

FIFTY-FIFTH DAY

St. Paul, Minnesota, Friday, May 15, 2009

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Michele H. Morgan.

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

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

The President declared a quorum present.

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

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

May 5, 2009

The Honorable James P. Metzen
President of the Senate

Dear Senator Metzen:

The following appointment is hereby respectfully submitted to the Senate for confirmation as

required by law:

MINNESOTA ENVIRONMENTAL QUALITY BOARD

Julie Goehring, 708 - 70th Ave. N.W., Moorhead, in the county of Clay, effective May 11, 2009, for a term that expires on January 7, 2013.

(Referred to the Committee on Environment and Natural Resources.)

Sincerely,
Tim Pawlenty, Governor

May 14, 2009

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2009 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2009	Date Filed 2009
	2088	*78	8:17 p.m. May 14	May 14
	1362	*79	7:49 p.m. May 14	May 14

* Chapter with line item vetoes

Sincerely,
Mark Ritchie
Secretary of State

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 1887, 567, 666 and 1436.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 14, 2009

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

S.F. No. 1503: A bill for an act relating to human services; changing child welfare provisions; modifying provisions governing adoption records; amending Minnesota Statutes 2008, sections 13.46, subdivision 2; 256.01, subdivision 14b; 259.52, subdivisions 2, 6; 259.89, subdivisions 1, 2, 4, by adding a subdivision; 260.012; 260.93; 260B.007, subdivision 7; 260B.157, subdivision 3; 260B.198, subdivision 1; 260C.007, subdivisions 18, 25; 260C.151, subdivisions 1, 2, 3, by adding a subdivision; 260C.163, by adding a subdivision; 260C.175, subdivision 1; 260C.176, subdivision 1; 260C.178, subdivisions 1, 3; 260C.201, subdivisions 1, 3, 5, 11; 260C.209, subdivision 3; 260C.212, subdivisions 1, 2, 4, 4a, 5, 7; 260D.02, subdivision 5; 260D.03, subdivision 1; 260D.07; 484.76, subdivision 2; Laws 2008, chapter 361, article 6, section 58; proposing coding for new law in Minnesota Statutes, chapter 260C; repealing Minnesota Statutes 2008, section 260C.209, subdivision 4.

There has been appointed as such committee on the part of the House:

Hosch; Murphy, E. and Mack.

Senate File No. 1503 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 14, 2009

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 5 members of the House, on the amendments adopted by the House to the following Senate File:

S.F. No. 1331: A bill for an act relating to elections; moving the state primary from September to June and making conforming changes; updating certain ballot and voting system requirements; changing certain election administration provisions; authorizing early voting; expanding requirements and authorizations for postsecondary institutions to report resident student information to the secretary of state for voter registration purposes; changing certain absentee ballot requirements and provisions; requiring a special election for certain vacancies in nomination; changing the special election requirements for vacancies in Congressional offices; requiring an affidavit of candidacy to state the candidate's residence address and telephone number; changing municipal precinct and ward boundary requirements for certain cities; imposing additional requirements on polling place challengers; changing certain caucus and campaign provisions; amending Minnesota Statutes 2008, sections 10A.31, subdivision 6; 10A.321; 10A.322, subdivision 1; 10A.323; 103C.305, subdivisions 1, 3; 135A.17, subdivision 2; 201.016, subdivisions 1a, 2; 201.022, subdivision 1; 201.056; 201.061, subdivisions 1, 3; 201.071, subdivision 1; 201.091, by adding a subdivision; 201.11; 201.12; 201.13; 202A.14, subdivision 3; 203B.001; 203B.01, by adding a subdivision; 203B.02, subdivision 3; 203B.03, subdivision 1; 203B.04, subdivisions 1, 6; 203B.05; 203B.06, subdivisions 3, 5; 203B.07, subdivisions 2, 3; 203B.08, subdivisions 2,

3, by adding a subdivision; 203B.081; 203B.085; 203B.11, subdivision 1; 203B.12; 203B.125; 203B.16, subdivision 2; 203B.17, subdivision 1; 203B.19; 203B.21, subdivision 2; 203B.22; 203B.225, subdivision 1; 203B.227; 203B.23, subdivision 2; 203B.24, subdivision 1; 203B.26; 204B.04, subdivisions 2, 3; 204B.06, by adding a subdivision; 204B.07, subdivision 1; 204B.09, subdivisions 1, 3; 204B.11, subdivision 2; 204B.13, subdivisions 1, 2, by adding subdivisions; 204B.135, subdivisions 1, 3, 4; 204B.14, subdivisions 2, 3, 4, by adding a subdivision; 204B.16, subdivision 1; 204B.18; 204B.21, subdivision 1; 204B.22, subdivisions 1, 2; 204B.24; 204B.27, subdivisions 2, 3; 204B.28, subdivision 2; 204B.33; 204B.35, subdivision 4; 204B.44; 204B.45, subdivision 2; 204B.46; 204C.02; 204C.04, subdivision 1; 204C.06, subdivision 1; 204C.07, subdivisions 3a, 4; 204C.08; 204C.10; 204C.12, subdivision 2; 204C.13, subdivisions 2, 3, 5, 6; 204C.17; 204C.19, subdivision 2; 204C.20, subdivisions 1, 2; 204C.21; 204C.22, subdivisions 3, 4, 6, 7, 10, 13; 204C.24, subdivision 1; 204C.25; 204C.26; 204C.27; 204C.28, subdivision 3; 204C.30, by adding subdivisions; 204C.33, subdivisions 1, 3; 204C.35, subdivisions 1, 2, by adding a subdivision; 204C.36, subdivisions 1, 3, 4; 204C.37; 204D.03, subdivisions 1, 3; 204D.04, subdivision 2; 204D.05, subdivision 3; 204D.07; 204D.08; 204D.09, subdivision 2; 204D.10, subdivisions 1, 3; 204D.11, subdivision 1; 204D.12; 204D.13; 204D.16; 204D.165; 204D.17; 204D.19; 204D.20, subdivision 1; 204D.25, subdivision 1; 205.065, subdivisions 1, 2; 205.07, by adding a subdivision; 205.075, subdivision 1; 205.13, subdivisions 1, 1a, 2; 205.16, subdivisions 2, 3, 4; 205.17, subdivisions 1, 3, 4, 5; 205.185, subdivision 3, by adding a subdivision; 205.84, subdivisions 1, 2; 205A.03, subdivisions 1, 2; 205A.05, subdivisions 1, 2; 205A.06, subdivision 1a; 205A.07, subdivisions 2, 3; 205A.08, subdivisions 1, 3, 4; 205A.10, subdivisions 2, 3, by adding a subdivision; 205A.11, subdivision 3; 206.56, subdivision 3; 206.57, subdivision 6; 206.82, subdivision 2; 206.83; 206.84, subdivision 3; 206.86, subdivision 6; 206.89, subdivisions 2, 3; 206.90, subdivisions 9, 10; 208.03; 208.04; 211B.045; 211B.11, by adding a subdivision; 211B.20, subdivisions 1, 2; 412.02, subdivision 2a; 414.02, subdivision 4; 414.031, subdivision 6; 414.0325, subdivisions 1, 4; 414.033, subdivision 7; 447.32, subdivision 4; Laws 2005, chapter 162, section 34, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 202A; 203B; 204B; 204C; 204D; 205; 205A; repealing Minnesota Statutes 2008, sections 3.22; 201.096; 203B.04, subdivision 5; 203B.10; 203B.11, subdivision 2; 203B.13, subdivisions 1, 2, 3, 4; 203B.25; 204B.12, subdivision 2a; 204B.13, subdivisions 4, 5, 6; 204B.22, subdivision 3; 204B.36; 204B.37; 204B.38; 204B.39; 204B.41; 204B.42; 204C.07, subdivision 3; 204C.13, subdivision 4; 204C.20, subdivision 3; 204C.23; 204D.05, subdivisions 1, 2; 204D.10, subdivision 2; 204D.11, subdivisions 2, 3, 4, 5, 6; 204D.14, subdivisions 1, 3; 204D.15, subdivisions 1, 3; 204D.169; 204D.28; 205.17, subdivision 2; 206.56, subdivision 5; 206.57, subdivision 7; 206.61, subdivisions 1, 3, 4, 5; 206.62; 206.805, subdivision 2; 206.84, subdivisions 1, 6, 7; 206.86, subdivisions 1, 2, 3, 4, 5; 206.90, subdivisions 3, 5, 6, 7, 8; 206.91; Minnesota Rules, part 8230.4365, subpart 5.

There has been appointed as such committee on the part of the House:

Winkler, Kahn, Simon, Hayden and Lanning.

Senate File No. 1331 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 14, 2009

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

S.F. No. 722: A bill for an act relating to public safety; requiring that information on persons civilly committed, found not guilty by reason of mental illness, or incompetent to stand trial be transmitted to the federal National Instant Criminal Background Check System; authorizing certain persons prohibited under state law from possessing a firearm to petition a court for restoration of this right; amending Minnesota Statutes 2008, section 624.713, subdivision 1, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 253B.

There has been appointed as such committee on the part of the House:

Lesch, Norton and Cornish.

Senate File No. 722 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 14, 2009

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 550, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 550: A bill for an act relating to energy; providing for energy conservation; regulating utility rates; removing prohibition on issuing certificate of need for new nuclear power plant; providing for various Legislative Energy Commission studies; regulating utilities; amending Minnesota Statutes 2008, sections 216A.03, subdivision 6, by adding a subdivision; 216B.16, subdivisions 2, 6c, 7b, by adding a subdivision; 216B.1645, subdivision 2a; 216B.169, subdivision 2; 216B.1691, subdivision 2a; 216B.23, by adding a subdivision; 216B.241, subdivisions 1c, 5a, 9; 216B.2411, subdivisions 1, 2; 216B.2424, subdivision 5a; 216B.243, subdivisions 3b, 8, 9; 216C.11; proposing coding for new law in Minnesota Statutes, chapter 216C; repealing Laws 2007, chapter 3, section 3.

Senate File No. 550 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 14, 2009

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 384, 702, 927, 1328, 1744 and 1728.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted May 14, 2009

FIRST READING OF HOUSE BILLS

The following bills were read the first time.

H.F. No. 384: A bill for an act relating to health; requiring a study to simplify health care administrative transactions via electronic data exchange.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 704, now on the Calendar.

H.F. No. 702: A bill for an act relating to public safety; authorizing a pilot project to map state expenditures on children for various purposes; requiring a study on the collection and reporting of summary data relating to decisions that affect a child's status within the juvenile justice system; proposing coding for new law in Minnesota Statutes, chapter 16A.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 561, now on the Calendar.

H.F. No. 927: A bill for an act relating to labor and industry; modifying construction codes and licensing; exempting certain municipal building ordinances; requiring rulemaking; amending Minnesota Statutes 2008, sections 326B.082, subdivision 12; 326B.084; 326B.121, by adding a subdivision; 326B.43, subdivision 1, by adding a subdivision; 326B.435, subdivisions 2, 6; 326B.475, subdivisions 1, 6; 326B.52; 326B.53; 326B.55; 326B.57; 326B.58; 326B.59; 326B.801; 326B.84; 326B.921, subdivision 1; 326B.974; proposing coding for new law in Minnesota Statutes, chapter 326B; repealing Minnesota Statutes 2008, section 326B.43, subdivision 5.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1004, now on General Orders.

H.F. No. 1328: A bill for an act relating to public health; addressing youth violence as a public health problem; coordinating and aligning prevention and intervention programs addressing risk factors of youth violence; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1235, now on the Calendar.

H.F. No. 1744: A bill for an act relating to government operations; creating technology accessibility standards for the state; establishing the advisory committee for technology standards for accessibility and usability; requiring a report; appropriating money; amending Minnesota Statutes 2008, sections 16C.02, by adding a subdivision; 16C.03, subdivision 4; 16C.08, subdivision 2; 16E.01, subdivisions 1a, 3; 16E.02, subdivision 1; 16E.03, subdivisions 2, 4, by adding subdivisions; 16E.07, subdivision 1; Laws 2009, chapter 37, article 2, section 3, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 16E.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1600, now on the Calendar.

H.F. No. 1728: A bill for an act relating to human services; amending child care programs,

program integrity, and adult supports including general assistance medical care and group residential housing; amending Minnesota Statutes 2008, sections 119B.011, subdivision 3; 119B.08, subdivision 2; 119B.09, subdivision 1; 119B.12, subdivision 1; 119B.13, subdivision 6; 119B.15; 119B.231, subdivision 3; 256.014, subdivision 1; 256.0471, subdivision 1, by adding a subdivision; 256D.01, subdivision 1b; 256D.44, subdivision 3; 256I.04, subdivisions 2a, 3; 256I.05, subdivision 1k.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1509, now on the Calendar.

REPORTS OF COMMITTEES

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

Senator Cohen from the Committee on Finance, to which was referred

H.F. No. 1237: A bill for an act relating to natural resources; modifying wild rice season and harvest authority; modifying certain definitions; modifying state park permit requirements; modifying authority to establish secondary units; eliminating liquor service at John A. Latsch State Park; providing for establishment of boater waysides; modifying watercraft and off-highway motorcycle operation requirements; expanding snowmobile grant-in-aid program; modifying state trails; modifying Water Law; providing for appeals and enforcement of certain civil penalties; providing for taking wild animals to protect public safety; modifying Board of Water and Soil Resources membership; modifying local water program; modifying Reinvest in Minnesota Resources Law; modifying certain easement authority; providing for notice of changes to public waters inventory; modifying critical habitat plate eligibility; modifying cost-share program; amending Minnesota Statutes 2008, sections 84.105; 84.66, subdivision 2; 84.793, subdivision 1; 84.83, subdivision 3; 84.92, subdivision 8; 85.015, subdivisions 13, 14; 85.053, subdivision 3; 85.054, by adding subdivisions; 86A.05, by adding a subdivision; 86A.08, subdivision 1; 86A.09, subdivision 1; 86B.311, by adding a subdivision; 97A.321; 103B.101, subdivisions 1, 2; 103B.3355; 103B.3369, subdivision 5; 103C.501, subdivisions 2, 4, 5, 6; 103F.505; 103F.511, subdivisions 5, 8a, by adding a subdivision; 103F.515, subdivisions 1, 2, 4, 5, 6; 103F.521, subdivision 1; 103F.525; 103F.526; 103F.531; 103F.535, subdivision 5; 103G.201; 168.1296, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 97B; repealing Minnesota Statutes 2008, sections 85.0505, subdivision 2; 103B.101, subdivision 11; 103F.511, subdivision 4; 103F.521, subdivision 2; Minnesota Rules, parts 8400.3130; 8400.3160; 8400.3200; 8400.3230; 8400.3330; 8400.3360; 8400.3390; 8400.3500; 8400.3530, subparts 1, 2, 2a; 8400.3560.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

NATURAL RESOURCE POLICY

Section 1. Minnesota Statutes 2008, section 84.02, is amended to read:

84.02 DEFINITIONS NATIVE PRAIRIE AND GRASSLAND RESTORATION RESTRICTIONS; STATE MONEY.

Subdivision 1. **Definitions.** For purposes of this chapter, the terms defined in this section shall have the meanings given them.

Subd. 2. **Best management practice for native prairie restoration.** "Best management practice for native prairie restoration" means using seeds collected from a native prairie within the same county or within 25 miles of the county's border, but not across the boundary of an ecotype region.

Subd. 3. **Created grassland.** "Created grassland" means a restoration using seeds or plants with origins outside of the state of Minnesota.

Subd. 4. **Ecotype region.** "Ecotype region" means the following ecological subsections and counties based on the Department of Natural Resources map, "County Landscape Groupings Based on Ecological Subsections," dated February 15, 2007.

Ecotype Region	Counties or portions thereof:
Rochester Plateau, Blufflands, and Oak Savanna	Houston, Winona, Fillmore, Wabasha, Goodhue, Mower, Freeborn, Steele, Olmsted, Rice, Waseca, Dakota, Dodge
Anoka Sand Plain, Big Woods, and St. Paul Baldwin Plains and Moraines	Anoka, Hennepin, Ramsey, Washington, Chisago, Scott, Carver, McLeod, Wright, Benton, Isanti, Le Sueur, Sherburne
Inner Coteau and Coteau Moraines	Lincoln, Lyon, Pipestone, Rock, Murray, Nobles, Jackson, Cottonwood
Red River Prairie (South)	Traverse, Wilkin, Clay, Becker
Red River Prairie (North) and Aspen Parklands	Kittson, Roseau, Red Lake, Pennington, Marshall, Clearwater, Mahnomen, Polk, Norman
Minnesota River Prairie (North)	Big Stone, Pope, Stevens, Grant, Swift, Chippewa, Meeker, Kandiyohi, Renville, Lac qui Parle, Yellow Medicine
Minnesota River Prairie (South)	Nicollet, Redwood, Brown, Watonwan, Martin, Faribault, Blue Earth, Sibley
Hardwood Hills	Douglas, Morrison, Otter Tail, Stearns, Todd

Subd. 5. **Native prairie.** "Native prairie" means land that has never been plowed where native prairie vegetation originating from the site currently predominates or, if disturbed, is predominantly covered with native prairie vegetation that originated from the site. Unbroken pasture land used for livestock grazing can be considered native prairie if it has predominantly native vegetation originating from the site and conservation practices have maintained biological diversity.

Subd. 6. **Native prairie species of a local ecotype.** "Native prairie species of a local ecotype" means a genetically differentiated population of a species that has at least one trait (morphological, biochemical, fitness, or phenological) that is evolutionarily adapted to local environmental

~~conditions, notably plant competitors, pathogens, pollinators, soil microorganisms, growing season length, climate, hydrology, and soil.~~

~~Subd. 7. **Restored native prairie.** "Restored native prairie" means a restoration using at least 25 representative and biologically diverse native prairie plant species of a local ecotype originating in the same county as the restoration site or within 25 miles of the county's border, but not across the boundary of an ecotype region.~~

~~Subd. 8. **Restored prairie.** "Restored prairie" means a restoration using at least 25 representative and biologically diverse native prairie plant species originating from the same ecotype region in which the restoration occurs.~~

Subd. 9. **Restoration with state money.** To the extent possible, a person conducting native prairie or grassland restoration with state money must plant vegetation or sow seed only of ecotypes native to Minnesota, and preferably of the local ecotype, using a high diversity of species originating from as close to the restoration site as possible, and protect existing native prairies from genetic contamination.

Sec. 2. Minnesota Statutes 2008, section 84.027, subdivision 13, is amended to read:

Subd. 13. **Game and fish rules.** (a) The commissioner of natural resources may adopt rules under sections 97A.0451 to 97A.0459 and this subdivision that are authorized under:

(1) chapters 97A, 97B, and 97C to set open seasons and areas, to close seasons and areas, to select hunters for areas, to provide for tagging and registration of game and fish, to prohibit or allow taking of wild animals to protect a species, to prevent or control wildlife disease, to open or close bodies of water or portions of bodies of water for night bow fishing, and to prohibit or allow importation, transportation, or possession of a wild animal;

(2) sections 84.093, 84.15, and 84.152 to set seasons for harvesting wild ginseng roots and wild rice and to restrict or prohibit harvesting in designated areas; and

(3) section 84D.12 to designate prohibited invasive species, regulated invasive species, unregulated nonnative species, and infested waters.

(b) If conditions exist that do not allow the commissioner to comply with sections 97A.0451 to 97A.0459, the commissioner may adopt a rule under this subdivision by submitting the rule to the attorney general for review under section 97A.0455, publishing a notice in the State Register and filing the rule with the secretary of state and the Legislative Coordinating Commission, and complying with section 97A.0459, and including a statement of the emergency conditions and a copy of the rule in the notice. The emergency conditions for opening a water body or portion of a water body for night bow fishing under this section may include the need to temporarily open the area to evaluate compatibility of the activity on that body of water prior to permanent rulemaking. The notice may be published after it is received from the attorney general or five business days after it is submitted to the attorney general, whichever is earlier.

(c) Rules adopted under paragraph (b) are effective upon publishing in the State Register and may be effective up to seven days before publishing and filing under paragraph (b), if:

(1) the commissioner of natural resources determines that an emergency exists;

(2) the attorney general approves the rule; and

(3) for a rule that affects more than three counties the commissioner publishes the rule once in a legal newspaper published in Minneapolis, St. Paul, and Duluth, or for a rule that affects three or fewer counties the commissioner publishes the rule once in a legal newspaper in each of the affected counties.

(d) Except as provided in paragraph (e), a rule published under paragraph (c), clause (3), may not be effective earlier than seven days after publication.

(e) A rule published under paragraph (c), clause (3), may be effective the day the rule is published if the commissioner gives notice and holds a public hearing on the rule within 15 days before publication.

(f) The commissioner shall attempt to notify persons or groups of persons affected by rules adopted under paragraphs (b) and (c) by public announcements, posting, and other appropriate means as determined by the commissioner.

(g) Notwithstanding section 97A.0458, a rule adopted under this subdivision is effective for the period stated in the notice but not longer than 18 months after the rule is adopted.

Sec. 3. Minnesota Statutes 2008, section 84.105, is amended to read:

84.105 WILD RICE SEASON.

Ripe wild rice may be harvested from ~~July~~ August 15 to September 30.

Sec. 4. Minnesota Statutes 2008, section 84.66, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For the purpose of this section, the following terms have the meanings given:

(1) "forest land" has the meaning given under section 89.001, subdivision 4;

(2) "forest resources" has the meaning given under section 89.001, subdivision 8;

(3) "guidelines" has the meaning given under section 89A.01, subdivision 8;

(4) "riparian land" has the meaning given under section 103F.511, subdivision ~~8a~~ 8b; and

(5) "working forest land" means land that provides a broad range of goods and services, including forest products, recreation, fish and wildlife habitat, clean air and water, and carbon sequestration.

Sec. 5. **[84.774] OFF-HIGHWAY VEHICLE CRIMINAL PENALTIES.**

(a) Except as provided in paragraph (b), a person who violates a provision of sections 84.773; 84.777; 84.788 to 84.795; 84.798 to 84.804; 84.90; or 84.922 to 84.928 or rules of the commissioner relating to off-highway vehicle use is guilty of a misdemeanor.

(b) A person is guilty of a gross misdemeanor if the person violates section 84.773, subdivision 2, clause (2), and the person recklessly upsets the natural and ecological balance of a wetland or public waters wetland.

(c) A person is prohibited from operating an off-highway vehicle for a period of one year if the

person is:

(1) convicted of a gross misdemeanor under paragraph (b);

(2) convicted of or subject to a final order under section 84.775 for a violation of the prohibition on the intentional operation on unfrozen public water, in a state park, in a scientific and natural area, or in a wildlife management area under section 84.773, subdivision 1, clause (3);

(3) convicted of or is subject to a final order under section 84.775 for a violation of the prohibition on the willful, wanton, or reckless disregard for the safety of persons or property under section 84.773, subdivision 2, clause (1); or

(4) convicted of or subject to a final order under section 84.775 for a violation of the prohibition on carelessly upsetting the natural and ecological balance of a wetland or public waters wetland under section 84.773, subdivision 2, clause (2).

The commissioner shall notify the person of the time period during which the person is prohibited from operating an off-highway vehicle.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to crimes committed on or after that date.

Sec. 6. **[84.7741] OFF-HIGHWAY VEHICLE FORFEITURE.**

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given them.

(b) "Appropriate agency" means a law enforcement agency that has the authority to make an arrest for a violation of a designated offense.

(c) "Claimant" means an owner of an off-highway vehicle or a person claiming a leasehold or security interest in an off-highway vehicle.

(d) "Designated offense" means a second gross misdemeanor violation under section 84.774, paragraph (b).

(e) "Family or household member" means:

(1) a parent, stepparent, or guardian;

(2) any of the following persons related by blood, marriage, or adoption: brother, sister, stepbrother, stepsister, first cousin, aunt, uncle, nephew, niece, grandparent, great-grandparent, great-uncle, or great-aunt; or

(3) persons residing together or persons who regularly associate and communicate with one another outside of a workplace setting.

(f) "Off-highway vehicle" and "vehicle" do not include an off-highway vehicle that is stolen or taken in violation of the law.

(g) "Owner" means a person legally entitled to possession, use, and control of an off-highway vehicle, including a lessee of an off-highway vehicle if the lease agreement has a term of 180 days or more. There is a rebuttable presumption that a person registered as the owner of an off-highway

vehicle according to the records of the Department of Public Safety or the Department of Natural Resources is the legal owner. For purposes of this section, if an off-highway vehicle is owned jointly by two or more people, each owner's interest extends to the whole of the vehicle and is not subject to apportionment.

(h) "Prosecuting authority" means the attorney in the jurisdiction in which the designated offense occurred, or a designee, who is responsible for prosecuting violations of a designated offense. If a state agency initiated the forfeiture and the attorney responsible for prosecuting the designated offense declines to pursue forfeiture, the attorney general's office, or its designee, may initiate forfeiture under this section.

(i) "Security interest" means a bona fide security interest perfected according to section 168A.17, subdivision 2, based on a loan or other financing that, if an off-highway vehicle is required to be registered under chapter 168, is listed on the vehicle's title.

Subd. 2. **Seizure.** (a) An off-highway vehicle subject to forfeiture under this section may be seized by the appropriate agency upon process issued by any court having jurisdiction over the vehicle.

(b) Property may be seized without process if:

(1) the seizure is incident to a lawful arrest or a lawful search;

(2) the vehicle subject to seizure has been the subject of a prior judgment in favor of the state in a criminal injunction or forfeiture proceeding under this section; or

(3) the appropriate agency has probable cause to believe that the delay occasioned by the necessity to obtain process would result in the removal or destruction of the vehicle. If property is seized without process under this clause, the prosecuting authority must institute a forfeiture action under this section as soon as is reasonably possible by serving a notice of seizure and intent to forfeit at the address of the owner as listed in the records of the Department of Public Safety or Department of Natural Resources.

Subd. 3. **Right to possession vests immediately; custody.** All right, title, and interest in an off-highway vehicle subject to forfeiture under this section vests in the appropriate agency upon commission of the conduct resulting in the designated offense giving rise to the forfeiture. Any vehicle seized under this section is not subject to replevin, but is deemed to be in the custody of the appropriate agency subject to the orders and decrees of the court having jurisdiction over the forfeiture proceedings. When an off-highway vehicle is seized under this section, the appropriate agency may:

(1) place the vehicle under seal;

(2) remove the vehicle to a place designated by the agency;

(3) place a disabling device on the vehicle; and

(4) take other steps reasonable and necessary to secure the vehicle and prevent waste.

Subd. 4. **Bond by owner for possession.** If the owner of an off-highway vehicle that has been seized under this section seeks possession of the vehicle before the forfeiture action is determined, the owner may, subject to the approval of the appropriate agency, give security or post bond payable

to the appropriate agency in an amount equal to the retail value of the seized vehicle. On posting the security or bond, the seized vehicle may be returned to the owner. The forfeiture action must proceed against the security as if it were the seized vehicle.

Subd. 5. **Evidence.** Certified copies of court records and off-highway vehicle and driver's records concerning prior incidents are admissible as substantive evidence where necessary to prove the commission of a designated offense.

Subd. 6. **Vehicle subject to forfeiture.** An off-highway vehicle is subject to forfeiture under this section if it was used in the commission of a designated offense.

Subd. 7. **Presumptions; limitations on vehicle forfeiture.** (a) An off-highway vehicle is presumed subject to forfeiture under this section if the driver:

(1) is convicted of the designated offense upon which the forfeiture is based; or

(2) fails to appear for a scheduled court appearance with respect to the designated offense charged and fails to voluntarily surrender within 48 hours after the time required for appearance.

(b) An off-highway vehicle encumbered by a security interest perfected according to section 168A.17, subdivision 2, or subject to a lease that has a term of 180 days or more, is subject to the interest of the secured party or lessor unless the party or lessor had knowledge of or consented to the act upon which the forfeiture is based. However, when the proceeds of the sale of a seized vehicle do not equal or exceed the outstanding loan balance, the appropriate agency shall remit all proceeds of the sale to the secured party after deducting the agency's costs for the seizure, tow, storage, forfeiture, and sale of the vehicle. If the sale of the vehicle is conducted in a commercially reasonable manner consistent with section 336.9-610, the agency is not liable to the secured party for any amount owed on the loan in excess of the sale proceeds. The validity and amount of a nonperfected security interest must be established by its holder by clear and convincing evidence.

(c) Notwithstanding paragraph (b), the secured party's or lessor's interest in an off-highway vehicle is not subject to forfeiture based solely on the secured party's or lessor's knowledge of the act or omission upon which the forfeiture is based if the secured party or lessor demonstrates by clear and convincing evidence that the party or lessor took reasonable steps to terminate use of the vehicle by the offender.

(d) An off-highway vehicle is not subject to forfeiture under this section if its owner can demonstrate by clear and convincing evidence that the owner did not have actual or constructive knowledge that the vehicle would be used or operated in any manner contrary to law or that the owner took reasonable steps to prevent use of the vehicle by the offender. If the offender is a family or household member of the owner and has three or more prior off-highway vehicle convictions, the owner is presumed to know of any vehicle use by the offender that is contrary to law.

Subd. 8. **Administrative forfeiture procedure.** (a) An off-highway vehicle used to commit a designated offense is subject to administrative forfeiture under this subdivision.

(b) When an off-highway vehicle is seized under subdivision 2, or within a reasonable time after seizure, the appropriate agency shall serve the driver or operator of the vehicle with a notice of the seizure and intent to forfeit the vehicle. Additionally, when an off-highway vehicle is seized under subdivision 2, or within a reasonable time after that, all persons known to have an ownership, possessory, or security interest in the vehicle must be notified of the seizure and the intent to forfeit

the vehicle. For those vehicles required to be registered under chapter 168, the notification to a person known to have a security interest in the vehicle is required only if the vehicle is registered under chapter 168 and the interest is listed on the vehicle's title. Notice mailed by certified mail to the address shown in Department of Public Safety records is sufficient notice to the registered owner of the vehicle. For off-highway vehicles not required to be registered under chapter 168, notice mailed by certified mail to the address shown in the applicable filing or registration for the vehicle is sufficient notice to a person known to have an ownership, possessory, or security interest in the vehicle. Otherwise, notice may be given in the manner provided by law for service of a summons in a civil action.

(c) The notice must be in writing and contain:

(1) a description of the vehicle seized;

(2) the date of the seizure; and

(3) notice of the right to obtain judicial review of the forfeiture and of the procedure for obtaining that judicial review, printed in English, Hmong, and Spanish. Substantially, the following language must appear conspicuously: "IF YOU DO NOT DEMAND JUDICIAL REVIEW EXACTLY AS PRESCRIBED IN MINNESOTA STATUTES, SECTION 84.7741, SUBDIVISION 8, YOU LOSE THE RIGHT TO A JUDICIAL DETERMINATION OF THIS FORFEITURE AND YOU LOSE ANY RIGHT YOU MAY HAVE TO THE ABOVE-DESCRIBED PROPERTY. YOU MAY NOT HAVE TO PAY THE FILING FEE FOR THE DEMAND IF DETERMINED YOU ARE UNABLE TO AFFORD THE FEE. IF THE PROPERTY IS WORTH \$7,500 OR LESS, YOU MAY FILE YOUR CLAIM IN CONCILIATION COURT. YOU DO NOT HAVE TO PAY THE CONCILIATION COURT FILING FEE IF THE PROPERTY IS WORTH LESS THAN \$500."

(d) Within 30 days following service of a notice of seizure and forfeiture under this subdivision, a claimant may file a demand for a judicial determination of the forfeiture. The demand must be in the form of a civil complaint and must be filed with the court administrator in the county in which the seizure occurred, together with proof of service of a copy of the complaint on the prosecuting authority having jurisdiction over the forfeiture and the standard filing fee for civil actions unless the petitioner has the right to sue in forma pauperis under section 563.01. If the value of the seized property is \$7,500 or less, the claimant may file an action in conciliation court for recovery of the seized vehicle. A copy of the conciliation court statement of claim must be served personally or by mail on the prosecuting authority having jurisdiction over the forfeiture within 30 days following service of the notice of seizure and forfeiture under this subdivision. If the value of the seized property is less than \$500, the claimant does not have to pay the conciliation court filing fee. No responsive pleading is required of the prosecuting authority and no court fees may be charged for the prosecuting authority's appearance in the matter. Pleadings, filings, and methods of service are governed by the Rules of Civil Procedure.

(e) The complaint must be captioned in the name of the claimant as plaintiff and the seized vehicle as defendant and must state with specificity the grounds on which the claimant alleges the vehicle was improperly seized, the claimant's interest in the vehicle seized, and any affirmative defenses the claimant may have. Notwithstanding any law to the contrary, an action for the return of an off-highway vehicle seized under this section may not be maintained by or on behalf of any person who has been served with a notice of seizure and forfeiture unless the person has complied with this subdivision.

(f) If the claimant makes a timely demand for a judicial determination under this subdivision, the forfeiture proceedings must be conducted according to subdivision 9.

Subd. 9. **Judicial forfeiture procedure.** (a) This subdivision governs judicial determinations of the forfeiture of an off-highway vehicle used to commit a designated offense. An action for forfeiture is a civil in rem action and is independent of any criminal prosecution. All proceedings are governed by the Rules of Civil Procedure.

(b) If no demand for judicial determination of the forfeiture is pending, the prosecuting authority may, in the name of the jurisdiction pursuing the forfeiture, file a separate complaint against the vehicle, describing it, specifying that it was used in the commission of a designated offense, and specifying the time and place of its unlawful use.

(c) The prosecuting authority may file an answer to a properly served demand for judicial determination, including an affirmative counterclaim for forfeiture. The prosecuting authority is not required to file an answer.

(d) A judicial determination under this subdivision must not precede adjudication in the criminal prosecution of the designated offense without the consent of the prosecuting authority. The district court administrator shall schedule the hearing as soon as practicable after adjudication in the criminal prosecution. The district court administrator shall establish procedures to ensure efficient compliance with this subdivision. The hearing is to the court without a jury.

(e) There is a presumption that an off-highway vehicle seized under this section is subject to forfeiture if the prosecuting authority establishes that the vehicle was used in the commission of a designated offense. A claimant bears the burden of proving any affirmative defense raised.

(f) If the forfeiture is based on the commission of a designated offense and the person charged with the designated offense appears in court as required and is not convicted of the offense, the court shall order the property returned to the person legally entitled to it upon that person's compliance with the redemption requirements of subdivision 12.

(g) If the lawful ownership of the vehicle used in the commission of a designated offense can be determined and the owner makes the demonstration required under subdivision 7, paragraph (d), the vehicle must be returned immediately upon the owner's compliance with the redemption requirements of subdivision 12.

(h) If the court orders the return of a seized vehicle under this subdivision, it must order that filing fees be reimbursed to the person who filed the demand for judicial determination. In addition, the court may order sanctions under section 549.211. Any reimbursement fees or sanctions must be paid from other forfeiture proceeds of the law enforcement agency and prosecuting authority involved and in the same proportion as distributed under subdivision 10, paragraph (b).

Subd. 10. **Disposition of forfeited vehicle.** (a) If the vehicle is administratively forfeited under subdivision 8, or if the court finds under subdivision 9 that the vehicle is subject to forfeiture under subdivisions 6 and 7, the appropriate agency shall:

(1) sell the vehicle and distribute the proceeds under paragraph (b); or

(2) keep the vehicle for official use. If the agency keeps a forfeited off-highway vehicle for official use, the agency shall make reasonable efforts to ensure that the off-highway vehicle is

available for use by the agency's officers who participate in off-highway vehicle enforcement or education programs.

(b) The proceeds from the sale of forfeited vehicles, after payment of seizure, towing, storage, forfeiture, and sale expenses and satisfaction of valid liens against the property, must be distributed as follows:

(1) 70 percent of the proceeds must be forwarded to the appropriate agency for deposit as a supplement to the state or local agency's operating fund or similar fund for use in purchasing equipment for off-highway vehicle enforcement, training, and education; and

(2) 30 percent of the money or proceeds must be forwarded to the prosecuting authority that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes.

Subd. 11. **Sale of forfeited vehicle by secured party.** (a) A financial institution with a valid security interest in or a valid lease covering a forfeited off-highway vehicle may choose to dispose of the vehicle under this subdivision, in lieu of the appropriate agency disposing of the vehicle under subdivision 10. A financial institution wishing to dispose of an off-highway vehicle under this subdivision shall notify the appropriate agency of its intent, in writing, within 30 days after receiving notice of the seizure and forfeiture. The appropriate agency shall release the vehicle to the financial institution or its agent after the financial institution presents proof of its valid security agreement or of its lease agreement and the financial institution agrees not to sell the vehicle to a family or household member of the violator, unless the violator is not convicted of the offense on which the forfeiture is based. The financial institution shall dispose of the vehicle in a commercially reasonable manner as defined in section 336.9-610.

(b) After disposing of the forfeited vehicle, the financial institution shall reimburse the appropriate agency for its seizure, storage, and forfeiture costs. The financial institution may then apply the proceeds of the sale to its storage costs, to its sale expenses, and to satisfy the lien or the lease on the vehicle. If any proceeds remain, the financial institution shall forward the proceeds to the state treasury, which shall credit the appropriate fund as specified in subdivision 10.

Subd. 12. **Redemption requirements.** (a) If an off-highway vehicle is seized by a peace officer for a designated offense, the seized vehicle must be released only:

(1) to the registered owner, a person authorized by the registered owner, a lienholder of record, or a person who has purchased the vehicle from the registered owner who provides proof of ownership of the vehicle;

(2) if the vehicle is subject to a rental or lease agreement, to a renter or lessee who provides a copy of the rental or lease agreement; or

(3) to an agent of a towing company authorized by a registered owner if the owner provides proof of ownership of the vehicle.

(b) The proof of ownership or, if applicable, the copy of the rental or lease agreement required under paragraph (a) must be provided to the law enforcement agency seizing the vehicle or to a person or entity designated by the law enforcement agency to receive the information.

(c) No law enforcement agency, local unit of government, or state agency is responsible or

financially liable for any storage fees incurred due to a seizure under this section.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to crimes committed on or after that date.

Sec. 7. Minnesota Statutes 2008, section 84.928, subdivision 1a, is amended to read:

Subd. 1a. **Crossing a public road right-of-way.** (a) An all-terrain vehicle may make a direct crossing of a public road right-of-way provided:

(1) the crossing is made at an angle of approximately 90 degrees to the direction of the road and at a place where no obstruction prevents a quick and safe crossing;

(2) the vehicle is brought to a complete stop before crossing the shoulder or main-traveled way of the road;

(3) the driver yields the right-of-way to all oncoming traffic that constitutes an immediate hazard;

(4) in crossing a divided road, the crossing is made only at an intersection of the road with another public road; and

(5) if the crossing is made between the hours of one-half hour after sunset to one-half hour before sunrise or in conditions of reduced visibility, only if both front and rear lights are on.

(b) An all-terrain vehicle may be operated upon a bridge, other than a bridge that is part of the main-traveled lanes of an interstate highway, or roadway shoulder or inside bank of a public road right-of-way when required for the purpose of avoiding obstructions to travel or environmentally sensitive areas when no other method of avoidance is possible; provided the all-terrain vehicle is operated in the extreme right-hand lane, the entrance to the roadway is made within 100 feet of the bridge or, obstacle, or sensitive area, and the crossing is made without undue delay.

(c) A person shall not operate an all-terrain vehicle upon a public street or highway unless the vehicle is equipped with at least one headlight and one taillight, each of minimum candlepower as prescribed by rules of the commissioner, and with brakes conforming to standards prescribed by rule of the commissioner, and all of which are subject to the approval of the commissioner of public safety.

(d) An all-terrain vehicle may be operated upon a public road right-of-way other than as provided by paragraph (b) in an emergency during the period of time when and at locations where the condition of the roadway renders travel by automobile impractical.

(e) Chapters 169 and 169A apply to the operation of all-terrain vehicles upon streets and highways, except for those provisions relating to required equipment and except those provisions which by their nature have no application.

(f) A sled, trailer, or other device being towed by an all-terrain vehicle must be equipped with reflective materials as required by rule of the commissioner.

(g) A driver's license is not required to operate an all-terrain vehicle along or on a public road right-of-way if the right-of-way encompasses a trail administered by the commissioner and designated for all-terrain vehicle use or multiple use.

(h) A road authority as defined in section 160.02, subdivision 25, may by permit designate corridor access trails on public road rights-of-way for purposes of accessing established all-terrain vehicle trails. A driver's license is not required to operate an all-terrain vehicle on a designated corridor access trail.

Sec. 8. Minnesota Statutes 2008, section 85.015, subdivision 2, is amended to read:

Subd. 2. Casey Jones Trail, Murray, Redwood, and Pipestone, and Rock Counties. (a) The trail shall originate in Lake Shetek State Park in Murray County and include the six-mile loop between Currie in Murray County and Lake Shetek State Park. From there, the first half of the trail shall trail southwesterly to Slayton in Murray County; thence westerly to the point of intersection with the most easterly terminus of the state-owned abandoned railroad right-of-way, commonly known as the Casey Jones unit; thence westerly along said Casey Jones unit to Pipestone in Pipestone County; thence southwesterly to Split Rock Creek State Park in Pipestone County; thence southeasterly to Blue Mounds State Park in Rock County; thence southerly to Luverne and Schoneman Park in Rock County, and there terminate. The second half of the trail shall commence in Lake Shetek State Park in Murray County and trail northeasterly to Walnut Grove in Redwood County; thence northeasterly to Redwood Falls in Redwood County to join with the Minnesota River State Trail.

(b) The trail shall be developed as a multiuse, multiseasonal, dual treadway trail. Nothing herein shall abrogate the purpose for which the Casey Jones unit was originally established, and the use thereof shall be concurrent.

Sec. 9. Minnesota Statutes 2008, section 85.015, is amended by adding a subdivision to read:

Subd. 26. Des Moines River Valley Trail, Jackson, Cottonwood, and Murray Counties. The trail shall originate in Jackson County at the Minnesota-Iowa border and connect with the Dickinson Trail in Mini-Wakan State Park in Iowa. To the greatest extent possible, the trail shall follow the Des Moines River Valley, extending northwesterly through Jackson County to Kilen Woods State Park, through Cottonwood County, and into Murray County. The trail shall terminate at Casey Jones Trail in Murray County.

Sec. 10. Minnesota Statutes 2008, section 85.053, subdivision 3, is amended to read:

Subd. 3. ~~Second-vehicle Multiple-vehicle permits.~~ The commissioner shall prescribe and issue ~~second-vehicle multiple-vehicle~~ state park permits for persons who own more than one motor vehicle and who request ~~a second~~ the permit for ~~the second-vehicle~~ additional vehicles on a form prescribed by the commissioner. ~~The commissioner may issue an applicant only one second-vehicle permit.~~

Sec. 11. Minnesota Statutes 2008, section 85.054, is amended by adding a subdivision to read:

Subd. 15. John A. Latsch State Park. A state park permit is not required and a fee may not be charged for motor vehicle entry or parking at the parking lot located adjacent to John Latsch Road and Trunk Highway 61 at John A. Latsch State Park.

