

EIGHTY-FIFTH DAY

St. Paul, Minnesota, Tuesday, March 13, 2012

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

CALL OF THE SENATE

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

Prayer was offered by Senator Michael J. Jungbauer.

The members of the Senate gave the pledge of allegiance to the flag of the United States of America.

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

Bakk	Fischbach	Kelash	Miller	Senjem
Benson	Gazelka	Koch	Nelson	Sheran
Bonoff	Gerlach	Kruse	Newman	Sieben
Brown	Goodwin	Langseth	Nienow	Skoe
Carlson	Hall	Latz	Olson	Sparks
Chamberlain	Hann	Lillie	Ortman	Stumpf
Cohen	Harrington	Limmer	Parry	Thompson
Dahms	Hayden	Lourey	Pederson	Tomassoni
Daley	Higgins	Magnus	Reinert	Torres Ray
DeKruif	Hoffman	Marty	Rest	Vandever
Dibble	Howe	McGuire	Robling	Wiger
Dziedzic	Ingebrigtsen	Metzen	Rosen	Wolf
Eaton	Jungbauer	Michel	Saxhaug	

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 communication was received.

March 1, 2012

The Honorable Michelle L. Fischbach
President of the Senate

Dear Madam President:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

LEGISLATIVE-CITIZEN COMMISSION ON MINNESOTA RESOURCES

Nancy Gibson, 2712 Glenhurst Ave., Saint Louis Park, in the county of Hennepin, effective March 6, 2012, for a term expiring on January 4, 2016.

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

Sincerely,
Mark Dayton, Governor

REPORTS OF COMMITTEES

Senator Senjem moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 1705. The motion prevailed.

Senator Michel from the Committee on Jobs and Economic Growth, to which was referred

S.F. No. 2082: A bill for an act relating to taxation; sales and use; defining solicitor for nexus purposes; amending Minnesota Statutes 2010, section 297A.66, by adding a subdivision.

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

Senator Limmer from the Committee on Judiciary and Public Safety, to which was referred

S.F. No. 1705: A bill for an act proposing an amendment to the Minnesota Constitution, article I, by adding a section; establishing a freedom of employment.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Rules and Administration. Senator Latz questioned the reference thereon and, under Rule 21, the bill was referred to the Committee on Rules and Administration.

Senator Parry from the Committee on State Government Innovation and Veterans, to which was re-referred

S.F. No. 2260: A bill for an act relating to environment; providing for alternative local standards for subsurface sewage treatment systems; requiring rulemaking; amending Minnesota Statutes 2010, section 115.55, subdivision 7.

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

Senator Parry from the Committee on State Government Innovation and Veterans, to

which was referred

S.F. No. 2271: A bill for an act relating to the military; allowing issuance of state awards to nonmembers of the Minnesota National Guard; amending Minnesota Statutes 2010, section 192.23.

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 2254: A bill for an act relating to state government; designating Lester as the official soil of the state; proposing coding for new law in Minnesota Statutes, chapter 1.

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 1905: A bill for an act relating to state government; designating the black bear as the state mammal; proposing coding for new law in Minnesota Statutes, chapter 1.

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was re-referred

S.F. No. 2166: A bill for an act relating to public safety; modifying provisions relating to school bus safety and standards; abolishing standards for type III vehicles used for transporting students; amending Minnesota Statutes 2010, sections 169.4501, subdivisions 1, 2; 169.4503, subdivisions 5, 20, by adding subdivisions; 169.451, subdivision 3; 169.4582, subdivision 2; repealing Minnesota Statutes 2010, sections 169.441, subdivision 5; 169.445, subdivision 2; 169.454, subdivision 10.

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

Page 3, delete section 7

Renumber the sections in sequence

Amend the title numbers accordingly

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 1727: A bill for an act relating to horse racing; medication; providing for certain regulatory threshold concentrations to be set by the commission; amending Minnesota Statutes 2010, section 240.24, subdivision 2.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 1755: A bill for an act relating to state government; authorizing certain negotiations to avoid layoffs; amending Minnesota Statutes 2010, section 179A.22, by adding a subdivision.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 179A.22, is amended by adding a subdivision to read:

Subd. 5. **Unpaid leave to avoid layoffs.** If the commissioner of management and budget determines that layoffs of executive branch employees may be required, the commissioner may request exclusive representatives to negotiate amendments to collective bargaining agreements that would allow appointing authorities to implement unpaid leave and reductions in hours, instead of imposing layoffs."

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 2354: A bill for an act relating to state government; veterans; providing noncompetitive appointment of certain disabled veterans; proposing coding for new law in Minnesota Statutes, chapter 43A.

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 2227: A bill for an act relating to state government; changing the mandatory retirement age for administrative law judges and compensation judges; amending Minnesota Statutes 2010, section 14.48, subdivision 4.

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 2314: A resolution memorializing Congress and the President of the United States to formally recognize the Khmer Freedom Fighters.

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 1754: A bill for an act relating to lawful gambling; increasing the allowable per diem

reimbursement from lawful gambling net profits for military marching, color guard, or honor guard units; amending Minnesota Statutes 2010, section 349.12, subdivision 25.

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

Page 4, line 19, strike the second "or" and insert "and"

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

Senator Hann from the Committee on Health and Human Services, to which was referred

S.F. No. 2173: A bill for an act relating to health; authorizing automated drug distribution systems; proposing coding for new law in Minnesota Statutes, chapter 151.

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

Delete everything after the enacting clause and insert:

"Section 1. [151.58] AUTOMATED DRUG DISTRIBUTION SYSTEMS.

Subdivision 1. **Scope.** This section applies only to the use of automated drug distribution systems located within the facilities specified in subdivision 2. Except as provided in this section, all applicable provisions of this chapter, chapter 152, and Minnesota Rules, chapter 6800, must be followed.

Subd. 2. **Definitions.** For purposes of this section only, the terms defined in this subdivision have the meanings given.

(a) "Automated drug distribution system" or "system" means a mechanical system approved by the board that performs operations or activities, other than compounding or administration, related to the storage, packaging, or dispensing of drugs, and collects, controls, and maintains all required transaction information and records.

(b) "Health care facility" means a nursing home licensed under section 144A.02; a housing with services establishment registered under section 144D.01, subdivision 4, that provides centralized storage of medications; or a community behavioral health hospital or Minnesota sex offender program facility operated by the Department of Human Services.

(c) "Managing pharmacy" means a pharmacy licensed by the board that controls and is responsible for the operation of an automated drug distribution system.

Subd. 3. **Authorization.** A pharmacy may use an automated drug distribution system to fill prescription drug orders for patients of a health care facility. The automated drug distribution system may be located in a health care facility that is not at the same location as the managing pharmacy. When located within a health care facility, the system is considered to be an extension of the managing pharmacy.

Subd. 4. **Notification.** (a) At least 60 days prior to the initial use of an automated drug distribution system, the managing pharmacy must provide the board with written notification of the address at which the automated drug distribution system will be located, the manufacturer and model of the automated drug distribution system, and written policies and procedures that govern the operation of the system. The policies and procedures must address the requirements of subdivision 5 and the rules

of the board. If the managing pharmacy will be using a system identical to the one for which it has previously provided notification to the board, and will be using identical policies and procedures, it must notify the board of the address at which the automated drug distribution system will be located and the manufacturer and model of the automated drug distribution system at least seven days in advance of using the system.

(b) The managing pharmacy must notify the board whenever an automated drug distribution system is taken permanently out of service.

(c) The managing pharmacy must notify the board whenever an automated drug distribution system is replaced. It must also provide the board with new written policies and procedures, unless an identical system is used as the replacement, 60 days prior to the replacement of the system.

Subd. 5. Operation of automated drug distribution systems. (a) The managing pharmacy and the pharmacist in charge are responsible for the operation of an automated drug distribution system.

(b) Access to an automated drug distribution system must be limited to pharmacy and nonpharmacy personnel authorized to procure drugs from the system, except that field service technicians may access a system located in a health care facility for the purposes of servicing and maintaining it while being monitored either by the managing pharmacy, or a licensed nurse within the health care facility. In the case of an automated drug distribution system that is not physically located within a licensed pharmacy, access for the purpose of procuring drugs shall be limited to licensed nurses. Each person authorized to access the system must be assigned an individual specific access code. Alternatively, access to the system may be controlled through the use of biometric identification procedures. A policy specifying time access parameters, including time-outs, log-offs, and lock-outs, must be in place.

(c) For the purposes of this section only, the requirements of section 151.215 are met if the following clauses are met:

(1) a pharmacist employed by and working at the managing pharmacy must review, interpret, and approve all prescription drug orders before any drug is distributed from the system to be administered to a patient. A pharmacy technician may perform data entry of prescription drug orders provided that a pharmacist certifies the accuracy of the data entry before the drug can be released from the automated drug distribution system. A pharmacist must certify the accuracy of the filling of any cassettes, canisters, or other containers that contain drugs that will be loaded into the automated drug distribution system; and

(2) when the automated drug dispensing system is located and used within the managing pharmacy, a pharmacist must personally supervise and take responsibility for all packaging and labeling associated with the use of an automated drug distribution system.

(d) Access to drugs when a pharmacist has not reviewed and approved the prescription drug order is permitted only when a formal and written decision to allow such access is issued by the pharmacy and the therapeutics committee or its equivalent. The committee must specify the patient care circumstances in which such access is allowed, the drugs that can be accessed, and the staff that are allowed to access the drugs.

(e) The loading of a automated drug dispensing system located in a health care facility may be performed by a pharmacy technician, so long as the activity is continuously supervised, through a

two-way audiovisual system by a pharmacist on duty within the managing pharmacy.

(f) The automated drug distribution system must be under the supervision of a pharmacist. The pharmacist is not required to be physically present at the site of the automated drug distribution system if the system is continuously monitored electronically by the managing pharmacy. A pharmacist on duty within the managing pharmacy must be continuously available to address any problems detected by the monitoring or to answer questions from the staff of the health care facility."

