIES.

In all counties of this state where the amount of clerk hire now or hereafter provided by law for any county office shall be insufficient to meet the requirements of said office, the county officer in need of additional clerk hire shall prepare a petition and statement setting forth therein the amount of additional clerk hire needed and file the same with the county auditor, who shall present the same to the board of county commissioners at the next meeting of said board. If the board of county commissioners shall grant said petition by majority vote of all members elected to the board, then the amount of additional clerk hire requested in said petition shall thereupon become effective for said office. Said board shall act on any such petition within 60 days from the time it has been filed with the county auditor. If the board of county commissioners shall determine that the amount of additional clerk hire requested in said petition is excessive and more than is necessary for said office, it shall fix the amount of such additional clerk hire to be allowed, if any, and notify such officer thereof. ~~If said county officer or any taxpayer of the county shall be dissatisfied with the decision of the board of county commissioners, the officer may, at the officer's own expense, within ten days after the decision of said board, appeal to the district court. The district court, either in term or vacation and upon ten days' notice to the chair of the board of county commissioners, shall hear such appeal and summarily determine the amount of additional clerk hire needed by an order, a copy of which shall be filed with the county auditor.~~

Sec. 14. Minnesota Statutes 2008, section 384.151, subdivision 1a, is amended to read:

Subd. 1a. **Implementation.** (a) The county board of each of the counties ~~specified in subdivision 1~~ of less than 75,000 population annually shall set by resolution the salary of the county auditor which shall be paid to the county auditor at such intervals as the board shall determine but not less often than once each month.

(b) At the January meeting prior to the first date on which applicants may file for the office of county auditor the board shall set by resolution the minimum salary to be paid the county auditor for the term next following.

(c) In the event a vacancy occurs in the office of county auditor the board may set the annual salary for the remainder of the calendar year at an amount less than was set for that year.

~~(d) The board, in any case specified in this subdivision, may not set the annual salary at an amount less than the minimums provided in this subdivision but it may set the salary in excess of such minimums.~~

~~(e)~~(d) The salary of the county auditor shall not be reduced during the term for which the auditor was elected or appointed.

~~(f)~~(e) In the event that duties are assigned to the auditor which are in addition to duties as auditor, additional compensation may be provided for the additional duties. The county board by resolution shall determine the additional compensation which shall be paid and specify the duties for which the additional compensation is to be paid.

Sec. 15. Minnesota Statutes 2008, section 385.373, subdivision 1a, is amended to read:

Subd. 1a. **Implementation.** (a) The county board of each of the counties ~~specified in subdivision 1~~ of less than 75,000 population annually shall set by resolution the salary of the county treasurer which shall be paid to the county treasurer at such intervals as the board shall determine but not less often than once each month.

(b) At the January meeting prior to the first date on which applicants may file for the office of county treasurer the board shall set by resolution the minimum salary to be paid the county treasurer for the term next following.

(c) In the event a vacancy occurs in the office of county treasurer the board may set the annual salary for the remainder of the calendar year at an amount less than was set for that year.

~~(d) The board in no case may set the annual salary at an amount less than the minimums provided in this subdivision but it may set the salary in excess of the minimums.~~

~~(e)~~(d) The salary of the county treasurer shall not be reduced during the term for which the treasurer was elected or appointed.

~~(f)~~(e) In the event that duties are assigned to the treasurer which are in addition to duties as treasurer, additional compensation may be provided for the additional duties. The county board by resolution shall determine the additional compensation which shall be paid and specify the duties for which the additional compensation is to be paid.

Sec. 16. Minnesota Statutes 2008, section 386.015, subdivision 2, is amended to read:

Subd. 2. **Board's salary procedure.** (a) The county board of each of the counties ~~specified in subdivision 1~~ of less than 75,000 population annually shall set by resolution the salary of the county recorder which shall be paid to the county recorder at such intervals as the board shall determine but not less often than once each month.

(b) At the January meeting prior to the first date on which applicants may file for the office of county recorder the board shall set by resolution the minimum salary to be paid county recorder for the term next following.

(c) In the event a vacancy occurs in the office of the county recorder the board may set the annual salary for the remainder of the calendar year at an amount less than was set for that year.

~~(d) The board in any case specified in this subdivision may not set the annual salary at an amount less than the minimum provided in subdivision 1 but it may set the salary in excess of such minimums.~~

~~(e)~~(d) The salary of the county recorder shall not be reduced during the term for which the

recorder is elected or appointed.

~~(f)~~ (e) In the event that duties are assigned to the county recorder which are in addition to duties as county recorder, additional compensation may be provided for the additional duties. The county board by resolution shall determine the additional compensation which shall be paid and specify the duties for which the additional compensation is to be paid.

Sec. 17. Minnesota Statutes 2008, section 387.20, subdivision 1, is amended to read:

Subdivision 1. **Counties under 75,000.** ~~(a) The sheriffs of all counties of the state with less than 75,000 inhabitants according to the 1960 federal census shall receive yearly salaries for all services rendered by them for their respective counties, not less than the following amounts according to the then last preceding federal census:~~

- ~~(1) in counties with less than 10,000 inhabitants, \$6,000;~~
- ~~(2) in counties with 10,000 but less than 20,000 inhabitants, \$6,500;~~
- ~~(3) in counties with 20,000 but less than 30,000 inhabitants, \$7,000;~~
- ~~(4) in counties with 30,000 but less than 40,000 inhabitants, \$7,500;~~
- ~~(5) in counties with 40,000 or more inhabitants, \$8,000.~~

~~(b)~~ (a) In addition to such the sheriff's salary each, the sheriff shall be reimbursed for all expenses incurred in the performance of official duties for the sheriff's county and the claim for such the expenses shall be prepared, allowed, and paid in the same manner as other claims against counties are prepared, allowed, and paid except that the expenses incurred by such the sheriffs in the performance of service required of them in connection with insane persons either by a district court or by law and a per diem for deputies and assistants necessarily required under such the performance of such the services shall be allowed and paid as provided by the law regulating the apprehension, examination, and commitment of insane persons; provided that any sheriff or deputy receiving an annual salary shall pay over any per diem received to the county in the manner and at the time prescribed by the county board, but not less often than once each month.

~~(e)~~ (b) All claims for livery hire shall state the purpose for which such livery was used and have attached thereto a receipt for the amount paid for such livery signed by the person of whom it was hired.

~~(d)~~ (c) A county may pay a sheriff or deputy as compensation for the use of a personal automobile in the performance of official duties a mileage allowance prescribed by the county board or a monthly or other periodic allowance in lieu of mileage. The allowance for automobile use is not subject to limits set by other law.

Sec. 18. Minnesota Statutes 2008, section 387.20, subdivision 2, is amended to read:

Subd. 2. **Board procedure, details.** ~~(a) The county board of each of the counties specified in this section of less than 75,000 population annually shall set by resolution the salary of the county sheriff which shall be paid to the county sheriff at such intervals as the board shall determine, but not less often than once each month.~~

~~(b)~~ (b) At the January meeting prior to the first date on which applicants may file for the office of

county sheriff the board shall set by resolution the minimum salary to be paid the county sheriff for the term next following.

(c) In the event a vacancy occurs in the office of county sheriff, the board may set the annual salary for the remainder of the calendar year at an amount less than was set for that year.

~~(d) The board in any case specified in this subdivision may not set the annual salary at an amount less than the minimum provided in this subdivision, but it may set the salary in excess of such minimums.~~

~~(e)~~(d) The salary of the county sheriff shall not be reduced during the term for which the sheriff was elected or appointed.

Sec. 19. Minnesota Statutes 2008, section 429.041, subdivision 1, is amended to read:

Subdivision 1. **Plans and specifications, advertisement for bids.** When the council determines to make any improvement, it shall let the contract for all or part of the work, or order all or part of the work done by day labor or otherwise as authorized by subdivision 2, no later than one year after the adoption of the resolution ordering such improvement, unless a different time limit is specifically stated in the resolution ordering the improvement. The council shall cause plans and specifications of the improvement to be made, or if previously made, to be modified, if necessary, and to be approved and filed with the clerk, and if the estimated cost exceeds ~~\$50,000~~ the amount in section 471.345, subdivision 3, shall advertise for bids for the improvement in the newspaper and such other papers and for such length of time as it may deem advisable. If the estimated cost exceeds ~~\$100,000~~ twice the amount in section 471.345, subdivision 3, publication shall be made no less than three weeks before the last day for submission of bids once in the newspaper and at least once in either a newspaper published in a city of the first class or a trade paper. To be eligible as such a trade paper, a publication shall have all the qualifications of a legal newspaper except that instead of the requirement that it shall contain general and local news, such trade paper shall contain building and construction news of interest to contractors in this state, among whom it shall have a general circulation. The advertisement shall specify the work to be done, shall state the time when the bids will be publicly opened for consideration by the council, which shall be not less than ten days after the first publication of the advertisement when the estimated cost is less than ~~\$100,000~~ twice the amount in section 471.345, subdivision 3, and not less than three weeks after such publication in other cases, and shall state that no bids will be considered unless sealed and filed with the clerk and accompanied by a cash deposit, cashier's check, bid bond, or certified check payable to the clerk, for such percentage of the amount of the bid as the council may specify. In providing for the advertisement for bids the council may direct that the bids shall be opened publicly by two or more designated officers or agents of the municipality and tabulated in advance of the meeting at which they are to be considered by the council. Nothing herein shall prevent the council from advertising separately for various portions of the work involved in an improvement, or from itself, supplying by such means as may be otherwise authorized by law, all or any part of the materials, supplies, or equipment to be used in the improvement or from combining two or more improvements in a single set of plans and specifications or a single contract.

Sec. 20. Minnesota Statutes 2008, section 429.041, subdivision 2, is amended to read:

Subd. 2. **Contracts; day labor.** In contracting for an improvement, the council shall require the execution of one or more written contracts and bonds, conditioned as required by law. The council shall award the contract to the lowest responsible bidder or it may reject all bids. If any bidder

to whom a contract is awarded fails to enter promptly into a written contract and to furnish the required bond, the defaulting bidder shall forfeit to the municipality the amount of the defaulter's cash deposit, cashier's check, bid bond, or certified check, and the council may thereupon award the contract to the next lowest responsible bidder. When it appears to the council that the cost of the entire work projected will be less than ~~\$50,000~~ the amount in section 471.345, subdivision 3, or whenever no bid is submitted after proper advertisement or the only bids submitted are higher than the engineer's estimate, the council may advertise for new bids or, without advertising for bids, directly purchase the materials for the work and do it by the employment of day labor or in any other manner the council considers proper. The council may have the work supervised by the city engineer or other qualified person but shall have the work supervised by a registered engineer if done by day labor and it appears to the council that the entire cost of all work and materials for the improvement will be more than ~~\$25,000~~ the lowest amount in section 471.345, subdivision 4. In case of improper construction or unreasonable delay in the prosecution of the work by the contractor, the council may order and cause the suspension of the work at any time and relet the contract, or order a reconstruction of any portion of the work improperly done, and where the cost of completion or reconstruction necessary will be less than ~~\$50,000~~ the amount in section 471.345, subdivision 3, the council may do it by the employment of day labor.

Sec. 21. Minnesota Statutes 2008, section 469.015, is amended to read:

469.015 LETTING OF CONTRACTS; PERFORMANCE BONDS.

Subdivision 1. **Bids; notice.** All construction work, and work of demolition or clearing, and every purchase of equipment, supplies, or materials, necessary in carrying out the purposes of sections 469.001 to 469.047, that involve expenditure of ~~\$50,000~~ the amount in section 471.345, subdivision 3, or more shall be awarded by contract. Before receiving bids the authority shall publish, once a week for two consecutive weeks in an official newspaper of general circulation in the community a notice that bids will be received for that construction work, or that purchase of equipment, supplies, or materials. The notice shall state the nature of the work and the terms and conditions upon which the contract is to be let, naming a time and place where bids will be received, opened and read publicly, which time shall be not less than seven days after the date of the last publication. After the bids have been received, opened and read publicly and recorded, the authority shall award the contract to the lowest responsible bidder, provided that the authority reserves the right to reject any or all bids. Each contract shall be executed in writing, and the person to whom the contract is awarded shall give sufficient bond to the authority for its faithful performance. If no satisfactory bid is received, the authority may readvertise. The authority may establish reasonable qualifications to determine the fitness and responsibility of bidders and to require bidders to meet the qualifications before bids are accepted.

Subd. 1a. **Best value alternative.** As an alternative to the procurement method described in subdivision 1, the authority may issue a request for proposals and award the contract to the vendor or contractor offering the best value under a request for proposals as described in section 16C.28, subdivision 1, paragraph (a), clause (2), and paragraph (c).

Subd. 2. **Exception; emergency.** If the authority by a vote of four-fifths of its members shall declare that an emergency exists requiring the immediate purchase of any equipment or material or supplies at a cost in excess of ~~\$50,000~~ the amount in section 471.345, subdivision 3, but not exceeding ~~\$75,000~~ one-half again as much as the amount in section 471.345, subdivision 3, or making of emergency repairs, it shall not be necessary to advertise for bids, but the material,

equipment, or supplies may be purchased in the open market at the lowest price obtainable, or the emergency repairs may be contracted for or performed without securing formal competitive bids. An emergency, for purposes of this subdivision, shall be understood to be unforeseen circumstances or conditions which result in the placing in jeopardy of human life or property.

Subd. 3. **Performance and payment bonds.** Performance and payment bonds shall be required from contractors for any works of construction as provided in and subject to all the provisions of sections 574.26 to 574.31 except for contracts entered into by an authority for an expenditure of less than ~~\$50,000~~ the minimum threshold amount in section 471.345, subdivision 3.

Subd. 4. **Exceptions.** (a) An authority need not require competitive bidding in the following circumstances:

(1) in the case of a contract for the acquisition of a low-rent housing project:

(i) for which financial assistance is provided by the federal government;

(ii) which does not require any direct loan or grant of money from the municipality as a condition of the federal financial assistance; and

(iii) for which the contract provides for the construction of the project upon land that is either owned by the authority for redevelopment purposes or not owned by the authority at the time of the contract but the contract provides for the conveyance or lease to the authority of the project or improvements upon completion of construction;

(2) with respect to a structured parking facility:

(i) constructed in conjunction with, and directly above or below, a development; and

(ii) financed with the proceeds of tax increment or parking ramp general obligation or revenue bonds;

(3) until August 1, 2009, with respect to a facility built for the purpose of facilitating the operation of public transit or encouraging its use:

(i) constructed in conjunction with, and directly above or below, a development; and

(ii) financed with the proceeds of parking ramp general obligation or revenue bonds or with at least 60 percent of the construction cost being financed with funding provided by the federal government; and

(4) in the case of any building in which at least 75 percent of the usable square footage constitutes a housing development project if:

(i) the project is financed with the proceeds of bonds issued under section 469.034 or from nongovernmental sources;

(ii) the project is either located on land that is owned or is being acquired by the authority only for development purposes, or is not owned by the authority at the time the contract is entered into but the contract provides for conveyance or lease to the authority of the project or improvements upon completion of construction; and

(iii) the authority finds and determines that elimination of the public bidding requirements is

necessary in order for the housing development project to be economical and feasible.

(b) An authority need not require a performance bond for the following projects:

- (1) a contract described in paragraph (a), clause (1);
- (2) a construction change order for a housing project in which 30 percent of the construction has been completed;
- (3) a construction contract for a single-family housing project in which the authority acts as the general construction contractor; or
- (4) a services or materials contract for a housing project.

For purposes of this paragraph, "services or materials contract" does not include construction contracts.

Subd. 5. **Security in lieu of bond.** The authority may accept a certified check or cashier's check in the same amount as required for a bond in lieu of a performance bond for contracts entered into by an authority for an expenditure of less than \$50,000 the minimum threshold amount in section 471.345, subdivision 3. The check must be held by the authority for 90 days after the contract has been completed. If no suit is brought within the 90 days, the authority must return the amount of the check to the person making it. If a suit is brought within the 90-day period, the authority must disburse the amount of the check pursuant to the order of the court.

Sec. 22. Minnesota Statutes 2008, section 471.999, is amended to read:

471.999 REPORT TO LEGISLATURE.

The commissioner of finance shall report to the legislature by January 1 of each year on the status of compliance with section 471.992, subdivision 1, by governmental subdivisions.

The report must include a list of the political subdivisions in compliance with section 471.992, subdivision 1, and the estimated cost of compliance. The report must also include a list of political subdivisions found by the commissioner to be not in compliance, the basis for that finding, recommended changes to achieve compliance, estimated cost of compliance, and recommended penalties, if any. The commissioner's report must include a list of subdivisions that did not comply with the reporting requirements of this section. The commissioner may request, and a subdivision shall provide, any additional information needed for the preparation of a report under this subdivision.

Notwithstanding any rule to the contrary, beginning in 2005, a political subdivision must report on its compliance with the requirements of sections 471.991 to 471.999 no more frequently than once every ~~three~~ five years, unless the political subdivision was found by the commissioner to be not in compliance in its most recent report, in which case the political subdivision's next report must be made within three years. No report from a political subdivision is required for 2003 and 2004.

Sec. 23. Minnesota Statutes 2008, section 473.862, is amended to read:

473.862 METRO COUNTIES OTHER THAN HENNEPIN, RAMSEY, ANOKA, AND DAKOTA.

Subdivision 1. **Contents of plan.** Comprehensive plans of counties shall contain at least the following:

(a) Except for the counties of Hennepin ~~and~~, Ramsey, Anoka, and Dakota, a land use plan as specified in section 473.859, subdivision 2, for all unincorporated territory within the county;

(b) A public facilities plan which shall include all appropriate matters specified in section 473.859, subdivision 3, including a transportation plan, and a description of existing and projected solid waste disposal sites and facilities;

(c) An implementation program, as specified in section 473.859, subdivision 4.

Subd. 2. **Towns with no plan by 1976.** Each county other than Hennepin ~~and~~, Ramsey, Anoka, and Dakota shall prepare, with the participation and assistance of the town, the comprehensive plan for any town within the county which fails by December 31, 1976, to take action by resolution pursuant to section 473.861, subdivision 2 and shall prepare all or part of any plan delegated to it pursuant to section 473.861, subdivision 2.

Subd. 3. **Towns that cannot plan.** Each county other than Hennepin ~~and~~, Ramsey, Anoka, and Dakota shall prepare, with the participation and assistance of the town, the comprehensive plan for each town within the county not authorized to plan under sections 462.351 to 462.364, or under special law.

Sec. 24. **MORATORIUM PROHIBITING ADOPTION OF CERTAIN RULES.**

Subdivision 1. **Department of Corrections; correctional facilities.** Notwithstanding any rulemaking authority provided in Minnesota Statutes, chapter 241, the commissioner of corrections may not adopt a rule that requires an upgrade to a correctional facility operated by a county or that increases the cost of operating a jail operated by the county unless the upgrade or increased cost is required by federal law or rule.

Subd. 2. **Expiration.** This section expires July 1, 2011.

Sec. 25. **RECORD RETENTION TASK FORCE; REPORT TO LEGISLATURE.**

The Records Retention Task Force of the Minnesota Clerks and Finance Officers Association, in conjunction with the Minnesota Historical Society, must conduct a study to review the permanent retention schedules applicable to the records of all governmental bodies in the state. The task force study must contain recommendations for future methods of determining the appropriate time for the retention of various classes of records maintained by the governmental bodies and the task force must report its findings to the appropriate standing committees of the senate and house of representatives whose jurisdiction includes the maintenance of public records by February 15, 2010.

Sec. 26. **REPEALER.**

Minnesota Statutes 2008, sections 373.42; 384.151, subdivisions 1 and 3; 385.373, subdivisions 1 and 3; 386.015, subdivisions 1 and 4; 387.20, subdivision 4; and 471.661, are repealed.

ARTICLE 6

TAXES

Section 1. Minnesota Statutes 2008, section 123B.10, subdivision 1, is amended to read:

Subdivision 1. **Budgets; form of notification.** (a) Every board must publish revenue and expenditure budgets for the current year and the actual revenues, expenditures, fund balances for the prior year and projected fund balances for the current year in a form prescribed by the commissioner within one week of the acceptance of the final audit by the board, or November 30, whichever is earlier. The forms prescribed must be designed so that year to year comparisons of revenue, expenditures and fund balances can be made.

(b) A school board annually must notify the public of its revenue, expenditures, fund balances, and other relevant budget information. The board must ~~include the budget information required by this section in the materials provided as a part of its truth in taxation hearing,~~ post the materials in a conspicuous place on the district's official Web site, including a link to the district's school report card on the Department of Education's Web site, and publish the information in a qualified newspaper of general circulation in the district.

EFFECTIVE DATE. This section is effective for taxes payable in 2010 and thereafter.

Sec. 2. Minnesota Statutes 2008, section 275.065, subdivision 3, is amended to read:

Subd. 3. **Notice of proposed property taxes.** (a) The county auditor shall prepare and the county treasurer shall deliver after November 10 and on or before November 24 each year, by first class mail to each taxpayer at the address listed on the county's current year's assessment roll, a notice of proposed property taxes. Upon written request by the taxpayer, the treasurer may send the notice in electronic form or by electronic mail instead of on paper or by ordinary mail.

(b) The commissioner of revenue shall prescribe the form of the notice.

(c) The notice must inform taxpayers that it contains the amount of property taxes each taxing authority proposes to collect for taxes payable the following year. In the case of a town, or in the case of the state general tax, the final tax amount will be its proposed tax. ~~In the case of taxing authorities required to hold a public meeting under subdivision 6, the notice must clearly state that each taxing authority, including regional library districts established under section 134.201, and including the metropolitan taxing districts as defined in paragraph (i), but excluding all other special taxing districts and towns, will hold a public meeting to receive public testimony on the proposed budget and proposed or final property tax levy, or, in case of a school district, on the current budget and proposed property tax levy. The notice must clearly state for each city, county, school district, regional library authority established under section 134.201, and metropolitan taxing districts as defined in paragraph (i), the time and place of the taxing authorities' regularly scheduled meetings in which the budget and levy will be discussed and the final budget and levy determined. The taxing authorities must provide the county auditor with the information to be included in the notice. It must clearly state the time and place of each taxing authority's meeting, provide a telephone number for the taxing authority that taxpayers may call if they have questions related to the notice, and an address where comments will be received by mail.~~

(d) The notice must state for each parcel:

(1) the market value of the property as determined under section 273.11, and used for computing property taxes payable in the following year and for taxes payable in the current year as each appears in the records of the county assessor on November 1 of the current year; and, in the case of residential

property, whether the property is classified as homestead or nonhomestead. The notice must clearly inform taxpayers of the years to which the market values apply and that the values are final values;

(2) the items listed below, shown separately by county, city or town, and state general tax, net of the residential and agricultural homestead credit under section 273.1384, voter approved school levy, other local school levy, and the sum of the special taxing districts, and as a total of all taxing authorities:

- (i) the actual tax for taxes payable in the current year; and
- (ii) the proposed tax amount.

If the county levy under clause (2) includes an amount for a lake improvement district as defined under sections 103B.501 to 103B.581, the amount attributable for that purpose must be separately stated from the remaining county levy amount.