Sec. 12. Minnesota Statutes 2008, section 85.054, is amended by adding a subdivision to read:

Subd. 16. Greenleaf Lake State Recreation Area. A state park permit is not required and a fee may not be charged for motor vehicle entry or parking at Greenleaf Lake State Recreation Area.

Sec. 13. Minnesota Statutes 2008, section 85.054, is amended by adding a subdivision to read:

Subd. 17. **School-sanctioned activities.** A state park permit is not required and a fee may not be charged for vehicles transporting K-12 students engaged in school district sanctioned activities at state parks.

Sec. 14. Minnesota Statutes 2008, section 85.055, subdivision 1, is amended to read:

Subdivision 1. **Fees.** The fee for state park permits for:

- (1) an annual use of state parks is \$25;
- (2) a second or subsequent vehicle state park permit is \$18;
- (3) a state park permit valid for one day is \$5;
- (4) a daily vehicle state park permit for groups is \$3;
- (5) an annual permit for motorcycles is \$20;
- (6) an employee's state park permit is without charge; and
- (7) a state park permit for disabled persons under section 85.053, subdivision 7, clauses (1) and (2), is \$12.

The fees specified in this subdivision include any sales tax required by state law.

Sec. 15. Minnesota Statutes 2008, section 86A.05, is amended by adding a subdivision to read:

Subd. 15. **State boater wayside.** (a) Boater waysides may be established to provide for public use.

(b) No unit shall be authorized as a state boater wayside unless its proposed location substantially satisfies the following criteria:

- (1) contains resources that are desirable for use by boaters;
- (2) is accessible by persons traveling by boat, canoe, or kayak; and
- (3) may be near, associated with, or located within a unit of the outdoor recreation system under this section.

(c) State boater waysides shall be administered by the commissioner of natural resources in a manner that is consistent with the purpose of this subdivision. Facilities for sanitation, picnicking, overnight mooring, camping, fishing, and swimming may be provided when the commissioner determines that these activities are justifiable and compatible with the resources and the natural environment.

Sec. 16. Minnesota Statutes 2008, section 86A.08, subdivision 1, is amended to read:

Subdivision 1. **Secondary authorization; when permitted.** A unit of the outdoor recreation system may be authorized wholly or partially within the boundaries of another unit only when the authorization is consistent with the purposes and objectives of the respective units ~~and only in the instances permitted below:~~

~~(a) The following units may be authorized wholly or partially within a state park: historic site, scientific and natural area, wilderness area, wild, scenic, and recreational river, trail, rest area, aquatic management area, and water access site.~~

~~(b) The following units may be authorized wholly or partially within a state recreation area: historic site, scientific and natural area, wild, scenic, and recreational river, trail, rest area, aquatic management area, wildlife management area, and water access site.~~

~~(c) The following units may be authorized wholly or partially within a state forest: state park, state recreation area, historic site, wildlife management area, scientific and natural area, wilderness area, wild, scenic, and recreational river, trail, rest area, aquatic management area, and water access site.~~

~~(d) The following units may be authorized wholly or partially within a state historic site: wild, scenic, and recreational river, trail, rest area, aquatic management area, and water access site.~~

~~(e) The following units may be authorized wholly or partially within a state wildlife management area: state water access site and aquatic management area.~~

~~(f) The following units may be authorized wholly or partially within a state wild, scenic, or recreational river: state park, historic site, scientific and natural area, wilderness area, trail, rest area, aquatic management area, and water access site.~~

~~(g) The following units may be authorized wholly or partially within a state rest area: historic site, trail, wild, scenic, and recreational river, aquatic management area, and water access site.~~

~~(h) The following units may be authorized wholly or partially within an aquatic management area: historic site, scientific and natural area, wild, scenic, and recreational river, and water access site.~~

Sec. 17. Minnesota Statutes 2008, section 86A.09, subdivision 1, is amended to read:

Subdivision 1. **Master plan required.** No construction of new facilities or other development of an authorized unit, other than repairs and maintenance, shall commence until the managing agency has prepared and submitted to the commissioner of natural resources and the commissioner has reviewed, pursuant to this section, a master plan for administration of the unit in conformity with this section. No master plan is required for wildlife management areas that do not have resident managers, for water access sites, for aquatic management areas, ~~or for rest areas,~~ or for boater waysides.

Sec. 18. Minnesota Statutes 2008, section 86B.311, is amended by adding a subdivision to read:

Subd. 6. **Law enforcement watercraft displaying emergency lights.** When approaching and passing a law enforcement watercraft with its emergency lights activated, the operator of a watercraft must safely move the watercraft away from the law enforcement watercraft and maintain a slow-no wake speed while within 150 feet of the law enforcement watercraft.

Sec. 19. Minnesota Statutes 2008, section 97A.321, is amended to read:

97A.321 DOGS PURSUING OR KILLING BIG GAME.

Subdivision 1. **Owner responsibility; penalty amount.** The owner of a dog that pursues but

does not kill a big game animal is subject to a civil penalty of \$100 for each violation. The owner of a dog that kills a big game animal is subject to a civil penalty of \$500 for each violation.

Subd. 2. **Appeals.** Civil penalties under this section may be appealed according to procedures in section 116.072, subdivision 6, if the person requests a hearing by notifying the commissioner in writing within 15 days after receipt of the citation. If a hearing is not requested within the 15-day period, the civil penalty becomes a final order not subject to further review.

Subd. 3. **Enforcement.** Civil penalties under this section may be enforced according to section 116.072, subdivisions 9 and 10.

Subd. 4. **Payment of penalty.** Penalty amounts shall be remitted to the commissioner within 30 days of issuance of the penalty notice and shall be deposited in the game and fish fund.

Sec. 20. [97B.657] **TAKING WILD ANIMALS TO PROTECT PUBLIC SAFETY.**

A licensed peace officer may, at any time, take a protected wild animal that is posing an immediate threat to public safety. A peace officer who destroys a protected wild animal under this section must report the taking to a conservation officer as soon as practicable, but no later than 48 hours after the animal is destroyed.

Sec. 21. Minnesota Statutes 2008, section 103B.101, subdivision 1, is amended to read:

Subdivision 1. **Membership.** The Board of Water and Soil Resources is composed of ~~12~~ 15 appointed members knowledgeable of water and soil problems and conditions within the state and five ex officio members.

Sec. 22. Minnesota Statutes 2008, section 103B.101, subdivision 2, is amended to read:

Subd. 2. **Voting members.** (a) The members are:

- (1) three county commissioners;
- (2) three soil and water conservation district supervisors;
- (3) three watershed district or watershed management organization representatives;
- (4) three citizens who are not employed by, or the appointed or elected officials of, a governmental office, board, or agency;
- (5) one township officer;
- (6) two elected city officials, one of whom must be from a city located in the metropolitan area, as defined under section 473.121, subdivision 2;
- ~~(5)~~ (7) the commissioner of agriculture;
- ~~(6)~~ (8) the commissioner of health;
- ~~(7)~~ (9) the commissioner of natural resources;
- ~~(8)~~ (10) the commissioner of the Pollution Control Agency; and
- ~~(9)~~ (11) the director of the University of Minnesota Extension Service.

(b) Members in paragraph (a), clauses (1) to ~~(4)~~ (6), must be distributed across the state with at least ~~three~~ four members but not more than ~~five~~ six members from the metropolitan area, as defined by section 473.121, subdivision 2; and one from each of the current soil and water conservation administrative regions.

(c) Members in paragraph (a), clauses (1) to ~~(4)~~ (6), are appointed by the governor. In making the appointments, the governor may consider persons recommended by the Association of Minnesota Counties, the Minnesota Association of Townships, the League of Minnesota Cities, the Minnesota Association of Soil and Water Conservation Districts, and the Minnesota Association of Watershed Districts. The list submitted by an association must contain at least three nominees for each position to be filled.

(d) The membership terms, compensation, removal of members and filling of vacancies on the board for members in paragraph (a), clauses (1) to ~~(4)~~ (6), are as provided in section 15.0575.

Sec. 23. Minnesota Statutes 2008, section 103B.3355, is amended to read:

103B.3355 WETLAND FUNCTIONS FOR DETERMINING PUBLIC VALUES.

(a) The public values of wetlands must be determined based upon the functions of wetlands for:

(1) water quality, including filtering of pollutants to surface and groundwater, utilization of nutrients that would otherwise pollute public waters, trapping of sediments, shoreline protection, and utilization of the wetland as a recharge area for groundwater;

(2) floodwater and stormwater retention, including the potential for flooding in the watershed, the value of property subject to flooding, and the reduction in potential flooding by the wetland;

(3) public recreation and education, including hunting and fishing areas, wildlife viewing areas, and nature areas;

(4) commercial uses, including wild rice and cranberry growing and harvesting and aquaculture;

(5) fish, wildlife, native plant habitats;

(6) low-flow augmentation; ~~and~~

(7) carbon sequestration; and

(8) other public uses.

(b) The Board of Water and Soil Resources, in consultation with the commissioners of natural resources and agriculture and local government units, shall adopt rules establishing:

(1) scientific methodologies for determining the functions of wetlands; and

(2) criteria for determining the resulting public values of wetlands.

(c) The methodologies and criteria established under this section or other methodologies and criteria that include the functions in paragraph (a) and are approved by the board, in consultation with the commissioners of natural resources and agriculture and local government units, must be used to determine the functions and resulting public values of wetlands in the state. The functions listed in paragraph (a) are not listed in order of priority.

(d) Public value criteria established or approved by the board under this section do not apply in areas subject to local comprehensive wetland protection and management plans established under section 103G.2243.

(e) The Board of Water and Soil Resources, in consultation with the commissioners of natural resources and agriculture and local government units, may identify regions of the state where preservation, enhancement, restoration, and establishment of wetlands would have high public value. The board, in consultation with the commissioners, may identify high priority wetland regions using available information relating to the factors listed in paragraph (a). The board shall notify local units of government with water planning authority of these high priority regions.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to rulemaking that begins after that date.

Sec. 24. Minnesota Statutes 2008, section 103B.3369, subdivision 5, is amended to read:

Subd. 5. **Financial assistance.** A base grant may be awarded to a county that ~~levies~~ provides a match utilizing a water implementation tax or other local source. A water implementation tax that a county intends to use as a match to the base grant must be levied at a rate, ~~which shall be determined~~ by the board. The minimum amount of the water implementation tax shall be a tax rate times the adjusted net tax capacity of the county for the preceding year. The rate shall be the rate, rounded to the nearest .001 of a percent, that, when applied to the adjusted net tax capacity for all counties, raises the amount of \$1,500,000. The base grant will be in an amount equal to \$37,500 less the amount raised by ~~that levy~~ the local match. If the amount necessary to implement the local water plan for the county is less than \$37,500, the amount of the base grant shall be the amount that, when added to the ~~levy match~~ amount, equals the amount required to implement the plan. For counties where the tax rate generates an amount equal to or greater than \$18,750, the base grant shall be in an amount equal to \$18,750.

Sec. 25. Minnesota Statutes 2008, section 103C.501, subdivision 2, is amended to read:

Subd. 2. **Request by district board.** ~~(a)~~ A district board requesting funds of the state board must submit an application in a form prescribed by the board containing:

- (1) a comprehensive plan;
- (2) an annual work plan; and
- (3) an application for cost-sharing funds.

~~(b) The comprehensive and annual work plans must be completed as provided in section 103C.331, subdivision 11. After review of the district's comprehensive plan, the state board must approve the comprehensive plan with necessary amendments or reject the plan.~~

Sec. 26. Minnesota Statutes 2008, section 103C.501, subdivision 4, is amended to read:

Subd. 4. **Cost-sharing funds.** (a) The state board shall allocate at least 70 percent of cost-sharing funds to areas with high priority erosion, sedimentation, or water quality problems or water quantity problems due to altered hydrology. The areas must be selected based on the statewide priorities established by the state board. The allocated funds must be used for conservation practices for high priority problems identified in the comprehensive and annual work plans of the districts.

(b) The remaining cost-sharing funds may be allocated to districts as follows:

- (1) for technical and administrative assistance, not more than 20 percent of the funds; and
- (2) for conservation practices for lower priority erosion, sedimentation, or water quality problems.

Sec. 27. Minnesota Statutes 2008, section 103C.501, subdivision 5, is amended to read:

Subd. 5. **Contracts by districts.** (a) A district board may contract on a cost-share basis to furnish financial aid to a land occupier or to a state agency for permanent systems for erosion or sedimentation control or water quality ~~improvement~~ or water quantity improvements that are consistent with the district's comprehensive and annual work plans.

(b) The duration of the contract must, at a minimum, be the time required to complete the planned systems. A contract must specify that the land occupier is liable for monetary damages and penalties in an amount up to 150 percent of the financial assistance received from the district, for failure to complete the systems or practices in a timely manner or maintain the systems or practices as specified in the contract.

(c) A contract may provide for cooperation or funding with federal agencies. A land occupier or state agency may provide the cost-sharing portion of the contract through services in kind.

(d) The state board or the district board may not furnish any financial aid for practices designed only to increase land productivity.

(e) When a district board determines that long-term maintenance of a system or practice is desirable, the board may require that maintenance be made a covenant upon the land for the effective life of the practice. A covenant under this subdivision shall be construed in the same manner as a conservation restriction under section 84.65.

Sec. 28. Minnesota Statutes 2008, section 103C.501, subdivision 6, is amended to read:

Subd. 6. **Policies and rules.** (a) The state board may adopt rules and shall adopt ~~rules~~ policies prescribing:

- (1) procedures and criteria for allocating funds for cost-sharing contracts;
 - (2) standards and guidelines for cost-sharing contracts;
 - (3) the scope and content of district comprehensive plans, plan amendments, and annual work plans;
 - (4) standards and methods necessary to plan and implement a priority cost-sharing program, including guidelines to identify high priority erosion, sedimentation, and water quality problems and water quantity problems due to altered hydrology;
 - (5) the share of the cost of conservation practices to be paid from cost-sharing funds; and
 - (6) requirements for districts to document their efforts to identify and contact land occupiers with high priority ~~erosion~~ problems.
- (b) The rules may provide that cost-sharing may be used for ~~farmstead~~ windbreaks and

shelterbelts for the purposes of energy conservation and snow protection.

(c) The board may establish alternative practices to those defined in section 84.02 for restoration or establishment of native prairie, grasslands, shorelands, riparian buffers, or wetlands based on soil type, seed availability, adjacent land uses, project or practice purpose, or other site-specific factors.

Sec. 29. Minnesota Statutes 2008, section 103F.505, is amended to read:

103F.505 PURPOSE AND POLICY.

It is the purpose of sections 103F.505 to 103F.531 to ~~keep~~ restore certain marginal agricultural land ~~out of crop production and protect environmentally sensitive areas to protect~~ enhance soil and water quality, minimize damage to flood-prone areas, sequester carbon, and support native plant, fish, and wildlife habitat ~~habitats~~. It is state policy to encourage the restoration of wetlands and riparian lands and promote the retirement of marginal, highly erodible land, particularly land adjacent to public waters, drainage systems, wetlands, and locally designated priority waters, ~~from crop production and to reestablish a cover of perennial vegetation.~~

Sec. 30. Minnesota Statutes 2008, section 103F.511, subdivision 5, is amended to read:

Subd. 5. **Drained wetland.** "Drained wetland" means a former natural wetland that has been altered by draining, dredging, filling, leveling, or other manipulation sufficient to render the land suitable for agricultural crop production. ~~The alteration must have occurred before December 23, 1985, and must be a legal alteration as determined by the commissioner of natural resources.~~

Sec. 31. Minnesota Statutes 2008, section 103F.511, is amended by adding a subdivision to read:

Subd. 8a. **Reinvest in Minnesota reserve program.** "Reinvest in Minnesota reserve program" means the program established under section 103F.515.

Sec. 32. Minnesota Statutes 2008, section 103F.511, subdivision 8a, is amended to read:

Subd. ~~8a~~ **8b. Riparian land.** "Riparian land" means lands adjacent to public waters, drainage systems, wetlands, or locally designated priority waters ~~identified in a comprehensive local water plan, as defined in section 103B.3363, subdivision 3.~~

Sec. 33. Minnesota Statutes 2008, section 103F.515, subdivision 1, is amended to read:

Subdivision 1. **Establishment of program.** The board, in consultation with the commissioner of agriculture and the commissioner of natural resources, shall establish and administer a ~~conservation~~ the reinvest in Minnesota reserve program. The board shall implement sections 103F.505 to 103F.531. Selection of land for the ~~conservation~~ reinvest in Minnesota reserve program must be based on its enhancement potential for fish and, wildlife production, and native plant habitats, reducing erosion, and protecting water quality.

Sec. 34. Minnesota Statutes 2008, section 103F.515, subdivision 2, is amended to read:

Subd. 2. **Eligible land.** (a) Land may be placed in the ~~conservation~~ reinvest in Minnesota reserve program if the land meets the requirements of paragraphs (b) and (c), or paragraph (d).

(b) Land is eligible if the land:

(1) is marginal agricultural land;

(2) is adjacent to marginal agricultural land and is either beneficial to resource protection or necessary for efficient recording of the land description;

(3) consists of a drained wetland;

(4) is land that with a windbreak or water quality improvement practice would be beneficial to resource protection;

(5) is land in a sensitive groundwater area;

(6) is riparian land;

(7) is cropland or noncropland adjacent to restored wetlands to the extent of up to ~~four~~ eight acres of cropland or one acre of noncropland for each acre of wetland restored;

(8) is a woodlot on agricultural land;

(9) is abandoned building site on agricultural land, provided that funds are not used for compensation of the value of the buildings; or

(10) is land ~~on a hillside~~ used for pasture.

(c) Eligible land under paragraph (a) must:

(1) be owned by the landowner, or a parent or other blood relative of the landowner, for at least one year before the date of application;

(2) be at least five acres in size, except for a drained wetland area, riparian area, windbreak, woodlot, or abandoned building site, or be a whole field ~~as defined by the United States Agricultural Stabilization and Conservation Services;~~

(3) not be set aside, enrolled or diverted under another federal or state government program unless enrollment in the ~~conservation~~ reinvest in Minnesota reserve program would provide additional conservation benefits or a longer term of enrollment than under the current federal or state program; and

(4) have been in agricultural crop production for at least two of the last five years before the date of application, except drained wetlands, riparian lands, woodlots, abandoned building sites, environmentally sensitive areas, or land on a hillside used for pasture.

~~(d) In selecting drained wetlands for enrollment in the program, the highest priority must be given to wetlands with a cropping history during the period 1976 to 1985~~ Land is eligible if the land is a wellhead protection area as defined in section 103I.005, subdivision 24, and has a wellhead protection plan approved by the commissioner of health.

(e) In selecting land for enrollment in the program, highest priority must be given to permanent easements that are consistent with the purposes stated in section 103F.505.

Sec. 35. Minnesota Statutes 2008, section 103F.515, subdivision 4, is amended to read:

Subd. 4. Nature of property rights acquired. (a) A conservation easement must prohibit:

(1) alteration of wildlife habitat and other natural features, unless specifically approved by the board;

(2) agricultural crop production and livestock grazing, unless specifically approved by the board for wildlife conservation management purposes or extreme drought; and

~~(3) grazing of livestock except, for agreements entered before the effective date of Laws 1990, chapter 391, grazing of livestock may be allowed only if approved by the board after consultation with the commissioner of natural resources, in the case of severe drought, or a local emergency declared under section 12.29; and~~

~~(4) spraying with chemicals or mowing, except as necessary to comply with noxious weed control laws or, for emergency control of pests necessary to protect public health, or as approved by the board for conservation management purposes.~~

(b) A conservation easement is subject to the terms of the agreement provided in subdivision 5.

(c) A conservation easement must allow repairs, improvements, and inspections necessary to maintain public drainage systems provided the easement area is restored to the condition required by the terms of the conservation easement.

Sec. 36. Minnesota Statutes 2008, section 103F.515, subdivision 5, is amended to read:

Subd. 5. **Agreements by landowner.** The board may enroll eligible land in the ~~conservation~~ reinvest in Minnesota reserve program by signing an agreement in recordable form with a landowner in which the landowner agrees:

(1) to convey to the state a conservation easement that is not subject to any prior title, lien, or encumbrance;

(2) to seed the land subject to the conservation easement, as specified in the agreement, to establish and maintain perennial cover of either a grass-legume mixture or native grasses for the term of the easement, at seeding rates determined by the board; or to plant trees or carry out other long-term capital improvements approved by the board for soil and water conservation or wildlife management;

(3) to convey to the state a permanent easement for the wetland restoration;

(4) that other land supporting natural vegetation owned or leased as part of the same farm operation at the time of application, if it supports natural vegetation ~~or~~ and has not been used in agricultural crop production, will not be converted to agricultural crop production or pasture; and

(5) that the easement duration may be lengthened through mutual agreement with the board in consultation with the commissioners of agriculture and natural resources if they determine that the changes effectuate the purpose of the program or facilitate its administration.

Sec. 37. Minnesota Statutes 2008, section 103F.515, subdivision 6, is amended to read:

Subd. 6. **Payments for conservation easements and establishment of ~~cover~~ conservation practices.** (a) ~~The board must make the following~~ The board shall establish rates for payments to the landowner for the conservation easement and agreement-related practices. The board shall consider market factors, including the township average equalized estimated market value of property as established by the commissioner of revenue at the time of easement application.

~~(1) to establish the perennial cover or other improvements required by the agreement;~~

~~(i) except as provided in items (ii) and (iii), up to 75 percent of the total eligible cost not to exceed \$125 per acre for limited duration easements and 100 percent of the total eligible cost not to exceed \$150 per acre for perpetual easements;~~

~~(ii) for native species restoration, 75 percent of the total eligible cost not to exceed \$200 per acre for limited duration easements and 100 percent of the total eligible cost not to exceed \$300 per acre for perpetual easements; and~~

~~(iii) 100 percent of the total eligible cost of wetland restoration not to exceed \$600 per acre;~~

~~(2) for the cost of planting trees required by the agreement, up to 75 percent of the total eligible cost not to exceed \$250 per acre for limited duration easements, and 100 percent of the total eligible cost not to exceed \$400 per acre for perpetual easements;~~

~~(3) for a permanent easement, 70 percent of the township average equalized estimated market value of agricultural property as established by the commissioner of revenue at the time of easement application;~~

~~(4) for an easement of limited duration, 90 percent of the present value of the average of the accepted bids for the federal conservation reserve program, as contained in Public Law 99-198, in the relevant geographic area and on bids accepted at the time of easement application; or~~

~~(5) an alternative payment system for easements based on cash rent or a similar system as may be determined by the board.~~

~~(b) For hillside pasture conservation easements, the payments to the landowner in paragraph (a) for the conservation easement and agreement must be reduced to reflect the value of similar property.~~

(b) The board may establish alternative practices to those defined in section 84.02 for restoration of native prairie, grasslands, or wetlands based on soil type, seed availability, adjacent land uses, or other site-specific factors.

(c) The board may establish a payment system for flowage easements acquired under this section.

(d) For wetland restoration projects involving more than one conservation easement, state payments for restoration costs may exceed the limits set ~~forth in this section~~ by the board for an individual easement provided the total payment for the restoration project does not exceed the amount payable for the total number of acres involved.

(e) The board may use available nonstate funds to exceed the payment limits in this section.

Sec. 38. Minnesota Statutes 2008, section 103F.521, subdivision 1, is amended to read:

Subdivision 1. **Cooperation.** In implementing sections 103F.505 to 103F.531, the board must share information and cooperate with the Department of Agriculture, the Department of Natural Resources, the Pollution Control Agency, the United States Fish and Wildlife Service, ~~the Agricultural Stabilization and Conservation Service and Soil Conservation Service of the United States Department of Agriculture, the Minnesota Extension Service, the University of Minnesota, county boards, soil and water conservation districts, watershed districts, and interested private organizations and individuals.~~

Sec. 39. Minnesota Statutes 2008, section 103F.525, is amended to read:

103F.525 SUPPLEMENTAL PAYMENTS ON FEDERAL AND STATE CONSERVATION PROGRAMS.

The board may supplement payments made under federal land retirement programs to the extent of available appropriations ~~other than bond proceeds~~. The supplemental payments must be used to establish perennial cover on land enrolled or increase payments for land enrollment in programs approved by the board, ~~including the federal conservation reserve program and federal and state water bank program~~.

Sec. 40. Minnesota Statutes 2008, section 103F.526, is amended to read:

103F.526 FOOD PLOTS IN WINDBREAKS.

The board, ~~in cooperation with the commissioner of natural resources~~, may authorize wildlife food plots on land ~~with windbreaks~~ enrolled in a conservation easement under section 103F.515.

Sec. 41. Minnesota Statutes 2008, section 103F.531, is amended to read:

103F.531 RULEMAKING.

The board may adopt rules or policy to implement sections 103F.505 to 103F.531. ~~The rules must include standards for tree planting so that planting does not conflict with existing electrical lines, telephone lines, rights of way, or drainage ditches.~~

Sec. 42. Minnesota Statutes 2008, section 103F.535, subdivision 5, is amended to read:

Subd. 5. **Release and alteration of conservation easements.** Conservation easements ~~existing under this section, as of April 30, 1992~~, may be altered, released, or terminated by the board of Water and Soil Resources after consultation with the commissioners of agriculture and natural resources. The board may alter, release, or terminate a conservation easement only if the board determines that the public interest and general welfare are better served by the alteration, release, or termination.

Sec. 43. Minnesota Statutes 2008, section 103G.201, is amended to read:

103G.201 PUBLIC WATERS INVENTORY.

(a) The commissioner shall ~~prepare~~ maintain a public waters inventory map of each county that shows the waters of this state that are designated as public waters under the public waters inventory and classification procedures prescribed under Laws 1979, chapter 199, and shall provide access to a copy of the maps and lists. ~~The As county public waters inventory map for each county must be filed with~~ maps and lists are revised according to this section, the commissioner shall send a notification or a copy of the maps and lists to the auditor of ~~the~~ each affected county.

(b) The commissioner is authorized to revise the list of public waters established under Laws 1979, chapter 199, to reclassify those types 3, 4, and 5 wetlands previously identified as public waters wetlands under Laws 1979, chapter 199, as public waters or as wetlands under section 103G.005, subdivision 19. The commissioner may only reclassify public waters wetlands as public waters if:

(1) they are assigned a shoreland management classification by the commissioner under sections 103F.201 to 103F.221;

(2) they are classified as lacustrine wetlands or deepwater habitats according to Classification of

Wetlands and Deepwater Habitats of the United States (Cowardin, et al., 1979 edition); or

(3) the state or federal government has become titleholder to any of the beds or shores of the public waters wetlands, subsequent to the preparation of the public waters inventory map filed with the auditor of the county, pursuant to paragraph (a), and the responsible state or federal agency declares that the water is necessary for the purposes of the public ownership.

(c) The commissioner must provide notice of the reclassification to the local government unit, the county board, the watershed district, if one exists for the area, and the soil and water conservation district. Within 60 days of receiving notice from the commissioner, a party required to receive the notice may provide a resolution stating objections to the reclassification. If the commissioner receives an objection from a party required to receive the notice, the reclassification is not effective. If the commissioner does not receive an objection from a party required to receive the notice, the reclassification of a wetland under paragraph (b) is effective 60 days after the notice is received by all of the parties.

(d) The commissioner shall give priority to the reclassification of public waters wetlands that are or have the potential to be affected by public works projects.

(e) The commissioner may revise the public waters inventory map and list of each county:

(1) to reflect the changes authorized in paragraph (b); and

(2) as needed, to:

(i) correct errors in the original inventory;

(ii) add or subtract trout stream tributaries within sections that contain a designated trout stream following written notice to the landowner;

(iii) add depleted quarries, and sand and gravel pits, when the body of water exceeds 50 acres and the shoreland has been zoned for residential development; and

(iv) add or subtract public waters that have been created or eliminated as a requirement of a permit authorized by the commissioner under section 103G.245.

Sec. 44. Minnesota Statutes 2008, section 168.1296, subdivision 1, is amended to read:

Subdivision 1. **General requirements and procedures.** (a) The commissioner shall issue critical habitat plates to an applicant who:

(1) is a registered owner of a passenger automobile, one-ton pickup truck or recreational vehicle;

(2) pays a fee of \$10 to cover the costs of handling and manufacturing the plates;

(3) pays the registration tax required under section 168.013;

(4) pays the fees required under this chapter;

(5) contributes a minimum of \$30 annually to the Minnesota critical habitat private sector matching account established in section 84.943; and

(6) complies with this chapter and rules governing registration of motor vehicles and licensing of drivers.

(b) The critical habitat plate application must indicate that the annual contribution specified under paragraph (a), clause (5), is a minimum contribution to receive the plate and that the applicant may make an additional contribution to the account.

(c) Owners of one-ton pickup trucks or recreational vehicles under paragraph (a), clause (1), ~~are~~ may be eligible ~~only~~ for special critical habitat license plates ~~for which the designs are selected under subdivision 2,~~ on or after January 1, ~~2006~~ 2012.

(d) Special critical habitat license plates, ~~the designs for which are selected under subdivision 2,~~ on or after January 1, ~~2006,~~ may be personalized according to section 168.12, subdivision 2a on or after January 1, 2012.

Sec. 45. CONSUMPTIVE USE OF WATER.

Pursuant to Minnesota Statutes, section 103G.265, subdivision 3, the legislature approves of the consumptive use of water under a permit of more than 2,000,000 gallons per day average in a 30-day period in St. Louis County, in connection with snowmaking, subject to the commissioner of natural resources making a determination that the water remaining in the basin of origin will be adequate to meet the basin's need for water and approval by the commissioner of natural resources of all applicable permits.

Sec. 46. PLANNING AND DEVELOPMENT.

The commissioner of natural resources shall work with Friends of the Casey Jones Trail in planning and developing the extension of the Casey Jones Trail.

Sec. 47. TRAIL PLANNING AND DEVELOPMENT.

The commissioner of natural resources shall work with Friends of the Jackson County Trails in planning and developing the Des Moines River Valley Trail.

Sec. 48. APPROPRIATION.

\$20,000 is appropriated from the natural resources fund to the commissioner of natural resources for the start-up costs of the off-highway vehicle administrative forfeiture processes. Of this amount, \$15,000 is from the all-terrain vehicle account; \$3,000 is from the off-highway motorcycle account; and \$2,000 is from the off-road vehicle account. This is a onetime appropriation.

Sec. 49. REVISOR'S INSTRUCTION.

(a) The revisor of statutes shall change the term "conservation reserve program" to "reinvest in Minnesota reserve program" where it appears in Minnesota Statutes, sections 84.95, subdivision 2; 92.70, subdivision 1; and 103H.105.

(b) In each section of Minnesota Statutes referred to in column A, the revisor of statutes shall delete the reference in column B and insert the reference in column C.

<u>Column A</u>	<u>Column B</u>	<u>Column C</u>
<u>84.777</u>	<u>84.805</u>	<u>84.804</u>
<u>84.777</u>	<u>84.929</u>	<u>84.928</u>
<u>84.787, subd. 1</u>	<u>84.796</u>	<u>84.795</u>

<u>84.788, subd. 9</u>	<u>84.796</u>	<u>84.795</u>
<u>84.791, subd. 4</u>	<u>84.796</u>	<u>84.795</u>
<u>84.794, subd. 2</u>	<u>84.796</u>	<u>84.795</u>
<u>84.795, subd. 8</u>	<u>84.796</u>	<u>84.795</u>
<u>84.797, subd. 1</u>	<u>84.805</u>	<u>84.804</u>
<u>84.798, subd. 8</u>	<u>84.805</u>	<u>84.804</u>
<u>84.804, subd. 6</u>	<u>84.805</u>	<u>84.804</u>
<u>84.92, subd. 1</u>	<u>84.929</u>	<u>84.928</u>
<u>84.922, subd. 9</u>	<u>84.929</u>	<u>84.928</u>
<u>84.925, subd. 3</u>	<u>84.929</u>	<u>84.928</u>
<u>84.9256, subd. 4</u>	<u>84.929</u>	<u>84.928</u>
<u>84.927, subd. 2</u>	<u>84.929</u>	<u>84.928</u>
<u>84.928, subd. 1</u>	<u>84.929</u>	<u>84.928</u>
<u>84.928, subd. 6</u>	<u>84.929</u>	<u>84.928</u>

Sec. 50. **REPEALER.**

(a) Minnesota Statutes 2008, sections 84.796; 84.805; 84.929; 85.0505, subdivision 2; 103B.101, subdivision 11; 103F.511, subdivision 4; and 103F.521, subdivision 2, are repealed.

(b) Minnesota Rules, parts 8400.3130; 8400.3160; 8400.3200; 8400.3230; 8400.3330; 8400.3360; 8400.3390; 8400.3500; 8400.3530; and 8400.3560, are repealed.

ARTICLE 2

GAME AND FISH

Section 1. Minnesota Statutes 2008, section 13.7931, is amended by adding a subdivision to read:

Subd. 6. **Electronic licensing system data.** Data on individuals created, collected, stored, or maintained by the department for the purposes of obtaining a noncommercial game and fish license, cross-country ski pass, horse trail pass, or snowmobile trail sticker; registering a recreational motor vehicle; or any other electronic licensing transaction are classified under section 84.0874.

EFFECTIVE DATE. This section is effective March 1, 2010.

Sec. 2. Minnesota Statutes 2008, section 17.4981, is amended to read:

17.4981 GENERAL CONDITIONS FOR REGULATION OF AQUATIC FARMS.

(a) Aquatic farms are licensed to culture private aquatic life. Cultured aquatic life is not wildlife. Aquatic farms must be licensed and given classifications to prevent or minimize impacts on natural resources. The purpose of sections 17.4981 to 17.4997 is to:

- (1) prevent public aquatic life from entering an aquatic farm;

(2) prevent release of nonindigenous or exotic species into public waters without approval of the commissioner;

(3) protect against release of disease pathogens to public waters;

(4) protect existing natural aquatic habitats and the wildlife dependent on them; and

(5) protect private aquatic life from unauthorized taking or harvest.

(b) Private aquatic life that is legally acquired and possessed is an article of interstate commerce and may be restricted only as necessary to protect state fish and water resources.

(c) The commissioner of natural resources shall establish license and other fees as provided in section 16A.1285, subdivision 2, that would make aquaculture licensing and enforcement self-sustaining. Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish the fees required by this section. The fees are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply. The commissioner shall develop best management practices for aquaculture to ensure the long-term sustainability of aquaculture and wetlands used for aquaculture, including, but not limited to, fish farming in man-made ponds.

Sec. 3. Minnesota Statutes 2008, section 17.4988, subdivision 3, is amended to read:

Subd. 3. **Inspection and additional fees.** Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish fees for the services listed in clauses (1) to (3) and the additional fee required under subdivision 2, paragraph (a). The fees must be set in an amount that does not recover significantly more or less than the cost of providing the service. The fees are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply. The services covered under this provision include:

(1) initial inspection of each water to be licensed;

(2) fish health inspection and certification, including initial tissue sample collection, basic fish health assessment, viral pathogen testing, and bacteriological testing; and

(3) initial inspection for containment and quarantine facility inspections.

Sec. 4. **[84.0874] ELECTRONIC LICENSING SYSTEM DATA.**

The following data created, collected, stored, or maintained by the department for purposes of obtaining a noncommercial game and fish license, cross-country ski pass, horse trail pass, or snowmobile trail sticker; registering a recreational motor vehicle; or any other electronic licensing transaction are private data on individuals as defined in section 13.02, subdivision 12: name, addresses, driver's license number, and date of birth. The data may be disclosed for law enforcement purposes. The data, other than the driver's license number, may be disclosed to a government entity and for natural resources management purposes, including recruitment, retention, and training certification and verification.

EFFECTIVE DATE. This section is effective March 1, 2010.

Sec. 5. Minnesota Statutes 2008, section 84.788, subdivision 11, is amended to read:

Subd. 11. **Refunds.** The commissioner may issue a refund on a registration, not including any issuing fees paid under subdivision 3, paragraph (e), or section 84.027, subdivision 15, paragraph (a), clause (3), if the refund request is received within ~~12 months~~ 60 days of the original registration, the registration is not used or transferred, and:

(1) the off-highway motorcycle was registered incorrectly ~~by the commissioner or the deputy registrar~~; or

(2) the off-highway motorcycle was registered twice, once by the dealer and once by the customer.

Sec. 6. Minnesota Statutes 2008, section 84.798, subdivision 10, is amended to read:

Subd. 10. **Refunds.** The commissioner may issue a refund on a registration, not including any issuing fees paid under subdivision 3, paragraph (b), or section 84.027, subdivision 15, paragraph (a), clause (3), if the refund request is received within ~~12 months~~ 60 days of the original registration ~~and the vehicle was registered incorrectly by the commissioner or the deputy registrar~~, the registration is not used or transferred, and:

(1) the off-road vehicle was registered incorrectly; or

(2) the off-road vehicle was registered twice, once by the dealer and once by the customer.

Sec. 7. Minnesota Statutes 2008, section 84.82, subdivision 11, is amended to read:

Subd. 11. **Refunds.** The commissioner may issue a refund on a registration, not including any issuing fees paid under subdivision 2, paragraph (e), or section 84.027, subdivision 15, paragraph (a), clause (3), if the refund request is received within ~~12 months~~ 60 days of the original registration, the registration is not used or transferred, and:

(1) the snowmobile was registered incorrectly ~~by the commissioner or the deputy registrar~~; or

(2) the snowmobile was registered twice, once by the dealer and once by the customer.

Sec. 8. Minnesota Statutes 2008, section 84.922, subdivision 12, is amended to read:

Subd. 12. **Refunds.** The commissioner may issue a refund on a registration, not including any issuing fees paid under subdivision 2, paragraph (e), or section 84.027, subdivision 15, paragraph (a), clause (3), if the refund request is received within ~~12 months~~ 60 days of the original registration, the registration is not used or transferred, and:

(1) the vehicle was registered incorrectly ~~by the commissioner or the deputy registrar~~; or

(2) the vehicle was registered twice, once by the dealer and once by the customer.

Sec. 9. Minnesota Statutes 2008, section 86B.415, subdivision 11, is amended to read:

Subd. 11. **Refunds.** The commissioner may issue a refund on a license or title, not including any issuing fees paid under subdivision 8 or section 84.027, subdivision 15, paragraph (a), clause (3), or 86B.870, subdivision 1, paragraph (b), if the refund request is received within ~~12 months~~ 60 days of the original license or title, the license or title is not used or transferred, and:

(1) the watercraft was licensed or titled incorrectly ~~by the commissioner or the deputy registrar~~;

(2) the customer was incorrectly charged a title fee; or

(3) the watercraft was licensed or titled twice, once by the dealer and once by the customer.

Sec. 10. Minnesota Statutes 2008, section 97A.015, is amended by adding a subdivision to read:

Subd. 3b. **Bow fishing.** "Bow fishing" means taking rough fish by archery where the arrows are tethered or controlled by an attached line.

Sec. 11. Minnesota Statutes 2008, section 97A.051, subdivision 2, is amended to read:

Subd. 2. **Summary of fish and game laws.** (a) The commissioner shall prepare a summary of the hunting and fishing laws and rules and deliver a sufficient supply to ~~county auditors~~ license vendors to furnish one copy to each person obtaining a hunting, fishing, or trapping license.

(b) At the beginning of the summary, under the heading "Trespass," the commissioner shall summarize the trespass provisions under sections 97B.001 to 97B.945, state that conservation officers and peace officers must enforce the trespass laws, and state the penalties for trespassing.

(c) In the summary the commissioner shall, under the heading "Duty to Render Aid," summarize the requirements under section 609.662 and state the penalties for failure to render aid to a person injured by gunshot.

Sec. 12. Minnesota Statutes 2008, section 97A.075, subdivision 5, is amended to read:

Subd. 5. **Turkey account.** (a) \$4.50 from each turkey license sold, except youth licenses under section 97A.475, subdivision 2, clause (4), and subdivision 3, clause (7), must be credited to the wild turkey management account. Money in the account may be used only for:

(1) the development, restoration, and maintenance of suitable habitat for wild turkeys on public and private land including forest stand improvement and establishment of nesting cover, winter roost area, and reliable food sources;

(2) acquisitions of, or easements on, critical wild turkey habitat;

(3) reimbursement of expenditures to provide wild turkey habitat on public and private land;

(4) trapping and transplantation of wild turkeys; and

(5) the promotion of turkey habitat development and maintenance, population surveys and monitoring, and research.

(b) Money in the account may not be used for:

(1) costs unless they are directly related to a specific parcel of land under paragraph (a), clauses (1) to (3), a specific trap and transplant project under paragraph (a), clause (4), or to specific promotional or evaluative activities under paragraph (a), clause (5); or

(2) any permanent personnel costs.

Sec. 13. Minnesota Statutes 2008, section 97A.095, subdivision 2, is amended to read:

Subd. 2. **Waterfowl feeding and resting areas.** The commissioner may, by rule, designate any part of a lake as a migratory feeding and resting area. Before designation, the commissioner must

receive a petition signed by at least ten local resident licensed hunters describing the area of a lake that is a substantial feeding or resting area for migratory waterfowl, and find that the statements in the petition are correct, and that adequate, free public access to the lake exists near the designated area. The commissioner shall post the area as a migratory waterfowl feeding and resting area. Except as authorized in rules adopted by the commissioner, a person may not enter a posted migratory waterfowl feeding and resting area, during a period when hunting of migratory waterfowl is allowed, with watercraft or aircraft propelled by a motor, other than an electric motor ~~of less than 30 pounds thrust~~ with battery power of 12 volts or less. The commissioner may, by rule, further restrict the use of electric motors in migratory waterfowl feeding and resting areas.

Sec. 14. Minnesota Statutes 2008, section 97A.137, is amended by adding a subdivision to read:

Subd. 4. Exemption from certain local ordinances. (a) Except as provided in paragraphs (c) and (d), wildlife management areas that are established according to section 86A.05, subdivision 8; designated under section 97A.133 or 97A.145; and 160 contiguous acres or larger are exempt from local ordinances that limit the taking of game and fish or vegetation management in the unit as authorized by state law.

(b) Except as provided in paragraphs (c) and (d), wildlife management areas that are established according to section 86A.05, subdivision 8; designated under section 97A.133 or 97A.145; and at least 40 contiguous acres and less than 160 contiguous acres are exempt from local ordinances that:

(1) restrict trapping;

(2) restrict the discharge of archery equipment;

(3) restrict the discharge of shotguns with shot sizes of F or .22 inch diameter or smaller shot;

(4) restrict noise;

(5) require dogs on a leash; or

(6) would in any manner restrict the management of vegetation in the unit as authorized by state law.

(c) This subdivision does not apply to wildlife management area restrictions that, prior to May 1, 2009, were adopted under rules of the commissioner or local ordinances.

