

SEVENTY-SIXTH DAY

St. Paul, Minnesota, Thursday, March 31, 2016

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

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rabbi Sim Glaser.

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:

Abeler	Dziedzic	Ingebrigtsen	Newman	Sieben
Anderson	Eaton	Jensen	Nienow	Skoe
Bakk	Eken	Johnson	Ortman	Sparks
Benson	Fischbach	Kent	Osmek	Stumpf
Bonoff	Franzen	Kiffmeyer	Pappas	Tomassoni
Carlson	Gazelka	Koenen	Rest	Torres Ray
Chamberlain	Goodwin	Latz	Rosen	Weber
Champion	Hall	Limmer	Ruud	Westrom
Clausen	Hann	Lourey	Saxhaug	Wiger
Cohen	Hawj	Marty	Scalze	Wiklund
Dahle	Hayden	Metzen	Schmit	
Dahms	Hoffman	Miller	Senjem	
Dibble	Housley	Nelson	Sheran	

The President declared a quorum present.

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

REPORTS OF COMMITTEES

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

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

S.F. No. 2597: A bill for an act relating to education; proposing to count all students; collecting and reporting aggregated and disaggregated student growth, learning, and outcome data; amending Minnesota Statutes 2014, sections 120B.35; 120B.36, as amended; 124D.59, by adding a subdivision; Minnesota Statutes 2015 Supplement, section 120B.31, subdivision 4.

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

Page 3, line 31, after "categories" insert a comma and delete "three" and strike "student" and strike everything after "gender"

Page 3, line 32, delete the new language and strike the old language

Page 3, line 33, after the stricken period, insert a comma

Page 4, line 33, after "categories" insert a comma and delete "three student" and delete everything after "gender"

Page 4, line 34, delete "female, and other"

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

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

S.F. No. 3196: A bill for an act relating to education; establishing an advisory group to develop recommendations to design and implement a statewide outdoor place-based education plan; establishing an outdoor place-based education program; requiring a report; appropriating money.

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

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

S.F. No. 2793: A bill for an act relating to natural resources; providing for control of invasive species; modifying wild rice license requirements; providing for streamlined review of certain plans and regulations; modifying and providing civil penalties; requiring a report; amending Minnesota Statutes 2014, sections 17.4982, subdivision 18a; 84.027, subdivision 13; 84.091, subdivision 2; 84D.01, subdivision 2; 84D.05, subdivision 1; 84D.09, subdivision 2; 84D.10, subdivision 4; 84D.108, by adding a subdivision; 84D.13, subdivision 4; 116G.15, by adding a subdivision; Minnesota Statutes 2015 Supplement, sections 84.027, subdivision 13a; 84D.11, subdivision 1; 84D.13, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 84D.

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

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

S.F. No. 3148: A bill for an act relating to local government; authorizing Hennepin County to use job order contracting for certain construction projects; amending Minnesota Statutes 2014, section 383B.142; proposing coding for new law in Minnesota Statutes, chapter 383B.

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

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

S.F. No. 2814: A bill for an act relating to education; creating a Student Discipline Working Group to review the substance, application, and effect of Minnesota's Pupil Fair Dismissal Act and make recommendations to the legislature.

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

Page 1, line 10, delete "legislature" and insert "chairs and ranking minority members of the committees in the house of representatives and senate with jurisdiction over education"

Page 2, line 10, after "(c)" insert "The working group consists of 18 members."

Page 2, line 20, before "and" insert "the School Nurses Organization of Minnesota; Educators for Excellence;"

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

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

S.F. No. 2569: A bill for an act relating to transportation; establishing autonomous vehicles task force and demonstration project to serve mobility needs of people with disabilities; providing support for the task force; defining terms; appropriating money.

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

Page 1, line 21, delete "from the metropolitan area and greater Minnesota"

Page 2, line 20, after "community" insert "and at least one of whom has expertise in autonomous vehicle technology"

Page 2, line 21, after "(b)" insert "The appointing authorities for the members appointed under clauses (9), (10), and (11), shall to the extent practicable make their appointments to reflect geographic balance across the state."

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

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

S.F. No. 2717: A bill for an act relating to education; creating a task force to examine and recommend the elimination of unfunded mandates in general education; requiring a report; appropriating money.

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

Page 2, line 1, after "member" insert "of the house of representatives" and before the second "house" insert "speaker of the" and delete "Education Finance"

Page 2, line 2, delete "Committee"

Page 2, line 3, after "member" insert "of the house of representatives" and before the second "house" insert "minority leader of the" and delete "Education Innovation"

Page 2, line 4, delete "Policy Committee"

Page 2, line 5, delete "one member" and insert "two senators" and delete "Education Committee" and insert "Subcommittee on Committees of the Committee on Rules and Administration"

Page 2, delete line 6

Page 2, line 7, delete "(7)" and insert "(6)" and delete "appointed" and insert "designated"

Page 2, line 8, delete "(8)" and insert "(7)" and delete "appointed" and insert "designated"

Page 2, line 9, delete "(9)" and insert "(8)" and delete "appointed" and insert "designated"

Page 2, line 18, after "provide" insert "meeting space,"

Page 2, line 19, after "assistance" insert a comma and before "support" insert "administrative"

Page 2, line 22, delete "of the legislature" and insert "in the house of representatives and the senate"

Page 2, line 24, after "commissioner" insert "of education"

Page 2, line 26, after "expires" insert "January 2, 2017, or"

Page 2, line 27, after "8" insert ", whichever is earlier"

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 State and Local Government, to which was referred

S.F. No. 2986: A bill for an act relating to local government; authorizing counties and cities to exempt land less than 20 acres from the fence-viewing process; authorizing counties and cities to adopt fence policies; amending Minnesota Statutes 2014, sections 344.011; 344.20.

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

Page 1, line 9, delete "county board," and delete the first comma

Page 1, line 13, delete "COUNTY," and delete the comma

Page 1, line 14, delete "county," and delete the comma

Page 1, after line 23, insert:

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

Amend the title as follows:

Page 1, lines 2 and 3, delete "counties and"

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

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

S.F. No. 2782: A bill for an act relating to military veterans; authorizing grants to veterans from the state soldiers' assistance fund to pay for emergency dental care; allowing a subtraction for dentists who provide charity care to veterans; appropriating money; amending Minnesota Statutes 2014, sections 197.05; 290.01, subdivision 19b; 290.091, subdivision 2.

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

Page 2, line 4, delete the new language

Page 2, line 5, strike "these" and insert "the" and after "purposes" insert "in this section"

Page 2, line 7, delete "who require" and insert "for"

Page 2, line 8, delete "special needs"

Page 2, line 9, before "on" insert "based on special need determined" and after "basis" insert "by"

Page 2, line 11, after "allowances" insert "published by the Minnesota Department of Veterans Affairs"

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 State and Local Government, to which was re-referred

S.F. No. 2479: A bill for an act relating to health; creating a comprehensive health care workforce council and workforce plan; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Page 1, line 19, delete "(9)" and insert "(15)"

Page 2, line 2, delete "31" and insert "33"

Page 2, line 3, delete the first "one" and delete "majority leader and one"

Page 2, line 4, delete everything before the semicolon and insert "Subcommittee on Committees of the Committee on Rules and Administration of the senate"

Page 2, line 19, after "the" insert "Board of Regents of the"

Page 2, line 20, after "the" insert "Board of Trustees of the"

Page 2, after line 20, insert:

"(11) one member appointed by SEIU Healthcare Minnesota;

(12) one member appointed by the Minnesota Nurses Association;"

Page 2, line 21, delete "(11)" and insert "(13)"

Page 2, line 22, delete "(12)" and insert "(14)"

Page 2, line 23, delete "(13)" and insert "(15)"

Page 2, line 25, delete "(14)" and insert "(16)"

Page 2, line 26, delete "(15)" and insert "(17)"

Page 2, line 27, delete "(16)" and insert "(18)"

Page 2, line 28, delete "(17)" and insert "(19)"

Page 2, line 29, delete "(18)" and insert "(20)"

Page 2, line 30, delete "(19)" and insert "(21)"

Page 2, delete lines 31 to 33

Page 2, delete line 34 and insert "(b) Section 15.059, subdivision 4, shall apply"

Page 3, line 1, delete everything after the period

Page 3, delete line 2 and insert:

"(c) The commissioner of health or the commissioner's designee shall serve as chair of the council.

(d) The council shall not expire."

Page 3, line 31, delete "legislature" and insert "the chairs and ranking minority members of the committees in the house of representatives and the senate with jurisdiction over health care"

Page 3, after line 34, insert:

"Sec. 2. FIRST APPOINTMENTS AND FIRST MEETING OF THE COMPREHENSIVE HEALTH CARE WORKFORCE COUNCIL.

Appointments to the Comprehensive Health Care Workforce Council under Minnesota Statutes, section 144.1504, must be made by September 1, 2016. The commissioner of health shall convene the first meeting no later than October 1, 2016. Members of the council shall elect a chair at the first meeting."

Renumber the sections in sequence

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 State and Local Government, to which was re-referred

S.F. No. 2958: A bill for an act relating to agriculture; establishing a good food access program to provide financial and technical assistance to increase access to affordable foods; requiring a report; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17.

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

Page 2, after line 8, insert:

"(h) "Good Food Access Program Advisory Committee" means the Good Food Access Program Advisory Committee under section 17.1018."

Reletter the paragraphs in sequence

Page 4, line 18, delete everything after "maintain" and insert "the Good Food Access Program Advisory Committee."

Page 4, delete lines 19 to 23

Page 4, lines 24 and 27, delete "program advisory group" and insert "Good Food Access Program Advisory Committee"

Page 6, line 11, delete "program advisory"

Page 6, line 12, delete "group" and insert "Good Food Access Program Advisory Committee"

Page 7, after line 21, insert:

"Sec. 2. [17.1018] GOOD FOOD ACCESS PROGRAM ADVISORY COMMITTEE.

Subdivision 1. Definitions. As used in this section, the following terms have the meanings given them:

(1) "program" means the good food access program under section 17.1017; and

(2) "commissioner" means the commissioner of agriculture.

Subd. 2. Creation. The Good Food Access Program Advisory Committee consists of the following members, appointed by the commissioner of agriculture, unless otherwise specified:

(1) the commissioners of health, employment and economic development, and human services, or their respective designees;

(2) one person representing the grocery industry;

(3) two people representing economic or community development, one rural member and one urban or suburban member;

(4) two people representing political subdivisions of the state;

(5) one person designated by the Council for Minnesotans of African Heritage;

(6) one person designated by the Minnesota Indian Affairs Council;

(7) one person designated by the Council on Asian Pacific Minnesotans;

(8) one person designated by the Chicano Latino Affairs Council;

(9) one person designated by the Minnesota Farmers Union;

(10) one person representing public health experts;

(11) one person representing philanthropic foundations;

(12) one person representing economic or community development financial institutions;

(13) one person representing the University of Minnesota Regional Sustainable Development Partnerships;

(14) two people representing organizations engaged in addressing food security, one representative from a statewide hunger relief organization and one from a community-based organization;

(15) one person representing immigrant farmer-led organizations;

(16) one person representing small business technical assistance with experience in food retail;
and

(17) up to four additional members with economic development, health equity, financial, or other relevant expertise.

