

## SEVENTY-SEVENTH DAY

St. Paul, Minnesota, Friday, April 1, 2016

The Senate met at 10:00 a.m. and was called to order by the President.

**CALL OF THE SENATE**

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

Prayer was offered by the Chaplain, Rev. Paul Rogers.

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

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

Anderson	Dziedzic	Jensen	Osmek	Sieben
Bakk	Eaton	Johnson	Pappas	Skoe
Benson	Eken	Kent	Pratt	Sparks
Bonoff	Franzen	Kiffmeyer	Reinert	Tomassoni
Carlson	Goodwin	Koenen	Rest	Torres Ray
Champion	Hall	Limmer	Rosen	Westrom
Clausen	Hann	Lourey	Saxhaug	Wiklund
Cohen	Hawj	Marty	Schmit	
Dahle	Hayden	Nelson	Senjem	
Dibble	Hoffman	Newman	Sheran	

The President declared a quorum present.

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

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received.

March 31, 2016

The Honorable Sandra L. Pappas  
President of the Senate

Dear Madam President:

Please be advised that I have received, approved, signed and deposited in the Office of the Secretary of State, Chapter 83, S.F. No. 1646.

Sincerely,  
Mark Dayton, Governor

March 31, 2016

The Honorable Kurt L. Daudt  
Speaker of the House of Representatives

The Honorable Sandra L. Pappas  
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2016 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2016	Date Filed 2016
1646		83	11:26 a.m. March 31	March 31

Sincerely,  
Steve Simon  
Secretary of State

### REPORTS OF COMMITTEES

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

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

**S.F. No. 2857:** A bill for an act relating to human services; modifying the disability waiver rate system; amending Minnesota Statutes 2014, sections 256B.0916, subdivision 8; 256B.4914, by adding a subdivision; Minnesota Statutes 2015 Supplement, section 256B.4914, subdivisions 6, 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 256B.0916, subdivision 8, is amended to read:

Subd. 8. **Financial information by county and wait-list data reporting.** (a) The commissioner shall make available to interested parties, upon request, financial and waiting list information on the department's Web site.

(b) The financial information must include:

(1) the most recent end of session forecast available for the disability home and community-based waiver programs authorized under sections 256B.092 and 256B.49; and

(2) the most current financial information by, updated at least monthly for the disability home and community-based waiver program authorized under section 256B.092 and three disability home and community-based waiver programs authorized under section 256B.49 for each county and tribal agency, including:

(i) the amount of resources allocated for the home and community-based waiver for persons with developmental disabilities;

(ii) the amount of resources committed, authorized for participants; and

(iii) the amount of allocated resources not authorized and the amount not used as provided in subdivision 12, and section 256B.49, subdivision 27.

(c) The waiting list information must be provided quarterly beginning August 1, 2016, and must include at least:

(1) the number of persons screened and waiting for services; listed by urgency category, the number of months on the wait list, age group, and the type of services requested by those waiting; and the amount of allocated resources not committed;

(2) the number of persons beginning waiver services who were on the waiting list, and the number of persons beginning waiver services who were not on the waiting list;

(3) the number of persons who left the waiting list but did not begin waiver services; and

(4) the number of persons on the waiting list with approved funding but without a waiver service agreement and the number of days from funding approval until a service agreement is effective for each person.

(d) By December 1 of each year, the commissioner shall compile a report posted on the department's Web site that includes:

(1) the financial information listed in paragraph (b) for the most recently completed allocation period;

(2) for the previous four quarters, the waiting list information listed in paragraph (c);

(3) for a 12-month period ending October 31, a list of county and tribal agencies required to submit a corrective action plan under subdivisions 11 and 12, and section 256B.49, subdivisions 26 and 27; and

(4) for a 12-month period ending October 31, a list of the county and tribal agencies from which resources were moved as authorized in section 256B.092, subdivision 12, and section 256B.49, subdivision 11a, the amount of resources taken from each agency, the counties that were given increased resources as a result, and the amounts provided.