(d) When a local unit of government is able to demonstrate a significant public safety issue that is not adequately addressed by rules of the commissioner or state posting of the wildlife management area, the local government may file an appeal with the commissioner. If the commissioner agrees with the appeal, the commissioner shall amend the commissioner's rules to the extent needed to resolve the public safety issue. The commissioner may use the expedited rulemaking procedure in section 84.027, subdivision 13, to resolve the public safety issue.

Sec. 15. Minnesota Statutes 2008, section 97A.331, subdivision 2, is amended to read:

Subd. 2. Shining. A person that violates section 97B.081, subdivision 1, relating to the use of an artificial light to locate wild animals ~~while in possession of a firearm, bow, or other implement capable of killing big game~~ is guilty of a gross misdemeanor.

Sec. 16. Minnesota Statutes 2008, section 97A.445, subdivision 1, is amended to read:

Subdivision 1. **Angling; Take a Kid Fishing Weekends.** A resident ~~over age 18~~ age 16 years or older may take fish by angling without an angling or fish house license during one three-day consecutive period of the open water angling season and one three-day consecutive period of the ice angling season designated by rule of the commissioner if accompanied by a child who is under age 16. The commissioner shall publicize the three-day periods as "Take a Kid Fishing Weekend" for the open water angling season and "Take a Kid Ice Fishing Weekend" for the ice angling season.

Sec. 17. Minnesota Statutes 2008, section 97A.445, is amended by adding a subdivision to read:

Subd. 1a. **Angling in a state park.** A resident may take fish by angling without an angling license when shore fishing or wading on state-owned land within a state park. When angling from a boat or float, this subdivision applies only to those water bodies completely encompassed within the statutory boundary of the state park. The exemption from an angling license does not apply to waters where a trout stamp is required.

Sec. 18. Minnesota Statutes 2008, section 97A.451, is amended by adding a subdivision to read:

Subd. 1a. **Angling; residents 90 years of age or older.** A resident who is 90 years of age or older may take fish without a license.

Sec. 19. Minnesota Statutes 2008, section 97A.451, subdivision 2, is amended to read:

Subd. 2. **Residents under age 16; fishing.** A resident under the age of 16 years may take fish without a license. A person authorized to issue licenses must issue a license to a resident under the age of 16 without a fee to net ciscoes and whitefish for personal consumption under section 97A.475, subdivision 13.

Sec. 20. Minnesota Statutes 2008, section 97A.465, subdivision 1b, is amended to read:

Subd. 1b. **Residents discharged from active service.** (a) A resident who has served at any time during the preceding 24 months in federal active service, as defined in section 190.05, subdivision 5c, outside the United States as a member of the National Guard, or as a reserve component or active duty member of the United States armed forces and has been discharged from active service may take small game and fish without a license if the resident possesses official military discharge papers. The resident must obtain the seals, tags, and coupons required of a licensee, which must be furnished without charge.

(b) The commissioner shall issue, without fee, a deer license and an either-sex deer permit to a resident who has served at any time during the preceding 24 months in federal active service, as defined in section 190.05, subdivision 5c, outside the United States as a member of the National Guard, or as a reserve component or active duty member of the United States armed forces and has been discharged from active service. Eligibility under this paragraph is limited to one license and one permit per resident.

Sec. 21. Minnesota Statutes 2008, section 97A.465, subdivision 5, is amended to read:

Subd. 5. **Preference to service members.** (a) For purposes of this subdivision:

(1) "qualified service member or veteran" means a Minnesota resident who:

(i) is currently serving, or has served at any time during the past 24 months, in active service as a member of the United States armed forces, including the National Guard or other military reserves;

(ii) has received a Purple Heart medal for qualifying military service, as shown by official military records; or

(iii) has a service-connected disability rated at 70 percent or more as defined by the United States Veterans Administration; and

(2) "active service" means service defined under section 190.05, subdivision 5b or 5c.

(b) Notwithstanding any other provision of this chapter, chapter 97B or 97C, or administrative rules, the commissioner ~~may~~ shall give first preference to qualified service members or veterans in any drawing or lottery involving the selection of applicants for hunting or fishing licenses, permits, and special permits. This subdivision does not apply to licenses or permits for taking moose, elk, or prairie chickens. Actions of the commissioner under this subdivision are not rules under the Administrative Procedure Act and section 14.386 does not apply.

Sec. 22. Minnesota Statutes 2008, section 97A.473, subdivision 1, is amended to read:

Subdivision 1. **Resident lifetime licenses authorized.** (a) The commissioner may issue a lifetime angling license, a lifetime spearing license, a lifetime angling and spearing license, a lifetime small game hunting license, a lifetime firearm or archery deer hunting license, or a lifetime sporting license or a lifetime sporting with spearing option license to a person who is a resident of the state for at least one year or who is under age 21 and the child of a person who is a resident of the state for at least one year. The license fees paid for a lifetime license are nonrefundable.

(b) The commissioner may require the holder of a lifetime license issued under this section to notify the department each year that the license is used, by:

- (1) telephone or Internet notification, as specified by the commissioner;
- (2) the purchase of stamps for the license; or
- (3) registration and tag issuance, in the case of the resident lifetime deer license.

Sec. 23. Minnesota Statutes 2008, section 97A.473, is amended by adding a subdivision to read:

Subd. 2a. **Lifetime spearing license; fee.** (a) A resident lifetime spearing license authorizes a person to take fish by spearing in the state. The license authorizes those activities authorized by the annual resident spearing license.

(b) The fees for a resident lifetime spearing license are:

- (1) age 3 and under, \$258;
- (2) age 4 to age 15, \$320;
- (3) age 16 to age 50, \$372; and
- (4) age 51 and over, \$173.

Sec. 24. Minnesota Statutes 2008, section 97A.473, is amended by adding a subdivision to read:

Subd. 2b. **Lifetime angling and spearing license; fee.** (a) A resident lifetime angling and spearing license authorizes a person to take fish by angling or spearing in the state. The license authorizes those activities authorized by the annual resident angling and spearing licenses.

(b) The fees for a resident lifetime angling and spearing license are:

- (1) age 3 and under, \$485;
- (2) age 4 to age 15, \$620;
- (3) age 16 to age 50, \$755; and
- (4) age 51 and over, \$376.

Sec. 25. Minnesota Statutes 2008, section 97A.473, is amended by adding a subdivision to read:

Subd. 5a. **Lifetime sporting with spearing option license; fee.** (a) A resident lifetime sporting with spearing option license authorizes a person to take fish by angling or spearing and hunt and trap small game in the state. The license authorizes those activities authorized by the annual resident angling, spearing, resident small game hunting, and resident trapping licenses. The license does not include a trout and salmon stamp validation, a turkey stamp validation, a walleye stamp validation, or any other hunting stamps required by law.

(b) The fees for a resident lifetime sporting license are:

- (1) age 3 and under, \$615;
- (2) age 4 to age 15, \$800;
- (3) age 16 to age 50, \$985; and
- (4) age 51 and over, \$586.

Sec. 26. Minnesota Statutes 2008, section 97A.4742, subdivision 1, is amended to read:

Subdivision 1. **Establishment; purpose.** The lifetime fish and wildlife trust fund is established as a fund in the state treasury. All money received from the issuance of lifetime angling, spearing, angling and spearing, small game hunting, deer hunting, ~~and~~ sporting, and sporting with spearing option licenses and earnings on the fund shall be credited to the lifetime fish and wildlife trust fund.

Sec. 27. Minnesota Statutes 2008, section 97A.475, subdivision 3, is amended to read:

Subd. 3. **Nonresident hunting.** (a) Fees for the following licenses, to be issued to nonresidents, are:

- (1) for persons age 18 or over to take small game, \$73;
- (2) for persons age 18 or over to take deer with firearms during the regular firearms season, \$135;
- (3) for persons age 18 or over to take deer by archery, \$135;
- (4) for persons age 18 or over to take deer by muzzleloader during the muzzleloader season, \$135;
- (5) to take bear, \$195;
- (6) for persons age 18 and older to take turkey, \$78;
- (7) for persons under age 18 to take turkey, \$12;

(8) to take raccoon or bobcat, \$155;

(9) multizone license to take antlered deer in more than one zone, \$270;

(10) to take Canada geese during a special season, \$4;

(11) for persons under age 18 to take deer with firearms during the regular firearms season in any open season option or time period, \$13;

(12) for persons under age 18 to take deer by archery, \$13; and

(13) for persons under age 18 to take deer during the muzzleloader season, \$13.

(b) A \$5 surcharge shall be added to nonresident hunting licenses issued under paragraph (a), clauses (1) to (9). An additional commission may not be assessed on this surcharge.

Sec. 28. Minnesota Statutes 2008, section 97A.475, subdivision 7, is amended to read:

Subd. 7. **Nonresident fishing.** (a) Fees for the following licenses, to be issued to nonresidents, are:

(1) to take fish by angling, \$37.50;

(2) to take fish by angling limited to seven consecutive days selected by the licensee, \$26.50;

(3) to take fish by angling for a 72-hour period selected by the licensee, \$22;

(4) to take fish by angling for a combined license for a family for one or both parents and dependent children under the age of 16, \$50.50;

(5) to take fish by angling for a 24-hour period selected by the licensee, \$8.50; and

(6) to take fish by angling for a combined license for a married couple, limited to 14 consecutive days selected by one of the licensees, \$38.50; and

(7) to take fish by spearing from a dark house, \$37.50.

(b) A \$2 surcharge shall be added to all nonresident fishing licenses, except licenses issued under paragraph (a), clause (5). An additional commission may not be assessed on this surcharge.

Sec. 29. Minnesota Statutes 2008, section 97A.475, subdivision 11, is amended to read:

Subd. 11. **Fish houses and, dark houses, and shelters; residents.** Fees for the following licenses are:

(1) annual for a fish house ~~or,~~ dark house, or shelter that is not rented, \$11.50;

(2) annual for a fish house ~~or,~~ dark house, or shelter that is rented, \$26;

(3) three-year for a fish house ~~or,~~ dark house, or shelter that is not rented, \$34.50; and

(4) three-year for a fish house ~~or,~~ dark house, or shelter that is rented, \$78.

Sec. 30. Minnesota Statutes 2008, section 97A.475, subdivision 12, is amended to read:

Subd. 12. **Fish houses and shelters; nonresident.** Fees for fish house and shelter licenses for a

nonresident are:

- (1) annual, \$33;
- (2) seven consecutive days, \$19; and
- (3) three-year, \$99.

Sec. 31. Minnesota Statutes 2008, section 97A.475, subdivision 29, is amended to read:

Subd. 29. **Private fish hatcheries.** The fees for the following licenses to be issued to residents and nonresidents are:

- (1) for a private fish hatchery, with annual sales under \$200, \$70;
- (2) for a private fish hatchery, with annual sales of \$200 or more, \$210 for the base license. The commissioner must establish an additional fee based on the acreage of the operation. Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish the additional fee required by this subdivision. The fee is not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply; and
- (3) to take sucker eggs from public waters for a private fish hatchery, \$400, plus \$6 for each quart in excess of 100 quarts.

Sec. 32. Minnesota Statutes 2008, section 97A.525, subdivision 1, is amended to read:

Subdivision 1. **Residents Generally.** A resident person may transport wild animals within the state by common carrier without being in the vehicle if the resident person has the license required to take the animals and they are shipped to the resident person or to a licensed taxidermist, tanner, or fur buyer. The wild animals that may be transported by common carrier are:

- ~~(1) deer, bear, elk, and moose;~~
- ~~(2) undressed game birds; and~~
- ~~(3) fish.~~

Sec. 33. Minnesota Statutes 2008, section 97B.081, is amended to read:

97B.081 USING ARTIFICIAL LIGHTS TO LOCATE ANIMALS.

Subdivision 1. **With firearms and bows implements to take wild animals.** ~~(a) Except as provided in subdivision 3, a person may not cast the rays of a spotlight, headlight, or other artificial light on a highway, or in a field, woodland, or forest, to spot, locate, or take a wild animal, except while taking raccoons in accordance with section 97B.621, subdivision 3, or tending traps in accordance with section 97B.931, while having in possession, either individually or as one of a group of persons, a firearm, bow, or other implement that could be used to kill take big game, small game, or unprotected wild animals.~~

~~(b) This subdivision does not apply to a firearm that is:~~

- ~~(1) unloaded;~~
- ~~(2) in a gun case expressly made to contain a firearm that fully encloses the firearm by being~~

zipped, snapped, buckled, tied, or otherwise fastened without any portion of the firearm exposed; and

~~(3) in the closed trunk of a motor vehicle.~~

~~(e) This subdivision does not apply to a bow that is:~~

~~(1) completely encased or unstrung; and~~

~~(2) in the closed trunk of a motor vehicle.~~

~~(d) If the motor vehicle under paragraph (b) or (c) does not have a trunk, the firearm or bow must be placed in the rearmost location of the vehicle.~~

~~(e) This subdivision does not apply to persons taking raccoons under section 97B.621, subdivision 3.~~

~~(f) This subdivision does not apply to a person hunting fox or coyote from January 1 to March 15 while using a handheld artificial light, provided that the person:~~

~~(1) is on foot;~~

~~(2) is using a shotgun;~~

~~(3) is not within a public road right-of-way;~~

~~(4) is using a handheld or electronic calling device; and~~

~~(5) is not within 200 feet of a motor vehicle.~~

Subd. 2. Without firearms implements to take wild animals. ~~(a) Between the hours of 10:00 p.m. and 6:00 a.m. from September 1 to December 31, Except as provided in subdivision 3, from two hours after sunset until sunrise, a person may not cast the rays of a spotlight, headlight, or other artificial light on a highway, or in a field, woodland, or forest to spot, locate, or take a wild animal except to take raccoons under section 97B.621, subdivision 3, or to tend traps under section 97B.931.~~

~~(b) Between one-half hour after sunset until sunrise, Except as provided in subdivision 3, a person may not cast the rays of a spotlight, headlight, or other artificial light to spot, locate, or take a wild animal on fenced, agricultural land containing livestock, as defined in section 17A.03, subdivision 5, or poultry that is marked with signs prohibiting the shining of lights. The signs must:~~

~~(1) display reflectorized letters that are at least two inches in height and state "no shining" or similar terms; and~~

~~(2) be placed at intervals of 1,000 feet or less along the boundary of the area.~~

~~(c) It is not a violation of paragraph (a) or (b) for a person to carry out any agricultural, occupational, or recreational practice, including snowmobiling that is not related to spotting, locating, or taking a wild animal.~~

~~(d) Between the hours of 6:00 p.m. and 6:00 a.m. (c) Except as provided in subdivision 3, a person may not project a spotlight or handheld cast an artificial light onto residential property or building sites from a moving motor vehicle being operated on land, except for the following~~

purposes:

- ~~(1) safety;~~
- ~~(2) emergency response;~~
- ~~(3) normal vehicle operations; or~~
- ~~(4) performing an occupational duty.~~

(d) Except as provided in subdivision 3, a person may not at any time cast the rays of a spotlight, headlight, or other artificial light onto property posted with signs prohibiting the shining of lights onto the property. When signs are posted, the signs shall display letters that are at least two inches in height and state "no shining" or similar terms and shall be placed at intervals of 500 feet or less along the boundary of the property.

Subd. 3. **Exceptions.** (a) It is not a violation of this section for a person to:

(1) cast the rays of a spotlight, headlight, or other artificial light to take raccoons according to section 97B.621, subdivision 3, or tend traps according to section 97B.931;

(2) hunt fox or coyote from January 1 to March 15 while using a handheld artificial light, provided that the person is:

- (i) on foot;
- (ii) using a shotgun;
- (iii) not within a public road right-of-way;
- (iv) using a handheld or electronic calling device; and
- (v) not within 200 feet of a motor vehicle; or

(3) cast the rays of a handheld artificial light to retrieve wounded or dead big game animals, provided that the person is:

- (i) on foot; and
- (ii) not in possession of a firearm or bow.

(b) It is not a violation of subdivision 2 for a person to cast the rays of a spotlight, headlight, or other artificial light to:

(1) carry out any agricultural, safety, emergency response, normal vehicle operation, or occupational-related activities that do not involve taking wild animals; or

(2) carry out outdoor recreation as defined in section 97B.001 that is not related to spotting, locating, or taking a wild animal.

Sec. 34. Minnesota Statutes 2008, section 97B.086, is amended to read:

97B.086 POSSESSION OF NIGHT VISION EQUIPMENT.

(a) A person may not possess night vision goggle equipment while taking wild animals or while

having in possession, either individually or as one of a group of persons, a firearm, bow, or other implement that could be used to take wild animals.

(b) This section does not apply to a firearm that is:

(1) unloaded;

(2) in a gun case expressly made to contain a firearm that fully encloses the firearm by being zipped, snapped, buckled, tied, or otherwise fastened without any portion of the firearm exposed; and

(3) in the closed trunk of a motor vehicle.

(c) This section does not apply to a bow that is:

(1) completely encased or unstrung; and

(2) in the closed trunk of a motor vehicle.

(d) If the motor vehicle under paragraph (b) or (c) does not have a trunk, the firearm or bow must be placed in the rearmost location of the vehicle.

(e) This section does not apply to night vision goggle equipment possessed by peace officers or military personnel while exercising their duties.

Sec. 35. Minnesota Statutes 2008, section 97B.111, subdivision 1, is amended to read:

Subdivision 1. **Establishment; requirements.** The commissioner may establish criteria, special seasons, and limits for persons who have a physical disability to take big game and small game with firearms and by archery in designated areas. A person hunting under this section who has a physical disability must have a verified statement of the disability by a licensed physician and must be participating in a program for physically disabled hunters sponsored by a nonprofit organization that is permitted under subdivision 2. Notwithstanding section 97B.055, subdivision 3, the commissioner may authorize hunt participants to shoot from a stationary motor vehicle. A license is not required for a person to assist a physically disabled person hunting during a special season under this section.

Sec. 36. Minnesota Statutes 2008, section 97B.328, subdivision 3, is amended to read:

Subd. 3. **Definition.** For purposes of this section, "bait or feed" includes grains, fruits, vegetables, nuts, hay, or other food that is capable of attracting or enticing deer and that has been placed by a person. Liquid scents, salt, and minerals, and bird feeders containing grains or nuts that are at least six feet above the ground are not bait or feed. Unharvested food resulting from normal or accepted farming, forest management, wildlife food plantings, orchard management, or other similar land management activities is not bait or feed.

Sec. 37. Minnesota Statutes 2008, section 97B.651, is amended to read:

97B.651 UNPROTECTED MAMMALS AND BIRDS.

Subdivision 1. **Taking unprotected mammals and birds.** Mammals that are unprotected wild animals and unprotected birds may be taken at any time and in any manner, except with artificial lights, or by using a motor vehicle in violation of section 97B.091. Poison may not be used to take unprotected mammals or unprotected birds unless the safety of humans and domestic

livestock is ensured. Unprotected mammals and unprotected birds may be possessed, bought, sold, or transported in any quantity, except importation or exportation is restricted as provided in subdivision 2.

Subd. 2. **Importing and exporting live coyotes.** A person may not export a live coyote out of the state or import a live coyote into the state unless authorized under a permit from the commissioner.

Sec. 38. Minnesota Statutes 2008, section 97B.811, subdivision 2, is amended to read:

Subd. 2. **Hours for placing decoys.** Except as provided in subdivisions 3 and 4, a person may not place decoys in public waters or on public lands more than ~~one hour~~ two hours before lawful shooting hours for waterfowl.

Sec. 39. Minnesota Statutes 2008, section 97B.811, subdivision 3, is amended to read:

Subd. 3. **Restrictions on leaving decoys unattended.** During the open season for waterfowl, a person may not leave decoys in public waters between sunset and ~~one hour~~ two hours before lawful shooting hours or leave decoys unattended during other times for more than ~~four~~ three consecutive hours unless:

- (1) the decoys are in waters adjacent to private land under the control of the hunter; and
- (2) there is not natural vegetation growing in water sufficient to partially conceal a hunter.

Sec. 40. Minnesota Statutes 2008, section 97C.081, subdivision 2, is amended to read:

Subd. 2. **Contests without a permit.** A person may conduct a fishing contest without a permit from the commissioner provided:

(1) the following criteria are met:

(i) there are ~~30 participants~~ 25 boats or less for open water contests and 150 participants or less for ice fishing contests;

(ii) the entry fee is \$25 per person or less;

(iii) the total prize value is \$25,000 or less; and

(iv) the contest is not limited to trout species only;

(2) the following criteria are met:

(i) the contest is not limited to specifically named waters; and

(ii) the contest is not limited to trout species only; ~~or~~

(3) all the contest participants are age 18 years or under;

(4) the contest is limited to rough fish; or

(5) the total prize value is \$500 or less.

Sec. 41. Minnesota Statutes 2008, section 97C.081, subdivision 3, is amended to read:

Subd. 3. **Contests requiring a permit.** (a) A person must have a permit from the commissioner

to conduct a fishing contest that does not meet the criteria in subdivision 2. The commissioner shall charge a fee for the permit that recovers the costs of issuing the permit and of monitoring the activities allowed by the permit. ~~The commissioner may waive the fee under this subdivision for a charitable organization.~~ Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish contest permit fees. The fees are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply.

(b) If entry fees are over \$25 per person, or total prizes are valued at more than \$25,000, and if the applicant has either:

(1) not previously conducted a fishing contest requiring a permit under this subdivision; or

(2) ever failed to make required prize awards in a fishing contest conducted by the applicant, the commissioner may require the applicant to furnish the commissioner evidence of financial responsibility in the form of a surety bond or bank letter of credit in the amount of \$25,000.

(c) The permit fee for any individual contest may not exceed the following amounts:

(1) ~~\$120~~ \$60 for an open water contest not exceeding ~~100 participants~~ 50 boats and without off-site weigh-in;

(2) ~~\$400~~ \$200 for an open water contest with more than ~~100 participants~~ 50 boats and without off-site weigh-in;

(3) ~~\$500~~ \$250 for an open water contest not exceeding ~~100 participants~~ 50 boats with off-site weigh-in;

(4) ~~\$1,000~~ \$500 for an open water contest with more than ~~100 participants~~ 50 boats with off-site weigh-in; or

(5) \$120 for an ice fishing contest with more than 150 participants.

Sec. 42. Minnesota Statutes 2008, section 97C.081, subdivision 6, is amended to read:

Subd. 6. Permit application process. (a) Beginning August 1 each year, the commissioner shall accept permit applications for fishing contests to be held in the following year.

(b) If the number of permit applications received by the commissioner from August 1 through the last Friday in September exceeds the limits specified in subdivisions 7 and 8, the commissioner shall notify the affected applicants that their requested locations and time period are subject to a drawing. After notification, the commissioner shall allow the affected applicants a minimum of seven days to change the location or time period requested on their applications, provided that the change is not to a location or time period for which applications are already at or above the limits specified in subdivisions 7 and 8.

(c) After the applicants have been given at least seven days to change their applications, the commissioner shall conduct a drawing for all locations and time periods for which applications exceed limits. First preference in the drawings shall be given to applicants for established or traditional fishing contests, and second preference to applicants for contests that are not established as traditional fishing contests based on the number of times they have been unsuccessful in previous drawings. Except for applicants of established or traditional fishing contests, an applicant who is successful in a drawing loses all accumulated preference. "Established or traditional fishing

contest" means a fishing contest that was issued permits in 1999 and 2000 or was issued permits four out of five years from 1996 to 2000 for the same lake and time period. Beginning with 2001, established or traditional fishing contests must continue to be conducted at least four out of five years for the same lake and time period to remain established or traditional.

(d) The commissioner has until November 7 to approve or deny permit applications that are submitted by 4:30 p.m. on the last Friday in September. The commissioner may approve a permit application that is received after 4:30 p.m. on the last Friday in September if approving the application would not result in exceeding the limits in subdivisions 7 and 8.

(e) The commissioner shall develop an online Web-based fishing contest permit application process.

Sec. 43. Minnesota Statutes 2008, section 97C.081, subdivision 9, is amended to read:

Subd. 9. **Permit restrictions.** (a) The commissioner may require fishing contest permittees to limit pre-fishing to week days only as a condition of a fishing contest permit. The commissioner may require proof from permittees that pre-fishing restrictions on the permit are communicated to fishing contest participants and enforced.

(b) The commissioner may require permit restrictions on the hours that a permitted fishing contest is conducted, including, but not limited to, starting and ending times.

(c) The commissioner may require permit restrictions on the number of parking spaces that may be used on a state-owned public water access site. The commissioner may require proof from permittees that parking restrictions on the permit are communicated to fishing contest participants and enforced.

(d) To prevent undue mortality of released fish, the commissioner may require restrictions for off-site weigh-ins and live releases on a fishing contest permit or may deny permits requesting an off-site weigh-in or live release. The commissioner may allow for live release weigh-ins at public accesses.

(e) A person may not transfer a fishing contest permit to another person.

(f) Failure to comply with fishing contest permit restrictions may be considered grounds for denial of future permit applications.

Sec. 44. Minnesota Statutes 2008, section 97C.335, is amended to read:

97C.335 USE OF ARTIFICIAL LIGHTS TO TAKE FISH PROHIBITED.

(a) A person may not use artificial lights to lure or attract fish or to see fish in the water while spearing, except that while angling or spearing, a person may:

(1) affix a lighted artificial bait with hooks attached to the end of a fishing line; or

(2) use a lighted decoy for spearing.

~~Any~~ (b) A battery that is used in lighted fishing lures ~~cannot~~ must not contain ~~any intentionally introduced~~ mercury.

(c) The restrictions in paragraph (a) do not apply to bow fishing.

Sec. 45. Minnesota Statutes 2008, section 97C.345, subdivision 2, is amended to read:

Subd. 2. **Possession.** (a) Except as specifically authorized, a person may not possess a spear, fish trap, net, dip net, seine, or other device capable of taking fish on or near any waters. Possession includes personal possession and in a vehicle.

(b) A person may possess spears, dip nets, ~~bows and arrows~~, and spear guns allowed under section 97C.381 on or near waters between sunrise and sunset from May 1 to the last Sunday in February, or as otherwise prescribed by the commissioner.

Sec. 46. Minnesota Statutes 2008, section 97C.371, is amended by adding a subdivision to read:

Subd. 5. **Nonresidents.** Nonresidents may spear from a fish house or dark house.

Sec. 47. Minnesota Statutes 2008, section 97C.375, is amended to read:

97C.375 TAKING ROUGH FISH BY SPEARING OR ARCHERY.

A resident or nonresident may take rough fish by spearing ~~or archery~~ during the times, in waters, and in the manner prescribed by the commissioner.

Sec. 48. **97C.376 BOW FISHING.**

Subdivision 1. **Season.** The bow fishing season for residents and nonresidents is from May 1 to the last Sunday in February at any time of the day.

Subd. 2. **Possession of bows and arrows.** A person may possess bows and arrows for the purposes of bow fishing on or within 100 feet of waters at any time from May 1 to the last Sunday in February, subject to local ordinances. A person must take reasonable measures to retrieve arrows and wounded fish.

Subd. 3. **Nighttime restrictions on motors.** From sunset to sunrise, a person bow fishing with a gasoline-powered motor must use a four-stroke engine. The noise limits for total noise while bow fishing from sunset to sunrise shall not exceed a noise level of 65 decibels on the A scale measured at a distance of 50 feet from the motorboat or equivalent noise levels at other distances as specified by the commissioner in a pass-by test or 67 decibels on the A scale measured at idle in a stationary test at least four feet above the water and at least four feet behind the transom of the motorboat being tested. The noise levels under section 86B.321 apply to persons traveling to and from bow fishing sites from sunset to sunrise.

Subd. 4. **Nighttime structure and campground setback requirements.** A person shall not discharge an arrow while bow fishing within 150 feet of an occupied structure or within 300 feet of a campsite from sunset to sunrise.

Subd. 5. **Prohibition on returning rough fish to waters.** Rough fish taken by bow fishing shall not be returned to the water and rough fish may not be left on the banks of any water of the state.

Sec. 49. **RULEMAKING.**

(a) The commissioner of natural resources shall adopt or amend rules to establish minimum size limits for muskellunge on inland waters consistent with the provisions of this section. The commissioner must:

(1) establish a 48-inch statewide minimum size restriction for muskellunge and muskellunge-northern pike hybrids in inland waters, except for the lakes listed in clause (2) that are managed specifically for muskellunge-northern pike hybrids in Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties; and

(2) establish a 40-inch minimum size restriction for muskellunge-northern pike hybrids in the following lakes in Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties:

<u>LAKE</u>	<u>COUNTY</u>
<u>Bryant</u>	<u>Hennepin</u>
<u>Bush</u>	<u>Hennepin</u>
<u>Calhoun</u>	<u>Hennepin</u>
<u>Cedar</u>	<u>Hennepin</u>
<u>Cedar</u>	<u>Scott</u>
<u>Clear</u>	<u>Washington</u>
<u>Crystal</u>	<u>Dakota</u>
<u>Crystal</u>	<u>Hennepin</u>
<u>Eagle</u>	<u>Carver</u>
<u>Elmo</u>	<u>Washington</u>
<u>Gervais</u>	<u>Ramsey</u>
<u>Island</u>	<u>Ramsey</u>
<u>Isles</u>	<u>Hennepin</u>
<u>Johanna</u>	<u>Ramsey</u>
<u>Nokomis</u>	<u>Hennepin</u>
<u>Orchard</u>	<u>Dakota</u>
<u>Phalen</u>	<u>Ramsey</u>
<u>Pierson</u>	<u>Carver</u>
<u>Silver</u>	<u>Ramsey</u>
<u>Wasserman</u>	<u>Carver</u>
<u>Weaver</u>	<u>Hennepin</u>

(b) The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt the rules. Minnesota Statutes, section 14.386, does not apply except as provided in Minnesota Statutes, section 14.388.

Sec. 50. TEMPORARY WARNING REQUIREMENTS; SHINING WITHOUT IMPLEMENTS TO TAKE WILD ANIMALS.

A violation prior to August 1, 2010, of Minnesota Statutes, section 97B.081, subdivision 2, shall not result in a penalty, but is punishable only by a warning.

Sec. 51. ZONE 3 DEER SEASON AND RESTRICTIONS; 2009.

For the 2009 deer season, notwithstanding rules of the commissioner of natural resources under Minnesota Statutes, section 97B.311, paragraph (a), the commissioner shall allow a nine-day early A season in Zone 3 beginning the Saturday nearest November 6 and a nine-day late B season in Zone 3 beginning the Saturday nearest November 20. During the last two days of the 2009 early A season in Zone 3, a person may not take antlered deer unless the deer has at least four points on one side, or the person has taken an antlerless deer prior to taking the antlered deer during the early A season in Zone 3. Party hunting for antlered deer under Minnesota Statutes, section 97B.301, subdivision 3, is not allowed in the last two days of the 2009 early A season in Zone 3. Zone 3 is defined in Minnesota Rules, part 6232.1400, subpart 3.

Sec. 52. TEMPORARY WINTER IMPORTATION OF GOLDEN SHINER MINNOWS.

(a) Notwithstanding Minnesota Statutes, section 97C.515, from December 1 to the last Sunday in February, a person may import for sale and use in the state golden shiner minnows that are certified free of disease and invasive species by a testing method recognized by the United States Department of Agriculture, Animal and Plant Health Inspection Services.

(b) This section expires on February 28, 2011.

Sec. 53. APPROPRIATION.

\$15,000 in fiscal year 2010 is appropriated from the game and fish fund to the commissioner for the development of an on-line fishing contest permit application process. This is a onetime appropriation.

Sec. 54. REPEALER.

Minnesota Statutes 2008, sections 97A.525, subdivision 2; and 97C.405, are repealed."

Delete the title and insert:

"A bill for an act relating to natural resources; modifying wild rice season; modifying certain definitions; modifying state park permit requirements; modifying authority to establish secondary units; eliminating liquor service at John A. Latsch State Park; extending the Casey Jones Trail; establishing a new state trail; providing for establishment of boater waysides; modifying watercraft operation requirements; providing for appeals and enforcement of certain civil penalties; providing for taking wild animals to protect public safety; modifying Board of Water and Soil Resources membership; modifying local water program; modifying Reinvest in Minnesota Resources Law; modifying certain easement authority; providing for notice of changes to public waters inventory; modifying cost-share program; providing certain exemptions from local ordinances; approving the consumptive use of water for certain uses; authorizing expedited rulemaking; modifying refund provisions; modifying publication requirements; modifying restrictions in migratory feeding and resting areas; providing certain exemptions from local law; modifying wild animal and fish taking, possession, and licensing requirements; authorizing certain fees; modifying certain fees; modifying restrictions and conforming penalties on shining artificial lights; requiring rulemaking; appropriating money; amending Minnesota Statutes 2008, sections 13.7931, by adding a subdivision; 17.4981; 17.4988, subdivision 3; 84.02; 84.027, subdivision 13; 84.105; 84.66, subdivision 2; 84.788, subdivision 11; 84.798, subdivision 10; 84.82, subdivision 11; 84.922, subdivision 12; 84.928, subdivision 1a; 85.015, subdivision 2, by adding a subdivision;

85.053, subdivision 3; 85.054, by adding subdivisions; 85.055, subdivision 1; 86A.05, by adding a subdivision; 86A.08, subdivision 1; 86A.09, subdivision 1; 86B.311, by adding a subdivision; 86B.415, subdivision 11; 97A.015, by adding a subdivision; 97A.051, subdivision 2; 97A.075, subdivision 5; 97A.095, subdivision 2; 97A.137, by adding a subdivision; 97A.321; 97A.331, subdivision 2; 97A.445, subdivision 1, by adding a subdivision; 97A.451, subdivision 2, by adding a subdivision; 97A.465, subdivisions 1b, 5; 97A.473, subdivision 1, by adding subdivisions; 97A.4742, subdivision 1; 97A.475, subdivisions 3, 7, 11, 12, 29; 97A.525, subdivision 1; 97B.081; 97B.086; 97B.111, subdivision 1; 97B.328, subdivision 3; 97B.651; 97B.811, subdivisions 2, 3; 97C.081, subdivisions 2, 3, 6, 9; 97C.335; 97C.345, subdivision 2; 97C.371, by adding a subdivision; 97C.375; 103B.101, subdivisions 1, 2; 103B.3355; 103B.3369, subdivision 5; 103C.501, subdivisions 2, 4, 5, 6; 103F.505; 103F.511, subdivisions 5, 8a, by adding a subdivision; 103F.515, subdivisions 1, 2, 4, 5, 6; 103F.521, subdivision 1; 103F.525; 103F.526; 103F.531; 103F.535, subdivision 5; 103G.201; 168.1296, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 84; 97B; 97C; repealing Minnesota Statutes 2008, sections 84.796; 84.805; 84.929; 85.0505, subdivision 2; 97A.525, subdivision 2; 97C.405; 103B.101, subdivision 11; 103F.511, subdivision 4; 103F.521, subdivision 2; Minnesota Rules, parts 8400.3130; 8400.3160; 8400.3200; 8400.3230; 8400.3330; 8400.3360; 8400.3390; 8400.3500; 8400.3530; 8400.3560."

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

Senator Cohen from the Committee on Finance, to which was re-referred

S.F. No. 1123: A bill for an act relating to state lands; providing for certain private sales to resolve trespass issues; adding to and deleting from certain state parks; authorizing public and private sales of surplus state land; authorizing public and private sales and leases of tax-forfeited land; modifying previous sales authorization and land description; amending Minnesota Statutes 2008, sections 84.0273; 282.04, subdivision 1; Laws 2007, chapter 131, article 2, section 38; Laws 2008, chapter 368, article 1, sections 21, subdivisions 4, 5; 34.

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

Page 2, after line 13, insert:

"Sec. 2. Minnesota Statutes 2008, section 103F.321, is amended by adding a subdivision to read:

Subd. 3. **Home-based business; conditional use.** A local unit of government may issue a conditional use permit in a wild and scenic river district designated pursuant to sections 103F.301 to 103F.351 to a home-based business that:

- (1) is located on property that includes the primary residence of the business owner;
- (2) is conducted within the primary residence or residential accessory structure and the residence and accessory structures were constructed prior to the effective date of this section;
- (3) does not necessitate creation of additional impervious surface for vehicular parking on the property;
- (4) satisfies all other requirements in a conditional use permit issued by the local unit of government; and

(5) satisfies all other state and local requirements applicable to the type of business.

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

Page 21, delete section 8

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 3, after the second semicolon, insert "allowing certain conditional uses on land within a wild and scenic river district;"

Amend the title numbers accordingly

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

Senator Cohen from the Committee on Finance, to which was re-referred

S.F. No. 42: A bill for an act relating to traffic regulations; making seat belt violation a primary offense in all seating positions regardless of age; making technical changes; providing for surcharge; amending Minnesota Statutes 2008, sections 169.686, subdivisions 1, 2, by adding a subdivision; 171.05, subdivision 2b; 171.055, subdivision 2; 357.021, subdivisions 6, 7.

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

Page 4, delete section 6

Page 5, delete section 7

Page 6, line 17, delete "June 9, 2009" and insert "June 1, 2009"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "providing for"

Page 1, line 4, delete "surcharge;"

Amend the title numbers accordingly

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

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

H.F. No. 1276 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1276	986				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 1276 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1276, the third engrossment; and insert the language after the enacting clause of S.F. No. 986, the second engrossment; further, delete the title of H.F. No. 1276, the third engrossment; and insert the title of S.F. No. 986, the second engrossment.

And when so amended H.F. No. 1276 will be identical to S.F. No. 986, and further recommends that H.F. No. 1276 be given its second reading and substituted for S.F. No. 986, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

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

H.F. No. 535 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
535	499				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 535 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 535, the second engrossment; and insert the language after the enacting clause of S.F. No. 499; further, delete the title of H.F. No. 535, the second engrossment; and insert the title of S.F. No. 499.

And when so amended H.F. No. 535 will be identical to S.F. No. 499, and further recommends that H.F. No. 535 be given its second reading and substituted for S.F. No. 499, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

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

H.F. No. 1529 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				1529	798

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1123 and 42 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1237, 1276, 535 and 1529 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Metzen introduced—

S.F. No. 2147: A bill for an act relating to public safety; requiring retention of gang affiliation data; amending Minnesota Statutes 2008, section 299C.091, subdivision 5.

Referred to the Committee on Judiciary.

Senators Foley, Sheran and Vandever introduced—

S.F. No. 2148: A bill for an act relating to health; establishing an education and research program related to complex regional pain syndrome; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health, Housing and Family Security.

Senators Latz and Marty introduced—

S.F. No. 2149: A bill for an act relating to consumer reports; requiring notice and copy of background check; defining terms; amending Minnesota Statutes 2008, section 13C.001, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 13C.

Referred to the Committee on Commerce and Consumer Protection.

Senator Wiger introduced—

S.F. No. 2150: A bill for an act relating to education; requiring reports of financial and property

losses involving theft in public schools; proposing coding for new law in Minnesota Statutes, chapter 123B.

Referred to the Committee on Education.

MOTIONS AND RESOLUTIONS

Senator Doll moved that his name be stricken as a co-author to S.F. No. 1165. The motion prevailed.

Senator Lourey moved that the names of Senators Olseen and Olson, G. be added as co-authors to S.F. No. 1447. The motion prevailed.

Senator Koch moved that the names of Senators Jungbauer, Ingebrigtsen, Pariseau and Johnson be added as co-authors to S.F. No. 2140. The motion prevailed.

Senator Scheid introduced –

Senate Resolution No. 102: A Senate resolution relating to the Community Schools Pilot Program.

Referred to the Committee on Rules and Administration.

RECESS

Senator Pogemiller moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

CALL OF THE SENATE

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 12, Senator Berglin moved that the following members be excused for a Conference Committee on H.F. No. 1988 at 2:10 p.m.:

Senators Berglin, Lourey, Sheran, Rosen and Prettner Solon. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

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

SUSPENSION OF RULES

Senator Pogemiller moved that Rule 24.2 be suspended as to the lie-over requirement on the Calendar. The motion prevailed.

CALENDAR

H.F. No. 804: A bill for an act relating to probate; modifying provisions governing guardians and conservators; amending Minnesota Statutes 2008, sections 260C.331, subdivision 1; 524.5-102, subdivision 7, by adding a subdivision; 524.5-304; 524.5-309; 524.5-310; 524.5-315; 524.5-316; 524.5-317; 524.5-406; 524.5-409; 524.5-413; 524.5-414; 524.5-420; proposing coding for new law in Minnesota Statutes, chapter 524.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1154: A bill for an act relating to occupations and professions; changing licensing provisions for social work; amending Minnesota Statutes 2008, sections 148D.010, subdivisions 9, 15, by adding subdivisions; 148D.025, subdivisions 2, 3; 148D.061, subdivisions 6, 8; 148D.062, subdivision 2; 148D.063, subdivision 2; 148D.125, subdivisions 1, 3; 148E.010, subdivisions 11, 17, by adding subdivisions; 148E.025, subdivisions 2, 3; 148E.055, subdivision 5; 148E.100, subdivisions 3, 4, 5, 6, 7, by adding a subdivision; 148E.105, subdivisions 1, 3, 5, 7, by adding a subdivision; 148E.106, subdivisions 1, 2, 3, 4, 5, 8, 9, by adding a subdivision; 148E.110, subdivisions 1, 2, by adding subdivisions; 148E.115, subdivision 1, by adding a subdivision; 148E.120; 148E.125, subdivisions 1, 3; 148E.130, subdivisions 2, 5, by adding a subdivision; 148E.165, subdivision 1; repealing Minnesota Statutes 2008, sections 148D.062, subdivision 5; 148D.125, subdivision 2; 148D.180, subdivision 8; 148E.106, subdivision 6; 148E.125, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 3, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Gerlach	Limmer	Vandever
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So the bill passed and its title was agreed to.

S.F. No. 251: A bill for an act relating to commerce; clarifying the definition of "motor vehicle" in the statutory provision deeming the driver to be the agent of the owner in case of accident; amending Minnesota Statutes 2008, section 169.09, subdivision 5a.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 35 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Clark	Kelash	Olson, M.	Scheid
Bakk	Cohen	Kubly	Pappas	Sheran
Berglin	Dahle	Langseth	Pogemiller	Sieben
Betzold	Dibble	Latz	Rest	Stumpf
Bonoff	Erickson Ropes	Lynch	Rummel	Torres Ray
Carlson	Foley	Marty	Saltzman	Vickerman
Chaudhary	Higgins	Moua	Saxhaug	Wiger

Those who voted in the negative were:

Day	Gimse	Limmer	Ortman	Skogen
Dille	Hann	Lourey	Pariseau	Sparks
Doll	Ingebrigtsen	Metzen	Prettner Solon	Tomassoni
Fischbach	Johnson	Michel	Robling	Vandever
Fobbe	Jungbauer	Murphy	Rosen	
Frederickson	Koch	Olseen	Senjem	
Gerlach	Koering	Olson, G.	Skoe	

So the bill passed and its title was agreed to.

