

SEVENTY-SIXTH DAY

St. Paul, Minnesota, Wednesday, March 26, 2014

The Senate met at 11:00 a.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Dr. David Bard.

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:

Anderson	Eaton	Johnson	Osmek	Sheran
Bakk	Eken	Kent	Pappas	Sieben
Benson	Franzen	Kiffmeyer	Pederson, J.	Skoe
Bonoff	Gazelka	Koenen	Petersen, B.	Sparks
Brown	Goodwin	Limmer	Pratt	Stumpf
Carlson	Hall	Lourey	Reinert	Thompson
Champion	Hann	Marty	Rest	Tomassoni
Clausen	Hawj	Metzen	Rosen	Torres Ray
Cohen	Hayden	Miller	Ruud	Weber
Dahle	Hoffman	Nelson	Saxhaug	Wiger
Dahms	Housley	Newman	Scalze	Wiklund
Dibble	Ingebrigtsen	Nienow	Schmit	
Dziedzic	Jensen	Ortman	Senjem	

The President declared a quorum present.

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

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

March 20, 2014

The Honorable Sandra L. Pappas
President of the Senate

Dear Senator Pappas:

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

BOARD OF WATER AND SOIL RESOURCES
CHAIR

Brian Napstad, 51227 Long Point Pl., McGregor, in the county of Aitkin, effective March 28, 2014, for a term expiring on January 5, 2015.

(Referred to the Committee on Environment and Energy.)

March 21, 2014

The Honorable Sandra L. Pappas
President of the Senate

Dear Senator Pappas:

The enclosed Notaries Public for 2013 are hereby respectfully submitted to the Senate for confirmation as required by Article V, Section 3 of the Minnesota Constitution.

Sincerely,
Mark Dayton, Governor

Senator Bakk moved that the Notaries Public be laid on the table. The motion prevailed.

March 21, 2014

The Honorable Paul Thissen
Speaker of the House of Representatives

The Honorable Sandra L. Pappas
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2014 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2014	Date Filed 2014
	1777	150	5:58 p.m. March 21	March 21

Sincerely,
Mark Ritchie
Secretary of State

March 25, 2014

The Honorable Paul Thissen
Speaker of the House of Representatives

The Honorable Sandra L. Pappas
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2014 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2014	Date Filed 2014
	1455	148	1:25 p.m. March 25	March 25
	2647	149	1:25 p.m. March 25	March 25

Sincerely,
Mark Ritchie
Secretary of State

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. 1952.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned March 24, 2014

Madam President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 655, 2091 and 2385.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted March 24, 2014

FIRST READING OF HOUSE BILLS

The following bills were read the first time.

H.F. No. 655: A bill for an act relating to energy; regulating the routing process for high-voltage transmission lines; prohibiting the designation of a preferred route in the permitting process; amending Minnesota Statutes 2012, section 216E.03, subdivision 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 455, now on General Orders.

H.F. No. 2091: A bill for an act relating to state employees; expanding the use of the vacation donation to sick leave account; amending Minnesota Statutes 2012, section 43A.1815.

Referred to the Committee on Finance.

H.F. No. 2385: A bill for an act relating to civil actions; adjusting certain time limits relating to the certification of expert review because of recent amendments to the Minnesota Rules of Civil Procedure; amending Minnesota Statutes 2012, sections 145.682, subdivisions 2, 4; 544.42, subdivisions 2, 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2044, now on General Orders.

REPORTS OF COMMITTEES

Senator Bakk moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 2027, 1738, 2637 and 2753. The motion prevailed.

Senator Latz from the Committee on Judiciary, to which was re-referred

S.F. No. 2372: A bill for an act relating to insurance; modifying certain regulations to reduce the incidence of insurance fraud; providing an administrative penalty for insurance fraud; creating a process for deauthorization of the right of health care providers to receive certain payments under chapter 65B; limiting reimbursement for certain prescription drugs; regulating batch billing; modifying certain economic benefits under chapter 65B; establishing a task force on motor vehicle insurance coverage verification; amending Minnesota Statutes 2012, sections 13.7191, subdivision 16; 13.82, subdivision 6; 60A.952, subdivision 3; 65B.44, subdivisions 2, 3, 4, 6, by adding a subdivision; 72A.502, subdivision 2; Minnesota Statutes 2013 Supplement, section 45.0135, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 45; repealing Minnesota Statutes 2012, section 72A.327.

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

Page 1, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 2012, section 13.82, subdivision 6, is amended to read:

Subd. 6. **Response or incident data.** (a) Subject to paragraph (b), the following data created or collected by law enforcement agencies which document the agency's response to a request for service including, but not limited to, responses to traffic accidents, or which describe actions taken by the agency on its own initiative shall be public government data:

(a) (1) date, time and place of the action;

(b) (2) agencies, units of agencies and individual agency personnel participating in the action unless the identities of agency personnel qualify for protection under subdivision 17;

(c) (3) any resistance encountered by the agency;

(d) (4) any pursuit engaged in by the agency;

(e) (5) whether any weapons were used by the agency or other individuals;

(f) (6) a brief factual reconstruction of events associated with the action;

(g) (7) names and addresses of witnesses to the agency action or the incident unless the identity of any witness qualifies for protection under subdivision 17;

~~(h)~~ (8) names and addresses of any victims or casualties unless the identities of those individuals qualify for protection under subdivision 17;

~~(i)~~ (9) the name and location of the health care facility to which victims or casualties were taken;

~~(j)~~ (10) response or incident report number;

~~(k)~~ (11) dates of birth of the parties involved in a traffic accident;

~~(h)~~ (12) whether the parties involved were wearing seat belts; and

~~(m)~~ (13) the alcohol concentration of each driver.

(b) Response or incident data under paragraph (a) that are contained in a traffic accident report filed under section 169.09 are not public data until 90 days after the accident report is filed with the commissioner of public safety."

Page 2, delete section 3

Page 3, line 5, delete everything after "[45.0137]" and insert "LICENSING AUTHORITY PENALTIES."

Page 3, delete line 6

Page 3, after line 15, insert:

"Subd. 2. **Authority to impose penalties.** An appropriate licensing authority upon finding, after investigation as provided in subdivision 5, or referral by the commissioner, that the provider engaged in activities set forth in subdivision 4 may, by order:

(1) remove authorization for a provider of medical services to demand or request payment under chapter 65B for medical services;

(2) impose an administrative penalty against a provider of medical services not exceeding \$25,000 per incident and not more than double the economic benefit derived by the provider of medical services in engaging in the prohibited activities set forth in subdivision 4; or

(3) order restitution by the provider of medical services of any proceeds received by the provider of medical services in engaging in the prohibited activities set forth in subdivision 4.

Subd. 3. **Factors to consider in imposing penalties.** (a) In determining the penalties imposed under subdivision 2, the licensing authority must consider:

(1) the nature, circumstances, extent, gravity, and number of violations;

(2) the degree of culpability of the violator;

(3) prior offenses and repeated violations of the violator; and

(4) any other matter that the licensing authority considers appropriate and relevant.

(b) If an administrative penalty is not paid after all rights of appeal have been waived or exhausted, the licensing authority may bring a civil action in a court of competent jurisdiction to collect the administrative penalty, including expenses and litigation costs, reasonable attorney fees, and interest.

(c) This section does not affect the right to take any independent action to seek recovery against a person who violates this section."

Page 3, line 16, delete "Deauthorization of providers." and insert "Prohibited activities." and delete "An appropriate licensing authority may,"

Page 3, delete lines 17 and 18

Page 3, delete line 19 and insert "A provider is subject to the penalties set forth in subdivision 2 if the provider:"

Page 3, line 25, delete everything after "(3)" and insert "has violated section 65B.54, subdivision 6,"

Page 3, delete lines 26 and 27

Page 4, line 13, delete "commissioner" and insert "appropriate licensing authority" and delete "department's" and insert "appropriate licensing authority's"

Page 4, after line 25, insert:

"Sec. 5. [65A.285] SURCHARGE PROHIBITION.

Subdivision 1. Surcharge prohibition. An insurer may not impose a surcharge on homeowners insurance solely as a result of a consumer inquiry.

Subd. 2. Definitions. For purposes of this section:

(1) "consumer inquiry" means a telephone call or other communication made to an insurer that does not result in a paid claim and that is in regard to the general terms or conditions of or coverage offered under an insurance policy. The term includes a question concerning the process for filing a claim and whether a policy will cover a loss; and

(2) "surcharge" means an increase in premium for a policy, including the removal of a claim-free discount."

Page 5, line 1, delete "or Redbook" and insert ", Redbook, or Gold Standard Drug Database,"

Renumber the subdivisions and sections in sequence and correct the internal references

Amend the title numbers accordingly

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

Senator Latz from the Committee on Judiciary, to which was re-referred

S.F. No. 2252: A bill for an act relating to public safety; pupil transportation; requiring seat belt cutters in type III vehicles; requiring school bus drivers to conduct post-trip inspections; modifying reporting and cancellation requirements for bus endorsements; providing for criminal penalties; amending Minnesota Statutes 2012, sections 169.443, subdivision 7, by adding a subdivision; 169.451, subdivision 4, by adding a subdivision; 169.454, by adding a subdivision; 169.4582, by adding a subdivision; 171.02, subdivision 2b; 171.3215, subdivisions 1, 2.

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

Page 1, line 11, delete "paragraph (b),"

Page 1, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 2012, section 169.443, is amended by adding a subdivision to read:

Subd. 10. **Post-trip inspection.** (a) As used in this subdivision, "immediate vicinity" means within 50 feet of the school bus and within a direct, unobstructed line of sight.

(b) Within ten minutes following completion of each trip and before leaving the immediate vicinity, each driver shall complete an interior post-trip inspection of the bus to ensure no student or students are left unattended. A violation of this section is a petty misdemeanor.

(c) If the court determines that a violation of paragraph (b) resulted in a child being left unattended in a school bus, the court shall ensure that section 631.40, subdivision 1a, is complied with."

Page 2, line 16, after "any" insert "known"

Page 2, line 17, delete everything after the first period and insert "Section 169.89, subdivision 1, does not apply to a violation of this subdivision."

Page 5, line 8, delete "paragraph (b)" and insert "if, as a result, a child is left unattended in the school bus"

Page 6, line 8, delete "paragraph (b)," and insert "that results in a child being left unattended in the school bus"

Page 6, after line 13, insert:

"Sec. 10. Minnesota Statutes 2012, section 631.40, subdivision 1a, is amended to read:

Subd. 1a. Certified copy of disqualifying offense convictions sent to public safety and school districts. When a person is convicted of committing a disqualifying offense, as defined in section 171.3215, subdivision 1, a gross misdemeanor, a fourth moving violation within the previous three years, a violation of section 169.443, subdivision 10, that results in a child being left unattended in a school bus, or a violation of section 169A.20, or a similar statute or ordinance from another state, the court shall determine whether the offender is a school bus driver as defined in section 171.3215, subdivision 1, whether the offender possesses a school bus driver's endorsement on the offender's driver's license and in what school districts the offender drives a school bus. If the offender is a school bus driver or possesses a school bus driver's endorsement, the court administrator shall send a certified copy of the conviction to the Department of Public Safety and to the school districts in which the offender drives a school bus within ten days after the conviction."

Amend the title numbers accordingly

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

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

S.F. No. 2712: A bill for an act relating to crime; clarifying the crime of failure to pay court-ordered child support; amending Minnesota Statutes 2012, section 609.375, subdivisions 1, 7, 8.

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

Page 1, line 7, delete "child" and reinstate "to a spouse or child"

Page 1, lines 17 and 18, delete "court-ordered" and strike "child" and before "support" insert "court-ordered"

Page 2, line 4, delete "child"

Amend the title as follows:

Page 1, line 2, delete "child"

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

Senator Latz from the Committee on Judiciary, to which was re-referred

S.F. No. 1821: A bill for an act relating to education; modifying provisions requiring sharing of data relating to acts of violence or sexual contact with a student by school personnel; amending Minnesota Statutes 2012, section 13.43, subdivision 16.

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

Page 1, line 16, after "pending" insert "and the allegations involved acts of sexual contact with a student"

Page 1, after line 16, insert:

"Data that are released under this subdivision must not include data on the student."

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

Senator Latz from the Committee on Judiciary, to which was re-referred

S.F. No. 2068: A bill for an act relating to higher education; regulating certain animal research; proposing coding for new law in Minnesota Statutes, chapter 136A.

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

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

S.F. No. 2009: A bill for an act relating to judiciary; modifying filing of petition for relief from conviction; eliminating reimbursement report by Board of Public Defenders; modifying notice to offender for restitution; amending Minnesota Statutes 2012, sections 590.02, subdivision 3; 611.20, subdivision 3; 611A.045, subdivision 3.

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

Page 1, line 10, after "attorney" insert "with proof of service on the attorney general and county attorney"

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

Senator Latz from the Committee on Judiciary, to which was re-referred

S.F. No. 1964: A bill for an act relating to telecommunications; consumer protection; establishing requirements for acquisition and resale of wireless communications devices; providing for criminal penalties; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

Page 1, line 15, after "provider" insert "or retailer who is not primarily engaged in purchasing personal property of any type from a person who is not a wholesaler,"

Page 1, line 17, before the period, insert "or retailer"

Page 5, line 5, before "CMRS" insert ": (1)" and before the period, insert "; or (2) retailer whose trade-in program: (i) reports records to the Minnesota Automated Property System in an interchange file specification format maintained by the system; (ii) reports to other national or regional transaction reporting database available to law enforcement; or (iii) reports as required by local ordinance"

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

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

S.F. No. 2538: A bill for an act relating to liens; regulating liens on personal property; providing for the sale of a motor vehicle held by a licensed dealer; amending Minnesota Statutes 2012, section 514.21.

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

Page 2, line 3, before "If" insert "(a)"

Page 2, line 8, before "At" insert "(b)"

Page 2, line 13, delete everything after the period

Page 2, delete lines 14 and 15

Page 2, line 16, before the first "The" insert "(c)"

Page 2, after line 19, insert:

"(d) A dealer who sells a vehicle under this subdivision waives any further claim against the owner for any deficiency or other charges secured by the lien."

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

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

S.F. No. 2672: A bill for an act relating to public safety; appropriating funds from the fire safety account; authorizing the fire service advisory committee to continue indefinitely; amending Minnesota Statutes 2012, section 299F.012, subdivisions 1, 2.

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

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

S.F. No. 2546: A bill for an act relating to public safety; modifying and clarifying predatory offender registration requirements; clarifying sentence for crime of criminal sexual conduct in the third degree; amending Minnesota Statutes 2012, section 609.344, subdivisions 1, 2; Minnesota Statutes 2013 Supplement, section 243.166, subdivisions 1b, 3a, 4, 6.

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

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 2013 Supplement, section 243.166, subdivision 1b, is amended to read:

Subd. 1b. **Registration required.** (a) A person shall register under this section if:

(1) the person was charged with or petitioned for a felony violation of or attempt to violate, or aiding, abetting, or conspiracy to commit, any of the following, and convicted of or adjudicated delinquent for that offense or another offense arising out of the same set of circumstances:

(i) murder under section 609.185, paragraph (a), clause (2);

(ii) kidnapping under section 609.25;

(iii) criminal sexual conduct under section 609.342; 609.343; 609.344; 609.345; 609.3451, subdivision 3; or 609.3453; or

(iv) indecent exposure under section 617.23, subdivision 3;

(2) the person was charged with or petitioned for a violation of, or attempt to violate, or aiding, abetting, or conspiring to commit criminal abuse in violation of section 609.2325, subdivision 1, paragraph (b); false imprisonment in violation of section 609.255, subdivision 2; ~~soliciting a minor to engage in prostitution in solicitation, inducement, or promotion of the prostitution of a minor or engaging in the sex trafficking of a minor in violation of section 609.322 or a prostitution offense involving a minor under the age of 13 years in violation of section 609.324, subdivision 1, paragraph (a); soliciting a minor to engage in sexual conduct in violation of section 609.352, subdivision 1 or 2a, clause (1); using a minor in a sexual performance in violation of section 617.246; or possessing pornographic work involving a minor in violation of section 617.247, and convicted of or adjudicated delinquent for that offense or another offense arising out of the same set of circumstances;~~

(3) the person was sentenced as a patterned sex offender under section 609.3455, subdivision 3a; or

(4) the person was ~~convicted of or adjudicated delinquent~~ charged with or petitioned for, including pursuant to a court martial, violating a law of the United States, including the Uniform Code of Military Justice, similar to the offenses described in clause (1), (2), or (3), and convicted of or adjudicated delinquent for that offense or another offense arising out of the same set of circumstances.