At least half of the members must reside in or their organizations must serve rural Minnesota. The commissioner may remove members and fill vacancies as provided in section 15.059, subdivision 4.

Subd. 3. **Duties.** The advisory committee must advise the commissioner of agriculture on managing the program, establishing program criteria, establishing project eligibility guidelines, establishing application processes and additional selection criteria, establishing annual monitoring and accountability mechanisms, facilitating leveraging of additional public and private investments, and promoting the program statewide.

Subd. 4. **Meetings.** The commissioner must convene the advisory committee at least two times per year to achieve the committee's duties.

Subd. 5. **Administrative support.** The commissioner of agriculture must provide staffing, meeting space, and administrative services for the advisory committee.

Subd. 6. **Chair.** The commissioner of agriculture or the commissioner's designee shall serve as chair of the committee.

Subd. 7. **Compensation.** The public members of the advisory committee serve without compensation or payment of expenses.

Subd. 8. **Expiration.** The advisory committee does not expire.

Sec. 3. GOOD FOOD ACCESS ADVISORY COMMITTEE.

The commissioner of agriculture and designating authorities must make their initial appointments and designations by July 1, 2016, for the Good Food Access Advisory Committee established under Minnesota Statutes, section 17.1018. The commissioner of agriculture or the commissioner's designee must convene the first meeting of the Good Food Access Advisory Committee by September 1, 2016."

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 2, after "program" insert "and advisory committee"

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 re-referred

S.F. No. 3001: A bill for an act relating to economic development; making various policy changes; modifying agency programs; modifying the commissioner's promotional authority; modifying workforce development outcomes; creating the Workforce Development Board; amending Minnesota Statutes 2014, sections 116J.035, subdivision 1a; 116J.8738, subdivision 2; 116J.8747, by adding a subdivision; 116J.8748, subdivision 4; Minnesota Statutes 2015 Supplement, sections 116J.8738, subdivision 3; 116L.98, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116L; repealing Minnesota Statutes 2014, section 116L.665.

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

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

S.F. No. 3154: A bill for an act relating to forest resources; establishing a production incentive program for the use of forest resources in the production of siding; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 41A.

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

Delete everything after the enacting clause and insert:

"Section 1. [41A.20] SIDING PRODUCTION INCENTIVE.

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Commissioner" means the commissioner of agriculture.

(c) "Forest resources" means raw wood logs and material primarily made up of cellulose, hemicellulose, or lignin, or a combination of those ingredients.

Subd. 2. **Eligibility.** (a) A facility eligible for payment under this section must source at least 80 percent raw materials from Minnesota. If a facility is sited 50 miles or less from the state border, raw materials may be sourced from within a 100-mile radius. Raw materials must be from forest resources. The facility must be located in Minnesota, must begin production at a specific location by June 30, 2025, and must not begin operating before July 1, 2017. Eligible facilities include existing companies and facilities that are adding siding production capacity, or retrofitting existing capacity, as well as new companies and facilities. Eligible siding production facilities must produce at least ... board feet of siding each year.

(b) No payments shall be made for siding production that occurs after June 30, 2035, for those eligible producers under paragraph (a).

(c) An eligible producer of siding shall not transfer the producer's eligibility for payments under this section to a facility at a different location.

(d) A producer that ceases production for any reason is ineligible to receive payments under this section until the producer resumes production.

Subd. 3. **Payment amounts; limits.** (a) The commissioner shall make payments to eligible producers of siding. The amount of the payment for each eligible producer's annual production is \$..... per 1,000 board feet of siding produced at a specific location for ten years after the start of production.

(b) Total payments under this section to an eligible siding producer in a fiscal year may not exceed the amount necessary for ... board feet of siding produced. Total payments under this section to all eligible siding producers in a fiscal year may not exceed the amount necessary for ... board feet of siding produced. The commissioner shall award payments on a first-come, first-served basis within the limits of available funding.

(c) For purposes of this section, an entity that holds a controlling interest in more than one siding facility is considered a single eligible producer.

Subd. 4. **Forest resources requirements.** Forest resources that come from land parcels greater than 160 acres must be certified by the Forest Stewardship Council, Sustainable Forestry Initiative, or American Tree Farm System. Uncertified land from parcels of 160 acres or less and federal land must be harvested by a logger who has completed training from the Minnesota logger education program or the equivalent, and have a forest stewardship plan.

Subd. 5. **Claims.** (a) By the last day of October, January, April, and July, each eligible siding producer shall file a claim for payment for siding production during the preceding three calendar months. An eligible siding producer that files a claim under this subdivision shall include a statement of the eligible producer's total board feet of siding produced during the quarter covered by the claim. For each claim and statement of total board feet of siding filed under this subdivision, the board feet of siding produced must be examined by a certified public accounting firm with a valid permit to practice under chapter 326A, in accordance with Statements on Standards for Attestation Engagements established by the American Institute of Certified Public Accountants.

(b) The commissioner must issue payments by November 15, February 15, May 15, and August 15. A separate payment must be made for each claim filed.

Subd. 6. **Appropriation.** A sum sufficient to make the payments required by this section, not to exceed \$4,000,000 in a fiscal year, is annually appropriated from the general fund to the commissioner, and all money appropriated under this subdivision is available until spent.

Sec. 2. Minnesota Statutes 2014, section 297A.71, is amended by adding a subdivision to read:

Subd. 49. **Siding production facility materials.** Building materials and supplies for constructing a siding production facility that produces at least ... board feet of siding are exempt. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied, and then refunded in the manner provided in section 297A.75."

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.

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

S.F. No. 3205: A bill for an act relating to transportation; amending certain regulations and penalties governing special transportation service providers; setting requirements for nonemergency medical transportation providers related to background studies; amending Minnesota Statutes 2014, section 174.30, subdivisions 1, 4a, 8, by adding a subdivision; Minnesota Statutes 2015 Supplement, sections 174.30, subdivisions 4, 10; 256B.0625, subdivision 17.

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

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

S.F. No. 2785: A bill for an act relating to transportation; requiring drivers to stop vehicles at the direction of a school bus flagger; amending Minnesota Statutes 2014, section 169.444, subdivisions 2, 5, 6, 7, by adding subdivisions.

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

Page 1, line 9, after "place" insert "at a location on a street or highway with a posted speed limit of 35 miles per hour or less"

Page 2, line 14, before "A" insert "(a)"

Page 2, after line 16, insert:

"(b) A peace officer may 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 this section within the four-hour period following the termination of the incident or a receipt of a report under paragraph (c). The citation may be issued even though the violation was not committed in the presence of the peace officer.

(c) Although probable cause may be otherwise satisfied by other evidentiary elements or factors, probable cause is sufficient for purposes of this section when the person cited is operating the vehicle described by a school bus driver in a timely report of the violation of this section, which includes a description of the vehicle used to commit the offense and the vehicle's license plate number. For the purposes of issuance of a citation under paragraph (b), "timely" means that the report must be made within a four-hour period following the termination of the incident."

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. 2897: A bill for an act relating to health; modifying provisions of the Minnesota Health Records Act; amending Minnesota Statutes 2014, sections 72A.501, subdivision 4; 72A.502, subdivision 6; 144.293, subdivisions 2, 3; 144.295, subdivision 1; Minnesota Statutes 2015 Supplement, sections 144.291, subdivision 2; 144.293, subdivisions 5, 8.

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

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

S.F. No. 3244: A bill for an act relating to transportation; establishing an advisory working group to observe and report on development of a passenger rail project between Rochester and the Twin Cities.

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

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

S.F. No. 2540: A bill for an act relating to MNsure; creating the shared eligibility system for MNsure; modifying the amount retained or collected from health care premiums to fund the operation of MNsure; amending Minnesota Statutes 2014, section 62V.05, subdivision 2; Minnesota Statutes 2015 Supplement, section 62V.05, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 62V.

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

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

S.F. No. 2902: A bill for an act relating to MNsure; requesting an evaluation of MNsure's 2016 open enrollment operations and performance.

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

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

S.F. No. 2708: A bill for an act relating to human services; creating alternative residential placement options and modified payment methods and rates for patients with complex and serious medical and behavioral health conditions to reduce unnecessary hospitalization, excessive lengths of stay, and higher rates of readmission after discharge; appropriating money; amending Minnesota Statutes 2014, sections 256.969, by adding a subdivision; 256B.0755, by adding a subdivision; 256B.431, by adding a subdivision; Minnesota Statutes 2015 Supplement, section 144A.071, subdivision 4a.

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 2014, section 144A.071, subdivision 4c, is amended to read:

Subd. 4c. **Exceptions for replacement beds after June 30, 2003.** (a) The commissioner of health, in coordination with the commissioner of human services, may approve the renovation, replacement, upgrading, or relocation of a nursing home or boarding care home, under the following conditions:

(1) to license and certify an 80-bed city-owned facility in Nicollet County to be constructed on the site of a new city-owned hospital to replace an existing 85-bed facility attached to a hospital that is also being replaced. The threshold allowed for this project under section 144A.073 shall be the maximum amount available to pay the additional medical assistance costs of the new facility;

(2) to license and certify 29 beds to be added to an existing 69-bed facility in St. Louis County, provided that the 29 beds must be transferred from active or layaway status at an existing facility in St. Louis County that had 235 beds on April 1, 2003.

The licensed capacity at the 235-bed facility must be reduced to 206 beds, but the payment rate at that facility shall not be adjusted as a result of this transfer. The operating payment rate of the facility adding beds after completion of this project shall be the same as it was on the day prior to the day the beds are licensed and certified. This project shall not proceed unless it is approved and financed under the provisions of section 144A.073;

(3) to license and certify a new 60-bed facility in Austin, provided that: (i) 45 of the new beds are transferred from a 45-bed facility in Austin under common ownership that is closed and 15 of the new beds are transferred from a 182-bed facility in Albert Lea under common ownership; (ii) the commissioner of human services is authorized by the 2004 legislature to negotiate budget-neutral planned nursing facility closures; and (iii) money is available from planned closures of facilities under common ownership to make implementation of this clause budget-neutral to the state. The bed capacity of the Albert Lea facility shall be reduced to 167 beds following the transfer. Of the 60 beds at the new facility, 20 beds shall be used for a special care unit for persons with Alzheimer's disease or related dementias;

(4) to license and certify up to 80 beds transferred from an existing state-owned nursing facility in Cass County to a new facility located on the grounds of the Ah-Gwah-Ching campus. The operating cost payment rates for the new facility shall be determined based on the interim and settle-up payment provisions of Minnesota Rules, part 9549.0057, and the reimbursement provisions of section 256B.431. The property payment rate for the first three years of operation shall be \$35 per day. For subsequent years, the property payment rate of \$35 per day shall be adjusted for inflation as provided in section 256B.434, subdivision 4, paragraph (c), as long as the facility has a contract under section 256B.434;

(5) to initiate a pilot program to license and certify up to 80 beds transferred from an existing county-owned nursing facility in Steele County relocated to the site of a new acute care facility as part of the county's Communities for a Lifetime comprehensive plan to create innovative responses to the aging of its population. Upon relocation to the new site, the nursing facility shall delicense 28 beds. The property payment rate for the first three years of operation of the new facility shall be increased by an amount as calculated according to items (i) to (v):

(i) compute the estimated decrease in medical assistance residents served by the nursing facility by multiplying the decrease in licensed beds by the historical percentage of medical assistance resident days;

(ii) compute the annual savings to the medical assistance program from the delicensure of 28 beds by multiplying the anticipated decrease in medical assistance residents, determined in item (i), by the existing facility's weighted average payment rate multiplied by 365;

(iii) compute the anticipated annual costs for community-based services by multiplying the anticipated decrease in medical assistance residents served by the nursing facility, determined in item (i), by the average monthly elderly waiver service costs for individuals in Steele County multiplied by 12;

(iv) subtract the amount in item (iii) from the amount in item (ii);

(v) divide the amount in item (iv) by an amount equal to the relocated nursing facility's occupancy factor under section 256B.431, subdivision 3f, paragraph (c), multiplied by the historical percentage of medical assistance resident days.