H.F. No. 265: A bill for an act relating to disposition of items on death; clarifying certain references; providing for collection of certain property by affidavit; correcting an erroneous reference and making other corrections and clarifications; amending Minnesota Statutes 2008, sections 524.1-304; 524.3-413; 524.3-1201; 524.3-1203, subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Kubly	Ortman	Sieben
Bakk	Fischbach	Langseth	Pappas	Skoe
Berglin	Fobbe	Latz	Pariseau	Skogen
Betzold	Foley	Limmer	Pogemiller	Sparks
Bonoff	Gerlach	Lourey	Prettner Solon	Stumpf
Carlson	Gimse	Lynch	Rest	Tomassoni
Chaudhary	Hann	Marty	Robling	Torres Ray
Clark	Higgins	Metzen	Rosen	Vanderveer
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	

Those who voted in the negative were:

Frederickson

So the bill passed and its title was agreed to.

S.F. No. 1208: A bill for an act relating to human services; modifying provisions governing medical assistance claims and liens; amending Minnesota Statutes 2008, section 256B.15, subdivisions 1a, 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 7, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Gerlach	Ingebrigtsen	Koch	Vanderveer
Hann	Jungbauer	Limmer	

So the bill passed and its title was agreed to.

S.F. No. 534: A bill for an act relating to corrections; authorizing arrest of a person who escapes from custody on an allegation or adjudication of a delinquent act; amending Minnesota Statutes 2008, section 629.34, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1016: A bill for an act relating to capital investment; authorizing the sale of Minnesota First bonds; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 16A.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 4, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Hann	Koch	Limmer	Vandever
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So the bill passed and its title was agreed to.

S.F. No. 2127: A bill for an act relating to disaster assistance; reimbursing city of St. Charles for lost revenues; appropriating money.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 330: A bill for an act relating to real estate; providing homeowners with a longer period within which to notify contractors of construction defects; amending Minnesota Statutes 2008, section 327A.03.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 44 and nays 23, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Langseth	Olson, M.	Skoe
Bakk	Erickson Ropes	Latz	Pappas	Skogen
Berglin	Fobbe	Lourey	Pogemiller	Sparks
Betzold	Foley	Lynch	Prettner Solon	Stumpf
Carlson	Frederickson	Marty	Rummel	Tomassoni
Chaudhary	Higgins	Metzen	Saltzman	Torres Ray
Clark	Jungbauer	Moua	Saxhaug	Vickerman
Cohen	Kelash	Murphy	Scheid	Wiger
Dahle	Kubly	Olseen	Sieben	

Those who voted in the negative were:

Bonoff	Gerlach	Koch	Ortman	Senjem
Day	Gimse	Koering	Pariseau	Sheran
Dille	Hann	Limmer	Rest	Vandever
Doll	Ingebrigtsen	Michel	Robling	
Fischbach	Johnson	Olson, G.	Rosen	

So the bill passed and its title was agreed to.

H.F. No. 362: A bill for an act relating to real estate; eliminating a requirement that homeowner's notice to building contractor of construction defect be in writing; amending Minnesota Statutes 2008, sections 327A.02, subdivision 4; 327A.03.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 38 and nays 29, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Latz	Olson, M.	Sieben
Berglin	Erickson Ropes	Lourey	Pappas	Skogen
Betzold	Fobbe	Lynch	Pogemiller	Sparks
Carlson	Foley	Marty	Prettner Solon	Tomassoni
Chaudhary	Higgins	Metzen	Rummel	Torres Ray
Clark	Kelash	Moua	Saltzman	Wiger
Cohen	Kubly	Murphy	Saxhaug	
Dahle	Langseth	Olseen	Scheid	

Those who voted in the negative were:

Bakk	Frederickson	Jungbauer	Ortman	Sheran
Bonoff	Gerlach	Koch	Pariseau	Skoe
Day	Gimse	Koering	Rest	Stumpf
Dille	Hann	Limmer	Robling	Vandever
Doll	Ingebrigtsen	Michel	Rosen	Vickerman
Fischbach	Johnson	Olson, G.	Senjem	

So the bill passed and its title was agreed to.

H.F. No. 1053: A bill for an act relating to elections; requiring certain public officials to provide additional data to the secretary of state for use in maintaining the voter registration system; providing for automatic voter registration of applicants for a driver's license, instruction permit, or identification card; changing certain notice requirements; amending Minnesota Statutes 2008, sections 201.121, subdivision 2; 201.13, by adding a subdivision; 201.14; 201.15, subdivisions 1, 2; 201.155; 201.161; 204C.08, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 201.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 21, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Lourey	Prettner Solon	Sparks
Bakk	Doll	Lynch	Rest	Stumpf
Berglin	Erickson Ropes	Marty	Rummel	Tomassoni
Betzold	Fobbe	Metzen	Saltzman	Torres Ray
Bonoff	Foley	Moua	Saxhaug	Vickerman
Carlson	Higgins	Murphy	Scheid	Wiger
Chaudhary	Kelash	Olseen	Sheran	
Clark	Kubly	Olson, M.	Sieben	
Cohen	Langseth	Pappas	Skoe	
Dahle	Latz	Pogemiller	Skogen	

Those who voted in the negative were:

Day	Gimse	Koch	Ortman	Vandever
Dille	Hann	Koering	Pariseau	
Fischbach	Ingebrigtsen	Limmer	Robling	
Frederickson	Johnson	Michel	Rosen	
Gerlach	Jungbauer	Olson, G.	Senjem	

So the bill passed and its title was agreed to.

S.F. No. 1314: A bill for an act relating to natural resources; authorizing acquisition of certain

easements; proposing coding for new law in Minnesota Statutes, chapter 84.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 1476: A bill for an act relating to liquor; modifying and clarifying certain licensing requirements; authorizing various licenses; modifying provision relating to shipments into the state; providing for wine tastings; extending certain on-sale hours; amending Minnesota Statutes 2008, sections 340A.101, by adding a subdivision; 340A.301, subdivision 4; 340A.315, subdivisions 2, 7; 340A.401; 340A.404, subdivisions 1, 4, 4a; 340A.412, subdivision 14; 340A.414, subdivision 1; 340A.417; 340A.419, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 340A.

Pursuant to Rule 41.2, Senator Stumpf moved that he be excused from voting on all questions pertaining to H.F. No. 1476. The motion prevailed.

Senator Pappas moved that H.F. No. 1476, No. 16 on the Calendar, be stricken and placed on General Orders.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 19 and nays 47, as follows:

Those who voted in the affirmative were:

Berglin	Erickson Ropes	Latz	Ortman	Rest
Cohen	Foley	Lynch	Pappas	Robling
Dahle	Hann	Michel	Pogemiller	Sheran
Dille	Higgins	Moua	Prettner Solon	

Those who voted in the negative were:

Anderson	Clark	Frederickson	Kelash	Lourey
Bakk	Day	Gerlach	Koch	Marty
Betzold	Dibble	Gimse	Koering	Metzen
Bonoff	Doll	Ingebrigtsen	Kubly	Murphy
Carlson	Fischbach	Johnson	Langseth	Olseen
Chaudhary	Fobbe	Jungbauer	Limmer	Olson, M.

Pariseau	Saxhaug	Skoe	Tomassoni	Wiger
Rosen	Scheid	Skogen	Torres Ray	
Rummel	Senjem	Sparks	Vanderveer	
Saltzman	Sieben	Stumpf	Vickerman	

The motion did not prevail.

H.F. No. 1476 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 9, as follows:

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Koch	Olseen	Senjem
Bakk	Fischbach	Koering	Olson, M.	Sieben
Betzold	Fobbe	Kubly	Ortman	Skoe
Bonoff	Frederickson	Langseth	Pariseau	Skogen
Carlson	Gerlach	Latz	Prettner Solon	Sparks
Chaudhary	Gimse	Lourey	Robling	Tomassoni
Clark	Higgins	Lynch	Rosen	Torres Ray
Cohen	Ingebrigtsen	Marty	Rummel	Vanderveer
Dahle	Johnson	Metzen	Saltzman	Vickerman
Day	Jungbauer	Moua	Saxhaug	Wiger
Dibble	Kelash	Murphy	Scheid	

Those who voted in the negative were:

Berglin	Doll	Michel	Pogemiller	Sheran
Dille	Foley	Pappas	Rest	

So the bill passed and its title was agreed to.

H.F. No. 1505: A bill for an act relating to public safety; modifying publication date of data on trafficking to every two years; providing for first- and second-degree sex trafficking; increasing criminal penalties for certain sex trafficking offenses; modifying provisions on solicitation of prostitution; adding sex trafficking to the definition of crime of violence; amending Minnesota Statutes 2008, sections 299A.785, subdivision 2; 609.281, subdivision 5; 609.321, subdivisions 7, 7a, by adding subdivisions; 609.322; 609.324, subdivisions 2, 3; 611A.036, subdivision 7; 624.712, subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

Senjem
Sheran
Sieben

Skoe
Skogen
Sparks

Stumpf
Tomassoni
Torres Ray

Vandevier
Vickerman
Wiger

So the bill passed and its title was agreed to.

H.F. No. 818: A bill for an act relating to vulnerable adults; authorizing disclosure of financial records in connection with financial exploitation investigations; modifying procedures and duties for reporting and investigating maltreatment; specifying duties of financial institutions in cases alleging financial exploitation; modifying the crime of financial exploitation; imposing criminal and civil penalties; amending Minnesota Statutes 2008, sections 13A.02, subdivisions 1, 2; 13A.04, subdivision 1; 256B.0595, subdivisions 4, 9; 299A.61, subdivision 1; 388.23, subdivision 1; 609.2335; 609.52, subdivision 3; 611A.033; 626.557, subdivisions 4, 5, 9b, by adding subdivisions; 626.5572, subdivision 21; 628.26.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 668: A bill for an act relating to public safety; school buses; providing for postcrash procedures for school bus in an accident; amending Minnesota Statutes 2008, section 169.4511, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Day	Frederickson	Kelash	Lynch
Bakk	Dibble	Gerlach	Koch	Marty
Berglin	Dille	Gimse	Koering	Metzen
Betzold	Doll	Hann	Kubly	Michel
Bonoff	Erickson Ropes	Higgins	Langseth	Moua
Clark	Fischbach	Ingebrigtsen	Latz	Murphy
Cohen	Fobbe	Johnson	Limmer	Olseen
Dahle	Foley	Jungbauer	Lourey	Olson, G.

Olson, M.	Prettner Solon	Saltzman	Sieben	Tomassoni
Ortman	Rest	Saxhaug	Skoe	Torres Ray
Pappas	Robling	Scheid	Skogen	Vandever
Pariseau	Rosen	Senjem	Sparks	Vickerman
Pogemiller	Rummel	Sheran	Stumpf	Wiger

So the bill passed and its title was agreed to.

S.F. No. 711: A bill for an act relating to human services; modifying parental fees for services for persons with developmental disabilities; amending Minnesota Statutes 2008, section 252.27, subdivision 2a.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 1, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Vandever

So the bill passed and its title was agreed to.

S.F. No. 1708: A resolution memorializing the members of the Minnesota Congressional delegation to sponsor and support the Main Street Fairness Act.

Was read the third time and placed on its final passage.

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 47 and nays 20, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Latz	Pogemiller	Skogen
Bakk	Dille	Lourey	Prettner Solon	Sparks
Berglin	Doll	Lynch	Rest	Stumpf
Betzold	Erickson Ropes	Marty	Rummel	Tomassoni
Bonoff	Fobbe	Metzen	Saltzman	Torres Ray
Carlson	Foley	Moua	Saxhaug	Vickerman
Chaudhary	Higgins	Murphy	Scheid	Wiger
Clark	Kelash	Olseen	Sheran	
Cohen	Kubly	Olson, M.	Sieben	
Dahle	Langseth	Pappas	Skoe	

Those who voted in the negative were:

Day	Gimse	Jungbauer	Michel	Robling
Fischbach	Hann	Koch	Olson, G.	Rosen
Frederickson	Ingebrigtsen	Koering	Ortman	Senjem
Gerlach	Johnson	Limmer	Pariseau	Vandever

So the resolution passed and its title was agreed to.

S.F. No. 358: A resolution memorializing the Congress of the United States not to reauthorize the No Child Left Behind Act in its current form.

Was read the third time and placed on its final passage.

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the resolution passed and its title was agreed to.

S.F. No. 1778: A resolution memorializing the Congress of the United States to oppose enactment of legislation of the substance and tenor of S. 40/H.R. 3200 – the National Insurance Act of 2007 – proposed optional federal charter legislation.

Was read the third time and placed on its final passage.

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the resolution passed and its title was agreed to.

S.F. No. 133: A resolution memorializing Congress to oppose federal legislation that interferes with a state's ability to direct the transport or processing of horses.

Was read the third time and placed on its final passage.

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 56 and nays 10, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson	Bonoff	Cohen	Fobbe	Pappas
Berglin	Chaudhary	Dibble	Marty	Rest

So the resolution passed and its title was agreed to.

S.F. No. 182: A bill for an act relating to elections; establishing districting principles for legislative and congressional plans; providing for appointment of a commission to recommend the boundaries of legislative and congressional districts; appropriating money; amending Minnesota Statutes 2008, section 2.021; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 2008, section 2.031.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 25, as follows:

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Metzen	Rest	Skoe
Bakk	Fobbe	Michel	Robling	Stumpf
Betzold	Foley	Moua	Rosen	Torres Ray
Bonoff	Frederickson	Murphy	Rummel	Vickerman
Carlson	Higgins	Olson, G.	Saltzman	Wiger
Chaudhary	Langseth	Olson, M.	Saxhaug	
Clark	Latz	Pappas	Scheid	
Dahle	Lynch	Pogemiller	Sheran	
Dibble	Marty	Prettner Solon	Sieben	

Those who voted in the negative were:

Berglin	Day	Doll	Gerlach	Hann
Cohen	Dille	Fischbach	Gimse	Ingebrigtsen

Johnson
Jungbauer
Kelash

Koch
Koering
Limmer

Lourey
Olseen
Ortman

Pariseau
Senjem
Skogen

Sparks
Tomassoni
Vandev eer

So the bill passed and its title was agreed to.

S.F. No. 745: A bill for an act relating to elections; changing certain provisions concerning vacancies in nomination; amending Minnesota Statutes 2008, sections 203B.12, subdivision 2; 204B.04, subdivisions 2, 3; 204B.07, subdivision 1; 204B.09, subdivision 1; 204B.11, subdivision 2; 204B.13, subdivisions 1, 2, by adding subdivisions; repealing Minnesota Statutes 2008, sections 204B.12, subdivision 2a; 204B.13, subdivisions 4, 5, 6; 204B.41; 204D.169.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 767: A bill for an act relating to metropolitan government; modifying the time period for comprehensive plan reviews by adjacent governmental units; clarifying water management plan requirements; amending Minnesota Statutes 2008, sections 103B.235, subdivision 3a; 473.858, subdivision 2; 473.859, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 1, as follows:

Those who voted in the affirmative were:

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

Skogen	Stumpf	Torres Ray	Vickerman
Sparks	Tomassoni	Vandever	Wiger

Those who voted in the negative were:

Pariseau

So the bill passed and its title was agreed to.

H.F. No. 519: A bill for an act relating to local government; regulating nonconforming lots in shoreland areas; amending Minnesota Statutes 2008, sections 394.36, subdivision 4, by adding a subdivision; 462.357, subdivision 1e.

Pursuant to Rule 41.2, Senator Vandever moved that he be excused from voting on all questions pertaining to H.F. No. 519. The motion prevailed.

H.F. No. 519 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 7, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Gerlach	Ingebrigtsen	Koch	Ortman
Hann	Jungbauer	Limmer	

So the bill passed and its title was agreed to.

H.F. No. 348: A bill for an act relating to attorneys; modifying and removing provisions limiting the practice of law by deputy sheriffs and coroners; amending Minnesota Statutes 2008, section 387.13.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Carlson	Day	Fischbach	Gimse
Bakk	Chaudhary	Dibble	Fobbe	Hann
Berglin	Clark	Dille	Foley	Higgins
Betzold	Cohen	Doll	Frederickson	Ingebrigtsen
Bonoff	Dahle	Erickson Ropes	Gerlach	Johnson

Jungbauer	Lynch	Ortman	Saxhaug	Tomassoni
Kelash	Marty	Pappas	Scheid	Torres Ray
Koch	Metzen	Pogemiller	Senjem	Vandever
Koering	Michel	Prettner Solon	Sheran	Vickerman
Kubly	Moua	Rest	Sieben	Wiger
Langseth	Murphy	Robling	Skoe	
Latz	Olseen	Rosen	Skogen	
Limmer	Olson, G.	Rummel	Sparks	
Lourey	Olson, M.	Saltzman	Stumpf	

Those who voted in the negative were:

Pariseau

So the bill passed and its title was agreed to.

H.F. No. 1849: A bill for an act relating to local government; removing, extending, or modifying certain mandates upon local governmental units; changing appropriations for certain costs of Office of Administrative Hearings; amending Minnesota Statutes 2008, sections 16C.28, subdivision 1a; 306.243, by adding a subdivision; 326B.145; 344.18; 365.28; 375.055, subdivision 1; 375.12, subdivision 2; 382.265; 383B.021; 384.151, subdivision 1a; 385.373, subdivision 1a; 386.015, subdivision 2; 387.20, subdivisions 1, 2; 415.11, by adding a subdivision; 429.041, subdivisions 1, 2; 469.015; 473.862; 641.12, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 2008, sections 373.42; 384.151, subdivisions 1, 3; 385.373, subdivisions 1, 3; 386.015, subdivisions 1, 4; 387.20, subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 2, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Limmer Vandever

So the bill passed and its title was agreed to.

S.F. No. 1219: A bill for an act relating to occupations and professions; creating licensing standards for full-time firefighters; establishing fees; amending Minnesota Statutes 2008, section 299N.02, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 299N.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 2, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Jungbauer Koering

So the bill passed and its title was agreed to.

RECONSIDERATION

Having voted on the prevailing side, Senator Murphy moved that the vote whereby S.F. No. 182 was passed by the Senate on May 15, 2009, be now reconsidered. The motion prevailed. So the vote was reconsidered.

S.F. No. 182 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 39 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Marty	Prettner Solon	Sheran
Betzold	Fobbe	Metzen	Rest	Sieben
Bonoff	Foley	Michel	Robling	Skoe
Carlson	Frederickson	Moua	Rosen	Stumpf
Chaudhary	Higgins	Olson, G.	Rummel	Torres Ray
Clark	Kubly	Olson, M.	Saltzman	Vickerman
Dahle	Langseth	Pappas	Saxhaug	Wiger
Dibble	Latz	Pogemiller	Scheid	

Those who voted in the negative were:

Bakk	Fischbach	Jungbauer	Lynch	Skogen
Berglin	Gerlach	Kelash	Murphy	Sparks
Cohen	Gimse	Koch	Olseen	Tomassoni
Day	Hann	Koering	Ortman	Vandever
Dille	Ingebrigtsen	Limmer	Pariseau	
Doll	Johnson	Lourey	Senjem	

So the bill passed and its title was agreed to.

RECONSIDERATION

Having voted on the prevailing side, Senator Hann moved that the vote whereby S.F. No. 767 was passed by the Senate on May 15, 2009, be now reconsidered. The motion prevailed. So the vote was reconsidered.

S.F. No. 767 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 1, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Vandev eer

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Ortman moved that her name be stricken as a co-author to S.F. No. 1708. The motion prevailed.

S.F. No. 1091 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 1091

A bill for an act relating to transportation; restricting weight limits on the Stillwater Lift Bridge.

May 14, 2009

The Honorable James P. Metzen
President of the Senate

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1091 report that we have agreed upon the items in

dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 1091 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 169.81, subdivision 3, is amended to read:

Subd. 3. **Length of vehicle combinations.** (a) Statewide, except on the highways identified under provisions in paragraph (c), no combination of vehicles may exceed a total length of 75 feet.

(b) However, the total length limitation does not apply to combinations of vehicles transporting:

(1) telephone poles, electric light and power poles, piling, or pole-length pulpwood; or

(2) pipe or other objects by a public utility when required for emergency or repair of public service facilities or when operated under special permits as provided in section 169.86.

These combinations of vehicles must be equipped with sufficient clearance markers, or lamps for night transportation, on both sides and upon the extreme ends of a projecting load to clearly mark the dimensions of the load.

(c) The following combination of vehicles regularly engaged in the transportation of commodities may operate only on divided highways having four or more lanes of travel, and on other highways as may be designated by the commissioner of transportation subject to section 169.87, subdivision 1, and subject to the approval of the authority having jurisdiction over the highway, for the purpose of providing reasonable access between the divided highways of four or more lanes of travel and terminals, facilities for food, fuel, repair, and rest, and points of loading and unloading for household goods carriers, livestock carriers, or for the purpose of providing continuity of route:

(1) a truck-tractor and semitrailer exceeding 75 feet in length;

(2) a combination of vehicles including a truck-tractor and semitrailer drawing one additional semitrailer which may be equipped with an auxiliary dolly;

(3) a combination of vehicles including a truck-tractor and semitrailer drawing one full trailer;

(4) a truck-tractor and semitrailer designed and used exclusively for the transportation of motor vehicles or boats and exceeding an overall length of 75 feet including the load; and

(5) a truck or truck-tractor transporting similar vehicles by having the front axle of the transported vehicle mounted onto the center or rear part of the preceding vehicle, defined in Code of Federal Regulations, title 49, sections 390.5 and 393.5 as drive-away saddle-mount combinations or drive-away saddle-mount vehicle transporter combinations, when the overall length exceeds 75 feet.

(d) Vehicles operated under the provisions of this section must conform to the standards for those vehicles prescribed by the United States Department of Transportation, Federal Highway Administration, Bureau of Motor Carrier Safety, as amended.

(e) For purposes of this paragraph, "total length" means the overall length of the motor vehicle including (1) bumpers and load; and (2) the length of any semitrailer, as defined in section 168.002,

subdivision 30, and any trailer, as defined in section 168.002, subdivision 35. The maximum allowable total length of a commercial vehicle combination is 55 feet on that portion of marked Trunk Highway 36 from the intersection with marked Trunk Highway 95 and Washington County State-Aid Highway 23 in Stillwater, to the Stillwater lift bridge, located on marked Trunk Highway 36 over the St. Croix River in Stillwater. This paragraph does not apply to emergency vehicles; motor vehicles while engaged in work on the bridge or on the portion of highway described in this paragraph, including snow and ice removal and flood control; a vehicle carrying an oversize permit issued under section 169.86, subdivision 5, paragraph (d); and vehicles on the Stillwater lift bridge.

EFFECTIVE DATE. This section is effective the day the commissioner erects signs giving notice of the prohibition established in this section.

Sec. 2. MARKED TRUNK HIGHWAY 36 VEHICLE LENGTH RESTRICTION SIGNS.

(a) No later than July 1, 2009, the commissioner of transportation shall erect signs at appropriate locations giving notice that the maximum allowable total length of a commercial vehicle combination is 55 feet on that portion of marked Trunk Highway 36 from the intersection with marked Trunk Highway 95 and Washington County State-Aid Highway 23 in Stillwater, to the Stillwater lift bridge, located on marked Trunk Highway 36 over the St. Croix River.

(b) The commissioner shall request that the state of Wisconsin post similar signs on the Wisconsin side of the bridge.

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

Delete the title and insert:

"A bill for an act relating to transportation; restricting length limits for commercial vehicle combinations on portion of marked Trunk Highway 36; amending Minnesota Statutes 2008, section 169.81, subdivision 3."

We request the adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Ray Vandever, Steve Murphy, Kathy Saltzman

House Conferees: (Signed) Matt Dean, Julie Bunn, Leon Lillie

Senator Vandever moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1091 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1091 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 65 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Betzold	Chaudhary	Dahle	Dille
Bakk	Bonoff	Clark	Day	Doll
Berglin	Carlson	Cohen	Dibble	Erickson Ropes

Fischbach	Kelash	Metzen	Pogemiller	Sheran
Fobbe	Koch	Michel	Prettner Solon	Sieben
Frederickson	Koering	Moua	Rest	Skoe
Gerlach	Kubly	Murphy	Robling	Skogen
Gimse	Langseth	Olseen	Rosen	Stumpf
Hann	Latz	Olson, G.	Rummel	Tomassoni
Higgins	Limmer	Olson, M.	Saltzman	Torres Ray
Ingebrigtsen	Lourey	Ortman	Saxhaug	Vandever
Johnson	Lynch	Pappas	Scheid	Vickerman
Jungbauer	Marty	Pariseau	Senjem	Wiger

Those who voted in the negative were:

Foley Sparks

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 657 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 657

A bill for an act relating to energy; providing direction for the use of federal stimulus money for energy programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 216C.

May 15, 2009

The Honorable James P. Metzen
President of the Senate

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 657 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 657 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

DEFINITIONS; LEGISLATIVE NOTICE

Section 1. FEDERAL STIMULUS FUNDING.

Subdivision 1. **Definitions.** For the purposes of articles 1 to 6, the following terms have the meanings given them.

(a) "Act" means the American Recovery and Reinvestment Act of 2009, Public Law 111-5, unless the reference is to "this act," which refers to articles 1 to 7.

(b) "Commissioner" means the commissioner of commerce.

(c) "Stimulus funding" or "funding" means funding provided to the state under the act for:

(1) energy efficiency and conservation block grants authorized under subtitle E of title V of the federal Energy Independence and Security Act of 2007, United States Code, title 42, section 17151, et seq.;

(2) the Weatherization Assistance Program authorized under part A of title IV of the federal Energy Conservation and Production Act, United States Code, title 42, section 6861, et seq.; and

(3) the State Energy Program authorized under part D of title III of the federal Energy Policy and Conservation Act, United States Code, title 42, section 6321, et seq.

(d) "Windows" or "energy-efficient windows" means new or replacement windows that are Energy Star qualified under federal guidelines or for windows for nonresidential structures it means windows of reasonably similar energy performance to Energy Star windows.

Subd. 2. **Stimulus funding allocation.** To the extent consistent with the act and other federal law and regulations, stimulus funding must be allocated and expended as provided under this act.

Subd. 3. **Administrative costs.** The commissioner may spend no more than five percent of the funds expended on programs under articles 2 to 4 for administrative costs of the programs.

Subd. 4. **Contractors; bidding.** Contracts funded in whole or in part under articles 2 to 4 must, to the extent practicable, ensure that bidding contractors are qualified and participate in available apprentice and training programs for all work performed. Bidding for contracts must, to the extent practicable, use the process established in Minnesota Statutes, section 16C.16, subdivisions 4, 5, 6, and 7, except that subdivision 12 does not apply.

Sec. 2. **LEGISLATIVE NOTICE.**

The commissioner shall notify the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over energy policy and finance when releasing a request for proposals or awarding a grant greater than \$25,000 for a grant program authorized under articles 2 to 4.

ARTICLE 2

ENERGY EFFICIENCY

Section 1. **WEATHERIZATION.**

Subdivision 1. **Priority.** Priority must be given to serving the largest number of new weatherization clients consistent with federal eligibility requirements.

Subd. 2. **Rental units.** The commissioner shall attempt to increase the number of low-income rental units weatherized.

Subd. 3. **Shelters.** A shelter, as defined in Code of Federal Regulations, title 10, section 440.3, is eligible to receive weatherization assistance under this section.

Subd. 4. **Income eligibility.** Income eligibility limits for participants in the weatherization

assistance program shall be the highest level allowed under federal law. The commissioner shall in a timely manner take all actions necessary to implement this requirement.

Subd. 5. **Solar heat.** An individual who receives assistance to provide solar heat through the Renewable Energy Equipment Program is eligible for weatherization assistance under this section, provided that the individual meets all other eligibility requirements for receiving weatherization assistance.

Subd. 6. **Federal waiver.** The commissioner shall apply for a waiver or otherwise seek authority from the United States Department of Energy to use funds under this section to weatherize abandoned and foreclosed residential properties acquired and rehabilitated with funds provided through the federal Neighborhood Stabilization Program.

Subd. 7. **Payments authorized.** Notwithstanding Minnesota Statutes, section 16A.15, subdivision 3, the commissioner may make payment to a weatherization service provider for allowable and eligible costs incurred for planning, capacity expansion, workforce mobilization, and training activities. Payment may be made for costs incurred on or after the effective date of an amendment to the weatherization service provider's contract that obligates the provider to comply with the requirements of the act.

Sec. 2. **RESIDENTIAL ENERGY EFFICIENCY PROGRAMS.**

The commissioner shall coordinate with the Minnesota Housing Finance Agency to use stimulus funds in conjunction with the Minnesota Housing Finance Agency's financing programs, including, but not limited to, loans, grants, and rebates, and additional programs the Minnesota Housing Finance Agency or other entities may develop to finance energy efficiency improvements in dwellings, including the purchase and installation of energy efficient windows. Financing programs for which there is market demand must be prioritized.

Sec. 3. **INNOVATIVE ENERGY RESIDENTIAL EFFICIENCY PROGRAM.**

Subdivision 1. **Program.** The commissioner shall make a grant to a city of the first class located in the service area of Minnesota Power for an innovative residential energy efficiency program that must coordinate its activities with the state energy program, local government unit, weatherization program, utility conservation improvement program, and private nonprofit funding sources. Stimulus funds must be matched \$1 for every \$4 of stimulus funds granted under this section and are available to the extent of the match. The program must include the following elements:

- (1) provision of basic residential energy conservation measures;
- (2) provision of more comprehensive residential energy conservation measures, including extensive retrofits and appliance upgrades;
- (3) a plan to establish a revolving loan fund so that the program is sustainable over time; and
- (4) innovative financing options allowing residents to finance energy efficiency improvements, at least in part, with energy savings.

Subd. 2. **Report.** By January 15, 2010, and October 30, 2010, the city must submit a report measuring and assessing the program's effectiveness and energy savings to the commissioner and the chairs and ranking minority members of the senate and house of representatives committees with

primary jurisdiction over energy policy and finance.

Sec. 4. SMALL CITY ENERGY EFFICIENCY GRANT.

Subdivision 1. **Program.** The commissioner shall make a grant for an innovative residential energy efficiency program in a small rural city with a population under 4,000 located in the service area of Minnesota Power that is currently working with that utility, the county housing and redevelopment authority, and other state and local housing organizations to enhance energy efficiency for residents and businesses. Stimulus funds must be matched \$1 for every \$4 of stimulus funds granted under this section and are available to the extent of the match. The program must include the following elements:

- (1) provision of basic residential energy conservation measures;
- (2) provision of more comprehensive residential energy conservation measures, including extensive retrofits and appliance upgrades;
- (3) a plan to establish a revolving loan fund so that the program is sustainable over time; and
- (4) innovative financing options allowing residents to finance energy efficiency improvements, at least in part, with energy savings.

Subd. 2. **Report.** By January 15, 2010, and October 30, 2010, the city must submit a report measuring and assessing the program's effectiveness and energy savings to the commissioner and the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over energy policy and finance.

Sec. 5. OUTREACH ACTIVITIES TO INCREASE RESIDENTIAL PARTICIPATION IN ENERGY EFFICIENCY ACTIVITIES.

In order to maximize the number of new households participating in programs delivering residential energy conservation services under this act, the commissioner shall use stimulus funds to award grants on a competitive basis by September 1, 2009, to one or more organizations that are experienced in conducting outreach activities to partner with nonprofit and community organizations. Outreach activities must include, without limitation, households in low-income areas, small cities, and rural communities, and must reach all regions of the state. The methods used to contact households may include, but are not limited to, direct contact with households, advertising in traditional and nontraditional media, distribution of literature, presence at community events, partnering with community organizations, and other innovative measures. The commissioner may contract to coordinate outreach efforts with a community-based organization with demonstrated regional or statewide capacity, including an organization established under Minnesota Statutes, section 216C.385.

Sec. 6. ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANTS TO LOCAL GOVERNMENTS.

The commissioner shall award grants to local units of government to enhance energy efficiency and reduce energy use. Energy efficiency and conservation block grant funds may be used for grants for activities including, but not limited to, planning, consultant services, energy audits, implementing energy-efficient building codes and inspection services, and energy efficiency renovations, including window replacement, street lighting, and the installation of renewable

energy devices used in public buildings. Grants may only be made to local units of government not receiving direct federal energy efficiency and conservation block grant stimulus funding.

Sec. 7. LOCAL GOVERNMENT AND SCHOOL DISTRICT RENOVATIONS.

(a) The commissioner shall award grants to local governments and school districts to make energy efficiency improvements in existing local government and school district facilities. The use of stimulus funds must be coordinated with the local public building enhanced energy efficiency program under Minnesota Statutes, section 216C.43, or other available financing programs.

(b) The commissioner shall prioritize lighting upgrades, energy-efficient windows, energy recommissioning, and other cost-effective energy projects that are ready for immediate implementation.

(c) The commissioner may require a local government or school district, as a condition of receiving a grant, to commit to implement future activities, including but not limited to staff training, that are designed to create additional energy or operating savings to the local government.

(d) The commissioner shall coordinate with the Department of Education to prioritize school district projects for funding under this section, consistent with the principles of statewide geographic distribution of projects, optimized energy savings, and an improved learning environment for schoolchildren.

Sec. 8. STATE GOVERNMENT BUILDING RENOVATIONS.

(a) The commissioner shall use stimulus funds to renovate state government buildings to enhance energy efficiency. The commissioner and the commissioner of administration shall select, fund, and implement state government building renovation projects using federal stimulus money. Priority must be given to lighting upgrades, window repair and replacement with energy-efficient windows, energy recommissioning, and other cost-effective energy projects that are ready for immediate implementation.

(b) In addition to other uses, funds may be used to advance public building enhanced energy efficiency program projects under Minnesota Statutes, section 16B.322, and for grants for a portion of costs incurred by state agencies in implementing energy efficiency improvements not part of that program.

(c) Funds may be used to develop a system and procedures to set energy-reduction goals for state buildings, to automate utility bill data and analysis, to develop a system for reporting monthly energy use relative to these state building energy-reduction goals, and to install individual metering devices for separate buildings.

(d) The Department of Administration may require a state agency, as a condition of receiving stimulus funds under this section, to commit to implement future energy-savings activities, including but not limited to staff training, that are designed to create additional energy or operating savings to the state agency.

(e) By January 15, 2011, and annually thereafter, the commissioner, in consultation with the commissioner of administration, must issue a report to the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over energy policy and finance on the activities and energy savings under this section.

Sec. 9. Minnesota Statutes 2008, section 16B.322, is amended by adding a subdivision to read:

Subd. 4a. **Financing agreement.** The commissioner of administration may, in connection with a financing agreement, covenant in a master lease-purchase agreement that the state will abide by the terms and provisions that are customary in net lease or lease-purchase transactions including, but not limited to, covenants providing that the state:

(1) will maintain insurance as required under the terms of the lease agreement;

(2) is responsible to the lessor for any public liability or property damage claims or costs related to the selection, use, or maintenance of the leased equipment, to the extent of insurance or self-insurance maintained by the lessee, and for costs and expenses incurred by the lessor as a result of any default by the lessee;

(3) authorizes the lessor to exercise the rights of a secured party with respect to the equipment subject to the lease in the event of default by the lessee and, in addition, for the present recovery of lease rentals due during the current term of the lease as liquidated damages.

Sec. 10. Minnesota Statutes 2008, section 16B.322, is amended by adding a subdivision to read:

Subd. 4b. **Master lease-purchase agreements not debt.** A tax-exempt lease-purchase agreement related to a financing agreement does not constitute or create a general or moral obligation or indebtedness of the state in excess of the money from time to time appropriated or otherwise available for the payment of rent coming due under the lease, and the state has no continuing obligation to appropriate money for the payment of rent or other obligations under the lease. Rent due under a master lease-purchase agreement during a current lease term for which money has been appropriated is a current expense of the state.

Sec. 11. Minnesota Statutes 2008, section 16B.322, is amended by adding a subdivision to read:

Subd. 4c. **Budget offset.** The commissioner of finance shall reduce the operating budgets of state agencies that use the master lease-purchase program under a financial agreement. The amount of the reduction is the amount sufficient to make the actual master lease payments.

Sec. 12. **ENERGY TECHNOLOGY TRANSFER CENTER.**

The commissioner shall award a grant to a nonprofit organization with extensive experience in the delivery of energy-efficient programs and technical analysis to develop an energy technology transfer center in this state.

Sec. 13. **NATIONAL ENERGY EFFICIENCY CENTER.**

(a) The commissioner shall develop a plan for a national energy efficiency center in this state to test energy efficiency equipment and systems to measure actual energy savings performance, to provide an ongoing assessment of energy efficiency best practices, and to coordinate with appropriate public and private entities to disseminate information and provide training on technology developments and best practices. In developing a plan, the commissioner shall collaborate with stakeholders, including but not limited to, the Center for Energy and the Environment, the Minnesota Center for Engineering and Manufacturing Excellence, and the Minnesota Technical Assistance Program at the University of Minnesota.

(b) The commissioner shall apply for a grant to create a national energy efficiency center in

Minnesota if the federal Department of Energy or other entity makes funding available for that purpose.

ARTICLE 3

RENEWABLE ENERGY

Section 1. DEFINITIONS.

For the purposes of articles 3 and 4:

(1) "renewable energy" or "renewable energy system" means an energy technology that generates electricity or thermal energy from the following sources:

(i) solar;

(ii) wind;

(iii) hydroelectric with a capacity of less than 100 megawatts;

(iv) hydrothermal;

(v) hydrogen, provided that after January 1, 2010, the hydrogen must be generated from the resources listed in this item;

(vi) biomass, which includes, without limitation, landfill gas; rotating woody crops; crop residues; an anaerobic digester system; biomass gasification; the predominantly organic components of wastewater effluent, sludge, or related by-products from publicly owned treatment works, but not including incineration of (A) wastewater sludge or related by-products from publicly owned treatment works; (B) mixed municipal solid waste; or (C) refuse-derived fuel from mixed municipal solid waste;

(vii) a district energy system fueled primarily by biomass;

(2) "solar energy" has the meaning given to "qualifying solar energy project" in section 216B.2411, subdivision 2, paragraph (d);

(3) "solar electric" has the meaning given to "qualifying solar electric project" in section 216B.2411, subdivision 2, paragraph (f), except that the 100-kilowatt peak generating capacity limit does not apply; and

(4) "solar thermal" has the meaning given to "qualifying solar thermal project" in section 216B.2411, subdivision 2, paragraph (e).

Sec. 2. RENEWABLE ELECTRIC GENERATION AND GEOTHERMAL FACILITY REBATES.

(a) The commissioner shall award rebates to qualifying facilities that generate electricity from renewable energy or provide heating and cooling from a geothermal system and that:

(1) begin operation after July 1, 2009; and

(2) provide electricity or heating and cooling to:

(i) a homeowner's primary residence; or

(ii) a business with 20 or fewer full-time employees.

(b) The owner of a qualifying facility may apply to the commissioner for a rebate of the lesser of \$10,000 for homeowners or \$25,000 for businesses or 35 percent of the cost of the qualifying facility, including installation costs.

(c) The commissioner shall award rebates only from funds appropriated for that purpose and to the extent of those appropriations. Rebates must be made to eligible applicants in the order of the time of receipt of a complete application.

(d) For purposes of this section, "qualifying facility" means an electric generation facility with a capacity of less than 40 kilowatts that generates electricity from a renewable energy source or a geothermal system that provides heating and cooling.

Sec. 3. SOLAR REBATE PROGRAM.

The commissioner shall award rebates to homeowners and businesses that install solar energy projects.

Sec. 4. SOLAR CITIES PROGRAM.

The commissioner shall award grants to local units of government for the installation of large and small-scale solar electric or thermal projects, including innovative energy storage technology, in a geographically-concentrated area. The project must leverage funds from the federal Department of Energy to demonstrate the impacts of these projects on the electric grid, and the costs and benefits to ratepayers. The commissioner may develop matching requirements for these solar projects in order to maximize job creation and renewable energy development.

Sec. 5. SCHOOL DISTRICT AND LOCAL GOVERNMENT RENEWABLE ENERGY GRANT PROGRAM.

Subdivision 1. Definitions. (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Local government" means a public school district, home rule charter or statutory city, county, regional government, park district, port authority, or town.

Subd. 2. Program established. The commissioner shall award grants to units of local government to finance the purchase and installation of a renewable energy system or a geothermal heating and cooling system under this section.

Subd. 3. Grant proposals. The commissioner shall publish in the State Register a request for proposals from local governments for a grant under this section. Within 60 days after the deadline for receipt of proposals, the commissioner shall select grant proposals based on the following criteria:

(1) the reliability and cost-effectiveness of the renewable technology to be installed under the proposal, including integration of energy storage;

(2) the extent to which the proposal effectively integrates with the conservation and energy efficiency programs of the energy utilities serving the local government or school district;

(3) the extent to which the local government or school district has maximized other cost-effective energy efficiency and conservation improvements;

(4) the total life-cycle energy use and greenhouse gas emissions reductions per dollar of installed cost;

(5) the geographic distribution of grant recipients throughout the state;

(6) the percentage of total project cost requested;

(7) the extent to which the proposal uses parts manufactured or produced in the state in the assembly of a final product; and

(8) other criteria the commissioner may determine to be necessary and appropriate.

Subd. 4. **Educational programming.** A school district must integrate information about the renewable energy system for which a grant is received under this section in its educational programming.

Subd. 5. **Grant terms.** The maximum grant to a local government under this section may not exceed:

(1) for solar electric projects greater than or equal to 100 kilowatts rated capacity, the lesser of 40 percent of total project cost or \$200,000;

(2) for solar electric projects less than 100 kilowatts rated capacity, the lesser of 40 percent of total project cost or \$100,000;

(3) for wind projects greater than or equal to 40 kilowatts rated capacity, the lesser of 35 percent of total project cost or \$150,000;

(4) for wind projects less than 40 kilowatts rated capacity, the lesser of 35 percent of total project cost or \$25,000;

(5) for geothermal energy projects, the lesser of 35 percent of total project cost or \$100,000;

(6) for solar thermal projects, the lesser of 50 percent of total project cost or \$75,000; or

(7) for combined heat and power projects and district energy projects, the lesser of 35 percent of total project cost or \$200,000.

Sec. 6. **EMERGING RENEWABLE ENERGY INDUSTRIES GRANT PROGRAM.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Eligible business" means an organization that is engaged in or will engage in the manufacture of renewable energy systems, energy storage systems, or geothermal energy systems for heating and cooling, or components for renewable energy systems, energy storage systems, or geothermal energy systems for heating and cooling.

Subd. 2. **Program established.** The commissioner shall use stimulus funds under this section to award grants to an eligible business.

Subd. 3. **Grant purpose.** The commissioner may make grants to eligible businesses to assist in the development of renewable energy systems, energy storage systems, geothermal energy systems for heating and cooling, and businesses that manufacture components for these types of energy systems in this state.