(b) A person also shall register under this section if:

(1) the person was ~~convicted of or adjudicated delinquent in another state~~ charged with or petitioned for an offense in another state that would be a violation of a law described in paragraph (a) if committed in this state and convicted of or adjudicated delinquent for that offense or another offense arising out of the same set of circumstances;

(2) the person enters this state to reside, work, or attend school, or enters this state and remains for 14 days or longer; and

(3) ten years have not elapsed since the person was released from confinement or, if the person was not confined, since the person was convicted of or adjudicated delinquent for the offense that

triggers registration, unless the person is subject to a longer registration period under the laws of another state in which the person has been convicted or adjudicated, or is subject to lifetime registration.

If a person described in this paragraph is subject to a longer registration period in another state or is subject to lifetime registration, the person shall register for that time period regardless of when the person was released from confinement, convicted, or adjudicated delinquent.

(c) A person also shall register under this section if the person was committed pursuant to a court commitment order under Minnesota Statutes 2012, section 253B.185, chapter 253D or, Minnesota Statutes 1992, section 526.10, or a similar law of another state or the United States, regardless of whether the person was convicted of any offense.

(d) A person also shall register under this section if:

(1) the person was charged with or petitioned for a felony violation or attempt to violate any of the offenses listed in paragraph (a), clause (1), or a similar law of another state or the United States, or the person was charged with or petitioned for a violation of any of the offenses listed in paragraph (a), clause (2), or a similar law of another state or the United States;

(2) the person was found not guilty by reason of mental illness or mental deficiency after a trial for that offense, or found guilty but mentally ill after a trial for that offense, in states with a guilty but mentally ill verdict; and

(3) the person was committed pursuant to a court commitment order under section 253B.18 or a similar law of another state or the United States.

EFFECTIVE DATE. Paragraphs (a) and (b) are effective August 1, 2014, and apply to crimes committed on or after that date."

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

Senator Latz from the Committee on Judiciary, to which was re-referred

S.F. No. 2275: A bill for an act relating to public safety; traffic regulations; authorizing local units of government to establish educational diversion programs for certain traffic offenses; requiring the development of uniform best practices for the programs; classifying data; amending Minnesota Statutes 2012, sections 6.74; 13.6905, by adding a subdivision; 169.022; proposing coding for new law in Minnesota Statutes, chapter 169.

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

Page 2, line 3, delete "10" and insert "12"

Page 3, line 22, delete "3" and insert "4"

Page 4, line 12, delete everything after "program" and insert a period

Page 4, delete line 13

Page 4, line 25, delete "person has" and insert "driving record of the person includes"

Page 4, line 27, before "The" insert "(a)"

Page 4, line 32, after "them," insert "annually and"

Page 4, after line 33, insert:

"(b) Before beginning a diversion program, each participant shall sign an attestation declaring that the participant has not participated in a traffic offense educational diversion program in this state within the previous 36 months. It is a misdemeanor to make a false statement in the attestation. The program administrator shall retain the attestation for a minimum of 36 months and make signed attestation forms available, on request, to similar programs in the state for the purpose of determining eligibility."

Page 5, line 14, delete everything after "individuals" and insert "as defined in section 13.02, subdivision 12."

Page 5, delete lines 15 to 17

Page 5, line 20, before "2," insert "1,"

And when so amended the bill be re-referred to the Committee on Finance without recommendation. Amendments adopted. Report adopted.

Senator Latz from the Committee on Judiciary, to which was re-referred

S.F. No. 1835: A bill for an act relating to insurance; amending provisions relating to health coverage for school district employees; amending Minnesota Statutes 2012, sections 43A.316, subdivision 10, by adding a subdivision; 123A.21, subdivisions 5, 6; 123B.09, subdivision 12; 123B.75, by adding a subdivision; 471.6161, subdivisions 1, 2, 3, by adding a subdivision; 471.895, subdivision 1; Minnesota Statutes 2013 Supplement, section 124D.10, subdivisions 4a, 11, 21.

Reports the same back with the recommendation that the bill be reported to the Senate without recommendation. Report adopted.

Senator Latz from the Committee on Judiciary, to which was re-referred

S.F. No. 2402: A bill for an act relating to campaign finance; making various technical changes; authorizing the board to request reconciliation information; authorizing certain fees; authorizing the board to establish a system to store electronic records online; modifying certain definitions and fee amounts; imposing penalties; providing board procedures; amending complaint threshold; requiring rulemaking; amending Minnesota Statutes 2012, sections 10A.01, subdivision 5; 10A.02, subdivisions 5, 8, 11a, by adding a subdivision; 10A.025, by adding a subdivision; 10A.09, subdivisions 1, 5, by adding a subdivision; 10A.12, subdivision 5; 10A.255, subdivision 3; 10A.28, subdivision 4; 13.607, subdivision 5a; 211A.02, subdivision 2; Minnesota Statutes 2013 Supplement, sections 10A.01, subdivision 10; 10A.02, subdivisions 10, 11; 10A.025, subdivision 4; 10A.20, subdivisions 2, 5; repealing Minnesota Statutes 2012, section 10A.09, subdivision 8.

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

Page 4, delete section 6 and insert:

"Sec. 6. Minnesota Statutes 2013 Supplement, section 10A.02, subdivision 11, is amended to read:

Subd. 11. **Violations; enforcement.** (a) The board may investigate any alleged violation of this chapter. The board may also investigate an alleged violation of section 211B.04, 211B.12, or 211B.15 by or related to a candidate, treasurer, principal campaign committee, political committee,

political fund, or party unit, as those terms are defined in this chapter. ~~The board must investigate any violation that is alleged in a written complaint filed with the board and must~~ Upon receipt of a written complaint filed with the board, the board shall immediately provide a copy of the complaint to the person who is the subject of the complaint and notify the subject that the subject may submit a written response within 15 days of receipt of the complaint. The board shall make findings and conclusions as to whether the complaint alleges a prima facie violation, within 30 days after the filing of the complaint ~~make findings and conclusions as to whether a violation has occurred.~~ If the board finds that the complaint alleges a prima facie violation, the board shall make findings and conclusions as to whether probable cause exists to believe the alleged violation has occurred within 45 days of the prima facie determination. Any party filing a complaint and any party against whom a complaint is filed must be given an opportunity to be heard by the board prior to the board's determination as to whether probable cause exists to believe a violation has occurred. Upon a determination by the board that probable cause exists to believe a violation has occurred, the board must undertake an investigation under subdivision 10 and must issue an order at the conclusion of the investigation, except that if the complaint alleges a violation of section 10A.25 or 10A.27, the board must either enter a conciliation agreement or make public findings and conclusions as to whether a violation has occurred and must issue an order within 60 days after the filing of the complaint. The deadline for action on a written complaint may be extended by majority vote of the board.

(b) The board may bring legal actions or negotiate settlements in its own name to recover money raised from contributions subject to the conditions in this paragraph.

(1) No action may be commenced unless the board has made a formal determination, after an investigation, that the money was raised for political purposes as defined in section 211B.01, subdivision 6, and that the money was used for purposes not permitted under this chapter or under section 211B.12.

(2) Prior to commencing an action, the board must give the association whose money was misused written notice by certified mail of its intent to take action under this subdivision and must give the association a reasonable opportunity, for a period of not less than 90 days, to recover the money without board intervention. This period must be extended for at least an additional 90 days for good cause if the association is actively pursuing recovery of the money. The board may not commence a legal action under this subdivision if the association has commenced a legal action for the recovery of the same money.

(3) Any funds recovered under this subdivision must be deposited in a campaign finance recovery account in the special revenue fund and are appropriated as follows:

(i) an amount equal to the board's actual costs and disbursements in the action, including court reporter fees for depositions taken in the course of an investigation, is appropriated to the board for its operations;

(ii) an amount equal to the reasonable value of legal services provided by the Office of the Attorney General in the recovery matter, calculated on the same basis as is used for charging legal fees to state agencies, is appropriated to the attorney general for the attorney general's operations; and

(iii) any remaining balance is appropriated to the board for distribution to the association to which the money was originally contributed.

(4) Notwithstanding clause (3), item (iii), if the candidate of a principal campaign committee is the person who used the association's money for illegal purposes, or if the association or political fund whose money was misused is no longer registered with the board, any money remaining after the payments specified in clause (3), items (i) and (ii), must be transferred to the general account of the state elections campaign account.

(5) Any action by the board under this paragraph must be commenced not later than four years after the improper use of money is shown on a report filed with the board or the board has actual knowledge of improper use. No action may be commenced under this paragraph for improper uses disclosed on reports for calendar years prior to 2011.

(6) If the board prevails in an action brought under this subdivision and the court makes a finding that the misuse of funds was willful, the court may enter judgment in favor of the board and against the person misusing the funds in the amount of the misused funds.

(c) Within a reasonable time after beginning an investigation of an individual or association, other than an investigation based on a complaint and conducted under paragraph (a), the board must notify the individual or association of the fact of the investigation. The board must not make a finding of whether there is probable cause to believe a violation has occurred findings and conclusions or issue an order without notifying the individual or association of the nature of the allegations and affording an opportunity to appear before the board at a hearing to determine whether probable cause exists to believe a violation has occurred. In any action on a complaint or investigation, each person about whom the complaint was filed or the investigation was initiated must be afforded an opportunity to answer those the allegations of the complaint or investigation and to appear before the board issues its final determination in the matter. This right to appear is in addition to the right to appear at a probable cause hearing.

(d) A hearing or action of the board concerning a complaint or investigation ~~other than a finding concerning probable cause or~~ is confidential, including any appearance before the board by a complainant or by a party against whom a complaint is filed. The board's initial determination as to whether probable cause exists to believe a violation has occurred, or a conciliation agreement is confidential, and findings, conclusions, and orders following the completion of an investigation are public data. Until the board makes a public finding concerning concluding that probable cause does not exist to believe a violation has occurred, or issues findings, conclusions, and an order at the conclusion of an investigation under subdivision 10, or enters a conciliation agreement:

(1) a member, employee, or agent of the board must not disclose to an individual information obtained by that member, employee, or agent concerning a complaint or investigation except as required to carry out the investigation or take action in the matter as authorized by this chapter; and

(2) an individual who discloses information contrary to this subdivision is subject to a civil penalty imposed by the board of up to \$1,000.

(e) A matter that is under the board's jurisdiction pursuant to this section and that may result in a criminal offense must be finally disposed of by the board before the alleged violation may be prosecuted by a city or county attorney."

Amend the title numbers accordingly

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

Senator Metzen from the Committee on Commerce, to which was re-referred

S.F. No. 2192: A bill for an act relating to environment; prohibiting and regulating certain lead and mercury products; amending Minnesota Statutes 2012, sections 115A.932, subdivision 1; 116.92, subdivisions 4, 5, 6, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 116.

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

Page 5, after line 7, insert:

"Subd. 7. **Educational materials; outreach.** Prior to the effective date of this section, the agency shall produce and distribute educational materials on the prohibitions required under this section to businesses subject to the prohibitions and shall conduct additional outreach and education activities to those businesses."

Page 5, line 8, delete "2015" and insert "2016"

Page 5, after line 8, insert:

"Sec. 7. Minnesota Statutes 2013 Supplement, section 325F.176, is amended to read:

325F.176 DEFINITIONS.

(a) For the purposes of sections 325F.176 to 325F.178, the following terms have the meanings given them.

(b) "Child" means a person under eight years of age.

(c) "Children's product" means a product primarily designed or intended by a manufacturer to be physically applied to or introduced into a child's body, including any article used as a component of such a product and excluding a food, beverage, dietary supplement, pharmaceutical product or biologic, children's toys that are covered by the ASTM International F963 standard for Toy Safety, or a medical device as defined in the federal Food, Drug, and Cosmetic Act, United States Code, title 21, section 321(h), as amended through February 15, 2013.

(d) "Intentionally added chemical" means a chemical in a product that serves an intended function in the product.

Sec. 8. Minnesota Statutes 2013 Supplement, section 325F.177, is amended to read:

325F.177 FORMALDEHYDE IN CHILDREN'S PRODUCTS; BAN.

(a) Beginning August 1, 2014, no manufacturer or wholesaler may sell or offer for sale in this state a children's product that intentionally contains:

(1) formaldehyde, including formaldehyde contained in a solution; or

(2) intentionally added chemical ingredients that chemically degrade under normal conditions of temperature and pressure to release free formaldehyde at levels exceeding a de minimis level of 0.05 percent.

(b) Beginning August 1, 2015, no retailer may sell or offer for sale in this state a children's product that intentionally contains:

(1) formaldehyde, including formaldehyde contained in a solution; or

(2) intentionally added chemical ingredients that chemically degrade under normal conditions of temperature and pressure to release free formaldehyde at levels exceeding a de minimis level of 0.05 percent."

Amend the title as follows:

Page 1, line 3, after the first semicolon, insert "regulating certain products containing formaldehyde;"

Amend the title numbers accordingly

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

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

S.F. No. 1864: A bill for an act relating to human services; modifying mental health crisis intervention and stabilization services; amending Minnesota Statutes 2012, sections 253B.066, subdivision 1; 256B.0615, subdivision 3; 256B.0624, subdivisions 2, 5, 6, 10.

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

Page 1, line 11, after "crisis" insert "assessment and"

Page 2, line 18, after "includes" insert ", when feasible,"

Page 2, after line 35, insert:

"(5) The team must be available to individuals who are experiencing a co-occurring substance use disorder, who do not need the level of care provided in a detoxification facility."

Page 3, line 1, strike "5" and insert "6"

Page 4, line 30, after "shall" insert "offer to"

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

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

S.F. No. 1692: A bill for an act relating to human services; modifying residency ratio restrictions for home and community-based waiver and general assistance recipients; amending Minnesota Statutes 2013 Supplement, sections 256B.492; 256D.44, subdivision 5.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2013 Supplement, section 256B.492, is amended to read:

256B.492 HOME AND COMMUNITY-BASED SETTINGS FOR PEOPLE WITH DISABILITIES.

Subdivision 1. Home and community-based waivers. (a) Individuals receiving services under a home and community-based waiver under section 256B.092 or 256B.49 may receive services in the following settings:

- (1) an individual's own home or family home;
- (2) a licensed adult foster care or child foster care setting of up to five people; and

(3) community living settings as defined in section 256B.49, subdivision 23, where individuals with disabilities who are receiving services under a home and community-based waiver may reside in all of the units in a building of four or fewer units, and no more than the greater of four or 25 percent of the units in a multifamily building of more than four units, unless required by the Housing Opportunities for Persons with AIDS Program.

(b) The settings in paragraph (a) must not:

(1) be located in a building that is a publicly or privately operated facility that provides institutional treatment or custodial care;

(2) be located in a building on the grounds of or adjacent to a public or private institution;

(3) be a housing complex designed expressly around an individual's diagnosis or disability, unless required by the Housing Opportunities for Persons with AIDS Program;

(4) be segregated based on a disability, either physically or because of setting characteristics, from the larger community; and

(5) have the qualities of an institution which include, but are not limited to: regimented meal and sleep times, limitations on visitors, and lack of privacy. Restrictions agreed to and documented in the person's individual service plan shall not result in a residence having the qualities of an institution as long as the restrictions for the person are not imposed upon others in the same residence and are the least restrictive alternative, imposed for the shortest possible time to meet the person's needs.

(c) The provisions of paragraphs (a) and (b) do not apply to any setting in which individuals receive services under a home and community-based waiver as of July 1, 2012, and the setting does not meet the criteria of this section.

(d) Notwithstanding paragraph (c), a program in Hennepin County established as part of a Hennepin County demonstration project is qualified for the exception allowed under paragraph (c).