**Sec. 2. REPEALER.**

Laws 2015, chapter 71, article 7, section 56, is repealed."

Amend the title numbers accordingly

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

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

**S.F. No. 2485:** A bill for an act relating to human services; requiring the commissioner of human services to develop a process to allow federally qualified health centers to determine presumptive eligibility; amending Minnesota Statutes 2014, section 256B.057, by adding a subdivision.

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. 2859:** A bill for an act relating to health care; requiring the commissioner of human services to seek federal waivers to permit individuals whose income is greater than the income eligibility limit for MinnesotaCare to purchase coverage through MinnesotaCare through a separate MinnesotaCare purchase option.

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. 2792:** A bill for an act relating to health occupations; modifying the membership criteria for the Board of Chiropractic Examiners; amending Minnesota Statutes 2014, section 148.03.

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

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

**S.F. No. 2506:** A bill for an act relating to health insurance; seeking federal approval to reduce Minnesota's geographic rating areas to eight.

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 re-referred**

**S.F. No. 2582:** A bill for an act relating to health; requiring certain studies and options to stabilize marketplace premiums.

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

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

**S.F. No. 2558:** A bill for an act relating to employment; providing for paid family, pregnancy, bonding, and applicant's serious medical condition benefits; requiring certain unpaid leaves; classifying certain data; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2014, sections 13.719, by adding a subdivision; 268.19, subdivision 1; 290.01, subdivision 19b; Minnesota Statutes 2015 Supplement, section 177.27, subdivision 4; proposing coding for new law as Minnesota Statutes, chapter 268B.

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

Page 4, line 19, delete "serious medical condition,"

Page 4, line 26, after "entity" insert "that employed 21 or more employees within the state at any one time within the last four completed calendar quarters"

Page 5, delete subdivision 10

Page 5, line 34, delete "the applicant's serious medical condition and"

Page 6, line 24, delete "has a serious health condition,"

Page 6, line 27, after the second "credits" insert "from an employer as defined in section 268B.01, subdivision 8,"

Page 6, line 33, delete "applicants, serious health conditions,"

Page 7, line 8, before "and" insert "of medical"

Page 7, line 21, after the semicolon, insert "and"

Page 7, line 22, delete "; and" and insert a period

Page 7, delete line 23

Page 7, line 24, delete "four" and insert "three"

Page 9, line 7, delete "of"

Page 9, delete lines 10 to 22

Page 10, line 31, delete "any" and insert "an" and delete "any" and insert "an"

Page 11, line 23, after "applicant's" insert "average" and after "wage" insert "earned with an employer as defined in section 268B.01, subdivision 8"

Page 12, line 7, delete "up to" and insert "a total of" and delete everything after "under" and insert "this chapter."

Page 12, delete line 8

Page 13, line 7, delete everything after the second period

Page 13, line 8, delete everything before "an"

Page 13, delete lines 10 and 11

Page 13, delete subdivisions 2 and 3 and insert:

"Subd. 2. **Requirements for approving exclusion.** The commissioner must approve an application for exclusion from a program under this chapter if the commissioner finds that the plan:

(1) covers all of the employees that would be covered by a program under this chapter;

(2) provides an amount of employer provided wage benefits that when combined with other employer paid and employee paid wage benefits is approximately equal to or greater than that provided under the program; and

(3) does not require employee payments that exceed employee payments required under this chapter."

Page 14, line 8, delete everything after the first "plans" and insert "for which an exclusion was approved under this section both before and after an exclusion is approved."

Page 14, after line 29, insert:

**"Sec. 15. [268B.111] SMALL EMPLOYER ELECTION OF COVERAGE.**

An employer of less than 21 employees may elect to be an employer subject to chapter 268B. An election must be filed with the commissioner by electronic transmission in a format prescribed by the commissioner. An election must be for not less than two calendar years following the year of election. The commissioner shall notify an employer of the effective date of an election which must be the beginning of the first quarter the commissioner determines is administratively practical."

