

ONE HUNDRED TENTH DAY

St. Paul, Minnesota, Thursday, April 26, 2012

The Senate met at 1:00 p.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Pastor Gary Dreier.

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

The President declared a quorum present.

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

MESSAGES FROM THE HOUSE

Madam President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S.F. No. 2137.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 25, 2012

Madam President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 2296, and repassed said bill in accordance with the report of the Committee, so adopted.

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.

Senate File No. 2296 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 26, 2012

Madam President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 2334, and repassed said bill in accordance with the report of the Committee, so adopted.

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

Senate File No. 2334 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 26, 2012

Madam President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1597: A bill for an act relating to military affairs; changing the small business set-aside program for veteran-owned small businesses; authorizing county set-aside programs for veteran-owned small businesses; changing the award to veteran-owned businesses in state procurement biddings; adding veterans to special emphasis in state job recruitment; increasing credits for veterans in examination ratings in hiring; changing pay differential salary for school district employees who are members of the National Guard or other reserve unit on active duty; providing civil actions; amending Minnesota Statutes 2010, sections 1.05, by adding a subdivision; 16C.16, subdivision 6a; 43A.09; 161.321, subdivisions 2, 5, by adding subdivisions; 197.455, subdivisions 4, 5; 471.975; proposing coding for new law in Minnesota Statutes, chapter 375.

Senate File No. 1597 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 25, 2012

CONCURRENCE AND REPASSAGE

Senator DeKruif moved that the Senate concur in the amendments by the House to S.F. No. 1597 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1597: A bill for an act relating to veterans; modifying certain Department of Transportation contracting requirements; authorizing counties to provide a bid preference for awarding contracts to veteran-owned small businesses; amending Minnesota Statutes 2010, section 161.321; proposing coding for new law in Minnesota Statutes, chapter 375.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE - CONTINUED

Madam President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2342: A bill for an act relating to commerce; regulating auto insurance claims practices; amending Minnesota Statutes 2010, section 65B.54, subdivision 6.

Senate File No. 2342 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 25, 2012

CONCURRENCE AND REPASSAGE

Senator Gazelka moved that the Senate concur in the amendments by the House to S.F. No. 2342 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2342 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE - CONTINUED

Madam President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1933: A bill for an act relating to health care; creating a health care compact; proposing coding for new law as Minnesota Statutes, chapter 143.

Senate File No. 1933 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 25, 2012

CONCURRENCE AND REPASSAGE

Senator Hann moved that the Senate concur in the amendments by the House to S.F. No. 1933 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1933 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 37 and nays 28, as follows:

Those who voted in the affirmative were:

Benson	Gazelka	Jungbauer	Nelson	Rosen
Brown	Gerlach	Koch	Newman	Senjem
Carlson	Gimse	Kruse	Nienow	Thompson
Chamberlain	Hall	Lillie	Olson	Vanderveer
Dahms	Hann	Limmer	Ortman	Wolf
Daley	Hoffman	Magnus	Parry	
DeKruif	Howe	Michel	Pederson	
Fischbach	Ingebrigtsen	Miller	Robling	

Those who voted in the negative were:

Bonoff	Harrington	Latz	Rest	Stumpf
Cohen	Hayden	Lourey	Saxhaug	Tomassoni
Dibble	Higgins	Marty	Sheran	Torres Ray
Dziedzic	Kelash	McGuire	Sieben	Wiger
Eaton	Koenen	Metzen	Skoe	
Goodwin	Langseth	Pappas	Sparks	

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE - CONTINUED

Madam President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2535: A bill for an act relating to education; modifying certain Board of School Administrators provisions; amending Minnesota Statutes 2010, section 122A.14, subdivisions 2, 9.

Senate File No. 2535 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 25, 2012

CONCURRENCE AND REPASSAGE

Senator Olson moved that the Senate concur in the amendments by the House to S.F. No. 2535 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2535 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

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

Those who voted in the affirmative were:

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

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE - CONTINUED

Madam President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1607, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1607 is herewith transmitted to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted April 26, 2012

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1607

A bill for an act relating to the State Capitol; authorizing the State Patrol to provide security and protection to certain government officials; establishing a committee on capitol complex security; amending Minnesota Statutes 2010, section 299D.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 299E.

April 25, 2012

The Honorable Kurt Zellers
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

We, the undersigned conferees for H. F. No. 1607 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H.F. No. 1607 be further amended as follows:

Page 3, line 4, after "party" insert ", appointed by the senate majority leader,"

Page 3, line 5, delete "Subcommittee on Committees of the Committee" and insert "senate minority leader;"

Page 3, delete line 6

Page 3, line 29, after the period, insert "The report shall include draft legislation to implement any recommended changes in law."

We request the adoption of this report and repassage of the bill.

House Conferees: Kelby Woodard, Joe McDonald, Diane Loeffler

Senate Conferees: Michelle R. Benson, Ann H. Rest, Linda Higgins

Senator Benson moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1607 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 1607 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 63 and nays 2, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Parry Thompson

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS

Senator Senjem moved that H.F. No. 66 be withdrawn from the Committee on Taxes, given a second reading, and placed on General Orders. The motion prevailed.

H.F. No. 66 was read the second time.

Senator Senjem moved that H.F. No. 2269 be taken from the table. The motion prevailed.

Pursuant to Rule 26, Senator Senjem, Chair of the Committee on Rules and Administration, designated H.F. No. 2269 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2269: A bill for an act relating to elections; determining funds for Help America Vote Act; appropriating money.

Senator Parry moved to amend H.F. No. 2269 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 2269, and insert the language after the enacting clause, and the title, of S.F. No. 1832, the second engrossment.

The motion prevailed. So the amendment was adopted.

Senator Bonoff moved to amend H.F. No. 2269, as amended by the Senate April 26, 2012, as follows:

(The text of the amended House File is identical to S.F. No. 1832.)

Page 1, after line 4, insert:

"Section 1. Minnesota Statutes 2011 Supplement, section 204B.14, subdivision 2, is amended to read:

Subd. 2. **Separate precincts; combined polling place.** (a) The following shall constitute at least one election precinct:

- (1) each city ward; and
- (2) each town and each statutory city.

(b) A single, accessible, combined polling place may be established no later than ~~May~~ March 1 of any year:

- (1) for any city of the third or fourth class, any town, or any city having territory in more than one county, in which all the voters of the city or town shall cast their ballots;
- (2) for contiguous precincts in the same municipality;
- (3) for up to four contiguous municipalities located entirely outside the metropolitan area, as defined by section 200.02, subdivision 24, that are contained in the same county; or
- (4) for noncontiguous precincts located in one or more counties.

A copy of the ordinance or resolution establishing a combined polling place must be filed with the county auditor within 30 days after approval by the governing body. A polling place combined under clause (3) must be approved by the governing body of each participating municipality. A polling place combined under clause (4) must be approved by the governing body of each participating municipality and the secretary of state and may be located outside any of the noncontiguous precincts. A municipality withdrawing from participation in a combined polling place must do so by filing a resolution of withdrawal with the county auditor no later than ~~April~~

February 1 of any year.

The secretary of state shall provide a separate polling place roster for each precinct served by the combined polling place. A single set of election judges may be appointed to serve at a combined polling place. The number of election judges required must be based on the total number of persons voting at the last similar election in all precincts to be voting at the combined polling place. Separate ballot boxes must be provided for the ballots from each precinct. The results of the election must be reported separately for each precinct served by the combined polling place, except in a polling place established under clause (2) where one of the precincts has fewer than ten registered voters, in which case the results of that precinct must be reported in the manner specified by the secretary of state.

Sec. 2. Minnesota Statutes 2010, section 204B.14, subdivision 4, is amended to read:

Subd. 4. **Boundary change procedure.** Any change in the boundary of an election precinct must be adopted at least ten weeks before the date of the next election and, for the state primary and general election, no later than ~~June~~ April 1 in the year of the state general election. The precinct boundary change shall not take effect until notice of the change has been posted in the office of the municipal clerk or county auditor for at least 56 days.

The county auditor must publish a notice illustrating or describing the congressional, legislative, and county commissioner district boundaries in the county in one or more qualified newspapers in the county at least 14 days before the first day to file affidavits of candidacy for the state general election in the year ending in two.

Alternate dates for adopting changes in precinct boundaries, posting notices of boundary changes, and notifying voters affected by boundary changes pursuant to this subdivision, and procedures for coordinating precinct boundary changes with reestablishing local government election district boundaries may be established in the manner provided in the rules of the secretary of state.

Sec. 3. Minnesota Statutes 2010, section 204B.21, subdivision 1, is amended to read:

Subdivision 1. **Appointment lists; duties of political parties and secretary of state.** On ~~May~~ March 1 in a year in which there is an election for a partisan political office, each major political party shall prepare a list of eligible voters to act as election judges in each election precinct. The political parties shall furnish the lists electronically to the secretary of state, in a format specified by the secretary of state. The secretary of state must combine the data received from each political party under this subdivision and must process the data to locate the precinct in which the address provided for each potential election judge is located. If the data submitted by a political party is insufficient for the secretary of state to locate the proper precinct, the associated name must not appear in any list forwarded to an appointing authority under this subdivision. The secretary of state shall notify political parties of any proposed election judges with addresses that could not be located in a precinct.

By ~~May~~ March 15, the secretary of state shall furnish electronically to the county auditor a list of the appropriate names for each election precinct in the jurisdiction of the appointing authority, noting the political party affiliation of each individual on the list. The county auditor must promptly forward the appropriate names to the appropriate municipal clerk.

Sec. 4. Minnesota Statutes 2010, section 204D.03, subdivision 1, is amended to read:

Subdivision 1. **State primary.** The state primary shall be held on the ~~second~~ first Tuesday after the third Monday in August June in each even-numbered year to select the nominees of the major political parties for partisan offices and the nominees for nonpartisan offices to be filled at the state general election, other than presidential electors.

Sec. 5. Minnesota Statutes 2010, section 204D.09, subdivision 1, is amended to read:

Subdivision 1. **Example ballot.** (a) No later than ~~May~~ March 1 of each year, the secretary of state shall supply each auditor with a copy of an example ballot. The example ballot must illustrate the format required for the ballots used in the primary and general elections that year.

(b) The county auditor shall distribute copies of the example ballot to municipal and school district clerks in municipalities and school districts holding elections that year. The official ballot must conform in all respects to the example ballot.

Sec. 6. Minnesota Statutes 2010, section 204D.28, subdivision 5, is amended to read:

Subd. 5. **Regular state primary.** "Regular state primary" means:

(a) the state primary at which candidates are nominated for offices elected at the state general election; or

(b) a primary held on the ~~second~~ first Tuesday after the third Monday in August June of odd-numbered years.

Sec. 7. Minnesota Statutes 2010, section 205.065, subdivision 1, is amended to read:

Subdivision 1. **Establishing primary.** A municipal primary for the purpose of nominating elective officers may be held in any city on the ~~second~~ first Tuesday after the third Monday in August June of any year in which a municipal general election is to be held for the purpose of electing officers. The date of a municipal primary held in an odd-numbered year may be postponed for inclement weather as provided in section 205.105.

Sec. 8. Minnesota Statutes 2010, section 205.065, subdivision 2, is amended to read:

Subd. 2. **Resolution or ordinance.** The governing body of a city may, by ordinance or resolution adopted by ~~April~~ January 15 in the year when a municipal general election is held, elect to choose nominees for municipal offices by a primary as provided in this section. The resolution or ordinance, when adopted, is effective for all ensuing municipal elections until it is revoked. The municipal clerk shall notify the secretary of state and the county auditor within 30 days after the adoption of the resolution or ordinance.

Sec. 9. Minnesota Statutes 2010, section 205A.03, subdivision 1, is amended to read:

Subdivision 1. **Resolution requiring primary in certain circumstances.** The school board of a school district may, by resolution adopted by ~~April~~ January 15 of any year, decide to choose nominees for school board by a primary as provided in this section. The resolution, when adopted, is effective for all ensuing elections of board members in that school district until it is revoked. If the board decides to choose nominees by primary and if there are more than two candidates for a specified school board position or more than twice as many school board candidates as there are

at-large school board positions available, the school district must hold a primary.

Sec. 10. Minnesota Statutes 2010, section 205A.03, subdivision 2, is amended to read:

Subd. 2. **Date.** The school district primary must be held on the ~~second~~ first Tuesday after the third Monday in ~~August~~ June in the year when the school district general election is held. The clerk shall give notice of the primary in the manner provided in section 205A.07. The date of a school district primary held in an odd-numbered year may be postponed for inclement weather as provided in section 205A.055.

Sec. 11. Minnesota Statutes 2011 Supplement, section 205A.06, subdivision 1a, is amended to read:

Subd. 1a. **Filing period.** In school districts that have adopted a resolution to choose nominees for school board by a primary election, affidavits of candidacy must be filed with the school district clerk no earlier than the 84th day and no later than the 70th day before the ~~second~~ first Tuesday after the third Monday in ~~August~~ June in the year when the school district general election is held. In all other school districts, affidavits of candidacy must be filed no earlier than the 98th day and no later than the 84th day before the school district general election.

Sec. 12. Minnesota Statutes 2010, section 205A.11, subdivision 2a, is amended to read:

Subd. 2a. **Notice of special elections.** The school district clerk shall prepare a notice to the voters who will be voting in a combined polling place for a school district special election. The notice must include the following information: the date of the election, the hours of voting, and the location of the voter's polling place. The notice must be sent by nonforwardable mail to every affected household in the school district with at least one registered voter. The notice must be mailed no later than 14 days before the election. The mailed notice is not required for a school district special election that is held on the ~~second~~ first Tuesday after the third Monday in ~~August~~ June, the Tuesday following the first Monday in November, or for a special election conducted entirely by mail. In addition, the mailed notice is not required for voters residing in a township if the school district special election is held on the second Tuesday in March and the town general election is held on that day. A notice that is returned as undeliverable must be forwarded immediately to the county auditor.

Sec. 13. Minnesota Statutes 2010, section 206.61, subdivision 5, is amended to read:

Subd. 5. **Alternation.** The provisions of the election laws requiring the alternation of names of candidates must be observed as far as practicable by changing the order of the names on an electronic voting system in the various precincts so that each name appears on the machines or marking devices used in a municipality substantially an equal number of times in the first, last, and in each intermediate place in the list or group in which they belong. However, the arrangement of candidates' names must be the same on all voting systems used in the same precinct. If the number of names to be alternated exceeds the number of precincts, the election official responsible for providing the ballots, in accordance with subdivision 1, shall determine by lot the alternation of names.

If an electronic ballot marker is used with a paper ballot that is not an optical scan ballot card, the manner of alternation of candidate names on the paper ballot must be as prescribed for optical scan ballots in this subdivision.

The rules adopted by the secretary of state for the rotation of candidate names must use the

number of registered voters in each precinct as of 8:00 a.m. on ~~May~~ March 1 of the year when the rotation will be made as the basis for determining the rotation of names.

Sec. 14. Minnesota Statutes 2010, section 206.82, subdivision 2, is amended to read:

Subd. 2. **Plan.** The municipal clerk in a municipality where an electronic voting system is used and the county auditor of a county in which an electronic voting system is used in more than one municipality and the county auditor of a county in which a counting center serving more than one municipality is located shall prepare a plan which indicates acquisition of sufficient facilities, computer time, and professional services and which describes the proposed manner of complying with section 206.80. The plan must be signed, notarized, and submitted to the secretary of state more than 60 days before the first election at which the municipality uses an electronic voting system. Before ~~May~~ March 1 of each subsequent general election year, the clerk or auditor shall submit to the secretary of state notification of any changes to the plan on file with the secretary of state. The secretary of state shall review each plan for its sufficiency and may request technical assistance from the Office of Enterprise Technology or other agency which may be operating as the central computer authority. The secretary of state shall notify each reporting authority of the sufficiency or insufficiency of its plan within 20 days of receipt of the plan. The attorney general, upon request of the secretary of state, may seek a district court order requiring an election official to fulfill duties imposed by this subdivision or by rules promulgated pursuant to this section."

Page 1, line 10, after "officials" insert "and for election training for June primaries"

Page 1, after line 14, insert:

"Sec. 16. **EFFECTIVE DATE.**

Except where otherwise provided, this act is effective January 1, 2013, and applies to elections conducted on or after that date."

Renumber the sections in sequence and correct the internal references

Delete the title and insert:

"A bill for an act relating to elections; moving the state primary to June; determining funds for Help America Vote Act; appropriating money; 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."

Senator Limmer questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Senator Bonoff appealed the decision of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 46 and nays 17, as follows:

Those who voted in the affirmative were:

Benson

Brown

Carlson

Chamberlain

Cohen

Dahms	Hayden	Latz	Nienow	Stumpf
Daley	Hoffman	Lillie	Olson	Thompson
Fischbach	Howe	Limmer	Pappas	Tomassoni
Gazelka	Ingebrigtsen	Marty	Parry	Vanderveer
Gerlach	Jungbauer	Metzen	Pederson	Wolf
Gimse	Kelash	Michel	Rosen	
Goodwin	Koch	Miller	Saxhaug	
Hall	Koenen	Nelson	Sheran	
Hann	Langseth	Newman	Sparks	

Those who voted in the negative were:

Bonoff	Eaton	Lourey	Robling	Wiger
DeKruif	Harrington	Magnus	Sieben	
Dibble	Higgins	McGuire	Skoe	
Dziedzic	Kruse	Rest	Torres Ray	

So the decision of the President was sustained.

H.F. No. 2269 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill, as amended, was passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Parry moved that S.F. No. 1832, No. 77 on General Orders, be stricken and laid on the table. The motion prevailed.

SPECIAL ORDERS

Pursuant to Rule 26, Senator Robling, designee of the Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

H.F. Nos. 418, 2638, 2705, S.F. No. 1895 and H.F. No. 2555.