(e) The commissioner shall submit an amendment to the waiver plan no later than December 31, 2012.

Subd. 2. Exceptions for home and community-based waiver housing programs. (a) Beginning no later than January 2015, based on the consultation with interested stakeholders as specified in section 2, the commissioner shall accept and process applications for exceptions to subdivision 1 based on the criteria in this subdivision.

(b) An owner, operator, or developer of a community living setting may apply to the commissioner for an exception from the requirements in subdivision 1, paragraph (a), clause (3), and paragraph (b), clause (3). An exception may be granted when the organization requesting the exception submits to the commissioner an application providing the information requested in paragraph (c). The exception shall require that housing costs be separated from service costs and allow the client to choose the vendor who provides personal services under the client's waiver.

(c) A community living setting application for an exception must include the following:

(1) an affirmation that the community living setting materially meets all the requirements for home and community-based settings in subdivision 1, paragraph (b), other than clause (3);

(2) an explanation of the scope and necessity of the exception, including documentation of the characteristics of the population to be served and the demand for the number of units the applicant anticipates will be occupied by individuals receiving services under a home and community-based waiver in the proposed setting;

(3) an explanation of how the community living setting supports all individuals receiving services under a home and community-based waiver in choosing the setting from among other options and the availability of those other options in the community for the specific population the program proposes to serve, and outlines the proposed rents and service costs, if any, of services to be provided by the applicant and addresses the cost-effectiveness of the model proposed; and

(4) a quality assurance plan affirming that the organization requesting the exception:

(i) supports or develops scattered-site alternatives to the setting for which the exception is requested;

(ii) supports the transition of individuals receiving services under a home and community-based waiver to the most integrated setting appropriate to the individual's needs;

(iii) has a history of meeting recognized quality standards for the population it serves or is targeting, or that it will meet recognized quality standards;

(iv) provides and facilitates for tenants receiving services under a home and community-based waiver unlimited access to the community, including opportunities to interact with nonstaff people without disabilities, appropriate to the individual's needs; and

(v) supports a safe and healthy environment for all individuals living in the setting.

(d) In assessing whether to grant the applicant's exception request, the commissioner shall:

(1) evaluate all of the assertions in the application, verify the assertions are accurate, and ensure that the application is complete;

(2) consult with all divisions in the Department of Human Services relevant to the specific populations being served by the applicant and the Minnesota Housing Finance Agency;

(3) within 30 days of receiving the application notify the city, county, and local press of a 14-day public comment period to consider community input on the application, including input from tenants, potential tenants, and other interested stakeholders;

(4) within 60 days of receiving the application, issue an approval, conditional approval, or denial of the exception; and

(5) accept and process applications from settings throughout the calendar year.

If conditional approval is granted under this section, the commissioner must specify the reasons for conditional approval of the exception and allow the applicant 30 days to amend the application and issue a renewed decision within 15 days of receiving the amended application. If the commissioner denies an exception under this section, the commissioner must specify reasons for denying the exception.

(e) If the applicant's exception is approved, the setting must inform the commissioner of any material changes that occur in the conditions that warranted the approved exception. Failure to advise the commissioner within 60 days of the material changes may result in revocation of the exception. Upon a determination by the commissioner that a material modification has been made, the exception may be suspended and the setting shall have 90 days to correct modifications resulting in the suspension. After an applicant's exception is approved, any material change in the population to be served or the services to be offered must be submitted to the commissioner who shall decide if it is consistent with the basis on which the exception was granted or if another exception request needs to be submitted.

(f) If an exception is approved and later revoked, no tenant shall be displaced as a result of this revocation until a relocation plan has been implemented that provides for an acceptable alternative placement.

(g) No organization that meets the requirements under subdivision 1 shall be required to apply for an exception described in this subdivision.

Sec. 2. PUBLIC INPUT ON EXCEPTION PROCESS.

The commissioner shall consult with interested stakeholders to develop a plan for implementing the exceptions process described in Minnesota Statutes, section 256B.492, subdivision 2. The implementation plan for the applications must be based on the criteria in Minnesota Statutes, section 256B.492, subdivision 2, and any other information necessary to manage the exceptions process. The commissioner shall consult with representatives from each relevant division of the Department of Human Services, The Coalition for Choice in Housing, NAMI, The Arc Minnesota, Mental Health Association of Minnesota, Minnesota Disability Law Center, Minnesota State Council on Disability, and other provider organizations, counties, disability advocates, and individuals with disabilities or family members of an individual with disabilities."

Amend the title as follows:

Page 1, line 3, delete "and general assistance"

Amend the title numbers accordingly

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

Senator Metzen from the Committee on Commerce, to which was referred

S.F. No. 2078: A bill for an act relating to retirement; creating the Minnesota secure choice retirement savings plan; requiring a report; establishing a trust account; proposing coding for new law as Minnesota Statutes, chapter 352G.

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

Delete everything after the enacting clause and insert:

"Section 1. **REPORT; RETIREMENT SAVINGS PLAN.**

(a) The commissioner of management and budget must report to the legislature by January 15, 2015, on potential establishment of a state-administered retirement savings plan to serve employees without access to either an automatic enrollment payroll deduction IRA maintained or offered by their employer, or a multiemployer retirement plan or qualifying retirement plan or arrangement described in sections 414(f) and 219(g)(5), respectively, of the Internal Revenue Code of 1986, as amended through April 14, 2011. The potential state-administered plan would provide for individuals to make contributions to their own accounts, with the benefit consisting of the balance in each individual's account, and with the state having no liability for investment earnings and losses.

(b) The report must include:

(1) estimates of the average amount of savings and other financial resources residents of Minnesota have upon retirement and those that are recommended for a financially secure retirement in Minnesota;

(2) estimates of the relative progress toward achieving the savings recommended for a financially secure retirement by gender, race, and ethnicity;

(3) barriers to savings and reasons individuals and employers may not be participating in existing private sector retirement plans;

(4) estimated impact on publicly funded social safety net programs attributable to insufficient retirement savings, and the aggregate effect of potential state-administered plan options on publicly funded social safety net programs and the state economy;

(5) estimates of the number of Minnesota workers who could be served by the potential state-administered plan, and the participation rate that would make the plan self-sustaining;

(6) effect of federal tax laws and the federal Employee Retirement Income Security Act on a potential state-administered plan and on participating employers and employees, including the effect of these laws if the plan included potential for employer contributions, either comingled with or segregated from employee contributions;

(7) advantages and disadvantages of a potential state-administered plan compared to private sector and federal government retirement savings options;

(8) existing state and federal consumer protections that would apply to a potential state-administered plan and options for strengthening consumer protections for plan participants;

(9) alternative ways and costs for the state to encourage similar outcomes to a state-administered plan;

(10) options for state administration of the plan, including investment strategies for funds contributed to the plan in consultation with the State Board of Investment, the potential use and availability of investment strategies, private insurance, underwriting, or reinsurance against loss to limit or eliminate potential state liability and manage risk to the principal, and group annuities to ensure a stable stream of retirement income throughout beneficiaries' retirement years;

(11) options for meeting the investment needs of participants based on income, desired liquidity, age, risk tolerance, and other factors determined by the commissioner;

(12) options for the process by which individuals or employers would contribute to the plan, and their effect on participation rates, savings rates, and fees;

(13) options discouraging employers from dropping existing employer-sponsored retirement savings plans in favor of a potential state-administered plan;

(14) projected costs of administration, record keeping, and investment management, including staffing, legal, compliance, licensing, procurement, communications with employers and employees, oversight, marketing, technology and infrastructure, and the fee needed to cover these costs as a percentage of the average daily net assets of the potential state-administered plan, relative to asset size and plan structure, and projected by year of plan operation, with estimates of investment-related fees determined in consultation with the State Board of Investment;

(15) how the projected fees compare with those of comparable retirement savings options in the private sector with similar risk-adjusted return expectations; and

(16) other topics that the commissioner determines are relevant to legislative consideration of possible establishment of a state-administered plan.

Sec. 2. APPROPRIATION.

\$...... is appropriated from the general fund for the fiscal year ending June 30, 2014, for purposes of section 1. This appropriation is available until spent.

Sec. 3. EFFECTIVE DATE.

Sections 1 and 2 are effective the day following final enactment."

Amend the title accordingly

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

Senator Metzen from the Committee on Commerce, to which was re-referred

S.F. No. 2027: A bill for an act relating to health; regulating e-cigarettes; amending Minnesota Statutes 2012, sections 144.413, subdivision 4; 144.4165; 461.12; 461.18; 461.19; 609.685; 609.6855.

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

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

S.F. No. 1738: A bill for an act relating to human services; modifying MFIP and general assistance requirements related to random drug testing; amending Minnesota Statutes 2012, sections 256D.024, subdivision 1; 256J.26, subdivision 1.

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

Page 3, after line 31, insert:

"Sec. 3. **REPEALER.**

Minnesota Statutes 2012, section 256.01, subdivision 18c, is repealed."

Amend the title numbers accordingly

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

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

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

S.F. No. 2637: A bill for an act relating to human services; prohibiting the use of prior authorization for specified dental services; amending Minnesota Statutes 2013 Supplement, section 256B.0625, subdivision 9.

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

Page 2, line 32, after "services" insert ", included in paragraph (e), clauses (1) to (3),"

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

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Senator Dibble from the Committee on Transportation and Public Safety, to which was referred

S.F. No. 2425: A bill for an act relating to public safety; traffic regulations; modifying speed limits in work zones; amending Minnesota Statutes 2012, section 169.14, subdivision 5d.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 169.011, is amended by adding a subdivision to read:

Subd. 95. **Work zone.** "Work zone" means a segment of street or highway for which:

(1) a road authority or its agent is constructing, reconstructing, or maintaining the physical structure of the roadway, which may include but is not limited to shoulders, features adjacent to the roadway, and utilities and highway appurtenances, whether underground or overhead; and

(2) any of the following applies:

(i) official traffic-control devices that indicate the segment of street or highway under construction, reconstruction, or maintenance, are erected;

(ii) one or more lanes of traffic are closed;

(iii) a flagger under section 169.06, subdivision 4a, is present;

(iv) a construction zone speed limit under section 169.14, subdivision 4, is established; or

(v) a workers present speed limit under section 169.14, subdivision 5d, is in effect.

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

Sec. 2. Minnesota Statutes 2012, section 169.06, subdivision 4, is amended to read:

Subd. 4. **Obedience to traffic-control signal or flagger authorized persons; presumptions.**

(a) The driver of any vehicle shall obey the instructions of any official traffic-control device applicable thereto placed in accordance with the provisions of this chapter, unless otherwise directed by a police officer or by a flagger authorized under this subdivision, subject to the exceptions granted the driver of an authorized emergency vehicle in this chapter.

(b) No provision of this chapter for which official traffic-control devices are required shall be enforced against an alleged violator if at the time and place of the alleged violation an official device is not in proper position and sufficiently legible to be seen by an ordinarily observant person. Whenever a particular section does not state that official traffic-control devices are required, such section shall be effective even though no devices are erected or in place.

(c) Whenever official traffic-control devices are placed in position approximately conforming to the requirements of this chapter, such devices shall be presumed to have been so placed by the official act or direction of lawful authority, unless the contrary shall be established by competent evidence.

(d) Any official traffic-control device placed pursuant to the provisions of this chapter and purporting to conform to the lawful requirements pertaining to such devices shall be presumed to comply with the requirements of this chapter, unless the contrary shall be established by competent evidence.

~~(e) A flagger in a designated work zone may stop vehicles and hold vehicles in place until it is safe for the vehicles to proceed. A person operating a motor vehicle that has been stopped by a flagger in a designated work zone may proceed after stopping only on instruction by the flagger.~~

(f) An overdimensional load escort driver with a certificate issued under section 299D.085, while acting as a flagger escorting a legal overdimensional load, may stop vehicles and hold vehicles in place until it is safe for the vehicles to proceed. A person operating a motor vehicle that has been stopped by an escort driver acting as a flagger may proceed only on instruction by the flagger or a police officer.

~~(g)~~ (f) A person may stop and hold vehicles in place until it is safe for the vehicles to proceed, if the person: (1) holds a motorcycle road guard certificate issued under section 171.60; (2) meets the safety and equipment standards for operating under the certificate; (3) is acting as a flagger escorting a motorcycle group ride; (4) has notified each statutory or home rule charter city through which the motorcycle group is proceeding; and (5) has obtained consent from the chief of police, or the chief's designee, of any city of the first class through which the group is proceeding. A flagger operating as provided under this paragraph may direct operators of motorcycles within a motorcycle group ride or other vehicle traffic, notwithstanding any contrary indication of a traffic-control device, including stop signs or traffic-control signals. A person operating a vehicle that has been stopped by a flagger under this paragraph may proceed only on instruction by the flagger or a police officer.

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

Sec. 3. Minnesota Statutes 2012, section 169.06, is amended by adding a subdivision to read:

Subd. 4a. **Obedience to work zone flagger; violation, penalty.** (a) A flagger in a work zone may stop vehicles and hold vehicles in place until it is safe for the vehicles to proceed. A person operating a motor vehicle that has been stopped by a flagger in a work zone may proceed after stopping only on instruction by the flagger or a police officer.

(b) Notwithstanding section 299D.03, subdivision 5, or 609.0331, or any other law to the contrary, a person operating a motor vehicle who violates this subdivision is subject to a fine of \$300 in addition to the surcharge under section 357.021, subdivision 6. The fines collected under this paragraph must be deposited in the work zone safety account under section 169.255.

(c) A peace officer may stop and issue a citation to the driver of a motor vehicle if the peace officer has probable cause to believe that the driver has operated the vehicle in violation of paragraph (a) within the past four hours.

(d) If a motor vehicle is operated in violation of paragraph (a), the owner of the vehicle, or for a leased motor vehicle the lessee of the vehicle, is guilty of a petty misdemeanor and is subject to a fine as provided in paragraph (b). The owner or lessee may not be fined under this paragraph if (1) another person is convicted for that violation, or (2) the motor vehicle was stolen at the time of the violation. This paragraph does not apply to a lessor of a motor vehicle if the lessor keeps a record of the name and address of the lessee.

(e) Paragraph (d) does not prohibit or limit the prosecution of a motor vehicle operator for violating paragraph (a).

(f) A violation under paragraph (d) does not constitute grounds for revocation or suspension of a driver's license.

EFFECTIVE DATE. This section is effective August 1, 2014, and applies to violations committed on or after that date.

Sec. 4. Minnesota Statutes 2012, section 169.14, subdivision 5d, is amended to read:

Subd. 5d. **Speed zoning limit in work zone; surcharge when workers present.** (a) Notwithstanding subdivision 2 and subject to subdivision 3, the speed limit on a road having an established speed limit of 50 miles per hour or greater is adjusted to 45 miles per hour in a work zone when (1) at least one lane or portion of a lane of traffic is closed in either direction, and (2) workers are present. A speed in excess of the adjusted speed limit is unlawful.

(b) Paragraph (a) does not apply to a segment of road in which:

(1) positive barriers are placed between workers and the traveled portion of the highway;

(2) the work zone is in place for less than 24 hours;

(3) a different speed limit for the work zone is determined by the road authority following an engineering and traffic investigation and based on accepted engineering practice; or

(4) a different speed limit for the work zone is established by the road authority under paragraph (c).

(c) The commissioner, on trunk highways and temporary trunk highways, and local authorities, on streets and highways under their jurisdiction, may authorize the use of reduced maximum speed limits in highway work zones. The commissioner or local authority is not required to conduct when

workers are present, without an engineering and traffic investigation before authorizing a reduced speed limit in a highway work zone required. The work zone speed limit must not reduce the speed limit on the affected street or highway by more than:

(b) The minimum highway work zone speed limit is 20 miles per hour. The work zone speed limit must not reduce the established speed limit on the affected street or highway by more than 15 miles per hour, except that the highway work zone speed limit must not exceed 40 miles per hour. The commissioner or local authority shall post the limits of the work zone. Highway work zone speed limits are effective on erection of appropriate regulatory speed limit signs. The signs must be removed or covered when they are not required. A speed greater than the posted highway work zone speed limit is unlawful.