In the case of a town or the state general tax, the final tax shall also be its proposed tax unless the town changes its levy at a special town meeting under section 365.52. If a school district has certified under section 126C.17, subdivision 9, that a referendum will be held in the school district at the November general election, the county auditor must note next to the school district's proposed amount that a referendum is pending and that, if approved by the voters, the tax amount may be higher than shown on the notice. In the case of the city of Minneapolis, the levy for Minneapolis Park and Recreation shall be listed separately from the remaining amount of the city's levy. In the case of the city of St. Paul, the levy for the St. Paul Library Agency must be listed separately from the remaining amount of the city's levy. In the case of Ramsey County, any amount levied under section 134.07 may be listed separately from the remaining amount of the county's levy. In the case of a parcel where tax increment or the fiscal disparities areawide tax under chapter 276A or 473F applies, the proposed tax levy on the captured value or the proposed tax levy on the tax capacity subject to the areawide tax must each be stated separately and not included in the sum of the special taxing districts; and

(3) the increase or decrease between the total taxes payable in the current year and the total proposed taxes, expressed as a percentage.

For purposes of this section, the amount of the tax on homesteads qualifying under the senior citizens' property tax deferral program under chapter 290B is the total amount of property tax before subtraction of the deferred property tax amount.

(e) The notice must clearly state that the proposed or final taxes do not include the following:

- (1) special assessments;
- (2) levies approved by the voters after the date the proposed taxes are certified, including bond referenda and school district levy referenda;
- ~~(3) a levy limit increase approved by the voters by the first Tuesday after the first Monday in November of the levy year as provided under section 275.73;~~
- ~~(4) amounts necessary to pay cleanup or other costs due to a natural disaster occurring after the date the proposed taxes are certified;~~
- ~~(5) (4) amounts necessary to pay tort judgments against the taxing authority that become final~~

after the date the proposed taxes are certified; and

~~(6)~~(5) the contamination tax imposed on properties which received market value reductions for contamination.

(f) Except as provided in subdivision 7, failure of the county auditor to prepare or the county treasurer to deliver the notice as required in this section does not invalidate the proposed or final tax levy or the taxes payable pursuant to the tax levy.

(g) If the notice the taxpayer receives under this section lists the property as nonhomestead, and satisfactory documentation is provided to the county assessor by the applicable deadline, and the property qualifies for the homestead classification in that assessment year, the assessor shall reclassify the property to homestead for taxes payable in the following year.

(h) In the case of class 4 residential property used as a residence for lease or rental periods of 30 days or more, the taxpayer must either:

(1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter, or lessee; or

(2) post a copy of the notice in a conspicuous place on the premises of the property.

The notice must be mailed or posted by the taxpayer by November 27 or within three days of receipt of the notice, whichever is later. A taxpayer may notify the county treasurer of the address of the taxpayer, agent, caretaker, or manager of the premises to which the notice must be mailed in order to fulfill the requirements of this paragraph.

(i) For purposes of this subdivision, ~~subdivisions~~ and subdivision 5a and 6, "metropolitan special taxing districts" means the following taxing districts in the seven-county metropolitan area that levy a property tax for any of the specified purposes listed below:

(1) Metropolitan Council under section 473.132, 473.167, 473.249, 473.325, 473.446, 473.521, 473.547, or 473.834;

(2) Metropolitan Airports Commission under section 473.667, 473.671, or 473.672; and

(3) Metropolitan Mosquito Control Commission under section 473.711.

For purposes of this section, any levies made by the regional rail authorities in the county of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington under chapter 398A shall be included with the appropriate county's levy ~~and shall be discussed at that county's public hearing.~~

(j) The governing body of a county, city, or school district may, with the consent of the county board, include supplemental information with the statement of proposed property taxes about the impact of state aid increases or decreases on property tax increases or decreases and on the level of services provided in the affected jurisdiction. This supplemental information may include information for the following year, the current year, and for as many consecutive preceding years as deemed appropriate by the governing body of the county, city, or school district. It may include only information regarding:

(1) the impact of inflation as measured by the implicit price deflator for state and local government purchases;

- (2) population growth and decline;
- (3) state or federal government action; and
- (4) other financial factors that affect the level of property taxation and local services that the governing body of the county, city, or school district may deem appropriate to include.

The information may be presented using tables, written narrative, and graphic representations and may contain instruction toward further sources of information or opportunity for comment.

EFFECTIVE DATE. This section is effective for taxes payable in 2010 and thereafter.

Sec. 3. Minnesota Statutes 2008, section 275.065, subdivision 5a, is amended to read:

Subd. 5a. **Public advertisement.** (a) Except for property taxes levied in 2009 and 2010, a city that has a population of more than 2,500, county, a metropolitan special taxing district as defined in subdivision 3, paragraph (i), a regional library district established under section 134.201, or school district shall advertise in a newspaper a notice of its intent to adopt a budget and property tax levy or, in the case of a school district, to review its current budget and proposed property taxes payable in the following year, at a public hearing, if a public hearing is required under subdivision 6. The notice must be published not less than two business days nor more than six business days before the hearing.

The advertisement must be at least one-eighth page in size of a standard-size or a tabloid-size newspaper. The advertisement must not be placed in the part of the newspaper where legal notices and classified advertisements appear. The advertisement must be published in an official newspaper of general circulation in the taxing authority. The newspaper selected must be one of general interest and readership in the community, and not one of limited subject matter. The advertisement must appear in a newspaper that is published at least once per week.

For purposes of this section, the metropolitan special taxing district's advertisement must only be published in the Minneapolis Star and Tribune and the Saint Paul Pioneer Press.

In addition to other requirements, a county and a city having a population of more than 2,500 must show in the public advertisement required under this subdivision the current local tax rate, the proposed local tax rate if no property tax levy increase is adopted, and the proposed rate if the proposed levy is adopted. For purposes of this subdivision, "local tax rate" means the city's or county's net tax capacity levy divided by the city's or county's taxable net tax capacity.

(b) Subject to the provisions of paragraph (g), the advertisement for school districts, metropolitan special taxing districts, and regional library districts must be in the following form, except that the notice for a school district may include references to the current budget in regard to proposed property taxes.

"NOTICE OF
PROPOSED PROPERTY TAXES

(School District/Metropolitan
Special Taxing District/Regional
Library District) of

The governing body of will soon hold budget hearings and vote on the property taxes for

(metropolitan special taxing district/regional library district services that will be provided in (year)/school district services that will be provided in (year) and (year)).

NOTICE OF PUBLIC HEARING:

All concerned citizens are invited to attend a public hearing and express their opinions on the proposed (school district/metropolitan special taxing district/regional library district) budget and property taxes, or in the case of a school district, its current budget and proposed property taxes, payable in the following year. The hearing will be held on (Month/Day/Year) at (Time) at (Location, Address)."

(c) Subject to the provisions of paragraph (g), the advertisement for cities and counties must be in the following form.

"NOTICE OF PROPOSED TOTAL BUDGET AND PROPERTY TAXES

The (city/county) governing body or board of commissioners will hold a public hearing to discuss the budget and to vote on the amount of property taxes to collect for services the (city/county) will provide in (year).

SPENDING: The total budget amounts below compare (city's/county's) (year) total actual budget with the amount the (city/county) proposes to spend in (year).

(Year) Total Actual Budget	Proposed (Year) Budget	Change from (Year)-(Year)
\$	\$%

TAXES: The property tax amounts below compare that portion of the current budget levied in property taxes in (city/county) for (year) with the property taxes the (city/county) proposes to collect in (year).

(Year) Property Taxes	Proposed (Year) Property Taxes	Change from (Year)-(Year)
\$	\$%

LOCAL TAX RATE COMPARISON: The current local tax rate, the local tax rate if no tax levy increase is adopted, and the proposed local tax rate if the proposed levy is adopted.

(Year) Tax Rate	(Year) Tax Rate if NO Levy Increase	(Year) Proposed Tax Rate
.....

ATTEND THE PUBLIC HEARING

All (city/county) residents are invited to attend the public hearing of the (city/county) to express your opinions on the budget and the proposed amount of (year) property taxes. The hearing will be held on:

(Month/Day/Year/Time)

(Location/Address)

If the discussion of the budget cannot be completed, a time and place for continuing the discussion will be announced at the hearing. You are also invited to send your written comments to:

(City/County)
(Location/Address)"

(d) For purposes of this subdivision, the budget amounts listed on the advertisement mean:

(1) for cities, the total government fund expenditures, as defined by the state auditor under section 471.6965, less any expenditures for improvements or services that are specially assessed or charged under chapter 429, 430, 435, or the provisions of any other law or charter; and

(2) for counties, the total government fund expenditures, as defined by the state auditor under section 375.169, less any expenditures for direct payments to recipients or providers for the human service aids listed below:

(i) Minnesota family investment program under chapters 256J and 256K;

(ii) medical assistance under sections 256B.041, subdivision 5, and 256B.19, subdivision 1;

(iii) general assistance medical care under section 256D.03, subdivision 6;

(iv) general assistance under section 256D.03, subdivision 2;

(v) Minnesota supplemental aid under section 256D.36, subdivision 1;

(vi) preadmission screening under section 256B.0911, and alternative care grants under section 256B.0913;

(vii) general assistance medical care claims processing, medical transportation and related costs under section 256D.03, subdivision 4;

(viii) medical transportation and related costs under section 256B.0625, subdivisions 17 to 18a;

(ix) group residential housing under section 256I.05, subdivision 8, transferred from programs in clauses (iv) and (v); or

(x) any successor programs to those listed in clauses (i) to (ix).

(e) A city with a population of over 500 but not more than 2,500 that is required to hold a public hearing under subdivision 6 must advertise by posted notice as defined in section 645.12, subdivision 1. The advertisement must be posted at the time provided in paragraph (a). It must be in the form required in paragraph (b).

(f) For purposes of this subdivision, the population of a city is the most recent population as determined by the state demographer under section 4A.02.

(g) The commissioner of revenue shall annually prescribe the specific form and format of the advertisements required under this subdivision, including such details as font size and style, and spacing for the required items. The commissioner may prescribe alternate and additional language for the advertisement for a taxing authority or for groups of taxing authorities. At least two weeks before November 29 each year, the commissioner shall provide a copy of the prescribed

advertisements to the chairs of the committees of the house of representatives and the senate with jurisdiction over taxes.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 4. Minnesota Statutes 2008, section 275.065, subdivision 6, is amended to read:

Subd. 6. **Public hearing; Adoption of budget and levy.** ~~(a) For purposes of this section, the following terms shall have the meanings given:~~

~~(1) "Initial hearing" means the first and primary hearing held to discuss the taxing authority's proposed budget and proposed property tax levy for taxes payable in the following year, or, for school districts, the current budget and the proposed property tax levy for taxes payable in the following year.~~

~~(2) "Continuation hearing" means a hearing held to complete the initial hearing, if the initial hearing is not completed on its scheduled date.~~

~~(3) "Subsequent hearing" means the hearing held to adopt the taxing authority's final property tax levy, and, in the case of taxing authorities other than school districts, the final budget, for taxes payable in the following year.~~

~~(b) Between November 29 and December 20, the governing bodies of a city that has a population over 500, county, metropolitan special taxing districts as defined in subdivision 3, paragraph (i), and regional library districts shall each hold an initial public hearing to discuss and seek public comment on its final budget and property tax levy for taxes payable in the following year, and the governing body of the school district shall hold an initial public hearing to review its current budget and proposed property tax levy for taxes payable in the following year. The metropolitan special taxing districts shall be required to hold only a single joint initial public hearing, the location of which will be determined by the affected metropolitan agencies. A city, county, metropolitan special taxing district as defined in subdivision 3, paragraph (i), regional library district established under section 134.201, or school district is not required to hold a public hearing under this subdivision unless its proposed property tax levy for taxes payable in the following year, as certified under subdivision 1, has increased over its final property tax levy for taxes payable in the current year by a percentage that is greater than the percentage increase in the implicit price deflator for government consumption expenditures and gross investment for state and local governments prepared by the Bureau of Economic Analysts of the United States Department of Commerce for the 12-month period ending March 31 of the current year.~~

~~(c) The initial hearing must be held after 5:00 p.m. if scheduled on a day other than Saturday. No initial hearing may be held on a Sunday.~~

~~(d) At the initial hearing under this subdivision, the percentage increase in property taxes proposed by the taxing authority, if any, and the specific purposes for which property tax revenues are being increased must be discussed. During the discussion, the governing body shall hear comments regarding a proposed increase and explain the reasons for the proposed increase. The public shall be allowed to speak and to ask questions. At the public hearing, the school district must also provide and discuss information on the distribution of its revenues by revenue source, and the distribution of its spending by program area.~~

~~(e) If the initial hearing is not completed on its scheduled date, the taxing authority must~~

announce, prior to adjournment of the hearing, the date, time, and place for the continuation of the hearing. The continuation hearing must be held at least five business days but no more than 14 business days after the initial hearing. A continuation hearing may not be held later than December 20 except as provided in paragraphs (f) and (g). A continuation hearing must be held after 5:00 p.m. if scheduled on a day other than Saturday. No continuation hearing may be held on a Sunday.

~~(f) The governing body of a county shall hold its initial hearing on the first Thursday in December each year, and may hold additional initial hearings on other dates before December 20 if necessary for the convenience of county residents. If the county needs a continuation of its hearing, the continuation hearing shall be held on the third Tuesday in December. If the third Tuesday in December falls on December 21, the county's continuation hearing shall be held on Monday, December 20.~~

~~(g) The metropolitan special taxing districts shall hold a joint initial public hearing on the first Wednesday of December. A continuation hearing, if necessary, shall be held on the second Wednesday of December even if that second Wednesday is after December 10.~~

~~(h) The county auditor shall provide for the coordination of initial and continuation hearing dates for all school districts and cities within the county to prevent conflicts under clauses (i) and (j).~~

~~(i) By August 10, each school board and the board of the regional library district shall certify to the county auditors of the counties in which the school district or regional library district is located the dates on which it elects to hold its initial hearing and any continuation hearing. If a school board or regional library district does not certify these dates by August 10, the auditor will assign the initial and continuation hearing dates. The dates elected or assigned must not conflict with the initial and continuation hearing dates of the county or the metropolitan special taxing districts.~~

~~(j) By August 20, the county auditor shall notify the clerks of the cities within the county of the dates on which school districts and regional library districts have elected to hold their initial and continuation hearings. At the time a city certifies its proposed levy under subdivision 1 it shall certify the dates on which it elects to hold its initial hearing and any continuation hearing. Until September 15, the first and second Mondays of December are reserved for the use of the cities. If a city does not certify its hearing dates by September 15, the auditor shall assign the initial and continuation hearing dates. The dates elected or assigned for the initial hearing must not conflict with the initial hearing dates of the county, metropolitan special taxing districts, regional library districts, or school districts within which the city is located. To the extent possible, the dates of the city's continuation hearing should not conflict with the continuation hearing dates of the county, metropolitan special taxing districts, regional library districts, or school districts within which the city is located. This paragraph does not apply to cities of 500 population or less.~~

~~(k) The county initial hearing date and the city, metropolitan special taxing district, regional library district, and school district initial hearing dates must be designated on the notices required under subdivision 3. The continuation hearing dates need not be stated on the notices.~~

~~(l) At a subsequent hearing, each county, school district, city over 500 population, and metropolitan special taxing district may amend its proposed property tax levy and must adopt a final property tax levy. Each county, city over 500 population, and metropolitan special taxing district may also amend its proposed budget and must adopt a final budget at the subsequent hearing. The final property tax levy must be adopted prior to adopting the final budget. A school district is not required to adopt its final budget at the subsequent hearing. The subsequent hearing~~

~~of a taxing authority must be held on a date subsequent to the date of the taxing authority's initial public hearing. If a continuation hearing is held, the subsequent hearing must be held either immediately following the continuation hearing or on a date subsequent to the continuation hearing. The subsequent hearing may be held at a regularly scheduled board or council meeting or at a special meeting scheduled for the purposes of the subsequent hearing. The subsequent hearing of a taxing authority does not have to be coordinated by the county auditor to prevent a conflict with an initial hearing, a continuation hearing, or a subsequent hearing of any other taxing authority. All subsequent hearings must be held prior to five working days after December 20 of the levy year. The date, time, and place of the subsequent hearing must be announced at the initial public hearing or at the continuation hearing.~~

~~(m)~~ (a) The property tax levy certified under section 275.07 by a city of any population, county, metropolitan special taxing district, regional library district, or school district must not exceed the proposed levy determined under subdivision 1, except by an amount up to the sum of the following amounts:

(1) the amount of a school district levy whose voters approved a referendum to increase taxes under section 123B.63, subdivision 3, or 126C.17, subdivision 9, after the proposed levy was certified;

(2) the amount of a city or county levy approved by the voters after the proposed levy was certified;

(3) the amount of a levy to pay principal and interest on bonds approved by the voters under section 475.58 after the proposed levy was certified;

(4) the amount of a levy to pay costs due to a natural disaster occurring after the proposed levy was certified, if that amount is approved by the commissioner of revenue under subdivision 6a;

(5) the amount of a levy to pay tort judgments against a taxing authority that become final after the proposed levy was certified, if the amount is approved by the commissioner of revenue under subdivision 6a;

(6) the amount of an increase in levy limits certified to the taxing authority by the commissioner of education or the commissioner of revenue after the proposed levy was certified; and

(7) the amount required under section 126C.55.

~~(n)~~ (b) This subdivision does not apply to towns and special taxing districts other than regional library districts and metropolitan special taxing districts.

~~(o)~~ (c) Notwithstanding the requirements of this section, the employer is required to meet and negotiate over employee compensation as provided for in chapter 179A.

EFFECTIVE DATE. This section is effective for taxes payable in 2010 and thereafter.

Sec. 5. Minnesota Statutes 2008, section 275.16, is amended to read:

275.16 COUNTY AUDITOR TO FIX AMOUNT OF LEVY.

If any such municipality shall return to the county auditor a levy greater than permitted by chapters 123A, 123B, 124D, 126C, and 136C, and sections 275.124 to 275.16, and 275.70 to 275.74,

such county auditor shall extend only such amount of taxes as the limitations herein prescribed will permit; provided, if such levy shall include any levy for the payment of bonded indebtedness or judgments, such levies for bonded indebtedness or judgments shall be extended in full, and the remainder of the levies shall be reduced so that the total thereof, including levies for bonds and judgments, shall not exceed such amount as the limitations herein prescribed will permit.

EFFECTIVE DATE. This section is effective for taxes levied in 2009, payable in 2010, and thereafter.

Sec. 6. Minnesota Statutes 2008, section 275.62, subdivision 1, is amended to read:

Subdivision 1. **Report on taxes levied.** The commissioner of revenue shall establish procedures for the annual reporting of local government levies. Each local governmental unit shall submit a report to the commissioner by December 30 of the year in which the tax is levied. The report shall include, but is not limited to, information on the amount of the tax levied by the governmental unit for the following purposes:

(1) social services and related programs, which include taxes levied for the purposes defined in Minnesota Statutes 1991 Supplement, section 275.50, subdivision 5, clauses (a), (j), and (v);

(2) the amounts levied for each of the purposes listed in Minnesota Statutes 2008, section 275.70, subdivision 5; and

(3) other levies, which include the taxes levied for all purposes not included in clause (1), (2), or (3).

EFFECTIVE DATE. This section is effective for taxes levied in 2009, payable in 2010, and thereafter.

Sec. 7. Minnesota Statutes 2008, section 279.01, subdivision 1, is amended to read:

Subdivision 1. **Due dates; penalties.** Except as provided in subdivision 3 or 4, on May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, a penalty accrues and thereafter is charged upon all unpaid taxes on real estate on the current lists in the hands of the county treasurer. The penalty is at a rate of two percent on homestead property until May 31 and four percent on June 1. The penalty on nonhomestead property is at a rate of four percent until May 31 and eight percent on June 1. This penalty does not accrue until June 1 of each year, or 21 days after the postmark date on the envelope containing the property tax statements, whichever is later, on commercial use real property used for seasonal residential recreational purposes and classified as class 1c or 4c, and on other commercial use real property classified as class 3a, provided that over 60 percent of the gross income earned by the enterprise on the class 3a property is earned during the months of May, June, July, and August. In order for the first half of the tax due on class 3a property to be paid after May 15 and before June 1, or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, without penalty, the owner of the property must attach an affidavit to the payment attesting to compliance with the income provision of this subdivision. Thereafter, for both homestead and nonhomestead property, on the first day of each month beginning July 1, up to and including October 1 following, an additional penalty of one percent for each month accrues and is charged on all such unpaid taxes provided that if the due date was extended beyond May 15 as the result of any delay in mailing property tax statements no additional penalty shall accrue if the tax is paid by the extended due

date. If the tax is not paid by the extended due date, then all penalties that would have accrued if the due date had been May 15 shall be charged. When the taxes against any tract or lot exceed \$50 ~~\$250~~, one-half thereof may be paid prior to May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later; and, if so paid, no penalty attaches; the remaining one-half may be paid at any time prior to October 16 following, without penalty; but, if not so paid, then a penalty of two percent accrues thereon for homestead property and a penalty of four percent on nonhomestead property. Thereafter, for homestead property, on the first day of November an additional penalty of four percent accrues and on the first day of December following, an additional penalty of two percent accrues and is charged on all such unpaid taxes. Thereafter, for nonhomestead property, on the first day of November and December following, an additional penalty of four percent for each month accrues and is charged on all such unpaid taxes. If one-half of such taxes are not paid prior to May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, the same may be paid at any time prior to October 16, with accrued penalties to the date of payment added, and thereupon no penalty attaches to the remaining one-half until October 16 following.

This section applies to payment of personal property taxes assessed against improvements to leased property, except as provided by section 277.01, subdivision 3.

A county may provide by resolution that in the case of a property owner that has multiple tracts or parcels with aggregate taxes exceeding \$50 ~~\$250~~, payments may be made in installments as provided in this subdivision.

The county treasurer may accept payments of more or less than the exact amount of a tax installment due. Payments must be applied first to the oldest installment that is due but which has not been fully paid. If the accepted payment is less than the amount due, payments must be applied first to the penalty accrued for the year or the installment being paid. Acceptance of partial payment of tax does not constitute a waiver of the minimum payment required as a condition for filing an appeal under section 278.03 or any other law, nor does it affect the order of payment of delinquent taxes under section 280.39.

EFFECTIVE DATE. This section is effective for taxes payable in 2010 and thereafter.

Sec. 8. Minnesota Statutes 2008, section 279.10, is amended to read:

279.10 PUBLICATION CORRECTED.

Immediately after preparing forms for printing such notice and list, and at least five days before the first day for the publication thereof, every ~~such~~ publisher shall furnish proof of the proposed publication to the county auditor for correction. When ~~such~~ the copy has been corrected, the auditor shall return ~~the same~~ it to the printer, who shall publish it as corrected. On the first day on which ~~such~~ the notice and list are published, the publisher shall mail a copy of the newspaper containing ~~the same~~ the notice and list to the auditor. If during the publication of the notice and list, or within ten days after the last publication thereof, the auditor ~~shall discover~~ discovers that ~~such~~ the publication ~~is invalid~~ contains an error, the auditor shall ~~forthwith~~ direct the publisher to ~~republish the same as corrected~~ publish the correct information for an additional period of two weeks. The auditor does not have to direct the publisher to republish the entire list. The publisher, if not neglectful, shall be entitled to the same compensation as allowed by law for the original publication of the corrected information, but shall receive no further compensation therefor if such the republication is necessary by reason of the neglect of the publisher.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 9. Minnesota Statutes 2008, section 375.194, subdivision 5, is amended to read:

Subd. 5. **Determination of county tax rate.** The eligible county's proposed and final tax rates shall be determined by dividing the certified levy by the total taxable net tax capacity, without regard to any abatements granted under this section. ~~The county board shall make available the estimated amount of the abatement at the public hearing under section 275.065, subdivision 6.~~

EFFECTIVE DATE. This section is effective for taxes payable in 2010 and thereafter.