Subd. 4. **Applications.** An applicant shall prepare and submit to the commissioner a written proposal detailing how the applicant will meet the purpose of the grant program and will meet the criteria listed in subdivision 5. An applicant must submit information that demonstrates the financial viability of the eligible business.

Subd. 5. **Selection criteria.** When awarding grants, the commissioner shall consider whether the applicant's proposal will:

(1) help establish Minnesota as a center for the manufacturing of renewable energy, energy storage, or geothermal system parts and systems;

(2) leverage both private funds and other public funds, including federal programs;

(3) develop renewable energy, energy storage, or geothermal technology supplier activity in this state;

(4) increase manufacturing that promotes or advances the green economy, as defined in section 116J.437, subdivision 1; and

(5) create jobs that will contribute to the green economy as defined in section 116J.437, subdivision 1, including jobs in rural areas and areas with high unemployment.

Sec. 7. **CONVERSION OF FORMER SCHOOL TO RENEWABLE ENERGY BUSINESS CENTER.**

The commissioner shall award a grant to the city of Kennedy to convert a former school building to use wind, solar, and geothermal energy and to house a renewable energy business center.

Sec. 8. **SOLAR ELECTRIC INSTALLATIONS.**

A contract, grant, loan, or other financial assistance for solar electric installations must to the extent practicable:

(1) require payment at the prevailing wage rate as defined in Minnesota Statutes, section 177.42;

(2) require that the installation of all listed electrical equipment is performed by licensed contractors;

(3) be awarded to the best value bidder as defined in Minnesota Statutes, chapter 16C; and

(4) require that the bid performance criteria must include, but are not limited to:

(i) the vendor's or contractor's primary place of business be located within the state;

(ii) a description of the vendor's or contractor's experience installing solar systems and the quality of those installations; and

(iii) the possession by the vendor's or contractor's key personnel of an installer's certification from a nationally recognized solar certification body.

ARTICLE 4**COMMERCIAL AND INDUSTRIAL SECTOR ENERGY PROJECTS****Section 1. GRANTS TO COMMERCIAL AND INDUSTRIAL FACILITIES.**

(a) The commissioner shall award a grant to a port authority located in the electric service area of the electric utility with the largest number of commercial and industrial customers in this state for a program to provide for the design, financing, and installation of energy efficiency improvements and renewable energy systems in commercial facilities, industrial facilities, and facilities owned by a nonprofit organized under section 501(c)(3) of the Internal Revenue Code. Program financing must include a revolving loan fund component.

(b) Grant recipients may enter into agreements necessary to develop and implement a program under this section. A grant recipient may use up to two percent of the grant award for administrative costs of the energy project.

(c) A utility participating in projects receiving a grant under this section is entitled to claim the project's energy savings toward its energy savings goal under Minnesota Statutes, section 216B.241, subdivision 1c.

Sec. 2. ENERGY PROGRAMS IN COMMERCIAL AND INDUSTRIAL BUILDINGS.

(a) The commissioner shall award grants to economic development authorities or to owners of commercial and industrial facilities and facilities owned by a nonprofit organized under section 501(c)(3) of the Internal Revenue Code for the purpose of:

(1) installing energy efficiency improvements;

(2) installing devices that use renewable energy sources to generate electricity or to heat or cool a building; or

(3) a geothermal system for heating and cooling.

(b) To be eligible to receive a grant, a project funded under this section must begin operation after July 1, 2009.

(c) The commissioner shall provide forms for grant applications.

(d) The commissioner shall make a grant to a county economic development authority for development of a biomass energy facility, which has completed an economic and technical feasibility study, including a market potential and cellulosic feedstock analysis. The county in which the facility will be located must include an investor-owned utility, municipal utility, and cooperative electric association, and it must have adopted an essential services and transmission services ordinance as of May 15, 2009.

(e) Grants may also be made to improve the energy efficiency of facilities to displace fossil fuel energy inputs with energy derived from renewable resources via anaerobic digestion, biomass gasification, or other technologies, for combined heat and power or district energy system projects; or for projects using hydrothermal or geothermal energy in an integrated system for cooling, heating, and generating electricity. Grants may not be made under this paragraph for projects involving the combustion of mixed municipal solid waste or refuse-derived fuel from mixed municipal solid

waste.

(f) The maximum grant award under this section is \$500,000.

(g) When awarding grants under this section the commissioner shall consider:

(1) job retention and creation;

(2) improved energy efficiency and increased renewable energy production capacity;

(3) coordination with and leveraging of other resources to increase the total benefits derived from stimulus funding;

(4) timely implementation of funded activities;

(5) long-term sustainability of benefits derived from stimulus funds;

(6) geographic distribution across the state;

(7) compliance with the disadvantaged business enterprise requirements in Minnesota Statutes, section 16C.16, subdivisions 4, 5, 6, and 7, except that subdivision 12 does not apply; and

(8) ensuring that projects are cost effective and maximize energy savings per dollar of stimulus funding expended.

ARTICLE 5

MISCELLANEOUS

Section 1. **TRAINING AND WORKFORCE DEVELOPMENT.**

Subdivision 1. **Training plan and procedures.** (a) The commissioner, in conjunction with the Department of Employment and Economic Development, the Office of Higher Education, and Minnesota State Colleges and Universities shall develop and implement a plan and procedures to:

(1) train energy professionals needed to implement the energy programs described in articles 2 to 4, including but not limited to energy auditors, energy managers, and building operators;

(2) coordinate, oversee, and monitor the training and certification of energy professionals;

(3) allocate stimulus funding for the purposes of clauses (1) and (2) and to training providers; and

(4) provide energy code compliance and enforcement training necessary to comply with section 410 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5.

(b) Training strategies must be designed to meet the wide range of facilities managers and building sizes and types, and must protect the occupational health and safety of workers employed on these energy projects. Technical skills training must include insulation, air sealing, and mechanical work. Training may include an on-the-job component where the trainee travels to job sites with trained crews.

(c) The plan must include procedures to:

(1) train individuals already employed in implementing energy programs;

(2) recruit individuals to be trained to perform work in energy projects using stimulus funding who are unemployed, especially targeting communities experiencing disproportionately high rates of unemployment, including, but not limited to, low-income, youth, rural, or tribal communities and individuals in construction trades and crafts;

(3) ensure that the full capacity of current training providers is utilized, including, but not limited to, opportunities industrialization centers, skilled trades labor unions, tribal colleges or nonprofits working in tribal communities, community action partnerships, utility companies, higher education institutions, and nonprofit organizations with demonstrated expertise in energy efficiency;

(4) publicize job and contract opportunities through cost-effective dissemination via traditional and nontraditional media outlets, including, but not limited to, public service announcements and radio advertisements; and

(5) disseminate information about contract and employment opportunities generated by the programs. Particular effort must be made to publicize employment, job training, home energy auditing, weatherization, outreach, and other opportunities to community organizations, nongovernmental organizations, and media outlets that target disadvantaged groups, including, but not limited to, low-income, rural, tribal communities, and communities of color.

Subd. 2. **Training access and affordability.** (a) Unless prohibited by federal law or rule, and notwithstanding any other training funds available or expended for energy programs, the commissioner shall ensure access to and affordability of training for low-income persons who otherwise would be unable to afford the training, by providing funding to:

(1) prepare low-income persons for residential weatherization jobs; and

(2) support job training opportunities for low-income persons in residential and commercial energy efficiency and renewable energy-related trades.

(b) Funds expended under this subdivision may not exceed the amount necessary to train persons for the total number of green jobs created. The Department of Commerce shall work with the Department of Employment and Economic Development to maximize receipt of federal stimulus funding available for training and workforce development through the Workforce Investment Act.

(c) Training funds for residential weatherization jobs must be provided to weatherization service providers to partner with apprenticeship or similar on-the-job training programs and existing training providers, including, but not limited to, state colleges, opportunities industrialization centers, skilled trades labor unions, and nonprofit organizations with historic expertise in energy efficiency.

(d) Training funds to support residential and commercial energy efficiency and renewable energy-related trades must be distributed through a competitive application process.

(e) The expenditure of funds under this subdivision must be consistent with performance goals, timeframes, and all other requirements under federal and state law governing the expenditure of federal stimulus money.

Sec. 2. **ACCOUNTABILITY AND TRANSPARENCY REPORTING.**

The commissioner, after compiling information supplied by the commissioners of

administration, education, and employment and economic development, and the Office of Higher Education, shall report on the progress of the programs funded by this act to the house of representatives and senate committees with jurisdiction over energy finance and workforce development policy by September 1, 2009, January 15, 2010, April 1, 2010, and September 1, 2010. The report must include a complete accounting of all federal stimulus money spent on the programs funded to the extent allowable by federal law, including, but not limited to:

(1) the specific projects funded, including the building owner and project manager, and, for nonresidential projects only, the project location;

(2) for weatherization projects, the number of units weatherized, including number of rental units weatherized, energy usage information, income data, and type, cost, and funding source of the weatherization measure installed;

(3) the number of jobs retained or created by each project, including data on hiring from communities experiencing disproportionately high rates of unemployment, including, but not limited to, low-income, rural, tribal communities, and communities of color;

(4) the total calculated and actual energy savings for each project;

(5) the remaining balances in each stimulus account;

(6) the nonstimulus money leveraged by stimulus money for each project;

(7) the training courses provided, including the location and provider of courses offered, the funding source for each training course, and the total number of trainees; and

(8) compliance with state prevailing wage, veterans, and disadvantaged business enterprise requirements.

The reports must be made available to the public on the Office of Energy Security Web site.

Sec. 3. COMPETITIVE ENERGY ACTIVITIES.

(a) The commissioner shall coordinate state and local government efforts to obtain competitive grants for energy-related purposes authorized by the American Recovery and Reinvestment Act of 2009. The commissioner shall consult with affected public or private entities, including utilities, to identify grant opportunities and develop timely grant applications to take advantage of those opportunities. The commissioner shall assess and publicize grant opportunities, assist state and local government entities to prepare grant applications, and provide other assistance the commissioner determines to be appropriate.

(b) The commissioner shall provide timely information on grant opportunities through the Minnesota Energy Information Center telephone hotline and Web site to assist the public and local units of government in accessing applications and information regarding competitive grants under this act.

ARTICLE 6

APPROPRIATIONS

Section 1. WEATHERIZATION ASSISTANCE PROGRAM APPROPRIATION.

Of the funds available to the state of Minnesota from the federal stimulus funding for the weatherization assistance program under the American Recovery and Reinvestment Act of 2009, Public Law 111-5, \$131,937,411 is appropriated to the commissioner of commerce. The funds must be administered consistent with the requirements in article 2, section 1. Of this amount, \$250,000 is for participation outreach activities in article 2, section 5; and \$1,000,000 is for training and workforce development consistent with article 5, section 1, subdivision 2.

Sec. 2. ENERGY EFFICIENCY AND CONSERVATION BLOCK PROGRAM APPROPRIATION.

Of the funds available to the state of Minnesota from the federal stimulus funding for the Energy Efficiency and Conservation Block Grant Program under the American Recovery and Reinvestment Act of 2009, Public Law 111-5, \$10,644,100 is appropriated to the commissioner of commerce. The appropriation must be distributed as follows:

- (1) \$6,386,460 is for energy efficiency grants to local government in article 2, section 6; and
- (2) \$4,257,640 is for energy efficiency grants to local government and school district buildings consistent with the requirements in article 2, section 7.

Sec. 3. STATE ENERGY PROGRAM APPROPRIATION.

Subdivision 1. **Appropriation.** Of the funds available to the state of Minnesota from the federal stimulus funding for the State Energy Program under the American Recovery and Reinvestment Act of 2009, Public Law 111-5, \$54,172,000 is appropriated to the commissioner of commerce. Of this amount:

- (1) \$8,750,000 is for energy efficiency projects in local government and school district buildings consistent with the requirements in article 2, section 7;
- (2) \$6,922,000 is for energy efficiency projects in state government buildings consistent with the requirements of article 2, section 8;
- (3) \$7,900,000 is for residential energy efficiency programs consistent with the requirements in article 2, section 2. Of this amount, \$250,000 is for participation outreach activities in article 2, section 5;
- (4) \$1,600,000 is for innovative energy residential efficiency programs consistent with the requirements in article 2, sections 3 and 4. Of this amount, \$1,500,000 is for a program for a large city, and \$100,000 is for a program for a small city;
- (5) \$1,000,000 is for training and workforce development consistent with article 5, section 1, subdivision 2;
- (6) \$1,500,000 is for training and workforce development consistent with article 5, section 1, subdivision 1;
- (7) \$5,000,000 is for renewable and geothermal rebates consistent with the requirements of article 3, sections 2 and 3. Of this amount, at least \$3,000,000 is for solar rebates in article 3, section 3;
- (8) \$3,000,000 is for a grant to local units of government for solar energy projects consistent

with the requirements of article 3, section 4;

(9) \$6,500,000 is for grants to install renewable energy in local government and school buildings consistent with the requirements of article 3, section 5;

(10) \$2,000,000 is for emerging renewable energy industries consistent with the requirements of article 3, section 6;

(11) \$5,000,000 is for a grant to a port authority for energy efficiency and renewable energy in commercial and industrial buildings consistent with article 4, section 1;

(12) \$4,500,000 is for commercial and industrial building energy grants for renewables and efficiency consistent with the requirements of article 4, section 2. Of this amount, \$150,000 is for a grant under article 4, section 2, paragraph (d); and

(13) \$500,000 is for the energy technology transfer center in article 2, section 12.

Subd. 2. **Reallocation process.** (a) The commissioner may reallocate funds under subdivision 1 if the United States Department of Energy does not approve a program for which funds are allocated or if the commissioner determines that:

(1) there is insufficient demand to effectively expend all funds allocated to a program;

(2) the funds as allocated are unlikely to result in achievement of the goals of the funding; or

(3) the funds as allocated are unlikely to attain results that exceed the minimum performance requirements established by the federal Department of Energy.

(b) Before reallocating funds, the commissioner shall:

(1) provide public notice of intent to reallocate funds;

(2) accept public comment on a proposed reallocation for no fewer than 15 business days; and

(3) submit a report on the proposed reallocation to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over energy policy and finance. The report must include the reason for reallocation, a summary of activities and expenditures to market and stimulate demand for the program whose funds are to be reallocated, the amount to be reallocated, the program to which funds will be reallocated, and the public comments submitted.

(c) The commissioner may reallocate funds 15 business days after submission of the report required under paragraph (b), clause (3).

ARTICLE 7

EFFECTIVE DATE

Section 1. **EFFECTIVE DATE.**

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to energy; providing direction for the use of federal stimulus money for energy programs; appropriating money; amending Minnesota Statutes 2008, section 16B.322, by adding subdivisions."

We request the adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Ellen Anderson, Yvonne Prettner Solon, Gary Kubly, Steve Dille, Sandy Rummel

House Conferees: (Signed) Jeremy Kalin, Bill Hilty, Brita Sailer, Kathy Brynaert, Denny McNamara

Senator Anderson moved that the foregoing recommendations and Conference Committee Report on S.F. No. 657 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 657 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 56 and nays 10, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Gerlach	Ingebrigtsen	Jungbauer	Limmer	Pariseau
Hann	Johnson	Koch	Ortman	Vandever

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 489 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 489

A bill for an act relating to reverse mortgages; eliminating the requirement that a reverse mortgage becomes due when committed principal has been fully paid; mandating counseling by an independent housing agency; regulating lender default; imposing liability on a subsequent

purchaser of a reverse mortgage; providing for a right of rescission; defining suitability; amending Minnesota Statutes 2008, section 47.58, subdivisions 1, 3, 8, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 58; 60A; 60K.

May 15, 2009

The Honorable James P. Metzen
President of the Senate

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 489 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 489 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 47.58, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(a) "Reverse mortgage loan" means a loan:

(1) Made to a borrower wherein the committed principal amount is paid to the borrower in equal or unequal installments over a period of months or years, interest is assessed, and authorized closing costs are incurred as specified in the loan agreement;

(2) Which is secured by a mortgage on residential property owned solely by the borrower; and

(3) Which is due ~~when the committed principal amount has been fully paid to the borrower, or~~ upon sale of the property securing the loan, or upon the death of the last surviving borrower, or upon the borrower terminating use of the property as principal residence so as to disqualify the property from the homestead credit given in chapter 290A.

(b) "Lender" means any bank subject to chapter 48, credit union subject to chapter 52, savings bank organized and operated pursuant to chapter 50, savings association subject to chapter 51A, or any insurance company as defined in section 60A.02, subdivision 4. "Lender" also includes any federally chartered bank supervised by the comptroller of the currency or federally chartered savings association supervised by the Federal Home Loan Bank Board or federally chartered credit union supervised by the National Credit Union Administration, to the extent permitted by federal law.

(c) "Borrower" includes any natural person holding an interest in severalty or as joint tenant or tenant-in-common in the property securing a reverse mortgage loan.

(d) "Outstanding loan balance" means the current net amount of money owed by the borrower to the lender whether or not that sum is suspended pursuant to the terms of the reverse mortgage loan agreement or is immediately due and payable. The outstanding loan balance is calculated by adding the current totals of the items described in clauses (1) to (5) and subtracting the current totals of the item described in clause (6):

(1) The sum of all payments made by the lender which are necessary to clear the property securing the loan of any outstanding mortgage encumbrance or mechanics or material supplier's lien.

(2) The total disbursements made by the lender to date pursuant to the loan agreement as formulated in accordance with subdivision 3.

(3) All taxes, assessments, insurance premiums and other similar charges paid to date by the lender pursuant to subdivision 6, which charges were not reimbursed by the borrower within 60 days.

(4) All actual closing costs which the borrower has deferred, if a deferral provision is contained in the loan agreement as authorized by subdivision 7.

(5) The total accrued interest to date, as authorized by subdivision 5.

(6) All payments made by the borrower pursuant to subdivision 4.

(e) "Actual closing costs" mean reasonable charges or sums ordinarily paid at the time of closing for the following, whether or not retained by the lender:

(1) Any insurance premiums on policies covering the mortgaged property including but not limited to premiums for title insurance, fire and extended coverage insurance, flood insurance, and private mortgage insurance.

(2) Abstracting, title examination and search, and examination of public records related to the mortgaged property.

(3) The preparation and recording of any or all documents required by law or custom for closing a reverse mortgage loan agreement.

(4) Appraisal and survey of real property securing a reverse mortgage loan.

(5) A single service charge, which service charge shall include any consideration, not otherwise specified in this section as an "actual closing cost," paid by the borrower to the lender for or in relation to the acquisition, making, refinancing or modification of a reverse mortgage loan, and shall also include any consideration received by the lender for making a commitment for a reverse mortgage loan, whether or not an actual loan follows the commitment. The service charge shall not exceed one percent of the bona fide committed principal amount of the reverse mortgage loan.

(6) Charges and fees necessary for or related to the transfer of real property securing a reverse mortgage loan or the closing of a reverse mortgage loan agreement paid by the borrower and received by any party other than the lender.

Sec. 2. Minnesota Statutes 2008, section 47.58, subdivision 3, is amended to read:

Subd. 3. **Payment; repayment; amount.** The committed principal amount of a reverse mortgage loan shall be paid to the borrower over the period of months or years as specified in the loan agreement. The borrower and lender may, by written agreement, amend the loan agreement from time to time. Pursuant to the terms of the contract the borrower shall make repayment to the lender:-

~~(a) upon payment to the borrower of the final installment unless, by written agreement between the borrower and lender whereunder the borrower agrees to periodically pay the lender interest accruing on the outstanding loan balance, repayment of the outstanding loan balance is postponed until default in payment of interest or until the occurrence of any of the events specified in clauses (b) (1) to (e) (4);~~

~~(b) (1) upon sale of the property securing the loan;~~

~~(c) (2) upon the death of the last surviving borrower;~~

~~(d) (3) upon the borrower terminating use of the property as principal residence so as to disqualify the property from homestead classification under section 273.13; or~~

~~(e) (4) upon renegotiation of the terms of the reverse mortgage loan agreement, unless the parties agree in writing to postpone repayment.~~

Except as otherwise provided in this subdivision, the outstanding loan balance as projected by the lender to the anticipated time of payment to the borrower of the final installment of committed principal shall not exceed 80 percent of the appraised value of the property at inception of the loan. If upon reappraisal of the property made at any time during the term of the loan, the projected outstanding loan balance does not exceed 70 percent of the reappraised value of the property, the schedule of the lender's installment payments may be extended and the amount of the committed principal amount increased, provided the revised outstanding loan balance at payment of the lender's final installment of committed principal does not exceed 80 percent of the reappraised value of the property.

Sec. 3. Minnesota Statutes 2008, section 47.58, subdivision 8, is amended to read:

Subd. 8. **Counseling; requirement; penalty.** ~~A lender, mortgage banking company, or other mortgage lender not related to the mortgagor must keep a certificate on file documenting that the borrower, prior to entering into the reverse mortgage loan, received counseling as defined in this subdivision from an organization that meets the requirements of section 462A.209 and is a Prior to accepting a final and complete application for a reverse mortgage loan or assessing any fees, a lender must:~~

(1) refer the prospective borrower to an independent housing counseling agency approved by the United States Department of Housing and Urban Development. The certificate must for reverse mortgage counseling. The lender shall provide the prospective borrower with a list of at least three independent housing counseling agencies approved by the United States Department of Housing and Urban Development. The lender shall positively promote the benefits of reverse mortgage counseling to the potential borrower; and

(2) receive a certification from the applicant or the applicant's authorized representative that the applicant has received counseling as defined in this subdivision from an independent counseling agency as described in clause (1). The certification must be signed by the mortgagor applicant and the counselor from the independent agency and must include the date of the counseling, and the name, address, and telephone number of both the mortgagor and the organization providing counseling-counselor from the independent agency and the applicant. The lender shall maintain the certification in an accurate, reproducible, and accessible format for the term of the reverse mortgage. A failure by the lender to comply with this subdivision results in a \$1,000 civil penalty payable to the mortgagor

borrower. For the purposes of this subdivision, "counseling" means that during a session, which must be no less than 60 minutes, the following services are provided to the borrower:

- ~~(1) (i) a review of the advantages and disadvantages of reverse mortgage programs;~~
- ~~(2) an explanation of how the reverse mortgage affects the borrower's estate and public benefits;~~
- ~~(3) an explanation of the lending process;~~
- ~~(4) a discussion of the borrower's supplemental income needs; and~~
- ~~(5) an opportunity to ask questions of the counselor.~~

(ii) a discussion of the borrower's finances, assets, liabilities, expenses, and income needs and a review of options other than a reverse mortgage loan that are available to the borrower, including other housing, social services, health, and financial options;

(iii) a review of other home equity conversion or other loan options that are or may become available to the borrower;

(iv) an explanation of the financial implication of entering into a reverse mortgage loan, including the costs of the loan;

(v) an explanation that a reverse mortgage loan may have tax consequences, affect eligibility for assistance under federal and state programs, and have an impact on the estate and heirs of the borrower;

(vi) an explanation of the lending process; and

(vii) an opportunity for the borrower to ask questions of the counselor.

Sec. 4. Minnesota Statutes 2008, section 47.58, is amended by adding a subdivision to read:

Subd. 9. **Lender default; forfeiture.** A lender who fails to make loan advances as required in the loan documents, and fails to cure an actual default after notice as specified in the loan documents, shall forfeit any right to repayment of the outstanding loan balance with respect to a mortgage that is not federally insured. Any mortgage that is not federally insured securing a reverse mortgage agreement in which a forfeiture has occurred pursuant to this subdivision may be declared null and void by a court of competent jurisdiction.

Sec. 5. Minnesota Statutes 2008, section 47.58, is amended by adding a subdivision to read:

Subd. 10. **Right of rescission.** (a) The borrower may rescind any reverse mortgage within ten days of execution by providing written notice to the lender. The effects of a rescission shall be the same as provided in Code of Federal Regulations, Regulation Z, title 12, section 226.23. Any mortgage originated in connection with a reverse mortgage loan is null and void upon rescission. Within ten days of receipt of the written notice of rescission, the lender shall provide the borrower a written notice of acknowledgment that the mortgage is null and void and a satisfaction of mortgage.

(b) The lender shall provide the borrower with the following notice, which must be on a separate piece of paper and in at least ten-point type, between 24 to 72 hours prior to execution of the reverse mortgage:

"You are entitled to rescind (cancel) this reverse mortgage transaction for any reason within ten days from the day you execute the reverse mortgage documents. The rescission must be in writing and sent by certified mail to the lender at the address stated in this document."

(c) Notice of rescission is effective when the borrower deposits a certified letter properly addressed and postage prepaid in the mailbox.

(d) A notice of rescission given by the borrower need not take a particular form and is sufficient if it indicates by any form of written expression the intention of the borrower not to be bound by the reverse mortgage transaction.

(e) No act of the borrower is effective to waive the right to rescind as provided in this section.

Sec. 6. Minnesota Statutes 2008, section 47.58, is amended by adding a subdivision to read:

Subd. 11. **Suitability.** Prior to referring a prospective borrower for counseling under subdivision 8, a lender must have reasonable grounds for believing that a reverse mortgage loan is suitable for the borrower and must make reasonable inquiries to determine suitability. Suitability for a reverse mortgage loan will be determined by reference to the totality of the particular borrower's circumstances, including, but not limited to, the borrower's income, age, assets, the costs and benefits of a reverse mortgage loan, and other financial options available to the borrower.

Sec. 7. **[58.19] REVERSE MORTGAGE LOANS COORDINATION WITH CHAPTER 47.**

No person acting as a residential mortgage originator or servicer, including a person required to be licensed under this chapter, and no person exempt from the licensing requirements of this chapter under section 58.04, shall make, provide, or arrange for a reverse mortgage as defined in chapter 47 without complying with that chapter and verifying that the reverse mortgage is suitable for the borrower.

Sec. 8. **[60K.57] CROSS-SELLING LIMITATIONS ON REVERSE MORTGAGE PROCEEDS.**

(a) No producer shall sell or encourage the purchase of an annuity, life insurance, or long-term care insurance product where the producer knows or should know that the purchase will be made using proceeds from a reverse mortgage.

(b) This section shall not apply with respect to the purchase of an annuity, life insurance, or long-term care insurance product made more than 18 months after the date the reverse mortgage loan was made."

Delete the title and insert:

"A bill for an act relating to reverse mortgages; eliminating the requirement that a reverse mortgage becomes due when committed principal has been fully paid; mandating counseling by an independent housing agency; regulating lender default; providing for a right of rescission; defining suitability; amending Minnesota Statutes 2008, section 47.58, subdivisions 1, 3, 8, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 58; 60K."

We request the adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Tarryl Clark, Lisa Fobbe, Ray Vandever

House Conferees: (Signed) Jim Davnie, Al Doty, Paul Kohls

Senator Clark moved that the foregoing recommendations and Conference Committee Report on S.F. No. 489 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 489 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 65 and nays 2, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Jungbauer Limmer

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 12, Senator Lourey moved that the following members be excused for a Conference Committee on H.F. No. 1760 at 4:10 p.m.:

Senators Lourey, Marty, Higgins, Prettner Solon and Fischbach. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 12, Senator Kelash moved that the following members be excused for a Conference Committee on S.F. No. 722 at 4:20 p.m.:

Senators Kelash, Moua and Ingebrigtsen. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate

reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 523 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 523 is herewith transmitted to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted May 15, 2009

CONFERENCE COMMITTEE REPORT ON H. F. NO. 523

A bill for an act relating to education; modifying school background check requirements relating to disciplinary actions; amending Minnesota Statutes 2008, section 123B.03, subdivision 1a.

May 14, 2009

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

We, the undersigned conferees for H. F. No. 523 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 523 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 123B.03, subdivision 1a, is amended to read:

Subd. 1a. **Investigation of disciplinary actions taken against prospective teachers.** (a) At the time a school board or other hiring authority conducts the criminal history background check required under subdivision 1 on an individual offered employment as a teacher, the school board or other hiring authority must contact the Board of Teaching to determine whether the board has taken disciplinary action against the teacher ~~based on a board determination that sexual misconduct or attempted sexual misconduct occurred between the teacher and a student. If disciplinary action has been taken based on this type of misconduct.~~ The school board or other hiring authority must obtain access to data that are public under section 13.41, subdivision 5, from the Board of Teaching that relate to the substance of the disciplinary action. In addition, the school board or other hiring authority must require the individual to provide information in the employment application regarding all current and previous disciplinary actions in Minnesota and other states

taken against the individual's teaching license as a result of sexual misconduct or attempted sexual misconduct with a student and indicate to the applicant that intentionally submitting false or incomplete information is a ground for dismissal.

(b) For purposes of this subdivision, "disciplinary action" does not include an action based on court-ordered child support or maintenance payment arrearages under section 214.101 or delinquent state taxes under section 270C.72.

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

We request the adoption of this report and repassage of the bill.

House Conferees: (Signed) Karla Bigham, Sandra Peterson, Bob Dettmer

Senate Conferees: (Signed) Kathy Saltzman, Linda Scheid, Gen Olson

Senator Saltzman moved that the foregoing recommendations and Conference Committee Report on H.F. No. 523 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 523 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

RECESS

Senator Pogemiller moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Senator Pogemiller from the Subcommittee on Conference Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 417: Senators Bakk, Vandevveer and Scheid.

Senator Pogemiller moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 26, Senator Pogemiller, Chair of the Committee on Rules and Administration, designated S.F. No. 191 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 191: A bill for an act relating to retirement; various retirement plans; making various statutory changes needed to accommodate the dissolution of the Minnesota Post Retirement Investment Fund; redefining the value of pension plan assets for actuarial reporting purposes; revising various disability benefit provisions of the general state employees retirement plan, the correctional state employees retirement plan, and the State Patrol retirement plan; making various administrative provision changes; establishing a voluntary statewide lump-sum volunteer firefighter retirement plan administered by the Public Employees Retirement Association; revising various volunteer firefighters' relief association provisions; correcting 2008 drafting errors related to the Minneapolis Employees Retirement Fund and other drafting errors; granting special retirement benefit authority in certain cases; revising the special transportation pilots retirement plan of the Minnesota State Retirement System; expanding the membership of the state correctional employees retirement plan; extending the amortization target date for the Fairmont Police Relief Association; modifying the number of board of trustees members of the Minneapolis Firefighters Relief Association; increasing state education aid to offset teacher retirement plan employer contribution increases; increasing teacher retirement plan member and employer contributions; revising the normal retirement age and providing prospective benefit accrual rate increases for teacher retirement plans; permitting the Brimson Volunteer Firefighters' Relief Association to implement a different board of trustees composition; permitting employees of the Minneapolis Firefighters Relief Association and the Minneapolis Police Relief Association to become members of the general employee retirement plan of the Public Employees Retirement Association; creating a two-year demonstration postretirement adjustment mechanism for the St. Paul Teachers Retirement Fund Association; creating a temporary postretirement option program for employees covered by the general employee retirement plan of the Public Employees Retirement Association; setting a statute of limitations for erroneous receipts of the general employee retirement plan of the Public Employees Retirement Association; permitting the Minnesota State Colleges and Universities System board to create an early separation incentive program; permitting certain Minnesota State Colleges and Universities System faculty members to make a second chance retirement coverage election upon achieving tenure; including the Weiner Memorial Medical Center, Inc., in the Public Employees Retirement Association privatization law; extending the approval deadline date for the inclusion of the Clearwater County Hospital in the Public Employees Retirement Association privatization law; requiring a report; appropriating money; amending Minnesota Statutes 2008, sections 3A.02, subdivision 3, by adding a subdivision; 3A.03, by adding a subdivision; 3A.04, by adding a subdivision; 3A.115; 11A.08, subdivision 1; 11A.17, subdivisions 1, 2; 11A.23, subdivisions 1, 2; 43A.34, subdivision 4; 43A.346, subdivisions 2, 6; 69.011, subdivisions 1, 2, 4; 69.021, subdivisions 7, 9; 69.031, subdivisions 1, 5; 69.77, subdivision

4; 69.771, subdivision 3; 69.772, subdivisions 4, 6; 69.773, subdivision 6; 127A.50, subdivision 1; 299A.465, subdivision 1; 352.01, subdivision 2b, by adding subdivisions; 352.021, by adding a subdivision; 352.04, subdivisions 1, 12; 352.061; 352.113, subdivision 4, by adding a subdivision; 352.115, by adding a subdivision; 352.12, by adding a subdivision; 352.75, subdivisions 3, 4; 352.86, subdivisions 1, 1a, 2; 352.91, subdivision 3d; 352.911, subdivisions 3, 5; 352.93, by adding a subdivision; 352.931, by adding a subdivision; 352.95, subdivisions 1, 2, 3, 4, 5, by adding a subdivision; 352B.02, subdivisions 1, 1a, 1c, 1d; 352B.08, by adding a subdivision; 352B.10, subdivisions 1, 2, 5, by adding subdivisions; 352B.11, subdivision 2, by adding a subdivision; 352C.10; 352D.02, subdivisions 1, 3; 352D.06, subdivision 1; 352D.065, by adding a subdivision; 352D.075, by adding a subdivision; 353.01, subdivisions 2, 2a, 6, 11b, 16, 16b; 353.0161, subdivision 1; 353.03, subdivision 3a; 353.06; 353.27, subdivisions 1, 2, 3, 7, 7b; 353.29, by adding a subdivision; 353.31, subdivision 1b, by adding a subdivision; 353.33, subdivisions 1, 3b, 7, 11, 12, by adding subdivisions; 353.65, subdivisions 2, 3; 353.651, by adding a subdivision; 353.656, subdivision 5a, by adding a subdivision; 353.657, subdivision 3a, by adding a subdivision; 353.665, subdivision 3; 353A.02, subdivisions 14, 23; 353A.05, subdivisions 1, 2; 353A.08, subdivisions 1, 3, 6a; 353A.081, subdivision 2; 353A.09, subdivision 1; 353A.10, subdivisions 2, 3; 353E.01, subdivisions 3, 5; 353E.04, by adding a subdivision; 353E.06, by adding a subdivision; 353E.07, by adding a subdivision; 353F.02, subdivision 4; 354.05, subdivision 38, by adding a subdivision; 354.07, subdivision 4; 354.33, subdivision 5; 354.35, by adding a subdivision; 354.42, subdivisions 1a, 2, 3, by adding subdivisions; 354.44, subdivisions 4, 5, 6, by adding a subdivision; 354.46, by adding a subdivision; 354.47, subdivision 1; 354.48, subdivisions 4, 6, by adding a subdivision; 354.49, subdivision 2; 354.52, subdivisions 2a, 4b; 354.55, subdivisions 11, 13; 354.66, subdivision 6; 354.70, subdivisions 5, 6; 354A.011, subdivision 15a; 354A.096; 354A.12, subdivisions 1, 2a, by adding subdivisions; 354A.29, subdivision 3; 354A.31, subdivisions 4, 4a, 7; 354A.36, subdivision 6; 354B.21, subdivision 2; 356.20, subdivision 2; 356.215, subdivisions 1, 11; 356.219, subdivision 3; 356.315, by adding a subdivision; 356.32, subdivision 2; 356.351, subdivision 2; 356.401, subdivisions 2, 3; 356.465, subdivision 1, by adding a subdivision; 356.611, subdivisions 3, 4; 356.635, subdivisions 6, 7; 356.96, subdivisions 1, 5; 422A.06, subdivision 8; 422A.08, subdivision 5; 423C.03, subdivision 1; 424A.001, subdivisions 1, 1a, 2, 3, 4, 5, 6, 8, 9, 10, by adding subdivisions; 424A.01; 424A.02, subdivisions 1, 2, 3, 3a, 7, 8, 9, 9a, 9b, 10, 12, 13; 424A.021; 424A.03; 424A.04; 424A.05, subdivisions 1, 2, 3, 4; 424A.06; 424A.07; 424A.08; 424A.10, subdivisions 1, 2, 3, 4, 5; 424B.10, subdivision 2, by adding subdivisions; 424B.21; 471.61, subdivision 1; 490.123, subdivisions 1, 3; 490.124, by adding a subdivision; Laws 1989, chapter 319, article 11, section 13; Laws 2006, chapter 271, article 5, section 5, as amended; Laws 2008, chapter 349, article 14, section 13; proposing coding for new law in Minnesota Statutes, chapters 136F; 352B; 353; 354; 356; 420; 424A; 424B; proposing coding for new law as Minnesota Statutes, chapter 353G; repealing Minnesota Statutes 2008, sections 11A.041; 11A.18; 11A.181; 352.119, subdivisions 2, 3, 4; 352.86, subdivision 3; 352B.01, subdivisions 1, 2, 3, 3b, 4, 6, 7, 9, 10, 11; 352B.26, subdivisions 1, 3; 353.271; 353A.02, subdivision 20; 353A.09, subdivisions 2, 3; 354.05, subdivision 26; 354.06, subdivision 6; 354.55, subdivision 14; 354.63; 354A.29, subdivisions 2, 4, 5; 356.2165; 356.41; 356.431, subdivision 2; 422A.01, subdivision 13; 422A.06, subdivision 4; 422A.08, subdivision 5a; 424A.001, subdivision 7; 424A.02, subdivisions 4, 6, 8a, 8b, 9b; 424A.09; 424B.10, subdivision 1; 490.123, subdivisions 1c, 1e.

CALL OF THE SENATE

Senator Betzold imposed a call of the Senate for the balance of the proceedings on S.F. No. 191. The Sergeant at Arms was instructed to bring in the absent members.

Senator Betzold moved to amend S.F. No. 191 as follows:

Page 60, line 24, delete "clause (1)" and insert "clauses (1) and (15)"

Page 60, line 26, delete "clauses (2) to (18)" and insert "clauses (2) to (14) and (16) to (18)"

Page 63, line 9, delete "clause (1)" and insert "clauses (1) and (15)"

Page 102, lines 15 and 16, delete "2011" and insert "2012"

Page 102, lines 17 and 18, delete "2012" and insert "2013"

Page 102, line 19, delete "2013" and insert "2014"

Page 102, line 21, delete "2013" and insert "2014" and delete "2014" and insert "2015"

Page 102, line 23, delete "2014" and insert "2015"

The motion prevailed. So the amendment was adopted.

Senator Betzold moved to amend S.F. No. 191 as follows:

Pages 60 to 62, delete sections 5 and 6

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed. So the amendment was adopted.

Senator Robling moved to amend S.F. No. 191 as follows:

Page 100, delete article 6 and insert:

"ARTICLE 6

TEACHER RETIREMENT FUNDING CHANGES

Section 1. Minnesota Statutes 2008, section 354.42, subdivision 2, is amended to read:

Subd. 2. **Employee.** (a) The employee contribution to the fund is an amount equal to the following percentage of the salary of a member:

~~(1) after July 1, 2006, for a teacher employed by Special School District No. 1, Minneapolis, 5.5 percent if the teacher is a coordinated member, and 9.0 percent if the teacher is a basic member;~~

~~(2) for every other teacher, after July 1, 2006, 5.5 percent if the teacher is a coordinated member and 9.0 percent if the teacher is a basic member.~~

<u>Period</u>	<u>Coordinated Member</u>	<u>Basic Member</u>
<u>(1) before July 1, 2012</u>	<u>5.5 percent</u>	<u>9 percent</u>
<u>(2) after June 30, 2012, and before July 1, 2013</u>	<u>5.75 percent</u>	<u>9 percent</u>
<u>(3) after June 30, 2013, and before July 1, 2014</u>	<u>6.0 percent</u>	<u>9 percent</u>
<u>(4) unless paragraph (c) applies, after June 30, 2014, and before July 1, 2015</u>	<u>6.25 percent</u>	<u>9 percent</u>
<u>(5) unless paragraph (c) applies, after June 30, 2015, and before July 1, 2016</u>	<u>6.5 percent</u>	<u>9 percent</u>
<u>(6) unless paragraph (c) applies, after June 30, 2016, and before July 1, 2017</u>	<u>6.75 percent</u>	<u>9 percent</u>
<u>(7) unless paragraph (c) applies, after June 30, 2017, and before July 1, 2018</u>	<u>7.0 percent</u>	<u>9 percent</u>
<u>(8) unless paragraph (c) applies, after June 30, 2018, and before July 1, 2019</u>	<u>7.25 percent</u>	<u>9 percent</u>
<u>(9) unless paragraph (c) applies, after June 30, 2018</u>	<u>7.5 percent</u>	<u>9 percent</u>

(b) When an employee contribution rate changes for a fiscal year, the new contribution rate is effective for the entire salary paid for each employer unit with the first payroll cycle reported.

(c) After July 1, 2012, a scheduled contribution increase under paragraph (a) is suspended if the most recent actuarial valuation prepared under section 356.215 indicates that there is no contribution deficiency when the total employee contributions, employer contributions under subdivision 3, and direct state aid under section 354A.12 and chapter 422A are compared to the actuarial required contributions of the retirement plan.

~~(b)~~ (d) This contribution must be made by deduction from salary. Where any portion of a member's salary is paid from other than public funds, the member's employee contribution must be based on the entire salary received.

EFFECTIVE DATE. This section is effective July 1, 2011.

Sec. 2. Minnesota Statutes 2008, section 354.42, is amended by adding a subdivision to read:

Subd. 4b. **Determination.** (a) For purposes of this section, a contribution sufficiency exists if the total of the employee contributions, the employer contributions, and any additional employer contributions, if applicable, exceeds the total of the normal cost, the administrative expenses, and the amortization contribution of the retirement plan as reported in the most recent actuarial valuation of the retirement plan prepared by the actuary retained under section 356.214 and prepared under section 356.215 and the standards for actuarial work of the Legislative Commission on Pensions and Retirement.

(b) For purposes of this section, a contribution deficiency exists if the total employee contributions, the employer contributions, and any additional employer contributions are less than the total of the normal cost, the administrative expenses, and the amortization contribution of the retirement plan as reported in the most recent actuarial valuation of the retirement plan prepared by the actuary retained under section 356.214 and prepared under section 356.215 and the standards for actuarial work of the Legislative Commission on Pensions and Retirement.

EFFECTIVE DATE. This section is effective July 1, 2011.

Sec. 3. Minnesota Statutes 2008, section 354.42, is amended by adding a subdivision to read:

Subd. 4c. **Contribution rate revision.** Notwithstanding the contribution rate provisions stated in plan law, the employee and employer contribution rates must be adjusted:

(1) if after July 1, 2019, the regular actuarial valuations of the plan under section 356.215 indicate that there is a contribution sufficiency under subdivision 2 equal to or greater than 0.5 percent of covered payroll for two consecutive years, the employee and employer contribution rates for the plan must be decreased as determined under subdivision 4 to a level such that the sufficiency equals no more than 0.25 percent of covered payroll based on the most recent actuarial valuation; or

(2) if after July 1, 2019, the regular actuarial valuations of the plan under section 356.215 indicate that there is a deficiency equal to or greater than 0.5 percent of covered payroll for two consecutive years, the employee and employer contribution rates for the plan must be increased as determined under subdivision 4 to a level such that no deficiency exists based on the most recent actuarial valuation.