(c) Notwithstanding paragraph (b), on divided highways the commissioner or local authority may establish a highway work zone speed limit that does not exceed 55 miles per hour.

(d) Notwithstanding paragraph (b), on two-lane highways having one lane for each direction of travel with a posted speed limit of 60 miles per hour or greater, the commissioner or local authority may establish a highway work zone speed limit that does not exceed 40 miles per hour.

(e) For purposes of this subdivision, "highway work zone" means a segment of highway or street where a road authority or its agent is constructing, reconstructing, or maintaining the physical structure of the roadway, its shoulders, or features adjacent to the roadway, including underground and overhead utilities and highway appurtenances, when workers are present.

(f) Notwithstanding section 609.0331 or 609.101 or other law to the contrary, a person who violates a speed limit established under this subdivision, or who violates any other provision of this section while in a highway work zone, is assessed an additional surcharge equal to the amount of the fine imposed for the speed violation, but not less than \$25.

(1) 20 miles per hour on a street or highway having an established speed limit of 55 miles per hour or greater; and

(2) 15 miles per hour on a street or highway having an established speed limit of 50 miles per hour or less.

(d) A work zone speed limit under paragraph (c) is effective on erection of appropriate regulatory speed limit signs. The signs must be removed or covered when they are not required. A speed in excess of the posted work zone speed limit is unlawful.

(e) For any speed limit under this subdivision, a road authority shall erect signs identifying the speed limit and indicating the beginning and end of the speed limit zone.

EFFECTIVE DATE. This section is effective August 1, 2014, and applies to violations committed on or after that date.

Sec. 5. Minnesota Statutes 2012, section 169.14, is amended by adding a subdivision to read:

Subd. 6a. **Work zone speed limit violations.** Notwithstanding section 299D.03, subdivision 5, or 609.0331, or any other law to the contrary, a person operating a motor vehicle who violates a speed limit in a work zone, or who violates any other provision of this section while in a work zone, is subject to a fine of \$300 in addition to the surcharge under section 357.021, subdivision 6.

The fines collected under this subdivision must be deposited in the work zone safety account under section 169.255.

EFFECTIVE DATE. This section is effective August 1, 2014, and applies to violations committed on or after that date.

Sec. 6. **[169.255] WORK ZONE SAFETY.**

Subdivision 1. **Work zone safety account; appropriation.** (a) A work zone safety account is established in the special revenue fund. The account consists of fines for work zone related violations as specified under this chapter, and any other money donated, allotted, transferred, or otherwise provided to the account.

(b) The commissioner of management and budget shall annually transfer \$28,000 from the work zone safety account to the general fund.

(c) Following the transfer under paragraph (b), the revenue in the work zone safety account under this subdivision is annually appropriated to the commissioner for:

(1) enhanced traffic enforcement efforts at work zones under the jurisdiction of the commissioner and local road authorities; and

(2) information, training, and educational campaigns to raise awareness about work zones.

Subd. 2. **Legislative report.** Annually by October 1, the commissioner shall submit a report on work zone safety to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. At a minimum, the report must:

(1) summarize the amount and uses of funds from the work zone safety account;

(2) analyze impacts of work zone traffic enforcement on vehicle speeds, crash rates, and traffic safety;

(3) evaluate the effectiveness of work zone safety efforts; and

(4) propose legislative changes, if any, related to work zone safety.

EFFECTIVE DATE. Subdivision 1 is effective July 1, 2014. Subdivision 2 is effective the day following final enactment, applies for reports due on or after October 1, 2015, and expires on October 2, 2017.

Sec. 7. Minnesota Statutes 2012, section 169.475, is amended by adding a subdivision to read:

Subd. 2a. **Prohibition on use; work zones.** Notwithstanding subdivision 3, clauses (1) and (2), no person may operate a motor vehicle while using a cellular phone, whether handheld or hands-free, when the vehicle is (i) in motion or a part of traffic, and (ii) in a work zone, when workers are present.

EFFECTIVE DATE. This section is effective August 1, 2014, and applies to violations committed on or after that date."

Amend the title as follows:

Page 1, line 2, delete "speed limits" and insert "traffic laws"

Amend the title numbers accordingly

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

Senator Dibble from the Committee on Transportation and Public Safety, to which was referred

S.F. No. 2626: A bill for an act relating to data practices; modifying standards related to bulk transfer of certain driver's license and motor vehicle registration data; requiring a study; amending Minnesota Statutes 2012, sections 168.346, subdivision 1; 171.12, subdivision 7.

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

Page 1, line 11, after "form" insert "to an authorized recipient"

Page 2, line 2, delete "for"

Page 2, line 3, delete everything before "United" and insert "to an authorized recipient under"

Page 2, line 27, delete "commissioners" and insert "commissioner" and delete "and administration"

Page 3, line 12, delete "commissioners" and insert "commissioner"

Page 3, line 15, delete "commissioners" and insert "commissioner's"

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

Senator Dibble from the Committee on Transportation and Public Safety, to which was re-referred

S.F. No. 2271: A bill for an act relating to metropolitan government; repealing obsolete provisions governing the Metropolitan Council; making certain conforming technical changes; amending Minnesota Statutes 2012, sections 473.123, subdivision 4; 473.125; 473.129, subdivisions 6, 12; 473.173, subdivision 2; 473.181, subdivision 2; 473.254, subdivisions 3a, 4, 5; 473.315, subdivision 1; 473.375, subdivision 11; 473.39, subdivision 1e; 473.391, subdivision 1; 473.405, subdivision 5; 473.42; 473.504, subdivisions 5, 11; 473.858, subdivision 1; 473.859, subdivision 6; 473.861, subdivision 2; 473.862, subdivision 2; repealing Minnesota Statutes 2012, sections 473.123, subdivision 7; 473.13, subdivision 1c; 473.23; 473.241; 473.243; 473.244; 473.254, subdivision 3; 473.315, subdivision 2; 473.326; 473.333; 473.375, subdivision 9; 473.382; 473.388, subdivision 8; 473.392; 473.516, subdivision 5; 473.523, subdivision 2; 473.535; 473.852, subdivision 11; Minnesota Statutes 2013 Supplement, section 473.517, subdivision 9.

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

Senator Dibble from the Committee on Transportation and Public Safety, to which was referred

S.F. No. 2855: A bill for an act relating to transportation; requiring the Metropolitan Airports Commission to monitor noise to establish a baseline in a certain area; requiring a report.

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

Senator Dibble from the Committee on Transportation and Public Safety, to which was referred

S.F. No. 2462: A bill for an act relating to transportation; amending regulation of limousines; amending Minnesota Statutes 2012, sections 65B.135; 168.002, subdivision 15; 168.128, subdivisions 2, 3; 221.84, subdivisions 1, 4.

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

Page 1, line 11, delete "coverage" and insert "policies"

Page 2, delete section 4 and insert:

"Sec. 4. Minnesota Statutes 2012, section 168.128, subdivision 3, is amended to read:

Subd. 3. **Insurance.** (a) The application must include a certificate of insurance verifying that a valid commercial insurance policy is in effect and giving the name of the insurance company and the number of the insurance policy. The policy must provide stated limits of liability, exclusive of interest and costs, with respect to each motor vehicle for which coverage is granted, of:

(1) not less than \$100,000 \$1,500,000 because of bodily injury to one person in any one accident and, subject to that limit for one person, of not less than \$300,000 because of injury to two or more persons in any one accident and of;

(2) not less than the minimum aggregate amount required under section 65B.135 per accident; and

(3) not less than \$100,000 because of injury to or destruction of property.

(b) The insurance company must notify the commissioner if the policy is canceled or if the policy no longer provides the coverage required by this subdivision.

(b) (c) The commissioner shall immediately notify the commissioner of transportation if the policy of a person required to have a permit under section 221.84 is canceled or no longer provides the coverage required by this subdivision.

EFFECTIVE DATE. This section is effective July 1, 2014, and applies to policies issued or renewed on or after that date."

Page 3, line 4, delete "and chauffeured transportation"

Page 3, delete section 6

Amend the title numbers accordingly

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

Senator Pappas from the Committee on State and Local Government, to which was referred

S.F. No. 1353: A bill for an act relating to local government; providing for effect of orderly annexation agreement; limiting the annexation by ordinance of certain parcels; amending Minnesota Statutes 2012, sections 414.0325, subdivision 6; 414.033, by adding a subdivision.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 414.011, subdivision 5, is amended to read:

Subd. 5. **Property owner.** "Property owner" means the owner of any fee owner interest of land, or the beneficial owner of land whose interest is primarily one of possession and enjoyment. The term includes, but is not limited to, vendees under a contract for deed, and mortgagors. Any reference to a percentage of property owners shall mean in number.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to boundary adjustments commenced on or after that date.

Sec. 2. Minnesota Statutes 2012, section 414.011, is amended by adding a subdivision to read:

Subd. 13. **Property description or boundaries of the area.** "Property description" or "boundary of the area" means the legal description of the property.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to boundary adjustments commenced on or after that date.

Sec. 3. Minnesota Statutes 2012, section 414.033, subdivision 2, is amended to read:

Subd. 2. **Conditions.** A municipal council may by ordinance declare land annexed to the municipality and any such land is deemed to be urban or suburban in character or about to become so if:

(1) the land is owned by the municipality;

(2) the land is completely surrounded by land within the municipal limits;

(3) the land abuts the municipality and the area to be annexed is 120 acres or less, and the area to be annexed is not presently served by public wastewater facilities or public wastewater facilities are not otherwise available, and the municipality receives a petition for annexation from all the property owners of the land. Except as provided for by an orderly annexation agreement, this clause may not be used to annex any property contiguous to any property either simultaneously proposed to be or previously annexed under this clause within the preceding 12 months if the property is or has been owned at any point during that period by the same owners and annexation would cumulatively exceed 120 acres; or

(4) the land has been approved after August 1, 1995, by a preliminary plat or final plat for subdivision to provide residential lots that average 21,780 square feet or less in area and the land is located within two miles of the municipal limits.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to annexation ordinances adopted on or after that date."

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon and insert "providing annexation definitions; limiting the annexation by ordinance of certain parcels;"

Page 1, line 3, delete everything before "amending"

Amend the title numbers accordingly

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

Senator Pappas from the Committee on State and Local Government, to which was re-referred

S.F. No. 2454: A bill for an act relating to natural resources; modifying and repealing certain obsolete laws; providing for certain regulatory efficiencies; amending Minnesota Statutes 2012, sections 13.7411, subdivision 8; 84.025, subdivision 10; 84.028, subdivision 3; 84.081, subdivision 1; 84.781; 88.6435, subdivision 1; 103C.211; 103C.311, subdivision 1; 103C.401, subdivision 1; 103F.135, subdivision 1; 103G.005, subdivisions 9, 9a; 103G.315, subdivision 12; 115.06, subdivision 4; 115A.54, subdivision 4; 116.03, subdivision 2b; 116.07, subdivision 4j; repealing Minnesota Statutes 2012, sections 14.04; 84.083, subdivisions 3, 4; 84.163; 84.361; 84.43; 84.44; 84.45; 84.46; 84.47; 84.48; 84.49; 84.50; 84.51; 84.52; 84.521; 84.53; 84.55; 84.965; 85.015, subdivision 3; 103B.701; 103B.702; 103F.131; 103F.155; 103F.378; 103F.381; 103F.383, subdivision 3; 103F.387; 103F.389, subdivisions 1, 2; 103F.391; 103G.305; 115.445; 115B.412, subdivision 10; 116.181; 116.182, subdivision 3a; 116.195, subdivision 5; 116.54; 116.90; 116C.712; 116C.833, subdivision 2; 173.0845; Laws 2010, chapter 215, article 3, section 5, subdivision 4; Laws 2013, chapter 114, article 4, section 100.

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

Page 8, after line 13, insert:

"Sec. 15. Minnesota Statutes 2012, section 115A.03, is amended by adding a subdivision to read:

Subd. 25d. **Refuse-derived fuel.** "Refuse-derived fuel" means a product resulting from the processing of mixed municipal solid waste in a manner that reduces the quantity of noncombustible material present in the waste, reduces the size of waste components through shredding or other mechanical means, and produces a fuel suitable for combustion in existing or new solid fuel-fired boilers."

Page 11, line 33, delete "and Laws 2010, chapter 215, article 3, section 5, subdivision 4;"

Renumber the sections in sequence

Amend the title numbers accordingly

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

Senator Pappas from the Committee on State and Local Government, to which was re-referred

S.F. No. 2753: A bill for an act relating to the operation of state government; making changes to provisions relating to the Department of Health, Northstar Care for Children program, continuing care, community first services and supports, health care, and chemical dependency; modifying the hospital payment system; modifying provisions governing background studies and home and community-based services standards; setting fees; providing rate increases; amending Minnesota Statutes 2012, sections 13.46, subdivision 4; 245C.03, by adding a subdivision; 245C.04, by adding a subdivision; 245C.05, subdivision 5; 245C.10, by adding a subdivision; 245C.33, subdivisions

1, 4; 252.451, subdivision 2; 254B.12; 256.01, by adding a subdivision; 256.9685, subdivisions 1, 1a; 256.9686, subdivision 2; 256.969, subdivisions 1, 2, 2b, 2c, 3a, 3b, 6a, 9, 10, 14, 17, 30, by adding subdivisions; 256B.0625, subdivision 30; 256B.199; 256B.5012, by adding a subdivision; 256I.05, subdivision 2; 257.85, subdivision 11; 260C.212, subdivision 1; 260C.515, subdivision 4; 260C.611; Minnesota Statutes 2013 Supplement, sections 245.8251; 245A.042, subdivision 3; 245A.16, subdivision 1; 245C.08, subdivision 1; 245D.02, subdivisions 3, 4b, 8b, 11, 15b, 29, 34, 34a, by adding a subdivision; 245D.03, subdivisions 1, 2, 3, by adding a subdivision; 245D.04, subdivision 3; 245D.05, subdivisions 1, 1a, 1b, 2, 4, 5; 245D.051; 245D.06, subdivisions 1, 2, 4, 6, 7, 8; 245D.071, subdivisions 3, 4, 5; 245D.081, subdivision 2; 245D.09, subdivisions 3, 4a; 245D.091, subdivisions 2, 3, 4; 245D.10, subdivisions 3, 4; 245D.11, subdivision 2; 256B.04, subdivision 21; 256B.055, subdivision 1; 256B.439, subdivisions 1, 7; 256B.4912, subdivision 1; 256B.85, subdivisions 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, 18, 23, 24, by adding subdivisions; 256N.02, by adding a subdivision; 256N.21, subdivision 2, by adding a subdivision; 256N.22, subdivisions 1, 2, 4, 6; 256N.23, subdivisions 1, 4; 256N.24, subdivisions 9, 10; 256N.25, subdivisions 2, 3; 256N.26, subdivision 1; 256N.27, subdivision 4; Laws 2013, chapter 108, article 7, section 49; article 14, section 2, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 144A; repealing Minnesota Statutes 2012, sections 245.825, subdivisions 1, 1b; 256.969, subdivisions 8b, 9a, 9b, 11, 13, 20, 21, 22, 25, 26, 27, 28; 256.9695, subdivisions 3, 4; Minnesota Statutes 2013 Supplement, sections 245D.02, subdivisions 2b, 2c, 5a, 23b; 245D.06, subdivisions 5, 6, 7, 8; 245D.061, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9; 256N.26, subdivision 7; Minnesota Rules, parts 9525.2700; 9525.2810.

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

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Senator Pappas from the Committee on State and Local Government, to which was referred

S.F. No. 2654: A bill for an act relating to state government; making technical changes affecting the Minnesota Historical Society; amending Minnesota Statutes 2012, sections 3.732, subdivision 1; 43A.24, subdivision 2; 138.081, subdivision 2; 138.662, subdivision 21, by adding subdivisions; 138.94; repealing Minnesota Statutes 2012, section 138.662, subdivisions 4, 34.