Sec. 10. Minnesota Statutes 2008, section 383A.75, subdivision 3, is amended to read:

Subd. 3. **Duties.** The committee is authorized to and shall meet from time to time to make appropriate recommendations for the efficient and effective use of property tax dollars raised by the jurisdictions for programs, buildings, and operations. In addition, the committee shall:

(1) identify trends and factors likely to be driving budget outcomes over the next five years with recommendations for how the jurisdictions should manage those trends and factors to increase efficiency and effectiveness;

(2) agree, by October 1 of each year, on the appropriate level of overall property tax levy for the three jurisdictions and publicly report such to the governing bodies of each jurisdiction for ratification or modification by resolution; and

(3) ~~plan for the joint truth-in-taxation hearings under section 275.065, subdivision 8; and~~

(4) identify, by December 31 of each year, areas of the budget to be targeted in the coming year for joint review to improve services or achieve efficiencies.

In carrying out its duties, the committee shall consult with public employees of each jurisdiction and with other stakeholders of the city, county, and school district, as appropriate.

EFFECTIVE DATE. This section is effective for taxes payable in 2010 and thereafter.

Sec. 11. Minnesota Statutes 2008, section 446A.086, subdivision 8, is amended to read:

Subd. 8. **Tax levy for repayment.** (a) With the approval of the authority, a governmental unit may levy in the year the state makes a payment under this section an amount up to the amount necessary to provide funds for the repayment of the amount paid by the state plus interest through the date of estimated repayment by the governmental unit. The proceeds of this levy may be used only for this purpose unless they exceed the amount actually due. Any excess must be used to repay other state payments made under this section or must be deposited in the debt redemption fund of the governmental unit. The amount of aids to be reduced to repay the state are decreased by the amount levied.

(b) If the state is not repaid in full for a payment made under this section by November 30 of the calendar year following the year in which the state makes the payment, the authority shall require the governmental unit to certify a property tax levy in an amount up to the amount necessary to provide funds for repayment of the amount paid by the state plus interest through the date of estimated repayment by the governmental unit. To prevent undue hardship, the authority may allow the governmental unit to certify the levy over a five-year period. The proceeds of the levy may be

used only for this purpose unless they are in excess of the amount actually due, in which case the excess must be used to repay other state payments made under this section or must be deposited in the debt redemption fund of the governmental unit. If the authority orders the governmental unit to levy, the amount of aids reduced to repay the state are decreased by the amount levied.

~~(c) A levy under this subdivision is an increase in the levy limits of the governmental unit for purposes of section 275.065, subdivision 6, and must be explained as a specific increase at the meeting required under that provision.~~

EFFECTIVE DATE. This section is effective for taxes payable in 2010 and thereafter.

Sec. 12. Minnesota Statutes 2008, section 465.719, subdivision 9, is amended to read:

Subd. 9. **Application of other laws.** A corporation created by a political subdivision under this section must comply with every law that applies to the political subdivision, as if the corporation is a part of the political subdivision, unless the resolution ratifying creation of the corporation specifically exempts the corporation from part or all of a law. If the resolution exempts the corporation from part or all of a law, the resolution must make a detailed and specific finding as to why the corporation cannot fulfill its purpose if the corporation is subject to that law. A corporation may not be exempted from chapter 13D, the Minnesota Open Meeting Law, sections 138.163 to 138.25, governing records management, or chapter 13, the Minnesota Government Data Practices Act. Any affected or interested person may bring an action in district court to void the resolution on the grounds that the findings are not sufficiently detailed and specific, or that the corporation can fulfill its purpose if it is subject to the law from which the resolution exempts the corporation. Laws that apply to a political subdivision that also apply to a corporation created by a political subdivision under this subdivision include, but are not limited to:

- (1) chapter 13D, the Minnesota Open Meeting Law;
- (2) chapter 13, the Minnesota Government Data Practices Act;
- (3) section 471.345, the Uniform Municipal Contracting Law;
- (4) sections 43A.17, limiting the compensation of employees based on the governor's salary; 471.991 to 471.999, providing for equitable pay; and 465.72 and 465.722, governing severance pay;
- ~~(5) section 275.065, providing for truth in taxation hearings. If any tax revenues of the political subdivision will be appropriated to the corporation, the corporation's annual operating and capital budgets must be included in the truth in taxation hearing of the political subdivision that created the corporation;~~
- ~~(6) if the corporation issues debt, its debt is included in the political subdivision's debt limit if it would be included if issued by the political subdivision, and issuance of the debt is subject to the election and other requirements of chapter 475 and section 471.69;~~
- ~~(7) (6) section 471.895, prohibiting acceptance of gifts from interested parties, and sections 471.87 to 471.89, relating to interests in contracts;~~
- ~~(8) (7) chapter 466, relating to municipal tort liability;~~
- ~~(9) (8) chapter 118A, requiring deposit insurance or bond or pledged collateral for deposits;~~

~~(10)~~ (9) chapter 118A, restricting investments;

~~(11)~~ (10) section 471.346, requiring ownership of vehicles to be identified;

~~(12)~~ (11) sections 471.38 to 471.41, requiring claims to be in writing, itemized, and approved by the governing board before payment can be made; and

~~(13)~~ (12) the corporation cannot make advances of pay, make or guarantee loans to employees, or provide in-kind benefits unless authorized by law.

EFFECTIVE DATE. This section is effective for taxes payable in 2010 and thereafter.

Sec. 13. Minnesota Statutes 2008, section 473.13, subdivision 1, is amended to read:

Subdivision 1. **Budget.** (a) On or before December 20 of each year, the council, ~~after the public hearing required in section 275.065,~~ shall adopt a final budget covering its anticipated receipts and disbursements for the ensuing year and shall decide upon the total amount necessary to be raised from ad valorem tax levies to meet its budget. The budget shall state in detail the expenditures for each program to be undertaken, including the expenses for salaries, consultant services, overhead, travel, printing, and other items. The budget shall state in detail the capital expenditures of the council for the budget year, based on a five-year capital program adopted by the council and transmitted to the legislature. After adoption of the budget and no later than five working days after December 20, the council shall certify to the auditor of each metropolitan county the share of the tax to be levied within that county, which must be an amount bearing the same proportion to the total levy agreed on by the council as the net tax capacity of the county bears to the net tax capacity of the metropolitan area. The maximum amount of any levy made for the purpose of this chapter may not exceed the limits set by the statute authorizing the levy.

(b) Each even-numbered year the council shall prepare for its transit programs a financial plan for the succeeding three calendar years, in half-year segments. The financial plan must contain schedules of user charges and any changes in user charges planned or anticipated by the council during the period of the plan. The financial plan must contain a proposed request for state financial assistance for the succeeding biennium.

(c) In addition, the budget must show for each year:

(1) the estimated operating revenues from all sources including funds on hand at the beginning of the year, and estimated expenditures for costs of operation, administration, maintenance, and debt service;

(2) capital improvement funds estimated to be on hand at the beginning of the year and estimated to be received during the year from all sources and estimated cost of capital improvements to be paid out or expended during the year, all in such detail and form as the council may prescribe; and

(3) the estimated source and use of pass-through funds.

EFFECTIVE DATE. This section is effective for taxes payable in 2010 and thereafter.

Sec. 14. Minnesota Statutes 2008, section 473.167, subdivision 3, is amended to read:

Subd. 3. **Tax.** The council may levy a tax on all taxable property in the metropolitan area, as defined in section 473.121, to provide funds for loans made pursuant to subdivisions 2 and 2a. This

tax for the right-of-way acquisition loan fund shall be certified by the council, levied, and collected in the manner provided by section 473.13. The tax shall be in addition to that authorized by section 473.249 and any other law and shall not affect the amount or rate of taxes which may be levied by the council or any metropolitan agency or local governmental unit. The amount of the levy shall be as determined and certified by the council, provided that the tax levied by the Metropolitan Council for the right-of-way acquisition loan fund shall not exceed \$2,828,379 for taxes payable in 2004 and \$2,828,379 for taxes payable in 2005. The amount of the levy for taxes payable in 2006 and subsequent years shall not exceed the product of (1) the Metropolitan Council's property tax levy limitation under this subdivision for the previous year, multiplied by (2) one plus a percentage equal to the growth in the implicit price deflator as defined in section ~~275.70~~ 275.025, subdivision 2.

EFFECTIVE DATE. This section is effective for taxes levied in 2009, payable in 2010, and thereafter.

Sec. 15. Minnesota Statutes 2008, section 473.249, subdivision 1, is amended to read:

Subdivision 1. **Indexed limit.** (a) The Metropolitan Council may levy a tax on all taxable property in the metropolitan area defined in section 473.121 to provide funds for the purposes of sections 473.121 to 473.249 and for the purpose of carrying out other responsibilities of the council as provided by law. This tax for general purposes shall be levied and collected in the manner provided by section 473.13.

(b) The property tax levied by the Metropolitan Council for general purposes shall not exceed \$10,522,329 for taxes payable in 2004 and \$10,522,329 for taxes payable in 2005.

(c) The property tax levy limitation for general purposes for taxes payable in 2006 and subsequent years shall not exceed the product of: (1) the Metropolitan Council's property tax levy limitation for general purposes for the previous year determined under this subdivision multiplied by (2) one plus a percentage equal to the growth in the implicit price deflator as defined in section ~~275.70~~ 275.025, subdivision 2.

EFFECTIVE DATE. This section is effective for taxes levied in 2009, payable in 2010, and thereafter.

Sec. 16. Minnesota Statutes 2008, section 473.253, subdivision 1, is amended to read:

Subdivision 1. **Sources of funds.** The council shall credit to the livable communities demonstration account the revenues provided in this subdivision. This tax shall be levied and collected in the manner provided by section 473.13. The levy shall not exceed the following amount for the years specified:

(1) for taxes payable in 2004 and 2005, \$8,259,070; and

(2) for taxes payable in 2006 and subsequent years, the product of (i) the property tax levy limit under this subdivision for the previous year multiplied by (ii) one plus a percentage equal to the growth in the implicit price deflator as defined in section ~~275.70~~ 275.025, subdivision 2.

EFFECTIVE DATE. This section is effective for taxes levied in 2009, payable in 2010, and thereafter.

Sec. 17. **REPEALER.**

(a) Minnesota Statutes 2008, section 275.065, subdivisions 6b, 6c, 8, 9, and 10, are repealed.

(b) Minnesota Statutes 2008, sections 275.70; 275.71; 275.72; 275.73; 275.74; and 275.75, are repealed.

EFFECTIVE DATE. This section is effective for taxes payable in 2010 and thereafter."

Delete the title and insert:

"A bill for an act relating to mandates; eliminating unnecessary state mandates; simplifying and repealing mandates on school districts; relieving counties of certain mandates; modifying county payment of funeral expenses; modifying provisions related to children's therapeutic services and supports; modifying certain nursing facility rules; providing an alternative licensing method for day training and habilitation services; accepting certain independent audits; modifying health care program information that a school district or charter school must provide; eliminating various unfunded mandates affecting local governmental units; removing, extending, or modifying certain mandates upon local governmental units; abolishing levy limits; eliminating truth-in-taxation hearing requirements and temporarily suspending advertising requirements; modifying publication correction requirements; increasing the property tax amount for which installment payments may be made; amending Minnesota Statutes 2008, sections 6.80, by adding a subdivision; 16E.18, subdivision 2; 62Q.37, subdivision 3; 120A.24, subdivision 4; 120A.26, subdivision 5; 120A.32; 120B.11, subdivision 5; 122A.09, subdivision 7; 122A.50; 122A.61, subdivision 1; 123B.10, subdivision 1; 123B.71, subdivisions 1, 8, 12; 124D.10, subdivision 13; 124D.19, subdivision 3; 125A.57, subdivision 2; 125A.61, subdivision 1; 144A.04, subdivision 11, by adding a subdivision; 144A.43, by adding a subdivision; 144A.45, subdivision 1, by adding a subdivision; 157.22; 168.33, subdivision 7; 211B.37; 237.065, subdivision 2; 237.066, subdivision 2; 245.4871, subdivision 10; 245.4885, subdivision 1a; 256.935; 256.962, subdivision 6; 256B.0943, subdivisions 4, 6, 9; 256F.13, subdivision 1; 260B.171, subdivision 3; 260C.212, subdivisions 4a, 11; 261.035; 275.065, subdivisions 3, 5a, 6; 275.16; 275.62, subdivision 1; 279.01, subdivision 1; 279.10; 306.243, by adding a subdivision; 326B.145; 344.18; 365.28; 373.052, subdivisions 1, 2, by adding a subdivision; 375.12, subdivision 2; 375.194, subdivision 5; 382.265; 383A.75, subdivision 3; 384.151, subdivision 1a; 385.373, subdivision 1a; 386.015, subdivision 2; 387.20, subdivisions 1, 2; 429.041, subdivisions 1, 2; 446A.086, subdivision 8; 465.719, subdivision 9; 469.015; 471.61, subdivision 1; 471.999; 473.13, subdivision 1; 473.167, subdivision 3; 473.249, subdivision 1; 473.253, subdivision 1; 473.862; 609.115, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 14; 245B; repealing Minnesota Statutes 2008, sections 120A.26, subdivision 4; 120A.41; 120B.11, subdivisions 6, 7, 8; 120B.39; 122A.32; 122A.628; 122A.75; 275.065, subdivisions 6b, 6c, 8, 9, 10; 275.70; 275.71; 275.72; 275.73; 275.74; 275.75; 373.42; 384.151, subdivisions 1, 3; 385.373, subdivisions 1, 3; 386.015, subdivisions 1, 4; 387.20, subdivision 4; 471.661."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Prettner Solon from the Committee on Energy, Utilities, Technology and Communications, to which was referred

S.F. No. 1922: A bill for an act relating to energy; establishing a working group; requiring a report; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1

Page 2, line 19, delete "innovative"

Page 2, line 22, delete "programs to"

Page 2, line 23, delete "reduce the costs of" and delete everything after the period

Page 2, delete line 24

Amend the title as follows:

Page 1, line 2, delete "establishing a working group; requiring a report" and insert "providing grants for solar energy installations"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Prettner Solon from the Committee on Energy, Utilities, Technology and Communications, to which was referred

S.F. No. 1760: A bill for an act relating to energy; extending period during which renewable energy payment incentives may be paid; directing payments to other projects from projects whose eligibility to receive payments expires; appropriating money for incentive payments; amending Minnesota Statutes 2008, section 116C.779, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "up to"

Page 2, after line 10, insert:

"Sec. 2. Minnesota Statutes 2008, section 216C.41, subdivision 5a, is amended to read:

Subd. 5a. **Renewable development account.** The Department of Commerce shall authorize payment of the renewable energy production incentive to wind energy conversion systems ~~for 200 megawatts of nameplate capacity and~~ that are eligible under this section or Laws 2005, chapter 40, to on-farm biogas recovery facilities, and to hydroelectric facilities. Payment of the incentive shall be made from the renewable energy development account as provided under section 116C.779, subdivision 2."

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Pogemiller from the Committee on Rules and Administration, to which was re-referred

S.F. No. 1256: A bill for an act relating to education; establishing a volunteer working group on Native language revitalization and preservation; providing for appointments; requiring a report;

appropriating money.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Senator Prettner Solon from the Committee on Energy, Utilities, Technology and Communications, to which was referred

S.F. No. 926: A bill for an act relating to telecommunications; modifying provisions relating to reduced rate regulation and promotion activities; amending Minnesota Statutes 2008, sections 237.411, subdivision 2; 237.626.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 237.411, subdivision 2, is amended to read:

Subd. 2. **Competitive area; defined.** A "competitive area" is an exchange located:

~~(1) in the metropolitan area extended area service toll-free calling area; or~~

~~(2) in the cities of Duluth or St. Cloud in Minnesota.~~

Sec. 2. Minnesota Statutes 2008, section 237.626, is amended to read:

237.626 PROMOTION ACTIVITIES.

Subdivision 1. **Promotions.** A telephone company or telecommunications carrier may promote the use of its services by offering a waiver of part or all of a recurring or a nonrecurring charge, a redemption coupon, or a premium with the purchase of a service. Section 237.09 does not apply to promotions under this section, but the customer group to which the promotion is available must be based on reasonable distinctions among customers. ~~No single promotion may be effective for longer than 90 days at a time. The benefits to a particular customer of a promotion must not extend beyond nine months.~~ The service being promoted must have a price that is above the incremental cost of the service, including amortized cost of the promotion. A promotion may take effect the day after the notice is filed with the commission. The notice must identify customers to whom the promotion is available. ~~A telephone company is not required to file cost information except upon request of the department, the Office of the Attorney General, or the commission to determine if a promotion complies with applicable legal requirements. Within five business days of receipt of a request pursuant to this subdivision, or an order of the commission, the telephone company shall provide the requested cost information demonstrating the service being promoted has a price above the incremental cost of service to the Office of the Attorney General, the department, and the commission. The telephone company shall file this cost information with the commission soon thereafter.~~

Subd. 2. **Bundled service.** (a) A telephone company or telecommunications carrier may offer telecommunications services subject to the regulatory jurisdiction of the commission as part of a package of services that may include goods and services other than those subject to the commission's regulatory jurisdiction. Subject to the requirements of this chapter and the associated rules and orders of the commission applicable to those regulated services, a telephone company may establish the

prices, terms, and conditions of a package of services, except that:

(1) each telecommunications service subject to the regulatory jurisdiction of the commission must be available to customers on a stand-alone basis; and

(2) at the time the packaged offering is introduced or at the time the packaged price is subsequently changed, the packaged rate or price may not exceed the sum of the unpackaged rates or prices for the individual service elements or services; and

~~(3) in addition to the tariff requirements that apply to the telecommunications elements of the package, the tariff must also contain a general description of the nontelecommunications components of the package.~~

(b) Nothing in this subdivision is intended to extend or diminish the regulatory authority of the commission or the department.

Subd. 3. **Promotions available for resale.** Any promotional offering lasting more than 90 days and filed with the commission under subdivision 1 must be available to qualifying carriers for resale. A qualifying carrier must hold a certificate of authority from the commission and must have an approved interconnection agreement with the company offering the promotion, the terms of which include language governing the resale of services.

Sec. 3. **RULES SUPERSEDED.**

Any provisions of Minnesota Rules, parts 7811.2210, subpart 6, and 7812.2210, subpart 6, that are inconsistent with the amendments made in section 2 are superseded and are not applicable to competitive local exchange carriers.

Sec. 4. **REPEALER.**

Laws 2004, chapter 261, article 6, section 5, as amended by Laws 2005, chapter 10, article 1, section 80, is repealed.

Sec. 5. **EFFECTIVE DATE.**

Sections 1 to 4 are effective the day following final enactment."

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Moua from the Committee on Judiciary, to which was referred

S.F. No. 1494: A bill for an act relating to licensing examinations; prohibiting certain practices in preparation for a radiologic technology examination; establishing penalties; amending Minnesota Statutes 2008, section 144.121, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [604.19] SUBVERSION OF EXAMINATION.

(a) A person engages in examination subversion practice when, with respect to a licensing or certifying examination, the person:

(1) removes from the examination room any examination materials without specific authorization;

(2) without authorization, discloses, publishes, transmits, or reconstructs by any means, including but not limited to memorization, any portion of the examination;

(3) pays or uses professional or paid examination takers for the purpose of reconstructing any portion of the examination;

(4) without authorization, obtains examination questions, answers, or materials, whether requested or not, either before, during, or after an examination;

(5) uses or purports to use any examination questions, answers, or materials that were improperly obtained from any examination for the purpose of instructing or preparing an applicant for examination;

(6) sells or offers to sell, distributes or offers to distribute, buys or offers to buy, or receives or possesses without authorization any portion of a future, current, or previously administered examination;

(7) communicates with any other person during the administration of an examination for the purpose of giving or receiving any unauthorized aid;

(8) copies answers from another examinee or permits the person's own answers to be copied by another examinee;

(9) possesses during the administration of the examination any books, equipment, notes, written or printed materials, or data of any kind, other than the examination materials distributed and materials otherwise specifically authorized to be possessed during the examination;

(10) takes an examination using the identity of another person or has another person take an examination using a false identity;

(11) engages in any other conduct that violates the security of the examination materials;

(12) attempts to engage in any act listed in this paragraph; or

(13) aids or abets another person to engage in any act listed in this paragraph.

(b) Any person damaged or likely to be damaged by an examination subversion practice may seek injunctive relief in district court and recovery of damages caused by the practice.

(c) The remedies provided in this subdivision are in addition to any other remedy or penalty that may be available for the same conduct as permitted by law."

Delete the title and insert:

"A bill for an act relating to examinations; prohibiting certain practices in preparation for a licensing or certifying examination; establishing civil liability and remedies; proposing coding for new law in Minnesota Statutes, chapter 604."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 970: A bill for an act relating to elections; authorizing early voting; amending Minnesota Statutes 2008, sections 201.022, subdivision 1; 203B.001; 203B.01, by adding a subdivision; 203B.03, subdivision 1; 204C.10; 206.83; 206.89, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 203B.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 201.022, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** The secretary of state shall maintain a statewide voter registration system to facilitate voter registration and to provide a central database containing voter registration information from around the state. The system must be accessible to the county auditor of each county in the state. The system must also:

- (1) provide for voters to submit their voter registration applications to any county auditor, the secretary of state, or the Department of Public Safety;
- (2) provide for the definition, establishment, and maintenance of a central database for all voter registration information;
- (3) provide for entering data into the statewide registration system;
- (4) provide for electronic transfer of completed voter registration applications from the Department of Public Safety to the secretary of state or the county auditor;
- (5) assign a unique identifier to each legally registered voter in the state;
- (6) provide for the acceptance of the Minnesota driver's license number, Minnesota state identification number, and last four digits of the Social Security number for each voter record;
- (7) coordinate with other agency databases within the state;
- (8) allow county auditors and the secretary of state to add or modify information in the system to provide for accurate and up-to-date records;
- (9) allow county auditors, municipal and school district clerks, and the secretary of state to have electronic access to the statewide registration system for review and search capabilities;
- (10) provide security and protection of all information in the statewide registration system and ensure that unauthorized access is not allowed;
- (11) provide access to municipal clerks to use the system;
- (12) provide a system for each county to identify the precinct to which a voter should be assigned for voting purposes;

(13) provide daily reports accessible by county auditors on the driver's license numbers, state identification numbers, or last four digits of the Social Security numbers submitted on voter registration applications that have been verified as accurate by the secretary of state; ~~and~~

(14) provide reports on the number of absentee ballots transmitted to and returned and cast by voters under section 203B.16; and

(15) provide rosters, master lists, and other reports necessary for early voting.

The appropriate state or local official shall provide security measures to prevent unauthorized access to the computerized list established under section 201.021.

Sec. 2. Minnesota Statutes 2008, section 203B.001, is amended to read:

203B.001 ELECTION LAW APPLICABILITY.

The Minnesota Election Law is applicable to voting by absentee ballot and early voting unless otherwise provided in this chapter.

Sec. 3. Minnesota Statutes 2008, section 203B.01, is amended by adding a subdivision to read:

Subd. 5. **Early voting.** "Early voting" means voting in person before election day at the office of the county auditor or any other location authorized in this chapter.

Sec. 4. Minnesota Statutes 2008, section 203B.03, subdivision 1, is amended to read:

Subdivision 1. **Violation.** No individual shall intentionally:

- (a) make or sign any false certificate required by this chapter;
- (b) make any false or untrue statement in any application for absentee ballots;
- (c) apply for absentee ballots or cast an early ballot more than once in any election with the intent to cast an illegal ballot;
- (d) exhibit a ballot marked by that individual to any other individual;
- (e) do any act in violation of the provisions of this chapter for the purpose of casting an illegal vote in any precinct or for the purpose of aiding another to cast an illegal vote;
- (f) use information from absentee ballot or early voting materials or records for purposes unrelated to elections, political activities, or law enforcement;
- (g) provide assistance to an absentee or early voter except in the manner provided by section 204C.15, subdivision 1;
- (h) solicit the vote of an absentee or early voter while in the immediate presence of the voter during the time the individual knows the absentee or early voter is voting; or
- (i) alter an absentee ballot application after it has been signed by the voter, except by an election official for administrative purposes.