SPECIAL ORDER

H.F. No. 418: A bill for an act relating to state government; proposing the Back Office Consolidation Act; requiring a benchmarking study on centralizing accounting, financial reporting, procurement, fleet services, human resources, and payroll functions in the Department of Administration; requiring a report on improvement initiatives.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 47 and nays 15, as follows:

Those who voted in the affirmative were:

Benson	Fischbach	Ingebrigtsen	Michel	Rosen
Bonoff	Gazelka	Jungbauer	Miller	Sheran
Brown	Gerlach	Koch	Nelson	Sieben
Carlson	Gimse	Kruse	Newman	Thompson
Chamberlain	Hall	Langseth	Nienow	Vanderveer
Cohen	Hann	Latz	Olson	Wiger
Dahms	Hayden	Lillie	Parry	Wolf
Daley	Higgins	Limmer	Pederson	
DeKruif	Hoffman	Magnus	Rest	
Dziedzic	Howe	Metzen	Robling	

Those who voted in the negative were:

Dibble	Kelash	Marty	Saxhaug	Stumpf
Eaton	Koenen	McGuire	Skoe	Tomassoni
Harrington	Lourey	Pappas	Sparks	Torres Ray

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 2638: A bill for an act relating to insurance; regulating sale of portable electronics insurance; amending Minnesota Statutes 2010, section 60K.381.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

Vandev eer

Wiger

Wolf

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 2705: A bill for an act relating to commerce; regulating closing agents; exempting a licensed attorney and a direct employee of a licensed attorney from the licensing requirements for closing agents; amending Minnesota Statutes 2010, section 82.641, subdivision 6; Minnesota Statutes 2011 Supplement, section 82.641, subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 1, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Vandev eer

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1895: A bill for an act relating to assumed names; providing for an exception from filing requirements; amending Minnesota Statutes 2010, section 333.01, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Benson	Cohen	Dziedzic	Gimse	Hayden
Bonoff	Dahms	Eaton	Goodwin	Higgins
Brown	Daley	Fischbach	Hall	Hoffman
Carlson	DeKruif	Gazelka	Hann	Howe
Chamberlain	Dibble	Gerlach	Harrington	Ingebrigtsen

Jungbauer	Lourey	Newman	Rosen	Tomassoni
Kelash	Magnus	Nienow	Saxhaug	Torres Ray
Koch	Marty	Olson	Sheran	Vandever
Koenen	McGuire	Pappas	Sieben	Wiger
Kruse	Metzen	Parry	Skoe	Wolf
Latz	Michel	Pederson	Sparks	
Lillie	Miller	Rest	Stumpf	
Limmer	Nelson	Robling	Thompson	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 2555: A bill for an act relating to state government; implementing changes to the sunset review; changing certain agency requirements; requiring posting of convictions of felonies or gross misdemeanors and malpractice settlements or judgments for a regulated practitioner; requiring certain information on regulated practitioners; requiring a study; prohibiting transfer of certain funds; requiring reports and a financial audit; setting fees; abolishing the Combative Sports Commission and transferring combative sports duties to the commissioner of labor and industry; establishing a Combative Sports Advisory Council; requiring a review of the Minnesota Board of Medical Practice; changing provisions for health-related licensing boards; appropriating money; amending Minnesota Statutes 2010, sections 3.922, by adding a subdivision; 3.9223, subdivision 7; 3.9225, subdivision 7; 3.9226, subdivision 7; 147.01, subdivision 4; 147.111, by adding a subdivision; 148.102, by adding a subdivision; 148.261, subdivision 1; 148.263, by adding a subdivision; 148.5194, subdivision 5; 148.6445, subdivision 10; 148B.07, by adding a subdivision; 148C.095, by adding a subdivision; 148E.285, by adding a subdivision; 150A.13, by adding a subdivision; 153.24, by adding a subdivision; 153A.17; 214.06, subdivisions 1, 1a, by adding a subdivision; 214.09, by adding a subdivision; 214.103; 341.21, by adding a subdivision; 341.28, subdivision 1; 341.37; Minnesota Statutes 2011 Supplement, sections 3D.04; 3D.06; 3D.21, subdivisions 1, 2; proposing coding for new law in Minnesota Statutes, chapters 3D; 16B; 214; 341; repealing Minnesota Statutes 2010, sections 138A.01; 138A.02; 138A.03; 138A.04; 138A.05; 138A.06; 341.21, subdivisions 3, 4a; 341.22; 341.23; 341.24; 341.26.

Senator Bonoff moved to amend H.F. No. 2555, as amended pursuant to Rule 45, adopted by the Senate April 24, 2012, as follows:

(The text of the amended House File is identical to S.F. No. 2304.)

Delete everything after the enacting clause and insert:

"ARTICLE 1

SUNSET REVIEW

Section 1. Minnesota Statutes 2011 Supplement, section 3D.04, is amended to read:

3D.04 STAFF; CONTRACTS.

The Legislative Coordinating Commission shall provide staff and administrative services for the commission. The Sunset Advisory Commission may enter into contracts for evaluations of agencies under review.

Sec. 2. Minnesota Statutes 2011 Supplement, section 3D.06, is amended to read:

3D.06 AGENCY REPORT TO COMMISSION.

(a) Before September 1 of the odd-numbered year before the year in which a state agency is subject to sunset review, the agency commissioner shall report to the commission:

- (1) information regarding the application to the agency of the criteria in section 3D.10;
- (2) a ~~priority-based~~ an outcome-based budget for the agency;
- (3) an inventory of all boards, commissions, committees, and other entities related to the agency; and
- (4) any other information that the agency commissioner considers appropriate or that is requested by the commission.

~~The September 1 deadline in this section does not apply in 2011.~~

(b) The outcome-based budget required by paragraph (a) must be for each of the agency's activities, as the term activity is used in state budgeting and must:

- (1) identify the statutory authority for the activity;
- (2) include one or more performance goals and associated performance measures that measure outcomes, not inputs;
- (3) discuss the extent to which each performance measure is reliable and verifiable, and can be accurately measured;
- (4) discuss the extent to which the agency has met each performance measure, and the extent to which the budget devoted to the activity has permitted or prevented the agency from meeting its performance goals;
- (5) discuss efficiencies that would allow the agency to better meet its goals; and
- (6) identify agencies at any level of government or private sector entities that provide the same activities, and describe agency interaction with the activities provided by others.

Sec. 3. Minnesota Statutes 2011 Supplement, section 3D.21, subdivision 1, is amended to read:

Subdivision 1. **Group 1.** The following agencies are sunset and, except as provided in section 3D.14, expire on June 30, ~~2012~~ 2024: Capitol Area Architectural and Planning Board, Amateur Sports Commission, ~~Combative Sports Commission~~, all health-related licensing boards listed in section 214.01, Council on Affairs of Chicano/Latino People, ~~Council on Black Minnesotans~~, Council on Asian-Pacific Minnesotans, Indian Affairs Council, Council on Disabilities, and all advisory groups associated with these agencies.

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

Sec. 4. Minnesota Statutes 2011 Supplement, section 3D.21, subdivision 2, is amended to read:

Subd. 2. **Group 2.** The following agencies are sunset and, except as provided in section 3D.14, expire on June 30, 2014: Department of Health, Department of Human Services, Department

of Human Rights, Department of Education, Board of Teaching, Minnesota Office of Higher Education, Council on Black Minnesotans, Emergency Medical Services Regulatory Board, and all advisory groups associated with these agencies.

Sec. 5. **COUNCIL ON BLACK MINNESOTANS INTERIM REVIEW.**

(a) The Council on Black Minnesotans is continued for two years and added to the 2014 Sunset Advisory Commission review schedule. In the council's report to the Sunset Advisory Commission, the council must submit an interim report and respond to issues raised in previous audits by the Office of the Legislative Auditor.

(b) The Office of the Legislative Auditor should conduct a financial audit of the Council of Black Minnesotans by December 1, 2013, prior to sunset review in 2014.

Sec. 6. **REVIEW OF SUNSET PROCESS.**

The Office of the Legislative Auditor is requested to conduct a review of the sunset process in Minnesota Statutes, chapter 3D. The review should be conducted in 2018. The legislative auditor is requested to present the result of the review in a report to the Legislative Audit Commission and Sunset Advisory Commission.

ARTICLE 2

ADMINISTRATIVE PROCEDURES AND FEES

Section 1. Minnesota Statutes 2010, section 3.922, is amended by adding a subdivision to read:

Subd. 11. **Report.** The council shall prepare and submit a report to the governor and legislature by November 15 of each year. The report shall summarize the activities of the council since its last report, list receipts and expenditures, identify the major problems and issues confronting American Indian people, make recommendations to address issues, and list the specific objectives that the council seeks to attain during the biennium. The council shall report on outcome measures.

Sec. 2. Minnesota Statutes 2010, section 3.9223, subdivision 7, is amended to read:

Subd. 7. **Report.** The council shall prepare and ~~distribute~~ submit a report to the governor and legislature by November 15 of each ~~even-numbered~~ year. The report shall summarize the activities of the council since its last report, list receipts and expenditures, identify the major problems and issues confronting Chicano/Latino people, make recommendations to address issues, and list the specific objectives that the council seeks to attain during the next biennium. The council shall report on outcome measures.

Sec. 3. Minnesota Statutes 2010, section 3.9225, subdivision 7, is amended to read:

Subd. 7. **Report.** The council shall prepare and ~~distribute~~ submit a report to the governor and legislature by November 15 of each ~~even-numbered~~ year. The report shall summarize the activities of the council since its last report, list receipts and expenditures, identify the major problems and issues confronting Black people, make recommendations to address issues, and list the specific objectives which the council seeks to attain during the next biennium. The council shall report on outcome measures.

Sec. 4. Minnesota Statutes 2010, section 3.9226, subdivision 7, is amended to read:

Subd. 7. **Report.** The council shall prepare and ~~distribute~~ submit a report to the governor and legislature by November 15 of each ~~even-numbered~~ year. The report shall summarize the activities of the council since its last report, list receipts and expenditures, identify the major problems and issues confronting Asian-Pacific people, make recommendations to address issues, and list the specific objectives that the council seeks to attain during the next biennium. The council shall report on outcome measures.

Sec. 5. **[3D.045] COORDINATION WITH LEGISLATIVE AUDITOR.**

To the extent possible, the commission and the Office of the Legislative Auditor shall align their work so that audits and program evaluations conducted by the Office of the Legislative Auditor can inform the work of the commission. The commission may request the Office of the Legislative Auditor to provide updates on financial audits and program evaluations the Office of the Legislative Auditor has prepared on agencies scheduled for Sunset Advisory Commission review.

Sec. 6. **[3D.065] REPORT ON PERSONNEL.**

By September 1 of the odd-numbered year before the year in which a state agency is subject to sunset review, the commissioner of management and budget must report to the Sunset Advisory Commission on the number of full-time equivalent employees and the salary structure for each agency under review.

Sec. 7. **[16B.371] ASSISTANCE TO SMALL AGENCIES.**

(a) The commissioner may provide administrative support services to small agencies. To promote efficiency and cost-effective use of state resources, and to improve financial controls, the commissioner may require a small agency to receive administrative support services through the Department of Administration or through another agency designated by the commissioner. Services subject to this section include finance, accounting, payroll, purchasing, human resources, and other services designated by the commissioner. The commissioner may determine what constitutes a small agency for purposes of this section. The commissioner, in consultation with the commissioner of management and budget and small agencies, shall evaluate small agencies' needs for administrative support services. If the commissioner provides administrative support services to a small agency, the commissioner must enter into a service level agreement with the agency, specifying the services to be provided and the costs and anticipated outcomes of the services.

(b) The Chicano Latino Affairs Council, the Council on Black Minnesotans, the Council on Asian-Pacific Minnesotans, the Indian Affairs Council, and the Minnesota State Council on Disability must use the services specified in paragraph (a).

(c) The commissioner of administration may assess agencies for services it provides under this section. The amounts assessed are appropriated to the commissioner.

(d) For agencies covered in this section, the commissioner has the authority to require the agency to comply with applicable state finance, accounting, payroll, purchasing, and human resources policies. The agencies served retain the ownership and responsibility for spending decisions and for ongoing implementation of appropriate business operations.

Sec. 8. Minnesota Statutes 2010, section 147.01, subdivision 4, is amended to read:

Subd. 4. **Disclosure.** Subject to the exceptions listed in this subdivision, all communications

or information received by or disclosed to the board relating to any person or matter subject to its regulatory jurisdiction are confidential and privileged and any disciplinary hearing shall be closed to the public.

(a) Upon application of a party in a proceeding before the board under section 147.091, the board shall produce and permit the inspection and copying, by or on behalf of the moving party, of any designated documents or papers relevant to the proceedings, in accordance with the provisions of rule 34, Minnesota Rules of Civil Procedure.

(b) If the board takes corrective action or imposes disciplinary measures of any kind, whether by contested case or by settlement agreement, the name and business address of the licensee, the nature of the misconduct, and the action taken by the board are public data. If disciplinary action is taken by settlement agreement, the entire agreement is public data. The board shall decide disciplinary matters, whether by settlement or by contested case, by roll call vote. The votes are public data.

(c) The board shall exchange information with other licensing boards, agencies, or departments within the state, as required under section 214.10, subdivision 8, paragraph (c), and may release information in the reports required under section 147.02, subdivision 6.

(d) The board shall upon request furnish to a person who made a complaint, or the alleged victim of a violation of section 147.091, subdivision 1, paragraph (t), or both, a description of the activities and actions of the board relating to that complaint, a summary of the results of an investigation of that complaint, and the reasons for actions taken by the board.

(e) A probable cause hearing held pursuant to section 147.092 shall be closed to the public, except for the notices of hearing made public by operation of section 147.092.

(f) Findings of fact, conclusions, and recommendations issued by the administrative law judge, and transcripts of oral arguments before the board pursuant to a contested case proceeding in which an administrative law judge found a violation of section 147.091, subdivision 1, paragraph (t), are public data.

EFFECTIVE DATE. This section is effective for all corrective action taken on or after August 1, 2012.

Sec. 9. Minnesota Statutes 2010, section 147.111, is amended by adding a subdivision to read:

Subd. 10. **Failure to report.** On or after August 1, 2012, any person, health care facility, business, or organization that fails to report as required under subdivisions 2 to 6 shall be subject to civil penalties for failing to report as required by law.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 10. Minnesota Statutes 2010, section 148.102, is amended by adding a subdivision to read:

Subd. 8. **Failure to report.** On or after August 1, 2012, any person or insurer that fails to report as required under subdivisions 2 to 4 shall be subject to civil penalties for failing to report as required by law.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 11. Minnesota Statutes 2010, section 148.261, subdivision 1, is amended to read:

Subdivision 1. **Grounds listed.** The board may deny, revoke, suspend, limit, or condition the license and registration of any person to practice professional, advanced practice registered, or practical nursing under sections 148.171 to 148.285, or to otherwise discipline a licensee or applicant as described in section 148.262. The following are grounds for disciplinary action:

(1) Failure to demonstrate the qualifications or satisfy the requirements for a license contained in sections 148.171 to 148.285 or rules of the board. In the case of a person applying for a license, the burden of proof is upon the applicant to demonstrate the qualifications or satisfaction of the requirements.

(2) Employing fraud or deceit in procuring or attempting to procure a permit, license, or registration certificate to practice professional or practical nursing or attempting to subvert the licensing examination process. Conduct that subverts or attempts to subvert the licensing examination process includes, but is not limited to:

(i) conduct that violates the security of the examination materials, such as removing examination materials from the examination room or having unauthorized possession of any portion of a future, current, or previously administered licensing examination;

(ii) conduct that violates the standard of test administration, such as communicating with another examinee during administration of the examination, copying another examinee's answers, permitting another examinee to copy one's answers, or possessing unauthorized materials; or

(iii) impersonating an examinee or permitting an impersonator to take the examination on one's own behalf.

(3) Conviction ~~during the previous five years~~ of a felony or gross misdemeanor reasonably related to the practice of professional, advanced practice registered, or practical nursing. Conviction as used in this subdivision includes a conviction of an offense that if committed in this state would be considered a felony or gross misdemeanor without regard to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilt is made or returned but the adjudication of guilt is either withheld or not entered.

(4) Revocation, suspension, limitation, conditioning, or other disciplinary action against the person's professional or practical nursing license or advanced practice registered nursing credential, in another state, territory, or country; failure to report to the board that charges regarding the person's nursing license or other credential are pending in another state, territory, or country; or having been refused a license or other credential by another state, territory, or country.

(5) Failure to or inability to perform professional or practical nursing as defined in section 148.171, subdivision 14 or 15, with reasonable skill and safety, including failure of a registered nurse to supervise or a licensed practical nurse to monitor adequately the performance of acts by any person working at the nurse's direction.

(6) Engaging in unprofessional conduct, including, but not limited to, a departure from or failure to conform to board rules of professional or practical nursing practice that interpret the statutory definition of professional or practical nursing as well as provide criteria for violations of the statutes, or, if no rule exists, to the minimal standards of acceptable and prevailing professional or practical nursing practice, or any nursing practice that may create unnecessary danger to a patient's life, health, or safety. Actual injury to a patient need not be established under this clause.

(7) Failure of an advanced practice registered nurse to practice with reasonable skill and safety or departure from or failure to conform to standards of acceptable and prevailing advanced practice registered nursing.

(8) Delegating or accepting the delegation of a nursing function or a prescribed health care function when the delegation or acceptance could reasonably be expected to result in unsafe or ineffective patient care.

(9) Actual or potential inability to practice nursing with reasonable skill and safety to patients by reason of illness, use of alcohol, drugs, chemicals, or any other material, or as a result of any mental or physical condition.

(10) Adjudication as mentally incompetent, mentally ill, a chemically dependent person, or a person dangerous to the public by a court of competent jurisdiction, within or without this state.

(11) Engaging in any unethical conduct, including, but not limited to, conduct likely to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard for the health, welfare, or safety of a patient. Actual injury need not be established under this clause.

(12) Engaging in conduct with a patient that is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning to a patient, or engaging in sexual exploitation of a patient or former patient.

(13) Obtaining money, property, or services from a patient, other than reasonable fees for services provided to the patient, through the use of undue influence, harassment, duress, deception, or fraud.

(14) Revealing a privileged communication from or relating to a patient except when otherwise required or permitted by law.

(15) Engaging in abusive or fraudulent billing practices, including violations of federal Medicare and Medicaid laws or state medical assistance laws.

(16) Improper management of patient records, including failure to maintain adequate patient records, to comply with a patient's request made pursuant to sections 144.291 to 144.298, or to furnish a patient record or report required by law.

(17) Knowingly aiding, assisting, advising, or allowing an unlicensed person to engage in the unlawful practice of professional, advanced practice registered, or practical nursing.

(18) Violating a rule adopted by the board, an order of the board, or a state or federal law relating to the practice of professional, advanced practice registered, or practical nursing, or a state or federal narcotics or controlled substance law.

(19) Knowingly providing false or misleading information that is directly related to the care of that patient unless done for an accepted therapeutic purpose such as the administration of a placebo.

(20) Aiding suicide or aiding attempted suicide in violation of section 609.215 as established by any of the following:

(i) a copy of the record of criminal conviction or plea of guilty for a felony in violation of section 609.215, subdivision 1 or 2;

(ii) a copy of the record of a judgment of contempt of court for violating an injunction issued under section 609.215, subdivision 4;

(iii) a copy of the record of a judgment assessing damages under section 609.215, subdivision 5; or

(iv) a finding by the board that the person violated section 609.215, subdivision 1 or 2. The board shall investigate any complaint of a violation of section 609.215, subdivision 1 or 2.

(21) Practicing outside the scope of practice authorized by section 148.171, subdivision 5, 10, 11, 13, 14, 15, or 21.

(22) Practicing outside the specific field of nursing practice for which an advanced practice registered nurse is certified unless the practice is authorized under section 148.284.

(23) Making a false statement or knowingly providing false information to the board, failing to make reports as required by section 148.263, or failing to cooperate with an investigation of the board as required by section 148.265.

(24) Engaging in false, fraudulent, deceptive, or misleading advertising.

(25) Failure to inform the board of the person's certification status as a nurse anesthetist, nurse-midwife, nurse practitioner, or clinical nurse specialist.

(26) Engaging in clinical nurse specialist practice, nurse-midwife practice, nurse practitioner practice, or registered nurse anesthetist practice without current certification by a national nurse certification organization acceptable to the board, except during the period between completion of an advanced practice registered nurse course of study and certification, not to exceed six months or as authorized by the board.

(27) Engaging in conduct that is prohibited under section 145.412.

(28) Failing to report employment to the board as required by section 148.211, subdivision 2a, or knowingly aiding, assisting, advising, or allowing a person to fail to report as required by section 148.211, subdivision 2a.

Sec. 12. Minnesota Statutes 2010, section 148.263, is amended by adding a subdivision to read:

Subd. 7. **Failure to report.** On or after August 1, 2012, any person, institution, insurer, or organization that fails to report as required under subdivisions 2 to 5 shall be subject to civil penalties for failing to report as required by law.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 13. Minnesota Statutes 2010, section 148.5194, subdivision 5, is amended to read:

Subd. 5. ~~Nonrefundable~~ **Use of fees.** All fees are nonrefundable. The commissioner shall only use fees collected under this section for the purposes of administering this chapter. The legislature must not transfer money generated by these fees from the state government special revenue fund to the general fund. Surcharges collected by the commissioner of health under section 16E.22 are not subject to this subdivision.