For subsequent years, the adjusted property payment rate shall be adjusted for inflation as provided in section 256B.434, subdivision 4, paragraph (c), as long as the facility has a contract under section 256B.434; and

(6) to consolidate and relocate nursing facility beds to a new site in Goodhue County and to integrate these services with other community-based programs and services under a communities for a lifetime pilot program and comprehensive plan to create innovative responses to the aging of its population. Eighty beds in the city of Red Wing shall be transferred from the downsizing and relocation of an existing 84-bed, hospital-owned nursing facility and the entire closure or downsizing of beds from a 65-bed nonprofit nursing facility in the community resulting in the delicensure of 69 beds in the two existing facilities. Notwithstanding the carryforward of the approval authority in section 144A.073, subdivision 11, the funding approved in April 2009 by the commissioner of health for a project in Goodhue County shall not carry forward. The closure of the 69 beds shall not be eligible for a planned closure rate adjustment under section 256B.437. The construction project permitted in this clause shall not be eligible for a threshold project rate adjustment under section 256B.434, subdivision 4f. The property payment rate for the first three years of operation of the new facility shall be increased by an amount as calculated according to items (i) to (vi):

(i) compute the estimated decrease in medical assistance residents served by both nursing facilities by multiplying the difference between the occupied beds of the two nursing facilities for the reporting year ending September 30, 2009, and the projected occupancy of the facility at 95 percent occupancy by the historical percentage of medical assistance resident days;

(ii) compute the annual savings to the medical assistance program from the delicensure by multiplying the anticipated decrease in the medical assistance residents, determined in item (i), by the hospital-owned nursing facility weighted average payment rate multiplied by 365;

(iii) compute the anticipated annual costs for community-based services by multiplying the anticipated decrease in medical assistance residents served by the facilities, determined in item (i), by the average monthly elderly waiver service costs for individuals in Goodhue County multiplied by 12;

(iv) subtract the amount in item (iii) from the amount in item (ii);

(v) multiply the amount in item (iv) by 48.5 percent; and

(vi) divide the difference of the amount in item (iv) and the amount in item (v) by an amount equal to the relocated nursing facility's occupancy factor under section 256B.431, subdivision 3f, paragraph (c), multiplied by the historical percentage of medical assistance resident days.

For subsequent years, the adjusted property payment rate shall be adjusted for inflation as provided in section 256B.434, subdivision 4, paragraph (c), as long as the facility has a contract under section 256B.434.

(b) Projects approved under this subdivision shall be treated in a manner equivalent to projects approved under subdivision 4a.

(c) The commissioner of health, in coordination with the commissioner of human services, may approve the renovation, replacement, upgrading, or relocation of a nursing home or boarding care home to establish new or replacement beds in a unit within a nursing facility to be used for the care of patients committed to the commissioner of human services and who have complex co-occurring

chronic medical conditions and serious mental illness or substance abuse conditions after discharge from a hospital when the commissioners of health and of human services have determined that:

(1) there are inadequate options available within the community or region to provide subacute, transitional care, or residential outpatient options for these patients; and

(2) the lack of available placement options is resulting in poorer treatment outcomes and higher total costs of care for these patients because of higher rates of admission to hospital inpatient and emergency department services, longer lengths of inpatient hospital stays, and increased risks of readmission after a discharge.

Sec. 2. Minnesota Statutes 2014, section 256.969, is amended by adding a subdivision to read:

Subd. 31. **Hospital rates for certain patients committed to the commissioner.** (a) The commissioner shall provide an additional payment for inpatient hospital services provided to a patient who is committed to the commissioner and either:

(1) is eligible and appropriate for admission to a state-operated inpatient facility for treatment of serious psychiatric or substance abuse disorders but is placed in a community hospital due to lack of available beds at a state-operated inpatient facility; or

(2) remains in the inpatient community hospital after no longer needing a hospital level of care for the treatment of serious psychiatric or substance abuse disorders because of the lack of any available, safe, and suitable placement in residential or community settings after discharge from the hospital.

(b) The commissioner shall establish the amount of the additional hospital inpatient payment rate to be paid under this subdivision by:

(1) requesting applications for the additional payment from community hospitals. Applications must include documentation of the hospital's total number of inpatient days serving patients who no longer needed a hospital level of care but could not be discharged because of the lack of availability of placements as provided in paragraph (a);

(2) determining a per-day additional hospital inpatient payment rate amount by dividing the amount of the annual appropriation provided for purposes of this subdivision by the total annual number of inpatient days reported by all eligible hospitals under clause (1); and

(3) establishing an add-on payment rate for each hospital eligible for the additional payment based on each hospital's ratio of its total reported inpatient days to the total inpatient days reported by all eligible hospitals.

Sec. 3. Minnesota Statutes 2014, section 256.9693, is amended to read:

256.9693 INPATIENT TREATMENT FOR MENTAL ILLNESS.

(a) The commissioner shall establish a continuing care benefit program for persons with mental illness in which persons with mental illness may obtain acute care hospital inpatient treatment for mental illness for up to 45 days beyond that allowed by section 256.969. The commissioner may authorize additional days beyond 45 based on an individual review of medical necessity. Persons with mental illness who are eligible for medical assistance may obtain inpatient treatment under this program in hospital beds for which the commissioner contracts under this section. The commissioner may selectively contract with hospitals to provide this benefit through competitive bidding when

reasonable geographic access by recipients can be assured. Payments under this section shall not affect payments under section 256.969. The commissioner may contract externally with a utilization review organization to authorize persons with mental illness to access the continuing care benefit program. The commissioner, as part of the contracts with hospitals, shall establish admission criteria to allow persons with mental illness to access the continuing care benefit program. If a court orders acute care hospital inpatient treatment for mental illness for a person, the person may obtain the treatment under the continuing care benefit program. The commissioner shall not require, as part of the admission criteria, any commitment or petition under chapter 253B as a condition of accessing the program. This benefit is not available for people who are also eligible for Medicare and who have not exhausted their annual or lifetime inpatient psychiatric benefit under Medicare.

(b) If a recipient is enrolled in a prepaid managed care plan or county-based purchasing plan, this program is included in the plan's plans' coverage. Plans must use the same admission criteria for the continuing care benefit program as is used in the commissioner's contracts with hospitals.

Sec. 4. Minnesota Statutes 2014, section 256B.0755, is amended by adding a subdivision to read:

Subd. 8. **Prototype demonstration projects for small high-cost populations.** The commissioner may authorize small demonstration projects under this section to test new interventions that will improve treatment outcomes and reduce the total cost of care for small populations of high-cost patients who:

(1) have complex and serious medical and behavioral health conditions; and

(2) are at high risk of recurring admissions to inpatient and emergency services, extensive lengths of inpatient stays due to a lack of appropriate placements upon discharge, and high rates of readmission after discharge.

Projects approved under this subdivision must test innovative new strategies to improve treatment outcomes and reduce total costs of care that, if effective, could be expanded to and replicated in other regions and with other high-risk, high-cost populations.

Sec. 5. Minnesota Statutes 2014, section 256B.441, is amended by adding a subdivision to read:

Subd. 68. **Rate adjustment for committed patients.** The commissioner of human services shall establish a higher payment rate for payments to nursing facilities for patients committed to the commissioner and admitted to a special nursing facility or unit within a nursing facility that accepts patients with complex co-occurring chronic medical conditions and serious mental illness or substance abuse conditions after discharge from a hospital when no other appropriate subacute, transitional care, or residential outpatient options are available for placement upon hospital discharge. The payment rate must be sufficient to cover the additional costs of the program and to create an adequate incentive for nursing facility providers to develop or offer placement options for these patients.

Sec. 6. **APPROPRIATIONS.**

(a) \$..... is appropriated in fiscal year 2017 from the general fund to the commissioner of human services to be used as follows:

(1) \$3,000,000 for additional inpatient hospital payments under section 2.

(2) \$..... for committed patients under section 5.

(b) \$...... is added to the base."

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

S.F. No. 3312: A bill for an act relating to aeronautics; regulating the operation of unmanned aircraft systems; providing penalties; authorizing rulemaking; amending Minnesota Statutes 2014, sections 360.013, by adding a subdivision; 360.075, subdivision 1, by adding subdivisions; 360.55, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 360.

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 2014, section 360.013, is amended by adding a subdivision to read:

Subd. 47a. **Drones.** "Drone" means a powered aircraft that is operated without the possibility of direct human intervention from within or on the aircraft.