Before inspecting information from absentee ballot or early voting materials or records, an individual shall provide identification to the public official having custody of the material or

information.

Sec. 5. Minnesota Statutes 2008, section 203B.05, is amended to read:

203B.05 DESIGNATION OF MUNICIPAL CLERKS TO ADMINISTER EARLY AND ABSENTEE VOTING LAWS.

Subdivision 1. **Generally.** The full-time clerk of any city or town shall administer the provisions of sections 203B.04 to 203B.15 and 203B.30 to 203B.35, if:

- (a) the county auditor of that county has designated the clerk to administer them; or
- (b) the clerk has given the county auditor of that county notice of intention to administer them.

A clerk may only administer the provisions of sections 203B.04 to 203B.15 and 203B.30 to 203B.35 if the office of the clerk has the technical capacity to access the absentee module of the statewide voter registration system in the secure manner prescribed by the secretary of state. The secretary of state must identify hardware, software, security, or other technical prerequisites necessary to ensure the security, access controls, and performance of the statewide voter registration system. A clerk designated under this subdivision must receive training approved by the secretary of state on the use of the statewide voter registration system. A clerk may not use the statewide voter registration system until the clerk has received the required training.

Subd. 2. **City, school district, and town elections.** For city, town, and school district elections not held on the same day as a statewide election, applications for absentee ballots shall be filed with the city, school district, or town clerk and the duties prescribed by this chapter for the county auditor shall be performed by the city, school district, or town clerk unless the county auditor agrees to perform those duties on behalf of the city, school district, or town clerk. The costs incurred to provide absentee ballots and perform the duties prescribed by this subdivision shall be paid by the city, town, or school district holding the election.

Notwithstanding any other law, this chapter applies to school district elections held on the same day as a statewide election or an election for a county or municipality wholly or partially within the school district.

Sec. 6. Minnesota Statutes 2008, section 203B.085, is amended to read:

203B.085 COUNTY AUDITOR'S AND MUNICIPAL CLERK'S OFFICES TO REMAIN OPEN DURING CERTAIN HOURS PRECEDING ELECTION.

The county auditor's office in each county and the clerk's office in each city or town authorized under section 203B.05 to administer absentee balloting must be open for acceptance of absentee ballot applications and casting of absentee ballots ~~from 10:00 a.m. to 3:00 p.m. on Saturday and until 5:00 p.m. during normal business hours on the day immediately preceding a primary, special, or general election unless that day falls on a Saturday or Sunday.~~ Town clerks' offices must be open for absentee voting from 10:00 a.m. to 12:00 noon on the Saturday before a town general election held in March. The school district clerk, when performing the county auditor's election duties, need not comply with this section.

Sec. 7. Minnesota Statutes 2008, section 203B.11, subdivision 1, is amended to read:

Subdivision 1. **Generally.** Each full-time municipal clerk or school district clerk who has

authority under section 203B.05 to administer absentee and early voting laws shall designate election judges to deliver absentee ballots in accordance with this section. The county auditor must also designate election judges to perform the duties in this section. A ballot may be delivered only to an eligible voter who is a temporary or permanent resident or patient in a health care facility or hospital located in the municipality in which the voter maintains residence. The ballots shall be delivered by two election judges, each of whom is affiliated with a different major political party. When the election judges deliver or return ballots as provided in this section, they shall travel together in the same vehicle. The election judges must bring a ballot box. Both election judges shall be present when an applicant ~~completes the certificate of eligibility~~ signs the certification required by section 204C.10, paragraph (b) and marks the absentee ballots, and may assist an applicant as provided in section 204C.15. Voters must insert their ballots into the ballot box. The election judges shall ~~deposit the return envelopes containing the marked absentee ballots~~ remove the ballots from the ballot box, place them in a sealed container and return them to the clerk on the same day that they are delivered and marked.

Election judges may bring an electronic ballot counter to serve as the ballot box. Election judges may bring an electronic ballot marker.

Sec. 8. [203B.30] EARLY VOTING.

(a) Except as provided in paragraph (b), any eligible voter may vote in person before election day in the manner provided in sections 203B.31 to 203B.35.

(b) Until January 1, 2014, this section does not apply to a town or school district election that is not held in conjunction with a statewide primary or statewide election.

Sec. 9. [203B.31] TIME PERIOD FOR EARLY VOTING.

Early voting must be available to any eligible voter as provided in section 203B.32 for every primary, general, and special election from 30 days before the election through the fourth day before the election.

Sec. 10. [203B.32] HOURS FOR EARLY VOTING.

Early voting must be available between the hours of 8:00 a.m. and 4:30 p.m. on each weekday during the time period provided in section 203B.31; from 8:00 a.m. to 8:00 p.m. on at least one of those days; and from 8:00 a.m. to noon on at least one Saturday.

Sec. 11. [203B.33] LOCATIONS FOR EARLY VOTING.

(a) Early voting must be made available at a polling place designated in the county auditor's office, at the municipal clerk's office in every municipality that has been delegated the responsibility to administer absentee voting as provided in section 203B.05, and at any other location designated by the county auditor or municipal clerk at least 90 days before the election. At least one voting station and one ballot marking device for disabled voters must be made available in each polling place.

(b) The county auditor must make at least one ballot box available in each polling place. As soon as practicable following the public accuracy test, the county auditor must make an electronic ballot counter available.

Sec. 12. [203B.34] NOTICE TO VOTERS.

The county auditor must prepare a notice to the voters of the days, times, and locations for early voting. This notice must be posted on the county's Web site and the Web site for each municipality in the county where an early voting location is designated for the election at least 14 days before the first day for early voting.

Sec. 13. [203B.35] PROCEDURES FOR EARLY VOTING.

Subdivision 1. **Voting procedure.** Each voter shall sign an early voting roster that must include the certification provided in section 204C.10. An individual who is not registered to vote must register in the manner provided in section 201.061, subdivision 3. After the voter has signed a roster, two staff of the county auditor or municipal clerk or two election judges must initial the appropriate ballot for the voter's precinct and provide it to the voter. The voter must mark the ballot and deposit it in either a precinct voting system or a sealed ballot box. A voter may not leave the polling place with the ballot.

Subd. 2. **Record of voting.** (a) The county auditor or municipal clerk must immediately record that a voter has voted early on the voter's record in the statewide voter registration system. After a voter's record has been marked to record that an individual has voted early, the individual must not be allowed to vote again at that election. Voters who are not preregistered at the voter's current address must be considered election day registrants.

(b) The early voting rosters must be marked no later than the start of voting on election day to indicate the voters who have cast a ballot at an early voting location. The rosters may be marked either:

- (1) by the municipal clerk before election day;
- (2) by the absentee ballot board before election day; or
- (3) by the election judges at the polling place on election day.

(c) A voter who has cast a ballot in person by early voting and deposited it in a ballot box or ballot counter must not be permitted to vote at the polling place on election day. An absentee ballot received from a voter who has cast a ballot in person by early voting must be rejected by the election judges.

Subd. 3. **Storage and counting of ballots.** Two staff of the county auditor or municipal clerk or two election judges of different major political parties must:

(1) remove the ballots from the ballot box and seal and secure them at the end of each day on which early ballots were inserted into the ballot box; and

(2) without inspecting the ballots, ensure that the number of ballots removed from the ballot box is equal to the number of voters who voted early.

After the polls have closed on election day, two staff of the county auditor or two election judges of different major political parties must count the early ballots, tabulating the vote in a manner that indicates each vote of the voter and the total votes cast for each candidate or question. In state primary and state general elections, the results must indicate the total votes cast for each candidate or question in each precinct and report the vote totals tabulated for each precinct. The count shall be

public. No vote totals from early ballots may be made public before the close of voting on election day.

Sec. 14. Minnesota Statutes 2008, section 204C.10, is amended to read:

204C.10 PERMANENT REGISTRATION; VERIFICATION OF REGISTRATION.

(a) An individual seeking to vote shall sign a polling place roster which states that the individual is at least 18 years of age, a citizen of the United States, has resided in Minnesota for 20 days immediately preceding the election, maintains residence at the address shown, is not under a guardianship in which the court order revokes the individual's right to vote, has not been found by a court of law to be legally incompetent to vote or has the right to vote because, if the individual was convicted of a felony, the felony sentence has expired or been completed or the individual has been discharged from the sentence, is registered and has not already voted in the election. The roster must also state: "I understand that deliberately providing false information is a felony punishable by not more than five years imprisonment and a fine of not more than \$10,000, or both."

(b) An individual voting early under section 203B.30 must sign a roster that meets the additional requirements of this paragraph. In addition to the content required under paragraph (a), the roster must also state: "I understand that after I have cast my ballot today, I cannot vote again in this election."

(c) All of the text contained within the quotation marks in paragraphs (a) and (b) must be in bold type in rosters provided to individuals voting under section 203B.30.

(d) A judge may, before the applicant signs the roster, confirm the applicant's name, address, and date of birth.

~~(e)~~ (e) After the applicant signs the roster, the judge shall give the applicant a voter's receipt. The voter shall deliver the voter's receipt to the judge in charge of ballots as proof of the voter's right to vote, and thereupon the judge shall hand to the voter the ballot. The voters' receipts must be maintained during the time for notice of filing an election contest.

Sec. 15. Minnesota Statutes 2008, section 206.83, is amended to read:

206.83 TESTING OF VOTING SYSTEMS.

~~Within 14 days before election day,~~ The official in charge of elections shall have the voting system tested to ascertain that the system will correctly mark ballots using all methods supported by the system, including through assistive technology, and count the votes cast for all candidates and on all questions. Public notice of the time and place of the test must be given at least two days in advance by publication once in official newspapers. The test must be observed by at least two election judges, who are not of the same major political party, and must be open to representatives of the political parties, candidates, the press, and the public. The test must be conducted by (1) processing a preaudited group of ballots punched or marked to record a predetermined number of valid votes for each candidate and on each question, and must include for each office one or more ballot cards which have votes in excess of the number allowed by law in order to test the ability of the voting system tabulator and electronic ballot marker to reject those votes; and (2) processing an additional test deck of ballots marked using the electronic ballot marker for the precinct, including ballots marked using the electronic ballot display, audio ballot reader, and any assistive voting technology used with the electronic ballot marker. If any error is detected, the cause must be ascertained and

corrected and an errorless count must be made before the voting system may be used in the election. After the completion of the test, the programs used and ballot cards must be sealed, retained, and disposed of as provided for paper ballots.

Testing of equipment used for early voting must be conducted as soon as practicable after the equipment has been programmed. Testing of equipment used on the day of the election must be conducted within the 14 days before election day.

Sec. 16. Minnesota Statutes 2008, section 206.89, subdivision 2, is amended to read:

Subd. 2. **Selection for review; notice.** At the canvass of the state primary, the county canvassing board in each county must set the date, time, and place for the postelection review of the state general election to be held under this section.

At the canvass of the state general election, the county canvassing boards must select the precincts to be reviewed by lot. The early ballots counted centrally must be considered a precinct eligible to be selected for the purposes of this subdivision. The county canvassing board of a county with fewer than 50,000 registered voters must conduct a postelection review of a total of at least two precincts. The county canvassing board of a county with between 50,000 and 100,000 registered voters must conduct a review of a total of at least three precincts. The county canvassing board of a county with over 100,000 registered voters must conduct a review of a total of at least four precincts, or three percent of the total number of precincts in the county, whichever is greater. At least one precinct selected in each county must have had more than 150 votes cast at the general election.

The county auditor must notify the secretary of state of the precincts that have been chosen for review and the time and place the postelection review for that county will be conducted, as soon as the decisions are made. If the selection of precincts has not resulted in the selection of at least four precincts in each congressional district, the secretary of state may require counties to select by lot additional precincts to meet the congressional district requirement. The secretary of state must post this information on the office Web site.

Sec. 17. **REPEALER.**

Minnesota Statutes 2008, section 203B.11, subdivision 2, is repealed.

Sec. 18. **EFFECTIVE DATE.**

Sections 1 to 17 are effective when the secretary of state has certified that:

(1) the statewide voter registration system has been tested, shown to properly allow for the tracking of the information required to conduct early voting, and can handle the expected volume of use; and

(2) that voting equipment that can tabulate at least 30 different ballot styles has been certified for use in this state.

Upon certification, sections 1 to 6 apply to all federal, state, county, and city elections held in conjunction with the state primary in 2010 and thereafter, and to all other elections held in 2014 and thereafter. A municipality may implement the requirements of this chapter prior to the date provided in this paragraph, if the secretary of state has made the certification required by this section at least

90 days prior to the date of the election at which early voting will be used."

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 663: A bill for an act relating to elections; changing certain provisions concerning military and overseas voting; amending Minnesota Statutes 2008, sections 203B.16, subdivision 2; 203B.17, subdivision 1; 203B.21, subdivision 2; 203B.22; 203B.225, subdivision 1; 203B.227.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 1894: A bill for an act relating to public safety; authorizing local units of government to impose administrative fines for certain offenses; amending Minnesota Statutes 2008, sections 6.74; 169.022; 169.985; 169.99, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 471.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 6.74, is amended to read:

6.74 INFORMATION COLLECTED FROM LOCAL GOVERNMENTS.

The state auditor, or a designated agent, shall collect annually from all city, county, and other local units of government, information as to the assessment of property, collection of taxes, receipts from licenses and other sources including administrative fines assessed and collected pursuant to section 169.999, the expenditure of public funds for all purposes, borrowing, debts, principal and interest payments on debts, and such other information as may be needful. The data shall be supplied upon forms prescribed by the state auditor, and all public officials so called upon shall fill out properly and return promptly all forms so transmitted. The state auditor or assistants, may examine local records in order to complete or verify the information.

Sec. 2. Minnesota Statutes 2008, section 169.985, is amended to read:

169.985 TRAFFIC CITATION QUOTA PROHIBITED.

A law enforcement agency may not order, mandate, require, or suggest to a peace officer a quota for the issuance of traffic citations, including administrative citations authorized under section 169.999, on a daily, weekly, monthly, quarterly, or yearly basis.

Sec. 3. Minnesota Statutes 2008, section 169.99, subdivision 1, is amended to read:

Subdivision 1. **Form.** (a) Except as provided in subdivision 3, there shall be a uniform ticket

issued throughout the state by the police and peace officers or by any other person for violations of this chapter and ordinances in conformity thereto. Such uniform traffic ticket shall be in the form and have the effect of a summons and complaint, except if the citation is issued for an administrative violation pursuant to section 169.999. Except as provided in paragraph (b) or if the ticket is for an administrative citation issued pursuant to section 169.999, the uniform ticket shall state that if the defendant fails to appear in court in response to the ticket, an arrest warrant may be issued. The uniform traffic ticket shall consist of ~~four~~ five parts, on paper sensitized so that copies may be made without the use of carbon paper, as follows:

(1) the complaint, with reverse side for officer's notes for testifying in court, driver's past record, and court's action, printed on white paper;

(2) the abstract of court record for the Department of Public Safety, which shall be a copy of the complaint with the certificate of conviction on the reverse side, printed on yellow paper;

(3) the police record, which shall be a copy of the complaint and of the reverse side of copy (1), printed on pink paper;

(4) the summons, with, on the reverse side, such information as the court may wish to give concerning the Traffic Violations Bureau, and a plea of guilty and waiver, printed on off-white tag stock; and

(5) a box for a peace officer to use to designate the citation as administrative pursuant to section 169.999 with accompanying space for local units of government to print specific instructions on how to pay and challenge administrative citations.

(b) If the offense is a petty misdemeanor, the uniform ticket must state that a failure to appear will be considered a plea of guilty and waiver of the right to trial, unless the failure to appear is due to circumstances beyond the person's control.

Sec. 4. [169.999] ADMINISTRATIVE CITATIONS FOR CERTAIN TRAFFIC OFFENSES.

Subdivision 1. Authority. (a) Except for peace officers employed by the state patrol, prior to a peace officer issuing an administrative citation under this section, the governing body for the local unit of government that employs the peace officer must pass a resolution that:

(1) authorizes issuance of administrative citations;

(2) obligates the local unit of government to provide a neutral third party to hear and rule on challenges to administrative citations; and

(3) bars peace officers from issuing administrative citations in violation of this section.

(b) A peace officer may issue an administrative citation to a vehicle operator who:

(1) violates section 169.14, and the violation consists of a speed under ten miles per hour in excess of the lawful speed limit;

(2) fails to obey a stop line in violation of section 169.30; or

(3) operates a vehicle that is in violation of sections 169.46 to 169.68 and 169.69 to 169.75.

(c) The authority to issue an administrative citation is exclusively limited to those offenses listed in this subdivision.

(d) A peace officer who issues an administrative citation for the infraction of speeding under ten miles per hour over the speed limit must use the actual speed a violator's vehicle was traveling at the time of the infraction and may not reduce the recorded speed for purposes of qualifying the offense for an administrative citation. An administrative citation issued for speeding must list the actual speed the vehicle was traveling at the time of the infraction.

Subd. 2. **Officer's authority.** The authority to issue an administrative penalty is reserved exclusively to licensed peace officers. An officer may not be required by ordinance or otherwise to issue a citation under this section instead of a criminal citation.

Subd. 3. **Right to contest citation.** (a) A peace officer who issues an administrative citation must inform the vehicle operator that the person has the right to contest the citation.

(b) Except as provided in paragraph (c), the local unit of government that employs the peace officer who issues an administrative citation must provide a civil process for a person to contest the administrative citation. The person must be allowed to challenge the citation before a neutral third party. A local unit of government may employ a person to hear and rule on challenges to administrative citations or contract with another local unit of government or a private entity to provide the service.

(c) The state patrol may contract with local units of government or private entities to collect administrative fines and to provide a neutral third party to hear and rule on challenges to administrative citations. An administrative citation issued by a state patrol trooper must clearly state how and where a violator can challenge the citation.

Subd. 4. **Fines; disbursement.** (a) A person who commits an administrative violation under subdivision 1 must pay a fine of \$60.

(b) Except as provided in paragraph (c), two-thirds of a fine collected under this section must be credited to the general revenue fund of the local unit of government that employs the peace officer who issued the citation, and one-third must be transferred to the commissioner of finance to be deposited in the state general fund. A local unit of government receiving fine proceeds under this section must use at least one-half of the funds for law enforcement purposes. The funds must be used to supplement but not supplant any existing law enforcement funding.

(c) For fines collected under this section from administrative citations issued by state patrol troopers, one-third shall be credited to the general fund of the local unit of government or entity that collects the fine and provides a hearing officer and two-thirds must be transferred to the commissioner of finance to be deposited in the state general fund.

Subd. 5. **Commercial driver's licenses; exception.** The holder of a commercial driver's license may not be issued an administrative citation under this section.

Subd. 6. **Driving records.** A violation under this subdivision may not be recorded by the Department of Public Safety on the violator's driving record and does not constitute grounds for revocation or suspension of the violator's driver's license.

Subd. 7. **Administrative penalty reporting.** A county, city, or town that employs peace officers

who issue administrative citations and collects administrative fines under this section must include that information and the amount collected as separate categories in any financial report, summary, or audit.

Subd. 8. **Local preemption.** The authority to issue an administrative citation is exclusively limited to those offenses listed in subdivision 1. Notwithstanding any contrary charter provision or ordinance, no statutory or home rule charter city, county, or town may impose administrative penalties to enforce any other provision of this chapter.

Sec. 5. Minnesota Statutes 2008, section 357.021, subdivision 6, is amended to read:

Subd. 6. **Surcharges on criminal and traffic offenders.** (a) Except as provided in this paragraph, the court shall impose and the court administrator shall collect a \$75 surcharge on every person convicted of any felony, gross misdemeanor, misdemeanor, or petty misdemeanor offense, other than a violation of a law or ordinance relating to vehicle parking, for which there shall be a \$4 surcharge. In the Second Judicial District, the court shall impose, and the court administrator shall collect, an additional \$1 surcharge on every person convicted of any felony, gross misdemeanor, misdemeanor, or petty misdemeanor offense, including a violation of a law or ordinance relating to vehicle parking, if the Ramsey County Board of Commissioners authorizes the \$1 surcharge. The surcharge shall be imposed whether or not the person is sentenced to imprisonment or the sentence is stayed. The surcharge shall not be imposed when a person is convicted of a petty misdemeanor for which no fine is imposed.

(b) If the court fails to impose a surcharge as required by this subdivision, the court administrator shall show the imposition of the surcharge, collect the surcharge, and correct the record.

(c) The court may not waive payment of the surcharge required under this subdivision. Upon a showing of indigency or undue hardship upon the convicted person or the convicted person's immediate family, the sentencing court may authorize payment of the surcharge in installments.

(d) The court administrator or other entity collecting a surcharge shall forward it to the commissioner of finance.

(e) If the convicted person is sentenced to imprisonment and has not paid the surcharge before the term of imprisonment begins, the chief executive officer of the correctional facility in which the convicted person is incarcerated shall collect the surcharge from any earnings the inmate accrues from work performed in the facility or while on conditional release. The chief executive officer shall forward the amount collected to the commissioner of finance.

(f) The surcharge does not apply to administrative citations issued pursuant to section 169.999.

Sec. 6. **COMMISSIONER OF PUBLIC SAFETY; REVISE UNIFORM CITATION.**

(a) For any uniform traffic citations printed after the effective date of Minnesota Statutes, section 169.999, the commissioner of public safety shall revise the uniform traffic citation to include the information required by Minnesota Statutes, section 169.99, subdivision 1, clause (5), regarding administrative citations. The commissioner shall consult with representatives from the Sheriff's Association of Minnesota, the Minnesota Chiefs of Police Association, and the Minnesota Police and Peace Officers Association on how the uniform traffic citation shall incorporate administrative citations.

(b) Within 60 days of enactment, the commissioner of public safety must publish an addendum to the uniform traffic citation that peace officers can use to issue administrative citations prior to the commissioner issuing a uniform traffic citation that incorporates administrative citations."

Delete the title and insert:

"A bill for an act relating to public safety; requiring commissioner of public safety to revise the uniform traffic citation; authorizing local units of government to impose administrative fines for certain offenses; amending Minnesota Statutes 2008, sections 6.74; 169.985; 169.99, subdivision 1; 357.021, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 169."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1794, 3, 926, 1494 and 663 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senators Rest and Lourey introduced—

S.F. No. 2019: A bill for an act relating to taxes; modifying provisions relating to lawful gambling taxes; amending Minnesota Statutes 2008, sections 297E.01, subdivisions 7, 8; 297E.02, subdivisions 1, 2, 3, 7, 10; 297E.13, subdivision 5; 349.12, subdivision 25; 349.19, subdivision 2; repealing Minnesota Statutes 2008, sections 297E.02, subdivisions 4, 6, 11; 349.15, subdivision 3; 349.19, subdivision 2a.

Referred to the Committee on Taxes.

Senator Olson, M. introduced—

S.F. No. 2020: A bill for an act relating to capital improvements; appropriating money for a regional community facility in Deer River; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

Senator Olseen introduced—

S.F. No. 2021: A bill for an act relating to transportation; amending schedule of state payments for operating assistance to greater Minnesota transit providers; amending Minnesota Statutes 2008, section 174.24, subdivision 5.

Referred to the Committee on Finance.