Sec. 14. Minnesota Statutes 2010, section 148.6445, subdivision 10, is amended to read:

Subd. 10. **Nonrefundable Use of fees.** All fees are nonrefundable. The commissioner shall only use fees collected under this section for the purposes of administering this chapter. The legislature must not transfer money generated by these fees from the state government special revenue fund to the general fund. Surcharges collected by the commissioner of health under section 16E.22 are not subject to this subdivision.

Sec. 15. Minnesota Statutes 2010, section 148B.07, is amended by adding a subdivision to read:

Subd. 10. **Failure to report.** On or after August 1, 2012, any person, institution, insurer, or organization that fails to report as required under subdivisions 2 to 6 shall be subject to civil penalties for failing to report as required by law.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 16. Minnesota Statutes 2010, section 148C.095, is amended by adding a subdivision to read:

Subd. 8. **Failure to report.** On or after August 1, 2012, any person, institution, insurer, or organization that fails to report as required under subdivisions 2 to 5 shall be subject to civil penalties for failing to report as required by law.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 17. Minnesota Statutes 2010, section 148E.285, is amended by adding a subdivision to read:

Subd. 4. **Failure to report.** On or after August 1, 2012, any person, institution, or organization that fails to report as required under subdivisions 1 and 2 shall be subject to civil penalties for failing to report as required by law.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 18. Minnesota Statutes 2010, section 150A.13, is amended by adding a subdivision to read:

Subd. 10. **Failure to report.** On or after August 1, 2012, any person, institution, insurer, or organization that fails to report as required under subdivisions 2 to 6 shall be subject to civil penalties for failing to report as required by law.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 19. Minnesota Statutes 2010, section 153.24, is amended by adding a subdivision to read:

Subd. 8. **Failure to report.** On or after August 1, 2012, any person, institution, or insurer that fails to report as required under subdivisions 2 to 5 shall be subject to civil penalties for failing to report as required by law.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 20. Minnesota Statutes 2010, section 153A.17, is amended to read:

153A.17 EXPENSES; FEES.

(a) The expenses for administering the certification requirements, including the complaint handling system for hearing aid dispensers in sections 153A.14 and 153A.15, and the Consumer Information Center under section 153A.18, must be paid from initial application and examination fees, renewal fees, penalties, and fines. The commissioner shall only use fees collected under this

section for the purposes of administering this chapter. The legislature must not transfer money generated by these fees from the state government special revenue fund to the general fund. Surcharges collected by the commissioner of health under section 16E.22 are not subject to this paragraph.

(b) The fees are as follows:

(1) the initial and annual renewal certification application fee is \$600;

(2) the initial examination fee for the written portion is \$500, and for each time it is taken, thereafter;

(3) the initial examination fee for the practical portion is \$1,200, and \$600 for each time it is taken, thereafter; for individuals meeting the requirements of section 148.515, subdivision 2, the fee for the practical portion of the hearing instrument dispensing examination is \$250 each time it is taken;

(4) the trainee application fee is \$200;

(5) the penalty fee for late submission of a renewal application is \$200; and

(6) the fee for verification of certification to other jurisdictions or entities is \$25.

(c) The commissioner may prorate the certification fee for new applicants based on the number of quarters remaining in the annual certification period.

(d) All fees are nonrefundable. All fees, penalties, and fines received must be deposited in the state government special revenue fund.

(e) Beginning July 1, 2009, until June 30, 2016, a surcharge of \$100 shall be paid at the time of initial certification application or renewal to recover the commissioner's accumulated direct expenditures for administering the requirements of this chapter.

Sec. 21. Minnesota Statutes 2010, section 214.06, subdivision 1, is amended to read:

Subdivision 1. ~~Fee adjustment Fees to recover expenditures. Notwithstanding any law to the contrary, the commissioner of health as authorized by section 214.13, all health-related licensing boards and all non-health-related licensing boards shall by rule, with the approval of the commissioner of management and budget, adjust, as needed, any fee which the commissioner of health or the board is empowered to assess. The commissioner of health as authorized by section 214.13 and all health-related licensing boards and non-health-related licensing boards shall propose or adjust any fee according to section 16A.1283. As provided in section 16A.1285, the adjustment fees shall be an amount sufficient so that the total fees collected by each board will be based on anticipated expenditures, including expenditures for the programs authorized by sections 214.10, 214.103, 214.11, 214.17 to 214.24, 214.28 to 214.37, and 214.40, except that a health-related licensing board may have anticipated expenditures in excess of anticipated revenues in a biennium by using accumulated surplus revenues from fees collected by that board in previous bienniums. A health-related licensing board may accumulate up to one year of operating funds, and then shall propose a fee reduction according to section 16A.1283. A health-related licensing board shall not spend more money than the amount appropriated by the legislature for a biennium. For members of an occupation registered after July 1, 1984, by the commissioner of health under the provisions of~~

section 214.13, the fee established must include an amount necessary to recover, over a five-year period, the commissioner's direct expenditures for adoption of the rules providing for registration of members of the occupation. All fees received shall be deposited in the state treasury.

Sec. 22. Minnesota Statutes 2010, section 214.06, subdivision 1a, is amended to read:

Subd. 1a. **Health occupations licensing account.** (a) Fees received by the commissioner of health or health-related licensing boards must be credited to the health occupations licensing account in the state government special revenue fund. The commissioner of management and budget shall ensure that the revenues and expenditures of each health-related licensing board are tracked separately in the health occupations licensing account.

(b) The fees collected must be used only by the boards identified in section 214.01, subdivision 2, and only for the purposes of the programs they administer. The legislature must not transfer money generated by these fees from the state government special revenue fund to the general fund. Surcharges collected by a health-related licensing board under section 16E.22 are not subject to this subdivision.

Sec. 23. Minnesota Statutes 2010, section 214.06, is amended by adding a subdivision to read:

Subd. 1b. **Health-related licensing boards; surcharges.** When a health-related licensing board imposes a surcharge, the surcharge must not be incorporated as a fee increase, but must be made as a separate assessment to be paid by the individuals regulated by the board.

Sec. 24. **[214.072] HEALTH-RELATED LICENSING BOARDS; WEB SITE.**

(a) Each health-related licensing board, as defined in section 214.01, subdivision 2, and the commissioner of health, as the regulator for occupational therapy practitioners, speech-language pathologists, audiologists, and hearing instrument dispensers, are required to post on its public Web site the name and business address of each regulated individual who has:

(1) a conviction of a felony or gross misdemeanor occurring on or after July 1, 2013, in any state or jurisdiction;

(2) a malpractice judgment occurring on or after July 1, 2013, against the regulated individual in any state or jurisdiction. Information describing judgments shall be developed by the boards and the commissioner, shall be stated in plain English, and shall ensure the public understands the context of actions involving licensees; or

(3) any disciplinary or corrective action or restriction of privileges taken against the individual's license by the commissioner or a state licensing board in this state or in any other state or jurisdiction. The Web site shall identify the basis for disciplinary action, the type of disciplinary action taken, and whether the action was taken by the commissioner or a licensing board in this or another state or the federal government. This clause shall not include any action or restriction imposed through an agreement with a regulated individual and the health professionals services program under sections 214.31 to 214.37.

(b) The information described in this section shall be posted for new licensees issued a license on or after July 1, 2013, and for current licensees upon license renewal occurring on or after July 1, 2013.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 25. [214.073] HEALTH-RELATED LICENSING BOARDS; AUTHORITY.

Each health-related licensing board, as defined in section 214.01, subdivision 2, and the commissioner of health, as the regulator for occupational therapy practitioners, speech-language pathologists, audiologists, and hearing instrument dispensers, shall require an applicant on or after August 1, 2012, to provide the individual's primary business address at the time of initial application and all subsequent renewals.

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

Sec. 26. REPORT; HEALTH-RELATED LICENSING BOARD AND COMMISSIONER OF HEALTH BACKGROUND CHECKS.

The health-related licensing boards and the commissioner of health shall jointly study and make recommendations for establishing uniform criminal history background check requirements applicable to applicants and regulated individuals under their jurisdiction. The study must include procedures for conducting background checks, payment of costs, circumstances under which federal background checks are to be conducted, and the standard to be applied to determine whether a criminal record may disqualify an individual from licensure or a regulated occupation. By January 15, 2013, the boards and the commissioner shall submit a report and draft legislation to the chair and ranking minority member of the senate and house of representatives committees with jurisdiction over health and human services and data practices issues.

Sec. 27. HEALTH-RELATED LICENSING BOARDS REPORTING OBLIGATIONS.

(a) By January 15, 2013, the health-related boards and the commissioner of health, as the regulator for occupational therapy practitioners, speech-language pathologists, audiologists, and hearing instrument dispensers, shall jointly study and submit draft legislation to the Sunset Commission and the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services developing consistent reporting requirements that require institutions, professional societies, other licensed professionals, courts, insurers, and other entities to report conduct constituting grounds for disciplinary action to the respective regulatory entity. The study and draft legislation shall include a self-reporting requirement that requires the licensed individual to report to the respective regulatory entity any action that would require a report to be filed by another specified entity. The study and draft legislation shall also include penalties that may be imposed for failure to report.

(b) Health-related boards with existing statutory reporting obligations shall participate to ensure that the existing reporting requirements are consistent with the recommended requirements and draft legislation.

Sec. 28. SUNSET ADVISORY COMMISSION; DEPARTMENT OF HEALTH REVIEW.

The Sunset Advisory Commission review of the Department of Health in 2013 and 2014 must include an analysis of the extent to which health occupations should be licensed by the Department of Health, and which occupations should be licensed by licensing boards.

Sec. 29. REPORT; INVESTIGATIONS FOR HEALTH-RELATED LICENSING BOARDS.

The health-related licensing boards and the attorney general shall review and make recommendations to the legislature by January 15, 2013, on the respective roles of the boards and the attorney general in conducting investigations of licensees of the health-related licensing boards.

Sec. 30. REPORT; INFORMATION SYSTEMS FOR LICENSING BOARDS.

The commissioner of administration, in conjunction with the health-related licensing boards identified in Minnesota Statutes, section 214.01, and the Office of Enterprise Technology utilizing business rules from the health licensing boards shall report to the legislature by January 15, 2013, the best system for providing electronic licensing, disciplinary, regulatory, and investigative services for the health-related licensing boards. Any costs incurred in preparing this report must be paid from surcharges collected under Minnesota Statutes, section 16E.22.

Sec. 31. REPORT; HEALTH-RELATED LICENSING BOARD FEES.

Each health-related licensing board, as defined in section 214.01, subdivision 2, and the commissioner of health, as the regulator for occupational therapy practitioners, speech-language pathologists, audiologists, and hearing instrument dispensers, shall report to the chair and lead minority member of the senate and house of representatives committees with jurisdiction over health and human services finance by January 15, 2013, on the degree to which fees imposed comply with Minnesota Statutes, sections 214.055 and 214.06, for the health-related licensing boards or Minnesota Statutes, section 144.122, for the commissioner of health. If a board determines that its fees are expected to produce more revenue than needed to recover expenditures during a five-year period, the board must propose reductions in those fees according to section 16A.1283.

Sec. 32. REPORTS; ADMINISTRATIVE SUPPORT SERVICES.

(a) The commissioner of administration shall report to the legislature by January 15, 2013, on use of the SMART program by executive branch agencies.

(b) The administrative services unit of health-related licensing boards shall report to the legislature by January 15, 2013, evaluating use of the units' services by health-related licensing boards.

Sec. 33. MEDICAL PRACTICE ACT; STUDY.

(a) The commissioner of health shall convene a working group to evaluate the state's Medical Practice Act to ensure that it effectively protects the safety and well-being of the citizens of the state and allows transparency. In this evaluation, the working group shall consider practice acts in other states, including conduct that may result in disciplinary action.

(b) The working group shall consist of 15 members, comprised and appointed as follows:

(1) two members of the Board of Medical Practice appointed by the Board of Medical Practice;

(2) two practicing physicians appointed by the Minnesota Medical Association;

(3) two medical educators, one representing the University of Minnesota and appointed by the commissioner of health and one representing the Mayo Clinic and appointed by the commissioner of health;

(4) two senators, one appointed by the subcommittee on committees, and one appointed by the

senate minority leader, and two members of the house of representatives, one appointed by the speaker and one appointed by the house minority leader;

(5) the commissioner of health;

(6) two consumers appointed by the commissioner of health; and

(7) two experts in the field of medical practice appointed by the commissioner of health.

The majority of the working group must be composed of members who have no current or past affiliation with the Board of Medical Practice. For purposes of this section, being licensed by the Board of Medical Practice does not constitute "affiliation."

(c) Compensation for working group members is subject to Minnesota Statutes, section 15.059, subdivision 3, and must be paid from the operating funds of the Board of Medical Practice. The costs incurred by the commissioner of health to convene and support the working group must be paid from the operating funds of the Board of Medical Practice.

(d) The working group must elect a chair from its members.

(e) Meetings of the working group shall be open to the public.

(f) No later than January 1, 2013, the commissioner shall submit the report of the working group and legislation modifying the practice act for consideration during the 2013 legislative session.

(g) The working group expires the day following submission of the report.

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

Sec. 34. BOARD OF MEDICAL PRACTICE REVIEW.

The legislative auditor is requested to conduct a special investigation of the Minnesota Board of Medical Practice and its implementation of the Medical Practice Act. The legislative auditor is requested to submit the results of the investigation to the Legislative Audit Commission, the Sunset Advisory Commission, and the chairs and ranking minority members of the senate and house of representatives policy committees having jurisdiction over the board by January 1, 2013.

Sec. 35. REPEALER.

Minnesota Statutes 2010, sections 138A.01; 138A.02; 138A.03; 138A.04; 138A.05; and 138A.06, are repealed effective the day following final enactment.

ARTICLE 3

TRANSFER OF COMBATIVE SPORTS DUTIES

Section 1. Minnesota Statutes 2010, section 341.21, is amended by adding a subdivision to read:

Subd. 3a. **Commissioner.** "Commissioner" means the commissioner of labor and industry.

Sec. 2. [341.221] ADVISORY COUNCIL.

(a) The commissioner must appoint a Combative Sports Advisory Council to advise the commissioner on the administration of duties under this chapter.

(b) The council shall have nine members appointed by the commissioner. One member must be a retired judge of the Minnesota District Court, Minnesota Court of Appeals, Minnesota Supreme Court, the United States District Court for the District of Minnesota, or the Eighth Circuit Court of Appeals. At least four members must have knowledge of the boxing industry. At least four members must have knowledge of the mixed martial arts industry. The commissioner shall make serious efforts to appoint qualified women to serve on the council.

(c) Council members shall serve terms of four years with the terms ending on the first Monday in January.

(d) The council shall annually elect from its membership a chair.

(e) The commissioner shall convene the first meeting of the council by July 1, 2012. The council shall elect a chair at its first meeting. Thereafter, meetings shall be convened by the commissioner, or by the chair with the approval of the commissioner.

(f) For the first appointments to the council, the commissioner shall appoint the members currently serving on the Combative Sports Commission established under section 341.22, to the council. The commissioner shall designate two of the members to serve until the first Monday in January 2013; two members to serve until the first Monday in January 2014; two members to serve until the first Monday in January 2015; and three members to serve until the first Monday in January 2016.

(g) Removal of members, filling of vacancies, and compensation of members shall be as provided in section 15.059.

Sec. 3. Minnesota Statutes 2010, section 341.23, is amended to read:

341.23 LIMITATIONS.

No member of the ~~commission~~ council may directly or indirectly promote a contest, directly or indirectly engage in the managing of a combatant, or have an interest in any manner in the proceeds from a combative sport contest.

Sec. 4. Minnesota Statutes 2010, section 341.27, is amended to read:

341.27 ~~COMMISSION~~ COMMISSIONER DUTIES.

The ~~commission~~ commissioner shall:

- (1) issue, deny, renew, suspend, or revoke licenses;
- (2) make and maintain records of its acts and proceedings including the issuance, denial, renewal, suspension, or revocation of licenses;
- (3) keep public records of the ~~commission~~ council open to inspection at all reasonable times;
- (4) ~~assist the director in the development of~~ develop rules to be implemented under this chapter;
- (5) conform to the rules adopted under this chapter;
- (6) develop policies and procedures for regulating mixed martial arts; and
- (7) immediately suspend an individual license for a medical condition, including but not

limited to a medical condition resulting from an injury sustained during a match, bout, or contest that has been confirmed by the ringside physician. The medical suspension must be lifted after the commission receives written information from a physician licensed in the home state of the licensee indicating that the combatant may resume competition, and any other information that the commission may by rule require. Medical suspensions are not subject to section 214.10; and

~~(8) evaluate the performance and compensation of the director, including eligibility for salary increases, in keeping with state procedures.~~

Sec. 5. Minnesota Statutes 2010, section 341.271, is amended to read:

341.271 GIFT AUTHORITY.

The ~~commission~~ commissioner may apply for, receive, and expend in its own name grants and gifts of money consistent with the powers and duties specified in section 341.27. The ~~commission~~ commissioner may accept gifts, bequests, grants, payments for services, and other public and private money to help finance the activities of the ~~commission~~ required under this chapter.

Sec. 6. Minnesota Statutes 2010, section 341.28, subdivision 1, is amended to read:

Subdivision 1. **Regulatory authority; combative sports.** All ~~combative sport contests are subject to this chapter.~~ The commission shall, for every combative sport contest:

~~(1) direct a commission member to be present; and~~

~~(2) direct the attending commission member to make a written report of the contest.~~

All combative sport contests within this state must be conducted according to the requirements of this chapter.

Sec. 7. Minnesota Statutes 2010, section 341.37, is amended to read:

341.37 APPROPRIATION.

A ~~commission~~ combative sports account is created in the special revenue fund. Money in the account is annually appropriated to the ~~commission~~ commissioner for the purposes of conducting its statutory responsibilities and obligations under this chapter.

Sec. 8. **TRANSFER OF DUTIES.**

The Combative Sports Commission is abolished. Duties of the commission are transferred to the commissioner of labor and industry. Minnesota Statutes, section 15.039, subdivisions 1 to 7, applies to this transfer.

Sec. 9. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall substitute the term "commissioner" for "commission" in each place the term "commission" appears in Minnesota Statutes, chapter 341.

Sec. 10. **REPEALER.**

Minnesota Statutes 2010, sections 341.21, subdivisions 3 and 4a; 341.22; 341.24; and 341.26, are repealed.

Sec. 11. **EFFECTIVE DATE.**

This article is effective July 1, 2012.

ARTICLE 4

HEALTH BOARDS

Section 1. Minnesota Statutes 2010, section 214.09, is amended by adding a subdivision to read:

Subd. 5. **Health-related boards.** No current member of a health-related licensing board may seek a paid employment position with that board.

Sec. 2. Minnesota Statutes 2010, section 214.103, is amended to read:

214.103 HEALTH-RELATED LICENSING BOARDS; COMPLAINT, INVESTIGATION, AND HEARING.

Subdivision 1. **Application.** For purposes of this section, "board" means "health-related licensing board" and does not include the non-health-related licensing boards. Nothing in this section supersedes section 214.10, subdivisions 2a, 3, 8, and 9, as they apply to the health-related licensing boards.

Subd. 1a. **Notifications and resolution.** (a) No more than 14 calendar days after receiving a complaint regarding a licensee, the board shall notify the complainant that the board has received the complaint and shall provide the complainant with the written description of the board's complaint process. The board shall periodically, but no less than every 120 days, notify the complainant of the status of the complaint consistent with section 13.41.

(b) Except as provided in paragraph (d), no more than 60 calendar days after receiving a complaint regarding a licensee, the board must notify the licensee that the board has received a complaint and inform the licensee of:

- (1) the substance of the complaint;
- (2) the sections of the law that have allegedly been violated;
- (3) the sections of the professional rules that have allegedly been violated; and
- (4) whether an investigation is being conducted.