Sec. 2. Minnesota Statutes 2014, section 360.075, subdivision 1, is amended to read:

Subdivision 1. **Misdemeanor.** Every person who:

(1) operates an aircraft either on or over land or water in this state without the consent of the owner of such aircraft;

(2) operates aircraft while in the possession of any federal license, certificate, or permit or any certificate of registration issued by the ~~Transportation~~ department of ~~this state~~, or displays, or causes or permits to be displayed, such federal license, certificate, or permit or such state certificate of registration, knowing either to have been canceled, revoked, suspended, or altered;

(3) lends to, or knowingly permits the use of by, one not entitled thereto of any federal airman's or aircraft license, certificate, or permit, or any state airman's or aircraft certificate of registration issued to that person;

(4) displays or represents as the person's own any federal airman's or aircraft license, certificate, or permit or any state airman's or aircraft certificate of registration not issued to that person;

(5) tampers with, climbs upon or into, makes use of, or navigates any aircraft without the knowledge or consent of the owner or person having control thereof, whether while the same is in motion or at rest, or hurls stones or any other missiles at aircraft, or the occupants thereof, or otherwise damages or interferes with the same, or places upon any portion of any airport any object, obstruction, or other device tending to injure aircraft or parts thereof;

(6) uses a false or fictitious name, gives a false or fictitious address, knowingly makes any false statement or report, or knowingly conceals a material fact, or otherwise commits a fraud in any application or form required under the provisions of sections 360.011 to 360.076, or by any rules or orders of the commissioner;

(7) operates any aircraft ~~in such a manner so~~ as to indicate either a careless, willful, or a wanton disregard for the safety of persons or property;

(8) carries on or over land or water in this state in an aircraft other than a public aircraft any explosive substance except as permitted by ~~the Federal Explosives Act, being the Act of October 6, 1917, as amended by Public Law 775, 77th Congress, approved November 24, 1942 United States Code, title 18, chapter 40; Code of Federal Regulations, title 27, part 555; and successor laws and regulations;~~

(9) discharges a gun, pistol, or other weapon in or from any aircraft in this state except as the hunting of certain wild animals from aircraft may be permitted by other laws of this state, or unless the person is the pilot or officer in command of the aircraft or a peace officer or a member of the military or naval forces of the United States, engaged in the performance of duty;

(10) carries in any aircraft, other than a public aircraft, any shotgun, rifle, pistol, or small arms ammunition except in the manner in which such articles may be lawfully carried in motor vehicles in this state, or is a person excepted from the provisions of clause (9);

(11) engages in acrobatic or stunt flying without being equipped with a parachute and without providing any other occupants of the aircraft with parachutes and requiring that they be worn;

(12) while in flying over a thickly inhabited area or over a public gathering in this state, engages in trick or acrobatic flying or in any acrobatic feat;

(13) except while in landing or taking off, flies at such low levels as to endanger persons on the surface beneath, or engages in advertising through the playing of music or transcribed or oral announcements, or makes any noise with any siren, horn, whistle, or other audible device which is not necessary for the normal operation of the aircraft, except that sound amplifying devices may be used in aircraft when operated by or under the authority of any agency of the state or federal government for the purpose of giving warning or instructions to persons on the ground;

(14) drops any object, except loose water, loose fuel, or loose sand ballast, without the prior written consent of the commissioner of transportation and the prior written consent of the municipality or property owner where objects may land; drops objects from an aircraft that endanger person or property on the ground, or drops leaflets for any purpose whatsoever; ~~or~~

(15) while in flight in an aircraft, whether as a pilot, passenger, or otherwise, endangers, kills, or attempts to kill any birds or animals or uses any aircraft for the purpose of concentrating, driving, rallying, or stirring up migratory waterfowl;

(16) launches or recovers a drone from state or private property without consent;

(17) uses a drone with intent to damage, disrupt, or otherwise interfere with an aircraft that is in motion on the ground or in the air; or

(18) knowingly operates a drone within one mile of a helicopter being operated by a law enforcement agency, fire department, or emergency medical service provider;

except as may be permitted by other laws of this state, shall be guilty of a misdemeanor.

Sec. 3. Minnesota Statutes 2014, section 360.075, subdivision 2, is amended to read:

Subd. 2. **Gross misdemeanor.** Every A person who shall commit any of the acts specified in commits a violation of subdivision 1 for a second or other subsequent time shall be is guilty of a gross misdemeanor.

Sec. 4. Minnesota Statutes 2014, section 360.55, is amended by adding a subdivision to read:

Subd. 9. **Drones.** A drone that weighs up to a maximum of 55 pounds may be subject to fees under section 360.679, and is exempt from taxes and fees under sections 360.511 to 360.67.

Sec. 5. **[360.679] DRONE; COMMERCIAL USE PERMIT.**

Subdivision 1. **Requirements for commercial use permit.** The commissioner shall issue a commercial use permit to an owner of a drone weighing up to a maximum of 55 pounds, when the owner:

- (1) utilizes the drone for any purpose other than hobby or recreational use;
- (2) provides proof of payment of sales tax on the purchase of the drone;
- (3) identifies each individual who will operate the drone and certifies to the commissioner that each operator meets the qualifications under subdivision 3;
- (4) provides proof of insurance that complies with the requirements of and limits in section 360.59, subdivision 10;
- (5) pays an annual permit fee of \$25; and
- (6) provides additional information the commissioner deems to be necessary or desirable.

Subd. 2. **Deposit of fee.** The proceeds of the fee required under subdivision 1 must be collected by the commissioner, paid into the state treasury, and credited to the state airports fund.

Subd. 3. **Qualifications for drone operators.** The commissioner shall develop and administer a written knowledge test for drone operators that complies with all applicable state and federal regulations. To be eligible to take the knowledge test, a person must:

- (1) be at least 17 years of age;
- (2) possess a valid driver's license issued by this state, another state or territory of the United States, or the District of Columbia; and
- (3) satisfy all other applicable state or federal requirements.

A drone operator must pass the test and meet all qualifications under this subdivision in this state or in a state with comparable requirements.

Subd. 4. **Commercial use permit process.** The commissioner shall implement a permit application process, including a requirement that the department provide notice to an applicant of the department's permit issuance decision no later than ten days from the date the department receives the application. The commissioner shall offer technical guidance for permit applicants and permit holders to enable compliance with program requirements.

Subd. 5. **Unlawful operations.** A person who owns or operates a drone in violation of this section is guilty of a misdemeanor.

Sec. 6. **EFFECTIVE DATE.**

This act is effective January 1, 2017."

Delete the title and insert:

"A bill for an act relating to aeronautics; regulating the operation of drones; providing penalties; amending Minnesota Statutes 2014, sections 360.013, by adding a subdivision; 360.075, subdivisions 1, 2; 360.55, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 360."

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

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

S.F. No. 3012: A bill for an act relating to mining; modifying safety measures at abandoned mines; amending Minnesota Statutes 2014, sections 180.03, subdivisions 2, 3, 4; 180.10.

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 2014, section 180.03, subdivision 2, is amended to read:

Subd. 2. **Fences.** Except as described in subdivision 4, every person, firm, or corporation that is or has been engaged in the business of mining or removing iron ore, taconite, semitaconite or other minerals except sand, crushed rock, and gravel shall erect and maintain, as a minimum, a three strand wire fence along the outside perimeter of the excavation, open pit, or shaft of any mine in which mining operations have ceased for a period of six consecutive months or longer. Based upon local site conditions that may exist at shafts, caves, or open pits, the county mine inspector may require more secure fencing such as barbed wire or mesh fence, or may require barriers, appropriate signs, or any combination of the above, to reduce the possibility of accidental falls. ~~The county mine inspector may grant exemptions under subdivision 4.~~ Where mining operations have ceased and not resumed, the fence, barrier, signs, or combination of them required by this section shall be erected within two years from the date when the county mine inspector directs the erection of fences, barriers, signs, or combination of them.

Sec. 2. Minnesota Statutes 2014, section 180.03, subdivision 3, is amended to read:

Subd. 3. **Abandoned mines.** Except as described in subdivision 4, when a mine is idle or abandoned it is the duty of the inspector of mines to notify the person, firm, or corporation that is or has been engaged in the business of mining to erect and maintain around all the shafts, caves, and open pits of such mines a fence, barrier, appropriate signs, or combination of them, suitable to warn of the presence of shafts, caves, or open pits and reduce the possibility of accidentally falling into these shafts, caves, or open pits. If the mine has been idled or abandoned, or if the person, firm, or corporation that has been engaged in the business of mining no longer exists, the fee owner shall erect the fence, barrier, or signs required by this section. If the fee owner fails to act, the county in which the mining operation is located may, in addition to any other remedies available, abate the nuisance by erecting the fence, barrier, or signs and assessing the costs and related expenses pursuant to section 429.101.

Sec. 3. Minnesota Statutes 2014, section 180.03, subdivision 4, is amended to read:

Subd. 4. **Exemptions.** (a) Any excavation, cave, open or water-filled pit, or shaft, or any portion thereof, is exempt from the requirements of this section:

(1) on property owned, leased, or administered by the Office of the Commissioner of Iron Range Resources and Rehabilitation;

(2) for the construction, operation, maintenance, or administration of:

(i) grant-in-aid trails as defined in section 85.018;

(ii) any property owned or leased by a municipality, as defined in section 466.01, subdivision 1, that is intended or permitted to be used as a park, as an open area for recreational purposes, or for the provision of recreational services, including the creation of trails or paths without artificial surfaces; and

(iii) any recreational use, as generally defined in section 604A.21, subdivisions 5 and 6, provided the use is administered by a municipality, as defined in section 466.01, subdivision 1;

(3) for economic development pursuant to chapter 469; or

~~Upon written application, (4) for property the county mine inspector may exempt from the requirements of subdivision 2, any abandoned excavation, open pit, or shaft which upon written application exempts, if the property is provided with fencing, barriers, appropriate signs, or combinations of them, in a manner that is reasonably similar to the standards in subdivision 2, or which in the inspector's judgment does not constitute a safety hazard.~~

(b) Where an exemption applies there shall be, at a minimum, appropriate signs posted at each location of public access to the mining area warning of possible dangers due to the presence of excavations, shafts, caves, or open or water-filled pits.

Sec. 4. Minnesota Statutes 2014, section 180.10, is amended to read:

180.10 REMOVAL OF FENCE; GUARD.

A worker, employee, or other person who opens, removes, or disturbs any fence, guard, barrier, sign, or rail required by section 180.03, and fails to close or replace or have the same closed or replaced again around or in front of any mine shaft, pit, chute, excavation, cave, or land liable to cave, injure, or destroy, whether by accident, injury, or damage results, either to the mine or those at work therein, or to any other person, shall be guilty of a misdemeanor. A worker, employee, or other person who, in regard to any fence, guard, barrier, sign, or rail, does any of the acts prohibited by section 609.52, commits theft of the fence, guard, barrier, sign, or rail may be sentenced as provided in section 609.52."

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. 3155: A bill for an act relating to economic development; regulating and renaming the Minnesota minerals 21st century fund; appropriating money; amending Minnesota Statutes 2014, sections 116J.423; 116J.424.

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

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

S.F. No. 1651: A bill for an act relating to contracts; regulating automatic renewal clauses in consumer contracts; proposing coding for new law in Minnesota Statutes, chapter 325G.

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

Page 1, lines 18 and 21, delete "automatic renewal" and insert "contract"

Page 1, line 22, delete "automatic renewal" and insert "contract before it renews for another term"

Page 2, lines 2, 4, and 15, delete "automatic renewal" and insert "contract"

Page 2, line 3, after "procedure" insert ", which shall allow for cancellation by regular mail or e-mail"

Page 2, delete lines 5 to 7 and insert:

"(b) Written notice under this section must be made in a stand-alone mailing using boldfaced type."

Page 2, delete lines 8 and 9

Page 2, line 11, delete "beginning of the automatic renewal period" and insert "date on which the contract renews for another term"

Page 2, line 13, before the period, insert "or by standard mail or e-mail"

Page 2, line 16, after "time" insert ", including by standard mail, e-mail, or telephone"

Page 2, line 17, delete "must" and insert "shall"

Page 2, after line 19, insert:

"Subd. 6. **Exemption.** (a) This section shall not apply to a class of contracts governed by other specific provisions related to automatic or guaranteed renewal in state or federal statute or regulation.

(b) This section does not apply to contracts when the consumer may cancel at any time and receive a refund for goods or services not yet provided, if notice of this cancellation right is given in the manner provided in subdivision 3, and the consumer may cancel by any reasonable means, including by standard mail, e-mail, or telephone."