Page 15, line 5, delete everything after "section"

Page 15, line 6, delete everything before the period

Page 15, line 12, delete "(a)"

Page 15, line 17, delete everything after "percent" and insert "; and"

Page 15, line 19, delete everything after "percent" and insert a period

Page 15, delete lines 20 to 24

Page 20, line 7, after "An" insert "eligible"

Page 20, line 8, after the period, insert "An "eligible employee" for purposes of this section is an employee who has performed services for hire for an employer from whom a leave is required under this section for:"

Page 20, before line 9, insert:

"(1) at least six months preceding the request; and

(2) for an average number of hours per week equal to one-half the full-time equivalent position in the employee's job classification as defined by the employer's personnel policies or practice, or pursuant to the provisions of a collective bargaining agreement during the six-month period immediately preceding the leave."

Page 20, line 16, delete ", serious health condition,"

Page 20, line 21, delete ", applicant's serious health condition,"

Page 20, after line 29, insert:

"(g) For the purpose of this section, "employer" means a person or entity that employs 21 or more employees at at least one site."

Renumber the sections and subdivisions in sequence

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

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

**S.F. No. 3324:** A bill for an act relating to economic development; modifying the greater Minnesota business development public infrastructure grant program; amending Minnesota Statutes 2014, section 116J.431, subdivision 1a.

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

Page 1, line 10, after "means" insert "the city of Cannon Falls and"

Page 1, lines 11 and 12, delete the new language

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

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

**S.F. No. 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 4, delete subdivision 5

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

**Senator Latz from the Committee on Judiciary, to which was re-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 Health, Human Services and Housing. Report adopted.

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

**S.F. No. 2219:** A bill for an act relating to privacy; establishing student user privacy in education rights; requiring online educational services to comply with security and privacy

standards; prohibiting use of student information for targeted marketing or creation of student profiles; proposing coding for new law in Minnesota Statutes, chapter 125B.

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

Page 3, line 17, before "security" insert "the" and after "security" insert "or integrity"

Page 3, line 32, delete "in order" and insert "designed"

Page 3, line 34, after "information" insert "within a reasonable period of time and in any case within 60 days"

Page 5, line 21, after "download," insert "transfer,"

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

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

**S.F. No. 3031:** A bill for an act relating to health; modifying the schedules of controlled substances; amending Minnesota Statutes 2015 Supplement, section 152.02, subdivisions 2, 5.

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

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

**S.F. No. 2818:** A bill for an act relating to courts; permitting the Department of Public Safety to share data with the courts; amending Minnesota Statutes 2015 Supplement, section 13.69, subdivision 1.

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

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

**S.F. No. 2657:** A bill for an act relating to commerce; regulating money transmitters; providing a private right of action for fraud-induced transfers; establishing a duty to warn of potential fraud and investigate fraud; amending Minnesota Statutes 2014, sections 53B.24; 53B.27, subdivision 1, by adding subdivisions.

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

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

**S.F. No. 994:** A bill for an act relating to juvenile justice; addressing numerous issues relating to juveniles including diversion, use of restraints, and sentencing; amending Minnesota Statutes 2014, sections 244.05, subdivisions 4, 5; 260B.001, subdivision 2; 260B.125, by adding a subdivision; 260B.130, subdivision 4; 609.106, subdivision 2, by adding a subdivision; 609.3455, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 260B.

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

Page 1, delete section 1

Page 2, line 11, delete "recent" and insert "past"



Page 2, line 12, after the period, insert "The court may take into account the physical structure of the courthouse in assessing the applicability of the above factors to the individual child."