(c) The board shall periodically, but no less than every 120 days, notify the licensee of the status of the complaint consistent with section 13.41.

(d) Paragraphs (b) and (c) do not apply if the board determines that such notice would compromise the board's investigation and that such notice cannot reasonably be accomplished within this time.

(e) No more than one year after receiving a complaint regarding a licensee, the board must resolve or dismiss the complaint unless the board determines that resolving or dismissing the complaint cannot reasonably be accomplished in this time and is not in the public interest.

(f) Failure to make notifications or to resolve the complaint within the time established in this subdivision shall not deprive the board of jurisdiction to complete the investigation or to take

corrective, disciplinary, or other action against the licensee that is authorized by law. Such a failure by the board shall not be the basis for a licensee's request for the board to dismiss a complaint, and shall not be considered by an administrative law judge, the board, or any reviewing court.

Subd. 2. **Receipt of complaint.** The boards shall receive and resolve complaints or other communications, whether oral or written, against regulated persons. Before resolving an oral complaint, the executive director or a board member designated by the board to review complaints ~~may~~ shall require the complainant to state the complaint in writing or authorize transcribing the complaint. The executive director or the designated board member shall determine whether the complaint alleges or implies a violation of a statute or rule which the board is empowered to enforce. The executive director or the designated board member may consult with the designee of the attorney general as to a board's jurisdiction over a complaint. If the executive director or the designated board member determines that it is necessary, the executive director may seek additional information to determine whether the complaint is jurisdictional or to clarify the nature of the allegations by obtaining records or other written material, obtaining a handwriting sample from the regulated person, clarifying the alleged facts with the complainant, and requesting a written response from the subject of the complaint.

Subd. 3. **Referral to other agencies.** The executive director shall forward to another governmental agency any complaints received by the board which do not relate to the board's jurisdiction but which relate to matters within the jurisdiction of another governmental agency. The agency shall advise the executive director of the disposition of the complaint. A complaint or other information received by another governmental agency relating to a statute or rule which a board is empowered to enforce must be forwarded to the executive director of the board to be processed in accordance with this section. Governmental agencies may coordinate and conduct joint investigations of complaints that involve more than one governmental agency.

Subd. 4. **Role of the attorney general.** The executive director or the designated board member shall forward a complaint and any additional information to the designee of the attorney general when the executive director or the designated board member determines that a complaint is jurisdictional and:

- (1) requires investigation before the executive director or the designated board member may resolve the complaint;
- (2) that attempts at resolution for disciplinary action or the initiation of a contested case hearing is appropriate;
- (3) that an agreement for corrective action is warranted; or
- (4) that the complaint should be dismissed, consistent with subdivision 8.

Subd. 5. **Investigation by attorney general.** (a) If the executive director or the designated board member determines that investigation is necessary before resolving the complaint, the executive director shall forward the complaint and any additional information to the designee of the attorney general. The designee of the attorney general shall evaluate the communications forwarded and investigate as appropriate.

(b) The designee of the attorney general may also investigate any other complaint forwarded under subdivision 3 when the designee of the attorney general determines that investigation is

necessary.

(c) In the process of evaluation and investigation, the designee shall consult with or seek the assistance of the executive director or the designated board member. The designee may also consult with or seek the assistance of other qualified persons who are not members of the board who the designee believes will materially aid in the process of evaluation or investigation.

(d) Upon completion of the investigation, the designee shall forward the investigative report to the executive director with recommendations for further consideration or dismissal.

Subd. 6. **Attempts at resolution.** (a) At any time after receipt of a complaint, the executive director or the designated board member may attempt to resolve the complaint with the regulated person. The available means for resolution include a conference or any other written or oral communication with the regulated person. A conference may be held for the purposes of investigation, negotiation, education, or conciliation. Neither the executive director nor any member of a board's staff shall be a voting member in any attempts at resolutions which may result in disciplinary or corrective action. The results of attempts at resolution with the regulated person may include a recommendation to the board for disciplinary action, an agreement between the executive director or the designated board member and the regulated person for corrective action, or the dismissal of a complaint. If attempts at resolution are not in the public interest ~~or are not satisfactory to the executive director or the designated board member, then the executive director or the designated board member may initiate~~ a contested case hearing may be initiated.

(1) The designee of the attorney general shall represent the board in all attempts at resolution which the executive director or the designated board member anticipate may result in disciplinary action. A stipulation between the executive director or the designated board member and the regulated person shall be presented to the board for the board's consideration. An approved stipulation and resulting order shall become public data.

(2) The designee of the attorney general shall represent the board upon the request of the executive director or the designated board member in all attempts at resolution which the executive director or the designated board member anticipate may result in corrective action. Any agreement between the executive director or the designated board member and the regulated person for corrective action shall be in writing and shall be reviewed by the designee of the attorney general prior to its execution. The agreement for corrective action shall provide for dismissal of the complaint upon successful completion by the regulated person of the corrective action.

(b) Upon receipt of a complaint alleging sexual contact or sexual conduct with a client, the board must forward the complaint to the designee of the attorney general for an investigation. If, after it is investigated, the complaint appears to provide a basis for disciplinary action, the board shall resolve the complaint by disciplinary action or initiate a contested case hearing. Notwithstanding paragraph (a), clause (2), a board may not take corrective action or dismiss a complaint alleging sexual contact or sexual conduct with a client unless, in the opinion of the executive director, the designated board member, and the designee of the attorney general, there is insufficient evidence to justify disciplinary action.

Subd. 7. **Contested case hearing.** If the executive director or the designated board member determines that attempts at resolution of a complaint are not in the public interest ~~or are not satisfactory to the executive director or the designated board member,~~ the executive director or the designated board member, after consultation with the designee of the attorney general, and

the concurrence of a second board member, may initiate a contested case hearing under chapter 14. The designated board member or any board member who was consulted during the course of an investigation may participate at the contested case hearing. A designated or consulted board member may not deliberate or vote in any proceeding before the board pertaining to the case.

Subd. 8. **Dismissal and reopening of a complaint.** (a) A complaint may not be dismissed without the concurrence of at least two board members and, upon the request of the complainant, a review by a representative of the attorney general's office. The designee of the attorney general must review before dismissal any complaints which allege any violation of chapter 609, any conduct which would be required to be reported under section 626.556 or 626.557, any sexual contact or sexual conduct with a client, any violation of a federal law, any actual or potential inability to practice the regulated profession or occupation by reason of illness, use of alcohol, drugs, chemicals, or any other materials, or as a result of any mental or physical condition, any violation of state medical assistance laws, or any disciplinary action related to credentialing in another jurisdiction or country which was based on the same or related conduct specified in this subdivision.

(b) The board may reopen a dismissed complaint if the board receives newly discovered information that was not available to the board during the initial investigation of the complaint, or if the board receives a new complaint that indicates a pattern of behavior or conduct.

Subd. 9. **Information to complainant.** A board shall furnish to a person who made a complaint a written description of the board's complaint process, and actions of the board relating to the complaint.

Subd. 10. **Prohibited participation by board member.** A board member who has actual bias or a current or former direct financial or professional connection with a regulated person may not vote in board actions relating to the regulated person.

Sec. 3. **[214.108] HEALTH-RELATED LICENSING BOARDS; LICENSEE GUIDANCE.**

A health-related licensing board may offer guidance to current licensees about the application of laws and rules the board is empowered to enforce. This guidance shall not bind any court or other adjudicatory body.

Sec. 4. **[214.109] RECORD KEEPING.**

(a) A board may take administrative action against a regulated person whose records do not meet the standards of professional practice. Action taken under this paragraph shall not be considered disciplinary action.

(b) Records that are fraudulent or could result in patient harm may be handled through disciplinary or other corrective action.

**ARTICLE 5
APPROPRIATIONS**

**APPROPRIATIONS
Available for the Year
Ending June 30**

	<u>2012</u>	<u>2013</u>
<u>Section 1. LEGISLATIVE COORDINATING COMMISSION</u>	<u>\$</u>	<u>-0-</u> <u>\$</u>
		<u>106,000</u>

This appropriation is from the general fund for staff services or professional contract services for the Sunset Advisory Commission.

The general fund base as established in Laws 2011, First Special Session chapter 10, article 1, section 2, is increased by \$139,000 beginning in fiscal year 2014.

<u>Sec. 2. BOARD OF BEHAVIORAL HEALTH AND THERAPY</u>	<u>\$</u>	<u>-0-</u> <u>\$</u>	<u>14,000</u>
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This appropriation is from the state government special revenue fund.

\$12,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015.

<u>Sec. 3. BOARD OF CHIROPRACTIC EXAMINERS</u>	<u>\$</u>	<u>-0-</u> <u>\$</u>	<u>14,000</u>
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This appropriation is from the state government special revenue fund.

\$12,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015.

Sec. 4. <u>BOARD OF DENTISTRY</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>32,000</u>
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This appropriation is from the state government special revenue fund.

\$30,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015.

Sec. 5. <u>BOARD OF DIETETICS AND NUTRITION PRACTICE</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>10,000</u>
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This appropriation is from the state government special revenue fund.

\$8,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015.

Sec. 6. BOARD OF MARRIAGE AND FAMILY THERAPY

\$ -0- \$ 10,000

This appropriation is from the state government special revenue fund.

\$8,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015.

Sec. 7. BOARD OF MEDICAL PRACTICE

\$ -0- \$ 198,000

This appropriation is from the state government special revenue fund.

\$112,000 is for transfer to the commissioner of health to convene and support the working group evaluating the state's Medical Practice Act. This is a onetime appropriation.

\$9,000 is for board expenses related to the working group evaluating the Medical Practice Act. This is a onetime appropriation.

\$30,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements regarding the status of complaints.

\$45,000 is for transfer to the Office of the Legislative Auditor to conduct an investigation of the Board of Medical Practice.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015.

Sec. 8. <u>BOARD OF NURSING</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>123,000</u>
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This appropriation is from the state government special revenue fund.

\$30,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$92,000 is for notification requirements regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$92,000 in fiscal years 2014 and 2015.

Sec. 9. <u>BOARD OF NURSING HOME ADMINISTRATORS</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>100,000</u>
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This appropriation is from the state government special revenue fund.

\$50,000 is for the administrative services unit for a study to make recommendations for establishing uniform criminal history background check requirements for individuals regulated by the health-related boards. This is a onetime appropriation.

\$15,000 is for the administrative services unit to study and submit proposed legislation to require institutions, professional societies, licensed professionals, insurers and other

entities, and courts to report conduct constituting grounds for disciplinary action to the respective regulatory entity. This is a onetime appropriation.

\$15,000 is for the administrative services unit to review and submit to the legislature recommendations on the respective roles of the health-related boards and the attorney general in conducting investigations of licensees of the health-related boards. This is a onetime appropriation.

\$10,000 is for the administrative services unit to evaluate the use of its services by the health-related boards. This is a onetime appropriation.

\$8,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015.

Sec. 10. **BOARD OF OPTOMETRY**

\$

-0- \$

10,000

This appropriation is from the state government special revenue fund.

\$8,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements

regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015.

Sec. 11. <u>BOARD OF PHARMACY</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>32,000</u>
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\$30,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015.

Sec. 12. <u>BOARD OF PHYSICAL THERAPY</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>10,000</u>
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This appropriation is from the state government special revenue fund.

\$8,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015.

Sec. 13. <u>BOARD OF PODIATRIC MEDICINE</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>10,000</u>
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This appropriation is from the state government special revenue fund.

\$8,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015.

Sec. 14. <u>BOARD OF PSYCHOLOGY</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>29,000</u>
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\$27,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015.

Sec. 15. <u>BOARD OF SOCIAL WORK</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>14,000</u>
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This appropriation is from the state government special revenue fund.

\$12,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015.

Sec. 16. **BOARD OF VETERINARY MEDICINE** \$ -0- \$ 10,000

This appropriation is from the state government special revenue fund.

\$8,000 is to develop and maintain a process to post required information about convictions, malpractice, and disciplinary or corrective action for the board's members. This is a onetime appropriation.

\$1,000 is for database and Web site changes to include business addresses. This is a onetime appropriation.

\$1,000 is for notification requirements regarding the status of complaints.

The state government special revenue fund base for ongoing activities in this act is \$1,000 in fiscal years 2014 and 2015."

Delete the title and insert:

"A bill for an act relating to state government; implementing changes to the sunset review; continuing the Council on Black Minnesotans for two years and requiring an interim review; requiring a review of the sunset process in 2018; changing certain agency requirements; requiring posting of convictions of felonies, gross misdemeanors, malpractice judgements, and disciplinary or corrective actions for a regulated practitioner; requiring a study to establish uniform criminal history background checks for regulated practitioners; requiring a report on conduct constituting grounds for discipline and penalties for failure to report; establishing a work group to evaluate the effectiveness of the Medical Practice Act for certain circumstances; requiring certain other reports; requesting a legislative audit of the Board of Medical Practice; abolishing the Combative Sports Commission and transferring combative sports duties to the commissioner of labor and industry; establishing a Combative Sports Advisory Council; changing provisions for health-related licensing boards; appropriating money; amending Minnesota Statutes 2010, sections 3.922, by adding a subdivision; 3.9223, subdivision 7; 3.9225, subdivision 7; 3.9226, subdivision 7; 147.01, subdivision 4; 147.111, by adding a subdivision; 148.102, by adding a subdivision; 148.261, subdivision 1; 148.263, by adding a subdivision; 148.5194, subdivision 5; 148.6445, subdivision 10; 148B.07, by adding a subdivision; 148C.095, by adding a subdivision; 148E.285, by adding a subdivision; 150A.13, by adding a subdivision; 153.24, by adding a subdivision; 153A.17; 214.06, subdivisions 1, 1a, by adding a subdivision; 214.09, by adding a subdivision; 214.103; 341.21, by adding a subdivision; 341.23; 341.27; 341.271; 341.28, subdivision 1; 341.37; Minnesota Statutes

2011 Supplement, sections 3D.04; 3D.06; 3D.21, subdivisions 1, 2; proposing coding for new law in Minnesota Statutes, chapters 3D; 16B; 214; 341; repealing Minnesota Statutes 2010, sections 138A.01; 138A.02; 138A.03; 138A.04; 138A.05; 138A.06; 341.21, subdivisions 3, 4a; 341.22; 341.24; 341.26."

CALL OF THE SENATE

Senator Parry imposed a call of the Senate for the balance of the proceedings on H.F. No. 2555. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Bonoff amendment. The motion prevailed. So the amendment was adopted.

Senator Parry moved to amend the Bonoff amendment to H.F. No. 2555, adopted by the Senate April 26, 2012, as follows:

(The text of the amended House File is identical to S.F. No. 2304.)

Page 2, line 6, before "The" insert "(a)"

Page 2, line 7, delete "2024" and insert "2013"

Page 2, line 8, strike "all health-related"

Page 2, line 9, strike "licensing boards listed in section 214.01,"

Page 2, line 10, reinstate the stricken language

Page 2, after line 11, insert:

"(b) All health-related licensing boards listed in section 214.01, except as provided in section 3D.14, are sunset and expire on June 30, 2018."

Page 2, line 18, delete "Council on Black Minnesotans,"

Page 2, delete lines 22 to 25

Page 2, line 26, delete "(b)"

Page 2, line 27, delete "2013, prior to sunset review in 2014" and insert "2012"

Senator Bonoff moved to amend the Parry amendment to H.F. No. 2555 as follows:

Page 1, line 5, delete "2013" and insert "2014"

Page 1, delete line 15

The question was taken on the adoption of the Bonoff amendment to the Parry amendment.

The roll was called, and there were yeas 6 and nays 58, as follows:

Those who voted in the affirmative were:

Bonoff
Eaton

Kelash
McGuire

Pappas
Torres Ray

Those who voted in the negative were:

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

The motion did not prevail. So the amendment to the amendment was not adopted.

The question was taken on the adoption of the Parry amendment.

The roll was called, and there were yeas 33 and nays 29, as follows:

Those who voted in the affirmative were:

Benson	Fischbach	Ingebrigtsen	Michel	Robling
Brown	Gazelka	Jungbauer	Miller	Rosen
Carlson	Gerlach	Koch	Newman	Thompson
Chamberlain	Hall	Kruse	Nienow	Vandever
Dahms	Hann	Lillie	Olson	Wolf
Daley	Hoffman	Limmer	Parry	
DeKruif	Howe	Magnus	Pederson	

Those who voted in the negative were:

Bonoff	Harrington	Latz	Pappas	Sparks
Cohen	Hayden	Lourey	Rest	Stumpf
Dibble	Higgins	Marty	Saxhaug	Tomassoni
Dziedzic	Kelash	McGuire	Sheran	Torres Ray
Eaton	Koene	Metzen	Sieben	Wiger
Goodwin	Langseth	Nelson	Skoe	

The motion prevailed. So the amendment was adopted.

Senator Rest moved to amend the Parry amendment to H.F. No. 2555, adopted by the Senate April 26, 2012, as follows:

Page 1, line 5, after "2013" insert "and strike "Capitol Area Architectural and Planning""

Page 1, line 6, before "strike" insert "strike "Board," and"

Page 1, line 10, after "214.01," insert "and the Capitol Area Architectural and Planning Board,"

The motion prevailed. So the amendment was adopted.

H.F. No. 2555 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 9, as follows:

Those who voted in the affirmative were:

Bakk	Bonoff	Chamberlain	Daley	Dibble
Benson	Carlson	Dahms	DeKruif	Dziedzic

Fischbach	Hoffman	Lourey	Pappas	Sieben
Gazelka	Howe	Magnus	Parry	Skoe
Gerlach	Ingebrigtsen	McGuire	Pederson	Sparks
Gimse	Jungbauer	Michel	Rest	Stumpf
Hall	Koch	Miller	Robling	Thompson
Hann	Koenen	Nelson	Rosen	Tomassoni
Harrington	Kruse	Newman	Saxhaug	Torres Ray
Hayden	Latz	Nienow	Senjem	Wiger
Higgins	Lillie	Olson	Sheran	Wolf

Those who voted in the negative were:

Brown	Eaton	Kelash	Marty	Vandever
Cohen	Goodwin	Limmer	Metzen	

So the bill, as amended, was passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 2324 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 2324

A bill for an act relating to occupational licensing; modifying electrical licenses; amending Minnesota Statutes 2010, sections 326B.31, subdivision 14, by adding subdivisions; 326B.33, subdivisions 17, 19, by adding a subdivision.

April 24, 2012

The Honorable Michelle L. Fischbach
President of the Senate

The Honorable Kurt Zellers
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 2324 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House amendment.

We request the adoption of this report and repassage of the bill.

Senate Conferees: John C. Pederson, Jeremy R. Miller, David J. Tomassoni

House Conferees: Tim Sanders, Joe Hoppe, Michael V. Nelson

Senator Pederson moved that the foregoing recommendations and Conference Committee Report on S.F. No. 2324 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 2324 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

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

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Limmer

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 946 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 946

A bill for an act relating to education; establishing a pilot project to examine how school districts might operate jointly to provide innovative delivery of programs and activities and share resources.

April 25, 2012

The Honorable Michelle L. Fischbach
President of the Senate

The Honorable Kurt Zellers
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 946 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House amendments and that S.F. No. 946 be further amended as follows:

Page 3, delete lines 3 and 4

Page 3, after line 6, insert:

"Sec. 2. **APPROPRIATION.**

\$25,000 is appropriated in fiscal year 2013 from the general fund to the commissioner of

education for the review of applicants, selection of participants, and evaluation of the pilot projects authorized in section 1. The base for the Department of Education is increased by \$25,000 for fiscal year 2014 through fiscal year 2018."

Amend the title as follows:

Page 1, line 4, before the period, insert "; appropriating money"

We request the adoption of this report and repassage of the bill.