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

Senator Vandever from the Committee on Local Government and Elections, to which was referred

S.F. No. 1753: A bill for an act relating to elections; conforming certain voter eligibility provisions for individuals under guardianship to constitutional requirements; modifying other related procedures; amending Minnesota Statutes 2010, sections 201.014, subdivision 2; 201.071, subdivision 1; 201.15, subdivision 1; 204C.10; 524.5-120; 524.5-310; 524.5-313; 524.5-316; proposing coding for new law in Minnesota Statutes, chapter 524.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 201.014, subdivision 2, is amended to read:

Subd. 2. **Not eligible.** The following individuals are not eligible to vote. Any individual:

- (a) convicted of treason or any felony whose civil rights have not been restored;
- (b) under a guardianship;
- (c) under a limited guardianship in which the court order revokes the ward's right to vote; or
- ~~(e)~~ (d) found by a court of law to be legally incompetent.

Sec. 2. Minnesota Statutes 2010, section 201.071, subdivision 1, is amended to read:

Subdivision 1. **Form.** A voter registration application must be of suitable size and weight for mailing and contain spaces for the following required information: voter's first name, middle name, and last name; voter's previous name, if any; voter's current address; voter's previous address, if any; voter's date of birth; voter's municipality and county of residence; voter's telephone number, if provided by the voter; date of registration; current and valid Minnesota driver's license number or Minnesota state identification number, or if the voter has no current and valid Minnesota driver's license or Minnesota state identification, the last four digits of the voter's Social Security number; and voter's signature. The registration application may include the voter's e-mail address, if provided by the voter, and the voter's interest in serving as an election judge, if indicated by the voter. The application must also contain the following certification of voter eligibility:

"I certify that I:

- (1) will be at least 18 years old on election day;

- (2) am a citizen of the United States;
- (3) will have resided in Minnesota for 20 days immediately preceding election day;
- (4) maintain residence at the address given on the registration form;
- (5) am not under a court-ordered guardianship;
- (6) am not under a court-ordered limited guardianship in which the court order revokes my right to vote;

~~(6)~~ (7) have not been found by a court to be legally incompetent to vote;

~~(7)~~ (8) have the right to vote because, if I have been convicted of a felony, my felony sentence has expired (been completed) or I have been discharged from my sentence; and

~~(8)~~ (9) have read and understand the following statement: that giving false information is a felony punishable by not more than five years imprisonment or a fine of not more than \$10,000, or both."

The certification must include boxes for the voter to respond to the following questions:

"(1) Are you a citizen of the United States?" and

"(2) Will you be 18 years old on or before election day?"

And the instruction:

"If you checked 'no' to either of these questions, do not complete this form."

The form of the voter registration application and the certification of voter eligibility must be as provided in this subdivision and approved by the secretary of state. Voter registration forms authorized by the National Voter Registration Act must also be accepted as valid. The federal postcard application form must also be accepted as valid if it is not deficient and the voter is eligible to register in Minnesota.

An individual may use a voter registration application to apply to register to vote in Minnesota or to change information on an existing registration.

Sec. 3. Minnesota Statutes 2010, section 201.091, subdivision 9, is amended to read:

Subd. 9. **Restricted data.** A list provided for public inspection or purchase, ~~for jury selection,~~ or in response to a law enforcement inquiry, must not include a voter's date of birth or any part of a voter's Social Security number, driver's license number, identification card number, military identification card number, or passport number.

Sec. 4. Minnesota Statutes 2010, section 201.15, subdivision 1, is amended to read:

Subdivision 1. **Guardianships and incompetents.** (a) Pursuant to the Help America Vote Act of 2002, Public Law 107-252, the state court administrator shall report regularly by electronic means to the secretary of state the name, address, date of birth, and, if available, driver's license or state identification card number of each individual 18 years of age or over, who since the last report:

- (1) was placed under a guardianship;

(2) was placed under a limited guardianship in which the court order revokes the ward's right to vote; or

~~(2)~~ (3) was adjudged legally incompetent.

The court administrator shall also report the same information for each individual transferred to the jurisdiction of the court who meets a condition specified in ~~clause (1) or (2)~~ clauses (1) to (3). The secretary of state shall determine if any of the persons in the report is registered to vote and shall prepare a list of those registrants for the county auditor. The county auditor shall change the status on the record in the statewide registration system of any individual named in the report to indicate that the individual is not eligible to reregister or vote.

(b) The secretary of state shall report, at least annually, to the chairs and ranking minority members of the house of representatives and senate committees with oversight over elections on the number of individuals in each county whose registration status is changed pursuant to this subdivision.

Sec. 5. Minnesota Statutes 2010, section 204C.10, is amended to read:

204C.10 PERMANENT REGISTRATION; VERIFICATION OF REGISTRATION.

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

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

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

Sec. 6. Minnesota Statutes 2010, section 524.5-120, is amended to read:

524.5-120 BILL OF RIGHTS FOR WARDS AND PROTECTED PERSONS.

The ward or protected person retains all rights not restricted by court order and these rights must be enforced by the court. These rights include the right to:

(1) treatment with dignity and respect;

(2) due consideration of current and previously stated personal desires, medical treatment preferences, religious beliefs, and other preferences and opinions in decisions made by the guardian or conservator;

(3) receive timely and appropriate health care and medical treatment that does not violate known conscientious, religious, or moral beliefs of the ward or protected person;

(4) exercise control of all aspects of life not delegated specifically by court order to the guardian or conservator;

(5) guardianship or conservatorship services individually suited to the ward's or protected person's conditions and needs;

(6) petition the court to prevent or initiate a change in abode;

(7) care, comfort, social and recreational needs, training, education, habilitation, and rehabilitation care and services, within available resources;

(8) be consulted concerning, and to decide to the extent possible, the reasonable care and disposition of the ward's or protected person's clothing, furniture, vehicles, and other personal effects, to object to the disposition of personal property and effects, and to petition the court for a review of the guardian's or conservator's proposed disposition;

(9) personal privacy;

(10) communication and visitation with persons of the ward's or protected person's choice, provided that if the guardian has found that certain communication or visitation may result in harm to the ward's or protected person's health, safety, or well-being, that communication or visitation may be restricted but only to the extent necessary to prevent the harm;

(11) marry and procreate, unless court approval is required, and to consent or object to sterilization as provided in section 524.5-313, paragraph (c), clause (4), item (iv);

(12) petition the court for termination or modification of the guardianship or conservatorship or for other appropriate relief;

(13) be represented by an attorney in any proceeding or for the purpose of petitioning the court;

(14) ~~vote, unless restricted by the court, and pursuant to the Minnesota Constitution, article VII, an individual placed under a guardianship shall not be entitled or permitted to vote at any election in this state, but an individual placed under a limited guardianship retains the right to vote unless otherwise ordered by the court; and~~

(15) execute a health care directive, including both health care instructions and the appointment of a health care agent, if the court has not granted a guardian any of the powers or duties under section 524.5-313, paragraph (c), clause (1), (2), or (4).

Sec. 7. Minnesota Statutes 2010, section 524.5-310, is amended to read:

524.5-310 FINDINGS; ORDER OF APPOINTMENT.

(a) The court may appoint a limited or unlimited guardian for a respondent only if it finds by clear and convincing evidence that:

(1) the respondent is an incapacitated person; and

(2) the respondent's identified needs cannot be met by less restrictive means, including use of

appropriate technological assistance.

(b) Alternatively, the court, with appropriate findings, may treat the petition as one for a protective order under section 524.5-401, enter any other appropriate order, or dismiss the proceeding.

(c) The court shall grant to a guardian only those powers necessitated by the ward's limitations and demonstrated needs and, whenever feasible, make appointive and other orders that will encourage the development of the ward's maximum self-reliance and independence. Any power not specifically granted to the guardian, following a written finding by the court of a demonstrated need for that power, is retained by the ward. In making an order, the court shall explicitly declare whether the order establishes a guardianship or a limited guardianship and, in the case of a limited guardianship, the effect of the order on the ward's right to vote.

(d) If the court grants the guardian any of the powers or duties under section 524.5-313, paragraph (c), clause (1), (2), or (4), the authority of a previously appointed health care agent to make health care decisions, as defined in section 145C.01, subdivision 5, is suspended until further order of the court or as otherwise provided by this section. The court may declare a health care directive unenforceable as provided in section 145C.09, subdivision 3. The court may declare that a health care directive has been revoked by the ward if the court finds, by clear and convincing evidence, that the ward has revoked the health care directive as provided in section 145C.09, subdivision 1.

(e) A health care agent or other person legally appointed by the ward to control final disposition of the ward's remains under section 145C.05, subdivision 2, clause (7), or 149A.80, or a health care agent authorized to make organ or tissue donations under section 525A.04 or 525A.09, may make health care decisions as defined in section 145C.01, subdivision 5, on behalf of the ward for the purpose of preparing the ward's body for organ or tissue donation or final disposition of the ward's remains, as applicable.

(f) Within 14 days after an appointment, a guardian shall send or deliver to the ward, and counsel if represented at the hearing, a copy of the order of appointment accompanied by a notice which advises the ward of the right to appeal the guardianship appointment in the time and manner provided by the Rules of Appellate Procedure.

(g) Each year, within 30 days after the anniversary date of an appointment, a guardian shall send or deliver to the ward and to interested persons of record with the court a notice of the right to request termination or modification of the guardianship or to request an order that is in the best interests of the ward or for other appropriate relief, and notice of the status of the ward's right to vote.

(h) Within 14 days after an appointment, a guardian shall send, by certified mail, a copy of the order of appointment to the ward's current residential address. The mailing must be addressed to the ward and, if applicable, the administrator or other responsible person at the facility in which the ward resides. If a ward's residential address changes, the guardian must send a new copy of the original order of appointment and, if applicable, any modification to the order made by the court to the new residential address by certified mail within 30 days of the change of address. The requirements of this paragraph do not apply if the guardian resides at the same address as the ward.

Sec. 8. Minnesota Statutes 2010, section 524.5-313, is amended to read:

524.5-313 POWERS AND DUTIES OF GUARDIAN.

(a) A guardian shall be subject to the control and direction of the court at all times and in all things.

(b) The court shall grant to a guardian only those powers necessary to provide for the demonstrated needs of the ward.