Page 2, line 20, delete "6" and insert "7"

Page 2, line 22, delete "2016" and insert "2017"

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. 2330: A bill for an act relating to health; prohibiting the use of certain flame-retardant chemicals in certain products; amending Minnesota Statutes 2015 Supplement, section 325F.071.

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

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

S.F. No. 3085: A bill for an act relating to commerce; regulating real estate licenses; requiring the renewal or reinstatement of the license of certain veterans; amending Minnesota Statutes 2014, section 82.62, 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 2014, section 82.59, subdivision 5, is amended to read:

Subd. 5. **Waivers.** The commissioner may grant a waiver of the real estate licensing experience requirement for the broker's examination to a qualified applicant for a waiver.

(a) A qualified applicant for a waiver is an individual who:

- (1) has a degree in real estate from an accredited college or university;
- (2) is a licensed practicing attorney whose practice involves real estate law; or
- (3) is a public officer whose official duties involve real estate law or real estate transactions.

(b) The commissioner shall grant a waiver of the real estate licensing experience requirement for the broker's examination at no cost to a qualified veteran who applies for the waiver. The qualified veteran may retake the examination under the terms of the waiver. For purposes of this paragraph, "qualified veteran" means: (1) an active duty military member or spouse of an active duty military member on the date of the license cancellation or the date by which a timely renewal must have been made; or (2) a veteran or spouse of a veteran who has left service in the two years preceding the date of the license cancellation or the date by which a timely renewal must have been made.

~~(b)~~ (c) A request for a waiver shall be submitted to the commissioner in writing on a form prescribed by the commissioner and be accompanied by documents necessary to evidence qualification as set forth in paragraph (a).

~~(c)~~ (d) The waiver will lapse if the applicant fails to successfully complete the broker's examination within one year from the date of the granting of the waiver.

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

Delete the title and insert:

"A bill for an act relating to commerce; requiring qualified veterans to receive a licensing experience waiver for the broker's examination; amending Minnesota Statutes 2014, section 82.59, subdivision 5."

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

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

S.F. No. 2665: A bill for an act relating to real estate appraisers; regulating appraiser fees, investigation costs, and appraisal management companies; amending Minnesota Statutes 2014,

sections 45.027, subdivision 1; 82C.02, subdivisions 4, 5; proposing coding for new law in Minnesota Statutes, chapter 82C.

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 2014, section 45.027, subdivision 1, is amended to read:

Subdivision 1. **General powers.** In connection with the duties and responsibilities entrusted to the commissioner, and Laws 1993, chapter 361, section 2, the commissioner of commerce may:

(1) make public or private investigations within or without this state as the commissioner considers necessary to determine whether any person has violated or is about to violate any law, rule, or order related to the duties and responsibilities entrusted to the commissioner;

(2) require or permit any person to file a statement in writing, under oath or otherwise as the commissioner determines, as to all the facts and circumstances concerning the matter being investigated;

(3) hold hearings, upon reasonable notice, in respect to any matter arising out of the duties and responsibilities entrusted to the commissioner;

(4) conduct investigations and hold hearings for the purpose of compiling information related to the duties and responsibilities entrusted to the commissioner;

(5) examine the books, accounts, records, and files of every licensee, and of every person who is engaged in any activity regulated; the commissioner or a designated representative shall have free access during normal business hours to the offices and places of business of the person, and to all books, accounts, papers, records, files, safes, and vaults maintained in the place of business;

(6) publish information which is contained in any order issued by the commissioner;

(7) require any person subject to duties and responsibilities entrusted to the commissioner, to report all sales or transactions that are regulated. The reports must be made within ten days after the commissioner has ordered the report. The report is accessible only to the respondent and other governmental agencies unless otherwise ordered by a court of competent jurisdiction; and

(8) assess a natural person or entity subject to the jurisdiction of the commissioner the necessary expenses of the investigation performed by the department when an investigation is made by order of the commissioner. The cost of the investigation shall be determined by the commissioner and is based on the salary cost of investigators or assistants and at an average rate per day or fraction thereof so as to provide for the total cost of the investigation. All money collected must be deposited into the general fund. A natural person or entity licensed under chapter 60K or, 82, or 82B shall not be charged costs of an investigation if the investigation results in no finding of a violation. This clause does not apply to a natural person or entity already subject to the assessment provisions of sections 60A.03 and 60A.031.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and applies to investigations commenced or concluded on or after that date.

Sec. 2. Minnesota Statutes 2014, section 82C.02, subdivision 3, is amended to read:

Subd. 3. **Appraisal assignment.** "Appraisal assignment" means an engagement for which an appraiser is ~~employed~~ or retained to act, as a disinterested third party in giving an unbiased analysis, opinion, or conclusion relating to the nature, quality, value, or utility of named interests in, or aspects of, identified real estate.

Sec. 3. Minnesota Statutes 2014, section 82C.02, is amended by adding a subdivision to read:

Subd. 3a. **National Registry.** "National Registry" means the registry of state-registered appraisal management companies and federally regulated appraisal management companies maintained by the Appraisal Subcommittee.

Sec. 4. Minnesota Statutes 2014, section 82C.02, subdivision 4, is amended to read:

Subd. 4. **Appraisal management company.** "Appraisal management company" means a corporation, partnership, sole proprietorship, subsidiary, unit, or other business entity that directly or indirectly performs the following appraisal management services:

(1) within a given 12-month period, as defined in section 82C.025, administers a network or networks of independent contractors and/or employee appraisers more than 15 Minnesota state-licensed or state-certified real estate appraisers or 25 or more state-licensed or state-certified real estate appraisers in two or more states, who are independent contractors to the appraisal management company, as described in section 82C.025 to perform residential real estate appraisal assignments for clients;

(2) receives requests for residential real estate appraisal services from clients and, for a fee paid by the client, enters into an agreement with one or more independent contractor appraisers to perform the real estate appraisal services contained in the request; or

(3) serves as a third-party broker of appraisal management services between clients and appraisers.

An "appraisal management company" does not include a department or division of an entity that provides appraisal management services only to that entity.

Sec. 5. Minnesota Statutes 2014, section 82C.02, is amended by adding a subdivision to read:

Subd. 8a. **Appraisal Subcommittee.** "Appraisal Subcommittee" means the Appraisal Subcommittee of the Federal Financial Institutions Examination Council.

Sec. 6. Minnesota Statutes 2014, section 82C.02, is amended by adding a subdivision to read:

Subd. 12a. **Federally regulated appraisal management company.** "Federally regulated appraisal management company" means an appraisal management company that is owned and controlled by an insured depository institution, as defined in United States Code, title 12, section 1813, and regulated by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, or the Federal Deposit Insurance Corporation.

Sec. 7. [82C.025] APPRAISER PANEL; ANNUAL SIZE CALCULATION.

(a) For purposes of determining whether, within a 12-month period, an appraisal management company oversees an appraiser panel of more than 15 Minnesota state-licensed or state-certified real property appraisers employed as independent contractors or 25 or more state-certified or

state-licensed appraisers employed as independent contractors in two or more states, the provisions in paragraphs (b) through (e) shall apply.

(b) An appraiser is deemed part of the appraisal management company's appraiser panel as of the earliest date on which the appraisal management company:

(1) accepts the appraiser for the appraisal management company's consideration for future appraisal assignments; or

(2) engages the appraiser to perform one or more appraisals on behalf of a client.

(c) An appraiser who is deemed part of the appraisal management company's appraiser panel pursuant to paragraph (b) of this section is deemed to remain on the panel until the date on which the appraisal management company:

(1) sends written notice to the appraiser removing the appraiser from the appraiser panel, with an explanation of its action; or

(2) receives written notice from the appraiser asking to be removed from the appraiser panel or notice of the death or incapacity of the appraiser.

(d) If an appraiser is removed from an appraisal management company's appraiser panel pursuant to paragraph (c) of this section, but the appraisal management company subsequently accepts the appraiser for consideration for future assignments or engages the appraiser at any time during the 12 months after the appraisal management company's removal, the removal will be deemed not to have occurred, and the appraiser will be deemed to have been part of the appraisal management company's appraiser panel without interruption.

(e) The period for purposes of counting appraisers on an appraisal management company's appraiser panel is the 12-month period established with which the appraisal management company is required to register.

Sec. 8. [82C.17] REASONABLE AND CUSTOMARY FEES.

Subdivision 1. **Fees.** An appraisal management company shall compensate appraisers with fees that are reasonable and customary for appraisal services performed in the market area of the property being appraised.

Subd. 2. **Evidence.** (a) An appraisal management company can evidence that the fees paid to an appraiser were reasonable and customary through:

(1) objective third-party information, including, but not limited to, government agency fee schedules or academic studies. An academic study used must exclude appraisal assignments ordered by an appraisal management company. The commissioner may establish a fee scheduled for use by an appraisal management company; or

(2) reviewing each of the following factors and making adjustments to recent fees paid for appraisal services performed in the market area:

(i) the type of property appraised;

(ii) the scope of the appraisal work;

(iii) the time in which the appraisal service must be performed;

(iv) appraiser qualifications;

(v) appraiser experience and professional record; and

(vi) appraiser work quality.

(b) The fees paid for a complex appraisal assignment shall reflect the increased time, difficulty, and scope of work required.

(c) An appraisal management company shall maintain written documentation describing and substantiating all methods and information used to determine the customary and reasonable fees required by this section.

Subd. 3. **Reporting.** (a) An appraisal management company shall separately state to the client the following:

(1) the fees paid to an appraiser for appraisal services; and

(2) the fees charged by the appraisal management company for services associated with the management of the appraisal process, including procurement of the appraiser's services.

(b) An appraisal management company shall not prohibit an appraiser who is part of an appraiser panel from recording the fee that the appraiser was paid by the appraisal management company for the appraisal within the appraisal report that is submitted by the appraiser to the appraisal management company.

(c) An appraisal management company shall not include fees for appraisal management services performed by the company in the amount the company reports as charges for the appraisal by the appraiser.

Subd. 4. **Timely payment.** Except in the case of breach of contract or an appraisal that contains one or more documented errors of law, regulation, appraisal standards, or reasonable requirements of the appraisal management company that have not been corrected by an appraiser, an appraisal management company shall pay an independent contractor appraiser for the completion of an appraisal or appraisal review:

(1) within 30 days of the appraiser providing the appraisal report to the appraisal management company or within 30 days of the date the appraisal report is transmitted to the client by an appraisal management company, whichever is sooner; or

(2) in accordance with a payment schedule agreed to in writing by the appraiser and the appraisal management company.

Sec. 9. EFFECTIVE DATE.

Sections 2 to 8 are effective August 1, 2016, and apply to appraisal assignments commenced on or after that date."

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 referred

S.F. No. 2869: A bill for an act relating to commerce; including tax debt as debt that is covered under debt settlement services regulation; amending Minnesota Statutes 2014, sections 332A.02, subdivision 8; 332A.10, subdivision 4; 332B.02, subdivisions 9, 10.