Senate Conferees: Al D. DeKruif, Gen Olson, Sean Nienow

House Conferees: Sondra Erickson, Mark Buesgens, Mindy Greiling

Senator DeKruif moved that the foregoing recommendations and Conference Committee Report on S.F. No. 946 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 946 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

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

Those who voted in the affirmative were:

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

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 288 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 288

A bill for an act relating to health; regulating dental laboratories; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 150A.

April 24, 2012

The Honorable Michelle L. Fischbach
President of the Senate

The Honorable Kurt Zellers
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 288 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 288 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **[150A.24] DEFINITIONS.**

Subdivision 1. **Scope.** For the purposes of sections 150A.24 to 150A.31, the following terms have the meanings given.

Subd. 2. **Dental laboratory.** "Dental laboratory" means a corporation, partnership, sole proprietor, or business entity engaged in the manufacture or repair of dental prosthetic appliances. This definition does not include a dental laboratory that is physically located within a dental practice if the dental prosthetic appliances are manufactured or repaired for the exclusive use of the dentist or dentists within the dental practice.

Subd. 3. **Material content notice.** "Material content notice" means a notice that contains the complete material content information of a dental prosthetic appliance, including whether U.S. Food and Drug Administration (FDA) compliant materials were used. The notice must be provided in a manner that can be easily entered into a patient record.

Subd. 4. **Work authorization.** "Work authorization" means a written instrument by which a dental laboratory subcontracts to another dental laboratory all or part of the manufacture or repair of a dental prosthetic appliance authorized by a work order by a licensed dentist.

Subd. 5. **Work order.** "Work order" means a written instrument prescribed by a licensed dentist directing a dental laboratory to manufacture or repair a dental prosthetic appliance for an individual patient.

Sec. 2. **[150A.25] REGISTRATION FOR DENTAL LABORATORIES.**

Subdivision 1. **General.** Beginning January 1, 2013, all dental laboratories physically located in Minnesota must register with the Board of Dentistry.

Subd. 2. **Registration requirements.** (a) An application for an initial registration and for renewal must be submitted to the board on a form provided by the board accompanied with the registration fee required under section 150A.31. The application must contain:

- (1) the business name of the laboratory;
- (2) the physical address of the laboratory;
- (3) the name of the laboratory's owner or operator;

- (4) the telephone number or electronic mail address;
- (5) the certification number and the name of the certifying organization, if applicable; and
- (6) any other identifying information deemed necessary by the board.

(b) It is the responsibility of the dental laboratory to notify the board of any changes in the registration information required under paragraph (a).

Subd. 3. **Unique registration number.** Upon approval, the board shall issue a registration and a unique registration number to the dental laboratory.

Subd. 4. **Registration term; renewal.** Registration shall be valid for two years from the date of issuance and may be renewed upon submitting the information required in subdivision 2 and the registration renewal fee required in section 150A.31.

Sec. 3. **[150A.26] WORK ORDER REQUIRED.**

No registered dental laboratory shall perform or authorize any dental technological work without a valid work order from a licensed dentist or a work authorization issued pursuant to a valid work order. A work order or work authorization may be handwritten and may be faxed or sent electronically using an electronic signature.

Sec. 4. **[150A.27] MATERIAL CONTENT NOTICE.**

(a) A registered dental laboratory shall inform the dentist who issued the work order of:

- (1) the country of origin where the technological work was performed in whole or in part; and
- (2) the name, physical address, and registration number of the laboratory or laboratories that manufactured or repaired the dental prosthesis, either directly or indirectly.

(b) A registered dental laboratory shall provide to the dentist a material content notice for each dental prosthetic appliance. Upon receipt of the material content notice, the dentist must include the information in the record of the patient for whom the prosthesis is intended.

(c) Dentists licensed under this chapter who manufacture or repair a dental prosthetic appliance or by work order have a dental prosthetic appliance manufactured or repaired by a dental technician within their dental practice for a patient must include in the patient's record the material content notice information of the dental prosthetic appliance.

(d) It is the responsibility of the licensed dentist to obtain the material content notice information and the country of origin for dental laboratory work performed by an out-of-state dental laboratory and to include this information in the record of the patient for whom the dental work is intended.

(e) Upon request of the patient, the licensed dentist shall provide a patient with the material content information and the country of origin information.

(f) A registered dental laboratory must comply with section 150A.21.

Sec. 5. **[150A.28] PROHIBITION AGAINST THE USE OF A NONREGISTERED DENTAL LABORATORY.**

(a) A dentist licensed under this chapter must use a dental laboratory registered under sections

150A.24 to 150A.31 for any dental laboratory work that is performed in this state and outside of the office of a licensed dentist.

(b) No registered dental laboratory shall subcontract all or part of any dental laboratory work that is prescribed by a work order to another dental laboratory unless that laboratory provides the registered dental laboratory with a material content notice and the country of origin for any dental laboratory work performed by the subcontracting dental laboratory.

(c) Nothing in this section prohibits a licensed dentist from directing a nonregistered dental laboratory located outside the state to manufacture or repair a dental prosthesis pursuant to a valid work order.

Sec. 6. [150A.29] WEB SITE.

By May 1, 2013, the board shall provide on its Web site a list of the laboratories registered under section 150A.25, with the information described in section 150A.25 for each registered laboratory.

Sec. 7. [150A.30] CERTIFICATION.

Nothing in sections 150A.24 to 150A.31 shall prohibit the development of a voluntary certification process for dental laboratories or dental technicians.

Sec. 8. [150A.31] FEES.

(a) The initial biennial registration fee is \$50.

(b) The biennial renewal registration fee is \$25.

(c) The fees specified in this section are nonrefundable and shall be deposited in the state government special revenue fund.

Sec. 9. APPROPRIATION.

\$15,000 is appropriated in fiscal year 2013 from the state government special revenue fund to the Board of Dentistry for the purpose of implementing Minnesota Statutes, sections 150A.24 to 150A.31. The state government special revenue fund base for the Board of Dentistry is decreased by \$10,000 for fiscal years 2014 and 2015.

Sec. 10. EFFECTIVE DATE.

Sections 1 to 8 are effective January 1, 2013."

Amend the title as follows:

Page 1, line 2, after "laboratories;" insert "setting certain fees;"

We request the adoption of this report and repassage of the bill.

Senate Conferees: John Sterling Howe, John C. Pederson, Katie Sieben

House Conferees: Tim Kelly, Jim Abeler, Thomas Huntley

Senator Howe moved that the foregoing recommendations and Conference Committee Report on S.F. No. 288 be now adopted, and that the bill be repassed as amended by the Conference Committee.

The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 288 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 57 and nays 8, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

DeKruif	Hoffman	Limmer	Thompson
Hall	Kruse	Senjem	Vandev eer

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

RECESS

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

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

APPOINTMENTS

Senator Senjem from the Subcommittee on Conference Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 8: Senators Hann, Benson and Newman.

Senator Senjem moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

SUSPENSION OF RULES

Senator Senjem moved that the 12-hour requirement of Joint Rule 2.06 be suspended as it relates to the Conference Committee Report on S.F. No 2493. The motion prevailed.

S.F. No. 2493 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 2493

A bill for an act relating to natural resources; appropriating money from the outdoor heritage fund; modifying requirements for outdoor heritage fund appropriations; appropriating money for clean water; appropriating money for an Aquatic Invasive Species Cooperative Research Center; modifying prior appropriations; modifying certain parks and trails grant program provisions; amending Minnesota Statutes 2010, sections 85.535, subdivision 3; 97A.056, by adding subdivisions; Laws 2009, chapter 172, article 3, section 3; Laws 2011, First Special Session chapter 2, article 3, section 2, subdivision 9; Laws 2011, First Special Session chapter 6, article 2, section 7.

April 25, 2012

The Honorable Michelle L. Fischbach
President of the Senate

The Honorable Kurt Zellers
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 2493 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 2493 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

OUTDOOR HERITAGE FUND

Section 1. **OUTDOOR HERITAGE APPROPRIATION.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the outdoor heritage fund and are available for the fiscal years indicated for each purpose. The figures "2012" and "2013" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2012, or June 30, 2013, respectively. "The first year" is fiscal year 2012. "The second year" is fiscal year 2013. "The biennium" is fiscal years 2012 and 2013. The appropriations in this article are onetime.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2012</u>	<u>2013</u>

Sec. 2. **OUTDOOR HERITAGE**

Subdivision 1. <u>Total Appropriation</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>99,920,000</u>
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This appropriation is from the outdoor heritage fund. The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <u>Prairies</u>		<u>-0-</u>		<u>24,640,000</u>
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(a) Minnesota Buffers for Wildlife and Water - Phase II

\$2,090,000 in the second year is to the Board of Water and Soil Resources in cooperation with Pheasants Forever to acquire permanent conservation easements to enhance habitat by expanding clean water fund riparian wildlife buffers on private land. A list of proposed permanent conservation easements must be provided as part of the final report. The accomplishment plan must include an easement stewardship plan. Up to \$90,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund and a description of annual monitoring and enforcement activities.

(b) Minnesota Prairie Recovery Project - Phase III

\$4,610,000 in the second year is to the commissioner of natural resources for an agreement with The Nature Conservancy to acquire native prairie and savanna and restore and enhance grasslands and savanna. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. Annual income statements and balance sheets for income and expenses from land acquired with this appropriation must be submitted to the Lessard-Sams Outdoor Heritage Council no later than 180 days following the close of The Nature Conservancy's fiscal year.

(c) Cannon River Headwaters Habitat Complex - Phase II

\$1,760,000 in the second year is to the commissioner of natural resources for an agreement with The Trust for Public Land to acquire and restore lands in the Cannon River watershed for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8, or aquatic management area purposes under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(d) Wildlife Management Area Acquisition

\$2,900,000 in the second year is to the commissioner of natural resources to acquire land in fee for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(e) Northern Tallgrass Prairie National Wildlife Refuge Land Acquisition - Phase IV

\$1,580,000 in the second year is to the commissioner of natural resources for an agreement with The Nature Conservancy in cooperation with the United States Fish and Wildlife Service to acquire land in fee or permanent conservation easements within the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement monitoring and enforcement plan.

(f) Accelerating the Wildlife Management Area Program - Phase IV

\$3,300,000 in the second year is to the

commissioner of natural resources for an agreement with Pheasants Forever to acquire land in fee for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(g) Green Corridor Legacy Program - Phase IV

\$1,730,000 in the second year is to the commissioner of natural resources for an agreement with the Redwood Area Development Corporation to acquire land in fee for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8, and for aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(h) Accelerated Prairie Restoration and Enhancement on DNR Lands - Phase IV

\$4,300,000 in the second year is to the commissioner of natural resources to accelerate the restoration and enhancement of wildlife management areas, scientific and natural areas, and land under native prairie bank easements. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(i) Anoka Sand Plain Habitat Restoration and Enhancement - Phase II

\$1,050,000 in the second year is to the commissioner of natural resources for agreements to restore and enhance habitat on public lands in the Anoka Sand Plain and along the Rum River as follows: \$558,750 to Great River Greening; \$99,400 to the Anoka Conservation District; and \$391,850 to the National Wild Turkey Federation. A list of proposed restorations and enhancements must be provided as part of the required

accomplishment plan.

(j) Enhanced Public Grasslands

\$1,320,000 in the second year is to the commissioner of natural resources for an agreement with Pheasants Forever in cooperation with the Minnesota Prairie Chicken Society to restore and enhance habitat on public lands. The criteria for selection of projects must be included in the accomplishment plan. A list of proposed restorations and enhancements must be provided as part of the final report.

Subd. 3. Forests

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15,300,000

(a) Protecting Mississippi River Corridor Habitat ACUB Partnership - Phase II

\$480,000 in the second year is to the Board of Water and Soil Resources to acquire permanent conservation easements on land adjacent to the Nokasippi River and the boundaries of the Minnesota National Guard Army compatible use buffer (ACUB). A list of proposed land acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement stewardship plan. Up to \$4,800 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund and a description of annual monitoring and enforcement activities.

(b) Mississippi Northwoods Habitat Complex Protection

\$11,040,000 in the second year is to the commissioner of natural resources for an agreement with Crow Wing County to acquire land in fee along the Mississippi

River in Crow Wing County to be added to the county forest system. The purchase price must not exceed the appraised fair market value of the property as reviewed and approved under established procedures in compliance with the Uniform Standards of Professional Appraisal Practice and the Department of Natural Resources' Supplemental Appraisal and Appraisal Review Guidelines (effective July 15, 2009). A land description must be provided as part of the required accomplishment plan. Development of a paved trail on land acquired under this paragraph constitutes an alteration of the intended use of the interest in real property and must be handled according to Minnesota Statutes, section 97A.056, subdivision 15. Any plan, including trail alignment, for the development of a paved trail must be submitted to the Lessard-Sams Outdoor Heritage Council for approval. No paved trail development or paved trail use is allowed unless it is specified in the plan for trail use and alignment approved by the Lessard-Sams Outdoor Heritage Council.

If additional money is needed to acquire the land under this paragraph, by December 15, 2012, the amount necessary to complete the acquisition shall be transferred from unspent appropriations under subdivision 5, paragraph (h), and added to this appropriation.

(c) Northeastern Minnesota Sharp-Tailed Grouse Habitat Partnership - Phase III

\$1,340,000 in the second year is to the commissioner of natural resources for an agreement with Pheasants Forever in cooperation with the Minnesota Sharp-Tailed Grouse Society to acquire and enhance lands for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(d) Protect Key Forest Habitat Lands in Cass County - Phase III

\$480,000 in the second year is to the commissioner of natural resources for an agreement with Cass County to acquire land in fee in Cass County for forest wildlife habitat. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(e) Minnesota Moose Habitat Collaborative

\$960,000 in the second year is to the commissioner of natural resources for an agreement with the Minnesota Deer Hunters Association to restore and enhance public forest lands in northeastern Minnesota for moose habitat purposes. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(f) LaSalle Lake: Protecting Critical Minnesota Headwaters Habitat

\$1,000,000 in the second year is added to the appropriation in Laws 2011, First Special Session chapter 6, article 1, section 2, subdivision 3, paragraph (b).

Subd. 4. Wetlands

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31,140,000

(a) Reinvest in Minnesota Wetlands Reserve Program Partnership - Phase IV

\$13,810,000 in the second year is to the Board of Water and Soil Resources to acquire permanent conservation easements and restore wetlands and associated upland habitat in cooperation with the United States Department of Agriculture Wetlands Reserve Program. A list of land acquisitions must be provided as part of the final report. The accomplishment plan must include an easement stewardship plan. Up to \$180,000 is for establishing a monitoring and enforcement fund as approved in

the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund and a description of annual monitoring and enforcement activities.

(b) Accelerating the Waterfowl Production Area Program - Phase IV

\$5,400,000 in the second year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire land in fee to be managed and designated as waterfowl production areas in Minnesota, in cooperation with the United States Fish and Wildlife Service. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Columbus Lake Conservation Area

\$940,000 in the second year is to the commissioner of natural resources for an agreement with Anoka County to acquire land in fee for conservation purposes that connect wetlands and shallow lakes to the Lamprey Pass Wildlife Management Area. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(d) Living Shallow Lakes and Wetlands Initiative - Phase II

\$4,490,000 in the second year is to the commissioner of natural resources for an agreement with Ducks Unlimited to assess, restore, and enhance shallow lakes and wetlands, including technical assistance, survey, design, and engineering to develop new enhancement and restoration projects for future implementation. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(e) Accelerated Shallow Lakes and Wetlands Enhancement - Phase IV

\$3,870,000 in the second year is to the commissioner of natural resources to develop engineering designs and complete construction to enhance shallow lakes and wetlands. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan. Work must be completed within three years of the effective date of this article.

(f) Marsh Lake Enhancement

\$2,630,000 in the second year is to the commissioner of natural resources to complete design and construction to modify the dam at Marsh Lake and return the historic outlet of the Pomme de Terre River to Lac Qui Parle.

Subd. 5. Habitats

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28,620,000

(a) DNR Aquatic Habitat - Phase IV

\$3,480,000 in the second year is to the commissioner of natural resources to acquire interests in land in fee or permanent conservation easements for aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02, and to restore and enhance aquatic habitat. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement stewardship plan. Up to \$25,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund and a description of annual monitoring and enforcement activities.

(b) Metro Big Rivers Habitat - Phase III

\$3,680,000 in the second year is to the commissioner of natural resources for agreements to acquire interests in land in fee or permanent conservation easements and to restore and enhance natural systems associated with the Mississippi, Minnesota, and St. Croix Rivers as follows: \$1,000,000 to the Minnesota Valley National Wildlife Refuge Trust, Inc.; \$375,000 to the Friends of the Mississippi; \$375,000 to Great River Greening; \$930,000 to The Minnesota Land Trust; and \$1,000,000 to The Trust for Public Land. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement stewardship plan. Up to \$51,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund and a description of annual monitoring and enforcement activities.

(c) Dakota County Riparian and Lakeshore Protection and Management - Phase III

\$480,000 in the second year is to the commissioner of natural resources for an agreement with Dakota County to acquire permanent conservation easements and restore and enhance habitats along the Mississippi, Cannon, and Vermillion Rivers. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement stewardship plan. Up to \$20,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject

to Minnesota Statutes, section 97A.056, subdivision 17. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund and a description of annual monitoring and enforcement activities.

(d) Lower St. Louis River Habitat Restoration

\$3,670,000 in the second year is to the commissioner of natural resources to restore habitat in the lower St. Louis River estuary. A list of proposed projects must be provided as part of the required accomplishment plan.

(e) Coldwater Fish Habitat Enhancement - Phase IV

\$2,120,000 in the second year is to the commissioner of natural resources for an agreement with Minnesota Trout Unlimited to restore and enhance coldwater fish lake, river, and stream habitats in Minnesota. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(f) Grand Marais Creek Outlet Restoration

\$2,320,000 in the second year is to the commissioner of natural resources for an agreement with the Red Lake Watershed District to restore and enhance stream and related habitat in Grand Marais Creek. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(g) Knife River Habitat Restoration

\$380,000 in the second year is to the commissioner of natural resources for an agreement with the Lake Superior Steelhead Association to restore trout habitat in the Upper Knife River Watershed. A list of proposed restorations must be provided as part of the required accomplishment plan. Notwithstanding

rules of the commissioner of natural resources, restorations conducted pursuant to this paragraph may be accomplished by excavation.

(h) Protect Aquatic Habitat from Asian Carp

\$7,500,000 in the second year is to the commissioner of natural resources to design, construct, operate, and evaluate structural deterrents for Asian carp to protect Minnesota's aquatic habitat. Use of this money requires a one-to-one match for projects on state boundary waters.

(i) Outdoor Heritage Conservation Partners Grant Program - Phase IV

\$4,990,000 in the second year is to the commissioner of natural resources for a program to provide competitive, matching grants of up to \$400,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, and habitat for fish, game, or wildlife in Minnesota. Grants shall not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants shall not be made from appropriations in this paragraph for projects that have a total project cost exceeding \$575,000. \$366,000 of this appropriation may be spent for personnel costs and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by state law. The program shall require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner shall provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner of natural resources shall, when evaluating projects of equal value, give priority to

organizations that have a history of receiving or charter to receive private contributions for local conservation or habitat projects. If acquiring land or a conservation easement, priority shall be given to projects associated with existing wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; and aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a conservation easement or public ownership or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority shall be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2016. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner shall provide notice of the grant program in the game and fish law summaries that are prepared under Minnesota Statutes, section 97A.051, subdivision 2.