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

Senator Pappas from the Committee on State and Local Government, to which was re-referred

S.F. No. 1701: A bill for an act relating to natural resources; updating the Minnesota Sustainable Forest Resources Act; amending Minnesota Statutes 2012, sections 89A.02; 89A.03, subdivisions 1, 6; 89A.04; 89A.05, subdivisions 1, 3; 89A.06, subdivisions 1, 2, 4; 89A.07; 89A.08, subdivisions 1, 2, 3; 89A.09; 89A.10; 89A.11; proposing coding for new law in Minnesota Statutes, chapter 89A; repealing Minnesota Statutes 2012, sections 89A.05, subdivisions 2a, 4; 89A.06, subdivision 2a.

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

Senator Pappas from the Committee on State and Local Government, to which was re-referred

S.F. No. 2299: A bill for an act relating to education; implementing recommendations of the 2014 Special Education Case Load and Rule Alignment Task Force; authorizing the commissioner of education to use expedited rulemaking to implement the rule recommendations of the task force; amending Minnesota Statutes 2012, sections 121A.582, subdivision 1; 125A.08; Minnesota Statutes 2013 Supplement, sections 125A.0942, subdivision 2; 626.556, subdivision 2.

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

Senator Pappas from the Committee on State and Local Government, to which was referred

S.F. No. 2336: A bill for an act relating to lawful gambling; providing for lawful gambling fraud; amending Minnesota Statutes 2012, section 609.763.

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

Senator Pappas from the Committee on State and Local Government, to which was referred

S.F. No. 1790: A bill for an act relating to occupations; modifying licensing provisions for architecture, engineering, land surveying, landscape architecture, geoscience, and interior design professions; amending Minnesota Statutes 2012, sections 326.02, subdivisions 3, 4; 326.04; 326.10, subdivisions 1, 2a, 7, 9; 326.107, subdivisions 1, 2, 7; 326.111, subdivision 3; 326.12, subdivision 2; repealing Minnesota Statutes 2012, section 326.107, subdivision 5.

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

Senator Pappas from the Committee on State and Local Government, to which was referred

S.F. No. 2472: A bill for an act relating to state government; making changes to the open meeting law; amending Minnesota Statutes 2012, section 13D.04, subdivision 6.

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

Senator Pappas from the Committee on State and Local Government, to which was referred

S.F. No. 2500: A bill for an act relating to state government; changing provisions in grants management process and contract management; providing an encumbrance exception in the grant process; amending Minnesota Statutes 2012, sections 16B.98, subdivision 5, by adding a subdivision; 16C.05, subdivision 2.

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

Senator Pappas from the Committee on State and Local Government, to which was referred

S.F. No. 1509: A bill for an act relating to state government; designating March 31 as Cesar Chavez Legislative Day; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Delete everything after the enacting clause and insert:

"Section 1. [10.555] CESAR CHAVEZ DAY.

(a) March 31 shall be known as Cesar Chavez Day to celebrate the growing Latino community in Minnesota. Latinos constitute a major demographic in the state. Dedicating March 31 of each year as Cesar Chavez Day provides the citizens of Minnesota the opportunity to learn about and appreciate the Latino community and their contributions to our state.

(b) As a community organizer, Chavez improved the lives and working conditions of millions of Latinos nationwide. He dedicated his life to advocating for labor rights, political representation for ethnic minorities, environmental justice, registering voters, and improving literacy for farm workers."

Delete the title and insert:

"A bill for an act relating to state government; designating March 31 as Cesar Chavez Day; proposing coding for new law in Minnesota Statutes, chapter 10."

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 2617: A bill for an act relating to economic development; repealing obsolete, redundant, and unnecessary laws administered by the Department of Employment and Economic Development; making conforming changes; amending Minnesota Statutes 2012, sections 15.991, subdivision 1; 116C.34, subdivision 3; 116D.04, subdivision 2a; 116L.02; 116L.05, subdivision 5; 116L.20, subdivision 2; 256J.49, subdivision 4; 256J.51, subdivision 2; 268.105, subdivision 7; 268.186; repealing Minnesota Statutes 2012, sections 116C.22; 116C.23; 116C.24; 116C.25; 116C.26; 116C.261; 116C.27; 116C.28; 116C.29; 116C.30; 116C.31; 116C.32; 116C.33; 116J.037; 116J.422; 116J.578; 116J.658; 116J.68, subdivision 5; 116J.74, subdivision 7a; 116J.874, subdivisions 1, 2, 3, 4, 5; 116J.885; 116J.987; 116J.988; 116J.989; 116J.990, subdivisions 1, 2, 3, 4, 5, 6; 116L.06; 116L.10; 116L.11; 116L.12, subdivisions 1, 3, 4, 5, 6; 116L.13; 116L.14; 116L.146; 116L.15; 116L.361, subdivision 2; 116L.363; 116L.871; 116L.872; 469.109; 469.124; 469.35; 469.351; Minnesota Statutes 2013 Supplement, sections 116J.6581; 116J.70, subdivision 2a.

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

Page 2, line 28, delete "(b)"

Page 2, line 30, reinstate the stricken language

Page 2, line 31, delete the new language and reinstate the stricken language

Page 2, line 32, delete the new language

Page 2, delete line 33

Page 2, line 34, delete the new language and reinstate the stricken language

Page 3, delete line 2

Page 3, line 3, delete the new language

Page 3, line 9, delete the new language and reinstate the stricken language

Page 3, line 16, delete the new language and reinstate the stricken language

Page 3, delete lines 30 to 32

Page 4, delete lines 7 and 8

Page 4, delete lines 13 to 15 and insert:

"Subd. 10. **Healthcare and human services worker program.** Minnesota Statutes 2012, sections 116L.10; 116L.11; 116L.12, subdivisions 1, 3, 4, 5, and 6; 116L.13; 116L.14; and 116L.15, are repealed."

Page 4, delete lines 20 and 21

Renumber the subdivisions in sequence

Amend the title numbers accordingly

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 1926: A bill for an act relating to building codes; regulating inspection authority of local units of government; amending Minnesota Statutes 2012, sections 326B.103, subdivision 13; 326B.106, subdivision 2; Minnesota Statutes 2013 Supplement, section 326B.103, subdivision 11.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 326B.106, subdivision 2, is amended to read:

Subd. 2. **Public buildings and state licensed facilities; administration by commissioner.** Unless the commissioner has entered into an agreement under subdivision 2a or subdivision 2b, the commissioner shall administer and enforce the State Building Code as a municipality with respect to public buildings and state licensed facilities in the state. The commissioner shall establish appropriate permit, plan review, inspection fees, and surcharges for public buildings and state licensed facilities.

~~Municipalities other than the state having an agreement with the commissioner for code administration and enforcement service for public buildings and state licensed facilities shall charge their customary fees, including surcharge, to be paid directly to the jurisdiction by the applicant seeking authorization to construct a public building or a state licensed facility. The commissioner shall sign an agreement with a municipality other than the state for plan review, code administration, and code enforcement service for public buildings and state licensed facilities in the jurisdiction if the building officials of the municipality meet the requirements of section 326B.133 and wish to provide those services and if the commissioner determines that the municipality has enough adequately trained and qualified building inspectors to provide those services for the construction project.~~

~~The commissioner may direct the state building official to assist a community that has been affected by a natural disaster with building evaluation and other activities related to building codes.~~

~~Administration and enforcement in a municipality under this section must apply any optional provisions of the State Building Code adopted by the municipality. A municipality adopting any optional code provision shall notify the state building official within 30 days of its adoption.~~

~~The commissioner shall administer and enforce the provisions of the code relating to elevators statewide, except as provided for under section 326B.184, subdivision 4.~~

Sec. 2. Minnesota Statutes 2012, section 326B.106, is amended by adding a subdivision to read:

Subd. 2a. **Public buildings and state licensed facilities; municipal agreement for all building projects.** (a) The commissioner shall enter into an agreement with a municipality other than the state for plan review, inspection, code administration, and code enforcement on public buildings and state licensed facilities in the jurisdiction if the municipality requests to provide those services and the commissioner determines that the municipality has enough adequately trained and qualified inspectors to provide those services. In determining whether a municipality has enough adequately trained and qualified inspectors to provide the service, the commissioner must consider all inspectors that are employed by the municipality, are under contract with the municipality to provide inspection services, or are obligated to provide inspection services to the municipality under any other lawful agreement.

(b) The criteria used to make this determination shall be provided in writing to the municipality requesting an agreement.

(c) If the commissioner determines that the municipality lacks enough adequately trained and qualified inspectors to provide the required services, a written explanation of the deficiencies shall be provided to the municipality.

(d) The municipality shall be given an opportunity to remedy any deficiencies and request reconsideration of the commissioner's determination. A request for reconsideration must be in writing and accompanied by substantiating documentation. A request for reconsideration must be received by the commissioner within 90 days of the determination explanation. The commissioner shall review the information and issue a final determination to the municipality within 30 days of the request.

(e) A municipality aggrieved by a final decision of the commissioner to not enter into an agreement may appeal to be heard as a contested case in accordance with chapter 14.

Sec. 3. Minnesota Statutes 2012, section 326B.106, is amended by adding a subdivision to read:

Subd. 2b. **Public buildings and state licensed facilities; municipal agreement for certain building projects.** The commissioner shall enter into an agreement with a municipality other than the state for inspection, code administration, and code enforcement of reserved projects occurring on public buildings and state licensed facilities in its jurisdiction if the municipality has a designated building official as required by section 326B.133 and requests to provide those services.

For purposes of this subdivision, "reserved projects" includes the following:

- (1) roof covering replacement that does not add roof load;
- (2) towers requiring special inspection;

- (3) single-level storage buildings not exceeding 5,000 square feet;
- (4) exterior maintenance work, including replacement of siding, windows, and doors;
- (5) HVAC unit replacement that does not add roof load or ventilation capacity;
- (6) accessibility upgrades not involving building additions or structural alterations;
- (7) remodeling that does not change the building's occupancy, structural system, exit access or discharge pattern, or mechanical load; and
- (8) other projects determined to be reserved by the commissioner.

Sec. 4. Minnesota Statutes 2012, section 326B.106, is amended by adding a subdivision to read:

Subd. 2c. **Municipal fees.** Municipalities other than the state having an agreement under subdivision 2a with the commissioner for code administration and enforcement service for public buildings and state licensed facilities or inspecting under authority of subdivision 2b shall charge their customary fees, including surcharge, to be paid directly to the jurisdiction by the applicant seeking authorization to construct a public building or a state licensed facility.

Sec. 5. Minnesota Statutes 2012, section 326B.106, is amended by adding a subdivision to read:

Subd. 2d. **Public buildings and state licensed facilities; municipal obligation.** An agreement with the commissioner under subdivision 2a or 2b must require the municipality to attend to applicable aspects of code administration and enforcement as described in the agreement and established by rule.

Sec. 6. Minnesota Statutes 2012, section 326B.106, is amended by adding a subdivision to read:

Subd. 2e. **Public buildings and state licensed facilities; applicable code.** Administration and enforcement in a municipality under subdivision 2a and 2b must apply any optional provisions of the State Building Code adopted by the municipality. A municipality adopting any optional code provision shall notify the state building official within 30 days of its adoption.

Sec. 7. Minnesota Statutes 2012, section 326B.106, is amended by adding a subdivision to read:

Subd. 2f. **Natural disasters.** The commissioner may direct the state building official to assist a community that has been affected by a natural disaster with building evaluation and other activities related to building codes.

Sec. 8. Minnesota Statutes 2012, section 326B.106, is amended by adding a subdivision to read:

Subd. 2g. **Elevators.** The commissioner shall administer and enforce the provisions of the code relating to elevators statewide, except as provided for under section 326B.184, subdivision 4."

Amend the title numbers accordingly

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 2695: A bill for an act relating to environment; prohibiting plants treated with pollinator lethal insecticide from being labeled or advertised as beneficial to pollinators; amending Minnesota Statutes 2012, sections 18H.02, by adding a subdivision; 18H.14.

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

Page 2, line 9, delete everything after "if" and insert "the plant, plant material, or nursery stock contains a detectable level of pollinator lethal insecticide. The"

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 2529: A bill for an act relating to broadband; appropriating money for broadband service mapping.

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

Page 1, after line 17, insert:

"Sec. 2. **APPROPRIATION.**

\$250,000 is appropriated from the general fund in fiscal year 2015 to the commissioner of employment and economic development for an evaluation of the future federal financial support for broadband infrastructure deployment in rural Minnesota. The commissioner shall develop state strategies to maximize federal financial assistance for broadband infrastructure deployment in rural Minnesota. The commissioner shall develop state policy alternatives to respond to possible changes in federal telecommunications regulation and funding level reductions that impact deployment of broadband infrastructure in rural Minnesota. The commissioner may contract for the performance of any or all of the commissioner's duties under this section."

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 2440: A bill for an act relating to telecommunications; eliminating antiquated, unnecessary, redundant, or obsolete laws; making conforming changes; amending Minnesota Statutes 2012, sections 237.763; 237.773, subdivision 1; repealing Minnesota Statutes 2012, sections 237.03; 237.068; 237.44; 237.45; 237.57; 237.59, subdivisions 1, 1a, 2, 3, 4, 5, 6, 8, 9, 10; 237.75.

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

Page 1, delete sections 1 and 2

Page 2, delete section 3 and insert:

"Section 1. **REPEALER.**

Minnesota Statutes 2012, sections 237.068; 237.44; and 237.45, are repealed."

Amend the title as follows:

Page 1, line 3, delete "making conforming changes;"

Amend the title numbers accordingly

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 2204: A bill for an act relating to agriculture; establishing a farm-to-foodshelf program; appropriating money.

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 2633: A bill for an act relating to workforce development; modifying program accountability requirements for economic development programs; requiring measurement standards for workforce program outcomes; requiring reports; appropriating money; amending Minnesota Statutes 2012, sections 116J.997; 116L.98.

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

Page 1, delete section 1

Page 3, line 8, after "for" insert "adult"

Page 3, line 31, after "previous" insert "fiscal or"

Page 3, line 33, delete "average" and insert "median"

Page 4, line 3, delete "calendar"

Page 4, line 6, delete "calendar"

Page 4, line 8, delete "average" and insert "median" and delete "calendar"

Page 4, line 10, delete "calendar"

Page 4, line 12, delete "average" and insert "median" and delete "calendar"

Page 4, delete lines 14 to 18

Page 4, line 19, delete "(c)" and insert "(b)"

Page 4, line 21, delete everything after the period

Page 4, delete line 22

Page 4, line 23, delete "(d)" and insert "(c)"

Page 4, line 25, delete the first "Report" and insert "Data"

Page 4, line 26, after "grant" insert "or direct appropriation" and after "report" insert "data"

Page 4, line 28, delete "report" and insert "data"

Page 4, delete lines 29 to 33

Page 4, line 34, delete "(c)" and insert "(b)"

Page 6, after line 16, insert:

"Sec. 2. **COMMISSIONERS ACCOUNTABILITY PLAN.**

By December 1, 2014, the commissioner of employment and economic development shall report to the committees of the legislature having jurisdiction over workforce development and economic development policy and finance, on the department's plan, and any request for funding, to design and implement a performance accountability outcome measurement system for programs under chapter 116J.

Sec. 3. STUDY OF NORTH DAKOTA OIL PRODUCTION; IMPACT ON MINNESOTA; APPROPRIATION.

(a) \$..... in fiscal year 2014 is appropriated from the general fund to the commissioner of employment and economic development, in consultation with the commissioner of revenue, to finance a study and analysis of the effects of current and projected oil production in North Dakota on the Minnesota economy with special focus on the northwestern region of Minnesota and area border cities as provided in paragraph (b).

(b) The study and analysis must address:

(1) current and projected economic, fiscal, and demographic effects and issues;

(2) direct and indirect costs and benefits;

(3) positive and negative effects; and

(4) economic challenges and opportunities for economic growth or diversification.

(c) The study must be objective, evidence-based, and designed to produce empirical data. Study data must be utilized to formulate policy recommendations on how the state, the northwestern region of the state, and border cities may respond to the challenges and opportunities for economic growth and financial investment that may be derived from the regional economic changes that are the result of oil production in North Dakota.

(d) For the purposes of this section, "border cities" has the meaning given in Minnesota Statutes, section 469.1731.