Page 2, line 16, delete "LAW ENFORCEMENT DIVERSION OF NONVIOLENT" and insert "ALTERNATIVE TO ARREST OF CERTAIN"

Page 2, line 19, delete "diversion"

Page 2, line 21, delete "applies only to nonviolent" and insert "does not apply to violent felony" and delete "and does not apply" and insert "or"

Page 2, line 24, delete "diversion"

Page 2, line 26, delete "may be" and insert "are eligible for referrals under this section"

Page 2, line 27, delete "diverted"

Page 2, lines 30 and 33, delete "2" and insert "1"

Page 2, line 32, delete "2016" and insert "2017"

Page 4, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 2015 Supplement, section 244.05, subdivision 5, is amended to read:

Subd. 5. **Supervised release, life sentence.** (a) The commissioner of corrections may, under rules promulgated by the commissioner, give supervised release to an inmate serving a mandatory life sentence under section 609.185, paragraph (a), clause (3), (5), or (6); 609.106, subdivision 3; 609.3455, subdivision 2, paragraph (c), 3<sub>2</sub> or 4; 609.385; or Minnesota Statutes 2004, section 609.109, subdivision 3, after the inmate has served the minimum term of imprisonment specified in subdivision 4.

(b) The commissioner shall require the preparation of a community investigation report and shall consider the findings of the report when making a supervised release decision under this subdivision. The report shall reflect the sentiment of the various elements of the community toward the inmate, both at the time of the offense and at the present time. The report shall include the views of the sentencing judge, the prosecutor, any law enforcement personnel who may have been involved in the case, and any successors to these individuals who may have information relevant to the supervised release decision. The report shall also include the views of the victim and the victim's family unless the victim or the victim's family chooses not to participate.

(c) The commissioner shall make reasonable efforts to notify the victim, in advance, of the time and place of the inmate's supervised release review hearing. The victim has a right to submit an oral or written statement at the review hearing. The statement may summarize the harm suffered by the victim as a result of the crime and give the victim's recommendation on whether the inmate should be given supervised release at this time. The commissioner must consider the victim's statement when making the supervised release decision.

(d) When considering whether to give supervised release to an inmate serving a life sentence under section 609.3455, subdivision 3 or 4, the commissioner shall consider, at a minimum, the following: the risk the inmate poses to the community if released, the inmate's progress in treatment, the inmate's behavior while incarcerated, psychological or other diagnostic evaluations of the inmate, the inmate's criminal history, and any other relevant conduct of the inmate while

incarcerated or before incarceration. The commissioner may not give supervised release to the inmate unless:

(1) while in prison:

(i) the inmate has successfully completed appropriate sex offender treatment;

(ii) the inmate has been assessed for chemical dependency needs and, if appropriate, has successfully completed chemical dependency treatment; and

(iii) the inmate has been assessed for mental health needs and, if appropriate, has successfully completed mental health treatment; and

(2) a comprehensive individual release plan is in place for the inmate that ensures that, after release, the inmate will have suitable housing and receive appropriate aftercare and community-based treatment. The comprehensive plan also must include a postprison employment or education plan for the inmate.

(e) As used in this subdivision, "victim" means the individual who suffered harm as a result of the inmate's crime or, if the individual is deceased, the deceased's surviving spouse or next of kin."

Page 6, delete section 6 and insert:

"Sec. 6. Minnesota Statutes 2015 Supplement, section 609.106, subdivision 2, is amended to read:

Subd. 2. **Life without release.** Except as provided in subdivision 3, the court shall sentence a person to life imprisonment without possibility of release under the following circumstances:

(1) the person is convicted of first-degree murder under section 609.185, paragraph (a), clause (1), (2), (4), or (7);

(2) the person is convicted of committing first-degree murder in the course of a kidnapping under section 609.185, paragraph (a), clause (3); or

(3) the person is convicted of first-degree murder under section 609.185, paragraph (a), clause (3), (5), or (6), and the court determines on the record at the time of sentencing that the person has one or more previous convictions for a heinous crime."