Subd. 6. **Administration**

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220,000

(a) **Contract Management**

\$175,000 in the second year is to the commissioner of natural resources for contract management duties assigned in this section. The commissioner shall provide a work program in the form specified by the Lessard-Sams Outdoor Heritage Council on the expenditure of this appropriation. No money may be expended prior to Lessard-Sams Outdoor Heritage Council

approval of the work program.

(b) Technical Evaluation Panel

\$45,000 in the second year is to the commissioner of natural resources for a technical evaluation panel to conduct up to ten restoration evaluations under Minnesota Statutes, section 97A.056, subdivision 10.

Subd. 7. Availability of Appropriation

Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Unless otherwise provided, the amounts in this section are available until June 30, 2015, when projects must be completed and final accomplishments reported. Funds for restoration or enhancement are available until June 30, 2017, or four years after acquisition, whichever is later, in order to complete initial restoration or enhancement work. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding. Funds appropriated for fee title acquisition of land may be used to restore, enhance, and provide for public use of the land acquired with the appropriation. Public use facilities must have a minimal impact on habitat in acquired lands. If the purchase price for a fee title acquisition funded with an appropriation in this article falls below the estimated purchase price contained in the approved accomplishment plan and no other acquisitions are listed in the approved accomplishment plan, the difference between the purchase price and the estimated purchase price is canceled for the project and added to the appropriation under subdivision 5, paragraph (h).

Subd. 8. Payment Conditions and Capital Equipment Expenditures

All agreements referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures directly related to each appropriation's purpose made on or after July 1, 2012, or the date of accomplishment plan approval, whichever is later, are eligible for reimbursement unless otherwise provided in this section. Periodic reimbursement must be made upon receiving documentation that the items articulated in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council have been achieved, including partial achievements as evidenced by progress reports approved by the Lessard-Sams Outdoor Heritage Council. Reasonable amounts may be advanced to projects to accommodate cash flow needs, support future management of acquired lands, or match a federal share. The advances must be approved as part of the accomplishment plan. Capital equipment expenditures for specific items in excess of \$10,000 must be itemized in and approved as part of the accomplishment plan.

Sec. 3. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

Subd. 12. **Accomplishment plans.** It is a condition of acceptance of money appropriated from the outdoor heritage fund that the agency or entity using the appropriation submits an accomplishment plan and periodic accomplishment reports to the Lessard-Sams Outdoor Heritage Council in the form determined by the council. The accomplishment plan must identify the project manager responsible for expending the appropriation and the final product. The accomplishment plan must account for the use of the appropriation and outcomes of the expenditure in measures of wetlands, prairies, forests, and fish, game, and wildlife habitat restored, protected, and enhanced. The plan must include an evaluation of results. If lands are acquired by fee with money from the outdoor heritage fund, the accomplishment plan must include a hunting and fishing management plan for the lands acquired by fee. No money appropriated from the outdoor heritage fund may be expended unless the council has approved the pertinent accomplishment plan.

Sec. 4. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

Subd. 13. **Project requirements.** (a) As a condition of accepting money appropriated from the outdoor heritage fund, an agency or entity receiving money from an appropriation must comply with

this subdivision for any project funded in whole or in part with funds from the appropriation.

(b) All conservation easements acquired with money appropriated from the outdoor heritage fund must:

(1) be permanent;

(2) specify the parties to the easement;

(3) specify all of the provisions of an agreement that are permanent;

(4) specify the habitat types and location being protected;

(5) where appropriate for conservation or water protection outcomes, require the grantor to employ practices retaining water on the eased land as long as practicable;

(6) specify the responsibilities of the parties for habitat enhancement and restoration and the associated costs of these activities;

(7) be sent to the office of the Lessard-Sams Outdoor Heritage Council;

(8) include a long-term stewardship plan and identify the sources and amount of funding for monitoring and enforcing the easement agreement; and

(9) identify the parties responsible for monitoring and enforcing the easement agreement.

(c) For all restorations, a recipient must prepare and retain an ecological restoration and management plan that, to the degree practicable, is consistent with current conservation science and ecological goals for the restoration site. Consideration should be given to soil, geology, topography, and other relevant factors that would provide the best chance for long-term success and durability of the restoration. The plan must include the proposed timetable for implementing the restoration, including, but not limited to, site preparation, establishment of diverse plant species, maintenance, and additional enhancement to establish the restoration; identify long-term maintenance and management needs of the restoration and how the maintenance, management, and enhancement will be financed; and use current conservation science to achieve the best restoration.

(d) For new lands acquired, a recipient must prepare a restoration and management plan in compliance with paragraph (c), including identification of sufficient funding for implementation.

(e) To ensure public accountability for the use of public funds, a recipient must provide to the Lessard-Sams Outdoor Heritage Council documentation of the process used to select parcels acquired in fee or as permanent conservation easements and must provide the council with documentation of all related transaction costs, including, but not limited to, appraisals, legal fees, recording fees, commissions, other similar costs, and donations. This information must be provided for all parties involved in the transaction. The recipient must also report to the Lessard-Sams Outdoor Heritage Council any difference between the acquisition amount paid to the seller and the state-certified or state-reviewed appraisal, if a state-certified or state-reviewed appraisal was conducted. Acquisition data such as appraisals may remain private during negotiations but must ultimately be made public according to chapter 13.

(f) Except as otherwise provided in the appropriation, all restoration and enhancement projects funded with money appropriated from the outdoor heritage fund must be on land permanently

protected by a conservation easement or public ownership or in public waters as defined in section 103G.005, subdivision 15.

(g) To the extent an appropriation is used to acquire an interest in real property, a recipient of an appropriation from the outdoor heritage fund must provide to the Lessard-Sams Outdoor Heritage Council and the commissioner of management and budget an analysis of increased operation and maintenance costs likely to be incurred by public entities as a result of the acquisition and of how the costs are to be paid.

(h) A recipient of money appropriated from the outdoor heritage fund must give consideration to and make timely written contact with Conservation Corps Minnesota for possible use of the corps' services to contract for restoration and enhancement services. A copy of the written contact must be filed with the Lessard-Sams Outdoor Heritage Council within 15 days of execution.

(i) A recipient of money appropriated from the outdoor heritage fund must erect signage according to Laws 2009, chapter 172, article 5, section 10.

Sec. 5. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

Subd. 14. **Purchase of recycled and recyclable materials.** A political subdivision, public or private corporation, or other entity that receives money appropriated from the outdoor heritage fund must use the money in compliance with sections 16B.121, regarding purchase of recycled, repairable, and durable materials, and 16B.122, regarding purchase and use of paper stock and printing.

Sec. 6. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

Subd. 15. **Land acquisition restrictions.** (a) An interest in real property, including, but not limited to, an easement or fee title, that is acquired with money appropriated from the outdoor heritage fund must be used in perpetuity or for the specific term of an easement interest for the purpose for which the appropriation was made. The ownership of the interest in real property transfers to the state if: (1) the holder of the interest in real property fails to comply with the terms and conditions of the grant agreement or accomplishment plan; or (2) restrictions are placed on the land that preclude its use for the intended purpose as specified in the appropriation.

(b) A recipient of funding that acquires an interest in real property subject to this subdivision may not alter the intended use of the interest in real property or convey any interest in the real property acquired with the appropriation without the prior review and approval of the Lessard-Sams Outdoor Heritage Council or its successor. The council shall notify the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the outdoor heritage fund at least 15 business days before approval under this paragraph. The council shall establish procedures to review requests from recipients to alter the use of or convey an interest in real property. These procedures shall allow for the replacement of the interest in real property with another interest in real property meeting the following criteria:

(1) the interest must be at least equal in fair market value, as certified by the commissioner of natural resources, to the interest being replaced; and

(2) the interest must be in a reasonably equivalent location and have a reasonably equivalent useful conservation purpose compared to the interest being replaced, taking into consideration all effects from fragmentation of the whole habitat.

(c) A recipient of funding who acquires an interest in real property under paragraph (a) must separately record a notice of funding restrictions in the appropriate local government office where the conveyance of the interest in real property is filed. The notice of funding agreement must contain:

- (1) a legal description of the interest in real property covered by the funding agreement;
- (2) a reference to the underlying funding agreement;
- (3) a reference to this section; and

(4) the following statement: "This interest in real property shall be administered in accordance with the terms, conditions, and purposes of the grant agreement controlling the acquisition of the property. The interest in real property, or any portion of the interest in real property, shall not be sold, transferred, pledged, or otherwise disposed of or further encumbered without obtaining the prior written approval of the Lessard-Sams Outdoor Heritage Council or its successor. The ownership of the interest in real property transfers to the state if: (1) the holder of the interest in real property fails to comply with the terms and conditions of the grant agreement or accomplishment plan; or (2) restrictions are placed on the land that preclude its use for the intended purpose as specified in the appropriation."

Sec. 7. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

Subd. 16. **Real property interest report.** (a) By December 1 each year, a recipient of money appropriated from the outdoor heritage fund that is used for the acquisition of an interest in real property, including, but not limited to, an easement or fee title, must submit annual reports on the status of the real property to the Lessard-Sams Outdoor Heritage Council or its successor in a form determined by the council. If lands are acquired by fee with money from the outdoor heritage fund, the real property interest report must include a verification of the status of the hunting and fishing management plan for the lands acquired by fee. The responsibility for reporting under this subdivision may be transferred by the recipient of the appropriation to another person or entity that holds the interest in the real property. To complete the transfer of reporting responsibility, the recipient of the appropriation must:

(1) inform the person to whom the responsibility is transferred of that person's reporting responsibility;

(2) inform the person to whom the responsibility is transferred of the property restrictions under subdivision 15; and

(3) provide written notice to the council of the transfer of reporting responsibility, including contact information for the person to whom the responsibility is transferred.

(b) After the transfer, the person or entity that holds the interest in the real property is responsible for reporting requirements under this subdivision.

Sec. 8. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

Subd. 17. **Easement monitoring and enforcement requirements.** Money appropriated from the outdoor heritage fund for easement monitoring and enforcement may be spent only on activities included in an easement monitoring and enforcement plan contained within the accomplishment plan. Money received for monitoring and enforcement, including earnings on the money received,

shall be kept in a monitoring and enforcement fund held by the organization and is appropriated for monitoring and enforcing conservation easements in the state. Within 120 days after the close of the entity's fiscal year, an entity receiving appropriations for easement monitoring and enforcement must provide an annual financial report to the Lessard-Sams Outdoor Heritage Council on the easement monitoring and enforcement fund as specified in the accomplishment plan. Money appropriated from the outdoor heritage fund for monitoring and enforcement of easements and earnings on the money appropriated shall revert to the state if:

- (1) the easement transfers to the state under subdivision 15;
- (2) the holder of the easement fails to file an annual report and then fails to cure that default within 30 days of notification of the default by the state; or
- (3) the holder of the easement fails to comply with the terms of the monitoring and enforcement plan contained within the accomplishment plan and fails to cure that default within 90 days of notification of the default by the state.

Sec. 9. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

Subd. 18. **Successor organizations.** The Lessard-Sams Outdoor Heritage Council may approve the continuation of a project with an organization that has adopted a new name. Continuation of a project with an organization that has undergone a significant change in mission, structure, or purpose requires:

- (1) notice to the chairs of the legislative committees and divisions with jurisdiction over the outdoor heritage fund; and
- (2) presentation by the council of proposed legislation either ratifying or rejecting continued involvement with the new organization.

Sec. 10. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

Subd. 19. **Fee title acquisition; open season.** (a) Lands acquired by fee with money appropriated from the outdoor heritage fund that are held by the state must be open to the public taking of fish and game during the open season, unless otherwise provided by state law.

(b) Lands acquired by fee with money appropriated from the outdoor heritage fund that are held by the U.S. Fish and Wildlife Service must be open to the public taking of fish and game during the open season according to the National Wildlife Refuge System Improvement Act, United States Code, title 16, section 668dd, et seq.

(c) Except as provided in paragraph (b), lands acquired by fee with money appropriated from the outdoor heritage fund that are held by a nonstate entity must be open to the public taking of fish and game during the open season, unless otherwise prescribed by the commissioner of natural resources.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2009.

Sec. 11. **LEGACY FUNDING REQUIREMENTS APPLY.**

Each direct recipient of money appropriated in this article, as well as each recipient of a grant awarded pursuant to this article, must satisfy all reporting and other requirements incumbent upon

legacy funding recipients as provided in Laws 2011, First Special Session chapter 6, article 5.

ARTICLE 2

CLEAN WATER FUND

Section 1. Minnesota Statutes 2011 Supplement, section 114D.30, subdivision 4, is amended to read:

Subd. 4. **Terms; compensation; removal.** The terms of members representing the state agencies and the Metropolitan Council are four years and are coterminous with the governor. The terms of other nonlegislative members of the council shall be as provided in section 15.059, subdivision 2. Members may serve until their successors are appointed and qualify. Compensation and removal of nonlegislative council members is as provided in section 15.059, subdivisions 3 and 4. Compensation of legislative members is as determined by the appointing authority. The Pollution Control Agency may reimburse legislative members for expenses. A vacancy on the council may be filled by the appointing authority provided in subdivision 1 for the remainder of the unexpired term.

Sec. 2. Laws 2009, chapter 172, article 2, section 4, as amended by Laws 2010, chapter 361, article 2, section 2, and Laws 2011, First Special Session chapter 6, article 2, section 23, is amended to read:

Sec. 4. **POLLUTION CONTROL AGENCY** \$ 24,076,000 \$ 27,630,000

(a) \$9,000,000 the first year and \$9,000,000 the second year are to develop total maximum daily load (TMDL) studies and TMDL implementation plans for waters listed on the United States Environmental Protection Agency approved impaired waters list in accordance with Minnesota Statutes, chapter 114D. The agency shall complete an average of ten percent of the TMDLs each year over the biennium. Of this amount, \$348,000 the first year is to retest the comprehensive assessment of the biological conditions of the lower Minnesota River and its tributaries within the Lower Minnesota River Major Watershed, as previously assessed from 1976 to 1992 under the Minnesota River Assessment Project (MRAP). The assessment must include the same fish species sampling at the same 116 locations and the same macroinvertebrate sampling at the same 41 locations as the MRAP assessment. The assessment must:

(1) include an analysis of the findings; and

(2) identify factors that limit aquatic life in the Minnesota River.

Of this amount, \$250,000 the first year is for a pilot project for the development of total maximum daily load (TMDL) studies conducted on a watershed basis within the Buffalo River watershed in order to protect, enhance, and restore water quality in lakes, rivers, and streams. The pilot project shall include all necessary field work to develop TMDL studies for all impaired subwatersheds within the Buffalo River watershed and provide information necessary to complete reports for most of the remaining watersheds, including analysis of water quality data, identification of sources of water quality degradation and stressors, load allocation development, development of reports that provide protection plans for subwatersheds that meet water quality standards, and development of reports that provide information necessary to complete TMDL studies for subwatersheds that do not meet water quality standards, but are not listed as impaired.

(b) \$500,000 the first year is for development of an enhanced TMDL database to manage and track progress. Of this amount, \$63,000 the first year is to promulgate rules. By November 1, 2010, the commissioner shall submit a report to the chairs of the house of representatives and senate committees with jurisdiction over environment and natural resources finance on the outcomes achieved with this appropriation.

(c) \$1,500,000 the first year and \$3,169,000 the second year are for grants under Minnesota Statutes, section 116.195, to political subdivisions for up to 50 percent of the costs to predesign, design, and implement capital projects that use storm water or treated municipal wastewater instead of groundwater from drinking water aquifers, in order to demonstrate the beneficial use of wastewater or storm water, including the conservation

and protection of water resources. Of this amount, \$1,000,000 the first year is for grants to ethanol plants that are within one and one-half miles of a city for improvements that use storm water or reuse ~~greater than~~ 300,000 gallons of wastewater per day. This appropriation is available until June 30, 2016.

(d) \$1,125,000 the first year and \$1,125,000 the second year are for groundwater assessment and drinking water protection to include:

(1) the installation and sampling of at least 30 new monitoring wells;

(2) the analysis of samples from at least 40 shallow monitoring wells each year for the presence of endocrine disrupting compounds; and

(3) the completion of at least four to five groundwater models for TMDL and watershed plans.

(e) \$2,500,000 the first year is for the clean water partnership program. Priority shall be given to projects preventing impairments and degradation of lakes, rivers, streams, and groundwater in accordance with Minnesota Statutes, section 114D.20, subdivision 2, clause (4). Any balance remaining in the first year does not cancel and is available for the second year.

(f) \$896,000 the first year is to establish a network of water monitoring sites, to include at least 20 additional sites, in public waters adjacent to wastewater treatment facilities across the state to assess levels of endocrine-disrupting compounds, antibiotic compounds, and pharmaceuticals as required in this article. The data must be placed on the agency's Web site.

(g) \$155,000 the first year is to provide notification of the potential for coal tar contamination, establish a storm water pond inventory schedule, and develop best management practices for treating and

cleaning up contaminated sediments as required in this article. \$490,000 the second year is to provide grants to local units of government for up to 50 percent of the costs to implement best management practices to treat or clean up contaminated sediments in storm water ponds and other waters as defined under this article. Local governments must have adopted an ordinance for the restricted use of undiluted coal tar sealants in order to be eligible for a grant, unless a statewide restriction has been implemented. A grant awarded under this paragraph must not exceed \$100,000. Up to \$145,000 of the appropriation in the second year may be used to complete work required under section 28, paragraph (c).

(h) \$350,000 the first year and \$600,000 the second year are for a restoration project in the lower St. Louis River and Duluth harbor in order to improve water quality. This appropriation must be matched by nonstate money at a rate of at least \$2 for every \$1 of state money.

(i) \$150,000 the first year and \$196,000 the second year are for grants to the Red River Watershed Management Board to enhance and expand existing river watch activities in the Red River of the North. The Red River Watershed Management Board shall provide a report that includes formal evaluation results from the river watch program to the commissioners of education and the Pollution Control Agency and to the legislative natural resources finance and policy committees and K-12 finance and policy committees by February 15, 2011.

(j) \$200,000 the first year and \$300,000 the second year are for coordination with the state of Wisconsin and the National Park Service on comprehensive water monitoring and phosphorus reduction activities in the Lake St. Croix portion of the St. Croix River. The Pollution Control Agency shall work with the St. Croix Basin Water Resources Planning

Team and the St. Croix River Association in implementing the water monitoring and phosphorus reduction activities. This appropriation is available to the extent matched by nonstate sources. Money not matched by November 15, 2010, cancels for this purpose and is available for the purposes of paragraph (a).

(k) \$7,500,000 the first year and \$7,500,000 the second year are for completion of 20 percent of the needed statewide assessments of surface water quality and trends. Of this amount, \$175,000 the first year and \$200,000 the second year are for monitoring and analyzing endocrine disruptors in surface waters.

(l) \$100,000 the first year and \$150,000 the second year are for civic engagement in TMDL development. The agency shall develop a plan for expenditures under this paragraph. The agency shall give consideration to civic engagement proposals from basin or sub-basin organizations, including the Mississippi Headwaters Board, the Minnesota River Joint Powers Board, Area II Minnesota River Basin Projects, and the Red River Basin Commission. By November 15, 2009, the plan shall be submitted to the house and senate chairs and ranking minority members of the environmental finance divisions.

(m) \$5,000,000 the second year is for groundwater protection or prevention of groundwater degradation activities. By January 15, 2010, the commissioner, in consultation with the commissioner of natural resources, the Board of Water and Soil Resources, and other agencies, shall submit a report to the chairs of the house of representatives and senate committees with jurisdiction over the clean water fund on the intended use of these funds. The legislature must approve expenditure of these funds by law.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2011, as grants or contracts in this section are available until June 30, 2013.