EFFECTIVE DATE. This section is effective July 1, 2011.

Sec. 4. Minnesota Statutes 2008, section 354.42, is amended by adding a subdivision to read:

Subd. 4d. **Reporting, commission review.** (a) The contribution rate increase or decrease must be determined by the executive director of the Teachers Retirement Association, must be reported to the chair and the executive director of the Legislative Commission on Pensions and Retirement on or before the next February 1, and, if the Legislative Commission on Pensions and Retirement does not recommend against the rate change or does not recommend a modification in the rate change, is effective on the next July 1 following the determination by the executive director that a contribution deficiency or sufficiency has existed for two consecutive fiscal years based on the most recent actuarial valuations under section 356.215. If the actuarially required contribution exceeds or is less than the total support provided by the combined employee and employer contribution rates for the applicable plan by more than 0.5 percent of covered payroll, the plan employee and employer contribution rates must be adjusted incrementally over one or more years to a level such that there

remains a contribution sufficiency of no more than 0.25 percent of covered payroll.

(b) No incremental adjustment may exceed 0.25 percent of payroll for either the employee or employer contribution rates per year in which any adjustment is implemented. A contribution rate adjustment under this section must not be made until at least two years have passed since fully implementing a previous adjustment under this section.

EFFECTIVE DATE. This section is effective July 1, 2011.

Sec. 5. Minnesota Statutes 2008, section 354A.12, subdivision 1, is amended to read:

Subdivision 1. **Employee contributions.** (a) The contribution required to be paid by each member of a teachers retirement fund association shall must not be less than the percentage of total salary specified below for the applicable association and program:

Association and Program	Percentage of Total Salary
Duluth Teachers Retirement Fund Association	
old law and new law	
coordinated programs	5.5 percent
<u>(1) before July 1, 2012</u>	<u>5.5 percent</u>
<u>(2) after June 30, 2012, and before July 1, 2013</u>	<u>5.75 percent</u>
<u>(3) after June 30, 2013, and before July 1, 2014</u>	<u>6.0 percent</u>
<u>(4) unless paragraph (b) applies, after June 30, 2014, and before July 1, 2015</u>	<u>6.25 percent</u>
<u>(5) unless paragraph (b) applies, after June 30, 2015, and before July 1, 2016</u>	<u>6.5 percent</u>
<u>(6) unless paragraph (b) applies, after June 30, 2016, and before July 1, 2017</u>	<u>6.75 percent</u>
<u>(7) unless paragraph (b) applies, after June 30, 2017, and before July 1, 2018</u>	<u>7.0 percent</u>
<u>(8) unless paragraph (b) applies, after June 30, 2018, and before July 1, 2019</u>	<u>7.25 percent</u>
<u>(9) unless paragraph (b) applies, after June 30, 2019</u>	<u>7.5 percent</u>
St. Paul Teachers Retirement Fund Association	
basic program	8 percent
coordinated program	5.5 percent
<u>(10) before July 1, 2012</u>	<u>5.5 percent</u>
<u>(11) after June 30, 2012, and before July 1, 2013</u>	<u>5.75 percent</u>
<u>(12) after June 30, 2013, and before July 1, 2014</u>	<u>6.0 percent</u>
<u>(13) unless paragraph (b) applies, after June 30, 2014, and before July 1, 2015</u>	<u>6.25 percent</u>

<u>(14) unless paragraph (b) applies, after June 30, 2015, and before July 1, 2016</u>	<u>6.5 percent</u>
<u>(15) unless paragraph (b) applies, after June 30, 2016, and before July 1, 2017</u>	<u>6.75 percent</u>
<u>(16) unless paragraph (b) applies, after June 30, 2017, and before July 1, 2018</u>	<u>7.0 percent</u>
<u>(17) unless paragraph (b) applies, after June 30, 2018, and before July 1, 2019</u>	<u>7.25 percent</u>
<u>(18) unless paragraph (b) applies, after June 30, 2019</u>	<u>7.5 percent</u>

(b) When an employee contribution rate changes for a fiscal year, the new contribution rate is effective for the entire salary paid for each employer unit with the first payroll cycle reported.

(c) After July 1, 2012, a scheduled contribution increase under paragraph (a) is suspended if the most recent actuarial valuation prepared under section 356.215 indicates that there is no contribution deficiency when the total employee contributions, employer contributions under subdivision 3, and direct state aid are compared to the actuarial required contributions of the retirement plan.

(d) Contributions ~~shall~~ must be made by deduction from salary and must be remitted directly to the respective teachers retirement fund association at least once each month.

EFFECTIVE DATE. This section is effective July 1, 2011.

Sec. 6. Minnesota Statutes 2008, section 354A.12, is amended by adding a subdivision to read:

Subd. 4a. **Determination.** (a) For purposes of this section, a contribution sufficiency exists if, for purposes of the applicable plan, the total of the employee contributions, the employer contributions, and any additional employer contributions, if applicable, exceeds the total of the normal cost, the administrative expenses, and the amortization contribution of the retirement plan as reported in the most recent actuarial valuation of the retirement plan prepared by the actuary retained under section 356.214 and prepared under section 356.215 and the standards for actuarial work of the Legislative Commission on Pensions and Retirement.

(b) For purposes of this section, a contribution deficiency exists if, for the applicable plan, the total employee contributions, employer contributions, and any additional employer contributions are less than the total of the normal cost, the administrative expenses, and the amortization contribution of the retirement plan as reported in the most recent actuarial valuation of the retirement plan prepared by the actuary retained under section 356.214 and prepared under section 356.215 and the standards for actuarial work of the Legislative Commission on Pensions and Retirement.

EFFECTIVE DATE. This section is effective July 1, 2011.

Sec. 7. Minnesota Statutes 2008, section 354A.12, is amended by adding a subdivision to read:

Subd. 4b. **Contribution rate revision.** Notwithstanding the contribution rate provisions stated in plan law, the employee and employer contribution rates must be adjusted:

(1) if after July 1, 2019, the regular actuarial valuations of the applicable plan under section

356.215 indicate that there is a contribution sufficiency under subdivision 2 equal to or greater than 0.5 percent of covered payroll for two consecutive years, the employee and employer contribution rates for the applicable plan must be decreased as determined under subdivision 4 to a level such that the sufficiency equals no more than 0.25 percent of covered payroll based on the most recent actuarial valuation; or

(2) if after July 1, 2019, the regular actuarial valuations of the applicable plan under section 356.215 indicate that there is a deficiency equal to or greater than 0.5 percent of covered payroll for two consecutive years, the employee and employer contribution rates for the applicable plan must be increased as determined under subdivision 4 to a level such that no deficiency exists based on the most recent actuarial valuation.

EFFECTIVE DATE. This section is effective July 1, 2011.

Sec. 8. Minnesota Statutes 2008, section 354A.12, is amended by adding a subdivision to read:

Subd. 4c. **Reporting, commission review.** (a) The contribution rate increase or decrease must be determined by the executive director of the Duluth Teachers Retirement Fund Association or the St. Paul Teachers Retirement Fund Association, and must be reported to the chair and the executive director of the Legislative Commission on Pensions and Retirement on or before the next February 1, and, if the Legislative Commission on Pensions and Retirement does not recommend against the rate change or does not recommend a modification in the rate change, is effective on the next July 1 following the determination by the executive director that a contribution deficiency or sufficiency has existed for two consecutive fiscal years based on the most recent actuarial valuations under section 356.215. If the actuarially required contribution exceeds or is less than the total support provided by the combined employee and employer contribution rates for the applicable plan by more than 0.5 percent of covered payroll, the applicable plan employee and employer contribution rates must be adjusted incrementally over one or more years to a level such that there remains a contribution sufficiency of no more than 0.25 percent of covered payroll.

(b) No incremental adjustment may exceed 0.25 percent of payroll for either the employee or employer contribution rates per year in which any adjustment is implemented. For an applicable plan, a contribution rate adjustment under this section must not be made until at least two years have passed since fully implementing a previous adjustment under this section.

EFFECTIVE DATE. This section is effective July 1, 2011."

Amend the title accordingly

Pursuant to Rule 41.2, Senator Dahle moved that he be excused from voting on the Robling amendment and the final passage of S.F. No. 191. The motion prevailed.

The question recurred on the adoption of the Robling amendment. The motion prevailed. So the amendment was adopted.

S.F. No. 191 was read the third time.

RECONSIDERATION

Senator Pogemiller moved to reconsider the third reading.

Senator Senjem questioned whether the Pogemiller motion was in order. The President ruled the Pogemiller motion was in order.

Senator Senjem appealed the decision of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 43 and nays 20, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Langseth	Olson, M.	Skoe
Bakk	Dille	Latz	Pappas	Sparks
Betzold	Doll	Lourey	Pogemiller	Stumpf
Bonoff	Erickson Ropes	Lynch	Rest	Tomassoni
Carlson	Fobbe	Marty	Saltzman	Torres Ray
Chaudhary	Foley	Metzen	Saxhaug	Vickerman
Clark	Higgins	Moua	Scheid	Wiger
Cohen	Kelash	Murphy	Sheran	
Dahle	Kubly	Olseen	Sieben	

Those who voted in the negative were:

Day	Gimse	Jungbauer	Michel	Robling
Fischbach	Hann	Koch	Olson, G.	Rosen
Frederickson	Ingebrigtsen	Koering	Ortman	Senjem
Gerlach	Johnson	Limmer	Pariseau	Vandevveer

So the decision of the President was sustained.

The question was taken on the adoption of the Pogemiller motion.

The roll was called, and there were yeas 41 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Lourey	Pogemiller	Stumpf
Bakk	Doll	Lynch	Rest	Tomassoni
Betzold	Erickson Ropes	Marty	Saltzman	Vandevveer
Bonoff	Foley	Metzen	Saxhaug	Vickerman
Carlson	Higgins	Moua	Scheid	Wiger
Chaudhary	Kelash	Murphy	Sheran	
Clark	Kubly	Olseen	Sieben	
Cohen	Langseth	Olson, M.	Skoe	
Dahle	Latz	Pappas	Sparks	

Those who voted in the negative were:

Berglin	Frederickson	Johnson	Michel	Rosen
Day	Gerlach	Jungbauer	Olson, G.	Senjem
Dille	Gimse	Koch	Ortman	
Fischbach	Hann	Koering	Pariseau	
Fobbe	Ingebrigtsen	Limmer	Robling	

The motion prevailed.

RECONSIDERATION

Having voted on the prevailing side, Senator Olson, M. moved that the vote whereby the Robling amendment to S.F. No. 191 was adopted on May 15, 2009, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 45 and nays 20, as follows:

Those who voted in the affirmative were:

Anderson	Dahle	Kubly	Olseen	Sieben
Bakk	Dibble	Langseth	Olson, M.	Skoe
Berglin	Dille	Latz	Pappas	Sparks
Betzold	Doll	Lourey	Pogemiller	Stumpf
Bonoff	Erickson Ropes	Lynch	Rest	Tomassoni
Carlson	Fobbe	Marty	Saltzman	Torres Ray
Chaudhary	Foley	Metzen	Saxhaug	Vandever
Clark	Higgins	Moua	Scheid	Vickerman
Cohen	Kelash	Murphy	Sheran	Wiger

Those who voted in the negative were:

Day	Gimse	Jungbauer	Michel	Robling
Fischbach	Hann	Koch	Olson, G.	Rosen
Frederickson	Ingebrigtsen	Koering	Ortman	Senjem
Gerlach	Johnson	Limmer	Pariseau	Skogen

The motion prevailed. So the vote was reconsidered.

The question was taken on the adoption of the Robling amendment.

Senator Pogemiller moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Berglin	Frederickson	Koch	Olson, G.	Senjem
Day	Gerlach	Koering	Olson, M.	Skogen
Dille	Gimse	Limmer	Ortman	Vandever
Doll	Hann	Lynch	Pariseau	
Erickson Ropes	Ingebrigtsen	Marty	Robling	
Fischbach	Johnson	Michel	Rosen	
Fobbe	Jungbauer	Murphy	Saltzman	

Those who voted in the negative were:

Anderson	Cohen	Latz	Prettner Solon	Sparks
Bakk	Dibble	Lourey	Rest	Stumpf
Betzold	Foley	Metzen	Saxhaug	Tomassoni
Bonoff	Higgins	Moua	Scheid	Torres Ray
Carlson	Kelash	Olseen	Sheran	Vickerman
Chaudhary	Kubly	Pappas	Sieben	Wiger
Clark	Langseth	Pogemiller	Skoe	

The motion did not prevail. So the amendment was not adopted.

Senator Rosen moved to amend S.F. No. 191 as follows:

Page 100, delete article 6

Renumber the articles in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

Senator Pogemiller moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 23 and nays 38, as follows:

Those who voted in the affirmative were:

Bonoff	Gerlach	Jungbauer	Olson, G.	Senjem
Day	Gimse	Koch	Ortman	Skogen
Doll	Hann	Koering	Pariseau	Vandevveer
Fischbach	Ingebrigtsen	Limmer	Robling	
Frederickson	Johnson	Michel	Rosen	

Those who voted in the negative were:

Anderson	Dibble	Latz	Pogemiller	Sparks
Bakk	Dille	Lynch	Prettner Solon	Stumpf
Berglin	Erickson Ropes	Marty	Rest	Tomassoni
Betzold	Fobbe	Metzen	Saltzman	Torres Ray
Carlson	Higgins	Moua	Saxhaug	Vickerman
Chaudhary	Kelash	Murphy	Scheid	Wiger
Clark	Kubly	Olson, M.	Sheran	
Cohen	Langseth	Pappas	Sieben	

The motion did not prevail. So the amendment was not adopted.

S.F. No. 191 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 43 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Lourey	Pogemiller	Skoe
Bakk	Erickson Ropes	Lynch	Prettner Solon	Sparks
Berglin	Fobbe	Marty	Rest	Stumpf
Betzold	Foley	Metzen	Rosen	Tomassoni
Bonoff	Higgins	Moua	Saltzman	Torres Ray
Carlson	Kelash	Murphy	Saxhaug	Vickerman
Chaudhary	Kubly	Olseen	Scheid	Wiger
Clark	Langseth	Olson, M.	Sheran	
Cohen	Latz	Pappas	Sieben	

Those who voted in the negative were:

Day	Gerlach	Jungbauer	Olson, G.	Skogen
Dille	Gimse	Koch	Ortman	Vandevveer
Doll	Hann	Koering	Pariseau	
Fischbach	Ingebrigtsen	Limmer	Robling	
Frederickson	Johnson	Michel	Senjem	

So the bill, as amended, was passed and its title was agreed to.

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 Report at the Desk be now adopted. The motion prevailed.

Senator Pogemiller from the Committee on Rules and Administration, to which was referred under Joint Rule 2.03, together with the committee report thereon,

S.F. No. 1623: A resolution memorializing the President and Congress to repeal the federal legislation of 1863 ordering the removal of Dakota people from Minnesota and the Dakotas.

Reports the same back with the recommendation that the report from the Committee on Judiciary, shown in the Journal for May 13, 2009, be adopted and amended to read:

"the resolution be amended and when so amended the resolution do pass". Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. No. 1623 was read the second time.

MOTIONS AND RESOLUTIONS - CONTINUED**SUSPENSION OF RULES**

Senator Pogemiller moved that Rule 22.3 be suspended as to the lie-over requirement on S.F. No. 1797, H.F. No. 925 and S.F. No. 1623 on General Orders. 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 Skogen in the chair.

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

S.F. Nos. 1797, 963, 1623 and H.F. Nos. 1193 and 925, which the committee recommends to pass.

S.F. No. 837, which the committee reports progress, subject to the following motion:

The question was taken on the recommendation to pass S.F. No. 837.

The roll was called, and there were yeas 29 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Latz	Olseen	Skoe
Bakk	Foley	Lourey	Pappas	Stumpf
Berglin	Higgins	Lynch	Prettner Solon	Tomassoni
Betzold	Kelash	Metzen	Saxhaug	Vickerman
Clark	Kubly	Moua	Sheran	Wiger
Cohen	Langseth	Murphy	Sieben	

Those who voted in the negative were:

Bonoff	Fischbach	Johnson	Olson, G.	Saltzman
Chaudhary	Fobbe	Jungbauer	Olson, M.	Scheid
Dahle	Frederickson	Koch	Ortman	Skogen
Day	Gerlach	Koering	Pariseau	Sparks
Dille	Gimse	Limmer	Rest	Torres Ray
Doll	Hann	Marty	Robling	Vandevveer
Erickson Ropes	Ingebrigtsen	Michel	Rosen	

The motion did not prevail.

S.F. No. 837 was then progressed.

H.F. No. 1250, which the committee recommends to pass, subject to the following motions:

Senator Dibble moved that the amendment made to H.F. No. 1250 by the Committee on Rules and Administration in the report adopted May 14, 2009, pursuant to Rule 45, be stricken. The motion prevailed. So the amendment was stricken.

Senator Dibble moved to amend H.F. No. 1250 as follows:

Page 5, line 28, delete everything after "vehicle" and insert a semicolon

Page 5, delete line 29 and insert:

"(2) be in compliance with section 326B.35 and standards set by the Society of Automotive Engineers; and"

Page 5, line 30, delete "(2)" and insert "(3)"

The motion prevailed. So the amendment was adopted.

H.F. No. 705, which the committee reports progress, subject to the following motion:

Senator Prettner Solon moved to amend H.F. No. 705, as amended pursuant to Rule 45, adopted by the Senate May 14, 2009, as follows:

(The text of the amended House File is identical to S.F. No. 1599.)

Page 1, line 10, reinstate the stricken language and delete the new language

Page 1, line 11, delete "(1)"

Page 1, line 13, delete "; and"

Page 1, delete lines 14 to 21

Page 1, line 22, delete the new language

Page 1, after line 22, insert:

"Subd. 1a. **Preventive care.** A health plan company as defined in section 62Q.733, subdivision 4, that offers a high-deductible health plan must offer one product option that covers: preventive care without a deductible, co-payment, or other patient cost-sharing, provided, however, that this requirement does not apply to care that is not permitted to be provided without a deductible by a high deductible health plan under Internal Revenue Code of 1986, section 223(c)(2)(C), and federal regulations adopted or guidance issued by the Internal Revenue Service related to that provision. The scope and frequency of such coverage must be detailed in the policy in accordance with, or by reference to, an evidence-based set of preventive care guidelines that addresses recommendations for both asymptomatic low-risk individuals and individuals with higher risk factors. Nothing in this subdivision limits voluntary coverage of other preventive care."

The motion prevailed. So the amendment was adopted.

H.F. No. 705 was the progressed.

H.F. No. 1745, which the committee recommends to pass, subject to the following motions:

Senator Marty moved that the amendment made to H.F. No. 1745 by the Committee on Rules and Administration in the report adopted May 14, 2009, pursuant to Rule 45, be stricken. The motion prevailed. So the amendment was stricken.

Senator Lynch moved to amend H.F. No. 1745 as follows:

Page 10, after line 2, insert:

"Sec. 16. Minnesota Statutes 2008, section 214.103, subdivision 9, is amended to read:

Subd. 9. **Information to complainant.** A board shall furnish to a person who made a complaint a written description of the board's complaint process, and actions of the board relating to the complaint. ~~The written notice from the board must advise the complainant of the right to appeal the board's decision to the attorney general within 30 days of receipt of the notice.~~

EFFECTIVE DATE. This section is effective August 1, 2009."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Lynch moved to amend H.F. No. 1745 as follows:

Page 10, after line 11, insert:

"Sec. 17. **EXEMPTION.**

(a) Notwithstanding Minnesota Statutes, section 150A.04, the Board of Dentistry is exempt from Minnesota Statutes, chapter 14, and specifically Minnesota Statutes, section 14.386, for purposes of establishing regulatory requirements necessary to implement Minnesota Statutes, sections 150A.105 and 150A.106.

(b) The Board of Dentistry shall submit a report describing any board-proposed regulatory

requirement for dental therapists or advanced dental therapists, including any proposed criteria for the certification process for advanced dental therapists. The report must be submitted to the chairs and ranking minority members of the legislative committees with jurisdiction over health care and higher education issues by January 15, 2010."

Renumber the sections in sequence and correct the internal references

The motion prevailed. So the amendment was adopted.

Senator Erickson Ropes moved to amend H.F. No. 1745 as follows:

Page 1, after line 17, insert:

"ARTICLE 1

HEALTH-RELATED PROVISIONS"

Page 8, delete section 13

Page 10, after line 17, insert:

"ARTICLE 2

AMENDMENTS TO CURRENT LICENSING STATUTE

Section 1. Minnesota Statutes 2008, section 148D.010, is amended by adding a subdivision to read:

Subd. 6a. **Clinical supervision.** "Clinical supervision" means supervision, as defined in subdivision 16, of a social worker engaged in clinical practice, as defined in subdivision 6.

Sec. 2. Minnesota Statutes 2008, section 148D.010, is amended by adding a subdivision to read:

Subd. 6b. **Graduate degree.** "Graduate degree" means a master's degree in social work from a program accredited by the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar accreditation body designated by the board, or a doctorate in social work from an accredited university.

Sec. 3. Minnesota Statutes 2008, section 148D.010, subdivision 9, is amended to read:

Subd. 9. **Practice of social work.** (a) "Practice of social work" means working to maintain, restore, or improve behavioral, cognitive, emotional, mental, or social functioning of clients, in a manner that applies accepted professional social work knowledge, skills, and values, including the person-in-environment perspective, by providing in person or through telephone, video conferencing, or electronic means one or more of the social work services described in paragraph (b), clauses (1) to (3). Social work services may address conditions that impair or limit behavioral, cognitive, emotional, mental, or social functioning. Such conditions include, but are not limited to, the following: abuse and neglect of children or vulnerable adults, addictions, developmental disorders, disabilities, discrimination, illness, injuries, poverty, and trauma. Practice of social work also means providing social work services in a position for which the educational basis is the individual's degree in social work described in subdivision 13.

(b) Social work services include:

(1) providing assessment and intervention through direct contact with clients, developing a plan based on information from an assessment, and providing services which include, but are not limited to, assessment, case management, client-centered advocacy, client education, consultation, counseling, crisis intervention, and referral;

(2) providing for the direct or indirect benefit of clients through administrative, educational, policy, or research services including, but not limited to:

(i) advocating for policies, programs, or services to improve the well-being of clients;

(ii) conducting research related to social work services;

(iii) developing and administering programs which provide social work services;

(iv) engaging in community organization to address social problems through planned collective action;

(v) supervising individuals who provide social work services to clients;

(vi) supervising social workers in order to comply with the supervised practice requirements specified in sections 148D.100 to 148D.125; and

(vii) teaching professional social work knowledge, skills, and values to students; and

(3) engaging in clinical practice.

Sec. 4. Minnesota Statutes 2008, section 148D.010, subdivision 15, is amended to read:

Subd. 15. **Supervisee.** "Supervisee" means an individual provided evaluation and supervision or direction by a social worker an individual who meets the requirements of section 148D.120.

Sec. 5. Minnesota Statutes 2008, section 148D.010, is amended by adding a subdivision to read:

Subd. 17. **Supervisor.** "Supervisor" means an individual who provides evaluation and direction through supervision as specified in subdivision 16, in order to comply with sections 148D.100 to 148D.125.

Sec. 6. Minnesota Statutes 2008, section 148D.025, subdivision 2, is amended to read:

Subd. 2. **Qualifications of board members.** (a) All social worker members must have engaged in the practice of social work in Minnesota for at least one year during the ten years preceding their appointments.

(b) Five social worker members must be licensed social workers according to section 148D.055, subdivision 2. The other five members must be include a licensed graduate social worker, a licensed independent social worker, ~~or a~~ and at least two licensed independent clinical social worker ~~workers.~~

(c) Eight social worker members must be engaged at the time of their appointment in the practice of social work in Minnesota in the following settings:

(1) one member must be engaged in the practice of social work in a county agency;

(2) one member must be engaged in the practice of social work in a state agency;

(3) one member must be engaged in the practice of social work in an elementary, middle, or secondary school;

(4) one member must be employed in a hospital or nursing home licensed under chapter 144 or 144A;

(5) ~~two members~~ one member must be engaged in the practice of social work in a private agency;

(6) ~~one member~~ two members must be engaged in the practice of social work in a clinical social work setting; and

(7) one member must be an educator engaged in regular teaching duties at a program of social work accredited by the Council on Social Work Education or a similar accreditation body designated by the board.

(d) At the time of their appointments, at least six members must reside outside of the ~~seven-county~~ 11-county metropolitan area.

(e) At the time of their appointments, at least five members must be persons with expertise in communities of color.

Sec. 7. Minnesota Statutes 2008, section 148D.025, subdivision 3, is amended to read:

Subd. 3. **Officers.** The board must ~~annually~~ biennially elect from its membership a chair, vice-chair, and secretary-treasurer.

Sec. 8. Minnesota Statutes 2008, section 148D.061, subdivision 6, is amended to read:

Subd. 6. **Evaluation by supervisor.** (a) After being issued a provisional license under subdivision 1, the ~~licensee~~ licensee's supervisor must submit an evaluation ~~by the licensee's supervisor~~ every six months during the first 2,000 hours of social work practice. The evaluation must meet the requirements in section 148D.063. The supervisor must meet the eligibility requirements specified in section 148D.062.

(b) After completion of 2,000 hours of supervised social work practice, the licensee's supervisor must submit a final evaluation and attest to the applicant's ability to engage in the practice of social work ~~safely and competently~~ and ethically.

Sec. 9. Minnesota Statutes 2008, section 148D.061, subdivision 8, is amended to read:

Subd. 8. **Disciplinary or other action.** The board may take action according to sections 148D.260 to 148D.270 if:

(1) the licensee's supervisor does not submit an evaluation as required by section ~~148D.062~~ 148D.063;

(2) an evaluation submitted according to section ~~148D.062~~ 148D.063 indicates that the licensee cannot practice social work competently and ~~safely~~ ethically; or

(3) the licensee does not comply with the requirements of subdivisions 1 to 7.

Sec. 10. Minnesota Statutes 2008, section 148D.062, subdivision 2, is amended to read:

Subd. 2. **Practice requirements.** The supervision required by subdivision 1 must be obtained

during the first 2,000 hours of social work practice after the effective date of the provisional license. At least three hours of supervision must be obtained during every 160 hours of practice under a provisional license until a permanent license is issued.

Sec. 11. Minnesota Statutes 2008, section 148D.063, subdivision 2, is amended to read:

Subd. 2. Evaluation. (a) When a supervisee licensee's supervisor submits an evaluation to the board according to section 148D.061, subdivision 6, the supervisee and supervisor must provide the following information on a form provided by the board:

(1) the name of the supervisee, the name of the agency in which the supervisee is being supervised, and the supervisee's position title;

(2) the name and qualifications of the supervisor;

(3) the number of hours and dates of each type of supervision completed;

(4) the supervisee's position description;

(5) a declaration that the supervisee has not engaged in conduct in violation of the standards of practice in sections 148D.195 to 148D.240;

(6) a declaration that the supervisee has practiced competently and ethically according to professional social work knowledge, skills, and values; and

(7) on a form provided by the board, an evaluation of the licensee's practice in the following areas:

(i) development of professional social work knowledge, skills, and values;

(ii) practice methods;

(iii) authorized scope of practice;

(iv) ensuring continuing competence;

(v) ethical standards of practice; and

(vi) clinical practice, if applicable.

(b) ~~The information provided on the evaluation form must demonstrate~~ supervisor must attest to the satisfaction of the board that the supervisee has met or has made progress on meeting the applicable supervised practice requirements.

Sec. 12. Minnesota Statutes 2008, section 148D.125, subdivision 1, is amended to read:

Subdivision 1. Supervision plan. (a) A social worker must submit, on a form provided by the board, a supervision plan for meeting the supervision requirements specified in sections 148D.100 to 148D.120.

(b) The supervision plan must be submitted no later than ~~90~~ 60 days after the licensee begins a social work practice position after becoming licensed.

(c) For failure to submit the supervision plan within ~~90~~ 60 days after beginning a social work

practice position, a licensee must pay the supervision plan late fee specified in section 148D.180 when the licensee applies for license renewal.

(d) A license renewal application submitted pursuant to section 148D.070, subdivision 3, must not be approved unless the board has received a supervision plan.

(e) The supervision plan must include the following:

(1) the name of the supervisee, the name of the agency in which the supervisee is being supervised, and the supervisee's position title;

(2) the name and qualifications of the person providing the supervision;

(3) the number of hours of one-on-one in-person supervision and the number and type of additional hours of supervision to be completed by the supervisee;

(4) the supervisee's position description;

(5) a brief description of the supervision the supervisee will receive in the following content areas:

(i) clinical practice, if applicable;

(ii) development of professional social work knowledge, skills, and values;

(iii) practice methods;

(iv) authorized scope of practice;

(v) ensuring continuing competence; and

(vi) ethical standards of practice; and

(6) if applicable, a detailed description of the supervisee's clinical social work practice, addressing:

(i) the client population, the range of presenting issues, and the diagnoses;

(ii) the clinical modalities that were utilized; and

(iii) the process utilized for determining clinical diagnoses, including the diagnostic instruments used and the role of the supervisee in the diagnostic process. ~~An applicant for licensure as a licensed professional clinical counselor must present evidence of completion of a degree equivalent to that required in section 148B.5301, subdivision 1, clause (3).~~

(f) The board must receive a revised supervision plan within ~~90~~ 60 days of any of the following changes:

(1) the supervisee has a new supervisor;

(2) the supervisee begins a new social work position;

(3) the scope or content of the supervisee's social work practice changes substantially;

(4) the number of practice or supervision hours changes substantially; or

(5) the type of supervision changes as supervision is described in section 148D.100, subdivision 3, or 148D.105, subdivision 3, or as required in section 148D.115, subdivision 4.

(g) For failure to submit a revised supervision plan as required in paragraph (f), a supervisee must pay the supervision plan late fee specified in section 148D.180, when the supervisee applies for license renewal.

(h) The board must approve the supervisor and the supervision plan.

Sec. 13. Minnesota Statutes 2008, section 148D.125, subdivision 3, is amended to read:

Subd. 3. Verification of supervised practice. (a) ~~In addition to receiving the attestation required pursuant to subdivision 2,~~ The board must receive verification of supervised practice if when:

(1) ~~the board audits the supervision of a supervisee~~ licensee submits the license renewal application form pursuant to section 148D.070, subdivision 3; or

(2) an applicant applies for a license as a licensed independent social worker or as a licensed independent clinical social worker.

(b) When verification of supervised practice is required pursuant to paragraph (a), the board must receive from the supervisor the following information on a form provided by the board:

(1) the name of the supervisee, the name of the agency in which the supervisee is being supervised, and the supervisee's position title;

(2) the name and qualifications of the supervisor;

(3) the number of hours and dates of each type of supervision completed;

(4) the supervisee's position description;

(5) a declaration that the supervisee has not engaged in conduct in violation of the standards of practice specified in sections 148D.195 to 148D.240;

(6) a declaration that the supervisee has practiced ethically and competently in accordance with professional social work knowledge, skills, and values;

(7) a list of the content areas in which the supervisee has received supervision, including the following:

(i) clinical practice, if applicable;

(ii) development of professional social work knowledge, skills, and values;

(iii) practice methods;

(iv) authorized scope of practice;

(v) ensuring continuing competence; and

(vi) ethical standards of practice; and

(8) if applicable, a detailed description of the supervisee's clinical social work practice, addressing:

- (i) the client population, the range of presenting issues, and the diagnoses;
 - (ii) the clinical modalities that were utilized; and
 - (iii) the process utilized for determining clinical diagnoses, including the diagnostic instruments used and the role of the supervisee in the diagnostic process.
- (c) The information provided on the verification form must demonstrate to the board's satisfaction that the supervisee has met the applicable supervised practice requirements.

Sec. 14. **REPEALER.**

Minnesota Statutes 2008, sections 148D.062, subdivision 5; 148D.125, subdivision 2; and 148D.180, subdivision 8, are repealed.

Sec. 15. **EFFECTIVE DATE.**

This article is effective the day following final enactment.

ARTICLE 3

LICENSING STATUTE EFFECTIVE 2011

Section 1. Minnesota Statutes 2008, section 148E.010, is amended by adding a subdivision to read:

Subd. 5a. **Client system.** "Client system" means the client and those in the client's environment who are potentially influential in contributing to a resolution of the client's issues.

Sec. 2. Minnesota Statutes 2008, section 148E.010, is amended by adding a subdivision to read:

Subd. 7a. **Direct clinical client contact.** "Direct clinical client contact" means in-person or electronic media interaction with a client, including client systems and service providers, related to the client's mental and emotional functioning, differential diagnosis, and treatment, in subdivision 6.

Sec. 3. Minnesota Statutes 2008, section 148E.010, subdivision 11, is amended to read:

Subd. 11. **Practice of social work.** (a) "Practice of social work" means working to maintain, restore, or improve behavioral, cognitive, emotional, mental, or social functioning of clients, in a manner that applies accepted professional social work knowledge, skills, and values, including the person-in-environment perspective, by providing in person or through telephone, video conferencing, or electronic means one or more of the social work services described in paragraph (b), clauses (1) to (3). Social work services may address conditions that impair or limit behavioral, cognitive, emotional, mental, or social functioning. Such conditions include, but are not limited to, the following: abuse and neglect of children or vulnerable adults, addictions, developmental disorders, disabilities, discrimination, illness, injuries, poverty, and trauma. Practice of social work also means providing social work services in a position for which the educational basis is the individual's degree in social work described in subdivision 13.

(b) Social work services include:

- (1) providing assessment and intervention through direct contact with clients, developing a

plan based on information from an assessment, and providing services which include, but are not limited to, assessment, case management, client-centered advocacy, client education, consultation, counseling, crisis intervention, and referral;

(2) providing for the direct or indirect benefit of clients through administrative, educational, policy, or research services including, but not limited to:

- (i) advocating for policies, programs, or services to improve the well-being of clients;
 - (ii) conducting research related to social work services;
 - (iii) developing and administering programs which provide social work services;
 - (iv) engaging in community organization to address social problems through planned collective action;
 - (v) supervising individuals who provide social work services to clients;
 - (vi) supervising social workers in order to comply with the supervised practice requirements specified in sections 148E.100 to 148E.125; and
 - (vii) teaching professional social work knowledge, skills, and values to students; and
- (3) engaging in clinical practice.

Sec. 4. Minnesota Statutes 2008, section 148E.010, subdivision 17, is amended to read:

Subd. 17. **Supervisee.** "Supervisee" means an individual provided evaluation and supervision or direction by ~~a social worker~~ an individual who meets the requirements under section 148E.120.

Sec. 5. Minnesota Statutes 2008, section 148E.010, is amended by adding a subdivision to read:

Subd. 19. **Supervisor.** "Supervisor" means an individual who provides evaluation and direction through supervision as described in subdivision 18 in order to comply with sections 148E.100 to 148E.125.

Sec. 6. Minnesota Statutes 2008, section 148E.025, subdivision 2, is amended to read:

Subd. 2. **Qualifications of board members.** (a) All social worker members must have engaged in the practice of social work in Minnesota for at least one year during the ten years preceding their appointments.

(b) Five social worker members must be licensed social workers under section 148E.055, subdivision 2. The other five members must ~~be~~ include a licensed graduate social worker, a licensed independent social worker, ~~or a~~ and at least two licensed independent clinical social worker ~~workers.~~

(c) Eight social worker members must be engaged at the time of their appointment in the practice of social work in Minnesota in the following settings:

- (1) one member must be engaged in the practice of social work in a county agency;
- (2) one member must be engaged in the practice of social work in a state agency;

(3) one member must be engaged in the practice of social work in an elementary, middle, or secondary school;

(4) one member must be employed in a hospital or nursing home licensed under chapter 144 or 144A;

(5) ~~two members~~ one member must be engaged in the practice of social work in a private agency;

(6) ~~one member~~ two members must be engaged in the practice of social work in a clinical social work setting; and

(7) one member must be an educator engaged in regular teaching duties at a program of social work accredited by the Council on Social Work Education or a similar accreditation body designated by the board.

(d) At the time of their appointments, at least six members must reside outside of the ~~seven~~ 11-county metropolitan area.

(e) At the time of their appointments, at least five members must be persons with expertise in communities of color.

Sec. 7. Minnesota Statutes 2008, section 148E.025, subdivision 3, is amended to read:

Subd. 3. **Officers.** The board must ~~annually~~ biennially elect from its membership a chair, vice-chair, and secretary-treasurer.

Sec. 8. Minnesota Statutes 2008, section 148E.055, subdivision 5, is amended to read:

Subd. 5. **Licensure by examination; licensed independent clinical social worker.** (a) To be licensed as a licensed independent clinical social worker, an applicant for licensure by examination must provide evidence satisfactory to the board that the applicant:

(1) has received a graduate degree in social work from a program accredited by the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar accreditation body designated by the board, or a doctorate in social work from an accredited university;

(2) has completed 360 clock hours (one semester credit hour = 15 clock hours) in the following clinical knowledge areas:

(i) 108 clock hours (30 percent) in differential diagnosis and biopsychosocial assessment, including normative development and psychopathology across the life span;

(ii) 36 clock hours (ten percent) in assessment-based clinical treatment planning with measurable goals;

(iii) 108 clock hours (30 percent) in clinical intervention methods informed by research and current standards of practice;

(iv) 18 clock hours (five percent) in evaluation methodologies;

(v) 72 clock hours (20 percent) in social work values and ethics, including cultural context, diversity, and social policy; and

(vi) 18 clock hours (five percent) in culturally specific clinical assessment and intervention;

(3) has practiced clinical social work as defined in section 148E.010, including both diagnosis and treatment, and has met the supervised practice requirements specified in sections 148E.100 to 148E.125;

(4) has passed the clinical or equivalent examination administered by the Association of Social Work Boards or a similar examination body designated by the board. Unless an applicant applies for licensure by endorsement according to subdivision 7, an examination is not valid if it was taken and passed eight or more years prior to submitting a completed, signed application form provided by the board;

(5) has submitted a completed, signed application form provided by the board, including the applicable application fee specified in section 148E.180. For applications submitted electronically, a "signed application" means providing an attestation as specified by the board;

(6) has submitted the criminal background check fee and a form provided by the board authorizing a criminal background check according to subdivision 8;

(7) has paid the license fee specified in section 148E.180; and

(8) has not engaged in conduct that was or would be in violation of the standards of practice specified in sections 148E.195 to 148E.240. If the applicant has engaged in conduct that was or would be in violation of the standards of practice, the board may take action according to sections 148E.255 to 148E.270.

(b) The requirement in paragraph (a), clause (2), may be satisfied through: (1) a graduate degree program accredited by the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar accreditation body designated by the board; or a doctorate in social work from an accredited university; (2) ~~postgraduate~~ graduate coursework from an accredited institution of higher learning; or (3) up to 90 continuing education hours, not to exceed 20 hours of independent study as specified in section 148E.130, subdivision 5. The continuing education must have a course description available for public review and must include a posttest. Compliance with this requirement must be documented on a form provided by the board. The board may conduct audits of the information submitted in order to determine compliance with the requirements of this section.

(c) An application which is not completed and signed, or which is not accompanied by the correct fee, must be returned to the applicant, along with any fee submitted, and is void.

(d) By submitting an application for licensure, an applicant authorizes the board to investigate any information provided or requested in the application. The board may request that the applicant provide additional information, verification, or documentation.

(e) Within one year of the time the board receives an application for licensure, the applicant must meet all the requirements specified in paragraph (a) and must provide all of the information requested by the board according to paragraph (d). If within one year the applicant does not meet all the requirements, or does not provide all of the information requested, the applicant is considered ineligible and the application for licensure must be closed.

(f) Except as provided in paragraph (g), an applicant may not take more than three times the

clinical or equivalent examination administered by the Association of Social Work Boards or a similar examination body designated by the board. An applicant must receive a passing score on the clinical or equivalent examination administered by the Association of Social Work Boards or a similar examination body designated by the board no later than 18 months after the first time the applicant failed the examination.

(g) Notwithstanding paragraph (f), the board may allow an applicant to take, for a fourth or subsequent time, the clinical or equivalent examination administered by the Association of Social Work Boards or a similar examination body designated by the board if the applicant:

(1) meets all requirements specified in paragraphs (a) to (e) other than passing the clinical or equivalent examination administered by the Association of Social Work Boards or a similar examination body designated by the board;

(2) provides to the board a description of the efforts the applicant has made to improve the applicant's score and demonstrates to the board's satisfaction that the efforts are likely to improve the score; and

(3) provides to the board letters of recommendation from two licensed social workers attesting to the applicant's ability to practice social work competently and ethically according to professional social work knowledge, skills, and values.

(h) An individual must not practice social work until the individual passes the examination and receives a social work license under this section or section 148E.060. If the board has reason to believe that an applicant may be practicing social work without a license, and the applicant has failed the clinical or equivalent examination administered by the Association of Social Work Boards or a similar examination body designated by the board, the board may notify the applicant's employer that the applicant is not licensed as a social worker.

Sec. 9. Minnesota Statutes 2008, section 148E.100, is amended by adding a subdivision to read:

Subd. 2a. **Supervised practice obtained prior to August 1, 2011.** (a) Notwithstanding the requirements in subdivisions 1 and 2, the board shall approve hours of supervised practice completed prior to August 1, 2011, which comply with sections 148D.100 to 148D.125. These hours must apply to supervised practice requirements in effect as specified in this section.

(b) Any additional hours of supervised practice obtained effective August 1, 2011, must comply with the increased requirements specified in this section.

Sec. 10. Minnesota Statutes 2008, section 148E.100, subdivision 3, is amended to read:

Subd. 3. **Types of supervision.** Of the 100 hours of supervision required under subdivision 1:

(1) 50 hours must be provided through one-on-one supervision, including: (i) a minimum of 25 hours of in-person supervision, and (ii) no more than 25 hours of supervision via eye-to-eye electronic media, while maintaining visual contact; and

(2) 50 hours must be provided through: (i) one-on-one supervision, or (ii) group supervision. The supervision may be in person, by telephone, or via eye-to-eye electronic media, while maintaining visual contact. The supervision must not be provided by e-mail. Group supervision is limited to six members not counting the supervisor or supervisors supervisees.

Sec. 11. Minnesota Statutes 2008, section 148E.100, subdivision 4, is amended to read:

Subd. 4. **Supervisor requirements.** The supervision required by subdivision 1 must be provided by a supervisor who meets the requirements specified in section 148E.120. The supervision must be provided by a:

- (1) ~~is a~~ licensed social worker who has completed the supervised practice requirements;
- (2) ~~is a~~ licensed graduate social worker, licensed independent social worker, or licensed independent clinical social worker; or
- (3) supervisor who meets the requirements specified in section 148E.120, subdivision 2.