(c) The court may appoint a guardian if it determines that all the powers and duties listed in this section are needed to provide for the needs of the incapacitated person. The court may also appoint a guardian if it determines that a guardian is needed to provide for the needs of the incapacitated person through the exercise of some, but not all, of the powers and duties listed in this section. The duties and powers of a guardian or those which the court may grant to a guardian include, but are not limited to:

(1) the power to have custody of the ward and the power to establish a place of abode within or outside the state, except as otherwise provided in this clause. The ward or any interested person may petition the court to prevent or to initiate a change in abode. A ward may not be admitted to a regional treatment center by the guardian except:

(i) after a hearing under chapter 253B;

(ii) for outpatient services; or

(iii) for the purpose of receiving temporary care for a specific period of time not to exceed 90 days in any calendar year;

(2) the duty to provide for the ward's care, comfort, and maintenance needs, including food, clothing, shelter, health care, social and recreational requirements, and, whenever appropriate, training, education, and habilitation or rehabilitation. The guardian has no duty to pay for these requirements out of personal funds. Whenever possible and appropriate, the guardian should meet these requirements through governmental benefits or services to which the ward is entitled, rather than from the ward's estate. Failure to satisfy the needs and requirements of this clause shall be grounds for removal of a private guardian, but the guardian shall have no personal or monetary liability;

(3) the duty to take reasonable care of the ward's clothing, furniture, vehicles, and other personal effects, and, if other property requires protection, the power to seek appointment of a conservator of the estate. The guardian must give notice by mail to interested persons prior to the disposition of the ward's clothing, furniture, vehicles, or other personal effects. The notice must inform the person of the right to object to the disposition of the property within ten days of the date of mailing and to petition the court for a review of the guardian's proposed actions. Notice of the objection must be served by mail or personal service on the guardian and the ward unless the ward is the objector. The guardian served with notice of an objection to the disposition of the property may not dispose of the property unless the court approves the disposition after a hearing;

(4)(i) the power to give any necessary consent to enable the ward to receive necessary medical or other professional care, counsel, treatment, or service, except that no guardian may give consent for psychosurgery, electroshock, sterilization, or experimental treatment of any kind unless the procedure is first approved by order of the court as provided in this clause. The guardian shall not consent to any medical care for the ward which violates the known conscientious, religious, or

moral belief of the ward;

(ii) a guardian who believes a procedure described in item (i) requiring prior court approval to be necessary for the proper care of the ward, shall petition the court for an order and, in the case of a public guardianship under chapter 252A, obtain the written recommendation of the commissioner of human services. The court shall fix the time and place for the hearing and shall give notice to the ward in such manner as specified in section 524.5-308 and to interested persons. The court shall appoint an attorney to represent the ward who is not represented by counsel, provided that such appointment shall expire upon the expiration of the appeal time for the order issued by the court under this section or the order dismissing a petition, or upon such other time or event as the court may direct. In every case the court shall determine if the procedure is in the best interest of the ward. In making its determination, the court shall consider a written medical report which specifically considers the medical risks of the procedure, whether alternative, less restrictive methods of treatment could be used to protect the best interest of the ward, and any recommendation of the commissioner of human services for a public ward. The standard of proof is that of clear and convincing evidence;

(iii) in the case of a petition for sterilization of a developmentally disabled ward, the court shall appoint a licensed physician, a psychologist who is qualified in the diagnosis and treatment of developmental disability, and a social worker who is familiar with the ward's social history and adjustment or the case manager for the ward to examine or evaluate the ward and to provide written reports to the court. The reports shall indicate why sterilization is being proposed, whether sterilization is necessary and is the least intrusive method for alleviating the problem presented, and whether it is in the best interest of the ward. The medical report shall specifically consider the medical risks of sterilization, the consequences of not performing the sterilization, and whether alternative methods of contraception could be used to protect the best interest of the ward;

(iv) any ward whose right to consent to a sterilization has not been restricted under this section or section 252A.101 may be sterilized only if the ward consents in writing or there is a sworn acknowledgment by an interested person of a nonwritten consent by the ward. The consent must certify that the ward has received a full explanation from a physician or registered nurse of the nature and irreversible consequences of the sterilization;

(v) a guardian or the public guardian's designee who acts within the scope of authority conferred by letters of guardianship under section 252A.101, subdivision 7, and according to the standards established in this chapter or in chapter 252A shall not be civilly or criminally liable for the provision of any necessary medical care, including, but not limited to, the administration of psychotropic medication or the implementation of aversive and deprivation procedures to which the guardian or the public guardian's designee has consented;

(5) in the event there is no duly appointed conservator of the ward's estate, the guardian shall have the power to approve or withhold approval of any contract, except for necessities, which the ward may make or wish to make;

(6) the duty and power to exercise supervisory authority over the ward in a manner which limits civil rights and restricts personal freedom only to the extent necessary to provide needed care and services;

(7) if there is no acting conservator of the estate for the ward, the guardian has the power to apply on behalf of the ward for any assistance, services, or benefits available to the ward through any unit of government;

(8) unless otherwise ordered by the court, the ward retains the right to vote pursuant to the Minnesota Constitution, article VII, an individual placed under a guardianship shall not be entitled or permitted to vote at any election in this state, but an individual placed under a limited guardianship retains the right to vote unless otherwise ordered by the court.

Sec. 9. Minnesota Statutes 2010, section 524.5-316, is amended to read:

524.5-316 REPORTS; MONITORING OF GUARDIANSHIP; COURT ORDERS.

Subdivision 1. Annual report of guardian. (a) A guardian shall report to the court in writing on the condition of the ward at least annually and whenever ordered by the court. A copy of the report must be provided to the ward and to interested persons of record with the court. A report must state or contain:

- (1) the current mental, physical, and social condition of the ward;
 - (2) the living arrangements for all addresses of the ward during the reporting period;
 - (3) any restrictions placed on the ward's right to communication and visitation with persons of the ward's choice and the factual bases for those restrictions;
 - (4) the medical, educational, vocational, and other services provided to the ward and the guardian's opinion as to the adequacy of the ward's care;
 - (5) a recommendation as to the need for continued guardianship and any recommended changes in the scope of the guardianship, including whether, in the view of the guardian, the ward's eligibility to vote should be rescinded, restored, or continue unchanged;
 - (6) an address and telephone number where the guardian can be contacted;
 - (7) whether the guardian has ever been removed for cause from serving as a guardian or conservator and, if so, the case number and court location;
 - (8) any changes occurring that would affect the accuracy of information contained in the most recent criminal background study of the guardian conducted under section 524.5-118; and
 - (9) if applicable, the amount of reimbursement for services rendered to the ward that the guardian received during the previous year that were not reimbursed by county contract.
- (b) A ward or interested person of record with the court may submit to the court a written statement disputing statements or conclusions regarding the condition of the ward that are contained in the report and may petition the court for an order that is in the best interests of the ward or for other appropriate relief.
- (c) An interested person may notify the court in writing that the interested person does not wish to receive copies of reports required under this section.
- (d) The court may appoint a visitor to review a report, interview the ward or guardian, and make any other investigation the court directs.
- (e) The court shall establish a system for monitoring guardianships, including the filing and review of annual reports. If an annual report is not filed within 60 days of the required date, the court shall issue an order to show cause.

Subd. 2. **Annual review; ward's capacity to vote.** (a) If the well-being report of a limited guardian under subdivision 1 indicates a change in conditions affecting a ward's capacity to make independent voting decisions at an election, the court may issue a written order as to the ward's eligibility to vote. If the court makes a determination regarding a ward's capacity or incapacity to vote, the court must consider the limited guardian's recommendation, any documents submitted in the annual well-being report, and previous court orders and records related to the ward's capacity as evidence of the ward's capacity or incapacity to make independent voting decisions, and must affirmatively order that the ward's eligibility to vote is rescinded, restored, or continues unchanged, provided that the right to vote may not be rescinded without a hearing. An order by the court under this paragraph may be modified by the court at any time. A copy of the written order shall be sent to the guardian within 30 days of the date it is issued.

(b) The limited guardian shall send, by certified mail, a copy of the court order or notification made by the court under this subdivision to the ward's current residential address within 30 days after it is made or the order is received. The mailing must be addressed to the ward and, if applicable, the administrator or other responsible person at the facility in which the ward resides. If a ward's residential address changes, the guardian shall send a new copy of the court's most recent order by certified mail to the new residential address within 30 days of the change of address. The requirements of this paragraph do not apply if the guardian resides at the same address as the ward.

(c) Following a determination made by the court under paragraph (a), the guardian must inform the ward of the ward's current voting eligibility status.

Sec. 10. [524.5-318] DUTIES OF FACILITIES PROVIDING HOUSING TO A WARD.

(a) The administrator or other responsible person overseeing a residential facility housing one or more wards must:

(1) maintain all documents submitted to the facility by a guardian related to a ward's guardianship status and eligibility to vote;

(2) maintain a written list of wards who reside in the facility and the current voting eligibility status of each, as stated in the court order of appointment provided under section 524.5-310 or a review determination provided under section 524.5-316, subdivision 2; and

(3) ensure that staff directly assisting wards in the voting process only assist those who are eligible to vote.

(b) As used in this section, "residential facility" has the meaning provided in section 201.061, subdivision 3, paragraph (c).

EFFECTIVE DATE. This section is effective June 1, 2012. The initial list required by clause (2) may be compiled on an ongoing basis as documentation is received from guardians as required by law.

Sec. 11. NOTIFICATION OF VOTING ELIGIBILITY STATUS; CURRENT GUARDIANS.

No later than August 1, 2012, the state court administrator shall provide to each guardian a notice restating the current voting eligibility status of any ward subject to the guardian's supervision. A ward's voting eligibility status for purposes of the notice shall be based on the order of the court

establishing the guardianship or any subsequent order of the court affecting the ward's right to vote; provided that nothing in this section requires the court to reconsider a previous order or issue a new order related to the ward's right to vote for the sole purpose of providing the notice required under this section. Following receipt of the notice required under this section, the guardian must inform the ward of the ward's current voting eligibility status.

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

Sec. 12. **EFFECTIVE DATE.**

Except where otherwise provided, this act is effective August 1, 2012, and applies to eligibility to vote in elections occurring on or after that date."