Page 7, after line 8, insert:

### "ARTICLE 3

#### RISK ASSESSMENTS

Section 1. Minnesota Statutes 2014, section 260B.176, is amended by adding a subdivision to read:

Subd. 1a. **Risk assessment instrument.** A person making a release decision under subdivision 1 shall use an objective and racially, ethnically, and gender-responsive juvenile detention risk assessment instrument developed by the commissioner, county, group of counties, or judicial district, in consultation with individuals associated with the Minnesota Juvenile Detention Alternative Initiative. The risk assessment instrument must assess the likelihood that a child released from preadjudication detention under section 260B.176 or 260B.178 would endanger

others or not return for a court hearing. The instrument must identify the appropriate setting for a child who might endanger others or not return for a court hearing pending adjudication, with either continued detention or placement in a noncustodial community-based supervision setting. The instrument must also identify the type of noncustodial community-based supervision setting necessary to minimize the risk that a child who is released from custody will endanger others or not return for a court hearing.

**EFFECTIVE DATE.** This section is effective January 1, 2017.

**Sec. 2. ADOPTION OF JUVENILE DETENTION RISK ASSESSMENT INSTRUMENT.**

Subdivision 1. **Adoption required.** By September 15, 2016, the commissioner of corrections shall adopt an objective and racially, ethnically, and gender-responsive juvenile detention risk assessment instrument.

Subd. 2. **Consultation required.** In adopting the risk assessment instrument required in subdivision 1, the commissioner shall consult and collaborate with the commissioners of public safety and human services, individuals associated with the Minnesota Juvenile Detention Alternative Initiative, and individuals throughout the state who are knowledgeable in matters relating to the detention and treatment of juvenile offenders and at-risk juveniles including, but not limited to, individuals from the courts, probation, law enforcement, prosecutorial offices, public defender's offices, communities of color, social services, juvenile detention and shelter care facilities, and juvenile residential treatment and correctional facilities. The commissioner shall also review similar risk assessment instruments in use both inside and outside of the state."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "diversion" and insert "risk assessments, alternatives to arrest"

Amend the title numbers accordingly

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

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

**S.F. No. 3081:** A bill for an act relating to health; modifying provisions for health care quality of care and complaint investigation process; requiring the commissioner of health to develop a medically necessary care definition; amending Minnesota Statutes 2014, sections 62D.04, subdivision 1; 62D.08, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 62D.

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

Page 4, line 33, delete everything after "complaints"

Page 4, line 34, delete everything before "severity"

Page 5, line 6, after the period, insert "The commissioner's investigative process shall include the notification and investigation requirements described in section 214.103 to the extent applicable. The commissioner shall furnish to the person who made the complaint a written description of the commissioner's investigative process and any action taken by the commissioner relating to the complaint, including whether the complaint was referred to the Office of Health Facility Complaints

or a health-related licensing board. If the commissioner takes corrective action or requires the health maintenance organization to make any corrective measures of any kind, the nature of the complaint and the action or measures required to be taken are public data."

Page 5, line 12, delete "permission" and insert "consent"

Page 5, delete subdivision 4 and insert:

"Subd. 4. **Records; data practices.** Each health maintenance organization shall maintain records of all quality of care complaints and their resolution and retain those records for five years. Notwithstanding section 145.64, the records must be made available to the commissioner upon request. Records provided to the commissioner under this subdivision are private data on individuals or nonpublic data as defined in section 13.02, subdivision 9 or 12.

Subd. 5. **Exception.** This section does not apply to quality of care complaints received by a health maintenance organization from an enrollee who is covered under a public health care program administered by the commissioner of human services under chapter 256B or 256L."

Page 5, line 21, delete "convene a work group" and insert "consult with interested stakeholders"

Page 5, line 25, after the period, insert "This proposed definition and process shall not apply to determinations or reviews involving enrollees covered under a public health care program administered by the commissioner of human services under Minnesota Statutes, chapter 256B or 256L."