Senator Wiger introduced–

S.F. No. 2022: A bill for an act relating to education; appropriating money for Words Work grants for early childhood literacy.

Referred to the Committee on Finance.

Senator Tomassoni introduced–

S.F. No. 2023: A bill for an act relating to transportation; driver's licensing; specifying the waiting period for issuance of a limited license following a nondriving violation of the no alcohol requirement of a conditional driver's license; amending Minnesota Statutes 2008, sections 171.09, subdivision 1; 171.30, subdivision 2a.

Referred to the Committee on Transportation.

Senator Tomassoni introduced–

S.F. No. 2024: A bill for an act relating to impaired driving; specifying rehabilitation requirements for certain repeat impaired driving offenders as a condition for a limited license to drive to work; proposing coding for new law in Minnesota Statutes, chapter 169A.

Referred to the Committee on Transportation.

Senator Doll introduced–

S.F. No. 2025: A bill for an act relating to transportation; designating Sioux Trail Transit Way; requiring Metropolitan Council to conduct Sioux Trail Transit Way feasibility study.

Referred to the Committee on Finance.

Senator Dibble introduced–

S.F. No. 2026: A bill for an act relating to human services; appropriating money for homeless programs.

Referred to the Committee on Finance.

Senator Langseth introduced–

S.F. No. 2027: A bill for an act relating to capital improvements; extending an appropriation for the Minnesota Planetarium; amending Laws 2005, chapter 20, article 1, section 23, subdivision 16, as amended.

Referred to the Committee on Finance.

Senators Torres Ray, Rummel and Saxhaug introduced–

S.F. No. 2028: A bill for an act relating to natural resources; establishing eligibility requirements for parks and trails funding; establishing priorities for appropriating money from the parks and trails

fund; requiring the development of a statewide parks and trails system inventory; appropriating money; amending Minnesota Statutes 2008, section 85.53; proposing coding for new law in Minnesota Statutes, chapter 85.

Referred to the Committee on Environment and Natural Resources.

Senator Prettner Solon introduced—

S.F. No. 2029: A bill for an act relating to energy; appropriating money for a grant to the Natural Resources and Research Institute at the University of Minnesota, Duluth.

Referred to the Committee on Finance.

Senator Prettner Solon introduced—

S.F. No. 2030: A bill for an act relating to health licensing boards; appropriating money.

Referred to the Committee on Finance.

Senators Ortman, Scheid, Moua and Dibble introduced—

S.F. No. 2031: A bill for an act relating to taxation; providing an exemption for pass-through income; expanding sales tax base; exempting certain purchases from sales tax; amending Minnesota Statutes 2008, sections 290.01, subdivision 19b; 297A.61, subdivision 3; 297A.67, subdivision 8; 297A.70, subdivision 2.

Referred to the Committee on Taxes.

Senators Tomassoni, Limmer and Scheid introduced—

S.F. No. 2032: A bill for an act relating to taxation; limiting the tax on cigars; amending Minnesota Statutes 2008, section 297F.05, subdivision 3.

Referred to the Committee on Taxes.

MOTIONS AND RESOLUTIONS

Senator Rummel moved that the name of Senator Kubly be added as a co-author to S.F. No. 1647. The motion prevailed.

Senator Rosen moved that the name of Senator Sheran be added as a co-author to S.F. No. 1766. The motion prevailed.

Senator Prettner Solon moved that the name of Senator Sheran be added as a co-author to S.F. No. 1911. The motion prevailed.

Senator Dibble moved that the name of Senator Latz be added as a co-author to S.F. No. 1990. The motion prevailed.

Senator Lynch moved that the name of Senator Koering be added as a co-author to S.F. No.

1996. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Senator Pogemiller moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Senator Betzold in the chair.

After some time spent therein, the committee arose, and Senator Betzold reported that the committee had considered the following:

S.F. Nos. 643 and 1454, which the committee recommends to pass.

S.F. No. 1012, which the committee recommends to pass with the following amendment offered by Senator Anderson:

Page 22, delete subdivision 16 and insert:

"Subd. 16. Carryforward

The availability of the appropriations for the following projects is extended to June 30, 2010:

(1) Laws 2005, First Special Session chapter 1, article 2, section 11, subdivision 9, paragraph (a), completing third-party certification of Department of Natural Resources forest lands, as extended by Laws 2007, chapter 30, section 2, subdivision 16;

(2) Laws 2005, First Special Session chapter 1, article 2, section 11, subdivision 10, paragraph (a), clean energy resource teams and community wind energy rebate, as amended by Laws 2006, chapter 243, section 15;

(3) Laws 2005, First Special Session chapter 1, article 2, section 11, subdivision 10, paragraph (e), wind to hydrogen demonstration, as extended by Laws 2007, chapter 30, section 2, subdivision 16;

(4) Laws 2007, chapter 30, section 2, subdivision 4, paragraph (a), forest legacy conservation easements; and

(5) Laws 2007, chapter 30, section 2,

subdivision 5, paragraph (m), threat of emerging contaminants to Upper Mississippi walleye."

The motion prevailed. So the amendment was adopted.

S.F. No. 1904, which the committee recommends to pass with the following amendment offered by Senator Scheid:

Page 2, line 10, delete "2009" and insert "2010"

The motion prevailed. So the amendment was adopted.

S.F. No. 550, which the committee recommends to pass with the following amendments offered by Senators Rosen and Dille:

Senator Rosen moved to amend S.F. No. 550 as follows:

Page 2, delete section 3

Page 23, after line 30, insert:

"Sec. 27. **REPORT ON PROVIDING DELIVERED HOME HEATING FUEL.**

(a) A fuel oil or propane company receiving \$150,000 or more from the Low Income Home Energy Assistance Program (LIHEAP) for the previous heating season for deliveries to customers in the state must report the following information to the Office of Energy Security by August 1, 2010, and August 1, 2011, for the previous heating season on a form prepared by the office:

(1) its total number of customers during the previous heating season;

(2) all of the following separately for its residential and residential LIHEAP customers:

(i) the number of customers refused delivery at any time during the previous heating season. Vendors must report if they refused delivery to the same service address more than one time during the previous heating season;

(ii) the number of customers on keep-fill during the previous heating season;

(iii) the number of full and partial pre-buy customers during the previous heating season;

(iv) the number of customers on budget-billing or payment plans on the date of the report;

(v) the number of customers behind on their bills on the date of the report; and

(vi) a price list of routine services that are normal and customary, including, but not limited to:

(A) leak or pressure test fee;

(B) minimum delivery amounts and fees;

(C) special trip during business hours and nonbusiness hours;

(D) same-day delivery fee;

(E) after hours, weekend, and holiday delivery fee;

(F) next work day delivery fee; and

(G) the cost of switching tanks to a different vendor; and

(3) the number of customers on the date of the report that rent fuel tanks from the vendor.

The Office of Energy Security must regularly track delivered heating fuel prices throughout the year.

(b) All information reported under this section must be summary data that does not identify any particular customer.

(c) The obligation to supply the information required by this section must be included in the agreement between the vendor and the LIHEAP program.

(d) For the purpose of this section, "heating season" means the period from October 15 to the next April 15."

Renumber the sections in sequence and correct internal references

Amend the title numbers accordingly

Senator Rosen moved to amend the Rosen amendment to S.F. No. 550 as follows:

Page 1, line 36, after "particular" insert "vendor and"

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the Rosen amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Senator Dille moved to amend S.F. No. 550 as follows:

Page 18, after line 21, insert:

"Sec. 17. Minnesota Statutes 2008, section 216B.243, subdivision 3b, is amended to read:

Subd. 3b. ~~Nuclear power plant; new construction prohibited; relicensing~~ **Additional storage of spent nuclear fuel.** ~~(a) The commission may not issue a certificate of need for the construction of a new nuclear-powered electric generating plant.~~

~~(b)~~ Any certificate of need for additional storage of spent nuclear fuel for a facility seeking a license extension shall address the impacts of continued operations over the period for which approval is sought.

EFFECTIVE DATE. This section is effective the day following final enactment."

Renumber the sections in sequence and correct internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 42 and nays 24, as follows:

Those who voted in the affirmative were:

Bakk	Hann	Lynch	Robling	Skogen
Bonoff	Ingebrigtsen	Metzen	Rosen	Sparks
Carlson	Johnson	Michel	Saltzman	Stumpf
Dahle	Jungbauer	Murphy	Saxhaug	Tomassoni
Day	Koch	Olseen	Scheid	Vanderveer
Dille	Koering	Olson, G.	Senjem	Vickerman
Fischbach	Langseth	Ortman	Sheran	
Fobbe	Latz	Pariseau	Sieben	
Gerlach	Limmer	Rest	Skoe	

Those who voted in the negative were:

Anderson	Cohen	Frederickson	Marty	Prettner Solon
Berglin	Dibble	Higgins	Moua	Rummel
Betzold	Doll	Kelash	Olson, M.	Torres Ray
Chaudhary	Erickson Ropes	Kubly	Pappas	Wiger
Clark	Foley	Lourey	Pogemiller	

The motion prevailed. So the amendment was adopted.

S.F. No. 550 was then recommended to pass.

S.F. No. 10, which the committee recommends to pass with the following amendments offered by Senators Bonoff and Frederickson:

Senator Bonoff moved to amend S.F. No. 10 as follows:

Page 1, delete subdivision 1 and insert:

"Subdivision 1. **Purchasing requirement.** (a) For fiscal year 2010 and later, a school district or charter school is required to purchase goods and services, when price competitive, from a regional service cooperative or a regional management information center, or state contracts available through the cooperative purchasing venture under section 16C.10, subdivision 4, and operated under the authority of the commissioner of administration or a joint powers agreement or purchase of services agreement between governmental units. The commissioner of administration will oversee the shared services purchasing requirement under this subdivision.

(b) Any state contract or joint purchasing arrangement that would include school districts and charter schools shall be reported to the commissioners of education and administration. These state contracts or joint purchasing arrangements shall be published on the Department of Administration's Web site, which the department shall maintain and update as necessary. The Department of Education's Web site shall be linked to the Department of Administration's Web site. For each state contract or joint purchasing arrangement listed, the Web site shall list the goods or services covered, the duration of the contract or arrangement, the governmental units covered by the contract or arrangement and an explanation of how an eligible governmental unit may take advantage of and participate in that state contract or joint purchasing arrangement. Each time a new state contract or joint purchasing arrangement is added to the list, the Department of Administration shall e-mail school districts and charter schools to inform them of the availability of the new contract or arrangement. This requirement does not apply to custodial, food, or transportation services."

Page 2, line 9, after the period, insert "The school district or charter school may use section 471.345 to satisfy this requirement."

Page 3, line 16, after the period, insert "The statewide total deduction for this section must not exceed \$2,500,000 each year for fiscal years 2010 and 2011."

The motion prevailed. So the amendment was adopted.

Senator Bonoff moved to amend the Bonoff amendment to S.F. No. 10, adopted by the Senate April 2, 2009, as follows:

Page 1, line 3, delete "year" and insert "years" and after "2010" insert ", 2011, and 2012" and delete "and later"

The motion prevailed. So the amendment was adopted.

Senator Frederickson moved to amend S.F. No. 10 as follows:

Page 2, line 9, after the period, insert "A statement or notation on the invoice fulfills this requirement."

The motion prevailed. So the amendment was adopted.

S.F. No. 10 was then recommended to pass.

On motion of Senator Pogemiller, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Reports of Committees and Second Reading of Senate Bills.

REPORTS OF COMMITTEES

Senator Pogemiller moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred

S.F. No. 1368: A bill for an act relating to employment; expanding the official measure of unemployment.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 116J.401, subdivision 2, is amended to read:

Subd. 2. **Duties.** The commissioner of employment and economic development shall:

(1) provide regional development commissions, the Metropolitan Council, and units of local government with information, technical assistance, training, and advice on using federal and state programs;

(2) receive and administer the Small Cities Community Development Block Grant Program authorized by Congress under the Housing and Community Development Act of 1974, as amended;

(3) receive and administer the section 107 technical assistance program grants authorized by Congress under the Housing and Community Development Act of 1974, as amended;

(4) receive, administer, and supervise other state and federal grants and grant programs for planning, community affairs, community development purposes, employment and training services, and other state and federal programs assigned to the department by law or by the governor in accordance with section 4.07;

(5) receive applications for state and federal grants and grant programs for planning, community affairs, and community development purposes, and other state and federal programs assigned to the department by law or by the governor in accordance with section 4.07;

(6) act as the agent of, and cooperate with, the federal government in matters of mutual concern, including the administration of any federal funds granted to the state to aid in the performance of functions of the commissioner;

(7) provide consistent, integrated employment and training services across the state;

(8) administer the Wagner-Peyser Act, the Workforce Investment Act, and other federal employment and training programs;

(9) establish the standards for all employment and training services administered under this chapter and chapters 116L, 248, 268, and 268A;

(10) administer the aspects of the Minnesota family investment program, general assistance, and food stamps that relate to employment and training services, subject to the contract under section 116L.86, subdivision 1;

(11) obtain reports from local service units and service providers for the purpose of evaluating the performance of employment and training services;

(12) as requested, certify employment and training services, and decertify services that fail to comply with performance criteria according to standards established by the commissioner;

(13) develop standards for the contents and structure of the local service unit plans and plans for Indian tribe employment and training services, review and comment on those plans, and approve or disapprove the plans;

(14) supervise the county boards of commissioners, local service units, and any other units of government designated in federal or state law as responsible for employment and training programs;

(15) establish administrative standards and payment conditions for providers of employment and training services;

(16) enter into agreements with Indian tribes as necessary to provide employment and training services as appropriate funds become available;

(17) cooperate with the federal government and its employment and training agencies in any reasonable manner as necessary to qualify for federal aid for employment and training services and

money;

(18) administer and supervise all forms of unemployment insurance provided for under federal and state laws;

(19) provide current state and substate labor market information and official forecasts, in cooperation with other agencies. The commissioner must also collect, analyze, and produce labor market information as provided for in section 116J.4011;

(20) require all general employment and training programs that receive state funds to make available information about opportunities for women in nontraditional careers in the trades and technical occupations;

(21) consult with the Rehabilitation Council for the Blind on matters pertaining to programs and services for the blind and visually impaired;

(22) enter into agreements with other departments of the state and local units of government as necessary; and

(23) establish and maintain administrative units necessary to perform administrative functions common to all divisions of the department.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. [116J.4011] EXPANSION OF MEASUREMENT OF UNEMPLOYED AND UNDEREMPLOYED MINNESOTANS.

(a) By July 1, 2010, the commissioner of employment and economic development shall design and implement a comprehensive measure of unemployment and underemployment in the state to be used by the Labor Market Information Office within the Department of Employment and Economic Development to analyze and produce estimates of total unemployment. The measurement required under this section is in addition to methods currently utilized by the commissioner to produce official forecasts and must include, but is not limited to, data on workers who are employed on a part-time basis but would prefer and accept full-time employment if it was available, and those who are currently unemployed and not actively seeking employment due to impediments to work including the lack of child care or transportation. The new measurement must also include information on state and substate unemployment and underemployment and the incidence of unemployment and underemployment across demographic categories including, but not limited to, race, age, and gender. The commissioner must report monthly to the chairs and ranking minority members of the committees of the senate and house of representatives having jurisdiction over workforce issues on the most recent monthly state unemployment rate under both the traditional measure, commonly referred to as the U-3 measure, and the measure required to be designed by this section.

(b) The comprehensive measure required in paragraph (a) may, in addition to other information, utilize information from the United States Bureau of Labor Statistics Current Population Survey and the United States Census Bureau American Community Survey as the base for identifying, evaluating, and utilizing correlations with other relevant data to be used in econometric modeling of measures of unemployment and underemployment.

EFFECTIVE DATE. This section is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to employment; regulating the dissemination and calculation of the state unemployment rate; amending Minnesota Statutes 2008, section 116J.401, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 116J."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred

S.F. No. 1919: A bill for an act relating to energy; creating Minnesota Green Enterprise Authority; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **[116J.438] MINNESOTA GREEN ENTERPRISE ASSISTANCE.**

(a) The commissioner of employment and economic development shall lead a multiagency project to advise, promote, market, coordinate, and mandate state agency collaboration on green enterprise and green economy projects, as defined in section 116J.437. The project must involve collaboration with state agencies, local governments, and the business and agricultural communities. The objective of the project is to utilize existing state resources to expedite the delivery of grants, licenses, permits, and other state authorizations and approvals for green economy projects.

(b) As part of the project, the commissioners of employment and economic development, the Pollution Control Agency, natural resources, agriculture, transportation, and commerce shall each assign sufficient employees to the project to carry out its purpose.

(c) The commissioner of employment and economic development shall seek out and appoint a person from the business community to represent the state at trade shows or missions, as well as assisting the commissioner in project activities.

(d) The commissioner shall report to the legislature by January 15 annually on its activities and progress with advancing the green economy.

(e) This section expires January 2, 2020.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. **APPROPRIATION; GREEN ENTERPRISE AUTHORITY.**

\$100,000 is transferred from the balance of the fiscal year 2009 appropriation for the Green Jobs Task Force under Laws 2008, chapter 363, article 6, section 3, subdivision 4, and is appropriated to the commissioner of employment and economic development for the purposes of section 1. This appropriation is available through June 30, 2010."

Delete the title and insert:

"A bill for an act relating to energy; economic development; providing for efficient government

involvement with the green economy; proposing coding for new law in Minnesota Statutes, chapter 116J."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred

S.F. No. 1932: A bill for an act relating to economic development; requiring accountability measures and reports as a condition for receiving state funds; proposing coding for new law in Minnesota Statutes, chapter 116J.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, after "chairs" insert "and ranking minority members"

Page 1, line 19, before "committees" insert "chairs and the ranking minority members of the"

Page 2, line 9, delete "Before receiving additional state funds,"

Page 2, after line 12, insert:

"Beginning November 1, 2009, the commissioner shall provide notice to grant applicants and recipients regarding the data collection and reporting requirements under this subdivision and must provide technical assistance to applicants and recipients to assist in complying with the requirements of this subdivision.

Subd. 4. **Biennial budget request.** The information collected and reported under subdivisions 2 and 3 shall be included in budgets submitted to the legislature under section 16A.11."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was re-referred

S.F. No. 247: A bill for an act relating to public health; protecting the health of children; prohibiting bisphenol-A in products for young children; proposing coding for new law in Minnesota Statutes, chapter 325F.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [325F.172] DEFINITIONS.

Subdivision 1. **Scope.** For the purposes of sections 325F.172 to 325F.173, the following terms have the meanings given them.

Subd. 2. **Child.** "Child" means a person under three years of age.

Subd. 3. **Children's product.** "Children's product" means an empty bottle or cup to be filled with food or liquid that is designed or intended by a manufacturer to be used by a child.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. [325F.173] BISPHENOL-A IN CERTAIN CHILDREN'S PRODUCTS.

(a) By January 1, 2010, no manufacturer or wholesaler may sell or offer for sale in this state a children's product that contains bisphenol-A.

(b) This section does not apply to sale of a used children's product.

(c) By January 1, 2011, no retailer may sell or offer for sale in this state a children's product that contains bisphenol-A.

EFFECTIVE DATE. This section is effective the day following final enactment."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 747: A bill for an act relating to local government; regulating nonconforming lots in shoreland areas; amending Minnesota Statutes 2008, sections 82.22, subdivision 8; 394.36, subdivision 4, by adding a subdivision; 462.357, subdivision 1e; 513.56, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 394.36, subdivision 4, is amended to read:

Subd. 4. Nonconformities; certain classes of property. This subdivision applies to homestead and nonhomestead residential real estate and seasonal residential real estate occupied for recreational purposes. Except as otherwise provided by law, a nonconformity, including the lawful use or occupation of land or premises existing at the time of the adoption of an official control under this chapter, may be continued, including through repair, replacement, restoration, maintenance, or improvement, but not including expansion. If the nonconformity or occupancy is discontinued for a period of more than one year, or any nonconforming building or structure is destroyed by fire or other peril to the extent of greater than 50 percent of its estimated market value, as indicated in the records of the county assessor at the time of damage, and no building permit has been applied for within 180 days of when the property is damaged, any subsequent use or occupancy of the land or premises must be a conforming use or occupancy. If a nonconforming building or structure is destroyed by fire or other peril to the extent of greater than 50 percent of its estimated market value, as indicated in the records of the county assessor at the time of damage, the board may impose reasonable conditions upon a zoning or building permit in order to mitigate any newly created impact on adjacent property or water body. When a nonconforming structure in the shoreland district with less than 50 percent of the required setback from the water is destroyed by fire or other peril to greater than 50 percent of its estimated market value, as indicated in the records of the county assessor at the time of damage, the structure setback must be increased if practicable and reasonable conditions may be placed upon a zoning or building permit to mitigate created impacts on the adjacent property or water body.

Sec. 2. Minnesota Statutes 2008, section 394.36, is amended by adding a subdivision to read:

Subd. 5. Existing nonconforming lots in shoreland areas. (a) This subdivision applies to shoreland lots of record in the office of the county recorder on the date of adoption of local shoreland controls that do not meet the requirements for lot size or lot width. A county shall regulate the use of nonconforming lots of record and the repair, replacement, maintenance, improvement, or expansion of nonconforming uses and structures in shoreland areas according to this subdivision.

(b) A nonconforming single lot of record located within a shoreland area may be allowed as a building site without variances from lot size requirements, provided that:

(1) all structure and septic system setback distance requirements can be met;

(2) a Type 1 sewage treatment system consistent with Minnesota Rules, chapter 7080, can be installed or the lot is connected to a public sewer; and

(3) the impervious surface coverage does not exceed 25 percent of the lot.

(c) In a group of two or more contiguous lots of record under a common ownership, an individual lot must be considered as a separate parcel of land for the purpose of sale or development, if it meets the following requirements:

(1) the lot must be at least 66 percent of the dimensional standard for lot width and lot size for the shoreland classification consistent with Minnesota Rules, chapter 6120;

(2) the lot must be connected to a public sewer, if available, or must be suitable for the installation of a Type 1 sewage treatment system consistent with Minnesota Rules, chapter 7080, and local government controls;

(3) impervious surface coverage must not exceed 25 percent of each lot; and

(4) development of the lot must be consistent with an adopted comprehensive plan.

(d) A lot subject to paragraph (c) not meeting the requirements of paragraph (c) must be combined with the one or more contiguous lots so they equal one or more conforming lots as much as possible.

(e) Notwithstanding paragraph (c), contiguous nonconforming lots of record in shoreland areas under a common ownership must be able to be sold or purchased individually if each lot contained a habitable residential dwelling at the time the lots came under common ownership and the lots are suitable for, or served by, a sewage treatment system consistent with the requirements of section 115.55 and Minnesota Rules, chapter 7080, or connected to a public sewer.

(f) In evaluating all variances, zoning and building permit applications, or conditional use requests, the zoning authority shall require the property owner to address, when appropriate, storm water runoff management, reducing impervious surfaces, increasing setback, restoration of wetlands, vegetative buffers, sewage treatment and water supply capabilities, and other conservation-designed actions.

(g) A portion of a conforming lot may be separated from an existing parcel as long as the remainder of the existing parcel meets the lot size and sewage system requirements of the zoning district for a new lot and the newly created parcel is combined with an adjacent parcel.