Amend the title accordingly

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

Senator Vandever from the Committee on Local Government and Elections, to which was referred

S.F. No. 2296: A bill for an act relating to elections; modifying certificate on absentee ballot envelopes; amending Minnesota Statutes 2010, section 203B.21, subdivision 3.

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

Page 2, strike line 12

Page 2, after line 15, insert:

"EFFECTIVE DATE. This section is effective June 29, 2012."

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

Senator Vandever from the Committee on Local Government and Elections, to which was referred

S.F. No. 2334: A bill for an act relating to lobbying; modifying principal reports; amending Minnesota Statutes 2010, section 10A.04, subdivision 6.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 10A.04, subdivision 6, is amended to read:

Subd. 6. **Principal reports.** (a) A principal must report to the board as required in this subdivision by March 15 for the preceding calendar year.

(b) Except as provided in paragraph (d), the principal must report the total amount, rounded to the nearest \$20,000, spent by the principal during the preceding calendar year to influence legislative action, administrative action, and the official action of metropolitan governmental units.

(c) Except as provided in paragraph (d), the principal must report under this subdivision a total amount that includes:

- (1) all direct payments by the principal to lobbyists in this state;
- (2) all expenditures for advertising, mailing, research, analysis, compilation and dissemination of information, and public relations campaigns related to legislative action, administrative action, or the official action of metropolitan governmental units in this state; and
- (3) all salaries and administrative expenses attributable to activities of the principal relating to efforts to influence legislative action, administrative action, or the official action of metropolitan governmental units in this state.

(d) A principal that must report spending to influence administrative action in cases of rate setting, power plant and powerline siting, and granting of certificates of need under section 216B.243 must report those amounts as provided in this subdivision, except that they must be reported separately and not included in the totals required under paragraphs (b) and (c).

EFFECTIVE DATE. This section is effective for reports due March 15, 2013, and thereafter."

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

Senator Vandever from the Committee on Local Government and Elections, to which was referred

S.F. No. 2179: A bill for an act relating to metropolitan government; adding duties to the Legislative Commission on Metropolitan Government; providing for fiscal year starting July 1 for the Metropolitan Council; requiring legislative approval of the council's budgets; amending Minnesota Statutes 2010, sections 3.8841, subdivisions 7, 8; 473.13, subdivision 1; 473.535.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 3.8841, subdivision 7, is amended to read:

Subd. 7. **Meetings; procedures.** The commission meets at the call of the chair. The commission shall meet at least once per calendar year. If there is a quorum, the commission may take action by a simple majority vote of commission members present.

Sec. 2. Minnesota Statutes 2010, section 3.8841, subdivision 8, is amended to read:

Subd. 8. **Powers; duties; Metropolitan Council levy, budget oversight.** The commission must monitor, review, and make recommendations to the Metropolitan Council and to the legislature by February 15 of each year for the following calendar fiscal year. The recommendations shall be on:

- (1) the tax rate and dollar amount of the Metropolitan Council's property tax levies and any proposed increases in the rate or dollar amount of tax;
- (2) any request for an increase in the debt of the Metropolitan Council;
- (3) the overall work and role of the Metropolitan Council;

(4) the Metropolitan Council's proposed operating and capital budgets, work program, and capital improvement program; and

(5) the Metropolitan Council's implementation of the operating and capital budgets, work program, and capital improvement program.

Sec. 3. Minnesota Statutes 2010, section 473.13, subdivision 1, is amended to read:

Subdivision 1. **Budget.** (a) On or before December 20 of each year, the council shall ~~adopt a final~~ present a proposed budget covering its ~~to committees in the senate and house of representatives~~ with jurisdiction over the Metropolitan Council and to the Legislative Commission on Metropolitan Government. The proposed budget must cover the council's anticipated receipts and disbursements for the ~~ensuing~~ next fiscal year commencing July 1 and shall decide upon the total ~~the proposed amount necessary to be raised from ad valorem tax levies to meet its budget. The proposed budget shall state in detail the expenditures for each program to be undertaken, including the expenses for salaries, consultant services, overhead, travel, printing, and other items. The proposed budget shall state in detail the capital expenditures of the council for the ~~budget~~ fiscal year, based on a five-year capital program adopted by the council and transmitted to the legislature. After adoption of the budget and The council cannot adopt a final budget until a law authorizing the council's budget is enacted. In any year in which a law is not enacted to authorize the council's budget, the council may continue to operate and implement its previously approved budget, but at no greater level than previously authorized by the legislature.~~

(b) ~~No later than five working days after December 20 the council's budget is enacted,~~ the council shall certify to the auditor of each metropolitan county the share of the tax to be levied within that county, which must be an amount bearing the same proportion to the total levy agreed on by the council as the net tax capacity of the county bears to the net tax capacity of the metropolitan area. The maximum amount of any levy made for the purpose of this chapter may not exceed the limits set by the statute authorizing the levy.

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

~~(e)~~ (d) In addition, the proposed budget must show for each fiscal year:

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

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

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

Sec. 4. Minnesota Statutes 2010, section 473.535, is amended to read:

473.535 CAPITAL IMPROVEMENT PROGRAM; BUDGET.

(a) In addition to the proposed budget bill submitted for legislative action under section 473.13, subdivision 1, the council shall prepare and adopt a present to the committees in the senate and house of representatives with jurisdiction over the Metropolitan Council the council's proposed capital improvement program and a budget for the acquisition or betterment of any interceptors or treatment works determined by the council to be necessary or desirable for the metropolitan disposal system. When the council issues debt under section 473.541, it must be for the projects identified in the adopted capital improvement program and budget.

(b) The council cannot adopt a final capital improvement budget until the budget is enacted. In any year in which a law is not enacted to authorize the council's capital improvement budget, the council may continue to operate and implement its previously approved capital improvement budget, but at no greater level than previously authorized by the legislature.

Sec. 5. METROPOLITAN COUNCIL; TRANSITIONAL BUDGET.

By July 1, 2013, the Metropolitan Council shall prepare a detailed six-month budget for the period of January 1, 2014, to June 30, 2014. Thereafter, the council shall prepare annual budgets with each fiscal year commencing July 1, and ending June 30. The council must submit by January 15, 2014, a detailed budget for the fiscal year beginning July 1, 2014, to the legislature for approval consistent with Minnesota Statutes, sections 473.13 and 473.535."

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

Senator Vandever from the Committee on Local Government and Elections, to which was referred

S.F. No. 2014: A bill for an act relating to metropolitan government; providing for staggered, four-year terms for members of the Metropolitan Council; amending Minnesota Statutes 2010, section 473.123, subdivision 2a.

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

Page 1, lines 10 and 11, reinstate the stricken language

Page 1, line 12, reinstate the stricken "of the council."

Page 1, line 18, after the stricken period, insert "A member may be removed from office by the appointing body or person for misfeasance, malfeasance, or nonfeasance in office, upon written charges and after an opportunity to be heard in defense of the charges."

Amend the title accordingly

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 1842: A bill for an act relating to state government; requiring state appointing authorities

to use the federal E-Verify program; proposing coding for new law in Minnesota Statutes, chapter 43A.

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

Delete everything after the enacting clause and insert:

"Section 1. [43A.145] E-VERIFY.

Appointing authorities in the legislative, executive, and judicial branches must verify the employment eligibility of all newly hired employees using the federal E-Verify program. The commissioner must oversee training for executive branch appointing authorities on the use of E-Verify, and must conduct periodic audits of executive branch appointing authorities to ensure compliance with this section."

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 2316: A bill for an act relating to veterans; veterans preference; modifying appointment procedure for removal hearing board; amending Minnesota Statutes 2010, section 197.46.

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

Page 2, lines 6 to 14, delete the new language and insert "In the event that the hearing is authorized to be held before a three-person board, the governmental subdivision's notice of intent to discharge shall state that the veteran must respond within 60 days of receipt of the notice of intent to discharge, and provide in writing to the governmental subdivision the name, United States mailing address, and telephone number of the veteran's selected representative for the three-person board. The failure of a veteran to submit the name, address, and telephone number of the veteran's selected representative to the governmental subdivision by mail or by personal service within the provided notice's 60-day period, shall constitute a waiver of the veteran's right to the hearing and all other legal remedies available for reinstatement of the veteran's employment position."

Page 2, line 15, delete the new language and strike "so" and after "selected" insert "by the veteran and governmental subdivision"

Page 2, line 21, strike "The veteran" and insert "Either the veteran or the governmental subdivision"

Page 2, line 23, strike "governmental subdivision or officer making"

Page 2, line 24, strike "the charges" and insert "other party"

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 1742: A bill for an act relating to state government; modifying former legislators' health insurance coverage; changing the calculation of legislators' salary for the Minnesota State

Retirement System; amending Minnesota Statutes 2010, sections 3A.01, subdivision 10; 43A.27, subdivision 4; 352D.04, subdivision 2.

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

Page 1, line 11, reinstate the stricken "and the per diem payments paid" and after the stricken "during" insert "prior to the end of the 2012 legislative term for" and reinstate the stricken "a regular or special session to the"

Page 1, line 12, reinstate the stricken language

Page 1, line 14, before the semicolon, insert "after the start of the 2013 legislative term"

Page 1, line 20, reinstate the stricken "former" and delete "retired" and reinstate the stricken "former"

Page 1, line 21, delete "retired"

Page 2, line 8, reinstate the stricken "former" and delete "retired"

Page 2, line 9, delete "retired" and insert "former"

Page 2, line 10, delete "commission" and insert "commissioner" and after the third "the" insert "last day of service as a legislator or within 30 days from the effective date of this section, whichever is later,"

Page 2, line 11, delete "effective date of retirement"

Page 2, after line 11, insert:

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

Page 2, line 18, reinstate the stricken "also must"

Page 2, line 19, delete "may not"

Page 2, line 20, reinstate the stricken "but may not be made" and strike "outside of" and insert "during"

Page 2, line 21, after "session" insert "that begins after January 1, 2013"

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 575: A bill for an act relating to state government; requiring legislative approval for adoption of rules; amending Minnesota Statutes 2010, sections 14.18, subdivision 1; 14.27; 14.389, subdivision 3.