Sec. 12. Minnesota Statutes 2008, section 148E.100, subdivision 5, is amended to read:

Subd. 5. **Supervisee requirements.** The supervisee must:

- (1) to the satisfaction of the supervisor, practice competently and ethically according to professional social work knowledge, skills, and values;
- (2) receive supervision in the following content areas:
 - (i) development of professional values and responsibilities;
 - (ii) practice skills;
 - (iii) authorized scope of practice;
 - (iv) ensuring continuing competence; and
 - (v) ethical standards of practice;
- (3) submit a supervision plan according to section 148E.125, subdivision 1; and
- (4) ~~if the board audits the supervisee's supervised practice,~~ submit verification of supervised practice according to section 148E.125, subdivision 3, when a licensed social worker applies for the renewal of a license.

Sec. 13. Minnesota Statutes 2008, section 148E.100, subdivision 6, is amended to read:

Subd. 6. **After completion of supervision requirements.** A licensed social worker who fulfills the supervision requirements specified in ~~subdivisions 1 to 5~~ this section is not required to be supervised after completion of the supervision requirements.

Sec. 14. Minnesota Statutes 2008, section 148E.100, subdivision 7, is amended to read:

Subd. 7. ~~Attestation~~ **Verification of supervised practice.** The social worker and the social worker's supervisor must ~~attest~~ submit verification that the supervisee has met or has made progress on meeting the applicable supervision requirements according to section 148E.125, subdivision ~~2~~ 3.

Sec. 15. Minnesota Statutes 2008, section 148E.105, subdivision 1, is amended to read:

Subdivision 1. **Supervision required after licensure.** After receiving a license from the board as a licensed graduate social worker, a licensed graduate social worker not engaged in clinical practice must obtain at least 100 hours of supervision according to the requirements of this section.

Sec. 16. Minnesota Statutes 2008, section 148E.105, is amended by adding a subdivision to read:

Subd. 2a. **Supervised practice obtained prior to August 1, 2011.** (a) Notwithstanding the requirements in subdivisions 1 and 2, the board shall approve hours of supervised practice completed prior to August 1, 2011, which comply with sections 148D.100 to 148D.125. These hours shall apply to supervised practice requirements in effect as specified in this section.

(b) Any additional hours of supervised practice obtained effective August 1, 2011, must comply with the increased requirements specified in this section.

Sec. 17. Minnesota Statutes 2008, section 148E.105, subdivision 3, is amended to read:

Subd. 3. Types of supervision. Of the 100 hours of supervision required under subdivision 1:

(1) 50 hours must be provided through one-on-one supervision, including: (i) a minimum of 25 hours of in-person supervision, and (ii) no more than 25 hours of supervision via eye-to-eye electronic media, while maintaining visual contact; and

(2) 50 hours must be provided through: (i) one-on-one supervision, or (ii) group supervision. The supervision may be in person, by telephone, or via eye-to-eye electronic media, while maintaining visual contact. The supervision must not be provided by e-mail. Group supervision is limited to six supervisees.

Sec. 18. Minnesota Statutes 2008, section 148E.105, subdivision 5, is amended to read:

Subd. 5. Supervisee requirements. The supervisee must:

(1) to the satisfaction of the supervisor, practice competently and ethically according to professional social work knowledge, skills, and values;

(2) receive supervision in the following content areas:

(i) development of professional values and responsibilities;

(ii) practice skills;

(iii) authorized scope of practice;

(iv) ensuring continuing competence; and

(v) ethical standards of practice;

(3) submit a supervision plan according to section 148E.125, subdivision 1; and

(4) verify supervised practice according to section 148E.125, subdivision 3, if when:

(i) the board audits the supervisee's supervised practice a licensed graduate social worker applies for the renewal of a license; or

(ii) a licensed graduate social worker applies for a licensed independent social worker license.

Sec. 19. Minnesota Statutes 2008, section 148E.105, subdivision 7, is amended to read:

Subd. 7. ~~Attestation~~ Verification of supervised practice. A social worker and the social worker's supervisor must attest submit verification that the supervisee has met or has made progress

on meeting the applicable supervision requirements according to section 148E.125, subdivision 2 3.

Sec. 20. Minnesota Statutes 2008, section 148E.106, subdivision 1, is amended to read:

Subdivision 1. **Supervision required after licensure.** After receiving a license from the board as a licensed graduate social worker, a licensed graduate social worker engaged in clinical practice must obtain at least 200 hours of supervision according to the requirements of this section:

(1) a minimum of four hours and a maximum of eight hours of supervision must be obtained during every 160 hours of practice until the licensed graduate social worker is issued a licensed independent clinical social worker license;

(2) a minimum of 200 hours of supervision must be completed, in addition to all other requirements according to sections 148E.115 to 148E.125, to be eligible to apply for the licensed independent clinical social worker license; and

(3) the supervisee and supervisor are required to adjust the rate of supervision obtained, based on the ratio of four hours of supervision during every 160 hours of practice, to ensure compliance with the requirements in subdivision 2.

Sec. 21. Minnesota Statutes 2008, section 148E.106, subdivision 2, is amended to read:

Subd. 2. **Practice requirements.** The supervision required by subdivision 1 must be obtained ~~during the first 4,000 hours of postgraduate social work practice authorized by law. At least:~~

(1) in no less than 4,000 hours and no more than 8,000 hours of postgraduate, clinical social work practice authorized by law, including at least 1,800 hours of direct clinical client contact; and

(2) a minimum of four hours and a maximum of eight hours of supervision must be obtained during every 160 hours of practice.

Sec. 22. Minnesota Statutes 2008, section 148E.106, is amended by adding a subdivision to read:

Subd. 2a. **Supervised practice obtained prior to August 1, 2011.** (a) Notwithstanding the requirements in subdivisions 1 and 2, the board shall approve hours of supervised practice completed prior to August 1, 2011, which comply with sections 148D.100 to 148D.125. These hours shall apply to supervised practice requirements in effect as specified in this section.

(b) Any additional hours of supervised practice obtained effective August 1, 2011, must comply with the increased requirements specified in this section.

(c) Notwithstanding the requirements in subdivision 2, clause (1), direct clinical client contact hours are (i) not required prior to August 1, 2011, and (ii) not required of a licensed graduate social worker engaged in clinical practice with a licensed graduate social worker license issue date prior to August 1, 2011.

Sec. 23. Minnesota Statutes 2008, section 148E.106, subdivision 3, is amended to read:

Subd. 3. **Types of supervision.** Of the 200 hours of supervision required under subdivision 1:

(1) 100 hours must be provided through one-on-one supervision, including: (i) a minimum of 50 hours of in-person supervision, and (ii) no more than 50 hours of supervision via eye-to-eye electronic media, while maintaining visual contact; and

(2) 100 hours must be provided through: (i) one-on-one supervision, or (ii) group supervision. The supervision may be in person, by telephone, or via eye-to-eye electronic media, while maintaining visual contact. The supervision must not be provided by e-mail. Group supervision is limited to six supervisees.

Sec. 24. Minnesota Statutes 2008, section 148E.106, subdivision 4, is amended to read:

Subd. 4. **Supervisor requirements.** The supervision required by subdivision 1 must be provided by a supervisor who meets the requirements specified in section 148E.120. The supervision must be provided by a:

- (1) ~~by a~~ licensed independent clinical social worker; or
- (2) ~~by a~~ supervisor who meets the requirements specified in section 148E.120, subdivision 2.

Sec. 25. Minnesota Statutes 2008, section 148E.106, subdivision 5, is amended to read:

Subd. 5. **Supervisee requirements.** The supervisee must:

(1) to the satisfaction of the supervisor, practice competently and ethically according to professional social work knowledge, skills, and values;

(2) receive supervision in the following content areas:

- (i) development of professional values and responsibilities;
- (ii) practice skills;
- (iii) authorized scope of practice;
- (iv) ensuring continuing competence; and
- (v) ethical standards of practice;

(3) submit a supervision plan according to section 148E.125, subdivision 1; and

(4) verify supervised practice according to section 148E.125, subdivision 3, ~~if~~ when:

(i) ~~the board audits the supervisee's supervised practice~~ a licensed graduate social worker applies for the renewal of a license; or

(ii) a licensed graduate social worker applies for a licensed independent clinical social worker license.

Sec. 26. Minnesota Statutes 2008, section 148E.106, subdivision 8, is amended to read:

Subd. 8. **Eligibility to apply for licensure as a licensed independent clinical social worker.** Upon completion of not less than 4,000 hours and not more than 8,000 hours of clinical social work practice, including at least 1,800 hours of direct clinical client contact and 200 hours of supervision according to the requirements of this section, a licensed graduate social worker is eligible to apply for a licensed independent clinical social worker license under section 148E.115, subdivision 1.

Sec. 27. Minnesota Statutes 2008, section 148E.106, subdivision 9, is amended to read:

Subd. 9. **Attestation Verification of supervised practice.** A social worker and the social

worker's supervisor must ~~attest~~ submit verification that the supervisee has met or has made progress on meeting the applicable supervision requirements according to section 148E.125, subdivision ~~2~~ 3.

Sec. 28. Minnesota Statutes 2008, section 148E.110, subdivision 1, is amended to read:

Subdivision 1. **Supervision required before licensure.** Before becoming licensed as a licensed independent social worker, a person must have obtained at least 100 hours of supervision during 4,000 hours of postgraduate social work practice required by law according to the requirements of section 148E.105, ~~subdivisions 3, 4, and 5~~. At least four hours of supervision must be obtained during every 160 hours of practice.

Sec. 29. Minnesota Statutes 2008, section 148E.110, is amended by adding a subdivision to read:

Subd. 1a. **Supervised practice obtained prior to August 1, 2011.** (a) Notwithstanding subdivision 1, the board shall approve supervised practice hours completed prior to August 1, 2011, which comply with sections 148D.100 to 148D.125. These hours must apply to supervised practice requirements in effect as specified in this section.

(b) Any additional hours of supervised practice obtained on or after August 1, 2011, must comply with the increased requirements in this section.

Sec. 30. Minnesota Statutes 2008, section 148E.110, subdivision 2, is amended to read:

Subd. 2. **Licensed independent social workers; clinical social work after licensure.** After licensure, a licensed independent social worker must not engage in clinical social work practice except under supervision by a licensed independent clinical social worker who meets the requirements in section 148E.120, subdivision 1, or an alternate supervisor designated according to section 148E.120, subdivision 2.

Sec. 31. Minnesota Statutes 2008, section 148E.110, is amended by adding a subdivision to read:

Subd. 5. **Supervision; licensed independent social worker engaged in clinical social work practice.** (a) After receiving a license from the board as a licensed independent social worker, a licensed independent social worker engaged in clinical social work practice must obtain at least 200 hours of supervision according to the requirements of this section.

(b) A minimum of four hours and a maximum of eight hours of supervision must be obtained during every 160 hours of practice until the licensed independent social worker is issued a licensed independent clinical social worker license.

(c) A minimum of 200 hours of supervision must be completed, in addition to all other requirements according to sections 148E.115 to 148E.125, to be eligible to apply for the licensed independent clinical social worker license.

(d) The supervisee and supervisor are required to adjust the rate of supervision obtained based on the ratio of four hours of supervision during every 160 hours of practice to ensure compliance with the requirements in subdivision 1a.

Sec. 32. Minnesota Statutes 2008, section 148E.110, is amended by adding a subdivision to read:

Subd. 6. **Practice requirements after licensure as licensed independent social worker; clinical social work practice.** (a) The supervision required by subdivision 5 must be obtained:

(1) in no less than 4,000 hours and no more than 8,000 hours of postgraduate clinical social work practice authorized by law, including at least 1,800 hours of direct clinical client contact; and

(2) a minimum of four hours and a maximum of eight hours of supervision must be obtained during every 160 hours of practice.

(b) Notwithstanding paragraph (a), clause (1), direct clinical client contact hours are (i) not required prior to August 1, 2011, and (ii) not required of a licensed independent social worker engaged in clinical practice with a licensed independent social worker license issue date prior to August 1, 2011.

Sec. 33. Minnesota Statutes 2008, section 148E.110, is amended by adding a subdivision to read:

Subd. 7. Supervision; clinical social work practice after licensure as licensed independent social worker. Of the 200 hours of supervision required under subdivision 5:

(1) 100 hours must be provided through one-on-one supervision, including:

(i) a minimum of 50 hours of in-person supervision; and

(ii) no more than 50 hours of supervision via eye-to-eye electronic media, while maintaining visual contact; and

(2) 100 hours must be provided through:

(i) one-on-one supervision; or

(ii) group supervision.

The supervision may be in person, by telephone, or via eye-to-eye electronic media, while maintaining visual contact. The supervision must not be provided by e-mail. Group supervision is limited to six supervisees.

Sec. 34. Minnesota Statutes 2008, section 148E.110, is amended by adding a subdivision to read:

Subd. 8. Supervision; clinical social work practice after licensure. The supervision required by subdivision 5 must be provided by a supervisor who meets the requirements specified in section 148E.120. The supervision must be provided by a:

(1) licensed independent clinical social worker; or

(2) supervisor who meets the requirements specified in section 148E.120, subdivision 2.

Sec. 35. Minnesota Statutes 2008, section 148E.110, is amended by adding a subdivision to read:

Subd. 9. Supervisee requirements; clinical social work practice after licensure. The supervisee must:

(1) to the satisfaction of the supervisor, practice competently and ethically according to professional social work knowledge, skills, and values;

(2) receive supervision in the following content areas:

(i) development of professional values and responsibilities;

- (ii) practice skills;
- (iii) authorized scope of practice;
- (iv) ensuring continuing competence; and
- (v) ethical standards of practice;
- (3) submit a supervision plan according to section 148E.125, subdivision 1; and
- (4) verify supervised practice according to section 148E.125, subdivision 3, when:
 - (i) a licensed independent social worker applies for the renewal of a license; or
 - (ii) a licensed independent social worker applies for a licensed independent clinical social worker license.

Sec. 36. Minnesota Statutes 2008, section 148E.110, is amended by adding a subdivision to read:

Subd. 10. Limit on practice of clinical social work. (a) Except as provided in paragraph (b), a licensed independent social worker must not engage in clinical social work practice under supervision for more than 8,000 hours. In order to practice clinical social work for more than 8,000 hours, a licensed independent social worker must obtain a licensed independent clinical social worker license.

(b) Notwithstanding the requirements of paragraph (a), the board may grant a licensed independent social worker permission to engage in clinical social work practice for more than 8,000 hours if the licensed independent social worker petitions the board and demonstrates to the board's satisfaction that for reasons of personal hardship the licensed independent social worker should be granted an extension to continue practicing clinical social work under supervision for up to an additional 2,000 hours.

Sec. 37. Minnesota Statutes 2008, section 148E.110, is amended by adding a subdivision to read:

Subd. 11. Eligibility for licensure; licensed independent clinical social worker. Upon completion of not less than 4,000 hours and not more than 8,000 hours of clinical social work practice, including at least 1,800 hours of direct clinical client contact and 200 hours of supervision according to the requirements of this section, a licensed independent social worker is eligible to apply for a licensed independent clinical social worker license under section 148E.115, subdivision 1.

Sec. 38. Minnesota Statutes 2008, section 148E.110, is amended by adding a subdivision to read:

Subd. 12. Verification of supervised practice. A social worker and the social worker's supervisor must submit verification that the supervisee has met or has made progress on meeting the applicable supervision requirements according to section 148E.125, subdivision 3.

Sec. 39. Minnesota Statutes 2008, section 148E.115, subdivision 1, is amended to read:

Subdivision 1. Supervision required before licensure; licensed independent clinical social worker. Before becoming licensed as a licensed independent clinical social worker, a person must have obtained at least 200 hours of supervision during at the rate of a minimum of four and a maximum of eight hours of supervision for every 160 hours of practice, in not less than 4,000 hours

and not more than 8,000 hours of postgraduate clinical practice required by law, including at least 1,800 hours of direct clinical client contact, according to the requirements of section 148E.106.

Sec. 40. Minnesota Statutes 2008, section 148E.115, is amended by adding a subdivision to read:

Subd. 1a. **Supervised practice obtained prior to August 1, 2011.** (a) Notwithstanding subdivisions 1 and 2, applicants and licensees who have completed hours of supervised practice prior to August 1, 2011, which comply with sections 148D.100 to 148D.125, may have that supervised practice applied to the licensing requirement.

(b) Any additional hours of supervised practice obtained on or after August 1, 2011, must comply with the increased requirements in this section.

(c) Notwithstanding subdivision 1, in order to qualify for the licensed independent clinical social work license, direct clinical client contact hours are:

(1) not required prior to August 1, 2011; and

(2) not required of either a licensed graduate social worker or a licensed independent social worker engaged in clinical practice with a license issued prior to August 1, 2011.

Sec. 41. Minnesota Statutes 2008, section 148E.120, is amended to read:

148E.120 REQUIREMENTS OF SUPERVISORS.

Subdivision 1. **Supervisors licensed as social workers.** (a) Except as provided in paragraph ~~(b)~~ ~~(d)~~, to be eligible to provide supervision under this section, a social worker must:

~~(1) have at least 2,000 hours of experience in authorized social work practice. If the person is providing clinical supervision, the 2,000 hours must include 1,000 hours of experience in clinical practice;~~

~~(2) have completed 30 hours of training in supervision through coursework from an accredited college or university, or through continuing education in compliance with sections 148E.130 to 148E.170;~~

~~(3) (2) be competent in the activities being supervised; and~~

~~(4) (3) attest, on a form provided by the board, that the social worker has met the applicable requirements specified in this section and sections 148E.100 to 148E.115. The board may audit the information provided to determine compliance with the requirements of this section.~~

(b) A licensed independent clinical social worker providing clinical licensing supervision to a licensed graduate social worker or a licensed independent social worker must have at least 2,000 hours of experience in authorized social work practice, including 1,000 hours of experience in clinical practice after obtaining a licensed independent clinical social worker license.

(c) A licensed social worker, licensed graduate social worker, licensed independent social worker, or licensed independent clinical social worker providing nonclinical licensing supervision must have completed the supervised practice requirements specified in section 148E.100, 148E.105, 148E.106, 148E.110, or 148E.115, as applicable.

~~(b) (d) If the board determines that supervision is not obtainable from an individual meeting the~~

requirements specified in paragraph (a), the board may approve an alternate supervisor according to subdivision 2.

Subd. 2. **Alternate supervisors.** (a) The board may approve an alternate supervisor if:

- (1) the board determines that supervision is not obtainable according to paragraph (b);
- (2) the licensee requests in the supervision plan submitted according to section 148E.125, subdivision 1, that an alternate supervisor conduct the supervision;
- (3) the licensee describes the proposed supervision and the name and qualifications of the proposed alternate supervisor; and
- (4) the requirements of paragraph (d) are met.

(b) The board may determine that supervision is not obtainable if:

- (1) the licensee provides documentation as an attachment to the supervision plan submitted according to section 148E.125, subdivision 1, that the licensee has conducted a thorough search for a supervisor meeting the applicable licensure requirements specified in sections 148E.100 to 148E.115;
- (2) the licensee demonstrates to the board's satisfaction that the search was unsuccessful; and
- (3) the licensee describes the extent of the search and the names and locations of the persons and organizations contacted.

(c) The requirements specified in paragraph (b) do not apply to obtaining licensing supervision for ~~clinical~~ social work practice if the board determines that there are five or fewer ~~licensed independent clinical social workers~~ supervisors meeting the applicable licensure requirements in sections 148E.100 to 148E.115 in the county where the licensee practices social work.

(d) An alternate supervisor must:

- (1) be an unlicensed social worker who is employed in, and provides the supervision in, a setting exempt from licensure by section 148E.065, and who has qualifications equivalent to the applicable requirements specified in sections 148E.100 to 148E.115;
- (2) be a social worker engaged in authorized practice in Iowa, Manitoba, North Dakota, Ontario, South Dakota, or Wisconsin, and has the qualifications equivalent to the applicable requirements specified in sections 148E.100 to 148E.115; or
- (3) be a licensed marriage and family therapist or a mental health professional as established by section 245.462, subdivision 18, or 245.4871, subdivision 27, or an equivalent mental health professional, as determined by the board, who is licensed or credentialed by a state, territorial, provincial, or foreign licensing agency.

(e) In order to qualify to provide clinical supervision of a licensed graduate social worker or licensed independent social worker engaged in clinical practice, the alternate supervisor must be a mental health professional as established by section 245.462, subdivision 18, or 245.4871, subdivision 27, or an equivalent mental health professional, as determined by the board, who is licensed or credentialed by a state, territorial, provincial, or foreign licensing agency.

Sec. 42. Minnesota Statutes 2008, section 148E.125, subdivision 1, is amended to read:

Subdivision 1. **Supervision plan.** (a) A social worker must submit, on a form provided by the board, a supervision plan for meeting the supervision requirements specified in sections 148E.100 to 148E.120.

(b) The supervision plan must be submitted no later than ~~90~~ 60 days after the licensee begins a social work practice position after becoming licensed.

(c) For failure to submit the supervision plan within ~~90~~ 60 days after beginning a social work practice position, a licensee must pay the supervision plan late fee specified in section 148E.180 when the licensee applies for license renewal.

(d) A license renewal application submitted according to paragraph (a) must not be approved unless the board has received a supervision plan.

(e) The supervision plan must include the following:

(1) the name of the supervisee, the name of the agency in which the supervisee is being supervised, and the supervisee's position title;

(2) the name and qualifications of the person providing the supervision;

(3) the number of hours of one-on-one in-person supervision and the number and type of additional hours of supervision to be completed by the supervisee;

(4) the supervisee's position description;

(5) a brief description of the supervision the supervisee will receive in the following content areas:

(i) clinical practice, if applicable;

(ii) development of professional social work knowledge, skills, and values;

(iii) practice methods;

(iv) authorized scope of practice;

(v) ensuring continuing competence; and

(vi) ethical standards of practice; and

(6) if applicable, a detailed description of the supervisee's clinical social work practice, addressing:

(i) the client population, the range of presenting issues, and the diagnoses;

(ii) the clinical modalities that were utilized; and

(iii) the process utilized for determining clinical diagnoses, including the diagnostic instruments used and the role of the supervisee in the diagnostic process.

(f) The board must receive a revised supervision plan within ~~90~~ 60 days of any of the following changes:

- (1) the supervisee has a new supervisor;
- (2) the supervisee begins a new social work position;
- (3) the scope or content of the supervisee's social work practice changes substantially;
- (4) the number of practice or supervision hours changes substantially; or
- (5) the type of supervision changes as supervision is described in section 148E.100, subdivision 3, or 148E.105, subdivision 3, or as required in section 148E.115.

(g) For failure to submit a revised supervision plan as required in paragraph (f), a supervisee must pay the supervision plan late fee specified in section 148E.180, when the supervisee applies for license renewal.

(h) The board must approve the supervisor and the supervision plan.

Sec. 43. Minnesota Statutes 2008, section 148E.125, subdivision 3, is amended to read:

Subd. 3. **Verification of supervised practice.** (a) ~~In addition to receiving the attestation required under subdivision 2,~~ The board must receive verification of supervised practice if when:

(1) ~~the board audits the supervision of a supervisee~~ licensee submits the license renewal application form; or

(2) an applicant applies for a license as a licensed independent social worker or as a licensed independent clinical social worker.

(b) When verification of supervised practice is required according to paragraph (a), the board must receive from the supervisor the following information on a form provided by the board:

(1) the name of the supervisee, the name of the agency in which the supervisee is being supervised, and the supervisee's position title;

(2) the name and qualifications of the supervisor;

(3) the number of hours and dates of each type of supervision completed;

(4) the supervisee's position description;

(5) a declaration that the supervisee has not engaged in conduct in violation of the standards of practice specified in sections 148E.195 to 148E.240;

(6) a declaration that the supervisee has practiced ethically and competently according to professional social work knowledge, skills, and values;

(7) a list of the content areas in which the supervisee has received supervision, including the following:

(i) clinical practice, if applicable;

(ii) development of professional social work knowledge, skills, and values;

(iii) practice methods;

- (iv) authorized scope of practice;
 - (v) ensuring continuing competence; and
 - (vi) ethical standards of practice; and
- (8) if applicable, a detailed description of the supervisee's clinical social work practice, addressing:
- (i) the client population, the range of presenting issues, and the diagnoses;
 - (ii) the clinical modalities that were utilized; and
 - (iii) the process utilized for determining clinical diagnoses, including the diagnostic instruments used and the role of the supervisee in the diagnostic process.
- (c) The information provided on the verification form must demonstrate to the board's satisfaction that the supervisee has met the applicable supervised practice requirements.

Sec. 44. Minnesota Statutes 2008, section 148E.130, is amended by adding a subdivision to read:

Subd. 1a. **Increased clock hours required effective August 1, 2011.** (a) Notwithstanding the requirements in subdivision 8, the clock hours specified in subdivisions 1 and 4 to 6 apply to all new licenses issued effective August 1, 2011, under section 148E.055.

(b) Any licensee issued a license prior to August 1, 2011, under section 148D.055 must comply with the increased clock hours in subdivisions 1 and 4 to 6, and must document the clock hours at the first two-year renewal term after August 1, 2011.

Sec. 45. Minnesota Statutes 2008, section 148E.130, subdivision 2, is amended to read:

Subd. 2. **Ethics requirement.** At least two of the clock hours required under subdivision 1 must be in social work ethics-, including at least one of the following:

- (1) the history and evolution of values and ethics in social work;
- (2) ethics theories;
- (3) professional standards of social work practice, as specified in the ethical codes of the National Association of Social Workers, the Association of Canadian Social Workers, the Clinical Social Work Federation, and the Council on Social Work Education;
- (4) the legal requirements and other considerations for each jurisdiction that registers, certifies, or licenses social workers; or
- (5) the ethical decision-making process.

Sec. 46. Minnesota Statutes 2008, section 148E.130, subdivision 5, is amended to read:

Subd. 5. **Independent study.** Independent study must not consist of more than ~~ten~~ 15 clock hours of continuing education per renewal term. Independent study must be for publication, public presentation, or professional development. Independent study includes, but is not limited to, electronic study. For purposes of subdivision ~~6~~ 4, independent study includes consultation ~~with an experienced supervisor regarding the practice of supervision~~ or training regarding supervision with

a licensed professional who has demonstrated supervisory skills.

Sec. 47. Minnesota Statutes 2008, section 148E.165, subdivision 1, is amended to read:

Subdivision 1. **Records retention; licensees.** For one year following the expiration date of a license, the licensee must maintain documentation of clock hours earned during the previous renewal term. The documentation must include the following:

(1) for educational workshops or seminars offered by an organization or at a conference, a copy of the certificate of attendance issued by the presenter or sponsor giving the following information:

- (i) the name of the sponsor or presenter of the program;
- (ii) the title of the workshop or seminar;
- (iii) the dates the licensee participated in the program; and
- (iv) the number of clock hours completed;

(2) for academic coursework offered by an institution of higher learning, a copy of a transcript giving the following information:

- (i) the name of the institution offering the course;
- (ii) the title of the course;
- (iii) the dates the licensee participated in the course; and
- (iv) the number of credits completed;

(3) for staff training offered by public or private employers, a copy of the certificate of attendance issued by the employer giving the following information:

- (i) the name of the employer;
- (ii) the title of the staff training;
- (iii) the dates the licensee participated in the program; and
- (iv) the number of clock hours completed; and

(4) for independent study, including electronic study, or consultation or training regarding supervision, a written summary of the study activity conducted, including the following information:

- (i) the topics ~~studied~~ covered;
- (ii) a description of the applicability of the study activity to the licensee's authorized scope of practice;
- (iii) the titles and authors of books and articles consulted or the name of the organization offering the study activity, or the name and title of the licensed professional consulted regarding supervision;
- (iv) the dates the licensee conducted the study activity; and

(v) the number of clock hours the licensee conducted the study activity.

Sec. 48. **REPEALER.**

Minnesota Statutes 2008, sections 148E.106, subdivision 6; and 148E.125, subdivision 2, are repealed August 1, 2011.

Sec. 49. **EFFECTIVE DATE.**

Sections 1 to 47 are effective August 1, 2011."

Renumber the sections in sequence and correct the internal reference

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 1745 was then recommended to pass.

H.F. No. 1853, which the committee recommends to pass, subject to the following motions:

Senator Sparks moved that the amendment made to H.F. No. 1853 by the Committee on Rules and Administration in the report adopted May 14, 2009, pursuant to Rule 45, be stricken. The motion prevailed. So the amendment was stricken.

Senator Sparks moved to amend H.F. No. 1853 as follows:

Page 4, line 14, after the period, insert "Nothing in this section shall prohibit an insurance company from requiring an insurance producer to maintain errors and omissions coverage or requiring that errors and omissions coverage meet certain criteria."

Page 10, delete lines 5 to 22

Pages 13 to 16, delete sections 19 to 21

Page 33, delete section 36

Page 40, line 5, delete "or an agent exclusively for" and insert "of"

Page 40, line 7, after the period, insert "Nothing in this section shall prohibit a broker-dealer from requiring an agent to maintain errors and omissions coverage or requiring that the errors and omissions coverage meet certain criteria."

Page 51, delete sections 65 and 66

Page 57, line 1, delete "61B.19, subdivision 6;"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Sparks moved to amend H.F. No. 1853 as follows:

Page 13, after line 13, insert:

"Sec. 19. [60A.39] CERTIFICATES OF INSURANCE.

Subdivision 1. **Issuance.** A licensed insurer or insurance producer may provide to a third party a certificate of insurance which documents insurance coverage. The purpose of a certificate of insurance is to provide evidence of insurance coverage and the amount of insurance issued.

Subd. 2. **Approval.** An insurer or licensed producer shall not issue a certificate of insurance or other document or instrument that either affirmatively or negatively amends, extends, or alters the coverage provided by an approved policy, form, or endorsement without the written approval of the commissioner.

Subd. 3. **Required statement.** A certificate or memorandum of property or casualty insurance when issued to any person other than the policyholder must contain the following or similar statement: "This certificate or memorandum of insurance does not affirmatively or negatively amend, extend, or alter the coverage afforded by the insurance policy."

Subd. 4. **Cancellation notice.** A certificate provided to a third party must not provide for notice of cancellation that exceeds the statutory notice of cancellation provided to the policyholder.

Subd. 5. **Filing.** An insurer not using the standard ACORD or ISO form "Certificate of Insurance" shall file with the commissioner, prior to its use, the form of certificate or memorandum of insurance coverage that will be used by the insurer. Filed forms may not be amended at the request of a third party.

Subd. 6. **Opinion letters.** A licensed insurance producer may not issue, in lieu of a certificate, an agent's opinion letter or other correspondence that is inconsistent with this section.

Sec. 20. Minnesota Statutes 2008, section 60K.46, is amended by adding a subdivision to read:

Subd. 8. **Certificates of insurance.** An insurance producer shall not issue a certificate of insurance, or other evidence of insurance coverage that either affirmatively or negatively amends, extends, or alters the coverage as provided by the policy, or provides notice of cancellation to a third party that exceeds the statutory notice requirement to a policyholder."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Saltzman moved to amend H.F. No. 1853 as follows:

Page 49, after line 33, insert:

"Sec. 63. [325E.66] INSURANCE CLAIMS FOR RESIDENTIAL ROOFING GOODS AND SERVICES.

Subdivision 1. **Payment or rebate of insurance deductible.** A residential roofer as defined in section 326B.802, subdivision 14, providing goods and services to be paid by an insured from the proceeds of a property or casualty insurance policy, shall not advertise or promise to pay or rebate all or part of any applicable insurance deductible. If a residential roofer violates this section, the insurer to whom the insured tendered the claim shall not be obligated to consider the estimate prepared by

the residential roofer.

Subd. 2. **Violation.** If a residential roofer violates subdivision 1, the insured or the applicable insurer may bring an action against the roofer in a court of competent jurisdiction for damages sustained by the insured or insurer as a consequence of the residential roofer's violation."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Wiger moved to amend H.F. No. 1853 as follows:

Page 19, delete section 25

Page 33, after line 32, insert:

"Sec. 37. Minnesota Statutes 2008, section 65A.29, is amended by adding a subdivision to read:

Subd. 13. **Notice of possible cancellation.** (a) A written notice must be provided to all applicants for homeowners' insurance, at the time the application is submitted, containing the following language in bold print: "THE INSURER MAY ELECT TO CANCEL COVERAGE AT ANY TIME DURING THE FIRST 60 DAYS FOLLOWING ISSUANCE OF THE COVERAGE FOR ANY REASON WHICH IS NOT SPECIFICALLY PROHIBITED BY STATUTE."

(b) If the insurer provides the notice on the insurer's Web site, the insurer or agent may advise the applicant orally or in writing of its availability for review on the insurer's Web site in lieu of providing a written notice, if the insurer advises the applicant of the availability of a written notice upon the applicant's request. The insurer shall provide the notice in writing if requested by the applicant. An oral notice shall be presumed delivered if the agent or insurer makes a contemporaneous notation in the applicant's record of the notice having been delivered or if the insurer or agent retains an audio recording of the notification provided to the applicant.

EFFECTIVE DATE. This section is effective January 1, 2010."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Pappas moved to amend H.F. No. 1853 as follows:

Page 1, after line 31, insert:

"Sec. 2. Minnesota Statutes 2008, section 13.3215, is amended to read:

13.3215 UNIVERSITY OF MINNESOTA DATA.

Subdivision 1. **Definitions.** (a) For purposes of this section, the terms in this subdivision have the meanings given them.

(b) "Business data" is data described in section 13.591, subdivision 1, and includes the funded

amount of the University of Minnesota's commitment to the investment to date, if any; the market value of the investment by the University of Minnesota; and the age of the investment in years.

(c) "Financial, business, or proprietary data" means data, as determined by the responsible authority for the University of Minnesota, that is of a financial, business, or proprietary nature, the release of which could cause competitive harm to the University of Minnesota, the legal entity in which the University of Minnesota has invested or has considered an investment, the managing entity of an investment, or a portfolio company in which the legal entity holds an interest.

(d) "Investment" means the investments by the University of Minnesota in the following private capital:

(1) venture capital and other private equity investment businesses through participation in limited partnerships, trusts, limited liability corporations, limited liability companies, limited liability partnerships, and corporations;

(2) real estate ownership interests or loans secured by mortgages or deeds of trust or shares of real estate investment trusts through investment in limited partnerships; and

(3) natural resource investments through limited partnerships, trusts, limited liability corporations, limited liability companies, limited liability partnerships, and corporations.

Subd. 2. Claims experience data. Claims experience and all related information received from carriers and claims administrators participating in a University of Minnesota group health, dental, life, or disability insurance plan or the University of Minnesota workers' compensation program, and survey information collected from employees or students participating in these plans and programs, except when the university determines that release of the data will not be detrimental to the plan or program, are classified as nonpublic data ~~not on individuals pursuant to~~ under section 13.02, subdivision 9.

Subd. 3. Private equity investment data. (a) Financial, business, or proprietary data collected, created, received, or maintained by the University of Minnesota in connection with investments are nonpublic data.

(b) The following data shall be public:

(1) the name of the general partners and the legal entity in which the University of Minnesota has invested;

(2) the amount of the University's initial commitment, and any subsequent commitments;

(3) quarterly reports which outline the aggregate investment performance achieved and the market value, and the fees and expenses paid in aggregate to general partner investment managers in each of the following specific asset classes: venture capital, private equity, distressed debt, private real estate, and natural resources;

(4) a description of all of the types of industry sectors the University of Minnesota is or has invested in, in each specific private equity asset class; and

(5) the portfolio performance of University of Minnesota investments overall, including the number of investments, the total amount of the University of Minnesota commitments, the total current market value, and the return on the total investment portfolio.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Limmer questioned whether the amendment was germane.

The President ruled that the amendment was germane.

The question was taken on the adoption of the Pappas amendment.

The roll was called, and there were yeas 37 and nays 12, as follows:

Those who voted in the affirmative were:

Bakk	Fobbe	Lynch	Pogemiller	Sparks
Berglin	Foley	Metzen	Prettner Solon	Stumpf
Betzold	Gerlach	Michel	Rest	Tomassoni
Bonoff	Hann	Moua	Saltzman	Vickerman
Clark	Higgins	Olseen	Scheid	Wiger
Dahle	Kubly	Olson, G.	Sieben	
Dibble	Langseth	Pappas	Skoe	
Dille	Latz	Pariseau	Skogen	

Those who voted in the negative were:

Carlson	Fischbach	Marty	Rosen
Doll	Jungbauer	Olson, M.	Senjem
Erickson Ropes	Limmer	Ortman	Vandev eer

The motion prevailed. So the amendment was adopted.

Senator Scheid moved to amend H.F. No. 1853 as follows:

Page 34, after line 26, insert:

"Sec. 41. Minnesota Statutes 2008, section 65B.54, subdivision 1, is amended to read:

Subdivision 1. **Payment of basic economic loss benefits.** Basic economic loss benefits are payable monthly as loss accrues. Loss accrues not when injury occurs, but as income loss, replacement services loss, survivor's economic loss, survivor's replacement services loss, or medical or funeral expense is incurred. Benefits are overdue if not paid within 30 days after the reparation obligor receives reasonable proof of the fact and amount of loss realized, unless the reparation obligor elects to accumulate claims for periods not exceeding 31 days and pays them within 15 days after the period of accumulation. If reasonable proof is supplied as to only part of a claim, and the part totals \$100 or more, the part is overdue if not paid within the time provided by this section. Medical or funeral expense benefits may be paid by the reparation obligor directly to persons supplying products, services, or accommodations to the claimant. Claims by a health provider defined in section 62J.03, subdivision 8, for medical expense benefits covered by this chapter shall be submitted to the reparation obligor pursuant to the uniform electronic transaction standards required by section 62J.536 and the rules promulgated under that section. Payment of benefits for such claims for medical expense benefits are not due if the claim is not received by the reparation obligor pursuant to those electronic transaction standards and rules. Notwithstanding any such submission, a reparation obligor may require additional reasonable proof regarding the fact and the amount of loss realized regarding such a claim. A health care provider cannot directly

bill an insured for the amount of any such claim not remitted pursuant to the transaction standards required by section 62J.536 if the reparation obligor is acting in compliance with these standards in receiving or paying such a claim."

Page 36, after line 24, insert:

"Sec. 45. Minnesota Statutes 2008, section 72A.201, is amended by adding a subdivision to read:

Subd. 14. **Uniform electronic transaction standards.** Claims for medical expenses under a property and casualty insurance policy subject to the uniform electronic transaction standards required by section 62J.536 shall be submitted to an insurer by a health care provider subject to that section pursuant to the uniform electronic transaction standards and rules promulgated under that section. The exchange of information related to such claims pursuant to the electronic transaction standards by an insurer shall not be the sole basis for a finding that the insurer is not in compliance with the requirements of this section, section 72A.20, and any rules promulgated under these sections."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Betzold moved to amend H.F. No. 1853 as follows:

Page 49, after line 33, insert:

"Sec. 63. Minnesota Statutes 2008, section 332.70, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of this section:

(a) "Business screening service" means a person regularly engaged in the business of collecting, assembling, evaluating, or disseminating ~~criminal record information~~ records on individuals for a fee. Business screening service does not include a government entity, ~~as defined in section 13.02,~~ or the news media.

(b) "Conviction" has the meaning given in section 609.02, subdivision 5.

(c) "Criminal record" means a public record originating from a government entity in Minnesota or a Minnesota court of an arrest, citation, prosecution, criminal proceeding, or conviction. "Criminal proceeding" does not include a written court opinion.

(d) "Government entity" has the meaning given in section 13.02.

EFFECTIVE DATE. This section is effective July 1, 2009.

Sec. 64. Minnesota Statutes 2008, section 332.70, subdivision 2, is amended to read:

Subd. 2. **Criminal records.** A business screening service must not disseminate a criminal record unless the record has been updated within the previous ~~month~~ 90 days.

EFFECTIVE DATE. This section is effective July 1, 2009.

Sec. 65. Minnesota Statutes 2008, section 332.70, subdivision 3, is amended to read:

Subd. 3. **Correction and deletion of records.** (a) If the completeness or accuracy of a criminal record maintained by a business screening service is disputed by the individual who is the subject of the record, the screening service shall, without charge, investigate the disputed record. In conducting an investigation, the business screening service shall review and consider all relevant information submitted by the subject of the record with respect to the disputed record to determine whether the record maintained by the business screening service accurately reflects the content of the record maintained by the government entity or the court.

~~(b) If the disputed record is found to be inaccurate or incomplete, the business screening service shall promptly correct the record.~~ If, upon investigation, the business screening service determines that the record does not accurately reflect the content of the record maintained by the government entity or the court, the business screening service shall correct the disputed record to accurately reflect the content of that record. If the disputed record is found to be sealed, expunged, or the subject of a pardon, the business screening service shall promptly delete the record.

(c) A business screening service may terminate an investigation of a disputed record if the business screening agency reasonably determines that the dispute is frivolous, which may be based on the failure of the subject of the record to provide sufficient information to investigate the disputed record. Upon making a determination that the dispute is frivolous, the business screening service shall inform the subject of the record of the specific reasons why it has determined that the dispute is frivolous and provide a description of any information required to investigate the disputed record.

(d) The business screening service shall notify the subject of the disputed record of the correction or deletion of the record or of the termination or completion of the investigation related to the record within 30 days of the date when the agency receives notice of the dispute from the subject of the record.

EFFECTIVE DATE. This section is effective July 1, 2009.

Sec. 66. Minnesota Statutes 2008, section 332.70, subdivision 4, is amended to read:

Subd. 4. **Date and notice required.** ~~If a business screening service that disseminates a criminal record that is collected on or after July 1, 2009, it must include the date when the record was collected and by the business screening service. A business screening service that disseminates a criminal record must include a notice that the information may include criminal records that have been expunged, sealed, or otherwise have become inaccessible to the public since that date.~~

EFFECTIVE DATE. This section is effective July 1, 2009."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Dibble moved to amend the Betzold amendment to H.F. No. 1853 as follows:

Page 1, line 10, delete "originating from a government entity in"

Page 1, line 11, delete the new language

The question was taken on the adoption of the Dibble amendment to the Betzold amendment.

The roll was called, and there were yeas 28 and nays 26, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Marty	Rest	Stumpf
Bakk	Doll	Moua	Scheid	Tomassoni
Berglin	Erickson Ropes	Murphy	Sheran	Vickerman
Bonoff	Higgins	Olson, M.	Sieben	Wiger
Clark	Kubly	Pappas	Skoe	
Dahle	Latz	Prettner Solon	Skogen	

Those who voted in the negative were:

Betzold	Gerlach	Limmer	Pariseau	Sparks
Carlson	Gimse	Lynch	Pogemiller	Vanderveer
Dille	Hann	Michel	Robling	
Fischbach	Jungbauer	Olseen	Rosen	
Fobbe	Koch	Olson, G.	Saltzman	
Foley	Langseth	Ortman	Senjem	

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the Betzold amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Senator Olson, G. moved to amend H.F. No. 1853 as follows:

Page 39, delete section 46

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 1853 was then recommended to pass.