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 2014, section 332A.02, subdivision 8, is amended to read:

Subd. 8. **Debt management services provider.** "Debt management services provider" means any person offering or providing debt management services to a debtor domiciled in this state, regardless of whether or not a fee is charged for the services and regardless of whether the person maintains a physical presence in the state. This term includes any person to whom debt management services are delegated, and does not include services performed by the following when engaged in the regular course of their respective businesses and professions:

- (1) exempt attorneys at law, escrow agents, accountants, broker-dealers in securities;
- (2) state or national banks, credit unions, trust companies, savings associations, title insurers, insurance companies, and all other lending institutions duly authorized to transact business in Minnesota;
- (3) persons who, as employees on a regular salary or wage of an employer not engaged in the business of debt management, perform credit services for their employer;
- (4) public officers acting in their official capacities and persons acting as a debt management services provider pursuant to court order;
- (5) any person while performing services incidental to the dissolution, winding up, or liquidation of a partnership, corporation, or other business enterprise;
- (6) the federal government, the state, its their political subdivisions, public agencies, and their employees;
- (7) collection agencies, provided that the services are provided to a creditor;
- (8) "qualified organizations" designated as representative payees for purposes of the Social Security and Supplemental Security Income Representative Payee System and the federal Omnibus Budget Reconciliation Act of 1990, Public Law 101-508;
- (9) accelerated mortgage payment providers. "Accelerated mortgage payment providers" are persons who, after satisfying the requirements of sections 332.30 to 332.303, receive funds to make mortgage payments to a lender or lenders, on behalf of mortgagors, in order to exceed regularly scheduled minimum payment obligations under the terms of the indebtedness. The term does not include: (i) persons or entities described in clauses (1) to (8); (ii) mortgage lenders or servicers, industrial loan and thrift companies, or regulated lenders under chapter 56; or (iii) persons authorized to make loans under section 47.20, subdivision 1. For purposes of this clause and sections 332.30 to 332.303, "lender" means the original lender or that lender's assignee, whichever is the current mortgage holder;
- (10) trustees, guardians, and conservators; and

(11) debt settlement services providers.

Sec. 2. Minnesota Statutes 2014, section 332A.10, subdivision 4, is amended to read:

Subd. 4. **Prohibited terms.** The following terms shall not be included in the debt management services agreement:

- (1) a hold harmless clause;
- (2) a confession of judgment, or a power of attorney to confess judgment against the debtor or appear as the debtor in any judicial proceeding;
- (3) a waiver of the right to a jury trial, if applicable, in any action brought by or against a debtor;
- (4) an assignment of or an order for payment of wages or other compensation for services;
- (5) a provision in which the debtor agrees not to assert any claim or defense arising out of the debt management services agreement;
- (6) a waiver of any provision of this chapter or a release of any obligation required to be performed on the part of the debt management services provider; ~~or~~
- (7) a mandatory arbitration clause; or
- (8) a clause selecting a law other than the laws of Minnesota or a venue other than the state of Minnesota under which the debt management services agreement or any other dispute involving the provision of debt management services is governed or enforced.

Sec. 3. Minnesota Statutes 2014, section 332B.02, subdivision 9, is amended to read:

Subd. 9. **Creditor.** "Creditor" means ~~any party~~:

- (1) a party named by the debtor as a creditor in the debt settlement services plan or debt settlement services agreement;
- (2) a party that acquires or holds the debt; ~~or~~
- (3) a party to whom interactions with the debt settlement services is assigned in relation to the debt listed in the debt settlement services plan or debt settlement services agreement; or
- (4) the federal government, state government, or their political subdivisions, to which delinquent taxes are owed.

Sec. 4. Minnesota Statutes 2014, section 332B.02, subdivision 10, is amended to read:

Subd. 10. **Debt settlement services.** "Debt settlement services" means any one or more of the following activities:

- (1) offering to provide advice, or offering to act or acting as an intermediary between a debtor and one or more of the debtor's creditors, where the primary purpose of the advice or action is to obtain a settlement for less than the full amount of debt, whether in principal, interest, fees, or other charges, incurred primarily for personal, family, or household purposes including, but not limited to, offering debt negotiation, debt reduction, or debt relief services; ~~or~~
- (2) advising, encouraging, assisting, or counseling a debtor to accumulate funds in an account for future payment of a reduced amount of debt to one or more of the debtor's creditors; or

(3) offering to provide advice, or offering to act or acting as an intermediary between a debtor and the federal government, state government, or their political subdivisions to delay payment of delinquent taxes owed, establish a payment plan for delinquent taxes owed, or obtain a settlement for less than the full amount of delinquent taxes owed.

Any person so engaged or holding out as so engaged is deemed to be engaged in the provision of debt settlement services, regardless of whether or not a fee is charged for such services."

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

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

S.F. No. 2416: A bill for an act relating to consumer protection; prohibiting the possession, manufacture, or sale of cellular telephone cases resembling a firearm; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

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

S.F. No. 2791: A bill for an act relating to commerce; clarifying the authority of the Commerce Fraud Bureau to apply for or execute search warrants; amending Minnesota Statutes 2014, section 626.05, subdivision 2.

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

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

S.F. No. 3047: A bill for an act relating to health care; permitting health carriers to not renew certain conversion individual health plans; requiring notice to affected policyholders; amending Minnesota Statutes 2014, section 62A.17, subdivision 6.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2014, section 62A.17, subdivision 6, is amended to read:

Subd. 6. **Conversion to individual policy.** (a) An individual policy or contract issued as a conversion policy prior to January 1, 2014, shall be renewable at the option of the individual as long as the individual is not covered under another qualified plan as defined in section 62E.02, subdivision 4. Any revisions in the table of rate for the individual policy shall apply to the covered person's original age at entry and shall apply equally to all similar conversion policies issued by the insurer.

(b) Notwithstanding paragraph (a), an issuer with five or fewer covered individuals that are not part of the single risk pool, as defined in section 62A.65, subdivision 3b, may nonrenew those conversion policies in accordance with this paragraph. An issuer nonrenewing coverage under this paragraph must notify the commissioner 180 days before the effective date of the nonrenewal, and must provide the commissioner with a complete list of affected policyholders and a copy of the proposed policyholder notice described in this paragraph. The issuer must provide written notice to each policyholder covered under the conversion policy at least 120 days before the effective date of the nonrenewal. This notice must include information on how to obtain individual or family health coverage and contact information for the state agencies regulating health insurance.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to policies to be renewed on or after that date."

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. 2893: A bill for an act relating to health; adding autism spectrum disorder treatment to essential benefits definition; amending Minnesota Statutes 2014, section 62Q.81, subdivision 4.

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 State and Local Government, to which was referred

S.F. No. 2685: A bill for an act relating to state government; designating June 20 as Alzheimer's Disease Awareness Day; proposing coding for new law in Minnesota Statutes, chapter 10.

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

Page 1, line 6, delete "June 20" and insert "The annual summer solstice"

Amend the title as follows:

Page 1, line 2, delete "June 20" and insert "the annual summer solstice"

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

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

S.F. No. 1368: A bill for an act relating to health; regulating the practice of orthotics, prosthetics, and pedorthics; requiring licensure; establishing fees; proposing coding for new law as Minnesota Statutes, chapter 153B.

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

Page 6, after line 4, insert:

"Subd. 3. **Chair.** The council must elect a chair from among its members.

Subd. 4. **Administrative provisions.** The Board of Podiatric Medicine must provide meeting space and administrative services for the council."

Page 12, delete lines 18 to 20 and insert:

"(d) For the first renewal period following initial licensure, the renewal fee is the fee specified in paragraph (b) or (c), prorated to the nearest dollar that is represented by the ratio of the number of days the license is held in the initial licensure period to 730 days."

Page 12, after line 25, insert:

"(i) No fee may be refunded for any reason."

Page 12, before line 26, insert:

"Sec. 17. FIRST APPOINTMENTS, FIRST MEETING, AND FIRST CHAIR OF THE ORTHOTICS, PROSTHETICS, AND PEDORTHICS ADVISORY COUNCIL.

The Board of Podiatric Medicine shall make its first appointments authorized under Minnesota Statutes, section 153B.25, to the Orthotics, Prosthetics, and Pedorthics Advisory Council, by September 1, 2016. The board shall designate four of its first appointees to serve terms that are coterminous with the governor. The chair of the Board of Podiatric Medicine or the chair's designee shall convene the first meeting of the council by November 1, 2016. The council must elect a chair from among its members at the first meeting of the council."

Page 12, line 27, delete "16" and insert "17"

Renumber the sections in sequence

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 State and Local Government, to which was referred

S.F. No. 3064: A bill for an act relating to state government; prohibiting an agency from procuring supplies or services from persons that fail to disclose as required by federal law information relating to conflict minerals originating in the Democratic Republic of the Congo or its neighboring countries; requiring an agency to provide notice of the prohibition in any solicitation for supplies or services; proposing coding for new law in Minnesota Statutes, chapter 16C.

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

Page 1, line 21, after "commissioner" insert ", head, or chief administrative officer of an agency" and delete "supplies" and insert "goods"

Page 1, line 23, delete "supplies" and insert "goods" and after "commissioner" insert ", head, or chief administrative officer of an agency"

Amend the title as follows:

Page 1, lines 2 and 6, delete "supplies" and insert "goods"

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

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

S.F. No. 2835: A bill for an act relating to pari-mutuel horse racing; authorizing advance deposit wagering; providing for horse-racing revenue; appropriating money; amending Minnesota Statutes 2014, sections 240.08, subdivision 1; 240.13, subdivision 4; 240.15, subdivision 2; 240.25, subdivision 1; Minnesota Statutes 2015 Supplement, sections 240.01, by adding subdivisions; 240.08, subdivision 2; 240.10; 240.15, subdivisions 1, 6; 240.22; proposing coding for new law in Minnesota Statutes, chapter 240.

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

Page 8, line 4, before the period, insert ", except that section 14.386, paragraph (b), does not apply"

Page 8, line 26, delete "after the end of the month" and strike "on" and insert "after the end of the month in"

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

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

S.F. No. 2985: A bill for an act relating to elections; establishing a presidential primary; modifying provisions related to the precinct caucuses; making technical and conforming changes; authorizing rulemaking; amending Minnesota Statutes 2014, sections 201.091, subdivision 4; 202A.14, subdivision 1; 202A.18, subdivision 2a; 204B.14, subdivisions 2, 4; 204C.10; 204D.09, subdivision 1; Minnesota Statutes 2015 Supplement, section 204C.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 207A.

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

Page 1, line 14, after "presidential" insert "nomination"

Page 2, lines 18, 19, 28, 29, and 30, after "presidential" insert "nomination"

Page 2, line 19, after "primary" insert ", or the town general election date provided in section 205.075, subdivision 1"

Page 2, line 29, delete "following" and insert "prior to"

Page 3, line 21, after "presidential" insert "nomination"

Page 4, lines 2 and 18, after "presidential" insert "nomination"

Page 5, line 3, after "presidential" insert "nomination"

Page 5, lines 17 and 18, delete the new language

Page 5, before line 19, insert:

"(b) At the presidential nomination primary, the polling place roster must also state: "I am in general agreement with the principles of the party for whose candidate I intend to vote." This statement must appear separately from the statements required in paragraph (a). The felony penalty provided for in paragraph (a) does not apply to this paragraph."