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

Senator Hann from the Committee on Health and Human Services, to which was re-referred

S.F. No. 1165: A bill for an act relating to children; modifying early intervention criteria; amending Minnesota Statutes 2010, section 626.556, by adding a subdivision; Minnesota Statutes 2011 Supplement, section 125A.30.

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

Page 2, line 5, after "systems" insert "as defined in section 125A.27, subdivision 11, that are"

Page 2, line 7, strike "who" and strike "is"

Page 2, line 8, delete the new language and insert "for whom a child maltreatment report has been accepted for an investigation or family assessment" and after "(ii)" insert "who"

Page 3, line 11, delete "interagency" and delete "committees" and insert "services"

Page 3, line 14, after the period, insert "If maltreatment has not been substantiated, parents or the child's guardian may decline to have a referral made after they have been presented information regarding healthy child development and early intervention referral and services. Parents must be informed that the referral, evaluation, and acceptance of services are voluntary. The commissioner of human services shall monitor referral rates by county and annually report the information to the legislature beginning March 15, 2014."

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

Senator Olson from the Committee on Education, to which was referred

S.F. No. 1889: A bill for an act relating to the permanent school fund; changing the Permanent School Fund Advisory Committee into a legislative commission; granting the commission authority to employ a director to oversee, manage, and administer school trust lands; amending Minnesota Statutes 2010, sections 16A.06, subdivision 11; 16A.125, subdivision 5; 84.027, subdivision 18; 84.085, subdivision 1; 92.12, subdivision 1; 92.121; 92.13; 93.2236; 94.342, subdivision 5; 127A.30; proposing coding for new law in Minnesota Statutes, chapter 127A.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 15A.0815, subdivision 3, is amended to read:

Subd. 3. **Group II salary limits.** The salaries for positions in this subdivision may not exceed 85 percent of the salary of the governor:

Executive director of Gambling Control Board;

Commissioner, Iron Range Resources and Rehabilitation Board;

Commissioner, Bureau of Mediation Services;

Ombudsman for Mental Health and Developmental Disabilities;

Chair, Metropolitan Council;

Director of trust lands and mineral assets;

Executive director of pari-mutuel racing; and

Commissioner, Public Utilities Commission.

Sec. 2. Minnesota Statutes 2010, section 16A.06, subdivision 11, is amended to read:

Subd. 11. **Permanent school fund reporting.** The commissioner shall annually report to the Legislative-Citizen Permanent School Fund Advisory Committee Commission, and the legislature the amount of the permanent school fund transfer and information about the investment of the permanent school fund provided by the State Board of Investment. The State Board of Investment shall provide information about how they maximized the long-term economic return of the permanent school fund.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 3. Minnesota Statutes 2010, section 16A.125, subdivision 5, is amended to read:

Subd. 5. **Forest trust lands.** (a) The term "state forest trust fund lands" as used in this subdivision, means public land in trust under the Constitution set apart as "forest lands under the authority of the commissioner" of natural resources as defined by section 89.001, subdivision 13, but excludes school trust lands as defined in section 92.025.

(b) The commissioner of management and budget shall credit the revenue from the forest trust fund lands, excluding school trust lands defined under section 92.025, to the forest suspense account. The account must specify the trust funds interested in the lands and the respective receipts of the lands.

(c) After a fiscal year, the commissioner of management and budget shall certify the total costs incurred for forestry during that year under appropriations for the protection, improvement, administration, and management of state forest trust fund lands and construction and improvement of forest roads to enhance the forest value of the lands. The certificate must specify the trust funds interested in the lands. The commissioner of natural resources shall supply the commissioner of management and budget with the information needed for the certificate.

(d) After a fiscal year, the commissioner shall distribute the receipts credited to the suspense account during that fiscal year as follows:

(1) the amount of the certified costs incurred by the ~~state~~ Department of Natural Resources for forest management, forest improvement, and road improvement during the fiscal year shall be transferred to the forest management investment account established under section 89.039;

(2) the balance of the certified costs incurred by the ~~state~~ Department of Natural Resources during the fiscal year shall be transferred to the general fund; and

(3) the balance of the receipts shall then be returned prorated to the trust funds in proportion to their respective interests in the lands which produced the receipts.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 4. Minnesota Statutes 2010, section 84.027, subdivision 18, is amended to read:

Subd. 18. **Permanent school fund authority; reporting.** The ~~commissioner of natural resources~~ director of trust lands and mineral assets has the authority and responsibility for the administration of school trust lands under sections 92.121 and 127A.31. The ~~commissioner~~ director shall biannually report to the Legislative-Citizen Permanent School Fund Advisory Committee ~~Commission~~ and the legislature on the management of the school trust lands that shows how the ~~commissioner~~ director has and will continue to achieve the following goals:

- (1) manage the school trust lands efficiently;
- (2) reduce the management expenditures of school trust lands and maximize the revenues deposited in the permanent school trust fund;
- (3) manage the sale, exchange, and commercial leasing of school trust lands to maximize the revenues deposited in the permanent school trust fund and retain the value from the long-term appreciation of the school trust lands; and
- (4) manage the school trust lands to maximize the long-term economic return for the permanent school trust fund while maintaining sound natural resource conservation and management principles.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 5. Minnesota Statutes 2010, section 84.085, subdivision 1, is amended to read:

Subdivision 1. **Authority.** (a) The commissioner of natural resources may accept for and on behalf of the state any gift, bequest, devise, or grants of lands or interest in lands or personal property of any kind or of money tendered to the state for any purpose pertaining to the activities of the department or any of its divisions. Any money so received is hereby appropriated and dedicated for the purpose for which it is granted. Lands and interests in lands so received may be sold or exchanged as provided in chapter 94.

(b) When the commissioner of natural resources accepts lands or interests in land, the commissioner may reimburse the donor for costs incurred to obtain an appraisal needed for tax reporting purposes. If the state pays the donor for a portion of the value of the lands or interests in lands that are donated, the reimbursement for appraisal costs shall not exceed \$1,500. If the donor receives no payment from the state for the lands or interests in lands that are donated, the reimbursement for appraisal costs shall not exceed \$5,000.

(c) The commissioner of natural resources, on behalf of the state, may accept and use grants of money or property from the United States or other grantors for conservation purposes not inconsistent with the laws of this state. Any money or property so received is hereby appropriated and dedicated for the purposes for which it is granted, and shall be expended or used solely for such purposes in accordance with the federal laws and regulations pertaining thereto, subject to applicable state laws and rules as to manner of expenditure or use providing that the commissioner may make subgrants of any money received to other agencies, units of local government, private individuals, private organizations, and private nonprofit corporations. Appropriate funds and accounts shall be maintained by the commissioner of management and budget to secure compliance with this section.

~~(d) The commissioner may accept for and on behalf of the permanent school fund a donation of lands, interest in lands, or improvements on lands. A donation so received shall become state property, be classified as school trust land as defined in section 92.025, and be managed consistent with section 127A.31.~~

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 6. Minnesota Statutes 2010, section 92.12, subdivision 1, is amended to read:

Subdivision 1. **Appraisers.** The director of trust lands and mineral assets may have any school trust land appraised. The commissioner may have any ~~school trust~~ or other state lands appraised. The appraisals must be made by regularly appointed and qualified state appraisers. To be qualified, an appraiser must hold a state appraiser license issued by the Department of Commerce. The appraisal must be in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 7. Minnesota Statutes 2010, section 92.121, is amended to read:

92.121 PERMANENT SCHOOL FUND LANDS.

The director of trust lands and mineral assets and the commissioner of natural resources shall exchange permanent school fund land as defined in the Minnesota Constitution, article XI, section 8, located in state parks, state recreation areas, wildlife management areas, scientific and natural areas, or state waysides or on lands managed by the commissioner as old growth stands, for other lands as allowed by the Minnesota Constitution, article XI, section 10, and section 94.343, subdivision 1, that are compatible with the goal of the permanent school fund lands in section 127A.31 when, as a result of management practices applied to the permanent school fund lands and associated resources, revenue generation has been diminished or is prohibited and no alternative has been put into effect to compensate the permanent school fund for the income losses.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 8. Minnesota Statutes 2010, section 92.13, is amended to read:

92.13 STATE LANDS, DATE OF SALE.

The commissioner shall hold public sales of ~~school and other~~ state lands other than school trust lands when it is advantageous to the state and to intending buyers and settlers.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 9. Minnesota Statutes 2010, section 93.2236, is amended to read:

93.2236 MINERALS MANAGEMENT ACCOUNT.

(a) The minerals management account is created as an account in the natural resources fund. Interest earned on money in the account accrues to the account. Money in the account may be spent or distributed only as provided in paragraphs (b) and (c).

(b) If the balance in the minerals management account exceeds \$3,000,000 on June 30, the amount exceeding \$3,000,000 must be distributed to ~~the permanent school fund and the permanent~~

university fund. The amount distributed to each fund must be in the same proportion as the total mineral lease revenue received in the previous biennium from school trust lands and university lands.

(c) Subject to appropriation by the legislature, money in the minerals management account may be spent by the commissioner of natural resources for mineral resource management and projects to enhance future mineral income and promote new mineral resource opportunities.

(d) Beginning July 1, 2014, no revenue from school trust lands, including revenue from severed minerals interests, shall be deposited in the minerals management account.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 10. Minnesota Statutes 2010, section 94.342, subdivision 5, is amended to read:

Subd. 5. **Additional restrictions on school trust land.** School trust land may be exchanged with other Class A land only if the Permanent School Fund Advisory Committee is appointed as temporary director of trust lands and mineral assets is serving as trustee of the school trust land for purposes of the exchange. The committee director shall provide independent legal counsel to review the exchanges.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 11. Minnesota Statutes 2010, section 127A.30, is amended to read:

127A.30 LEGISLATIVE-CITIZEN PERMANENT SCHOOL FUND ADVISORY COMMITTEE COMMISSION.