(e) The study and analysis must be conducted by an independent entity with demonstrated knowledge in the following areas:

(1) the economy and demography of Minnesota;

(2) the domestic and foreign oil industry; and

(3) technologies, markets, and geopolitical factors that have an impact on current and future oil production in the region.

(f) The commissioner shall report on the findings and recommendations of the study to the committees of the house of representatives and senate having jurisdiction over economic development and workforce issues by February 15, 2015.

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

Renumber the sections in sequence

Amend the title accordingly

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 2060: A bill for an act relating to food safety; providing a definition of farmers' market; permitting food product sampling and demonstration in certain circumstances; amending Minnesota Statutes 2012, sections 28A.03, by adding subdivisions; 28A.15, by adding a subdivision; 157.15, subdivision 13; proposing coding for new law in Minnesota Statutes, chapter 28A.

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

Delete everything after the enacting clause and insert:

"Section 1. [28A.151] FARMERS' MARKET OR COMMUNITY EVENT; FOOD PRODUCT SAMPLING AND DEMONSTRATION.

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have the meanings given them.

(b) "Farmers' market" means an association of three or more persons who assemble at a defined public location that is open to the public for the purpose of selling directly to the consumer the products of a farm or garden occupied and cultivated by the person selling the product.

(c) "Food product sampling" means distributing to individuals at a farmers' market or community event, for promotional or educational purposes, small portions of a food item that include as a main ingredient a product sold by the vendor at the farmers' market or community event. For purposes of this subdivision, "small portion" means a portion that is no more than three ounces of food or beverage.

(d) "Food product demonstration" means cooking or preparing food products to distribute to individuals at a farmers' market or community event for promotional or educational purposes.

Subd. 2. Food sampling and demonstration. The licensing provisions of sections 28A.01 to 28A.16 shall not apply to persons engaged in food product sampling or food product demonstrations.

Subd. 3. Food required to be provided at no cost. Food provided through food product sampling or food product demonstrations must be provided at no cost to the individual.

Subd. 4. Regulatory authority oversight. Any person conducting food product sampling or food product demonstrations shall provide to the regulatory authority upon request the following

information related to the food product sampling or food product demonstration conducted by the person:

(1) the source of the food used in the sampling or demonstration and whether or not the food was produced at the person's farm or garden;

(2) the type and volume of food to be served, held, prepared, packaged, or otherwise provided for human consumption;

(3) the equipment used to serve, hold, prepare, package, or otherwise provide food for human consumption;

(4) the time period and location of the food product sampling or food product demonstration;

(5) the availability of facilities for hand washing by persons conducting the food product sampling or food product demonstrations;

(6) information on facilities available for ware washing of multiuse utensils and equipment;

(7) the available source of water; and

(8) methods of liquid and solid waste disposal.

Subd. 5. **Food safety and equipment standards.** Any person conducting food product sampling or food product demonstrations shall meet the same food safety and equipment standards that are required of a special event food stand in Minnesota Rules, parts 4626.1855, items B to O, Q, and R; and 4626.0330.

Subd. 6. **Definition exception.** The definition of farmers' market in subdivision 1, paragraph (b), does not prohibit a farmers' market association from establishing a definition of farmers' market that applies to its membership that is more restrictive than the definition in subdivision 1, paragraph (b).

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

Sec. 2. Minnesota Statutes 2012, section 157.15, subdivision 13, is amended to read:

Subd. 13. **Seasonal temporary food stand.** (a) "Seasonal temporary food stand" means a food and beverage service establishment that is a food stand which is disassembled and moved from location to location, but which operates for no more than 21 days annually at any one location, except as provided in paragraph (b).

(b) A seasonal temporary food stand may operate for more than 21 days annually at any one place with the approval of the regulatory authority, as defined in Minnesota Rules, part 4626.0020, subpart 70, that has jurisdiction over the seasonal temporary food stand.

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

Renumber the sections in sequence

Amend the title accordingly

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

Senator Latz from the Committee on Judiciary, to which was re-referred

S.F. No. 2175: A bill for an act relating to state government; prohibiting state agencies from paying more than ten percent over the appraised value to acquire real property; proposing coding for new law in Minnesota Statutes, chapter 16B.

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

Page 1, line 22, delete everything after the period

Page 1, delete lines 23 and 24

Page 2, delete lines 1 to 3

Page 2, line 4, delete "amount."

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

Senator Latz from the Committee on Judiciary, to which was re-referred

S.F. No. 2733: A bill for an act relating to human services; modifying provisions governing the administration of neuroleptic medication to persons subject to civil commitment; establishing a pilot program; amending Minnesota Statutes 2012, section 253B.092, subdivision 2.

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

Page 1, line 15, after "medication" insert "prior to admission to a treatment facility"

Page 1, line 16, delete "upon admission to the"

Page 1, line 17, delete "treatment facility"

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

Senator Latz from the Committee on Judiciary, to which was re-referred

S.F. No. 2028: A bill for an act relating to public safety; granting the Board of Pharmacy cease and desist authority to prevent the sale of synthetic drugs; modifying laws governing misbranding drugs, adulterated drugs; expanding the definition of drug; repealing the sunset and legislative reporting requirement for the Board of Pharmacy's emergency drug scheduling authority; providing training and expert support in the prosecution of synthetic drug cases; establishing a public education plan; appropriating money; amending Minnesota Statutes 2012, sections 151.01, subdivision 5; 151.06, by adding subdivisions; 151.26, subdivision 1; 151.34; 151.35; 151.36; 152.02, subdivision 8b.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 151.01, subdivision 5, is amended to read:

Subd. 5. **Drug.** The term "drug" means all medicinal substances and preparations recognized by the United States Pharmacopoeia and National Formulary, or any revision thereof, and all substances and preparations intended for external and internal use in the diagnosis, cure, mitigation, treatment, or prevention of disease in humans or other animals, and all substances and preparations, other than

food, intended to affect the structure or any function of the bodies of humans or other animals. The term drug shall also mean any compound, substance, or derivative that is not approved for human consumption by the United States Food and Drug Administration or specifically permitted for human consumption under Minnesota law, and when introduced into the body induces an effect similar to that of a Schedule I or Schedule II controlled substance listed in section 152.02, subdivisions 2 and 3, or Minnesota Rules, parts 6800.4210 and 6800.4220, regardless of whether the substance is marketed for the purpose of human consumption.

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

Sec. 2. Minnesota Statutes 2012, section 151.06, subdivision 1a, is amended to read:

Subd. 1a. ~~Disciplinary action~~ **Cease and desist orders.** ~~It shall be grounds for disciplinary action by the Board of Pharmacy against the registration of the pharmacy if the Board of Pharmacy determines that any person with supervisory responsibilities at the pharmacy sets policies that prevent a licensed pharmacist from providing drug utilization review and patient counseling as required by rules adopted under subdivision 1. The Board of Pharmacy shall follow the requirements of chapter 14 in any disciplinary actions taken under this section. (a) Whenever it appears to the board that a person has engaged in an act or practice constituting a violation of a law, rule, or other order related to the duties and responsibilities entrusted to the board, the board may issue and cause to be served upon the person an order requiring the person to cease and desist from violations.~~

(b) The cease and desist order must state the reasons for the issuance of the order and must give reasonable notice of the rights of the person to request a hearing before an administrative law judge. A hearing must be held not later than ten days after the request for the hearing is received by the board. After the completion of the hearing, the administrative law judge shall issue a report within ten days. Within 15 days after receiving the report of the administrative law judge, the board shall issue a further order vacating or making permanent the cease and desist order. The time periods provided in this provision may be waived by agreement of the executive director of the board and the person against whom the cease and desist order was issued. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person is in default, and the proceeding may be determined against that person upon consideration of the cease and desist order, the allegations of which may be considered to be true. Unless otherwise provided, all hearings must be conducted according to chapter 14. The board may adopt rules of procedure concerning all proceedings conducted under this subdivision.

(c) If no hearing is requested within 30 days of service of the order, the cease and desist order will become permanent.

(d) A cease and desist order issued under this subdivision remains in effect until it is modified or vacated by the board. The administrative proceeding provided by this subdivision, and subsequent appellate judicial review of that administrative proceeding, constitutes the exclusive remedy for determining whether the board properly issued the cease and desist order and whether the cease and desist order should be vacated or made permanent.

EFFECTIVE DATE. This section is effective August 1, 2014, and applies to violations occurring on or after that date.

Sec. 3. Minnesota Statutes 2012, section 151.06, is amended by adding a subdivision to read:

Subd. 1b. **Enforcement of violations of cease and desist orders.** (a) Whenever the board under subdivision 1a seeks to enforce compliance with a cease and desist order that has been made permanent, the allegations of the cease and desist order are considered conclusively established for purposes of proceeding under subdivision 1a for permanent or temporary relief to enforce the cease and desist order. Whenever the board under subdivision 1a seeks to enforce compliance with a cease and desist order when a hearing or hearing request on the cease and desist order is pending, or the time has not yet expired to request a hearing on whether a cease and desist order should be vacated or made permanent, the allegations in the cease and desist order are considered conclusively established for the purposes of proceeding under subdivision 1a for temporary relief to enforce the cease and desist order.

(b) Notwithstanding this subdivision or subdivision 1a, the person against whom the cease and desist order is issued and who has requested a hearing under subdivision 1a may, within 15 days after service of the cease and desist order, bring an action in Ramsey County District Court for issuance of an injunction to suspend enforcement of the cease and desist order pending a final decision of the board under subdivision 1a to vacate or make permanent the cease and desist order. The court shall determine whether to issue such an injunction based on traditional principles of temporary relief.

EFFECTIVE DATE. This section is effective August 1, 2014, and applies to violations occurring on or after that date.

Sec. 4. Minnesota Statutes 2012, section 151.26, subdivision 1, is amended to read:

Subdivision 1. **Generally.** Nothing in this chapter shall subject a person duly licensed in this state to practice medicine, dentistry, or veterinary medicine, to inspection by the State Board of Pharmacy, nor prevent the person from administering drugs, medicines, chemicals, or poisons in the person's practice, nor prevent a duly licensed practitioner from furnishing to a patient properly packaged and labeled drugs, medicines, chemicals, or poisons as may be considered appropriate in the treatment of such patient; unless the person is engaged in the dispensing, sale, or distribution of drugs and the board provides reasonable notice of an inspection.

Except for the provisions of section 151.37, nothing in this chapter applies to or interferes with the dispensing, in its original package and at no charge to the patient, of a legend drug, other than a controlled substance, that was packaged by a manufacturer and provided to the dispenser for distribution as a professional sample.

Nothing in this chapter shall prevent the sale of drugs, medicines, chemicals, or poisons at wholesale to licensed physicians, dentists and veterinarians for use in their practice, nor to hospitals for use therein.

Nothing in this chapter shall prevent the sale of drugs, chemicals, or poisons either at wholesale or retail for use for commercial purposes, or in the arts, nor interfere with the sale of insecticides, as defined in Minnesota Statutes 1974, section 24.069, and nothing in this chapter shall prevent the sale of common household preparations and other drugs, chemicals, and poisons sold exclusively for use for nonmedicinal purposes; provided that this exception does not apply to any compound, substance, or derivative that is not approved for human consumption by the United States Food and Drug Administration or specifically permitted for human consumption under Minnesota law, and when introduced into the body induces an effect similar to that of a Schedule I or Schedule II controlled substance listed in section 152.02, subdivisions 2 and 3, or Minnesota Rules, parts

6800.4210 and 6800.4220, regardless of whether the substance is marketed for the purpose of human consumption.

Nothing in this chapter shall apply to or interfere with the vending or retailing of any nonprescription medicine or drug not otherwise prohibited by statute which is prepackaged, fully prepared by the manufacturer or producer for use by the consumer, and labeled in accordance with the requirements of the state or federal Food and Drug Act; nor to the manufacture, wholesaling, vending, or retailing of flavoring extracts, toilet articles, cosmetics, perfumes, spices, and other commonly used household articles of a chemical nature, for use for nonmedicinal purposes; provided that this exception does not apply to any compound, substance, or derivative that is not approved for human consumption by the United States Food and Drug Administration or specifically permitted for human consumption under Minnesota law, and when introduced into the body induces an effect similar to that of a Schedule I or Schedule II controlled substance listed in section 152.02, subdivisions 2 and 3, or Minnesota Rules, parts 6800.4210 and 6800.4220, regardless of whether the substance is marketed for the purpose of human consumption. Nothing in this chapter shall prevent the sale of drugs or medicines by licensed pharmacists at a discount to persons over 65 years of age.

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

Sec. 5. Minnesota Statutes 2012, section 151.34, is amended to read:

151.34 PROHIBITED ACTS.

It shall be unlawful to:

- (1) manufacture, sell or deliver, hold or offer for sale any drug that is adulterated or misbranded;
- (2) adulterate or misbrand any drug;
- (3) receive in commerce any drug that is adulterated or misbranded, and to deliver or proffer delivery thereof for pay or otherwise;
- (4) refuse to permit entry or inspection, or to permit the taking of a sample, or to permit access to or copying of any record as authorized by this chapter;
- (5) remove or dispose of a detained or embargoed article in violation of this chapter;
- (6) alter, mutilate, destroy, obliterate, or remove the whole or any part of the labeling of, or to do any other act with respect to a drug, if such act is done while such drug is held for sale and results in such drug being adulterated or misbranded;
- (7) use for a person's own advantage or to reveal other than to the board or its authorized representative or to the courts when required in any judicial proceeding under this chapter any information acquired under authority of this chapter concerning any method or process which that is a trade secret and entitled to protection;
- (8) use on the labeling of any drug any representation or suggestion that an application with respect to such drug is effective under the federal act or that such drug complies with such provisions;
- (9) in the case of a manufacturer, packer, or distributor offering legend drugs for sale within this state, fail to maintain for transmittal or to transmit, to any practitioner licensed by applicable law to administer such drug who makes written request for information as to such drug, true and correct

copies of all printed matter ~~which~~ that is required to be included in any package in which that drug is distributed or sold, or such other printed matter as is approved under the federal act. Nothing in this paragraph shall be construed to exempt any person from any labeling requirement imposed by or under provisions of this chapter;

(10) conduct a pharmacy without a pharmacist in charge;

(11) dispense a legend drug without first obtaining a valid prescription for that drug;

(12) conduct a pharmacy without proper registration with the board;

(13) practice pharmacy without being licensed to do so by the board; or

(14) sell at retail federally restricted medical gases without proper registration with the board except as provided in this chapter; or

(15) sell any compound, substance, or derivative that is not approved for human consumption by the United States Food and Drug Administration or specifically permitted for human consumption under Minnesota law, and when introduced into the body induces an effect similar to that of a Schedule I or Schedule II controlled substance listed in section 152.02, subdivisions 2 and 3, or Minnesota Rules, parts 6800.4210 and 6800.4220, regardless of whether the substance is marketed for the purpose of human consumption.

EFFECTIVE DATE. This section is effective August 1, 2014, and applies to sales on or after that date.

Sec. 6. Minnesota Statutes 2012, section 151.35, is amended to read:

151.35 DRUGS, ADULTERATION.

A drug shall be deemed to be adulterated:

(1) if it consists in whole or in part of any filthy, putrid or decomposed substance; or if it has been produced, prepared, packed, or held under unsanitary conditions whereby it may have been rendered injurious to health, or whereby it may have been contaminated with filth; or if the methods used in, or the facilities or controls used for, its manufacture, processing, packing, or holding do not conform to or are not operated or administered in conformity with current good manufacturing practice as required under the federal act to assure that such drug is safe and has the identity, strength, quality, and purity characteristics, which it purports or is represented to possess; or the facility in which it was produced was not registered by the United States Food and Drug Administration or licensed by the board; or, its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health; or it bears or contains, for purposes of coloring only, a color additive which is unsafe within the meaning of the federal act, or it is a color additive, the intended use of which in or on drugs is for the purposes of coloring only, and is unsafe within the meaning of the federal act;

(2) if it purports to be or is represented as a drug the name of which is recognized in the United States Pharmacopoeia or the National Formulary, and its strength differs from, or its quality or purity falls below, the standard set forth therein. Such determination as to strength, quality, or purity shall be made in accordance with the tests or methods of assay set forth in such compendium, or in the absence of or inadequacy of such tests or methods of assay, those prescribed under authority of the federal act. No drug defined in the United States Pharmacopoeia or the National Formulary shall

be deemed to be adulterated under this paragraph because it differs from the standard of strength, quality, or purity therefor set forth in such compendium, if its difference in strength, quality, or purity from such standard is plainly stated on its label;

(3) if it is not subject to the provisions of paragraph (2) of this section and its strength differs from, or its purity or quality differs from that which it purports or is represented to possess;

(4) if any substance has been mixed or packed therewith so as to reduce its quality or strength, or substituted wholly or in part therefor.