Sec. 3. Laws 2011, First Special Session chapter 6, article 2, section 7, is amended to read:

Sec. 7. BOARD OF WATER AND SOIL RESOURCES	\$	27,534,000	\$	<u>27,534,000</u>
				<u>31,734,000</u>

(a) ~~\$13,750,000~~ the first year and ~~\$13,750,000~~ \$15,350,000 the second year are for pollution reduction and restoration grants to local government units and joint powers organizations of local government units to protect surface water and drinking water; to keep water on the land; to protect, enhance, and restore water quality in lakes, rivers, and streams; and to protect groundwater and drinking water, including feedlot water quality and subsurface sewage treatment system (SSTS) projects and stream bank, stream channel, and shoreline restoration projects. The projects must be of long-lasting public benefit, include a match, and be consistent with TMDL implementation plans or local water management plans.

(b) ~~\$3,000,000~~ the first year and ~~\$3,000,000~~ \$3,600,000 the second year are for targeted local resource protection and enhancement grants. The board shall give priority consideration to projects and practices that complement, supplement, or exceed current state standards for protection, enhancement, and restoration of water quality in lakes, rivers, and streams or that protect groundwater from degradation. Of this amount, at least \$1,500,000 each year is for county SSTS implementation.

(c) ~~\$900,000~~ the first year and ~~\$900,000~~ \$1,200,000 the second year are to provide state oversight and accountability, evaluate results, and develop an electronic system to measure and track the value of conservation program implementation by local governments, including submission

to the legislature by March 1 each year an annual report prepared by the board, in consultation with the commissioners of natural resources, health, agriculture, and the Pollution Control Agency, detailing the recipients and projects funded under this section. The board shall require grantees to specify the outcomes that will be achieved by the grants prior to any grant awards.

(d) ~~\$1,000,000 the first year and \$1,000,000~~ \$1,700,000 the second year are for technical assistance and grants for the conservation drainage program in consultation with the Drainage Work Group, created under Minnesota Statutes, section 103B.101, subdivision 13, ~~that consists of projects to~~ to facilitate the installation of conservation practices on drainage systems that will result in water quality improvements and evaluate the outcomes of these installations. retrofit existing drainage systems with water quality improvement practices, evaluate outcomes, and provide outreach to landowners, public drainage authorities, drainage engineers and contractors, and others. The board shall coordinate practice standards with the Natural Resources Conservation Service of the United States Department of Agriculture and seek to leverage federal funds as part of conservation drainage program implementation.

(e) \$6,000,000 the first year and \$6,000,000 the second year are to purchase and restore permanent conservation easements on riparian buffers adjacent to public waters, excluding wetlands, to keep water on the land in order to decrease sediment, pollutant, and nutrient transport; reduce hydrologic impacts to surface waters; and increase infiltration for groundwater recharge. The riparian buffers must be at least 50 feet unless there is a natural impediment, a road, or other impediment beyond the control of the landowner. This appropriation may be used for restoration of riparian buffers protected by easements purchased with this appropriation and for stream bank restorations when the riparian

buffers have been restored.

(f) ~~\$1,300,000~~ the first year and ~~\$1,300,000~~ \$2,300,000 the second year are for permanent conservation easements on wellhead protection areas under Minnesota Statutes, section 103F.515, subdivision 2, paragraph (d). Priority must be placed on land that is located where the vulnerability of the drinking water supply is designated as high or very high by the commissioner of health. The board shall coordinate with the United States Geological Survey, the commissioners of health and natural resources, and local communities contained in the Decorah and St. Lawrence Edge areas of Winona, Goodhue, Olmsted, and Wabasha Counties to obtain easements in identified areas as having the most vulnerability to groundwater contamination.

(g) \$1,500,000 the first year and \$1,500,000 the second year are for community partners grants to local units of government for: (1) structural or vegetative management practices that reduce storm water runoff from developed or disturbed lands to reduce the movement of sediment, nutrients, and pollutants for restoration, protection, or enhancement of water quality in lakes, rivers, and streams and to protect groundwater and drinking water; and (2) installation of proven and effective water retention practices including, but not limited to, rain gardens and other vegetated infiltration basins and sediment control basins in order to keep water on the land. The projects must be of long-lasting public benefit, include a local match, and be consistent with TMDL implementation plans or local water management plans. Local government unit staff and administration costs may be used as a match.

(h) \$84,000 the first year and \$84,000 the second year are for a technical evaluation panel to conduct up to ten restoration evaluations under Minnesota Statutes, section

114D.50, subdivision 6.

(i) The board shall contract for services with Conservation Corps Minnesota for restoration, maintenance, and other activities under this section for \$500,000 the first year and \$500,000 the second year.

(j) The board may shift grant or cost-share funds in this section and may adjust the technical and administrative assistance portion of the funds to leverage federal or other nonstate funds or to address oversight responsibilities or high-priority needs identified in local water management plans.

(k) The appropriations in this section are available until June 30, 2016.

Sec. 4. AQUATIC INVASIVE SPECIES COOPERATIVE RESEARCH CENTER; APPROPRIATION.

\$1,800,000 is appropriated in fiscal year 2013 from the clean water fund to the Board of Regents of the University of Minnesota to develop and implement an Aquatic Invasive Species Cooperative Research Center, including equipment and facility development. As a condition of receiving this appropriation, the University of Minnesota is requested to collaborate with the commissioner of natural resources in developing solutions to control aquatic invasive species. A portion of this appropriation may be used for educating and engaging citizens on preventing the spread of aquatic invasive species. Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for the purposes of this section. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for the purposes of this section. This is a onetime appropriation and is available until June 30, 2018. Minnesota Statutes, section 116P.10, applies to this appropriation. For the purpose of this appropriation, the term "fund" means the clean water fund and the term "commission" means the Clean Water Council as used in Minnesota Statutes, section 116P.10.

Sec. 5. LEGACY FUNDING REQUIREMENTS APPLY.

All appropriations in this article are onetime and are subject to the requirements and availability provisions provided under Laws 2011, First Special Session chapter 6, articles 2 and 5. Each direct recipient of money appropriated in this article, as well as each recipient of a grant awarded pursuant to this article, must satisfy all reporting and other requirements incumbent upon legacy funding recipients as provided in Laws 2011, First Special Session chapter 6, articles 2 and 5.

ARTICLE 3

PARKS AND TRAILS FUND

Section 1. Minnesota Statutes 2010, section 85.535, subdivision 3, is amended to read:

Subd. 3. **Match Grant amount.** ~~Recipients must provide a nonstate cash match of at least 25~~

~~percent of the total eligible project costs~~ A grant amount is not subject to a maximum grant award limitation. Additional consideration shall be given to applicants who provide a nonstate cash match.

Sec. 2. Laws 2009, chapter 172, article 3, section 3, is amended to read:

Sec. 3. METROPOLITAN COUNCIL	\$	12,641,000	\$	15,140,000
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(a) \$12,641,000 the first year and \$15,140,000 the second year are from the parks and trails fund to be distributed as required under new Minnesota Statutes, section 85.535, subdivision 3, except that of this amount, \$40,000 the first year is for a grant to Hennepin County to plant trees along the Victory Memorial Parkway. For acquisition of an interest in real property, appropriations under this section are available until June 30, 2013.

(b) The Metropolitan Council shall submit a report on the expenditure and use of money appropriated under this section to the legislature as provided in Minnesota Statutes, section 3.195, by March 1 of each year. The report must detail the outcomes in terms of additional use of parks and trails resources, user satisfaction surveys, and other appropriate outcomes.

(c) Grant agreements entered into by the Metropolitan Council and recipients of money appropriated under this section shall ensure that the funds are used to supplement and not substitute for traditional sources of funding.

(d) The implementing agencies receiving appropriations under this section shall give consideration to contracting with the Minnesota Conservation Corps for contract restoration, maintenance, and other activities.

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

ARTICLE 4

ENVIRONMENT AND NATURAL RESOURCE TRUST FUND

Section 1. Laws 2011, First Special Session chapter 2, article 3, section 2, subdivision 4, is amended to read:

Subd. 4. Land, Habitat, and Recreation	14,629,000	<u>13,755,000</u> <u>12,755,000</u>
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Summary by Fund

Environment and natural resources trust fund	13,879,000	<u>13,755,000</u> <u>12,755,000</u>
State land and water conservation account (LAWCON)	750,000	-0-

(a) State Park and Recreation Area Operations and Improvements

\$1,877,000 the first year and \$1,750,000 the second year are from the trust fund to the commissioner of natural resources for state park and recreation area operations and improvements, including activities directly related to and necessary for this appropriation. This appropriation is not subject to Minnesota Statutes, sections 116P.05, subdivision 2, paragraph (b), and 116P.09, subdivision 4.

(b) State Parks and Trails Land Acquisition

\$1,500,000 the first year and \$1,500,000 the second year are from the trust fund to the commissioner of natural resources to acquire state trails and critical parcels within the statutory boundaries of state parks. State park land acquired with this appropriation must be sufficiently improved to meet at least minimum management standards, as determined by the commissioner of natural resources. A list of proposed acquisitions must be provided as part of the required work program. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

(c) Metropolitan Regional Park System Acquisition

\$1,125,000 the first year and \$1,125,000 the second year are from the trust fund to the Metropolitan Council for grants for the

acquisition of lands within the approved park unit boundaries of the metropolitan regional park system. This appropriation may not be used for the purchase of residential structures. A list of proposed fee title and easement acquisitions must be provided as part of the required work program. This appropriation must be matched by at least 40 percent of nonstate money and must be committed by December 31, 2011, or the appropriation cancels. This appropriation is available until June 30, 2014, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(d) Regional Park, Trail, and Connection Acquisition and Development Grants

\$1,000,000 the first year and \$1,000,000 the second year are from the trust fund to the commissioner of natural resources to provide matching grants to local units of government for acquisition and development of regional parks, regional trails, and trail connections. The local match required for a grant to acquire a regional park or regional outdoor recreation area is two dollars of nonstate money for each three dollars of state money. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

(e) Scientific and Natural Area Acquisition and Restoration

\$820,000 the first year and \$820,000 the second year are from the trust fund to the commissioner of natural resources to acquire lands with high-quality native plant communities and rare features to be established as scientific and natural areas as provided in Minnesota Statutes, section 86A.05, subdivision 5, restore parts of scientific and natural areas, and provide technical assistance and outreach. A list of proposed acquisitions must be provided as part of the required work program.

Land acquired with this appropriation must be sufficiently improved to meet at least minimum management standards, as determined by the commissioner of natural resources. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

(f) La Salle Lake State Recreation Area Acquisition

~~\$1,000,000 the first year and \$1,000,000 the second year are~~ is from the trust fund to the commissioner of natural resources for an agreement with The Trust for Public Land to acquire ~~approximately 190 acres~~ land to be designated as a state recreation area as provided in Minnesota Statutes, section 86A.05, subdivision 3, on La Salle Lake adjacent to the upper Mississippi River. If this acquisition is not completed by July 15, 2012, then the appropriation is available to the Department of Natural Resources for other state park and recreation area acquisitions on the priority list. Up to \$10,000 may be retained by the Department of Natural Resources at the request of The Trust for Public Land for transaction costs, associated professional services, and restoration needs.

(g) Minnesota River Valley Green Corridor Scientific and Natural Area Acquisition

\$1,000,000 the first year and \$1,000,000 the second year are from the trust fund to the commissioner of natural resources for an agreement with the Redwood Area Communities Foundation to acquire lands with high-quality native plant communities and rare features to be established as scientific and natural areas as provided in Minnesota Statutes, section 86A.05, subdivision 5. A list of proposed acquisitions must be provided as part of the required work program. Land acquired with this appropriation must be sufficiently improved to meet at least minimum management standards, as

determined by the commissioner of natural resources. Up to \$54,000 may be retained by the Department of Natural Resources at the request of the Redwood Area Communities Foundation for transaction costs, associated professional services, and restoration needs. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

(h) Native Prairie Stewardship and Native Prairie Bank Acquisition

\$500,000 the first year and \$500,000 the second year are from the trust fund to the commissioner of natural resources to acquire native prairie bank easements, prepare baseline property assessments, restore and enhance native prairie sites, and provide technical assistance to landowners. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

(i) Metropolitan Conservation Corridors (MeCC) - Phase VI

\$1,737,000 the first year and \$1,738,000 the second year are from the trust fund to the commissioner of natural resources for the acceleration of agency programs and cooperative agreements. Of this appropriation, \$150,000 the first year and \$150,000 the second year are to the commissioner of natural resources for agency programs and \$3,175,000 is for the agreements as follows: \$100,000 the first year and \$100,000 the second year with Friends of the Mississippi River; \$517,000 the first year and \$518,000 the second year with Dakota County; \$200,000 the first year and \$200,000 the second year with Great River Greening; \$220,000 the first year and \$220,000 the second year with Minnesota Land Trust; \$300,000 the first year and \$300,000 the second year with Minnesota Valley National Wildlife Refuge Trust, Inc.; and \$250,000 the first year and \$250,000 the second year

with The Trust for Public Land for planning, restoring, and protecting priority natural areas in the metropolitan area, as defined under Minnesota Statutes, section 473.121, subdivision 2, and portions of the surrounding counties, through contracted services, technical assistance, conservation easements, and fee title acquisition. Land acquired with this appropriation must be sufficiently improved to meet at least minimum management standards, as determined by the commissioner of natural resources. Expenditures are limited to the identified project corridor areas as defined in the work program. This appropriation may not be used for the purchase of habitable residential structures, unless expressly approved in the work program. All conservation easements must be perpetual and have a natural resource management plan. Any land acquired in fee title by the commissioner of natural resources with money from this appropriation must be designated as an outdoor recreation unit under Minnesota Statutes, section 86A.07. The commissioner may similarly designate any lands acquired in less than fee title. A list of proposed restorations and fee title and easement acquisitions must be provided as part of the required work program. An entity that acquires a conservation easement with appropriations from the trust fund must have a long-term stewardship plan for the easement and a fund established for monitoring and enforcing the agreement. Money appropriated from the trust fund for easement acquisition may be used to establish a monitoring, management, and enforcement fund as approved in the work program. An annual financial report is required for any monitoring, management, and enforcement fund established, including expenditures from the fund. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

(j) Habitat Conservation Partnership (HCP) - Phase VII

\$1,737,000 the first year and \$1,738,000 the second year are from the trust fund to the commissioner of natural resources for the acceleration of agency programs and cooperative agreements. Of this appropriation, \$125,000 the first year and \$125,000 the second year are to the commissioner of natural resources for agency programs and \$3,225,000 is for agreements as follows: \$637,000 the first year and \$638,000 the second year with Ducks Unlimited, Inc.; \$38,000 the first year and \$37,000 the second year with Friends of Detroit Lakes Wetland Management District; \$25,000 the first year and \$25,000 the second year with Leech Lake Band of Ojibwe; \$225,000 the first year and \$225,000 the second year with Minnesota Land Trust; \$200,000 the first year and \$200,000 the second year with Minnesota Valley National Wildlife Refuge Trust, Inc.; \$242,000 the first year and \$243,000 the second year with Pheasants Forever, Inc.; and \$245,000 the first year and \$245,000 the second year with The Trust for Public Land to plan, restore, and acquire fragmented landscape corridors that connect areas of quality habitat to sustain fish, wildlife, and plants. The United States Department of Agriculture, Natural Resources Conservation Service, is an authorized cooperating partner in the appropriation. Expenditures are limited to the project corridor areas as defined in the work program. Land acquired with this appropriation must be sufficiently improved to meet at least minimum habitat and facility management standards, as determined by the commissioner of natural resources. This appropriation may not be used for the purchase of habitable residential structures, unless expressly approved in the work program. All conservation easements must be perpetual and have a natural resource management plan. Any land acquired in fee title by the commissioner of natural resources with money from this appropriation must be designated as an outdoor recreation unit under Minnesota Statutes, section 86A.07.

The commissioner may similarly designate any lands acquired in less than fee title. A list of proposed restorations and fee title and easement acquisitions must be provided as part of the required work program. An entity who acquires a conservation easement with appropriations from the trust fund must have a long-term stewardship plan for the easement and a fund established for monitoring and enforcing the agreement. Money appropriated from the trust fund for easement acquisition may be used to establish a monitoring, management, and enforcement fund as approved in the work program. An annual financial report is required for any monitoring, management, and enforcement fund established, including expenditures from the fund. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

(k) Natural and Scenic Area Acquisition Grants

\$500,000 the first year and \$500,000 the second year are from the trust fund to the commissioner of natural resources to provide matching grants to local governments for acquisition of natural and scenic areas, as provided in Minnesota Statutes, section 85.019, subdivision 4a. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

(l) Acceleration of Minnesota Conservation Assistance

\$313,000 the first year and \$312,000 the second year are from the trust fund to the Board of Water and Soil Resources to provide grants to soil and water conservation districts to provide technical assistance to secure enrollment and retention of private lands in federal and state programs for conservation.

(m) Conservation Easement Stewardship and Enforcement Program - Phase II

\$250,000 the first year and \$250,000 the second year are from the trust fund to the commissioner of natural resources to accelerate the implementation of the Phase I Conservation Easement Stewardship Plan being developed with an appropriation from Laws 2008, chapter 367, section 2, subdivision 5, paragraph (h).

(n) Recovery of At-Risk Native Prairie Species

\$73,000 the first year and \$74,000 the second year are from the trust fund to the Board of Water and Soil Resources for an agreement with the Martin County Soil and Water Conservation District to collect, propagate, and plant declining, at-risk native species on protected habitat and to enhance private market sources for local ecotype native seed. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

(o) Understanding Threats, Genetic Diversity, and Conservation Options for Wild Rice

\$97,000 the first year and \$98,000 the second year are from the trust fund to the Board of Regents of the University of Minnesota to research the genetic diversity of wild rice population throughout Minnesota for use in related conservation and restoration efforts. This appropriation is contingent upon demonstration of review and cooperation with the Native American tribal nations in Minnesota. Equipment purchased with this appropriation must be available for future publicly funded projects at no charge except for typical operating expenses. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

(p) Southeast Minnesota Stream Restoration

\$125,000 the first year and \$125,000 the

second year are from the trust fund to the commissioner of natural resources for an agreement with Trout Unlimited to restore at least four miles of riparian corridor for trout and nongame species in southeast Minnesota and increase local capacities to implement stream restoration through training and technical assistance. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

(q) Restoration Strategies for Ditched Peatland Scientific and Natural Areas

\$100,000 the first year and \$100,000 the second year are from the trust fund to the commissioner of natural resources to evaluate the hydrology and habitat of the Winter Road Lake peatland watershed protection area to determine the effects of ditch abandonment and examine the potential for restoration of patterned peatlands. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

(r) Northeast Minnesota White Cedar Plant Community Restoration

\$125,000 for the first year and \$125,000 the second year are from the trust fund to the Board of Water and Soil Resources to assess the decline of northern white cedar plant communities in northeast Minnesota, prioritize cedar sites for restoration, and provide cedar restoration training to local units of government.

(s) Land and Water Conservation Account (LAWCON) Federal Reimbursement

\$750,000 is from the state land and water conservation account (LAWCON) in the natural resources fund to the commissioner of natural resources for priorities established by the commissioner for eligible state projects and administrative and planning activities consistent with Minnesota Statutes, section

116P.14, and the federal Land and Water Conservation Fund Act. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

Sec. 2. Laws 2011, First Special Session chapter 2, article 3, section 2, subdivision 9, is amended to read:

		4,213,000
Subd. 9. Emerging Issues	4,522,000	<u>3,213,000</u>

(a) Minnesota Conservation Apprentice Academy

\$100,000 the first year and \$100,000 the second year are from the trust fund to the Board of Water and Soil Resources in cooperation with Conservation Corps Minnesota to train and mentor future conservation professionals by providing apprenticeship service opportunities to soil and water conservation districts. This appropriation is available until June 30, 2014, by which time the project must be completed and the final products delivered.