Subdivision 1. **Commission established; membership.** A state (a) The Legislative-Citizen Permanent School Fund Advisory Committee Commission of 16 members is established to advise the Department of Natural Resources on the management of permanent school fund land, which is held in trust for the school districts of the state in the legislative branch. The advisory committee must consist commission consists of the following persons or their designees: the chairs of the education committees of the legislature, the chairs of the legislative committees with jurisdiction over the K-12 education budget, the chairs of the legislative committees with jurisdiction over the environment and natural resources policy and budget, the chair of the senate Committee on Finance and the chair of the house of representatives Committee on Ways and Means, the commissioner of education, one superintendent from a nonmetropolitan district, one superintendent from a metropolitan area district, one person with an expertise in forestry, one person with an expertise in minerals and mining, one person with an expertise in real estate development, one person with an expertise in renewable energy, one person with an expertise in finance and land management, and one person with an expertise in natural resource conservation. The school district superintendents shall be appointed by the commissioner of education. The committee members with areas of expertise in forestry, minerals and mining, real estate development, renewable energy, finance and land management, and natural resource conservation shall be appointed by the commissioner of natural resources. Members of the legislature shall be given the opportunity to recommend candidates for vacancies on the committee to the commissioners of education and natural resources. The advisory committee must also include a nonvoting member appointed by the commissioner of natural resources. The commissioner of natural resources shall provide administrative support to the committee. The members of the committee shall serve without compensation. The members

~~of the Permanent School Fund Advisory Committee shall elect their chair and are bound by the provisions of sections 43A.38 and 116P.09, subdivision 6-~~

(1) two public members appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration;

(2) two public members appointed by the speaker of the house;

(3) four public members appointed by the governor;

(4) four members of the senate, including two members from the minority party, appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration; and

(5) four members of the house of representatives, including two members from the minority party, appointed by the speaker of the house.

(b) Members appointed under paragraph (a) must not be registered lobbyists. The governor's appointments to the commission are subject to the advice and consent of the senate.

(c) Public members appointed under paragraph (a) shall have practical experience or expertise or demonstrated knowledge in renewable or nonrenewable resource management or development, real estate, business, finance, trust administration, asset management, or the practice of law in the areas of natural resources or real estate.

(d) Public members serve four-year terms. Appointed legislative members serve at the pleasure of the appointing authority. Public and legislative members continue to serve until their successors are appointed. Public members shall be initially appointed according to the following schedule of terms:

(1) two public members appointed by the governor for a term ending the first Monday in January 2015;

(2) one public member appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration for a term ending the first Monday in January 2015;

(3) one public member appointed by the speaker of the house for a term ending the first Monday in January 2015;

(4) two public members appointed by the governor for a term ending the first Monday in January 2017;

(5) one public member appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration for a term ending the first Monday in January 2017; and

(6) one public member appointed by the speaker of the house for a term ending the first Monday in January 2017.

(e) Terms, compensation, and removal of public members are as provided in section 15.0575. A vacancy on the commission may be filled by the appointing authority for the remainder of the unexpired term.

(f) The first meeting of the commission shall be convened by the chair of the Legislative Coordinating Commission no later than December 1, 2014. Members shall elect a chair, vice-chair,

secretary, and other officers as determined by the commission. The chair may convene meetings as necessary to conduct the duties prescribed by this section.

(g) Upon coordination with the Legislative Coordinating Commission, the commission may appoint nonpartisan staff and contract with consultants as necessary to carry out the functions of the commission.

Subd. 2. **Duties.** ~~The advisory committee~~ commission shall review ~~the policies of the Department of Natural Resources and~~ current statutes on management of school trust fund lands at least annually and shall recommend necessary changes in statutes, policy, and implementation in order to ensure provident utilization of the permanent school fund lands. By January 15 of each year, ~~the advisory committee~~ commission shall submit a report to the legislature with recommendations for the management of school trust lands to secure long-term economic return for the permanent school fund, consistent with sections 92.121 and 127A.31. ~~The committee's~~ commission's annual report may include recommendations to:

- (1) manage the school trust lands efficiently;
- (2) reduce the management expenditures of school trust lands and maximize the revenues deposited in the permanent school trust fund;
- (3) manage the sale, exchange, and commercial leasing of school trust lands to maximize the revenues deposited in the permanent school trust fund and retain the value from the long-term appreciation of the school trust lands; ~~and~~
- (4) manage the school trust lands to maximize the long-term economic return for the permanent school trust fund while maintaining sound natural resource conservation and management principles; and
- (5) manage the asset allocation of the permanent school fund.

~~Subd. 3. **Duration.** Notwithstanding section 15.059, subdivision 5, the advisory committee is permanent and does not expire.~~

Subd. 4. **Conflict of interest.** (a) A commission member may not be an advocate for or against a commission action or vote on any action that may be a conflict of interest. A conflict of interest must be disclosed as soon as it is discovered. The commission shall follow the policies and requirements related to conflicts of interest developed by the Office of Grants Management under section 16B.98.

(b) For the purposes of this section, a "conflict of interest" exists when a person has an organizational conflict of interest or direct financial interests and those interests present the appearance that it will be difficult for the person to impartially fulfill the person's duty. An "organizational conflict of interest" exists when a person has an affiliation with an organization that is subject to commission activities, which presents the appearance of a conflict between organizational interests and commission member duties. An "organizational conflict of interest" does not exist if the person's only affiliation with an organization is being a member of the organization.

Subd. 5. **Open meetings.** (a) Meetings of the commission and other groups the commission may establish are subject to section 3.055. Except where prohibited by law, the commission shall establish additional processes to broaden public involvement in all aspects of its deliberations,

including recording meetings, video conferencing, and publishing minutes. For the purposes of this subdivision, a meeting occurs when a quorum is present and the members take action on any matter relating to the duties of the commission. The quorum requirement for the commission shall be seven members.

(b) For legislative members of the commission, enforcement of this subdivision is governed by section 3.055, subdivision 2. For nonlegislative members of the commission, enforcement of this subdivision is governed by section 13D.06, subdivisions 1 and 2.

Subd. 6. **Director nominations.** The commission shall nominate three to five people to the governor to appoint as director of trust lands and mineral assets.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 12. **[127A.3011] POLICY AND PURPOSE.**

(a) The purpose of sections 127A.3011 to 127A.3019 is to establish a director to oversee, manage, and administer Minnesota's school trust lands in accordance with the provisions of the Minnesota Constitution, article XI, section 8.

(b) As trustee, the state must manage the lands and revenues generated from the lands in the most prudent and profitable manner possible, and not for any purpose inconsistent with the best interests of the trust beneficiaries as defined in the Minnesota Constitution, article XI, section 8.

(c) The trustee must be concerned with both income for the current beneficiaries and the preservation of trust assets for future beneficiaries, which requires a balancing of short-term and long-term interests so that long-term benefits are not lost in an effort to maximize short-term gains.

(d) Sections 127A.3011 to 127A.3019 shall be liberally construed to enable the director and the commission to faithfully fulfill the state's obligations to the trust beneficiaries.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 13. **[127A.3012] DEFINITIONS.**

Subdivision 1. **Scope.** For purposes of sections 127A.3011 to 127A.3019, the definitions have the meanings given.

Subd. 2. **Commission.** "Commission" means the Legislative-Citizen Permanent School Fund Commission.

Subd. 3. **Director.** "Director" means the director of trust lands and mineral assets.

Subd. 4. **School trust land.** "School trust land" means land or interests in land granted by the United States for use of schools within each township, swampland granted to the state, and internal improvement land that are reserved for permanent school fund purposes under the Minnesota Constitution, article XI, section 8, and land exchanged, purchased, or granted for the benefit of the permanent school fund.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 14. **[127A.3013] GOVERNANCE.**

Subdivision 1. **Management.** (a) The director shall manage all school trust lands within the state. The Legislative-Citizen Permanent School Fund Commission shall recommend policies for the director and legislature for the management of trust lands and assets.

(b) The director may enter into an agreement with the commissioner of natural resources for administration and management of trust lands. This agreement must specify the services that the Department of Natural Resources will provide to the director and the fees the department will charge for providing these services. If the director and the commissioner of natural resources cannot reach an agreement satisfactory to both parties, the director may contract with an outside entity for these services.

(c) If the director determines that receiving administrative and management services from the commissioner of natural resources is not the best way to manage lands in the most prudent and profitable manner, the director may move these services to another agency or outside entity.

Subd. 2. **Joint ventures.** The director, upon approval of the governor, may enter into joint ventures to develop trust lands and minerals.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 15. **[127A.3014] POLICIES.**

Subdivision 1. **Management.** The commission shall recommend policies for the director of trust lands and mineral assets. The policies shall:

- (1) be consistent with the Minnesota Constitution and state law;
- (2) reflect undivided loyalty to the beneficiaries consistent with fiduciary duties;
- (3) require the return of not less than fair market value for the use, sale, or exchange of school trust assets;
- (4) seek to optimize trust land revenues and increase the value of trust land holdings consistent with the balancing of short-term and long-term interests, so that long-term benefits are not lost in an effort to maximize short-term gains; and
- (5) maintain the integrity of the trust and prevent the misapplication of its lands and its revenues.

Subd. 2. **Duties.** The commission and the director shall recommend to the governor and the legislature any necessary or desirable changes in statutes relating to the trust or their trust responsibilities. The commission shall recommend policies for the long-term benefit of the trust utilizing the broad discretion and power granted to it in sections 127A.3011 to 127A.3015.

Subd. 3. **Policies continued unless changed.** Policies adopted by the Department of Natural Resources prior to the effective date of this act regarding school trust lands shall remain in effect until amended or repealed by the director. The director shall be the named party in substitution of the Department of Natural Resources or its predecessor agencies with respect to all documents affecting trust lands from the effective date of this section.

Subd. 4. **Accept land and property.** The director may accept for and on behalf of the permanent school fund a donation of lands, interest in lands, or improvements on lands. A donation so received shall become state property, be classified as school trust land as defined in section 92.025, and be

managed consistent with section 127A.31.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 16. [127A.3015] DIRECTOR.

Subdivision 1. **Appointment.** The director shall be appointed by the governor from the list of candidates submitted by the commission under section 127A.30, subdivision 6. The commissioner of administration shall provide office space for the director. The commissioner of administration shall provide human resources, payroll, accounting, procurement, and other similar administrative services to the director, except to the extent the director decides to obtain these services from another public or private entity. The director's appointment is subject to the advice and consent of the senate.