Page 5, after line 31, insert:

"Sec. 5. **PEER REVIEW DISCLOSURE.**

The commissioner of health shall consult with interested stakeholders including members of the public and family members of facility residents and make recommendations regarding when quality of care complaint investigations under Minnesota Statutes, section 62D.115, should be subject to peer review confidentiality and identifying circumstances in which peer review final determinations may be disclosed or made available to the public, notwithstanding Minnesota Statutes, section 145.64, including, but not limited to, patient safety and the parameters surrounding such disclosure. The commissioner shall submit these recommendations, including draft legislation to the chairs and ranking minority members of the legislative committees with jurisdiction over health care and data privacy by January 15, 2017."

Amend the title accordingly

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

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

**S.F. No. 2604:** A bill for an act relating to data privacy; education; establishing student-user privacy in education rights; requiring online educational services to comply with security and privacy standards; prohibiting use of student information for targeted marketing or creation of student profiles; amending Minnesota Statutes 2014, sections 13.321, by adding a subdivision; 120B.11, subdivision 4; 120B.30, subdivision 2, by adding subdivisions; 120B.31, subdivision 5, by adding subdivisions; Minnesota Statutes 2015 Supplement, sections 120B.30, subdivision 4; 120B.301; proposing coding for new law in Minnesota Statutes, chapter 125B.

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

Page 2, delete lines 12 and 13 and insert:

"Information provided in the bid is not security information or trade secret information for purposes of section 13.37."

Page 6, line 18, before "security" insert "the" and after "security" insert "or integrity"

Page 6, line 33, delete "in order" and insert "designed"

Page 6, line 35, after "information" insert "within a reasonable period of time and in any case within 60 days"

Page 8, line 21, after "download," insert "transfer,"

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

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

**S.F. No. 3317:** A bill for an act relating to environment; modifying dry cleaner response and reimbursement account provisions; modifying prior appropriation; requiring rulemaking; amending Minnesota Statutes 2014, sections 115B.48, by adding a subdivision; 115B.50, subdivision 3; Laws 2015, First Special Session chapter 4, article 3, section 2, subdivision 4; repealing Minnesota Statutes 2015 Supplement, section 115B.48, subdivision 9.

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

Page 4, delete section 4 and insert:

**"Sec. 4. RULEMAKING; DRY CLEANER RESPONSE AND REIMBURSEMENT ACCOUNT."**

(a) The commissioner of the Pollution Control Agency shall adopt rules using the expedited rulemaking process under Minnesota Statutes, section 14.389, to establish, with respect to Minnesota Statutes, section 115B.50, subdivision 2:

(1) what environmental response costs are to be considered reasonable costs and what costs are to be considered ineligible for reimbursement;

(2) appropriate application requirements for reimbursement; and

(3) a process to adjust payment reimbursement rates made for response actions.

(b) Rules adopted under this section:

(1) must be consistent with Minnesota Statutes, sections 115B.47 to 115B.51;

(2) must be structured like rules governing applicable provisions of the petroleum tank response cleanup fund under Minnesota Rules, chapter 2890, as necessary to implement paragraph (a), clauses (1) to (3); and

(3) must not reduce reimbursements as contained in Minnesota Rules, part 2890.0065, subpart 1, item C.

(c) The commissioner may use Minnesota Statutes, section 14.389, to adjust reimbursement dollar amounts contained in the rules established under paragraph (b), clause (3).

(d) The commissioner shall not submit for publication the rules using the expedited process until agreement is reached with the Minnesota Cleaners Association.

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

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

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

**S.F. No. 3358:** A bill for an act relating to environment; providing for expedited environmental review billing option; appropriating money; amending Minnesota Statutes 2015 Supplement, section 116.07, subdivision 4d.

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 2015 Supplement, section 116.07, subdivision 4d, is amended to read:

Subd. 4d. **Permit fees.** (a) The agency may collect permit fees in amounts not greater than those necessary to cover the reasonable costs of developing, reviewing, and acting upon applications for agency permits and implementing and enforcing the conditions of the permits pursuant to agency rules. Permit fees shall not include the costs of litigation. The fee schedule must reflect reasonable and routine direct and indirect costs associated with permitting, implementation, and enforcement. The agency may impose an additional enforcement fee to be collected for a period of up to two years to cover the reasonable costs of implementing and enforcing the conditions of a permit under the rules of the agency. Any money collected under this paragraph shall be deposited in the environmental fund.