H.F. No. 211, which the committee recommends to pass with the following amendment offered by Senator Saltzman:

Page 1, after line 20, insert:

"Sec. 2. HOMEOWNER WARRANTY DISPUTE RESOLUTION; REPORT TO THE LEGISLATURE.

The commissioner of labor and industry and the commissioner of commerce shall consult with interested parties to review the homeowner warranty statutes in Minnesota Statutes, chapter 327A, for purposes of developing a timely and prescriptive process for resolving homeowner warranty disputes that promotes resolution of warranty claims without litigation. The interested parties to be consulted include, but are not limited to:

- (1) the construction section of the state bar association;
- (2) the Builders Association of Minnesota;
- (3) the Association of General Contractors;
- (4) representatives of homeowners and consumers; and
- (5) any other interested parties.

By January 15, 2010, the commissioner of labor and industry shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over homeowner warranty statutes. The report must include recommendations for changes in the law to promote resolution of homeowner warranty disputes."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Ortman questioned whether the amendment was germane.

The President ruled that the amendment was germane.

The question was taken on the adoption of the Saltzman amendment. The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass H.F. No. 211.

The roll was called, and there were yeas 38 and nays 22, as follows:

Those who voted in the affirmative were:

Berglin	Erickson Ropes	Lourey	Olson, M.	Scheid
Betzold	Fobbe	Lynch	Pappas	Sieben
Bonoff	Foley	Marty	Pariseau	Skoe
Carlson	Higgins	Metzen	Pogemiller	Skogen
Chaudhary	Kelash	Moua	Prettner Solon	Torres Ray
Clark	Kubly	Murphy	Rest	Wiger
Dahle	Langseth	Olseen	Rummel	
Dibble	Latz	Olson, G.	Saltzman	

Those who voted in the negative were:

Bakk	Gimse	Limmer	Senjem	Vandever
Dille	Hann	Michel	Sheran	Vickerman
Doll	Ingebrigtsen	Ortman	Sparks	
Fischbach	Jungbauer	Robling	Stumpf	
Gerlach	Koch	Rosen	Tomassoni	

The motion prevailed. So H.F. No. 211 was 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 Executive and Official Communications, Messages From the House and First Reading of House Bills.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

55TH DAY]

FRIDAY, MAY 15, 2009

5849

May 15, 2009

The Honorable James P. Metzen
President of the Senate

Dear President Metzen:

I have vetoed and am returning Senate File 1033, Chapter 81, a bill that allows a city, county or town to manage or control private property which has benefited from public assistance.

A developer or owner of property who enters into an agreement with a local unit of government for receipt of public assistance should abide by the terms of the agreement.

However, this law appears unnecessary. Parties to a development agreement could insert provisions dealing with the concerns this bill attempts to address in their agreement.

In its current form, this bill would also allow a city, county or town to more broadly "manage or control" a property without providing notice in the public assistance agreement that the local government entity could use the provision of public assistance to invoke such management or control. At the very least, the bill should require notice in applicable development agreements regarding the circumstances under which the management or control of the property would occur.

Sincerely,
Tim Pawlenty, Governor

Senator Pogemiller moved that S.F. No. 1033 and the veto message thereon be laid on the table. The motion prevailed.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1504: A bill for an act relating to human services; amending mental health provisions; changing medical assistance reimbursement and eligibility; changing provider qualification and training requirements; amending mental health behavioral aide services; adding an excluded service; changing special contracts with bordering states; amending Minnesota Statutes 2008, sections 148C.11, subdivision 1; 245.4835, subdivisions 1, 2; 245.4885, subdivision 1; 245.50, subdivision 5; 256B.0615, subdivisions 1, 3; 256B.0622, subdivision 8, by adding a subdivision; 256B.0623, subdivision 5; 256B.0624, subdivision 8; 256B.0625, subdivision 49; 256B.0943, subdivisions 1, 2, 4, 5, 6, 7, 9; 256B.0944, subdivision 5.

Senate File No. 1504 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 15, 2009

Senator Berglin moved that the Senate do not concur in the amendments by the House to S.F. No. 1504, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 354.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted May 15, 2009

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 354: A bill for an act relating to real property; providing for mediation prior to commencement of mortgage foreclosure proceedings on homestead property; creating a homestead-lender mediation account; amending Minnesota Statutes 2008, sections 357.18, subdivision 1; 508.82, subdivision 1; 508A.82, subdivision 1; 580.021; 580.022, subdivision 1; 580.23, by adding a subdivision; 582.30, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 583.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 340, now on General Orders.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 477 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 477

A bill for an act relating to solid waste; requiring a pilot program to be implemented by paint manufacturers to recycle paint; amending Minnesota Statutes 2008, section 13.7411, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 115A.

May 15, 2009

The Honorable James P. Metzen
President of the Senate

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 477 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 477 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 13.7411, subdivision 3, is amended to read:

Subd. 3. **Pollution Control Agency.** (a) Information held by the commissioner of the Pollution Control Agency that is trade secret or sales information is governed by section 115A.06, subdivision 13.

(b) Data submitted to the commissioner by paint manufacturers or their representative organization under section 115A.1333 are classified under that section.

Sec. 2. **[115A.1331] PAINT STEWARDSHIP PILOT PROGRAM.**

Subdivision 1. **Definitions.** (a) For purposes of sections 115A.1331 to 115A.1333, the following terms have the meanings given.

(b) "Architectural paint" means interior and exterior architectural coatings sold in containers of one quart or more, including paints and stains purchased for commercial or homeowner use, but does not include architectural coatings purchased for industrial or original equipment manufacturer use.

(c) "Distributor" means a company that has a contractual relationship with one or more manufacturers to market and sell architectural paint to retailers.

(d) "Manufacturer" means a manufacturer of architectural paint.

(e) "Paint stewardship assessment" means the amount included in the purchase price of architectural paint sold in Minnesota to implement the paint stewardship pilot program described in subdivision 2.

(f) "Postconsumer paint" means architectural paint not used by the purchaser.

(g) "Representative organization" means the nonprofit organization created by the manufacturers to implement the paint stewardship pilot program described in subdivision 2.

(h) "Retailer" means a person who sells architectural paint at retail.

Subd. 2. **Pilot program.** (a) Beginning September 1, 2009, manufacturers of architectural paint sold at retail must, through a representative organization, implement a statewide paint stewardship pilot program that minimizes public sector involvement in the management of postconsumer paint by reducing its generation, promoting its reuse and recycling, and negotiating and executing agreements to collect, transport, and process postconsumer paint for end-of-life management in an environmentally sound fashion. In developing the pilot program, manufacturers of architectural paint must consult with and consider the views of representatives of the Solid Waste Management Coordinating Board, the Association of Minnesota Counties, the Solid Waste Administrators Association, and household hazardous waste programs administered in both rural and metropolitan counties. The pilot program must include a funding mechanism whereby each architectural paint manufacturer remits to the representative organization payment of the paint stewardship assessment for each container of architectural paint it sells in this state. The paint stewardship assessment must be included in the cost of all architectural paint sold to Minnesota retailers and distributors,

and each Minnesota retailer or distributor must include the assessment in the purchase price of all architectural paint sold in this state.

(b) To ensure that the funding mechanism is equitable and sustainable, a uniform paint stewardship assessment must be established for all architectural paint sold. The paint stewardship assessment may not exceed \$0.35 per container of architectural paint. The paint stewardship assessment must be reviewed by the commissioner and must not exceed the costs of the paint stewardship pilot program.

(c) Paint manufacturers or their representative organization shall provide Minnesota consumers with educational materials regarding the paint stewardship assessment and the paint stewardship pilot program in a manner designed to ensure that consumers are made aware that a provision for the operation of a paint stewardship program is included in the purchase price of all architectural paint sold in the state.

(d) Paint retailers may participate in the pilot program as paint collection points on a voluntary basis.

Sec. 3. [115A.1332] CONDUCT AUTHORIZED.

A manufacturer or organization of manufacturers that organizes collection, transport, and processing of postconsumer paint under section 115A.1331 is immune from liability for the conduct under state laws relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade or commerce only to the extent that the conduct is necessary to plan and implement its chosen organized collection or recycling system.

Sec. 4. [115A.1333] REPORTS.

(a) On October 15, 2010, manufacturers of architectural paint sold at retail in this state must, through a representative organization, submit a report to the commissioner describing the paint stewardship pilot program. At a minimum, the report must contain:

(1) a description of the methods used to collect, transport, and process postconsumer paint in all regions of Minnesota;

(2) the volume of postconsumer paint collected in all regions of Minnesota;

(3) the volume of postconsumer paint collected in Minnesota by method of disposition, including reuse, recycling, and other methods of processing;

(4) the total cost of implementing the pilot program as determined by an independent financial audit funded from the paint stewardship assessment;

(5) an evaluation of the operation of the program's funding mechanism;

(6) samples of educational materials provided to consumers of architectural paint and an evaluation of the methods used to disseminate those materials; and

(7) an analysis of the environmental costs and benefits of collecting and recycling latex paint.

(b) Data reported to the commissioner by a manufacturer or the representative organization of manufacturers is classified as nonpublic data, as defined in section 13.02, subdivision 9, except

that the commissioner may release the data in summary form in which individual manufacturers, distributors, or retailers are not identified and from which neither their identities nor any other characteristics that could uniquely identify an individual manufacturer or retailer are ascertainable.

(c) By January 15, 2012, the commissioner shall submit a report to the chairs and ranking minority members of the committees in the senate and house of representatives that have primary jurisdiction over solid waste policy describing the results of the paint stewardship pilot program and recommending whether it should be made permanent and any modifications to improve its functioning and efficiency. In preparing the report, the commissioner must consult with representatives of the Solid Waste Management Coordinating Board, the Association of Minnesota Counties, the Solid Waste Administrators Association, and household hazardous waste programs administered in both rural and metropolitan counties, and must include their views in the report. The report must include an estimate of the savings to state and local units of government compared with the costs of the program.

Sec. 5. [115A.1334] EXPIRATION.

Sections 115A.1331 to 115A.1334 expire June 30, 2012.

Sec. 6. EFFECTIVE DATE.

Sections 1 to 5 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to solid waste; requiring a pilot program to be implemented by paint manufacturers to recycle paint; amending Minnesota Statutes 2008, section 13.7411, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 115A."

We request the adoption of this report and repassage of the bill.

Senate Conferees: (Signed) John Doll, Linda Higgins, David Hann

House Conferees: (Signed) Brita Sailer, Steve Simon, Denny McNamara

Senator Doll moved that the foregoing recommendations and Conference Committee Report on S.F. No. 477 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 477 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Dibble	Gerlach	Koch	Marty
Berglin	Dille	Gimse	Kubly	Metzen
Betzold	Doll	Hann	Langseth	Michel
Bonoff	Erickson Ropes	Higgins	Latz	Moua
Carlson	Fischbach	Ingebrigtsen	Limmer	Murphy
Clark	Fobbe	Jungbauer	Lourey	Olseen
Dahle	Foley	Kelash	Lynch	Olson, G.

Olson, M.
Pappas
Pariseau
Pogemiller
Prettner Solon

Rest
Robling
Rosen
Saltzman
Scheid

Senjem
Sheran
Sieben
Skoe
Skogen

Sparks
Stumpf
Tomassoni
Torres Ray
Vandever

Vickerman
Wiger

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1147 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 1147

A bill for an act relating to real property; modifying provisions governing orders to secure vacant property; specifying notice requirements; modifying provisions governing the reduced redemption period for abandoned property; establishing a duty to protect vacant foreclosed property under certain circumstances; providing for the imposition of fines for failure to maintain property; altering the posting requirement for trespassing on construction sites; modifying provisions governing public nuisances; imposing civil and criminal penalties; amending Minnesota Statutes 2008, sections 463.251, subdivisions 2, 3; 504B.151, subdivision 1; 504B.178, subdivision 8; 580.021, subdivision 1; 580.04; 580.041, subdivision 1a; 580.042, subdivision 1; 582.031; 582.032, subdivisions 2, 4, 5; 609.605, subdivision 1; 617.80, subdivision 7, by adding a subdivision; 617.81, subdivisions 2, 4.

May 15, 2009

The Honorable James P. Metzen
President of the Senate

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1147 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 1147 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 463.251, subdivision 2, is amended to read:

Subd. 2. **Order; notice.** (a) If in any city a building becomes vacant or unoccupied and is deemed hazardous due to the fact that the building is open to trespass and has not been secured and the building could be made safe by securing the building, the governing body may order the building secured and shall cause notice of the order to be served upon the owner of record of the premises or the owner's agent, the taxpayer identified in the property tax records for that parcel, the holder of the mortgage or sheriff's certificate, and any neighborhood association for the neighborhood in which the building is located that has requested notice, by delivering or mailing a copy to the owner or agent,

the identified taxpayer, the holder of the mortgage or sheriff's certificate, and the neighborhood association, at the last known address. Service by mail is complete upon mailing.

(b) The notice under this subdivision must include a statement that:

(1) informs the owner and the holder of any mortgage or sheriff's certificate of the requirements of subdivision 3 and that costs may be assessed against the property if the person does not secure the building;

(2) informs the owner and the holder of any mortgage or sheriff's certificate that the person may request a hearing before the governing body challenging the governing body's determination that the property is vacant or unoccupied and hazardous; and

(3) notifies the holder of any sheriff's certificate of the holder's duty under section 582.031, subdivision 1, paragraph (b), to enter the premises to protect the premises from waste and trespass if the order is not challenged or set aside and there is prima facie evidence of abandonment of the property as described in section 582.032, subdivision 7.

Sec. 2. Minnesota Statutes 2008, section 463.251, subdivision 3, is amended to read:

Subd. 3. **Securing building by city; lien.** If the owner of the building or a holder of the sheriff's certificate of sale fails to either comply or provide to the governing body a reasonable plan and schedule to comply with an order issued under subdivision 2 or to request a hearing on the order within ~~six~~ 14 days after the order is served, the governing body shall cause the building to be properly secured and the cost of securing the building may be charged against the real estate as provided in section 463.21. In the metropolitan area, as defined in section 473.121, subdivision 2, the governing body may work with neighborhood associations to develop and implement plans to secure vacant buildings in a timely and cost-effective fashion. The city may use rehabilitation and revitalization funds in implementing this section.

Sec. 3. Minnesota Statutes 2008, section 504B.151, subdivision 1, is amended to read:

Subdivision 1. **Limitation on lease and notice to tenant.** (a) Once a landlord has received notice of a contract for deed cancellation under section 559.21 or notice of a mortgage foreclosure sale under chapter 580 or 582, or summons and complaint under chapter 581, the landlord may only enter into (i) a periodic residential lease agreement with a term of not more than two months or the time remaining in the contract cancellation period or the mortgagor's redemption period, whichever is less or (ii) a fixed term residential tenancy not extending beyond the cancellation period or the landlord's period of redemption until:

- (1) the contract for deed has been reinstated or paid in full;
- (2) the mortgage default has been cured and the mortgage reinstated;
- (3) the mortgage has been satisfied;
- (4) the property has been redeemed from a foreclosure sale; or
- (5) a receiver has been appointed.

(b) Before entering into a lease under this section and accepting any rent or security deposit from a tenant, the landlord must notify the prospective tenant in writing that the landlord has received

notice of a contract for deed cancellation or notice of a mortgage foreclosure sale as appropriate, and the date on which the contract cancellation period or the mortgagor's redemption period ends.

(c) This section does not apply to a manufactured home park as defined in section 327C.01, subdivision 5.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to leases entered into on or after that date.

Sec. 4. Minnesota Statutes 2008, section 504B.178, subdivision 8, is amended to read:

Subd. 8. **Withholding rent.** No tenant may withhold payment of all or any portion of rent for the last payment period of a residential rental agreement, except an oral or written month to month residential rental agreement concerning which neither the tenant nor landlord has served a notice to quit, or for the last month of a contract for deed cancellation period under section 559.21 or a mortgage foreclosure redemption period under chapter 580, 581, or 582, on the grounds that the deposit should serve as payment for the rent. Withholding all or any portion of rent for the last payment period of the residential rental agreement creates a rebuttable presumption that the tenant withheld the last payment on the grounds that the deposit should serve as payment for the rent. Any tenant who remains in violation of this subdivision after written demand and notice of this subdivision shall be liable to the landlord for the following:

(1) a penalty in an amount equal to the portion of the deposit which the landlord is entitled to withhold under subdivision 3 other than to remedy the tenant's default in the payment of rent; and

(2) interest on the whole deposit as provided in subdivision 2, in addition to the amount of rent withheld by the tenant in violation of this subdivision.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to cancellations of contracts for deed in which the notice of cancellation is first served or published on or after August 1, 2009, and mortgage foreclosures under chapter 581 in which the lis pendens is recorded on or after August 1, 2009.

Sec. 5. Minnesota Statutes 2008, section 580.021, subdivision 1, is amended to read:

Subdivision 1. **Applicability.** This section applies to foreclosure of mortgages by advertisement under this chapter and foreclosure of mortgages by action under chapter 581 on property consisting of one to four family dwelling units, one of which the owner occupies as the owner's principal place of residency on the date of service of the notice of sale of the owner when the notice of pendency under section 580.032 or the lis pendens for a foreclosure under chapter 581 is recorded.

EFFECTIVE DATE. This section is effective for foreclosures in which the notice of pendency under section 580.032 or the lis pendens for a foreclosure under chapter 581 is recorded on or after August 1, 2009.

Sec. 6. Minnesota Statutes 2008, section 580.04, is amended to read:

580.04 REQUISITES OF NOTICE.

Each notice shall specify or contain:

(1) the name of the mortgagor, the mortgagee, each assignee of the mortgage, if any, and the

original or maximum principal amount secured by the mortgage;

(2) the date of the mortgage, and when and where recorded, except where the mortgage is upon registered land, in which case the notice shall state that fact, and when and where registered;

(3) the amount claimed to be due on the mortgage on the date of the notice;

(4) a description of the mortgaged premises, conforming substantially to that contained in the mortgage, and the commonly used street address of the mortgaged premises;

(5) the time and place of sale;

(6) the time allowed by law for redemption by the mortgagor, the mortgagor's personal representatives or assigns; and

(7) ~~if the party foreclosing the mortgage desires to preserve the right to reduce the redemption period under section 582.032 after the first publication of the notice, the notice must also state for~~ mortgaged premises described in section 582.032, subdivision 1, the following statement in capital letters: "THE TIME ALLOWED BY LAW FOR REDEMPTION BY THE MORTGAGOR, THE MORTGAGOR'S PERSONAL REPRESENTATIVES OR ASSIGNS, MAY BE REDUCED TO FIVE WEEKS IF A JUDICIAL ORDER IS ENTERED UNDER MINNESOTA STATUTES, SECTION 582.032, DETERMINING, AMONG OTHER THINGS, THAT THE MORTGAGED PREMISES ARE IMPROVED WITH A RESIDENTIAL DWELLING OF LESS THAN FIVE UNITS, ARE NOT PROPERTY USED IN AGRICULTURAL PRODUCTION, AND ARE ABANDONED."

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to notices of sale first published on or after that date.

Sec. 7. Minnesota Statutes 2008, section 580.041, subdivision 1a, is amended to read:

Subd. 1a. **Applicability.** This section applies to foreclosure of mortgages by advertisement under this chapter and foreclosure of mortgages by action under chapter 581 on property consisting of one to four family dwelling units, one of which the owner occupies as the owner's principal place of residency on the date of service of the notice of sale on the owner when the notice of pendency under section 580.032 or the lis pendens for a foreclosure under chapter 581 is recorded.

EFFECTIVE DATE. This section is effective for foreclosures in which the notice of pendency under section 580.032 or the lis pendens for a foreclosure under chapter 581 is recorded on or after August 1, 2009.

Sec. 8. Minnesota Statutes 2008, section 580.042, subdivision 1, is amended to read:

Subdivision 1. **Applicability.** This section applies to foreclosure of mortgages by advertisement under this chapter and foreclosure of mortgages by action under chapter 581 on property consisting of one to four family dwelling units, one or more of which are occupied by a tenant as a residence.

EFFECTIVE DATE. This section is effective for foreclosures in which the notice of pendency under section 580.032 or the lis pendens for a foreclosure under chapter 581 is recorded on or after August 1, 2009.

Sec. 9. Minnesota Statutes 2008, section 582.031, is amended to read:

582.031 LIMITED RIGHT OF ENTRY; DUTY TO ENTER AND PROTECT PREMISES.

Subdivision 1. **Right of entry.** (a) If premises described in a mortgage or sheriff's certificate are vacant or unoccupied, the holder of the mortgage or sheriff's certificate or the holder's agents and contractors may, ~~but is under no obligation to,~~ enter upon the premises to protect the premises from waste and trespass, until the holder of the mortgage or sheriff's certificate receives notice that the premises are occupied. The holder of the mortgage or sheriff's certificate does not become a mortgagee in possession by taking actions authorized or required under this section. An affidavit of the sheriff, the building or housing regulatory authority of a municipality in which the property is located, the holder of the mortgage or sheriff's certificate, or a person acting on behalf of the holder, describing the premises and stating that the same are vacant or unoccupied, is prima facie evidence of the facts stated in the affidavit and is entitled to be recorded in the office of the county recorder or the registrar of titles in the county where the premises are located, if it contains a legal description of the premises.

(b) If the holder of a sheriff's certificate knows that there is prima facie evidence of abandonment of the property, as described in section 582.032, subdivision 7, clauses (1) to (6), the holder or the holder's agents:

(1) shall enter the premises and make reasonable periodic inspections, install or change the locks on all doors, install locks on all windows that do not have locks, and ensure that any existing window locks are functioning properly; and

(2) may, to protect the premises from waste, trespass, or falling below minimum community standards for public safety and sanitation, enter the premises and board windows, doors, and other openings; install and operate an alarm system; and otherwise prevent or minimize damage to the premises from the elements, vandalism, trespass, or other illegal activity.

(c) Upon an installation or change of locks as required by this section, the holder of a sheriff's certificate must deliver a key to the premises to the mortgagor or any person lawfully claiming through the mortgagor, upon request.

Subd. 2. **Authorized actions.** The holder of the mortgage or sheriff's certificate may take the following actions to protect the premises from waste, trespass, or from falling below minimum community standards for public safety and sanitation: make reasonable periodic inspections; install or change locks on doors and windows; board windows, doors, and other openings; install and operate an alarm system; and otherwise prevent or minimize damage to the premises from the elements, vandalism, trespass, or other illegal activities. If the holder of the mortgage or sheriff's certificate installs or changes locks under this section, a key to the premises must be promptly delivered to the mortgagor or any person lawfully claiming through the mortgagor, upon request.

Subd. 3. **Costs.** All costs incurred by the holder of the mortgage or sheriff's certificate to protect the premises from waste or trespass or from falling below minimum community standards for public safety and sanitation may be added to the principal balance of the mortgage or the costs allowable upon redemption. The costs may bear interest to the extent provided in the mortgage and may be added to the redemption price if the costs are incurred after a foreclosure sale. If the costs are incurred after a foreclosure sale, the holder of any sheriff's certificate of sale or certificate of redemption must comply with the provisions of section 582.03. The provisions of this section are in addition to, and do not limit or replace, any other rights or remedies available to holders of mortgages and sheriff's certificates, at law or under the applicable mortgage agreements.

Sec. 10. Minnesota Statutes 2008, section 582.032, subdivision 2, is amended to read:

Subd. 2. **Before foreclosure sale.** Notwithstanding section 580.23 or 581.10, if at any time before the foreclosure sale but not more than 30 days before the first publication of the notice of sale, a court order is entered reducing the mortgagor's redemption period to five weeks under subdivision 7, after the mortgaged premises have been sold as provided in chapter 580 or 581, the mortgagor, and the mortgagor's personal representatives or assigns, within five weeks after the sale under chapter 580, or within five weeks after the date of the order confirming the sale under chapter 581, may redeem the mortgaged premises as provided in section 580.23, subdivision 1, or 581.10, as applicable. ~~If an order is obtained after the first publication of the notice of sale, the five-week redemption period applies only if the notice of sale contained the statement required by section 580.04, clause (7).~~

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to foreclosures for which the notice of sale is first published on or after that date.

Sec. 11. Minnesota Statutes 2008, section 582.032, subdivision 4, is amended to read:

Subd. 4. **Summons and complaint.** In a foreclosure by advertisement, the party foreclosing a mortgage or holding the sheriff's certificate of sale or the political subdivision in which the mortgaged premises are located may initiate a proceeding in district court to reduce the mortgagor's redemption period under this section. The proceeding must be initiated by the filing of a complaint, naming the mortgagor, or the mortgagor's personal representatives or assigns of record, as defendant, in district court for the county in which the mortgaged premises are located. If the proceeding is initiated by a political subdivision, the party foreclosing the mortgage or holding the sheriff's certificate of sale must also be named as a defendant, and the summons and complaint shall be delivered by certified mail to the foreclosing attorney. If the proceeding is commenced after the foreclosure sale, the holders of junior liens and interests entitled to notice under subdivision 3 must also be named as defendants. The complaint must identify the mortgaged premises by legal description and must identify the mortgage by the names of the mortgagor and mortgagee, and any assignee of the mortgagee; the date of its making; and pertinent recording information. The complaint must allege that the mortgaged premises are:

- (1) ten acres or less in size;
- (2) improved with a residential dwelling consisting of less than five units, which is not a model home or a dwelling under construction;
- (3) not property used in agricultural production; and
- (4) abandoned.

The complaint must request an order reducing the mortgagor's redemption period to five weeks. When the complaint has been filed, the court shall issue a summons commanding the person or persons named in the complaint to appear before the court on a day and at a place stated in the summons. The appearance date shall be not less than 15 nor more than 25 days from the date of the issuing of the summons. A copy of the filed complaint must be attached to the summons.

Sec. 12. Minnesota Statutes 2008, section 582.032, subdivision 5, is amended to read:

Subd. 5. **Order to show cause.** In a foreclosure by action, the plaintiff or the holder of the

sheriff's certificate may make a motion to reduce the mortgagor's redemption period under this section. The political subdivision in which the mortgaged premises are located may intervene in the action and make a motion to reduce the redemption period. The motion must conform generally to the pleading requirements provided in subdivision 4. For purposes of the motion, the court has continuing jurisdiction over the parties and the mortgaged premises through the expiration of the redemption period. When the motion has been filed, the court shall issue an order to show cause commanding the parties it considers appropriate to appear before the court on a day and at a place stated in the order. The appearance date may not be less than 15 nor more than 25 days after the date of the order to show cause. A copy of the motion must be attached to the order to show cause.

Sec. 13. Minnesota Statutes 2008, section 582.032, subdivision 7, is amended to read:

Subd. 7. **Hearing; evidence; order.** At the hearing on the summons and complaint or order to show cause, the court shall enter an order reducing the mortgagor's redemption period as provided in subdivision 2 or 3, as applicable, if evidence is presented supporting the allegations in the complaint or motion and no appearance is made to oppose the relief sought. An affidavit by the sheriff or a deputy sheriff of the county in which the mortgaged premises are located, or of a building inspector, zoning administrator, housing official, or other municipal or county official having jurisdiction over the mortgaged premises, stating that the mortgaged premises are not actually occupied and further setting forth any of the following supporting facts, is prima facie evidence of abandonment:

- (1) windows or entrances to the premises are boarded up or closed off, or multiple window panes are broken and unrepaired;
- (2) doors to the premises are smashed through, broken off, unhinged, or continuously unlocked;
- (3) gas, electric, or water service to the premises has been terminated;
- (4) rubbish, trash, or debris has accumulated on the mortgaged premises;
- (5) the police or sheriff's office has received at least two reports of trespassers on the premises, or of vandalism or other illegal acts being committed on the premises; or
- (6) the premises are deteriorating and are either below or are in imminent danger of falling below minimum community standards for public safety and sanitation.

An affidavit of the party foreclosing the mortgage or holding the sheriff's certificate, or one of their agents or contractors, stating any of the above supporting facts, and that the affiant has changed locks on the mortgaged premises under section 582.031 and that for a period of ten days no party having a legal possessory right has requested entrance to the premises, is also prima facie evidence of abandonment. Either affidavit described above, or an affidavit from any other person having knowledge, may state facts supporting any other allegations in the complaint or motion and is prima facie evidence of the same. Written statements of the mortgagor, the mortgagor's personal representatives or assigns, including documents of conveyance, which indicate a clear intent to abandon the premises, are conclusive evidence of abandonment. In the absence of affidavits or written statements, or if rebuttal evidence is offered by the defendant or a party lawfully claiming through the defendant, the court may consider any competent evidence, including oral testimony, concerning any allegation in the complaint or motion. A defendant's failure to appear at the hearing after service of process in compliance with subdivision 6 is conclusive evidence of abandonment by the defendant, subject to vacation under Rule 60.02 of the Minnesota Rules of Civil Procedure.

An order entered under this section must contain a legal description of the mortgaged premises.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to orders issued before, on, or after the effective date.

Sec. 14. Minnesota Statutes 2008, section 609.605, subdivision 1, is amended to read:

Subdivision 1. **Misdemeanor.** (a) The following terms have the meanings given them for purposes of this section.

(1) "Premises" means real property and any appurtenant building or structure.

(2) "Dwelling" means the building or part of a building used by an individual as a place of residence on either a full-time or a part-time basis. A dwelling may be part of a multidwelling or multipurpose building, or a manufactured home as defined in section 168.002, subdivision 16.

(3) "Construction site" means the site of the construction, alteration, painting, or repair of a building or structure.

(4) "Owner or lawful possessor," as used in paragraph (b), clause (9), means the person on whose behalf a building or dwelling is being constructed, altered, painted, or repaired and the general contractor or subcontractor engaged in that work.

(5) "Posted," as used:

(i) in paragraph (b), clause (4), means the placement of a sign at least 8-1/2 inches by 11 inches in a conspicuous place on the exterior of the building, or in a conspicuous place within the property on which the building is located. The sign must carry a general notice warning against trespass;

(ii) in paragraph (b), clause (9), means the placement of a sign at least 8-1/2 inches by 11 inches square in a conspicuous place on the exterior of the building that is under construction, alteration, or repair, ~~and additional signs in at least two conspicuous places for each ten acres being protected, or in a conspicuous place within the area being protected. If the area being protected is less than three acres, one additional sign must be conspicuously placed within that area. If the area being protected is three acres but less than ten acres, two additional signs must be conspicuously placed within that area. For each additional full ten acres of area being protected beyond the first ten acres of area, two additional signs must be conspicuously placed within the area being protected. The sign must carry an appropriate a general notice and the name of the person giving the notice, followed by the word "owner" if the person giving the notice is the holder of legal title to the land on which the construction site is located or by the word "occupant" if the person giving the notice is not the holder of legal title but is a lawful occupant of the land~~ warning against trespass; and

~~(ii)~~ (iii) in paragraph (b), clause (10), means the placement of signs that:

(A) ~~state "no trespassing" or similar terms~~ carry a general notice warning against trespass;

(B) display letters at least two inches high;

(C) state that Minnesota law prohibits trespassing on the property; and

(D) are posted in a conspicuous place and at intervals of 500 feet or less.

(6) "Business licensee," as used in paragraph (b), clause (9), includes a representative of a

building trades labor or management organization.

(7) "Building" has the meaning given in section 609.581, subdivision 2.

(b) A person is guilty of a misdemeanor if the person intentionally:

(1) permits domestic animals or fowls under the actor's control to go on the land of another within a city;

(2) interferes unlawfully with a monument, sign, or pointer erected or marked to designate a point of a boundary, line or a political subdivision, or of a tract of land;

(3) trespasses on the premises of another and, without claim of right, refuses to depart from the premises on demand of the lawful possessor;

(4) occupies or enters the dwelling or locked or posted building of another, without claim of right or consent of the owner or the consent of one who has the right to give consent, except in an emergency situation;

(5) enters the premises of another with intent to take or injure any fruit, fruit trees, or vegetables growing on the premises, without the permission of the owner or occupant;

(6) enters or is found on the premises of a public or private cemetery without authorization during hours the cemetery is posted as closed to the public;

(7) returns to the property of another with the intent to abuse, disturb, or cause distress in or threaten another, after being told to leave the property and not to return, if the actor is without claim of right to the property or consent of one with authority to consent;

(8) returns to the property of another within one year after being told to leave the property and not to return, if the actor is without claim of right to the property or consent of one with authority to consent;

(9) enters the locked or posted construction site of another without the consent of the owner or lawful possessor, unless the person is a business licensee; or

(10) enters the locked or posted aggregate mining site of another without the consent of the owner or lawful possessor, unless the person is a business licensee.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to crimes committed on or after that date.

Sec. 15. Minnesota Statutes 2008, section 617.80, subdivision 7, is amended to read:

Subd. 7. **Owner.** "Owner," for purposes of sections 617.80 to 617.87, means ~~the person in whose name the building or affected portion is recorded with the county auditor for taxation purposes.~~ a person having legal title to the premises, a mortgagee or vendee in possession, a trustee in bankruptcy, a receiver, or any other person having legal ownership or control of the premises.

Sec. 16. Minnesota Statutes 2008, section 617.80, is amended by adding a subdivision to read:

Subd. 7a. **Occupant.** "Occupant" means a person who occupies or resides in a building or rental unit with the permission of the owner or a tenant or lessee.

Sec. 17. Minnesota Statutes 2008, section 617.81, subdivision 2, is amended to read:

Subd. 2. **Acts constituting a nuisance.** (a) For purposes of sections 617.80 to 617.87, a public nuisance exists (1) upon proof of one or more separate behavioral incidents described in item (i), (v), ~~or (viii)~~, or ~~(ix)~~, or (2) upon proof of two or more separate behavioral incidents described in item (ii), (iii), (iv), ~~(vi)~~, ~~(vii)~~, or ~~(ix)~~ (x), committed within the previous 12 months within the building:

(i) prostitution or prostitution-related activity committed within the building;

(ii) gambling or gambling-related activity committed within the building;

(iii) maintaining a public nuisance in violation of section 609.74, clause (1) or (3);

(iv) permitting a public nuisance in violation of section 609.745;

(v) unlawful sale, possession, storage, delivery, giving, manufacture, cultivation, or use of controlled substances committed within the building;

(vi) unlicensed sales of alcoholic beverages committed within the building in violation of section 340A.401;

(vii) unlawful sales or gifts of alcoholic beverages by an unlicensed person committed within the building in violation of section 340A.503, subdivision 2, clause (1);

(viii) unlawful sales or gifts of alcoholic beverages committed within the building in violation of section 340A.401 or 340A.503, subdivision 2, clause (1), if multiple violations occur during the same behavioral incident when the building is not occupied by the owner or a tenant, lessee, or occupant;

(ix) unlawful use or possession of a dangerous weapon as defined in section 609.02, subdivision 6, committed within the building; or

~~(ix)~~ (x) violation by a commercial enterprise of local or state business licensing regulations, ordinances, or statutes prohibiting the maintenance of a public nuisance as defined in section 609.74 or the control of a public nuisance as defined in section 609.745.

(b) If the building contains more than one rental unit, two or more behavioral incidents must consist of conduct:

(1) anywhere in the building by the same tenant ~~or~~, lessee, occupant, or persons acting in conjunction with or under the control of the same tenant ~~or~~, lessee, or occupant;

(2) by any persons within the same rental unit while occupied by the same tenant ~~or~~, lessee, or occupant, or within two or more rental units while occupied by the same tenant ~~or~~, lessee, or occupant; or

(3) by the owner of the building or persons acting in conjunction with or under the control of the owner.

(c) Proof of a nuisance exists if each of the elements of the conduct constituting the nuisance is established by clear and convincing evidence.

Sec. 18. Minnesota Statutes 2008, section 617.81, subdivision 4, is amended to read:

Subd. 4. **Notice.** (a) If a prosecuting attorney has reason to believe that a nuisance is maintained or permitted in the jurisdiction the prosecuting attorney serves, and intends to seek abatement of the nuisance, the prosecuting attorney shall provide the written notice described in paragraph (b), by personal service or certified mail, return receipt requested, to ~~the owner~~ all owners and ~~all~~ interested parties known to the prosecuting attorney.

(b) The written notice must:

(1) state that a nuisance as defined in subdivision 2 is maintained or permitted in the building and must specify the kind or kinds of nuisance being maintained or permitted;

(2) summarize the evidence that a nuisance is maintained or permitted in the building, including the date or dates on which nuisance-related activity or activities are alleged to have occurred;

(3) inform the recipient that failure to abate the conduct constituting the nuisance or to otherwise resolve the matter with the prosecuting attorney within 30 days of service of the notice may result in the filing of a complaint for relief in district court that could, among other remedies, result in enjoining the use of the building for any purpose for one year or, in the case of a tenant, lessee, or occupant, could result in cancellation of the lease; and

(4) inform the owner of the options available under section 617.85."

Delete the title and insert:

"A bill for an act relating to real property; modifying provisions governing orders to secure vacant property; specifying notice requirements; modifying provisions governing the reduced redemption period for abandoned property; establishing a duty to protect vacant foreclosed property under certain circumstances; providing for the imposition of fines for failure to maintain property; altering the posting requirement for trespassing on construction sites; modifying provisions governing public nuisances; imposing civil and criminal penalties; amending Minnesota Statutes 2008, sections 463.251, subdivisions 2, 3; 504B.151, subdivision 1; 504B.178, subdivision 8; 580.021, subdivision 1; 580.04; 580.041, subdivision 1a; 580.042, subdivision 1; 582.031; 582.032, subdivisions 2, 4, 5, 7; 609.605, subdivision 1; 617.80, subdivision 7, by adding a subdivision; 617.81, subdivisions 2, 4."

We request the adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Linda Higgins, Linda Scheid

House Conferees: (Signed) Jeff Hayden, Joe Mullery, Mary Liz Holberg

Senator Higgins moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1147 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1147 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 47 and nays 7, as follows:

Those who voted in the affirmative were:

Bakk	Erickson Ropes	Latz	Pappas	Skoe
Berglin	Fischbach	Lourey	Pariseau	Skogen
Betzold	Fobbe	Lynch	Pogemiller	Sparks
Bonoff	Foley	Marty	Prettner Solon	Stumpf
Carlson	Gerlach	Metzen	Rest	Tomassoni
Clark	Gimse	Moua	Robling	Vickerman
Dahle	Higgins	Murphy	Rosen	Wiger
Dibble	Kelash	Olseen	Saltzman	
Dille	Kubly	Olson, G.	Scheid	
Doll	Langseth	Olson, M.	Senjem	

Those who voted in the negative were:

Hann	Jungbauer	Limmer	Vandev eer
Ingebrigtsen	Koch	Michel	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 12, Senator Sieben moved that the following members be excused for a Conference Committee on S.F. No. 1331 at 4:30 p.m.:

Senators Sieben, Rest, Pappas, Higgins and Bonoff. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 12, Senator Lourey moved that the following members be excused for a Conference Committee on S.F. No. 1447 at 6:35 p.m.:

Senators Lourey; Olson, G. and Olseen. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 12, Senator Anderson moved that the following members be excused for a Conference Committee on H.F. No. 1231 at 8:10 p.m.:

Senators Cohen, Saxhaug, Chaudhary, Frederickson and Anderson. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to

House File No. 804:

H.F. No. 804: A bill for an act relating to probate; modifying provisions governing guardians and conservators; amending Minnesota Statutes 2008, sections 260C.331, subdivision 1; 524.5-102, subdivision 7, by adding a subdivision; 524.5-304; 524.5-309; 524.5-310; 524.5-315; 524.5-316; 524.5-317; 524.5-406; 524.5-409; 524.5-413; 524.5-414; 524.5-420; proposing coding for new law in Minnesota Statutes, chapter 524.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Thissen, Mullery and Anderson, P. have been appointed as such committee on the part of the House.

House File No. 804 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted May 15, 2009

Senator Moua moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 804, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1849:

H.F. No. 1849: A bill for an act relating to local government; removing, extending, or modifying certain mandates upon local governmental units; changing appropriations for certain costs of Office of Administrative Hearings; amending Minnesota Statutes 2008, sections 16C.28, subdivision 1a; 306.243, by adding a subdivision; 326B.145; 344.18; 365.28; 375.055, subdivision 1; 375.12, subdivision 2; 382.265; 383B.021; 384.151, subdivision 1a; 385.373, subdivision 1a; 386.015, subdivision 2; 387.20, subdivisions 1, 2; 415.11, by adding a subdivision; 429.041, subdivisions 1, 2; 469.015; 473.862; 641.12, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 2008, sections 373.42; 384.151, subdivisions 1, 3; 385.373, subdivisions 1, 3; 386.015, subdivisions 1, 4; 387.20, subdivision 4.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Nelson, Hornstein and Lanning have been appointed as such committee on the part of the House.

House File No. 1849 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted May 15, 2009

Senator Rest moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1849, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 519:

H.F. No. 519: A bill for an act relating to local government; regulating nonconforming lots in shoreland areas; amending Minnesota Statutes 2008, sections 394.36, subdivision 4, by adding a subdivision; 462.357, subdivision 1e.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Nelson, Mullery and Howes have been appointed as such committee on the part of the House.

House File No. 519 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted May 15, 2009

Senator Rest moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 519, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

RECESS

Senator Pogemiller moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Senator Pogemiller from the Subcommittee on Conference Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 1504: Senators Berglin, Lynch and Fischbach.

H.F. No. 1849: Senators Rest, Gerlach and Lourey.

H.F. No. 519: Senators Rest, Day and Betzold.

H.F. No. 804: Senators Moua, Latz and Hann.

Senator Pogemiller moved that the foregoing appointments be approved. The motion prevailed.

MEMBERS EXCUSED

Senator Kubly was excused from the Session of today from 11:00 a.m. to 2:15 p.m. Senator Clark was excused from the Session of today from 3:05 to 3:15 p.m. Senator Koering was excused from the Session of today from 3:55 to 4:30 p.m. and at 7:45 p.m. Senator Rummel was excused from the Session of today from 4:45 to 7:45 p.m. Senator Foley was excused from the Session of today from 6:30 to 6:40 p.m. Senator Senjem was excused from the Session of today from 6:45 to 7:35 p.m. Senator Pogemiller was excused from the Session of today from 7:00 to 8:00 p.m. Senator Frederickson was excused from the Session of today at 7:25 p.m. Senator Doll was excused from the Session of today from 7:25 to 8:15 p.m. Senator Cohen was excused from the Session of today at 7:45 p.m. Senator Ingebrigtsen was excused from the Session of today from 8:30 to 9:30 p.m. Senator Day was excused from the Session of today at 8:00 p.m. Senator Robling was excused from the Session of today from 8:10 to 8:25 p.m. Senator Sheran was excused from the Session of today from 8:15 to 8:40 p.m.

ADJOURNMENT

Senator Pogemiller moved that the Senate do now adjourn until 2:00 p.m., Saturday, May 16, 2009. The motion prevailed.

Peter S. Wattson, Secretary of the Senate (Legislative)

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