(b) Chronic Wasting Disease and Animal Health

\$600,000 the first year and \$600,000 the second year are from the trust fund to the commissioner of natural resources to address chronic wasting disease and accelerate wildlife health programs, including activities directly related to and necessary for this appropriation.

(c) Aquatic Invasive Species

\$2,177,000 the first year and ~~\$3,513,000~~ \$2,513,000 the second year are from the trust fund to the commissioner of natural resources to accelerate aquatic invasive species programs, including the development and implementation of best management practices for public water access facilities to implement aquatic invasive species prevention strategies, including activities directly related to and necessary for this

appropriation. \$50,000 is for a grant to develop and produce a documentary identifying the challenges presented by aquatic invasive species. The documentary shall be available to the Department of Natural Resources to distribute to watercraft license purchasers and the general public through online and other media.

(d) Reinvest in Minnesota Wetlands Reserve Acquisition and Restoration Program Partnership

\$1,645,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements and restore wetlands and associated upland habitat in cooperation with the United States Department of Agriculture Wetlands Reserve Program. A list of proposed land acquisitions must be provided as part of the required work program.

(e) Limitation

Appropriations in paragraphs (b) and (c) are not subject to Minnesota Statutes, sections 116P.05, subdivision 2, paragraph (b), and 116P.09, subdivision 4.

Sec. 3. AQUATIC INVASIVE SPECIES COOPERATIVE RESEARCH CENTER; APPROPRIATION.

\$2,000,000 is appropriated in fiscal year 2013 from the environment and natural resources trust fund to the Board of Regents of the University of Minnesota to develop and implement an Aquatic Invasive Species Cooperative Research Center, including equipment and facility development. As a condition of receiving this appropriation, the University of Minnesota is requested to collaborate with the commissioner of natural resources in developing solutions to control aquatic invasive species. Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for the purposes of this section. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for the purposes of this section. This is a onetime appropriation and is available until June 30, 2018.

ARTICLE 5

ARTS AND CULTURAL HERITAGE FUND

Section 1. Minnesota Statutes 2010, section 16B.98, subdivision 5, is amended to read:

Subd. 5. **Creation and validity of grant agreements.** (a) A grant agreement is not valid and

the state is not bound by the grant unless:

(1) the grant has been executed by the head of the agency or a delegate who is party to the grant;
~~and~~

(2) the accounting system shows an encumbrance for the amount of the grant in accordance with policy approved by the commissioner; and

(3) the grant agreement includes an effective date that references either section 16C.05, subdivision 2, or 16B.98, subdivisions 5 and 7, as determined by the granting agency.

(b) The combined grant agreement and amendments must not exceed five years without specific, written approval by the commissioner according to established policy, procedures, and standards, or unless the commissioner determines that a longer duration is in the best interest of the state.

(c) A fully executed copy of the grant agreement with all amendments and other required records relating to the grant must be kept on file at the granting agency for a time equal to that required of grantees in subdivision 8.

(d) Grant agreements must comply with policies established by the commissioner for minimum grant agreement standards and practices.

(e) The attorney general may periodically review and evaluate a sample of state agency grants to ensure compliance with applicable laws.

Sec. 2. Minnesota Statutes 2010, section 16B.98, subdivision 7, is amended to read:

Subd. 7. **Grant payments.** Payments to the grantee may not be issued until the grant agreement is fully executed. Encumbrances for grants issued by June 30 may be certified for a period of one year beyond the year in which the funds were originally appropriated as provided by section 16A.28, subdivision 6.

Sec. 3. Minnesota Statutes 2010, section 116U.26, is amended to read:

116U.26 FILM PRODUCTION JOBS PROGRAM.

(a) The film production jobs program is created. The program shall be operated by the Minnesota Film and TV Board with administrative oversight and control by the ~~director of Explore Minnesota Tourism~~ commissioner of administration. The program shall make payment to producers of feature films, national television or Internet programs, documentaries, music videos, and commercials that directly create new film jobs in Minnesota. To be eligible for a payment, a producer must submit documentation to the Minnesota Film and TV Board of expenditures for production costs incurred in Minnesota that are directly attributable to the production in Minnesota of a film product.

The Minnesota Film and TV Board shall make recommendations to the ~~director of Explore Minnesota Tourism~~ commissioner of administration about program payment, but the ~~director~~ commissioner has the authority to make the final determination on payments. The ~~director's~~ commissioner's determination must be based on proper documentation of eligible production costs submitted for payments. No more than five percent of the funds appropriated for the program in any year may be expended for administration.

(b) For the purposes of this section:

(1) "production costs" means the cost of the following:

(i) a story and scenario to be used for a film;

(ii) salaries of talent, management, and labor, including payments to personal services corporations for the services of a performing artist;

(iii) set construction and operations, wardrobe, accessories, and related services;

(iv) photography, sound synchronization, lighting, and related services;

(v) editing and related services;

(vi) rental of facilities and equipment; or

(vii) other direct costs of producing the film in accordance with generally accepted entertainment industry practice; and

(2) "film" means a feature film, television or Internet show, documentary, music video, or television commercial, whether on film, video, or digital media. Film does not include news, current events, public programming, or a program that includes weather or market reports; a talk show; a production with respect to a questionnaire or contest; a sports event or sports activity; a gala presentation or awards show; a finished production that solicits funds; or a production for which the production company is required under United States Code, title 18, section 2257, to maintain records with respect to a performer portrayed in a single-media or multimedia program.

(c) Notwithstanding any other law to the contrary, the Minnesota Film and TV Board may make reimbursements of: (1) up to 20 percent of film production costs for films that locate production outside the metropolitan area, as defined in section 473.121, subdivision 2, or that incur production costs in excess of \$5,000,000 in the metropolitan area within a 12-month period; or (2) up to 15 percent of film production costs for films that incur production costs of \$5,000,000 or less in the metropolitan area within a 12-month period.

Sec. 4. Laws 2011, First Special Session chapter 6, article 4, section 2, subdivision 5, is amended to read:

		12,050,000
Subd. 5. Minnesota Historical Society	12,050,000	<u>12,950,000</u>

These amounts are appropriated to the governing board of the Minnesota Historical Society to preserve and enhance access to Minnesota's history and its cultural and historical resources. Grant agreements entered into by the Minnesota Historical Society and other recipients of appropriations in this subdivision shall ensure that these funds are used to supplement and not substitute for traditional sources of funding. Funds directly appropriated to the Minnesota Historical Society shall be used to

supplement, and not substitute for, traditional sources of funding. Notwithstanding Minnesota Statutes, section 16A.28, for historic preservation projects that improve historic structures, the amounts are available until June 30, 2015.

Statewide Historic and Cultural Grants.

~~\$5,250,000~~ the first year and ~~\$5,250,000~~ \$5,450,000 the second year are for history programs and projects operated or conducted by or through local, county, regional, or other historical or cultural organizations; or for activities to preserve significant historic and cultural resources. Funds are to be distributed through a competitive grants process. The Minnesota Historical Society shall administer these funds using established grants mechanisms, with assistance from the advisory committee created under Laws 2009, chapter 172, article 4, section 2, subdivision 4, paragraph (b), item (ii).

Programs. ~~\$4,800,000~~ the first year and ~~\$4,800,000~~ \$5,200,000 the second year are for programs and purposes related to the historical and cultural heritage of the state of Minnesota, conducted by the Minnesota Historical Society.

History Partnerships. ~~\$1,500,000~~ the first year and ~~\$1,500,000~~ \$1,700,000 the second year are for partnerships involving multiple organizations, which may include the Minnesota Historical Society, to preserve and enhance access to Minnesota's history and cultural heritage in all regions of the state.

Statewide Survey of Historical and Archaeological Sites.

~~\$250,000~~ the first year and ~~\$250,000~~ the second year are for a contract or contracts to be let on a competitive basis to conduct statewide surveys of Minnesota's sites of historical, archaeological, and cultural significance. Results of this survey must be published in a searchable form, available to the public on

a cost-free basis. The Minnesota Historical Society, the Office of the State Archaeologist, and the Indian Affairs Council shall each appoint a representative to an oversight board to select contractors and direct the conduct of these surveys. The oversight board shall consult with the Departments of Transportation and Natural Resources.

Digital Library. \$250,000 the first year and \$250,000 the second year are for a digital library project to preserve, digitize, and share Minnesota images, documents, and historical materials. The Minnesota Historical Society shall cooperate with the Minitex interlibrary loan system and shall jointly share this appropriation for these purposes.

Commemoration Activities. \$100,000 the second year is for activities that commemorate the sesquicentennial of the American Civil War and the Dakota Conflict, as recommended by the Civil War Commemoration Task Force established in Executive Order 11-15 (2011).

Sec. 5. COMMEMORATION PROGRAMMING; APPROPRIATION.

\$80,000 is appropriated in fiscal year 2013 from the arts and cultural heritage fund to the commissioner of administration for grants to public broadcasting organizations to develop programming that commemorates the sesquicentennial. Of this appropriation, \$50,000 is for grants to the Minnesota Public Television Association and \$30,000 is for public radio grants.

Sec. 6. FILM PRODUCTION INCENTIVE PROGRAM; APPROPRIATION.

\$600,000 is appropriated in fiscal year 2013 from the arts and cultural heritage fund to the commissioner of administration for a grant to the Minnesota Film and TV Board for a new competitive film production incentive program. The Minnesota Film and TV Board in consultation with Independent Feature Project/Minnesota shall reimburse film producers for eligible production costs incurred to produce a film or documentary in Minnesota. Eligible production costs are expenditures incurred in Minnesota that are directly attributable to the production of a film or documentary in Minnesota. Eligible production costs include talent, management, labor, set construction and operation, wardrobe, sound synchronization, lighting, editing, rental facilities and equipment, and other direct costs of producing a film or documentary in accordance with generally accepted entertainment industry practices. A producer must agree, to the greatest extent possible, to procure all eligible production inputs in Minnesota. A producer must submit proper documentation of eligible production costs incurred. The commissioner of administration may use up to one percent of this appropriation for grant administration.

Sec. 7. HISTORICAL RULEMAKING WEB SITE; APPROPRIATION.

\$35,000 is appropriated in fiscal year 2013 from the arts and cultural heritage fund to the revisor of statutes to design and implement a Web site to provide the public searchable access to historical documents relating to state agency rulemaking. It is anticipated that the revisor of statutes will match this appropriation from carryforward funds and that the revisor will use the carryforward funds to design and implement a Web site that will provide the public searchable access to future state agency rulemaking documents.

Sec. 8. LEGACY FUNDING REQUIREMENTS APPLY.

All appropriations in this article are onetime and are subject to the requirements and availability provisions provided under Laws 2011, First Special Session chapter 6, articles 4 and 5. Each direct recipient of money appropriated in this article, as well as each recipient of a grant awarded pursuant to this article, must satisfy all reporting and other requirements incumbent upon legacy funding recipients as provided in Laws 2011, First Special Session chapter 6, articles 4 and 5.

ARTICLE 6

GENERAL

Section 1. Minnesota Statutes 2011 Supplement, section 3.303, subdivision 10, is amended to read:

Subd. 10. **Constitutionally dedicated funding accountability.** (a) The Legislative Coordinating Commission shall develop and maintain a user-friendly, public-oriented Web site that informs, educates, and demonstrates to the public how the constitutionally dedicated funds in the arts and cultural heritage fund, outdoor heritage fund, clean water fund, parks and trails fund, and environment and natural resources trust fund are being expended to meet the requirements established for each fund in the state constitution. Information provided on the Web site must include, but is not limited to:

(1) information on all project proposals received by the Outdoor Heritage Council and the Legislative-Citizen Commission on Minnesota Resources;

(2) information on all projects receiving funding, including:

(i) the name of the project and a project description;

(ii) the name, telephone number, members of the board or equivalent governing body, and e-mail address of the funding recipient and, when applicable, the Web site address where the public can directly access detailed information on the recipient's receipt and use of money for the project;

(iii) the amount and source of funding, including the fiscal year of the appropriation;

(iv) the amount and source of any additional funding or leverage;

(v) the duration of the project;

(vi) the number of full-time equivalents funded under the project. For the purposes of this item, "full-time equivalent" means a position directly attributed to the receipt of money from one or more of the funds covered under this section, calculated as the total number of hours planned for the position divided by 2,088;

- (vii) the direct expenses and administration costs of the project;
 - (viii) proposed measurable outcomes and the plan for measuring and evaluating the results;
 - (ix) for pass-through, noncompetitive grants, the entity acting as the fiscal agent or administering agency and a point of contact for additional information; and
 - (x) for competitive grants, the name and a brief description of the qualifications of all board members or members of an equivalent governing body ultimately responsible for awarding the grants, as well as any grant-making advisory group. In addition, an entity that awards competitive grants, including but not limited to a state agency or any statewide, regional, or local organization, must report whether an employee, decision maker, advisory group member, or other person involved in the grant process disclosed a conflict of interest or potential conflict of interest. If the entity reports that a conflict of interest or potential conflict of interest was disclosed, the entity must provide the Legislative Coordinating Commission with a contact person for additional information and the Legislative Coordinating Commission must post this information on the Web site. An entity that awards competitive grants must obtain and apply the conflict of interest policies developed by the commissioner of administration under section 16B.98, subdivision 3, unless the entity maintains and applies its own documented conflict of interest policies which are substantially similar to the commissioner of administration's policies;
- (3) actual measured outcomes and evaluation of projects as required under sections 85.53, subdivision 2; 114D.50, subdivision 4; and 129D.17, subdivision 2;
 - (4) education about the areas and issues the projects address, including, when feasible, maps of where projects have been undertaken;
 - (5) all frameworks developed for future uses of each fund; and
 - (6) methods by which members of the public may apply for project funds under any of the constitutionally dedicated funds.

Information that could be used to identify, contact, or locate an individual minor shall be withheld from the information required for the Web site.

(b) As soon as practicable or by January 15 of the applicable fiscal year, whichever comes first, a state agency or other recipient of a direct appropriation from a fund covered under this section shall submit the information required under paragraph (a) and, when applicable, compile and submit the same information for any grant recipient or other subrecipient of funding. All information for proposed and funded projects, including the proposed measurable outcomes, must be made available on the Web site as soon as practicable. Information on the measured outcomes and evaluation must be posted as soon as it becomes available. The costs of these activities shall be paid out of the arts and cultural heritage fund, outdoor heritage fund, clean water fund, parks and trails fund, and the environment and natural resources trust fund proportionately. For purposes of this section, "measurable outcomes" means outcomes, indicators, or other performance measures that may be quantified or otherwise measured in order to measure the effectiveness of a project or program in meeting its intended goal or purpose.

(c) The Legislative Coordinating Commission shall be responsible for receiving all ten-year plans and 25-year frameworks for each of the constitutionally dedicated funds. To the extent practicable, staff for the commission shall provide assistance and oversight to these planning

efforts and shall coordinate public access to hearings and public meetings for all planning efforts."

Delete the title and insert:

"A bill for an act relating to natural resources; appropriating money from the outdoor heritage fund, clean water fund, arts and cultural heritage fund, and environment and natural resources trust fund; modifying requirements for outdoor heritage fund appropriations; appropriating money for an Aquatic Invasive Species Cooperative Research Center; modifying prior appropriations; modifying certain parks and trails grant program provisions; 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; 85.535, subdivision 3; 97A.056, by adding subdivisions; 116U.26; Minnesota Statutes 2011 Supplement, sections 3.303, subdivision 10; 114D.30, subdivision 4; Laws 2009, chapter 172, article 2, section 4, as amended; article 3, section 3; Laws 2011, First Special Session chapter 2, article 3, section 2, subdivisions 4, 9; Laws 2011, First Special Session chapter 6, article 2, section 7; article 4, section 2, subdivision 5."

We request the adoption of this report and repassage of the bill.

Senate Conferees: Bill G. Ingebrigtsen, John J. Carlson, Tom Saxhaug

House Conferees: Dean Urdahl, Denny McNamara, Leon Lillie

Senator Ingebrigtsen moved that the foregoing recommendations and Conference Committee Report on S.F. No. 2493 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 2493 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 61 and nays 4, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Gerlach	Hann	Limmer	Thompson
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So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Executive and Official Communications.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

April 26, 2012

The Honorable Michelle L. Fischbach
President of the Senate

Dear Madam President:

I have vetoed and am returning Chapter 233, Senate File 1921, a bill, which would impose licensure requirements only upon facilities performing abortions.

This bill would impose extensive new licensure requirements on clinics which perform 10 or more abortions per month. The bill is vague in its definition of potential licensure violations, including penalties for undefined "conduct or practices detrimental to the welfare of the patient." Such language could permit complaints to be filed against health care providers for almost any reason.

The legislation applies the existing rules for outpatient surgical centers to those targeted clinics. The Minnesota Department of Health (MDH) has informed me that this method of licensure is inappropriate and unworkable. Clinics are very different from surgical centers. For example, outpatient surgical center rules call for specific physical plant requirements unrelated to the safety or protection of patients in a clinical setting. Additionally, under surgery center rules, those clinics would be prevented from offering other services such as primary and preventive care.

According to MDH, there are approximately 1,250 clinics in Minnesota. Despite clinics not needing a specific state license to operate, they are already subjected to significant oversight. Nurses and physicians are licensed under their respective health licensing boards which enforce the standards of practice; the federal CLIA sets requirements for laboratories; OSHA requirements must be met, as must local building codes enforcing life safety and fire safety; and health insurers inspect clinic providers. Further, the six abortion clinics in Minnesota affected by the legislation are members of the National Abortion Federation which sets clinical policy standards for performing abortions and inspects every member about every five years for the following standards: infection control, sonography, analgesia and sedation, antibiotics use, complications, and emergencies. A lack of oversight of clinics that provide abortions is not an issue.

The justification for this bill was questioned repeatedly throughout the legislative process. The bill's supporters cited the lack of statutory authority for MDH to regulate or license clinics as need for the legislation. However, MDH firmly believes that there is sufficient oversight of clinics by entities other than MDH to protect the health and safety of Minnesotans in them. There is no evidence of poor quality or unsafe procedures being performed in Minnesota clinics.

Additionally, the legislation targets only facilities which provide abortions. If regulation of clinics were the concern, the bill should have required licensure of all clinics, not just a select few. If the Legislature wants to create a new regulatory scheme for health care clinics, then all clinics should be treated equally. No clinic or procedure should be the focus of special and unique regulatory requirements.

Finally, the bill included a Constitutional Severability Clause, which suggests that the authors feared the bill would violate the United States Supreme Court's rulings on women's constitutional right to privacy under the 14th Amendment of the United States Constitution. I share those concerns and consider it yet another reason for my veto.

Sincerely,
Mark Dayton, Governor

Senator Senjem moved that S.F. No. 1921 and the veto message thereon be laid on the table. The motion prevailed.

MEMBERS EXCUSED

Senator Reinert was excused from the Session of today. Senator Lillie was excused from the Session of today from 1:00 to 1:40 p.m. Senator Thompson was excused from the Session of today from 1:00 to 1:40 p.m. and from 2:15 to 2:20 p.m. Senator Bakk was excused from the Session of today from 1:00 to 3:30 p.m. Senator Sheran was excused from the Session of today from 1:30 to 1:50 p.m. Senators Ortman and Senjem were excused from the Session of today from 2:00 to 3:40 p.m. Senator Miller was excused from the Session of today from 3:00 to 3:20 p.m. Senator Langseth was excused from the Session of today at 3:55 p.m.

ADJOURNMENT

Senator Senjem moved that the Senate do now adjourn until 1:00 p.m., Friday, April 27, 2012. The motion prevailed.

Cal R. Ludeman, Secretary of the Senate