Page 5, line 19, strike "(b)" and insert "(c)"

Page 5, line 21, strike "(c)" and insert "(d)"

Page 6, lines 1 and 14, after "PRESIDENTIAL" insert "NOMINATION"

Page 6, lines 2, 6, 7, 9, 15, 17, 25, 26, and 29, after "presidential" insert "nomination"

Page 6, line 6, after the period, insert "The date selected must not be the date of the town general election provided in section 205.075, subdivision 1."

Page 6, line 8, delete "primary" and insert "election"

Page 6, line 10, delete ", in consultation with the party chairs,"

Page 6, line 11, after the period, insert "The secretary of state shall consult with the party chairs throughout the rulemaking process, including seeking advice about possible rules before issuing a notice of intent to adopt rules, consultation before the notice of comment is published, consultation on the statement of need and reasonableness, consultation in drafting and revising the rules, and consultation regarding any modifications to the rule being considered."

Page 6, line 33, after "Presidential" insert "Nomination"

Page 7, line 1, delete "The ballot for each political" and insert "If requested by a party chair, the ballot for that"

Page 7, line 2, after "uncommitted" insert a period

Page 7, line 3, delete "and" and insert "If requested by a party chair, the ballot for that party must contain"

Page 7, lines 6, 8, 10, 16, 17, 19, 20, 22, 23, 25, and 26, after "presidential" insert "nomination"

Page 7, line 11, delete "any" and after "candidates" insert ", if any,"

Page 7, line 13, after "PRESIDENTIAL" insert "NOMINATION"

Page 8, lines 1, 11, 13, 15, 19, 23, and 28, after "presidential" insert "nomination"

Amend the title as follows:

Page 1, line 2, after "presidential" insert "nomination"

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 State and Local Government, to which was referred

S.F. No. 2816: A bill for an act relating to state government; providing for disparity impact analysis of proposed legislation; requiring state agencies to biannually report actions taken to address disparities; requiring each change item in the governor's budget proposal to include a disparity analysis; amending Minnesota Statutes 2014, section 16A.10, subdivision 1c; proposing coding for new law in Minnesota Statutes, chapters 3; 15.

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

Delete everything after the enacting clause and insert:

"Section 1. **[3.99] EQUITY IMPACT NOTES.**

(a) The commissioner of management and budget shall coordinate the development of an equity impact note for any proposed legislation upon request of the chair or ranking minority member of any standing committee of the house of representatives or the senate if it appears enactment could significantly increase or decrease disparities. Upon receipt of a request to prepare an equity impact note, the commissioner of management and budget must notify the authors of the proposed legislation that the request has been made. The commissioner of management and budget may require the commissioner or chief administrative officer of an agency to supply in a timely manner any information necessary to complete the equity impact note. The commissioner of management and budget shall consult with the Council for Minnesotans of African Heritage, the Minnesota

Council on Latino Affairs, the Council on Asian-Pacific Minnesotans, and the Indian Affairs Council as appropriate in developing the equity note. The equity impact note must be completed no later than ten days after the initial request and must be made available to the public upon request. In the equity impact note, the commissioner of management and budget shall make a reasonable estimate based on available data of whether the proposed legislation will increase or decrease disparities and identify any data gaps that impair the commissioner's ability to assess the proposed legislation's impact. Upon completion of the equity impact note, the commissioner of management and budget must provide a copy to the authors of the proposed legislation and to the chair and ranking minority member of each committee in the house of representatives and the senate to which the proposed legislation is referred.

(b) For purposes of this section, "disparities" means differences in economic, employment, health, education, or public safety outcomes between the state population as a whole and subgroups of the population defined by race, gender, disability status, and geography.

Sec. 2. [15.996] DISPARITY IMPACT; NEW AND EXISTING STATE PROGRAMS.

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given:

- (1) "agency" means a department or executive branch agency of the state; and
- (2) "disparities" has the meaning given in section 3.99.

Subd. 2. **New programs; definition.** Before an agency may implement a new program, the agency must certify to the commissioner of human rights the actions the agency has taken to ensure, to the extent practicable, that the new program will decrease disparities.

Subd. 3. **Existing programs.** No later than June 30 and December 15 each year, the head or chief administrative officer of each agency must certify to the commissioner of human rights the actions the agency has taken in administering existing laws and programs in the previous six months or since the agency's previous certification, whichever is longer, to decrease existing disparities to the extent practicable.

Subd. 4. **Evaluation and recommendation.** For each agency, the commissioner of human rights, in consultation with the Council for Minnesotans of African Heritage, the Minnesota Council on Latino Affairs, the Council on Asian-Pacific Minnesotans, and the Indian Affairs Council, as appropriate, must evaluate the agency's actions certified under subdivisions 1 and 2, and recommend to the agency any additional actions the agency should take to address or decrease disparities.

Subd. 5. **Annual report required.** No later than February 15 each year, the commissioner of human rights must report to the chairs and ranking minority members of the committees in the house of representatives and the senate with jurisdiction over government operations, each agency action certified under this section during the previous calendar year, the commissioner of human rights' agency-specific recommendations, and any recommendations to the legislature for changes to the law to decrease disparities.

Sec. 3. Minnesota Statutes 2014, section 16A.10, subdivision 1c, is amended to read:

Subd. 1c. **Performance measures and disparity analysis for change items.** For each change item in the budget proposal requesting new or increased funding, the budget document must:

(1) present proposed performance measures that can be used to determine if the new or increased funding is accomplishing its goals. To the extent possible, each budget change item must identify relevant statewide goals and indicators related to the proposed initiative; and

(2) include a succinct analysis of whether the new or changed funding is likely to increase or decrease disparities, as defined in section 3.99."

Amend the title as follows:

Page 1, line 2, delete "disparity" and insert "equity"

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 State and Local Government, to which was referred

S.F. No. 2723: A bill for an act relating to state government; establishing a snow angel fund with the Amateur Sports Commission; proposing coding for new law in Minnesota Statutes, chapter 240A.

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 State and Local Government, to which was re-referred

S.F. No. 2381: A bill for an act relating to elections; modifying provisions related to elections and election administration; modifying provisions related to electronic voting systems; allowing preregistration for 17 year-olds; providing for elections emergency preparedness and response; authorizing alternative method for submitting certain in-person absentee ballot; amending Minnesota Statutes 2014, sections 123B.09, by adding a subdivision; 201.054, subdivisions 1, 2; 201.061, by adding a subdivision; 201.091, subdivision 4; 202A.13; 203B.081; 204B.04, by adding a subdivision; 204B.07, subdivision 4; 204B.14, subdivisions 2, 7; 204B.146, subdivision 3; 204B.18, subdivision 1; 204B.35, by adding a subdivision; 204C.05, subdivision 2; 204C.07, subdivision 3; 204C.15, subdivision 1; 204C.24, subdivision 1; 204C.37; 204C.39, subdivision 4; 204D.08, subdivisions 4, 6; 204D.20, subdivision 3; 204D.22, subdivisions 2, 3; 205.065, subdivision 4; 205.10, subdivision 6; 205A.03, subdivision 3; 205A.05, subdivision 2; 205A.06, subdivision 1; 205A.11, subdivision 2a; 206.80; 206.86, by adding a subdivision; 209.021, subdivision 1; Minnesota Statutes 2015 Supplement, sections 201.071, subdivision 1; 203B.17, subdivision 1; 204B.45, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 204B; repealing Minnesota Statutes 2014, section 204B.17; Minnesota Statutes 2015 Supplement, sections 123B.09, subdivision 5a; 123B.095.

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

SECOND READING OF SENATE BILLS

S.F. Nos. 2793, 3148, 2986, 3012, 1651, 2330, 3085, 2665, 2869, 2416, 2791, 3047, 2685 and 3064 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Dahle introduced—

S.F. No. 3364: A bill for an act relating to state government; establishing a historic barn rehabilitation grant program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 138.

Referred to the Committee on State and Local Government.

Senator Dahle introduced—

S.F. No. 3365: A bill for an act relating to taxation; sales and use; providing a sales tax exemption for a water treatment facility owned by the city of Elko New Market; providing for a refund; appropriating money.

Referred to the Committee on Taxes.

Senator Tomassoni introduced—

S.F. No. 3366: A bill for an act relating to retirement; Teachers Retirement Association; coverage election for certain Mesabi Range Community and Technical College faculty members not offered a coverage election upon reaching tenure.

Referred to the Committee on State and Local Government.

Senator Sheran introduced—

S.F. No. 3367: A resolution urging Congress to take action on the Interest for Others Act of 2016.

Referred to the Committee on Taxes.

Senator Koenen introduced—

S.F. No. 3368: A bill for an act relating to transportation; modifying permit requirements for temporary use of certain rights-of-way; amending Minnesota Statutes 2015 Supplement, section 160.27, subdivision 10.

Referred to the Committee on Transportation and Public Safety.

Senator Pappas introduced—

S.F. No. 3369: A bill for an act relating to consumer protection; regulation of fantasy sports; amending Minnesota Statutes 2014, sections 297E.03, by adding a subdivision; 541.20; 541.21; 609.761, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 325O.

Referred to the Committee on State and Local Government.

Senator Pappas introduced—

S.F. No. 3370: A bill for an act relating to workforce development; providing for grants for job training; appropriating money.

Referred to the Committee on Finance.

Senator Sheran introduced—

S.F. No. 3371: A bill for an act relating to capital investment; appropriating money for Mankato to connect the Southview Heights area to the city sewer system; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Hoffman introduced—

S.F. No. 3372: A bill for an act relating to human services; modifying restrictive interventions in licensed facilities; amending Minnesota Statutes 2014, section 245.8251, subdivision 1.

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

Senator Hayden introduced—

S.F. No. 3373: A bill for an act relating to special transportation; excluding licensed taxicabs from special transportation service provisions; amending Minnesota Statutes 2015 Supplement, section 174.29, subdivision 1.

Referred to the Committee on Transportation and Public Safety.

Senator Koenen introduced—

S.F. No. 3374: A bill for an act relating to rural economic development; creating an organic agriculture financing program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 41A.

Referred to the Committee on Jobs, Agriculture and Rural Development.

Senators Sparks and Weber introduced—

S.F. No. 3375: A bill for an act relating to economic development; appropriating money to the commissioner of employment and economic development for a grant to Enterprise Minnesota, Inc.

Referred to the Committee on Finance.

Senator Tomassoni introduced—

S.F. No. 3376: A bill for an act relating to environment; providing for sulfate effluent permit compliance.

Referred to the Committee on Environment and Energy.

Senator Thompson introduced—

S.F. No. 3377: A bill for an act relating to solid waste; placing moratorium on authority of local units of government to organize solid waste collection; amending Minnesota Statutes 2014, section 115A.94, by adding a subdivision.

Referred to the Committee on Environment and Energy.

Senators Sparks and Torres Ray introduced—

S.F. No. 3378: A bill for an act relating to economic development; providing funding for business development initiatives for economically disadvantaged entrepreneurs; appropriating money.