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

Sec. 7. Minnesota Statutes 2012, section 151.36, is amended to read:

151.36 DRUGS, MISBRANDING.

A drug shall be deemed to be misbranded:

(1) if its labeling is false or misleading in any particular;

(2) if in package form and not dispensed pursuant to a prescription unless it bears a label containing (a) the name and place of business of the manufacturer, packer, or distributor, (b) a statement of ~~identity~~ ingredients, and (c) an accurate statement of the net quantity of the contents in terms of weight, measure, or numerical count, provided, however, that under (c) reasonable variations shall be permitted, and exceptions as to small packages shall be allowed in accordance with the federal act;

(3) if any word, statement, or other information required by or under authority of this chapter to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs or devices, in the labeling) and in such terms as to render it to be read and understood by the ordinary individual under customary conditions of purchase and use;

(4) if it otherwise fails to meet the labeling requirements of the federal act.

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

Sec. 8. Minnesota Statutes 2012, section 152.02, subdivision 8b, is amended to read:

Subd. 8b. **Board of Pharmacy; expedited scheduling of additional substances.** (a) The state Board of Pharmacy may, by rule, add a substance to Schedule I provided that it finds that the substance has a high potential for abuse, has no currently accepted medical use in the United States, has a lack of accepted safety for use under medical supervision, has known adverse health effects, and is currently available for use within the state. For the purposes of this subdivision only, the board may use the expedited rulemaking process under section 14.389. ~~The scheduling of a substance under this subdivision expires the day after the adjournment of the legislative session immediately following the substance's scheduling unless the legislature by law ratifies the action.~~

~~(b) If the board schedules a substance under this subdivision, the board shall notify in a timely manner the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over criminal justice and health policy and finance of the action and the reasons for it. The notice must include a copy of the administrative law judge's decision on the matter.~~

~~(c) This subdivision expires August 1, 2014.~~

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

Sec. 9. **MINNESOTA DEPARTMENT OF HUMAN SERVICES.**

\$50,000 in fiscal year 2014 and \$50,000 in fiscal year 2015 are appropriated from the general fund to the Department of Human Services for increasing public awareness of the dangers of synthetic drugs. The educational awareness campaign should be designed to reach a broad audience but contain targeted messages for students and young adults. The commissioners of education, health, and human services shall cooperate in the formulation and implementation of the educational awareness campaign. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

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

Amend the title numbers accordingly

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

Senator Marty from the Committee on Environment and Energy, to which was referred

S.F. No. 2797: A bill for an act relating to transportation; public safety; environment; providing for railroad and pipeline hazardous materials safety and emergency response preparedness; establishing requirements related to preparedness; amending Minnesota Statutes 2012, sections 115E.01, by adding subdivisions; 115E.08, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 115E.

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

Page 2, line 17, delete "methods for evacuating or isolating the public from the site of a discharge,"

Page 2, line 23, delete "meet" and insert "communicate"

Page 2, line 29, after "recover" insert "rapidly and thoroughly"

Page 3, line 1, delete "one hour" and insert "three hours"

Page 3, line 6, delete "two" and insert "three"

Page 3, delete lines 9 to 11 and insert "(e) A railroad or pipeline company"

Page 3, line 32, delete "spill or discharge incident, or drill" and insert "discharge"

Page 4, line 2, delete "each year" and insert "every three years"

Page 4, line 5, delete "modify" and insert "submit"

Page 4, line 7, delete "modified plan for approval" and insert "plan"

Page 4, delete lines 9 to 13

Page 4, line 14, delete "(c)" and insert "(b)"

Page 4, delete lines 17 to 19

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

Senator Marty from the Committee on Environment and Energy, to which was referred

S.F. No. 2663: A bill for an act relating to game and fish; modifying disability-related angling and hunting licenses and special permit provisions; providing for designations on a driver's license and Minnesota identification card; amending Minnesota Statutes 2012, sections 97A.441, subdivisions 1, 5; 97B.031, subdivision 5; 97B.055, subdivision 3; 97B.106, subdivision 1; 97B.111, subdivision 1; 171.07, subdivision 15, by adding subdivisions; Minnesota Statutes 2013 Supplement, section 97A.441, subdivisions 6, 6a.

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

Page 6, line 31, delete "designations" and insert "designation" and delete "(a)"

Page 7, line 1, delete everything after "designation" and insert "based on the following:"

Page 7, delete line 2

Page 7, delete section 11

Amend the title numbers accordingly

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

Senator Torres Ray from the Committee on Education, to which was referred

S.F. No. 1984: A bill for an act relating to education; establishing requirements for a standard adult high school diploma; amending Minnesota Statutes 2012, section 124D.52, by adding a subdivision; Minnesota Statutes 2013 Supplement, section 124D.52, subdivision 8.

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

Page 4, line 3, delete "must" and insert "may"

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

Senator Torres Ray from the Committee on Education, to which was referred

S.F. No. 2305: A bill for an act relating to education; reducing paperwork burdens by creating a unified online system for collecting and reporting required special education due process data and thereby increasing opportunities for special education educators to focus on teaching students; amending Minnesota Statutes 2012, section 125A.08; Laws 2013, chapter 116, article 5, section 31, subdivision 8.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 125A.08, is amended to read:

125A.08 INDIVIDUALIZED EDUCATION PROGRAMS; DATA REPORTING REQUIREMENTS.

Subdivision 1. Requirements for individualized education programs. (a) At the beginning of each school year, each school district shall have in effect, for each child with a disability, an individualized education program.

(b) As defined in this section, every district must ensure the following:

(1) all students with disabilities are provided the special instruction and services which are appropriate to their needs. Where the individualized education program team has determined appropriate goals and objectives based on the student's needs, including the extent to which the student can be included in the least restrictive environment, and where there are essentially equivalent and effective instruction, related services, or assistive technology devices available to meet the student's needs, cost to the district may be among the factors considered by the team in choosing how to provide the appropriate services, instruction, or devices that are to be made part of the student's individualized education program. The individualized education program team shall consider and may authorize services covered by medical assistance according to section 256B.0625, subdivision 26. The student's needs and the special education instruction and services to be provided must be agreed upon through the development of an individualized education program. The program must address the student's need to develop skills to live and work as independently as possible within the community. The individualized education program team must consider positive behavioral interventions, strategies, and supports that address behavior for children with attention deficit disorder or attention deficit hyperactivity disorder. During grade 9, the program must address the student's needs for transition from secondary services to postsecondary education and training, employment, community participation, recreation, and leisure and home living. In developing the program, districts must inform parents of the full range of transitional goals and related services that should be considered. The program must include a statement of the needed transition services, including a statement of the interagency responsibilities or linkages or both before secondary services are concluded;

(2) children with a disability under age five and their families are provided special instruction and services appropriate to the child's level of functioning and needs;

(3) children with a disability and their parents or guardians are guaranteed procedural safeguards and the right to participate in decisions involving identification, assessment including assistive technology assessment, and educational placement of children with a disability;

(4) eligibility and needs of children with a disability are determined by an initial assessment or reassessment, which may be completed using existing data under United States Code, title 20, section 33, et seq.;

(5) to the maximum extent appropriate, children with a disability, including those in public or private institutions or other care facilities, are educated with children who are not disabled, and that special classes, separate schooling, or other removal of children with a disability from the regular educational environment occurs only when and to the extent that the nature or severity of the disability is such that education in regular classes with the use of supplementary services cannot be achieved satisfactorily;

(6) in accordance with recognized professional standards, testing and evaluation materials, and procedures used for the purposes of classification and placement of children with a disability are selected and administered so as not to be racially or culturally discriminatory; and

(7) the rights of the child are protected when the parents or guardians are not known or not available, or the child is a ward of the state.

(c) For paraprofessionals employed to work in programs for students with disabilities, the school board in each district shall ensure that:

(1) before or immediately upon employment, each paraprofessional develops sufficient knowledge and skills in emergency procedures, building orientation, roles and responsibilities, confidentiality, vulnerability, and reportability, among other things, to begin meeting the needs of the students with whom the paraprofessional works;

(2) annual training opportunities are available to enable the paraprofessional to continue to further develop the knowledge and skills that are specific to the students with whom the paraprofessional works, including understanding disabilities, following lesson plans, and implementing follow-up instructional procedures and activities; and

(3) a districtwide process obligates each paraprofessional to work under the ongoing direction of a licensed teacher and, where appropriate and possible, the supervision of a school nurse.

Subd. 2. Online reporting of required data. (a) To ensure a strong focus on outcomes for children with disabilities informs federal and state compliance and accountability requirements and to increase opportunities for special educators and related-services providers to focus on teaching children with disabilities, the commissioner must integrate, customize, and sustain a streamlined, user-friendly statewide online system, with a single, integrated model online form, for effectively and efficiently collecting and reporting required special education-related data to individuals with a legitimate educational interest and who are authorized by law to access the data. Among other data-related requirements, the online system must successfully interface with existing state reporting systems such as MARSS and Child Count and with districts' local data systems.

(b) The commissioner must consult with qualified experts, including information technology specialists, licensed special education teachers and directors of special education, related-services providers, third-party vendors, a designee of the commissioner of human services, parents of children with disabilities, representatives of advocacy groups representing children with disabilities, and representatives of school districts and special education cooperatives on integrating, field testing, customizing, and sustaining this simple, easily accessible, efficient, and effective online data system for uniform statewide reporting of required due process compliance data. Among other outcomes, the system must:

(1) reduce special education teachers' paperwork burden and thereby increase the teachers' opportunities to focus on teaching children;

(2) to the extent authorized by chapter 13 or other applicable state or federal law governing access to and dissemination of educational records, provide for efficiently and effectively transmitting the records of all transferring children with disabilities, including highly mobile and homeless children with disabilities, among others, to give an enrolling school, school district, facility, or other institution immediate access to information about the transferring child and to avoid fragmented service delivery;

(3) address language and other barriers and disparities that prevent parents from understanding and communicating information about the needs of their children with disabilities;

(4) facilitate school districts' ability to bill medical assistance, MinnesotaCare, and other third-party payers for the costs of providing individualized education program health-related services to an eligible child with disabilities;

(5) help continuously improve the interface among the online systems serving children with disabilities in order to maintain and reinforce the children's ability to learn; and

(6) have readily accessible expert technical assistance to maintain, sustain, and improve the online system.

(c) The commissioner must use the federal Office of Special Education Programs model forms for the (1) individualized education program, (2) notice of procedural safeguards, and (3) prior written notice that are consistent with Part B of IDEA to integrate and customize a state-sponsored universal special education online case management system, consistent with the requirements of state law and this subdivision for integrating, customizing, and sustaining a statewide online reporting system. The commissioner must use a request for proposal process to contract for the technology and software needed for integrating and customizing the online system in order for the system to be fully functional, consistent with the requirements of this subdivision. This online system must be made available to school districts without charge beginning in the 2015-2016 school year. All actions in which data in the system are entered, updated, accessed, or shared or disseminated outside of the system, must be recorded in a data audit trail. The audit trail must identify the user responsible for the action, and the date and time the action occurred. Data contained in the audit trail maintain the same classification as the underlying data that was affected by the action, and may be accessed by the responsible authority at any time for purposes of auditing the system's user activity and security safeguards. For the 2015-2016 through 2017-2018 school years, school districts may use this online system or may contract with an outside vendor for compliance reporting. Beginning in the 2018-2019 school year and later, school districts must use this online system for compliance reporting.

(d) Consistent with this subdivision, the commissioner must establish a public Internet Web interface to provide information to educators, parents, and the public about the form and content of required special education reports, to respond to queries from educators, parents, and the public about specific aspects of special education reports and reporting, and to use the information garnered from the interface to streamline and revise special education reporting on the online system under this subdivision. The public Internet Web interface must not provide access to the educational records of any individual child.

(e) The commissioner annually by February 1 must submit to the legislature a report on the status, recent changes, and sustainability of the online system under this subdivision.

Sec. 2. Laws 2013, chapter 116, article 5, section 31, subdivision 8, is amended to read:

Subd. 8. **Special education paperwork cost savings.** For the contract to effect special education paperwork cost savings under Minnesota Statutes, section 125A.08, subdivision 2, paragraph (c):

\$ 1,763,000 2014

For a transfer to MNIT. This appropriation is available in fiscal year 2015 if not expended.

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

Amend the title numbers accordingly

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

Senator Torres Ray from the Committee on Education, to which was referred

S.F. No. 2363: A bill for an act relating to education; appropriating money for a grant to the Saint Paul Promise Neighborhood (SSPN).

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

Page 1, after line 11, insert:

"(b) The Saint Paul Promise Neighborhood shall submit a report on October 1 of each year this appropriation is granted to the chairs of the legislative committees with jurisdiction over early childhood through grade 12 education policy and finance. The report, at a minimum, must summarize program activities, specify performance measures, and analyze program outcomes."

Page 1, line 12, delete "(b)" and insert "(c)"

Page 1, after line 12, insert:

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

Page 1, delete lines 13 to 20

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "defining Promise Neighborhoods;" and delete "money" and insert "funding"

Page 1, line 3, delete "(SSPN)" and insert "(SPPN)"

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

Senator Torres Ray from the Committee on Education, to which was referred

S.F. No. 2151: A bill for an act relating to education; clarifying the innovative delivery pilot project; appropriating money; amending Laws 2012, chapter 263, section 1.

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

Senator Torres Ray from the Committee on Education, to which was referred

S.F. No. 2403: A bill for an act relating to education; clarifying standards for restrictive procedures; appropriating money; amending Minnesota Statutes 2013 Supplement, section 125A.0942.

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

Senator Torres Ray from the Committee on Education, to which was referred

S.F. No. 2419: A bill for an act relating to education; appropriating funds for a grant to the Northside Achievement Zone.

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

Page 1, line 6, before "\$1,132,000" insert "(a)"

Page 1, after line 12, insert:

"(b) The Northside Achievement Zone shall submit a report to the chairs of the legislative committees with jurisdiction over early childhood through grade 12 education policy and finance that, at a minimum, summarizes program activities, specifies performance measures, and analyzes program outcomes. A report must be submitted within three months of the close of each legislative biennium in which the organization receives funding."

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

Senator Torres Ray from the Committee on Education, to which was referred

S.F. No. 2160: A bill for an act relating to education finance; modifying the postsecondary enrollment options program; creating a transportation funding source for certain pupils attending an area learning center; appropriating money; amending Minnesota Statutes 2012, sections 123A.05, by adding a subdivision; 124D.09, subdivision 9; Laws 2013, chapter 116, article 1, section 58, subdivision 3.

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

Page 1, delete section 1

Page 2, delete line 9 and insert "eligible to participate in the graduation incentives program under section 124D.68 enrolls full-time in a middle or early college program specifically designed to allow the student to earn dual high school and college credit. In this case, the student shall receive developmental college credit and not college credit for completing remedial or developmental courses"

Page 2, line 10, delete the new language

Page 2, delete section 3

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon

Page 1, line 4, delete everything before "amending"

Amend the title numbers accordingly

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

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

S.F. No. 2555: A bill for an act relating to real property; prohibiting certain restrictions on the use of residential solar energy systems; amending Minnesota Statutes 2012, sections 515.07; 515B.2-103; 515B.3-102; proposing coding for new law in Minnesota Statutes, chapter 500.

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

Delete everything after the enacting clause and insert:

"Section 1. [500.216] LIMITS ON CERTAIN RESIDENTIAL SOLAR ENERGY SYSTEMS PROHIBITED.

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Private entity" means a homeowners association, community association, or other association that is subject to a homeowner's association document.