Subd. 2. **Term.** The governor shall select the director on the basis of outstanding professional qualifications pertinent to the purposes and activities of the trust. The director serves in the unclassified service for a term of four years or until a successor has been appointed by the governor. The governor may remove the director for cause. The commission may recommend the removal of the director for cause.

Subd. 3. **Compensation.** Compensation of the director shall be established under chapter 15A.

Subd. 4. **Employees.** The director may employ unclassified staff in state service to carry out the duties of the director.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 17. [127A.3016] RESPONSIBILITIES OF DIRECTOR.

(a) The director shall:

- (1) take an oath of office before assuming any duties as the director;
- (2) adopt procedures necessary for the proper administration of matters entrusted to the director by state law;
- (3) faithfully manage the administration under the policies established by the director;
- (4) submit to the commission and for public inspection an annual management budget and financial plan for the administration of school trust lands, and submit the budget to the governor;
- (5) direct and control the budget expenditures as finally authorized and appropriated;
- (6) establish job descriptions and employ, within the limitation of the budget, staff necessary to accomplish the purposes of the director's office;
- (7) maintain appropriate records of school trust land activities to enable the legislative auditor to conduct periodic audits of school trust land activities;
- (8) submit all leases, contracts, and agreements to legal counsel for review of compliance with applicable law and fiduciary duties prior to execution and utilize the services of the attorney general as provided in section 127A.3017;
- (9) keep the commission, beneficiaries, governor, legislature, and the public informed about the work of the director by reporting to the commission in a public meeting at least once during each

calendar quarter; and

(10) respond in writing within a reasonable time to a request by the commission for responses to questions on policies and practices affecting the management of the trust.

(b) The director may contract with other public agencies or other public or private entities for personnel management services.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 18. **[127A.3017] ATTORNEY GENERAL.**

The attorney general shall: represent the director in any legal action relating to trust lands; review leases, contracts, and agreements submitted for review prior to execution; and undertake suits for the collection of royalties, rental, and other damages in the name of the state.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 19. **[127A.3018] LAND EXCHANGE.**

The director may enter into land exchange agreements with the commissioner of natural resources according to the provisions of section 92.121.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 20. **[127A.3019] FOREST AND MINERALS MANAGEMENT.**

Subdivision 1. **Control.** All forest and minerals management on school trust lands is vested with the director according to the provisions of sections 127A.3011 to 127A.3019.

Subd. 2. **May contract.** The director may contract with any public or private entity to make improvements to or upon trust lands and to carry out any of the responsibilities of the office, so long as the contract requires strict adherence to trust management principles and applicable law.

Subd. 3. **School trust lands suspense account.** A school trust lands suspense account is established in the state treasury. The director shall credit all revenue from the school trust lands to the school trust lands suspense account. After a fiscal year, the director shall certify that year's costs for oversight, protection, improvement, administration, and management of school trust lands against the account and distribute the balance of the revenue to the permanent school fund.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 21. Minnesota Statutes 2010, section 477A.11, is amended by adding a subdivision to read:

Subd. 1a. **Director.** "Director" has the meaning given in section 127A.3012.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 22. Minnesota Statutes 2010, section 477A.11, subdivision 3, is amended to read:

Subd. 3. **Acquired natural resources land.** "Acquired natural resources land" means:

(1) any land presently administered by the commissioner or the director in which the state acquired by purchase, condemnation, or gift, a fee title interest in lands which were previously

privately owned; and

(2) lands acquired by the state under chapter 84A that are designated as state parks, state recreation areas, scientific and natural areas, or wildlife management areas.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 23. Minnesota Statutes 2010, section 477A.11, subdivision 4, is amended to read:

Subd. 4. **Other natural resources land.** "Other natural resources land" means any other land presently owned in fee title by the state and administered by the commissioner or the director, or any tax-forfeited land, other than platted lots within a city or those lands described under subdivision 3, clause (2), which is owned by the state and administered by the commissioner or the director or by the county in which it is located.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 24. Minnesota Statutes 2011 Supplement, section 477A.12, subdivision 1, is amended to read:

Subdivision 1. **Types of land; payments.** (a) As an offset for expenses incurred by counties and towns in support of natural resources lands, the following amounts are annually appropriated to the commissioner of natural resources from the general fund for transfer to the commissioner of revenue. The commissioner of revenue shall pay the transferred funds to counties as required by sections 477A.11 to 477A.14. The amounts are:

(1) for acquired natural resources land, \$5.133 multiplied by the total number of acres of acquired natural resources land or, at the county's option three-fourths of one percent of the appraised value of all acquired natural resources land in the county, whichever is greater;

(2) \$1.283 multiplied by the number of acres of county-administered other natural resources land;

(3) \$1.283 multiplied by the total number of acres of land utilization project land; and

(4) 64.2 cents multiplied by the number of acres of commissioner-administered or director-administered other natural resources land located in each county as of July 1 of each year prior to the payment year.

(b) The amount determined under paragraph (a), clause (1), is payable for land that is acquired from a private owner and owned by the Department of Transportation for the purpose of replacing wetland losses caused by transportation projects, but only if the county contains more than 500 acres of such land at the time the certification is made under subdivision 2.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 25. Minnesota Statutes 2010, section 477A.12, subdivision 2, is amended to read:

Subd. 2. **Procedure.** Lands for which payments in lieu are made pursuant to section 97A.061, subdivision 3, and Laws 1973, chapter 567, shall not be eligible for payments under this section. Each county auditor shall certify to the Department of Natural Resources during July of each year prior to the payment year the number of acres of county-administered other natural resources land

within the county. The Department of Natural resources may, in addition to the certification of acreage, require descriptive lists of land so certified. The commissioner of natural resources shall determine and certify to the commissioner of revenue by March 1 of the payment year:

- (1) the number of acres and most recent appraised value of acquired natural resources land, excluding the acres administered by the director within each county;
- (2) the number of acres of commissioner-administered natural resources land within each county;
- (3) the number of acres of county-administered other natural resources land within each county, based on the reports filed by each county auditor with the commissioner of natural resources; and
- (4) the number of acres of land utilization project land within each county.

The director shall determine and certify to the commissioner of revenue by March 1 of the payment year the number of acres of land and the appraised value of acquired land administered by the director subject to payments under this section.

The commissioner of transportation shall determine and certify to the commissioner of revenue by March 1 of the payment year the number of acres of land and the appraised value of the land described in subdivision 1, paragraph (b), but only if it exceeds 500 acres.

The commissioner of revenue shall determine the distributions provided for in this section using the number of acres and appraised values certified by the commissioner of natural resources and the commissioner of transportation by March 1 of the payment year.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 26. Minnesota Statutes 2010, section 477A.12, subdivision 3, is amended to read:

Subd. 3. **Determination of appraised value.** For the purposes of this section, the appraised value of acquired natural resources land is the purchase price for the first five years after acquisition. The appraised value of acquired natural resources land received as a donation is the value determined for the commissioner of natural resources or the director by a licensed appraiser, or the county assessor's estimated market value if no appraisal is done. The appraised value must be determined by the county assessor every five years after the land is acquired.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 27. **TRANSFER OF RESPONSIBILITY.**

Unless otherwise provided by statute, the responsibilities of the Department of Natural Resources and any other state agency with respect to the permanent school fund lands are transferred to the director of trust lands and mineral assets effective upon establishment of the director under Minnesota Statutes, section 127A.3015.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 28. **REVISOR'S INSTRUCTION.**

(a) The revisor of statutes shall recode Minnesota Statutes, section 84.027, subdivision 18, as section 127.3016, subdivision 3.

(b) By January 15, 2013, the revisor of statutes shall submit a bill draft to the senate and house of representatives to make changes in statutes, laws, and rules to transfer all authority for school trust lands to the director of trust lands and mineral assets. The revisor of statutes shall consult with senate and house of representatives staff in preparing the bill draft."

Delete the title and insert:

"A bill for an act relating to the permanent school fund; changing the Permanent School Fund Advisory Committee into a legislative commission; providing for a director to oversee, manage, and administer school trust lands; amending Minnesota Statutes 2010, sections 15A.0815, subdivision 3; 16A.06, subdivision 11; 16A.125, subdivision 5; 84.027, subdivision 18; 84.085, subdivision 1; 92.12, subdivision 1; 92.121; 92.13; 93.2236; 94.342, subdivision 5; 127A.30; 477A.11, subdivisions 3, 4, by adding a subdivision; 477A.12, subdivisions 2, 3; Minnesota Statutes 2011 Supplement, section 477A.12, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 127A."

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

Senator Olson from the Committee on Education, to which was referred

S.F. No. 1932: A bill for an act relating to education; clarifying continuing education requirements for substitute principals; amending Minnesota Statutes 2010, section 122A.14, subdivision 3.

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

Senator Olson from the Committee on Education, to which was referred

S.F. No. 2213: A bill for an act relating to education; modifying certain principal evaluation provisions; amending Minnesota Statutes 2011 Supplement, section 123B.147, subdivision 3.

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

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

H.F. No. 1738 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.
1738	1450				

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.

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

H.F. No. 2022 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.
2022	1625				

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.

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

H.F. No. 2152 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.
				2152	1739

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.

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

H.F. No. 2455 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.
2455	1544				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 2455 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2455; and insert the language after the enacting clause of S.F. No. 1544, the second engrossment; further, delete the title of H.F. No. 2455; and insert the title of S.F. No. 1544, the second engrossment.

And when so amended H.F. No. 2455 will be identical to S.F. No. 1544, and further recommends that H.F. No. 2455 be given its second reading and substituted for S.F. No. 1544, 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.

SECOND READING OF SENATE BILLS

S.F. Nos. 2271, 2254, 1905, 2166, 1727, 1755, 2354, 2227, 2314, 1754, 2173, 2296, 2334, 2014, 1842, 2316 and 2213 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1738, 2022, 2152 and 2455 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Chamberlain introduced—

S.F. No. 2404: A bill for an act relating to taxation; estate; modifying requirements for qualified farm and qualified small business property; amending Minnesota Statutes 2011 Supplement, section 291.03, subdivisions 9, 10.

Referred to the Committee on Taxes.

Senator Lillie introduced—

S.F. No. 2405: A bill for an act relating to local government; authorizing the city of Woodbury to issue public debt.