Sec. 3. Minnesota Statutes 2008, section 462.357, subdivision 1e, is amended to read:

Subd. 1e. **Nonconformities.** (a) Except as otherwise provided by law, any nonconformity, including the lawful use or occupation of land or premises existing at the time of the adoption of an additional control under this chapter, may be continued, including through repair, replacement, restoration, maintenance, or improvement, but not including expansion, unless:

(1) the nonconformity or occupancy is discontinued for a period of more than one year; or

(2) any nonconforming use is destroyed by fire or other peril to the extent of greater than 50 percent of its estimated market value, as indicated in the records of the county assessor at the time of damage, and no building permit has been applied for within 180 days of when the property is damaged. In this case, a municipality may impose reasonable conditions upon a zoning or building permit in order to mitigate any newly created impact on adjacent property or water body. When a nonconforming structure in the shoreland district with less than 50 percent of the required setback from the water is destroyed by fire or other peril to greater than 50 percent of its estimated market value, as indicated in the records of the county assessor at the time of damage, the structure setback must be increased if practicable and reasonable conditions may be placed upon a zoning or building permit to mitigate created impacts on the adjacent property or water body.

(b) Any subsequent use or occupancy of the land or premises shall be a conforming use or occupancy. A municipality may, by ordinance, permit an expansion or impose upon nonconformities reasonable regulations to prevent and abate nuisances and to protect the public health, welfare, or safety. This subdivision does not prohibit a municipality from enforcing an ordinance that applies to adults-only bookstores, adults-only theaters, or similar adults-only businesses, as defined by ordinance.

(c) Notwithstanding paragraph (a), a municipality shall regulate the repair, replacement, maintenance, improvement, or expansion of nonconforming uses and structures in floodplain areas to the extent necessary to maintain eligibility in the National Flood Insurance Program and not increase flood damage potential or increase the degree of obstruction to flood flows in the floodway.

(d) Paragraphs (d) to (j) apply to shoreland lots of record in the office of the county recorder on the date of adoption of local shoreland controls that do not meet the requirements for lot size or lot width. A municipality shall regulate the use of nonconforming lots of record and the repair, replacement, maintenance, improvement, or expansion of nonconforming uses and structures in shoreland areas according to paragraphs (d) to (j).

(e) A nonconforming single lot of record located within a shoreland area may be allowed as a building site without variances from lot size requirements, provided that:

(1) all structure and septic system setback distance requirements can be met;

(2) a Type 1 sewage treatment system consistent with Minnesota Rules, chapter 7080, can be installed or the lot is connected to a public sewer; and

(3) the impervious surface coverage does not exceed 25 percent of the lot.

(f) In a group of two or more contiguous lots of record under a common ownership, an individual lot must be considered as a separate parcel of land for the purpose of sale or development, if it meets the following requirements:

(1) the lot must be at least 66 percent of the dimensional standard for lot width and lot size for

the shoreland classification consistent with Minnesota Rules, chapter 6120;

(2) the lot must be connected to a public sewer, if available, or must be suitable for the installation of a Type 1 sewage treatment system consistent with Minnesota Rules, chapter 7080, and local government controls;

(3) impervious surface coverage must not exceed 25 percent of each lot; and

(4) development of the lot must be consistent with an adopted comprehensive plan.

(g) A lot subject to paragraph (f) not meeting the requirements of paragraph (f) must be combined with the one or more contiguous lots so they equal one or more conforming lots as much as possible.

(h) Notwithstanding paragraph (f), contiguous nonconforming lots of record in shoreland areas under a common ownership must be able to be sold or purchased individually if each lot contained a habitable residential dwelling at the time the lots came under common ownership and the lots are suitable for, or served by, a sewage treatment system consistent with the requirements of section 115.55 and Minnesota Rules, chapter 7080, or connected to a public sewer.

(i) In evaluating all variances, zoning and building permit applications, or conditional use requests, the zoning authority shall require the property owner to address, when appropriate, storm water runoff management, reducing impervious surfaces, increasing setback, restoration of wetlands, vegetative buffers, sewage treatment and water supply capabilities, and other conservation-designed actions.

(j) A portion of a conforming lot may be separated from an existing parcel as long as the remainder of the existing parcel meets the lot size and sewage treatment requirements of the zoning district for a new lot and the newly created parcel is combined with an adjacent parcel.

Sec. 4. EFFECTIVE DATE.

Sections 1 to 3 are effective the day following final enactment."

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 531: A bill for an act relating to elections; requiring an affidavit of candidacy to state the candidate's residence address and telephone number; prohibiting placement of a candidate on the ballot if residency requirements are not met; amending Minnesota Statutes 2008, section 204B.06, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 204B.06, is amended by adding a subdivision to read:

Subd. 1b. **Address and telephone number.** (a) Except as provided in paragraph (d), an affidavit of candidacy must state the candidate's residence address and a telephone number where the candidate can be contacted. The form for the affidavit of candidacy and for the separate affidavit required under paragraph (c) must allow the candidate to specify that the candidate's address must be classified as private data.

(b) For an office whose residency requirement must be satisfied by the close of the filing period, a registered voter in this state may request in writing that the filing officer receiving the affidavit of candidacy review the address as provided in this paragraph, at any time up to one day after the last day for filing for office. If requested, the filing officer must determine whether the address provided in the affidavit of candidacy is within the area represented by the office the candidate is seeking. If the filing officer determines that the address is not within the area represented by the office, the filing officer must immediately notify the candidate and the candidate's name must be removed from the ballot for that office. A determination made by a filing officer under this paragraph is subject to judicial review under section 204B.44.

(c) For an office whose residency requirement may be satisfied as of a date after filings close, a candidate who does not reside in the district at the time of filing must submit a separate affidavit stating the candidate's residence address and a telephone number where the candidate can be contacted. The affidavit must be submitted to the filing officer by the deadline for meeting the residency requirement.

(d) If the candidate specifies pursuant to paragraph (a) of this subdivision that the candidate's residence address is to be classified as private data, the candidate shall instead list the residence address on a separate sheet to be attached to the affidavit of candidacy and that may be reviewed by the filing officer as provided in this subdivision, but the residence address is otherwise classified as private data.

(e) The requirements of this subdivision do not apply to affidavits of candidacy for a candidate for: (1) judicial office; (2) the office of county attorney; or (3) county sheriff."

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 848: A bill for an act relating to elections; changing certain requirements for town elections; amending Minnesota Statutes 2008, sections 205.075, subdivision 1, by adding a subdivision; 367.03, subdivision 4, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 15 and 17, delete "march" and insert "March"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was

referred

S.F. No. 1890: A bill for an act relating to health information technology; creating certain requirements for the use of federal funding; requiring legislative approval of a plan; limiting the appropriation of federal funds.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 62J.495, is amended to read:

62J.495 HEALTH INFORMATION TECHNOLOGY AND INFRASTRUCTURE.

Subdivision 1. **Implementation.** By January 1, 2015, all hospitals and health care providers must have in place an interoperable electronic health records system within their hospital system or clinical practice setting. The commissioner of health, in consultation with the e-Health Information Technology and Infrastructure Advisory Committee, shall develop a statewide plan to meet this goal, including uniform standards to be used for the interoperable system for sharing and synchronizing patient data across systems. The standards must be compatible with federal efforts. The uniform standards must be developed by January 1, 2009, with a status report on the development of these standards submitted to the legislature by January 15, 2008 and updated on an ongoing basis. The commissioner shall include an update on standards development as part of an annual report to the legislature.

Subd. 1a. **Definitions.** (a) "Certified electronic health record technology" means an electronic health record that is certified pursuant to section 3001(c)(5) of the HITECH Act to meet the standards and implementation specifications adopted under section 3004 as applicable.

(b) "Commissioner" means the commissioner of health.

(c) "Electronic data intermediary" means any entity that provides the infrastructure to connect computer systems or other electronic devices utilized by prescribing practitioners with those used by pharmacies, health plans, third-party administrators, and pharmacy benefit manager in order to facilitate the secure transmission of electronic prescriptions, refill authorization requests, communications, and other prescription-related information between such entities.

(d) "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act in division A, title XIII and division B, title IV of the American Recovery and Reinvestment Act of 2009, including federal regulations adopted under that act.

(e) "Interoperable electronic health record" means an electronic health record that securely exchanges health information with another electronic health record system that meets national requirements for certification under the HITECH Act.

(f) "Qualified electronic health record" means an electronic record of health-related information on an individual that includes patient demographic and clinical health information and has the capacity to:

(1) provide clinical decision support;

(2) support physician order entry;

(3) capture and query information relevant to health care quality; and

(4) exchange electronic health information with, and integrate such information from, other sources.

Subd. 2. ~~**e-Health Information Technology and Infrastructure Advisory Committee.**~~ (a) The commissioner shall establish a an e-Health Information Technology and Infrastructure Advisory Committee governed by section 15.059 to advise the commissioner on the following matters:

(1) assessment of the adoption and effective use of health information technology by the state, licensed health care providers and facilities, and local public health agencies;

(2) recommendations for implementing a statewide interoperable health information infrastructure, to include estimates of necessary resources, and for determining standards for administrative clinical data exchange, clinical support programs, patient privacy requirements, and maintenance of the security and confidentiality of individual patient data;

(3) recommendations for encouraging use of innovative health care applications using information technology and systems to improve patient care and reduce the cost of care, including applications relating to disease management and personal health management that enable remote monitoring of patients' conditions, especially those with chronic conditions; and

(4) other related issues as requested by the commissioner.

(b) The members of the ~~e-Health Information Technology and Infrastructure Advisory Committee~~ shall include the commissioners, or commissioners' designees, of health, human services, administration, and commerce and additional members to be appointed by the commissioner to include persons representing Minnesota's local public health agencies, licensed hospitals and other licensed facilities and providers, private purchasers, the medical and nursing professions, health insurers and health plans, the state quality improvement organization, academic and research institutions, consumer advisory organizations with an interest and expertise in health information technology, and other stakeholders as identified by the ~~Health Information Technology and Infrastructure Advisory Committee~~ commissioner to fulfill the requirements of section 3013, paragraph (g) of the HITECH Act.

(c) The commissioner shall prepare and issue an annual report not later than January 30 of each year outlining progress to date in implementing a statewide health information infrastructure and recommending future projects action on policy and necessary resources to continue the promotion of adoption and effective use of health information technology.

(d) Notwithstanding section 15.059, this subdivision expires June 30, 2015.

Subd. 3. **Interoperable electronic health record requirements.** ~~(a)~~ To meet the requirements of subdivision 1, hospitals and health care providers must meet the following criteria when implementing an interoperable electronic health records system within their hospital system or clinical practice setting.

(a) The electronic health record must be a qualified electronic health record.

(b) The electronic health record must be certified by the ~~Certification Commission for Healthcare Information Technology, or its successor~~ Office of the National Coordinator pursuant to the HITECH

Act. This criterion only applies to hospitals and health care providers whose practice setting is a practice setting covered by the Certification Commission for Healthcare Information Technology certifications only if a certified electronic health record product for the provider's particular practice setting is available. This criterion shall be considered met if a hospital or health care provider is using an electronic health records system that has been certified within the last three years, even if a more current version of the system has been certified within the three-year period.

(c) The electronic health record must meet the standards established according to section 3004 of the HITECH Act as applicable.

(d) The electronic health record must have the ability to generate information on clinical quality measures and other measures reported under sections 4101, 4102, and 4201 of the HITECH Act.

(e) (e) A health care provider who is a prescriber or dispenser of controlled substances legend drugs must have an electronic health record system that meets the requirements of section 62J.497.

Subd. 4. **Coordination with national HIT activities.** (a) The commissioner, in consultation with the e-Health Advisory Committee, shall update the statewide implementation plan required under subdivision 2 and released June 2008, to be consistent with the updated Federal HIT Strategic Plan released by the Office of the National Coordinator in accordance with section 3001 of the HITECH Act. The statewide plan shall meet the requirements for a plan required under section 3013 of the HITECH Act.

(b) The commissioner, in consultation with the e-Health Advisory Committee, shall work to ensure coordination between state, regional, and national efforts to support and accelerate efforts to effectively use health information technology to improve the quality and coordination of health care, continuity of patient care among health care providers, to reduce medical errors, to improve population health, to reduce health disparities, and to reduce chronic disease. The commissioner's coordination efforts shall include but not be limited to:

(1) assisting in the development and support of health information technology regional extension centers established under section 3012(c) of the HITECH Act to provide technical assistance and disseminate best practices; and

(2) providing supplemental information to the best practices gathered by regional centers to ensure that the information is relayed in a meaningful way to the Minnesota health care community.

(c) The commissioner, in consultation with the e-Health Advisory Committee, shall monitor national activity related to health information technology and shall coordinate statewide input on policy development. The commissioner shall coordinate statewide responses to proposed federal regulations in order to ensure that the needs of the Minnesota health care community are adequately and efficiently addressed in the proposed regulations. The commissioner's responses may include, but are not limited to:

(1) reviewing and evaluating any standard, implementation specification, or certification criteria proposed by the national HIT standards committee;

(2) reviewing and evaluating policy proposed by the national HIT policy committee relating to the implementation of a nationwide health information technology infrastructure;

(3) monitoring and responding to activity related to the development of quality measures and

other measures as required by section 4101 of the HITECH Act. Any response related to quality measures shall consider and address the quality efforts required under chapter 62U; and

(4) monitoring and responding to national activity related to privacy, security, and data stewardship of electronic health information and individually identifiable health information.

(d) To the extent that the state is either required or allowed to apply, or designate an entity to apply for or carry out activities and programs under section 3013 of the HITECH Act, the commissioner of health, in consultation with the e-Health Advisory Committee and the commissioner of human services, shall be the lead applicant or sole designating authority. The commissioner shall make such designations consistent with the goals and objectives of sections 62J.495 through 62J.497, and sections 62J.50 through 62J.61.

(e) The commissioner of human services shall apply for funding necessary to administer the incentive payments to providers authorized under title IV of the American Recovery and Reinvestment Act.

(f) The commissioner shall include in the report to the legislature information on the activities of this subdivision and provide recommendations on any relevant policy changes that should be considered in Minnesota.

Subd. 5. **Collection of data for assessment and eligibility determination.** (a) The commissioner of health, in consultation with the commissioner of human services, may require providers, dispensers, group purchasers, and electronic data intermediaries to submit data in a form and manner specified by the commissioner to assess the status of adoption, effective use, and interoperability of electronic health records for the purpose of:

(1) demonstrating Minnesota's progress on goals established by the Office of the National Coordinator to accelerate the adoption and effective use of health information technology established under the HITECH Act;

(2) assisting the Center for Medicare and Medicaid Services and Department of Human Services in determining eligibility of health care professionals and hospitals to receive federal incentives for the adoption and effective use of health information technology under the HITECH Act or other federal incentive programs;

(3) assisting the Office of the National Coordinator in completing required assessments of the impact of the implementation and effective use of health information technology in achieving goals identified in the national strategic plan, and completing studies required by the HITECH Act;

(4) data necessary to assist the Office of the National Coordinator in conducting evaluations of regional extension centers as required by the HITECH Act; and

(5) other purposes as necessary to support the implementation of the HITECH Act.

(b) The commissioner shall coordinate with the commissioner of human services and other state agencies in the collection of data required under this section to:

(1) avoid duplicative reporting requirements;

(2) maximize efficiencies in the development of reports on state activities as required by HITECH; and

(3) determine health professional and hospital eligibility for incentives available under the HITECH Act.

Subd. 6. **Data classification.** (a) Data collected on providers, dispensers, group purchasers, and electronic data intermediaries under this section are private data on individuals or nonpublic data, as defined in section 13.02. Notwithstanding the definition of summary data in section 13.02, subdivision 19, summary data prepared under this subdivision may be derived from nonpublic data.

(b) The commissioner shall not collect data or publish analyses that identify, or could potentially identify, individual patients. The commissioner shall not collect individual patient data in either identified or de-identified form.

Sec. 2. Minnesota Statutes 2008, section 62J.496, is amended to read:

62J.496 ELECTRONIC HEALTH RECORD SYSTEM REVOLVING ACCOUNT AND LOAN PROGRAM.

Subdivision 1. **Account establishment.** (a) An account is established to: ~~provide loans to eligible borrowers to assist in financing the installation or support of an interoperable health record system. The system must provide for the interoperable exchange of health care information between the applicant and, at a minimum, a hospital system, pharmacy, and a health care clinic or other physician group.~~

(1) finance the purchase of certified electronic health records or qualified electronic health records as defined in section 62J.495, subdivision 1;

(2) enhance the utilization of electronic health record technology, which may include costs associated with upgrading the technology to meet the criteria necessary to be a certified electronic health record or a qualified electronic health record;

(3) train personnel in the use of electronic health record technology; and

(4) improve the secure electronic exchange of health information.

(b) Amounts deposited in the account, including any grant funds obtained through federal or other sources, loan repayments, and interest earned on such amounts shall be used only for awarding loans or loan guarantees, as a source of reserve and security for leveraged loans, or for the administration of the account.

(c) The commissioner may accept contributions to the account from private sector entities subject to the following provisions:

(1) the contributing entity may not specify the recipient or recipients of any loan issued under this subdivision;

(2) the commissioner shall make public the identity of any private contributor to the loan fund, as well as the amount of the contribution provided;

(3) the commissioner may issue letters of commendation or make other awards that have no financial value to any such entity; and

(4) a contributing entity may not specify that the recipient or recipients of any loan use specific

products or services, nor may the contributing entity imply that a contribution is an endorsement of any specific product or service.

(d) The commissioner may use the loan funds to reimburse private sector entities for any contribution made to the loan fund. Reimbursement to private entities may not exceed the principle amount contributed to the loan fund.

(e) The commissioner may use funds deposited in the account to guarantee, or purchase insurance for, a local obligation if the guarantee or purchase would improve credit market access or reduce the interest rate applicable to the obligation involved.

(f) The commissioner may use funds deposited in the account as a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the state if the proceeds of the sale of the bonds will be deposited into the loan fund.

Subd. 2. **Eligibility.** (a) "Eligible borrower" means one of the following:

(1) federally qualified health centers;

~~(1)~~ (2) community clinics, as defined under section 145.9268;

~~(2)~~ (3) nonprofit hospitals eligible for rural hospital capital improvement grants, as defined in section 144.148 licensed under sections 144.50 to 144.56;

~~(3)~~ physician clinics located in a community with a population of less than 50,000 according to United States Census Bureau statistics and outside the seven-county metropolitan area;

(4) individual or small group physician practices that are focused primarily on primary care;

~~(4)~~ (5) nursing facilities licensed under sections 144A.01 to 144A.27; and

(6) local public health departments as defined in chapter 145A; and

~~(5)~~ (7) other providers of health or health care services approved by the commissioner for which interoperable electronic health record capability would improve quality of care, patient safety, or community health.

(b) The commissioner shall administer the loan fund to prioritize support and assistance to:

(1) critical access hospitals;

(2) federally qualified health centers;

(3) entities that serve uninsured, underinsured, and medically underserved individuals, regardless of whether such area is urban or rural; and

(4) individual or small group practices that are primarily focused on primary care.

~~(b) To be eligible for a loan under this section, the~~ (c) An eligible applicant must submit a loan application to the commissioner of health on forms prescribed by the commissioner. The application must include, at a minimum:

(1) the amount of the loan requested and a description of the purpose or project for which the loan proceeds will be used;

- (2) a quote from a vendor;
- (3) a description of the health care entities and other groups participating in the project;
- (4) evidence of financial stability and a demonstrated ability to repay the loan; and
- (5) a description of how the system to be financed ~~interconnects~~ interoperates or plans in the future to ~~interconnect~~ interoperate with other health care entities and provider groups located in the same geographical area;
- (6) a plan on how the certified electronic health record technology will be maintained and supported over time; and
- (7) any other requirements for applications included or developed pursuant to section 3014 of the HITECH Act.

Subd. 3. **Loans.** (a) The commissioner of health may make a no interest, or low-interest, loan to a provider or provider group who is eligible under subdivision 2 ~~on a first come, first served basis provided that the applicant is able to comply with this section~~ consistent with the priorities established in subdivision 2. The total accumulative loan principal must not exceed \$1,500,000 \$3,000,000 per loan. The interest rate for each loan, if imposed, shall not exceed the current market interest rate. The commissioner of health has discretion over the size, interest rate, and number of loans made. Nothing in this section shall require the commissioner to make a loan to an eligible borrower under subdivision 2.

(b) The commissioner of health may prescribe forms and establish an application process and, notwithstanding section 16A.1283, may impose a reasonable nonrefundable application fee to cover the cost of administering the loan program. Any application fees imposed and collected under the electronic health records system revolving account and loan program in this section are appropriated to the commissioner of health for the duration of the loan program. The commissioner may apply for and use all federal funds available through the HITECH Act to administer the loan program.

(c) For loans approved prior to July 1, 2009, the borrower must begin repaying the principal no later than two years from the date of the loan. Loans must be amortized no later than six years from the date of the loan.

(d) For loans granted on January 1, 2010, or thereafter, the borrower must begin repaying the principal no later than one year from the date of the loan. Loans must be amortized no later than six years after the date of the loan.

~~(d) Repayments~~ (e) All repayments and interest paid on each loan must be credited to the account.

(f) The loan agreement shall include the assurances that borrower meets requirements included or developed pursuant to section 3014 of the HITECH Act. The requirements shall include, but are not limited to:

(1) submitting reports on quality measures in compliance with regulations adopted by the federal government;

(2) demonstrating that any certified electronic health record technology purchased, improved, or otherwise financially supported by this loan program is used to exchange health information in a manner that, in accordance with law and standards applicable to the exchange of information,

improves the quality of health care;

(3) including a plan on how the borrower intends to maintain and support the certified electronic health record technology over time and the resources expected to be used to maintain and support the technology purchased with the loan; and

(4) complying with other requirements the secretary may require to use loans funds under the HITECH Act.

Subd. 4. **Data classification.** Data collected by the commissioner of health on the application to determine eligibility under subdivision 2 and to monitor borrowers' default risk or collect payments owed under subdivision 3 are (1) private data on individuals as defined in section 13.02, subdivision 12; and (2) nonpublic data as defined in section 13.02, subdivision 9. The names of borrowers and the amounts of the loans granted are public data.

Sec. 3. Minnesota Statutes 2008, section 62J.497, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For the purposes of this section, the following terms have the meanings given.

(a) "Backward compatible" means that the newer version of a data transmission standard would retain, at a minimum, the full functionality of the versions previously adopted, and would permit the successful completion of the applicable transactions with entities that continue to use the older versions.

~~(a)~~ (b) "Dispense" or "dispensing" has the meaning given in section 151.01, subdivision 30. Dispensing does not include the direct administering of a controlled substance to a patient by a licensed health care professional.

~~(b)~~ (c) "Dispenser" means a person authorized by law to dispense a controlled substance, pursuant to a valid prescription.

~~(c)~~ (d) "Electronic media" has the meaning given under Code of Federal Regulations, title 45, part 160.103.

~~(d)~~ (e) "E-prescribing" means the transmission using electronic media of prescription or prescription-related information between a prescriber, dispenser, pharmacy benefit manager, or group purchaser, either directly or through an intermediary, including an e-prescribing network. E-prescribing includes, but is not limited to, two-way transmissions between the point of care and the dispenser and two-way transmissions related to eligibility, formulary, and medication history information.

~~(e)~~ (f) "Electronic prescription drug program" means a program that provides for e-prescribing.

~~(f)~~ (g) "Group purchaser" has the meaning given in section 62J.03, subdivision 6.

~~(g)~~ (h) "HL7 messages" means a standard approved by the standards development organization known as Health Level Seven.

~~(h)~~ (i) "National Provider Identifier" or "NPI" means the identifier described under Code of Federal Regulations, title 45, part 162.406.

~~(i)~~ (j) "NCPDP" means the National Council for Prescription Drug Programs, Inc.

~~(j)~~ (k) "NCPDP Formulary and Benefits Standard" means the National Council for Prescription Drug Programs Formulary and Benefits Standard, Implementation Guide, Version 1, Release 0, October 2005.