Referred to the Committee on Finance.

Senators Nelson, Sparks, Rosen and Miller introduced—

S.F. No. 3379: A bill for an act relating to economic development; appropriating money for a study of the economic growth in southeast Minnesota.

Referred to the Committee on Finance.

Senators Johnson, Sheran and Jensen introduced—

S.F. No. 3380: A bill for an act relating to health; permitting residents of nursing facilities to electronically monitor their rooms; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Senators Schmit, Jensen, Dahle and Hoffman introduced—

S.F. No. 3381: A bill for an act relating to education finance; providing school technology and facilities aid to school districts and charter schools; appropriating money.

Referred to the Committee on Finance.

Senators Schmit, Jensen, Sparks, Dahms and Saxhaug introduced—

S.F. No. 3382: A bill for an act relating to agriculture; appropriating money for a grant for the farm-to-food shelf program.

Referred to the Committee on Finance.

Senators Reinert, Miller, Stumpf, Kent and Nelson introduced—

S.F. No. 3383: A bill for an act relating to elections; establishing a presidential primary; modifying provisions related to the precinct caucuses; making technical and conforming changes; amending Minnesota Statutes 2014, sections 201.091, subdivision 4; 202A.14, subdivision 1; 202A.18, subdivision 2a; 204B.14, subdivisions 2, 4; 204C.10; 204D.09, subdivision 1; Minnesota Statutes 2015 Supplement, section 204C.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 207A.

Referred to the Committee on Rules and Administration.

Senator Nienow introduced—

S.F. No. 3384: A bill for an act relating to transportation; mass transit; establishing a fare revenue schedule for Metro Transit; amending Minnesota Statutes 2014, section 473.408, subdivision 2, by adding a subdivision.

Referred to the Committee on Transportation and Public Safety.

Senators Abeler and Saxhaug introduced—

S.F. No. 3385: A bill for an act relating to game and fish; modifying night vision possession restrictions; amending Minnesota Statutes 2014, sections 97B.045, subdivision 3; 97B.086.

Referred to the Committee on Environment and Energy.

Senators Abeler and Saxhaug introduced—

S.F. No. 3386: A bill for an act relating to game and fish; eliminating the turkey stamp and related revenues; amending Minnesota Statutes 2014, sections 97A.045, subdivision 7; 97A.055, subdivision 4; 97A.405, subdivision 2; 97A.473, subdivisions 3, 5, 5a; 97A.474, subdivision 3; 97A.475, subdivisions 2, 3; repealing Minnesota Statutes 2014, section 97A.075, subdivision 5.

Referred to the Committee on Environment and Energy.

Senators Ingebrigtsen, Dahms, Rosen, Bakk and Koenen introduced—

S.F. No. 3387: A bill for an act relating to game and fish; prohibiting adoption of rules limiting use of lead shot; proposing coding for new law in Minnesota Statutes, chapter 97B.

Referred to the Committee on Environment and Energy.

Senators Abeler and Hoffman introduced—

S.F. No. 3388: A bill for an act relating to child care; appropriating money for the at-home infant child care program; reducing the appropriation for basic sliding fee child care assistance grants; amending Laws 2015, chapter 71, article 14, section 2, subdivision 5, as amended.

Referred to the Committee on Finance.

Senators Abeler and Hoffman introduced—

S.F. No. 3389: A bill for an act relating to health insurance; clarifying that a health maintenance contract may not impose an out-of-pocket maximum greater than is permitted under the Affordable Care Act; requiring health plan companies to offer a provider contract to any provider that meets certain criteria; amending Minnesota Statutes 2014, section 62D.095, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 62Q.

Referred to the Committee on Commerce.

Senators Abeler and Bakk introduced—

S.F. No. 3390: A bill for an act relating to game and fish; removing deer license revenue transfer for wolf management; amending Minnesota Statutes 2014, section 97A.075, subdivision 1.

Referred to the Committee on Environment and Energy.

Senators Saxhaug, Bakk and Tomassoni introduced—

S.F. No. 3391: A bill for an act relating to natural resources; directing certain transfers to the forest management investment account; appropriating money for private forest management assistance; amending Minnesota Statutes 2014, section 89.0385.

Referred to the Committee on Finance.

Senator Sheran introduced—

S.F. No. 3392: A bill for an act relating to state government; permitting additional former corrections and human services employees to receive continued employer insurance contributions following assault on the job and permanent disability.

Referred to the Committee on State and Local Government.

Senator Sheran introduced—

S.F. No. 3393: A bill for an act relating to state government; requiring commissioner of management and budget to send bills to employees and former employees for insurance through multiple channels; proposing coding for new law in Minnesota Statutes, chapter 43A.

Referred to the Committee on State and Local Government.

Senators Marty and Lourey introduced—

S.F. No. 3394: A bill for an act relating to human services; allowing for income and child development in the first three years of life demonstration project.

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

Senator Sparks introduced—

S.F. No. 3395: A bill for an act relating to telecommunications; providing for an informal dispute resolution process; standardizing consumer billing practices; requiring intrastate call completion; providing for registration of wholesale transport providers; adding definitions; amending Minnesota Statutes 2014, section 237.01, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 237.

Referred to the Committee on Jobs, Agriculture and Rural Development.

Senator Ingebrigtsen introduced—

S.F. No. 3396: A bill for an act relating to public safety; providing for a state community storm shelter grant program; proposing coding for new law in Minnesota Statutes, chapter 299A.

Referred to the Committee on Finance.

Senator Koenen introduced—

S.F. No. 3397: A bill for an act relating to health; requiring nursing facilities and boarding care homes to reimburse adult training programs for certain costs of nursing assistant training programs provided at no cost to program participants; modifying nursing facility payment rates; amending Minnesota Statutes 2014, section 144A.611, by adding a subdivision; Minnesota Statutes 2015 Supplement, section 256B.441, subdivisions 13, 53.

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

Senators Johnson, Tomassoni and Senjem introduced—

S.F. No. 3398: A bill for an act relating to capital investment; appropriating money for expansion of the National Sports Center in Blaine; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Lourey introduced—

S.F. No. 3399: A bill for an act relating to state government; modifying certain provisions governing child care programs; amending Minnesota Statutes 2014, section 119B.025, by adding a subdivision.

Referred to the Committee on State and Local Government.

Senator Lourey introduced—

S.F. No. 3400: A bill for an act relating to health; removing obsolete references to classes of home care licensure and repealed home care licensure rules; amending Minnesota Statutes 2014, sections 144D.01, subdivision 2a; 144G.03, subdivisions 2, 4.

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

Senator Ingebrigtsen introduced—

S.F. No. 3401: A bill for an act relating to health; adding security screening systems to ionizing radiation-producing equipment; appropriating money; amending Minnesota Statutes 2014, section 144.121, subdivision 1a, by adding a subdivision.

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

Senator Sparks introduced—

S.F. No. 3402: A bill for an act relating to economic development; appropriating money for a grant to strengthen the technological competitiveness of small businesses.

Referred to the Committee on Finance.

Senator Hann introduced—

S.F. No. 3403: A bill for an act relating to taxation; minerals; modifying distribution of the taconite production tax; amending Minnesota Statutes 2014, sections 298.225, subdivision 1; 298.28, subdivision 5.

Referred to the Committee on Taxes.

Senator Torres Ray introduced—

S.F. No. 3404: A bill for an act relating to the legislature; reforming legislative practices; requiring joint budget targets; requiring the Legislative Commission on Data Practices and Personal Data Privacy to study and recommend options for expanding access to legislative records and meetings; prohibiting certain public officials from engaging in lobbying activities for one year after leaving office; amending Minnesota Statutes 2014, sections 3.885, subdivision 5; 10A.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 3; 10.

Referred to the Committee on State and Local Government.

Senators Torres Ray and Marty introduced—

S.F. No. 3405: A bill for an act relating to state government; creating an immigration integration task force.

Referred to the Committee on State and Local Government.

MOTIONS AND RESOLUTIONS

Senator Dahle moved that his 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. 1898. The motion prevailed.

Senator Lourey moved that the name of Senator Marty be added as a co-author to S.F. No. 2239. The motion prevailed.

Senator Tomassoni moved that the name of Senator Rosen be added as a co-author to S.F. No. 2410. The motion prevailed.

Senator Dahle moved that the name of Senator Jensen be added as a co-author to S.F. No. 2419. The motion prevailed.

Senator Sparks moved that the name of Senator Miller be added as a co-author to S.F. No. 2689. The motion prevailed.

Senator Lourey moved that the name of Senator Carlson be added as a co-author to S.F. No. 2893. The motion prevailed.

Senator Saxhaug moved that the name of Senator Tomassoni be added as a co-author to S.F. No. 3157. The motion prevailed.

Senator Osmek moved that the name of Senator Marty be added as a co-author to S.F. No. 3227. The motion prevailed.

Senator Skoe moved that the name of Senator Dahle be added as a co-author to S.F. No. 3255. The motion prevailed.

Senator Eaton moved that the name of Senator Dahle be added as a co-author to S.F. No. 3274. The motion prevailed.

Senator Johnson moved that the name of Senator Dahle be added as a co-author to S.F. No. 3276. The motion prevailed.

Senator Tomassoni moved that the name of Senator Ingebrigtsen be added as a co-author to S.F. No. 3316. The motion prevailed.

Senator Tomassoni moved that the name of Senator Ingebrigtsen be added as a co-author to S.F. No. 3317. The motion prevailed.

Senator Hoffman moved that the names of Senators Dahms and Dziedzic be added as co-authors to S.F. No. 3354. The motion prevailed.

Senator Carlson moved that S.F. No. 2572 be withdrawn from the Committee on Health, Human Services and Housing and re-referred to the Committee on Finance. The motion prevailed.

Senator Eken moved that S.F. No. 3062 be withdrawn from the Committee on Education and re-referred to the Committee on Finance. The motion prevailed.

Senator Tomassoni moved that S.F. No. 3233 be withdrawn from the Committee on Jobs, Agriculture and Rural Development and re-referred to the Committee on Rules and Administration. The motion prevailed.

Senator Johnson moved that S.F. No. 3276 be withdrawn from the Committee on Education and re-referred to the Committee on Finance. The motion prevailed.

Senator Dziedzic introduced –

Senate Resolution No. 265: A Senate resolution honoring Carmela Simione for receiving a National Silver Key Award.

Referred to the Committee on Rules and Administration.

Senators Dziezic, Tomassoni, Metzen, Senjem and Housley introduced –

Senate Resolution No. 266: A Senate resolution congratulating the Minnesota Gopher women's hockey team on winning the 2016 NCAA women's hockey championship.

Referred to the Committee on Rules and Administration.

RECESS

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

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

MEMBERS EXCUSED

Senators Brown, Pederson, Pratt, Reinert and Thompson were excused from the Session of today.

ADJOURNMENT

Senator Bakk moved that the Senate do now adjourn until 10:00 a.m., Friday, April 1, 2016. The motion prevailed.

JoAnne M. Zoff, Secretary of the Senate