Referred to the Committee on Local Government and Elections.

Senator McGuire introduced—

S.F. No. 2406: A bill for an act relating to higher education; modifying membership of the Student Advisory Council; amending Minnesota Statutes 2010, section 136A.031, subdivision 3.

Referred to the Committee on Higher Education.

Senators Pappas and Sieben introduced—

S.F. No. 2407: A bill for an act relating to higher education; requiring that two members of the Board of Regents be university students; amending Minnesota Statutes 2010, section 137.023.

Referred to the Committee on Higher Education.

Senator Higgins introduced—

S.F. No. 2408: A bill for an act relating to intoxicating liquor; authorizing the relocation of an existing off-sale liquor license in the city of Minneapolis.

Referred to the Committee on Commerce and Consumer Protection.

Senators Hall and Olson introduced—

S.F. No. 2409: A bill for an act relating to education; clarifying the definition of public data relating to agreements involving payment of public money; amending Minnesota Statutes 2010, section 13.43, subdivision 2.

Referred to the Committee on Education.

Senator Latz introduced—

S.F. No. 2410: A bill for an act relating to alcohol; allowing an off-sale licensee to host monthly educational tasting events; amending Minnesota Statutes 2010, section 340A.419, subdivision 2.

Referred to the Committee on Commerce and Consumer Protection.

Senators Harrington, Latz, Eaton and Dzedzic introduced—

S.F. No. 2411: A bill for an act relating to commerce; amending regulation of scrap metal processing; requiring proof of ownership or hold period for vehicles purchased for scrap; creating the automated property system; creating criminal penalties; amending Minnesota Statutes 2010, sections 168.27, subdivisions 1a, 19a, 23, 24; 168A.153, subdivisions 1, 2; 325E.21, subdivisions 1, 1a, 3, 8, 9; proposing coding for new law in Minnesota Statutes, chapter 168A.

Referred to the Committee on Commerce and Consumer Protection.

Senator Saxhaug introduced—

S.F. No. 2412: A bill for an act relating to capital investment; appropriating money for RIM critical habitat match; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Gazelka introduced—

S.F. No. 2413: A bill for an act relating to campaign finance; clarifying that certain contributions do not violate fair campaign practices; amending Minnesota Statutes 2010, section 211B.15, by adding a subdivision.

Referred to the Committee on Local Government and Elections.

Senators Sheran, Goodwin, Rest and Bakk introduced—

S.F. No. 2414: A bill for an act relating to governmental operations; legislative and executive

branch ethics; prohibiting insider trading based on nonpublic information by executive branch officers, legislators, and legislative staff; amending Minnesota Statutes 2010, section 10A.09, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 3; 10.

Referred to the Committee on State Government Innovation and Veterans.

Senator Vandever introduced—

S.F. No. 2415: A bill for an act relating to elections; changing the date of the state primary from August to June; changing the date of primary elections conducted by a political subdivision, in certain circumstances; amending Minnesota Statutes 2010, sections 204B.14, subdivision 4; 204B.21, subdivision 1; 204D.03, subdivision 1; 204D.09, subdivision 1; 204D.28, subdivision 5; 205.065, subdivisions 1, 2; 205A.03, subdivisions 1, 2; 205A.11, subdivision 2a; 206.61, subdivision 5; 206.82, subdivision 2; Minnesota Statutes 2011 Supplement, sections 204B.14, subdivision 2; 205A.06, subdivision 1a.

Referred to the Committee on Local Government and Elections.

Senator Vandever introduced—

S.F. No. 2416: A bill for an act relating to emergency medical services; establishing an interstate highway emergency response account; creating an interstate emergency response reimbursement program; requiring a report from the Department of Revenue; appropriating money; amending Minnesota Statutes 2010, section 168A.40, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 144E.

Referred to the Committee on Health and Human Services.

Senator Hayden introduced—

S.F. No. 2417: A bill for an act relating to public safety; requiring that a penalty assessment be imposed on DWI offenders and using the money raised for spinal cord injury and traumatic brain injury research grants; establishing a special revenue account; requiring reports; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 145; 169A.

Referred to the Committee on Judiciary and Public Safety.

Senator Stumpf introduced—

S.F. No. 2418: A bill for an act relating to property taxation; allowing agricultural homestead classification when the homeowner lives off the farm due to flooding; amending Laws 2010, chapter 389, article 1, section 12.

Referred to the Committee on Taxes.

Senators Daley, Carlson, Gazelka and Lillie introduced—

S.F. No. 2419: A bill for an act relating to economic development; establishing a business advocate in the Department of Employment and Economic Development; proposing coding for new

law in Minnesota Statutes, chapter 116J.

Referred to the Committee on Jobs and Economic Growth.

Senator Bonoff introduced—

S.F. No. 2420: A bill for an act relating to education; amending provisions relating to teacher candidates passing a basic skills examination.

Referred to the Committee on Education.

Senator Wiger introduced—

S.F. No. 2421: A bill for an act relating to state government; changing provisions of grant management; changing control and oversight of the film production jobs program to the commissioner of administration; amending Minnesota Statutes 2010, sections 16B.98, subdivisions 5, 7; 116U.26.

Referred to the Committee on State Government Innovation and Veterans.

Senator Vandever introduced—

S.F. No. 2422: A bill for an act relating to eminent domain; removing certain exemptions from eminent domain law requirements applicable to public service corporations; repealing Minnesota Statutes 2010, section 117.189.

Referred to the Committee on Judiciary and Public Safety.

Senators Fischbach, Carlson, Dahms, Miller and Pederson introduced—

S.F. No. 2423: A bill for an act relating to higher education; providing funding to the Minnesota State Colleges and Universities for leveraged equipment acquisition; appropriating money.

Referred to the Committee on Higher Education.

Senator Michel introduced—

S.F. No. 2424: A bill for an act relating to redistricting; adjusting the house of representatives district boundaries within senate districts 39 and 49; repealing obsolete district descriptions; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 2010, sections 2.444; 2.484.

Referred to the Committee on Rules and Administration.

Senator Brown introduced—

S.F. No. 2425: A bill for an act relating to capital improvements; appropriating money for a public safety building in Princeton; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senators DeKruif and Gimse introduced—

S.F. No. 2426: A bill for an act relating to transportation; traffic regulations; allowing vehicle combination to transport property and equipment; amending Minnesota Statutes 2010, section 169.81, subdivision 3.

Referred to the Committee on Transportation.

Senators Daley, Metzen, Kelash, Torres Ray and Hall introduced—

S.F. No. 2427: A bill for an act relating to taxation; individual income; conforming to individual retirement account rollover provisions; amending Minnesota Statutes 2011 Supplement, sections 289A.02, subdivision 7; 290.01, subdivisions 19, 31; 290A.03, subdivision 15; 291.005, subdivision 1.

Referred to the Committee on Taxes.

Senator Harrington introduced—

S.F. No. 2428: A bill for an act relating to judiciary; authorizing monthly review of district judge dispositions for compliance with 90-day disposition requirement; amending Minnesota Statutes 2010, section 546.27, subdivision 2.

Referred to the Committee on Judiciary and Public Safety.

Senators Hann and Hall introduced—

S.F. No. 2429: A bill for an act relating to human services; modifying child care provisions; amending Minnesota Statutes 2010, section 119B.13, subdivision 3a; Minnesota Statutes 2011 Supplement, section 119B.13, subdivision 7.

Referred to the Committee on Health and Human Services.

Senators Bonoff and Benson introduced—

S.F. No. 2430: A bill for an act relating to transportation; directing commissioner of transportation to utilize a consultant to study pupil transportation efficiencies; appropriating money.

Referred to the Committee on Transportation.

MOTIONS AND RESOLUTIONS

Senator Rest moved that her name be stricken as a co-author to S.F. No. 1629. The motion prevailed.

Senator Nelson moved that her name be stricken as a co-author to S.F. No. 1713. The motion prevailed.

Senator Carlson moved that the name of Senator Nelson be added as a co-author to S.F. No. 1780. The motion prevailed.

Senator DeKruif moved that the name of Senator Daley be added as a co-author to S.F. No. 1983. The motion prevailed.

Senator Lourey moved that the name of Senator Carlson be added as a co-author to S.F. No. 1984. The motion prevailed.

Senator Pederson moved that the name of Senator Metzen be added as a co-author to S.F. No. 1993. The motion prevailed.

Senator McGuire moved that her name be stricken as a co-author to S.F. No. 2244. The motion prevailed.

Senator Olson moved that the name of Senator Gazelka be added as a co-author to S.F. No. 2254. The motion prevailed.

Senator Hayden moved that the name of Senator Dziejczak be added as a co-author to S.F. No. 2269. The motion prevailed.

Senator DeKruif moved that the name of Senator Gazelka be added as a co-author to S.F. No. 2271. The motion prevailed.

Senator Daley moved that the name of Senator Gazelka be added as a co-author to S.F. No. 2354. The motion prevailed.

Senator Cohen moved that the name of Senator Rest be added as a co-author to S.F. No. 2389. The motion prevailed.

Senator Chamberlain moved that S.F. No. 1806 be withdrawn from the Committee on Judiciary and Public Safety and re-referred to the Committee on Commerce and Consumer Protection. The motion prevailed.

Senator Kruse moved that S.F. No. 2000 be withdrawn from the Committee on Judiciary and Public Safety and re-referred to the Committee on Commerce and Consumer Protection. The motion prevailed.

Senator Fischbach moved that S.F. No. 2148, No. 48 on General Orders, be stricken and returned to its author. The motion prevailed.

Senator Daley moved that S.F. No. 2348 be withdrawn from the Committee on Finance and re-referred to the Committee on State Government, Innovation and Veterans. The motion prevailed.

Senators Sieben and Metzen introduced –

Senate Resolution No. 134: A Senate resolution congratulating Neighbors, Inc. on its 40th anniversary.

Referred to the Committee on Rules and Administration.

MEMBERS EXCUSED

Senator Pappas was excused from the Session of today.

ADJOURNMENT

Senator Senjem moved that the Senate do now adjourn until 12:00 noon, Wednesday, March 14, 2012. The motion prevailed.

Cal R. Ludeman, Secretary of the Senate