~~(k)~~ (l) "NCPDP SCRIPT Standard" means the National Council for Prescription Drug Programs Prescriber/Pharmacist Interface SCRIPT Standard, Implementation Guide Version 8, Release 1 (Version 8.1), October 2005, or the most recent standard adopted by the Centers for Medicare and Medicaid Services for e-prescribing under Medicare Part D as required by section 1860D-4(e)(4)(D) of the Social Security Act, and regulations adopted under it. The standards shall be implemented in accordance with the Centers for Medicare and Medicaid Services schedule for compliance. Subsequently released versions of the NCPDP SCRIPT Standard may be used, provided that the new version of the standard is backward compatible to the current version adopted by Centers for Medicare and Medicaid Services.

~~(l)~~ (m) "Pharmacy" has the meaning given in section 151.01, subdivision 2.

~~(m)~~ (n) "Prescriber" means a licensed health care professional ~~who is authorized to prescribe a controlled substance under section 152.12, subdivision 1~~ practitioner, other than a veterinarian, as defined in section 151.01, subdivision 23.

~~(n)~~ (o) "Prescription-related information" means information regarding eligibility for drug benefits, medication history, or related health or drug information.

~~(o)~~ (p) "Provider" or "health care provider" has the meaning given in section 62J.03, subdivision 8.

Sec. 4. Minnesota Statutes 2008, section 62J.497, subdivision 2, is amended to read:

Subd. 2. **Requirements for electronic prescribing.** (a) Effective January 1, 2011, all providers, group purchasers, prescribers, and dispensers must establish ~~and~~ maintain, and use an electronic prescription drug program that complies. This program must comply with the applicable standards in this section for transmitting, directly or through an intermediary, prescriptions and prescription-related information using electronic media.

~~(b) Nothing in this section requires providers, group purchasers, prescribers, or dispensers to conduct the transactions described in this section.~~ If transactions described in this section are conducted, they must be done electronically using the standards described in this section. Nothing in this section requires providers, group purchasers, prescribers, or dispensers to electronically conduct transactions that are expressly prohibited by other sections or federal law.

(c) Providers, group purchasers, prescribers, and dispensers must use either HL7 messages or the NCPDP SCRIPT Standard to transmit prescriptions or prescription-related information internally when the sender and the recipient are part of the same legal entity. If an entity sends prescriptions outside the entity, it must use the NCPDP SCRIPT Standard or other applicable standards required by this section. Any pharmacy within an entity must be able to receive electronic prescription transmittals from outside the entity using the adopted NCPDP SCRIPT Standard. This exemption does not supersede any Health Insurance Portability and Accountability Act (HIPAA) requirement that may require the use of a HIPAA transaction standard within an organization.

~~(d) Entities transmitting prescriptions or prescription-related information where the prescriber is required by law to issue a prescription for a patient to a nonprescribing provider that in turn forwards the prescription to a dispenser are exempt from the requirement to use the NCPDP SCRIPT Standard when transmitting prescriptions or prescription-related information."~~

Amend the title accordingly

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 1155: A bill for an act relating to human services; changing capacity requirements for adult foster homes; amending Minnesota Statutes 2008, section 245A.11, subdivision 2a; repealing Minnesota Rules, part 9555.6165.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 245A.11, subdivision 2a, is amended to read:

Subd. 2a. **Adult foster care license capacity.** The commissioner shall issue adult foster care licenses with a maximum licensed capacity of four beds, including nonstaff roomers and boarders, except that the commissioner may issue a license with a capacity of five beds, including roomers and boarders, according to paragraphs (a) to (e).

(a) An adult foster care license holder may have a maximum license capacity of five if all persons in care are age 55 or over and do not have a serious and persistent mental illness or a developmental disability.

(b) The commissioner may grant variances to paragraph (a) to allow a foster care provider with a licensed capacity of five persons to admit an individual under the age of 55 if the variance complies with section 245A.04, subdivision 9, and approval of the variance is recommended by the county in which the licensed foster care provider is located.

(c) The commissioner may grant variances to paragraph (a) to allow the use of a fifth bed for emergency crisis services for a person with serious and persistent mental illness or a developmental disability, regardless of age, if the variance complies with section 245A.04, subdivision 9, and approval of the variance is recommended by the county in which the licensed foster care provider is located.

~~(d) Notwithstanding paragraph (a),~~ If the 2009 legislature adopts a rate reduction that impacts providers of adult foster care services, the commissioner may issue an adult foster care license with a capacity of five adults if the fifth bed does not increase the overall statewide capacity of licensed adult foster care beds in homes that are not the primary residence of the license holder, over the licensed capacity in such homes on July 1, 2009, as identified in a plan submitted to the commissioner by the county, when the capacity is recommended by the county licensing agency of the county in which the facility is located and if the recommendation verifies that:

(1) the facility meets the physical environment requirements in the adult foster care licensing rule;

(2) the five-bed living arrangement is specified for each resident in the resident's:

(i) individualized plan of care;

(ii) individual service plan under section 256B.092, subdivision 1b, if required; or

(iii) individual resident placement agreement under Minnesota Rules, part 9555.5105, subpart 19, if required;

(3) the license holder obtains written and signed informed consent from each resident or resident's legal representative documenting the resident's informed choice to living in the home and that the resident's refusal to consent would not have resulted in service termination; and

(4) the facility was licensed for adult foster care before March 1, ~~2003~~ 2009.

(e) The commissioner shall not issue a new adult foster care license under paragraph (d) after June 30, ~~2005~~ 2011. The commissioner shall allow a facility with an adult foster care license issued under paragraph (d) before June 30, ~~2005~~ 2011, to continue with a capacity of five adults if the license holder continues to comply with the requirements in paragraph (d).

Sec. 2. Minnesota Statutes 2008, section 256B.092, is amended by adding a subdivision to read:

Subd. 5b. Revised per diem based on legislated rate reduction. Notwithstanding section 252.28, subdivision 3, paragraph (d), if the 2009 legislature adopts a rate reduction that impacts payment to providers of adult foster care services, the commissioner may issue adult foster care licenses that permit a capacity of five adults. The application for a five-bed license must meet the requirements of section 245A.11, subdivision 2a. Prior to admission of the fifth recipient of adult foster care services, the county must negotiate a revised per diem rate for room and board and waiver services that reflects the legislated rate reduction and results in an overall average per diem reduction for all foster care recipients in that home. The revised per diem must allow the provider to maintain, as much as possible, the level of services or enhanced services provided in the residence, while mitigating the losses of the legislated rate reduction.

Sec. 3. Minnesota Statutes 2008, section 256B.49, subdivision 17, is amended to read:

Subd. 17. Cost of services and supports. (a) The commissioner shall ensure that the average per capita expenditures estimated in any fiscal year for home and community-based waiver recipients does not exceed the average per capita expenditures that would have been made to provide institutional services for recipients in the absence of the waiver.

(b) The commissioner shall implement on January 1, 2002, one or more aggregate, need-based methods for allocating to local agencies the home and community-based waived service resources available to support recipients with disabilities in need of the level of care provided in a nursing facility or a hospital. The commissioner shall allocate resources to single counties and county partnerships in a manner that reflects consideration of:

(1) an incentive-based payment process for achieving outcomes;

(2) the need for a state-level risk pool;

- (3) the need for retention of management responsibility at the state agency level; and
- (4) a phase-in strategy as appropriate.

(c) Until the allocation methods described in paragraph (b) are implemented, the annual allowable reimbursement level of home and community-based waiver services shall be the greater of:

(1) the statewide average payment amount which the recipient is assigned under the waiver reimbursement system in place on June 30, 2001, modified by the percentage of any provider rate increase appropriated for home and community-based services; or

(2) an amount approved by the commissioner based on the recipient's extraordinary needs that cannot be met within the current allowable reimbursement level. The increased reimbursement level must be necessary to allow the recipient to be discharged from an institution or to prevent imminent placement in an institution. The additional reimbursement may be used to secure environmental modifications; assistive technology and equipment; and increased costs for supervision, training, and support services necessary to address the recipient's extraordinary needs. The commissioner may approve an increased reimbursement level for up to one year of the recipient's relocation from an institution or up to six months of a determination that a current waiver recipient is at imminent risk of being placed in an institution.

(d) Beginning July 1, 2001, medically necessary private duty nursing services will be authorized under this section as complex and regular care according to sections 256B.0651 and 256B.0653 to 256B.0656. The rate established by the commissioner for registered nurse or licensed practical nurse services under any home and community-based waiver as of January 1, 2001, shall not be reduced.

(e) Notwithstanding section 252.28, subdivision 3, paragraph (d), if the 2009 legislature adopts a rate reduction that impacts payment to providers of adult foster care services, the commissioner may issue adult foster care licenses that permit a capacity of five adults. The application for a five-bed license must meet the requirements of section 245A.11, subdivision 2a. Prior to admission of the fifth recipient of adult foster care services, the county must negotiate a revised per diem rate for room and board and waiver services that reflects the legislated rate reduction and results in an overall average per diem reduction for all foster care recipients in that home. The revised per diem must allow the provider to maintain, as much as possible, the level of services or enhanced services provided in the residence, while mitigating the losses of the legislated rate reduction.

Sec. 4. **WAIVER.**

By December 1, 2009, the commissioner shall request all federal approvals and waiver amendments to the disability home and community-based waivers to allow properly licensed adult foster care homes to provide residential services for up to five individuals.

Sec. 5. **REPEALER.**

Minnesota Statutes 2008, section 256B.092, subdivision 5a, is repealed.

Sec. 6. **EFFECTIVE DATE.**

Sections 1 to 5 are effective July 1, 2009."

Delete the title and insert:

"A bill for an act relating to human services; changing capacity requirements for certain residential programs; requiring the commissioner to request federal waivers; amending Minnesota Statutes 2008, sections 245A.11, subdivision 2a; 256B.092, by adding a subdivision; 256B.49, subdivision 17; repealing Minnesota Statutes 2008, section 256B.092, subdivision 5a."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 1478: A bill for an act relating to health; changing provisions in the newborn screening program; amending Minnesota Statutes 2008, sections 13.386, subdivision 3; 144.125, subdivision 3, by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 13.386, subdivision 3, is amended to read:

Subd. 3. **Collection, storage, use, and dissemination of genetic information.** (a) Unless otherwise expressly provided by law, genetic information about an individual:

(1) may be collected by a government entity, as defined in section 13.02, subdivision 7a, or any other person only with the written informed consent of the individual;

(2) may be used only for purposes to which the individual has given written informed consent;

(3) may be stored only for a period of time to which the individual has given written informed consent; and

(4) may be disseminated only:

(i) with the individual's written informed consent; or

(ii) if necessary in order to accomplish purposes described by clause (2). A consent to disseminate genetic information under item (i) must be signed and dated. Unless otherwise provided by law, such a consent is valid for one year or for a lesser period specified in the consent.

(b) Notwithstanding paragraph (a), the Department of Health's collection, storage, use, and dissemination of genetic information and blood specimens for testing infants for heritable and congenital disorders are governed by sections 144.125 to 144.128.

Sec. 2. Minnesota Statutes 2008, section 144.125, subdivision 3, is amended to read:

Subd. 3. ~~**Objection of parents to test Information provided to parents.** Persons with a duty to perform testing under subdivision 1 shall advise parents of infants (1) that the blood or tissue samples used to perform testing thereunder as well as the results of such testing may be retained by the Department of Health, (2) the benefit of retaining the blood or tissue sample, and (3) that the following options are available to them with respect to the testing: (i) to decline to have the tests, or (ii) to elect to have the tests but to require that all blood samples and records of test results be~~

~~destroyed within 24 months of the testing. If the parents of an infant object in writing to testing for heritable and congenital disorders or elect to require that blood samples and test results be destroyed, the objection or election shall be recorded on a form that is signed by a parent or legal guardian and made part of the infant's medical record. A written objection exempts an infant from the requirements of this section and section 144.128.~~

(a) Prior to collecting a sample, persons with a duty to perform testing under subdivision 1 must provide parents or legal guardians of infants with a document that provides the following information:

(1) the blood sample will be used to test for heritable and congenital disorders, the blood sample will be retained by the Department of Health for a period of at least two years and that the blood sample may be used for public health studies and research;

(2) the data that will be collected as a result of the testing;

(3) the alternatives available to the parents set forth in paragraph (b) and that a form to exercise the alternatives is available from the person with a duty to perform testing under subdivision 1;

(4) the benefits of testing and the consequences of a decision to permit or refuse to supply a sample;

(5) the benefits of retaining the blood sample and the consequences of a decision to destroy the blood sample after two years or to permit or decline to have the blood sample used for public health studies and research;

(6) the ways in which the samples and data collected will be stored and used at the Department of Health and elsewhere; and

(7) the Department of Health's Web site address where the forms referenced in paragraph (b) may be obtained.

This document satisfies the requirements of section 13.04, subdivision 2.

(b) The parent or legal guardian of an infant otherwise subject to testing under this section may object to any of the following:

(1) the testing itself;

(2) the maintenance of the infant's blood samples and test result records for a period longer than 24 months; and

(3) the use of the infant's blood samples and test result records for public health studies and research.

If a parent or legal guardian elects one of the alternatives, the election shall be recorded on a form that is signed by the parent or legal guardian. The signed form shall be made part of the infant's medical record and shall be provided to the Department of Health. The signature of the parent or legal guardian is sufficient and no witness to the signature, photo identification, or notarization shall be required. When a parent or legal guardian elects an alternative under this subdivision, the Department of Health must follow the election and section 144.128. A written election exempts an infant from the requirements of this section and section 144.128.

(c) For purposes of this subdivision, "public health studies and research" includes calibrating newborn screening equipment, evaluating existing newborn screening tests to reduce the number of false positive and false negative results, studying the development of new newborn screening tests for heritable and congenital disorders, and other population-based health studies.

Sec. 3. NEWBORN SCREENING REPORT.

By January 15, 2010, the Department of Health shall report and make recommendations to the legislature on its current efforts for ensuring and enhancing how parents of newborns are fully informed about the newborn screening program and of their rights and options regarding: (1) testing; (2) storage; (3) public health practices, studies, and research; (4) the ability to opt out of the collection of data and specimens related to the testing; and (5) the ability to seek private testing."

Delete the title and insert:

"A bill for an act relating to health; changing provisions for handling genetic information from newborn screening; requiring a report; amending Minnesota Statutes 2008, sections 13.386, subdivision 3; 144.125, subdivision 3."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 1799: A bill for an act relating to health; requiring the commissioner of health to convene an Alzheimer's disease working group; requiring a report.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, delete "The commissioner of health, in"

Page 1, line 7, delete "collaboration with" and delete the comma

Page 1, line 8, delete "15" and insert "20"

Page 1, line 9, delete "(a)" and insert "(1)"

Page 1, line 11, delete "(b)" and insert "(2)"

Page 1, line 12, delete "(c)" and insert "(3)"

Page 1, line 13, delete "(d)" and insert "(4)"

Page 1, line 14, delete "(e)" and insert "(5)"

Page 1, line 15, delete "(f)" and insert "(6)"

Page 1, after line 15, insert:

"(7) a psychologist who specializes in dementia care;"

Page 1, line 16, delete "(g)" and insert "(8)"

Page 1, line 17, delete "(h)" and insert "(9)"

Page 1, line 18, delete "(i)" and insert "(10)"

Page 1, line 19, delete "(j)" and insert "(11)"

Page 1, line 20, delete "(k)" and insert "(12)" and after the semicolon insert "and"

Page 1, delete line 21

Page 1, line 22, delete "(m)" and insert "(13)"

Page 2, line 4, delete "(a)" and insert "(1)"

Page 2, lines 6 and 13, delete "(1)" and insert "(i)"

Page 2, lines 8 and 14, delete "(2)" and insert "(ii)"

Page 2, lines 9 and 15, delete "(3)" and insert "(iii)"

Page 2, line 11, delete the period and insert a semicolon

Page 2, line 12, delete "(b)" and insert "(2)"

Page 2, delete lines 16 and 17

Page 2, line 18, delete "(5)" and insert "(iv)"

Page 2, line 20, delete "(6)" and insert "(v)"

Page 2, line 21, delete "(7)" and insert "(vi)"

Page 2, line 23, delete "(8)" and insert "(vii)"

Page 2, line 24, delete "(9)" and insert "(viii)"

Page 2, line 25, delete the period and insert "; and"

Page 2, line 26, delete "(c)" and insert "(3)"

Page 2, line 30, delete "At least four working group" and before "public" insert "open to the" and delete the second "meetings"

Page 2, line 31, delete "should" and insert "shall"

Page 2, line 33, delete "commissioner of health" and insert "Board on Aging"

Page 3, line 1, delete "commissioner of health" and insert "Board on Aging"

Amend the title as follows:

Page 1, line 2, delete "commissioner of health" and insert "Board on Aging"

And when so amended the bill do pass and be re-referred to the Committee on State and Local Government Operations and Oversight. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 431: A bill for an act relating to mental illness; prohibiting participation in clinical drug trials; amending Minnesota Statutes 2008, section 253B.095, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 253B.095, subdivision 1, is amended to read:

Subdivision 1. **Court release.** (a) After the hearing and before a commitment order has been issued, the court may release a proposed patient to the custody of an individual or agency upon conditions that guarantee the care and treatment of the patient.

(b) A person against whom a criminal proceeding is pending may not be released.

(c) A continuance for dismissal, with or without findings, may be granted for up to 90 days.

(d) When the court stays an order for commitment for more than 14 days beyond the date of the initially scheduled hearing, the court shall issue an order that must include:

(1) a written plan for services to which the proposed patient has agreed;

(2) a finding that the proposed treatment is available and accessible to the patient and that public or private financial resources are available to pay for the proposed treatment; ~~and~~

(3) conditions the patient must meet to avoid revocation of the stayed commitment order and imposition of the commitment order; and

(4) a condition that the patient is prohibited from giving consent to participate in a clinical drug trial while the court order is in effect.

(e) Notwithstanding paragraph (d), clause (4), during the period of a stay of commitment, the court may allow the patient to give consent to participate in a specific psychiatric clinical drug trial if the treating psychiatrist testifies or submits an affidavit that the patient may benefit from participating in the trial because, after providing other treatment options for a reasonable period of time, those options have been ineffective. The treating psychiatrist must not be the psychiatrist conducting the psychiatric clinical drug trial. The court must determine that, under the circumstances of the case, the patient is competent to choose to participate in the trial, that the patient is freely choosing to participate in the trial and that the compulsion of the stayed commitment is not being used to coerce the person to participate in the clinical trial, and that a reasonable person may choose to participate in the clinical trial.

~~(e)~~ (f) A person receiving treatment under this section has all rights under this chapter."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 501: A bill for an act relating to human services; expanding the definition of services available under medical assistance for disabled children's services; amending Minnesota Statutes 2008, section 252.27, subdivision 1a.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 252.27, subdivision 1a, is amended to read:

Subd. 1a. **Definitions.** A "related condition" is a condition: (1) that is found to be closely related to a developmental disability, including, but not limited to, cerebral palsy, epilepsy, autism, fetal alcohol spectrum disorder, and Prader-Willi syndrome; and (2) that meets all of the following criteria:

~~(1)~~ (i) is severe and chronic;

~~(2)~~ (ii) results in impairment of general intellectual functioning or adaptive behavior similar to that of persons with developmental disabilities;

~~(3)~~ (iii) requires treatment or services similar to those required for persons with developmental disabilities;

~~(4)~~ (iv) is manifested before the person reaches 22 years of age;

~~(5)~~ (v) is likely to continue indefinitely;

~~(6)~~ (vi) results in substantial functional limitations in three or more of the following areas of major life activity: ~~(i)~~ (A) self-care, ~~(ii)~~ (B) understanding and use of language, ~~(iii)~~ (C) learning, ~~(iv)~~ (D) mobility, ~~(v)~~ (E) self-direction, ~~(vi)~~ (F) capacity for independent living; and

~~(7)~~ (vii) is not attributable to mental illness as defined in section 245.462, subdivision 20, or an emotional disturbance as defined in section 245.4871, subdivision 15.

For purposes of ~~clause (7)~~ item (vii), notwithstanding section 245.462, subdivision 20, or 245.4871, subdivision 15, "mental illness" does not include autism or other pervasive developmental disorders."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 1369: A bill for an act relating to health; consolidating and relocating nursing facility beds to a new site in Goodhue County; amending Minnesota Statutes 2008, section 144A.071, subdivision 4c.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 10, delete "will" and insert "shall"

Page 3, line 11, delete "entire closure" and insert "downsizing and relocation"

Page 3, line 13, delete "40" and insert "69"

Page 3, line 15, delete "(v)" and insert "(vi)"

Page 3, line 17, delete "hospital-owned" and delete "decrease in licensed beds" and insert "difference between the occupied beds of the two nursing facilities for the reporting year ended September 30, 2009, and the projected occupancy of the facility at 95 percent occupancy"

Page 3, line 20, delete "of 40 beds"

Page 3, line 23, delete "from" and insert "for"

Page 3, after line 27, insert:

"(v) multiply the amount in item (iv) by 20 percent, which represents the decrease in total medical assistance spending; and"

Page 3, line 28, delete "(v)" and insert "(vi)" and after "divide" insert "the difference of" and after "(iv)" insert "and the amount in item (v)"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 1924: A bill for an act relating to human services; requiring the commissioner of human services to collect and report information on managed care plan and county-based purchasing plan provider reimbursement rates; requiring a report; amending Minnesota Statutes 2008, section 256B.69, subdivision 9b.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, delete "and"

Page 1, line 22, delete the period and insert "; and"

Page 1, after line 22, insert:

"(3) specific information on the methodology used to establish provider reimbursement rates paid by the managed health care plan and county-based purchasing plan."

Page 2, line 1, reinstate the stricken "nonpublic"

Page 2, line 2, delete "public"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 923: A bill for an act relating to health; changing the expiration date for contact lens prescriptions; amending Minnesota Statutes 2008, section 145.712, subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 1512: A bill for an act relating to health; changing the fee for testing; requiring support services to families with children who are deaf or have hearing loss; amending Minnesota Statutes 2008, sections 144.125, subdivision 1; 144.966, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 991: A bill for an act relating to elections; changing certain election administration provisions; amending Minnesota Statutes 2008, sections 201.016, subdivision 1a; 201.056; 201.061, subdivision 1; 201.11; 201.12; 201.13; 202A.14, subdivision 3; 203B.02, by adding a subdivision; 204B.09, subdivision 3; 204B.14, subdivisions 2, 4, by adding a subdivision; 204B.16, subdivision 1; 204B.18, subdivision 1; 204B.27, subdivision 2; 204B.33; 204B.38; 204B.40; 204C.02; 204C.06, subdivision 1; 204C.08, subdivisions 1a, 3; 204C.13, subdivision 2; 204C.15, subdivision 1; 204C.17; 204C.30, by adding a subdivision; 204C.33, subdivision 1; 204C.37; 204D.04, subdivision 2; 204D.09, subdivision 2; 204D.28, subdivision 5; 205.065, subdivision 2; 205.13, subdivisions 1, 2; 205.16, subdivisions 2, 3; 205A.03, subdivision 1; 205A.05, subdivisions 1, 2; 205A.07, subdivision 2; 206.57, subdivision 6; 206.61, subdivision 5; 211A.02, subdivisions 1, 2; 211A.05, subdivision 2; 211B.11, by adding a subdivision; 211B.12; 412.02, subdivision 2a; 414.02, subdivision 4; 414.031, subdivision 6; 414.0325, subdivision 4; 414.033, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 204B; 204D; 205; 205A; repealing Minnesota Statutes 2008, sections 201.096; 206.805, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, delete "unintentionally" and strike "voted" and insert ":(1) provided the address at which the voter maintains residence, but was allowed to vote"

Page 1, line 24, before the period insert "; and (2) not voted in the wrong precinct previously"

Page 1, line 26, delete "intentionally" and insert "otherwise"

Page 2, lines 3 and 6, delete "intentionally"

Page 2, after line 11, insert:

"Sec. 2. Minnesota Statutes 2008, section 201.016, subdivision 2, is amended to read:

Subd. 2. **Duration of residence.** The governing body of any city by resolution may require an eligible voter to maintain residence in a precinct for a period of 30 days prior to voting on any question affecting only that precinct or voting to elect public officials representing only that precinct. The governing body of any town by resolution may require an eligible voter to maintain residence in that town for a period of 30 days prior to voting in a town election. The school board of any school district by resolution may require an eligible voter to maintain residence in that school district for a period of 30 days prior to voting in a school district election. If a political boundary, including a precinct, municipal, or school district boundary, is redrawn within the 30 days prior to an election in a manner that places an eligible voter in a new jurisdiction and the eligible voter has not changed residence during the 30 days prior to the election, the eligible voter meets any residency requirement imposed under this subdivision."