(c) "Homeowners association document" means a document containing the declaration, articles of incorporation, bylaws, or rules and regulations of:

(1) a common interest community, as defined in section 515B.1-103, regardless of whether the common interest community is subject to chapter 515B; and

(2) a residential community that is not a common interest community.

(d) "Solar energy system" has the meaning given in section 216C.06, subdivision 17.

Subd. 2. **General rule.** (a) Notwithstanding any covenant, restriction, or condition contained in a deed, security instrument, homeowners association document, or any other instrument affecting the transfer, sale of, or an interest in, real property, a private entity may not prohibit or refuse to permit installation, maintenance, or use of a roof-mounted solar energy system by the owner of a single-family dwelling, except as provided in this section.

(b) If approval by a private entity is required for the installation or use of a solar energy system, the application for approval must be processed and approved in the same manner as an application for approval of an architectural modification to the property, and must not be willfully avoided or delayed. A private entity shall approve or deny an application in writing. If an application is not denied in writing within 60 days from the date of receipt of the application, the application is deemed approved unless the delay is the result of a reasonable request for additional information. An application must be approved unless it fails to comply with allowable conditions under subdivision 4.

Subd. 3. **Applicability.** This section applies to single-family dwellings, whether attached or detached, where the dwelling owner is responsible for repair, replacement, and insurance of the roof of the dwelling.

Subd. 4. **Allowable conditions.** (a) This section does not prohibit a private entity from requiring that:

(1) a licensed contractor install a solar energy system;

(2) a roof-mounted solar energy system not extend above the peak of a pitched roof or beyond the edge of the roof;

- (3) the owner not modify the existing style of roof design or type of roofing material;
- (4) the owner or installer of a solar energy system indemnify or reimburse the private entity or its members for loss or damage caused by the installation, maintenance, use, repair, or removal of a solar energy system;
- (5) the owner and each successive owner of a solar energy system list the private entity as a certificate holder on the homeowner's insurance policy;
- (6) the owner and each successive owner of a solar energy system be responsible for removing the system if reasonably necessary for the repair, maintenance, or replacement of common elements or limited common elements, as defined in section 515B.1-103; or
- (7) a solar energy system for heating water be certified by the Solar Rating Certification Corporation (SRCC) or an equivalent certification agency; or a solar energy system for producing electricity meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories, including, but not limited to, Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.
- (b) A solar energy system must meet applicable standards and requirements imposed by the state and by governmental units, as defined in section 462.384.
- (c) A private entity may impose additional reasonable restrictions on the installation, maintenance, or use of solar energy systems. Additional restrictions are presumed to be reasonable if they do not decrease the projected generation of energy by a solar energy system by more than ten percent or increase its cost by more than ten percent, compared with the generation of energy and the cost of labor and materials certified by the designer or installer of the solar energy system as originally proposed without these restrictions. A private entity may obtain an alternative bid and design from a solar energy system designer or installer for the purposes of this paragraph.

EFFECTIVE DATE. This section is effective January 1, 2015, and applies to common interest communities or residential communities created on or after that date.

Sec. 2. Minnesota Statutes 2012, section 515.07, is amended to read:

515.07 COMPLIANCE WITH COVENANTS, BYLAWS, AND RULES.

Each apartment owner shall comply strictly with the bylaws and with the administrative rules adopted pursuant thereto, as either of the same may be lawfully amended from time to time, and with the covenants, conditions, and restrictions set forth in the declaration or in the owner's deed to the apartment. Failure to comply with any of the same shall be ground for an action to recover sums due, for damages or injunctive relief or both maintainable by the manager or board of directors on behalf of the association of apartment owners or, in a proper case, by an aggrieved apartment owner. This chapter is subject to section sections 500.215 and 500.216.

Sec. 3. Minnesota Statutes 2012, section 515B.2-103, is amended to read:

515B.2-103 CONSTRUCTION AND VALIDITY OF DECLARATION AND BYLAWS.

- (a) All provisions of the declaration and bylaws are severable.

(b) The rule against perpetuities may not be applied to defeat any provision of the declaration or this chapter, or any instrument executed pursuant to the declaration or this chapter.

(c) In the event of a conflict between the provisions of the declaration and the bylaws, the declaration prevails except to the extent that the declaration is inconsistent with this chapter.

(d) The declaration and bylaws must comply with ~~section~~ sections 500.215 and 500.216.

Sec. 4. Minnesota Statutes 2012, section 515B.3-102, is amended to read:

515B.3-102 POWERS OF UNIT OWNERS' ASSOCIATION.

(a) Except as provided in subsections (b) and (c), and subject to the provisions of the declaration or bylaws, the association shall have the power to:

(1) adopt, amend and revoke rules and regulations not inconsistent with the articles of incorporation, bylaws and declaration, as follows: (i) regulating the use of the common elements; (ii) regulating the use of the units, and conduct of unit occupants, which may jeopardize the health, safety or welfare of other occupants, which involves noise or other disturbing activity, or which may damage the common elements or other units; (iii) regulating or prohibiting animals; (iv) regulating changes in the appearance of the common elements and conduct which may damage the common interest community; (v) regulating the exterior appearance of the common interest community, including, for example, balconies and patios, window treatments, and signs and other displays, regardless of whether inside a unit; (vi) implementing the articles of incorporation, declaration and bylaws, and exercising the powers granted by this section; and (vii) otherwise facilitating the operation of the common interest community;

(2) adopt and amend budgets for revenues, expenditures and reserves, and levy and collect assessments for common expenses from unit owners;

(3) hire and discharge managing agents and other employees, agents, and independent contractors;

(4) institute, defend, or intervene in litigation or administrative proceedings (i) in its own name on behalf of itself or two or more unit owners on matters affecting the common elements or other matters affecting the common interest community or, (ii) with the consent of the owners of the affected units on matters affecting only those units;

(5) make contracts and incur liabilities;

(6) regulate the use, maintenance, repair, replacement, and modification of the common elements and the units;

(7) cause improvements to be made as a part of the common elements, and, in the case of a cooperative, the units;

(8) acquire, hold, encumber, and convey in its own name any right, title, or interest to real estate or personal property, but (i) common elements in a condominium or planned community may be conveyed or subjected to a security interest only pursuant to section 515B.3-112, or (ii) part of a cooperative may be conveyed, or all or part of a cooperative may be subjected to a security interest, only pursuant to section 515B.3-112;

(9) grant or amend easements for public utilities, public rights-of-way or other public purposes, and cable television or other communications, through, over or under the common elements; grant or amend easements, leases, or licenses to unit owners for purposes authorized by the declaration; and, subject to approval by a vote of unit owners other than declarant or its affiliates, grant or amend other easements, leases, and licenses through, over or under the common elements;

(10) impose and receive any payments, fees, or charges for the use, rental, or operation of the common elements, other than limited common elements, and for services provided to unit owners;

(11) impose interest and late charges for late payment of assessments and, after notice and an opportunity to be heard before the board or a committee appointed by it, levy reasonable fines for violations of the declaration, bylaws, and rules and regulations of the association;

(12) impose reasonable charges for the review, preparation and recordation of amendments to the declaration, resale certificates required by section 515B.4-107, statements of unpaid assessments, or furnishing copies of association records;

(13) provide for the indemnification of its officers and directors, and maintain directors' and officers' liability insurance;

(14) provide for reasonable procedures governing the conduct of meetings and election of directors;

(15) exercise any other powers conferred by law, or by the declaration, articles of incorporation or bylaws; and

(16) exercise any other powers necessary and proper for the governance and operation of the association.

(b) Notwithstanding subsection (a) the declaration or bylaws may not impose limitations on the power of the association to deal with the declarant which are more restrictive than the limitations imposed on the power of the association to deal with other persons.

(c) Notwithstanding subsection (a), powers exercised under this section must comply with ~~section~~ sections 500.215 and 500.216."

Amend the title numbers accordingly

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

SECOND READING OF SENATE BILLS

S.F. Nos. 2372, 2252, 2712, 1821, 2068, 2009, 1964, 2538, 2546, 1835, 2402, 2271, 2855, 1353, 2654, 1701, 2299, 1790, 2472, 2500, 1509, 2617, 1926, 2695, 2440, 2060, 2733 and 1984 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Nienow introduced—

S.F. No. 2893: A bill for an act relating to public safety; restricting the possession and use of electronic device surveillance equipment; proposing coding for new law in Minnesota Statutes, chapter 299C.

Referred to the Committee on Judiciary.

Senator Westrom introduced—

S.F. No. 2894: A bill for an act relating to public safety; requiring all registered out-of-state predatory offenders who move to Minnesota to register with the state; amending Minnesota Statutes 2013 Supplement, section 243.166, subdivision 1b.

Referred to the Committee on Judiciary.

Senators Marty and Sieben introduced—

S.F. No. 2895: A bill for an act relating to crime victims; appropriating money for sexual violence community prevention networks.

Referred to the Committee on Finance.

Senators Hall, Gazelka, Ingebrigtsen, Housley and Ruud introduced—

S.F. No. 2896: A bill for an act relating to taxation; sales and use; motor vehicles; providing an exemption for used goods and used motor vehicles; amending Minnesota Statutes 2012, sections 297A.67, by adding a subdivision; 297B.03.

Referred to the Committee on Taxes.

Senators Hall, Osmek, Kiffmeyer, Weber and Dahms introduced—

S.F. No. 2897: A bill for an act relating to elections; providing term limits for state legislators and constitutional officers; proposing an amendment to the Minnesota Constitution, article IV, section 6; and article V, sections 2 and 4.

Referred to the Committee on Rules and Administration.

Senators Senjem and Hann introduced—

S.F. No. 2898: A bill for an act relating to taxation; individual income; allowing a subtraction for Social Security benefits; amending Minnesota Statutes 2013 Supplement, sections 290.01, subdivision 19b; 290.091, subdivision 2.

Referred to the Committee on Taxes.

Senators Thompson; Petersen, B.; Newman; Chamberlain and Benson introduced—

S.F. No. 2899: A bill for an act relating to sports facilities; prohibiting the offering of additional public money for hosting the Super Bowl; amending Minnesota Statutes 2012, section 473J.27, by adding a subdivision; repealing Minnesota Statutes 2012, section 297A.68, subdivision 9.

Referred to the Committee on Taxes.

Senator Sheran introduced—

S.F. No. 2900: A bill for an act relating to commerce; defining certain unlawful trade practices; modifying certain regulations related to the practice of advanced practice nursing; amending Minnesota Statutes 2012, sections 148.171, subdivisions 5, 10, 11, 13, 21; 148.235, subdivisions 2, 2a, 4, 4a, 4b; 325D.11; repealing Minnesota Statutes 2012, sections 148.171, subdivision 6; 148.235, subdivision 6.

Referred to the Committee on Health, Human Services and Housing.

Senators Benson and Bonoff introduced—

S.F. No. 2901: A bill for an act relating to health; requiring the Office of Health Care Complaints to investigate complaints against a health maintenance organization; requiring a family member of the complainant to be interviewed; amending Minnesota Statutes 2012, section 144A.53, subdivision 3; Minnesota Statutes 2013 Supplement, section 144A.53, subdivision 2.

Referred to the Committee on Health, Human Services and Housing.

Senator Weber introduced—

S.F. No. 2902: A bill for an act relating to capital investment; appropriating money for the Red Rock Rural Water System; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

Senators Champion and Hayden introduced—

S.F. No. 2903: A bill for an act relating to state government; transferring certain state councils to the Minnesota Department of Human Rights; creating an American Indian Liaison Office in Minnesota Management and Budget; amending Minnesota Statutes 2012, sections 3.9223, subdivision 5; 3.9225, subdivision 5; 3.9226, subdivision 5; 307.08, as amended; 363A.06, by adding a subdivision; repealing Minnesota Statutes 2012, section 3.922, subdivisions 1, 3, 4, 5, 6, 7, 8, 10, 11.

Referred to the Committee on State and Local Government.

Senator Jensen introduced—

S.F. No. 2904: A bill for an act relating to insurance; regulating self-service storage insurance agents; proposing coding for new law in Minnesota Statutes, chapter 60K.

Referred to the Committee on Commerce.

Senator Nelson introduced—

S.F. No. 2905: A bill for an act relating to taxation; corporate franchise; allowing corporations a deduction for foreign royalties; amending Minnesota Statutes 2013 Supplement, sections 290.01, subdivision 19d; 290.0921, subdivision 3; 290.17, subdivision 4; 290.191, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes.

Senators Skoe and Rest introduced—

S.F. No. 2906: A bill for an act relating to state government; providing a grant for assistive technology; appropriating money.

Referred to the Committee on Finance.

Senator Thompson introduced—

S.F. No. 2907: A bill for an act relating to taxation; income; allowing a subtraction for certain partnership and S corporation income; amending Minnesota Statutes 2013 Supplement, section 290.01, subdivision 19b.

Referred to the Committee on Taxes.

MOTIONS AND RESOLUTIONS

Senator Eaton moved that the name of Senator Marty be added as a co-author to S.F. No. 1900. The motion prevailed.

Senator Sieben moved that the name of Senator Marty be added as a co-author to S.F. No. 1915. The motion prevailed.

Senator Westrom moved that the name of Senator Ingebrigtsen be added as a co-author to S.F. No. 2149. The motion prevailed.

Senator Sheran moved that her name be stricken as chief author, shown as a co-author, and the name of Senator Sparks be added as chief author to S.F. No. 2222. The motion prevailed.

Senator Dahle moved that the name of Senator Nelson be added as a co-author to S.F. No. 2305. The motion prevailed.

Senator Housley moved that the name of Senator Kent be added as a co-author to S.F. No. 2451. The motion prevailed.

Senator Carlson moved that the name of Senator Marty be added as a co-author to S.F. No. 2622. The motion prevailed.

Senator Senjem moved that the name of Senator Nelson be added as a co-author to S.F. No. 2824. The motion prevailed.

Senator Carlson moved that S.F. No. 2267 be withdrawn from the Committee on Health, Human Services and Housing and re-referred to the Committee on Finance. The motion prevailed.

Senator Hoffman moved that S.F. No. 2522 be withdrawn from the Committee on Health, Human Services and Housing and re-referred to the Committee on Finance. The motion prevailed.

Senator Dziejcz moved that S.F. No. 1614 be withdrawn from the Committee on Taxes and re-referred to the Committee on State and Local Government. The motion prevailed.

Senator Jensen moved that S.F. No. 2372, on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

Senator Johnson moved that H.F. No. 2665 be withdrawn from the Committee on State and Local Government, and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 2311, now on General Orders. The motion prevailed.

Senator Jensen moved that S.F. No. 2181 be withdrawn from the Committee on Finance, given a second reading, and placed on General Orders. The motion prevailed.

S.F. No. 2181 was read the second time.

Pursuant to Rule 26, Senator Bakk, Chair of the Committee on Rules and Administration, designated S.F. No. 1737 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1737: A bill for an act relating to state government; requiring continued employer insurance contributions for certain former state employees; proposing coding for new law in Minnesota Statutes, chapter 43A.

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:

Anderson	Eaton	Johnson	Osmek	Sheran
Bakk	Eken	Kent	Pappas	Sieben
Benson	Franzen	Kiffmeyer	Pederson, J.	Skoe
Bonoff	Gazelka	Koenen	Petersen, B.	Sparks
Brown	Goodwin	Limmer	Pratt	Stumpf
Carlson	Hall	Lourey	Reinert	Thompson
Champion	Hann	Marty	Rest	Tomassoni
Clausen	Hawj	Metzen	Rosen	Torres Ray
Cohen	Hayden	Miller	Ruud	Weber
Dahle	Hoffman	Nelson	Saxhaug	Wiger
Dahms	Housley	Newman	Scalze	Wiklund
Dibble	Ingebrigtsen	Nienow	Schmit	
Dziejcz	Jensen	Ortman	Senjem	

So the bill passed and its title was agreed to.

MEMBERS EXCUSED

Senators Chamberlain, Fischbach, Latz and Westrom were excused from the Session of today.

ADJOURNMENT

Senator Bakk moved that the Senate do now adjourn until 11:00 a.m., Thursday, March 27, 2014. The motion prevailed.

JoAnne M. Zoff, Secretary of the Senate