Page 7, delete section 10

Page 8, lines 26 and 29, after "any" insert "regularly"

Page 9, line 29, after the period, insert "Any funds received for use of the accessible voting equipment must be treated as program income and deposited into the jurisdiction's Help America Vote Act account."

Page 10, line 23, delete "either"

Page 10, line 24, delete "or" and insert "and"

Page 10, line 25, before the period, insert ", if one is available"

Page 11, line 13, delete "identical" and insert "similar"

Page 11, delete section 19

Page 12, after line 16, insert:

"Sec. 20. Minnesota Statutes 2008, section 204C.04, subdivision 1, is amended to read:

Subdivision 1. **Right to be absent.** Every employee who is eligible to vote in an election has the right to be absent from work exclusively for the purpose of voting ~~during the morning of~~ on the day of that election, without penalty or deduction from salary or wages because of the absence. An employer or other person may not directly or indirectly refuse, abridge, or interfere with this right or any other election right of an employee."

Page 13, line 2, strike "during the morning of" and insert "on"

Page 14, delete section 25

Page 15, line 18, after "law" insert "or takes a picture of the voter's ballot"

Page 15, line 21, delete everything after the second period

Page 15, delete line 22

Page 18, after line 10, insert:

"Sec. 32. Minnesota Statutes 2008, section 204D.28, subdivision 6, is amended to read:

Subd. 6. **Special election required; exception; when held.** Every vacancy shall be filled for the remainder of the term by a special election held pursuant to this subdivision; except that no special election shall be held in the year before the term expires.

The special election shall be held at the next November election if the vacancy occurs at least ~~six~~ nine weeks before the regular state primary preceding that election. If the vacancy occurs less than ~~six~~ nine weeks before the regular state primary preceding the next November election, the special election shall be held at the second November election after the vacancy occurs.

Sec. 33. Minnesota Statutes 2008, section 204D.28, subdivision 8, is amended to read:

Subd. 8. **Notice of special election.** The secretary of state shall issue an official notice of any special election required to be held pursuant to this section not later than ~~ten~~ twelve weeks before the special primary, except that if the vacancy occurs ~~ten~~ twelve weeks or less before the special primary, the secretary of state shall issue the notice no later than two days after the vacancy occurs. The notice shall state the office to be filled, the opening and closing dates for filing of candidacy and the dates of the special primary and special election. For the purposes of those provisions of sections 204D.17 to 204D.27 that apply generally to special elections, this notice shall be used in place of the writ of the governor.

Sec. 34. Minnesota Statutes 2008, section 204D.28, subdivision 9, is amended to read:

Subd. 9. **Filing by candidates.** The time for filing of affidavits and nominating petitions for candidates to fill a vacancy at a special election shall open ~~six~~ ten weeks before the special primary or on the day the secretary of state issues notice of the special election, whichever occurs later. Filings shall close ~~four~~ eight weeks before the special primary."

Page 18, line 27, delete "major"

Page 21, line 8, reinstate the stricken "post" and delete "prepare"

Page 21, line 9, delete the new language and reinstate the stricken language

Page 21, line 10, reinstate the stricken language

Page 22, delete lines 5 to 26 and insert:

"Subdivision 1. **Odd year to even.** (a) The governing body of a school district may change from an odd-numbered year election to an even-numbered year election by adopting a resolution that contains an orderly plan for the transition. The resolution may include a one time, one-year extension of the term of each board member.

(b) The governing body of the school district must adopt the resolution permitted by paragraph (a) no later than 30 days before the first day to file an affidavit of candidacy for the election at which the change will take effect.

Subd. 2. **Even year to odd.** (a) The governing body of a school district may change from an even-numbered year election to an odd-numbered year election by adopting a resolution that contains an orderly plan for the transition. The resolution may include a one time, one-year extension of the term of each board member.

(b) The governing body of the school district must adopt the resolution permitted by paragraph

(a) no later than 30 days before the first day to file an affidavit of candidacy for the election at which the change will take effect."

Page 24, line 32, after the period, insert "The application must be accompanied by the certification report of the voting systems test laboratory. A certification under this section from an independent testing authority accredited by the Election Assistance Commission meets the requirement of Minnesota Rules, part 8220.0350, item L."

Page 24, line 33, delete "must either:"

Page 25, delete lines 1 to 11 and insert "must provide a copy of the source code for the voting system to the secretary of state. A chair of a major political party or the secretary of state may select, in consultation with the vendor, an independent third-party evaluator to examine the source code to ensure that it functions as represented by the vendor and that the code is free from defects. A major political party that elects to have the source code examined must pay for the examination. Except as provided by this subdivision, source code that is trade secret information must be treated as nonpublic information, in accordance with section 13.37. A third-party evaluator must not disclose the source code to anyone else."

Page 25, delete section 50

Page 26, delete sections 51 and 52

Page 27, line 3, delete everything after "prohibited."

Page 27, delete line 4

Page 27, line 5, delete "tabulators."

Page 27, lines 7 and 8, delete "fine" and insert "civil penalty"

Page 27, line 9, after the period, insert "Notwithstanding section 211B.37, the costs of a complaint alleging violation of this subdivision shall be assessed against the candidate."

Page 27, delete section 54

Page 28, line 25, delete "state primary or state general" and insert "regularly scheduled" and after the period, insert "Failure to comply with the provisions of this subdivision with respect to regularly scheduled elections, or to set the right effective date in relation to regularly scheduled elections, does not invalidate the annexation."

Page 28, line 29, delete everything after "a" and insert "regularly scheduled"

Page 28, line 30, after the period, insert "Failure to comply with the provisions of this subdivision with respect to regularly scheduled elections, or to set the right effective date in relation to regularly scheduled elections, does not invalidate the annexation."

Page 28, after line 30, insert:

"Sec. 56. Minnesota Statutes 2008, section 414.0325, subdivision 1, is amended to read:

Subdivision 1. **Initiating the proceeding.** (a) One or more townships and one or more municipalities, by joint resolution, may designate an unincorporated area as in need of orderly

annexation. One or more municipalities, by joint resolution with the county, may designate an unincorporated area in which there is no organized township government as in need of orderly annexation.

(b) A designated area is any area which the signatories to a joint resolution for orderly annexation have identified as being appropriate for annexation, either currently or at some point in the future, pursuant to the negotiated terms and conditions set forth in the joint resolution. Land described as a designated area is not, by virtue of being so described, considered also to be annexed for purposes of this chapter.

(c) The joint resolution will confer jurisdiction on the chief administrative law judge over annexations in the designated area and over the various provisions in said agreement by submission of said joint resolution to the chief administrative law judge.

(d) The resolution shall include a description of the designated area and the reasons for designation.

(e) Thereafter, an annexation of any part of the designated area may be initiated by:

(1) submitting to the chief administrative law judge a resolution of any signatory to the joint resolution; or

(2) the chief administrative law judge.

(f) Whenever a state agency, other than the pollution control agency, orders a municipality to extend a municipal service to an area, the order confers jurisdiction on the chief administrative law judge to consider designation of the area for orderly annexation.

(g) If a joint resolution designates an area as in need of orderly annexation and states that no alteration of its stated boundaries is appropriate, the chief administrative law judge may review and comment, but may not alter the boundaries.

(h) If a joint resolution designates an area as in need of orderly annexation, provides for the conditions for its annexation, and states that no consideration by the chief administrative law judge is necessary, the chief administrative law judge may review and comment, but shall, within 30 days, order the annexation in accordance with the terms of the resolution. A joint resolution filed within the 51 days before a regularly scheduled election must provide in the conditions for its annexation that the annexation will not be effective until the day after the regularly scheduled election. Failure to comply with the provisions of this subdivision with respect to regularly scheduled elections, or to set the right effective date in relation to regularly scheduled elections, does not invalidate the annexation.

Page 29, line 1, delete "state primary"

Page 29, line 2, delete "or state general" and insert "regularly scheduled" and after the period, insert "Failure to comply with the provisions of this subdivision with respect to regularly scheduled elections, or to set the right effective date in relation to regularly scheduled elections, does not invalidate the annexation."

Page 29, line 7, before the period, insert ", except that an ordinance approved within the 21 days before a regularly scheduled election is not effective until the day after the regularly scheduled

election" and delete "The effective date must"

Page 29, line 8, delete the new language

Page 29, line 10, after the period, insert "Failure to comply with the provisions of this subdivision with respect to regularly scheduled elections, or to set the right effective date in relation to regularly scheduled elections, does not invalidate the annexation."

Renumber the sections in sequence

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 1331: A bill for an act relating to elections; changing certain absentee ballot requirements and provisions; amending Minnesota Statutes 2008, sections 203B.04, subdivisions 1, 6; 203B.05, subdivision 1; 203B.06, subdivision 3; 203B.07, subdivision 3; 203B.08, subdivisions 2, 3; 203B.12; 203B.23, subdivision 2; 203B.24, subdivision 1; 203B.26; 204B.45, subdivision 2; 204B.46; 204C.10; 204C.13, subdivision 6; 204C.27; 204C.30, by adding a subdivision; 204C.33, subdivisions 1, 3; 205.185, subdivision 3; 205A.10, subdivisions 2, 3; 206.89, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 203B; repealing Minnesota Statutes 2008, sections 203B.04, subdivision 5; 203B.10; 203B.13; 203B.25.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, after line 9, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested and shown to properly allow for the issuance of ballots to ongoing absentee voters."

Page 3, delete lines 17 to 24 and insert:

"A clerk may only administer the provisions of sections 203B.04 to 203B.15 if the clerk has technical capacity to access the absentee ballot module of the statewide voter registration system in the secure manner prescribed by the secretary of state. The secretary of state must identify hardware, software, security, or other technical prerequisites necessary to ensure the security, access controls, and performance of the statewide voter registration system. A clerk designated under this subdivision must receive training approved by the secretary of state on the use of the statewide voter registration system. A clerk may not use the statewide voter registration system until the clerk has received the required training."

EFFECTIVE DATE. This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 4, after line 17, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 4, after line 33, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Sec. 6. Minnesota Statutes 2008, section 203B.07, subdivision 2, is amended to read:

Subd. 2. **Design of envelopes.** The return envelope shall be of sufficient size to conveniently enclose and contain the ballot envelope and a folded voter registration application. The return envelope shall be designed to open on the left-hand end. ~~If the voter was not previously registered,~~ The return envelope must be designed in one of the following ways:

(1) it must be of sufficient size to contain an additional envelope that when sealed, conceals the signature, identification, and other information; or

(2) it must provide an additional flap that when sealed, conceals the signature, identification, and other information.

Election officials may open the flap or the additional envelope at any time after receiving the returned ballot to inspect the returned certificate for completeness or to ascertain other information."

Page 5, after line 25, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 6, after line 2, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Sec. 9. Minnesota Statutes 2008, section 203B.08, is amended by adding a subdivision to read:

Subd. 5. **Absentee ballot status.** The secretary of state must ensure that the secretary of state's Web site is capable of providing voters with information about the status of their absentee ballots. An individual requesting the status of the individual's absentee ballot must provide the individual's name, address, date of birth, Minnesota driver's license number, state identification number, or the last four digits of the individual's Social Security number. If the information provided by the individual completely matches an absentee voter record in the statewide voter registration system, the Web site must provide the individual with the status of the individual's absentee ballot.

EFFECTIVE DATE. This section is not effective until the secretary of state has certified that the Web site has been tested, shown to properly retrieve information from the correct voter's record, and can handle the expected volume of use.

Sec. 10. Minnesota Statutes 2008, section 203B.081, is amended to read:

203B.081 LOCATIONS FOR ABSENTEE VOTING IN PERSON.

An eligible voter may vote by absentee ballot during the 30 days before the election up until the fourth day before the election in the office of the county auditor and at any other polling place designated by the county auditor. On the day before the election, voters who had planned on voting in person in the polling place and only learned of circumstances in the last four days that will prevent them from doing so may vote by absentee ballot. The county auditor shall make such designations at least 90 days before the election. At least one voting booth in each polling place must be made available by the county auditor for this purpose. The county auditor must also make available at least one electronic ballot marker in each polling place that has implemented a voting system that is accessible for individuals with disabilities pursuant to section 206.57, subdivision 5.

Sec. 11. Minnesota Statutes 2008, section 203B.085, is amended to read:

203B.085 COUNTY AUDITOR'S AND MUNICIPAL CLERK'S OFFICES TO REMAIN OPEN DURING CERTAIN HOURS PRECEDING ELECTION.

The county auditor's office in each county and the clerk's office in each city or town authorized under section 203B.05 to administer absentee balloting must be open for acceptance of absentee ballot applications and casting of absentee ballots from 10:00 a.m. to 3:00 p.m. on Saturday and until 5:00 p.m. on the fourth day immediately preceding a primary, special, or general election unless that day falls on a Saturday or Sunday. On the day before the election, the office must be open for acceptance of absentee ballot applications and casting of absentee ballots for voters who additionally certify that they had planned on voting in person in the polling place and only learned of circumstances in the last four days that will prevent them from doing so. Town clerks' offices must be open for absentee voting from 10:00 a.m. to 12:00 noon on the Saturday before a town general election held in March. The school district clerk, when performing the county auditor's election duties, need not comply with this section."

Page 6, line 9, delete "administer" and insert "accept and reject"

Page 6, line 12, delete "and certified"

Page 6, line 22, delete "election judges" and insert "members of the ballot board"

Page 8, line 24, after "(2)" insert "without inspecting the ballots,"

Page 9, after line 28, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 10, after line 19, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 11, after line 21, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 11, after line 32, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 12, line 13, delete "and certified"

Page 12, after line 32, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 13, line 7, strike "20 or" and insert "30 nor"

Page 13, line 9, after the period, insert "No later than 14 days before the election, the auditor or clerk must make a subsequent mailing of ballots to those voters who register to vote after the initial mailing but before the 20th day before the election."

Page 13, line 13, delete "and certified"

Page 13, after line 30, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 14, line 19, delete "municipal clerk" and insert "ballot board"

Page 14, line 21 delete "early or"

Page 14, after line 27, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 15, after line 5, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 17, line 13, strike "an" and insert "a state general" and after the comma, insert "and within 17 days after any other election,"

Page 17, after line 25, insert:

"Sec. 25. Minnesota Statutes 2008, section 205.185, is amended by adding a subdivision to read:

Subd. 5. **Review of rejected absentee ballots.** Prior to an election not held in conjunction with a state election, a clerk may arrange to have a certified election administrator from another city or county review all ballots that were marked rejected to determine whether any were rejected in error. These arrangements must be made at least seven days before the date of the election. If no arrangements are made, rejected absentee ballots must not be reviewed outside of an election contest under chapter 209. If the certified election administrator determines that any were rejected in error, the canvassing board must publicly open the return and ballot envelopes, initial and count the ballots to include the votes in all races in the results canvassed by the board. The canvassing board must protect the privacy of the voters' choices to the extent practicable. If the number of rejected absentee ballots could not possibly change the outcome in any of the elections or questions on the ballot, the clerk may cancel the review of the rejected absentee ballots."

Page 18, after line 3, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 18, line 6, after "election" insert "held concurrently with a state general election, and within seven days after a school district election held on any other date,"

Page 18, after line 22, insert:

"Sec. 28. Minnesota Statutes 2008, section 205A.10, is amended by adding a subdivision to read:

Subd. 6. **Review of rejected absentee ballots.** Prior to an election not held in conjunction with a state election, a clerk may arrange to have a certified election administrator from a city or county review all ballots that were marked rejected to determine whether any were rejected in error. These arrangements must be made at least seven days before the date of the election. If no arrangements are made, rejected absentee ballots must not be reviewed outside of an election contest under chapter 209. If the certified election administrator determines that any were rejected in error, the canvassing board must publicly open the return and ballot envelopes, initial and count the ballots to include the votes in all races in the results canvassed by the board. The canvassing board must protect the privacy of the voters' choices to the extent practicable. If the number of rejected absentee ballots could not possibly change the outcome in any of the elections or questions on the ballot, the clerk may cancel the review of the rejected absentee ballots."

Page 19, after line 8, insert:

"**EFFECTIVE DATE.** This section is not effective until the secretary of state has certified that the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 19, delete section 25 and insert:

"Sec. 30. **REPEALER.**

Minnesota Statutes 2008, sections 203B.04, subdivision 5; 203B.10; 203B.13, subdivisions 1, 2, 3, and 4; and 203B.25, are repealed.

EFFECTIVE DATE. This section is not effective until the secretary of state has certified that

the statewide voter registration system has been tested, shown to properly allow municipal clerks to update absentee voting records, and to be able to handle the expected volume of use."

Page 19, delete section 26

Renumber the sections in sequence

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 834: A bill for an act relating to elections; city elections in cities of the first class; providing for election of certain council members elected by ward after reapportionment; amending Minnesota Statutes 2008, section 205.84, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2008, section 204B.135, subdivision 1, is amended to read:

Subdivision 1. **Cities with wards.** Except as provided in this subdivision, a city that elects its council members by wards may not redistrict those wards before the legislature has been redistricted in a year ending in one or two. The wards must be redistricted within 60 days after the legislature has been redistricted or at least 19 weeks before the state primary election in the year ending in two, whichever is first.

In a city electing council members by wards in a year ending in one, if the legislature has not been redistricted by June 1 of that year, the ward boundaries must be reestablished no later than 14 days before the first day to file affidavits of candidacy for city council members. The ward boundaries may be modified after the legislature has been redistricted for the purpose of establishing precinct boundaries as provided in section 204B.14, subdivision 3, but no modification in ward boundaries may result in a change of the population of any ward of more than five percent, plus or minus.

Sec. 2. Minnesota Statutes 2008, section 204B.135, subdivision 3, is amended to read:

Subd. 3. **Voters rights.** (a) An eligible voter may apply to the district court for either a writ of mandamus requiring the redistricting of wards or local government election districts or to revise any plan adopted by the governing body responsible for redistricting of wards or local government election districts.

(b) If a city adopts a ward redistricting plan at least 19 weeks before the primary in a year ending in two, an application for revision of the plan that seeks to affect elections held in the year ending in two must be filed with the district court within three weeks but no later than 18 weeks before the state primary election in the year ending in two, notwithstanding any charter provision. If a city adopts a ward redistricting plan less than 19 weeks before either the municipal primary in a year ending in one or before the state primary in a year ending in two, an application for revision of the

plan that seeks to affect elections held in ~~the that year ending in two~~ must be filed with the district court no later than one week after the plan has been adopted, notwithstanding any charter provision.

(c) If a plan for redistricting of a local government election district is adopted at least 15 weeks before the state primary election in a year ending in two, an application for revision of the plan that seeks to affect elections held in the year ending in two must be filed with the district court within three weeks but no later than 14 weeks before the state primary election in the year ending in two. If a plan for redistricting of a local government election district is adopted less than 15 weeks before the state primary election in a year ending in two, an application for revision of the plan that seeks to affect elections held in the year ending in two must be filed with the district court no later than one week after the plan has been adopted.

Sec. 3. Minnesota Statutes 2008, section 204B.14, subdivision 3, is amended to read:

Subd. 3. **Boundary changes; prohibitions; exception.** Notwithstanding other law or charter provisions to the contrary, during the period from January 1 in any year ending in zero to the time when the legislature has been redistricted in a year ending in one or two, no changes may be made in the boundaries of any election precinct except as provided in this subdivision.

(a) If a city annexes an unincorporated area located in the same county as the city and adjacent to the corporate boundary, the annexed area may be included in an election precinct immediately adjacent to it.

(b) A municipality or county may establish new election precincts lying entirely within the boundaries of any existing precinct and shall assign names to the new precincts which include the name of the former precinct.

(c) Precinct boundaries in a city electing council members by wards may be reestablished within 14 days of the adoption of ward boundaries in a year ending in one, as provided in section 204B.135, subdivision 1.

(d) Precinct boundaries must be reestablished within 60 days of the time when the legislature has been redistricted, or at least 19 weeks before the state primary election in a year ending in two, whichever comes first. The adoption of reestablished precinct boundaries becomes effective on the date of the state primary election in the year ending in two.

Precincts must be arranged so that no precinct lies in more than one legislative or congressional district.

Sec. 4. Minnesota Statutes 2008, section 204B.14, subdivision 4, is amended to read:

Subd. 4. **Boundary change procedure.** Any change in the boundary of an election precinct shall be adopted at least ~~90~~ 60 days before the date of the next election and, for the state primary and general election, no later than June 1 in the year of the state general election. The precinct boundary change shall not take effect until notice of the change has been posted in the office of the municipal clerk or county auditor for at least ~~60~~ 42 days.

The county auditor must publish a notice illustrating or describing the congressional, legislative, and county commissioner district boundaries in the county in one or more qualified newspapers in the county at least 14 days prior to the first day to file affidavits of candidacy for the state general election in the year ending in two.

Alternate dates for adopting changes in precinct boundaries, posting notices of boundary changes, and notifying voters affected by boundary changes pursuant to this subdivision, and procedures for coordinating precinct boundary changes with reestablishing local government election district boundaries may be established in the manner provided in the rules of the secretary of state."

Page 1, after line 18, insert:

"Sec. 6. Minnesota Statutes 2008, section 205.84, subdivision 2, is amended to read:

Subd. 2. **Effective date.** After the official certification of the federal decennial or special census, the governing body of the city shall either confirm the existing ward boundaries as conforming to the standards of subdivision 1 or redefine ward boundaries to conform to those standards as provided in section 204B.135, subdivision 1. If the governing body of the city fails to take either action within the time required, no further compensation shall be paid to the mayor or council member until the wards of the city are either reconfirmed or redefined as required by this section. An ordinance establishing new ward boundaries pursuant to section 204B.135, subdivision 1, becomes effective on the date of the state primary election in the year ending in two, except that new ward boundaries established by a municipality in a year ending in one are effective on the date of the municipal primary election in the year ending in one.

EFFECTIVE DATE. This section is effective the day following final enactment."

Page 1, delete line 20 and insert "Sections 1 to 6 are effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete everything after the first semicolon

Page 1, delete line 3 and insert "changing certain municipal precinct and ward boundary procedures and requirements;"

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1368, 1932, 247, 848, 501, 923, 991 and 834 were read the second time.

MEMBERS EXCUSED

Senator Gimse was excused from the Session of today.

ADJOURNMENT

Senator Pogemiller moved that the Senate do now adjourn until 8:15 a.m., Friday, April 3, 2009. The motion prevailed.

Peter S. Wattson, Secretary of the Senate (Legislative)

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