(b) Notwithstanding paragraph (a), the agency shall collect an annual fee from the owner or operator of all stationary sources, emission facilities, emissions units, air contaminant treatment facilities, treatment facilities, potential air contaminant storage facilities, or storage facilities subject to a notification, permit, or license requirement under this chapter, subchapters I and V of the federal Clean Air Act, United States Code, title 42, section 7401 et seq., or rules adopted thereunder. The annual fee shall be used to pay for all direct and indirect reasonable costs, including legal costs, required to develop and administer the notification, permit, or license program requirements of this chapter, subchapters I and V of the federal Clean Air Act, United States Code, title 42, section 7401 et seq., or rules adopted thereunder. Those costs include the reasonable costs of reviewing and acting upon an application for a permit; implementing and enforcing statutes, rules, and the terms and conditions of a permit; emissions, ambient, and deposition monitoring; preparing generally applicable regulations; responding to federal guidance; modeling, analyses, and demonstrations; preparing inventories and tracking emissions; and providing information to the public about these activities.

(c) The agency shall set fees that:

(1) will result in the collection, in the aggregate, from the sources listed in paragraph (b), of an amount not less than \$25 per ton of each volatile organic compound; pollutant regulated under United States Code, title 42, section 7411 or 7412 (section 111 or 112 of the federal Clean Air Act); and each pollutant, except carbon monoxide, for which a national primary ambient air quality standard has been promulgated;

(2) may result in the collection, in the aggregate, from the sources listed in paragraph (b), of an amount not less than \$25 per ton of each pollutant not listed in clause (1) that is regulated under this chapter or air quality rules adopted under this chapter; and

(3) shall collect, in the aggregate, from the sources listed in paragraph (b), the amount needed to match grant funds received by the state under United States Code, title 42, section 7405 (section 105 of the federal Clean Air Act).

The agency must not include in the calculation of the aggregate amount to be collected under clauses (1) and (2) any amount in excess of 4,000 tons per year of each air pollutant from a source. The increase in air permit fees to match federal grant funds shall be a surcharge on existing fees. The commissioner may not collect the surcharge after the grant funds become unavailable. In addition, the commissioner shall use nonfee funds to the extent practical to match the grant funds so that the fee surcharge is minimized.

(d) To cover the reasonable costs described in paragraph (b), the agency shall provide in the rules promulgated under paragraph (c) for an increase in the fee collected in each year by the percentage, if any, by which the Consumer Price Index for the most recent calendar year ending before the beginning of the year the fee is collected exceeds the Consumer Price Index for the calendar year 1989. For purposes of this paragraph the Consumer Price Index for any calendar year is the average of the Consumer Price Index for all-urban consumers published by the United States Department of Labor, as of the close of the 12-month period ending on August 31 of each calendar year. The revision of the Consumer Price Index that is most consistent with the Consumer Price Index for calendar year 1989 shall be used.

(e) Any money collected under paragraphs (b) to (d) must be deposited in the environmental fund and must be used solely for the activities listed in paragraph (b).

(f) Permit applicants who wish to construct, reconstruct, or modify a facility may offer to reimburse the agency for the costs of staff time or consultant services needed to expedite the permit development process, including the analysis of environmental review documents. The reimbursement shall be in addition to permit application fees imposed by law. When the agency determines that it needs additional resources to develop the permit application in an expedited manner, and that expediting the development is consistent with permitting program priorities, the agency may accept the reimbursement. Reimbursements accepted by the agency are appropriated to the agency for the purpose of developing the permit or analyzing environmental review documents. Reimbursement by a permit applicant shall precede and not be contingent upon issuance of a permit; shall not affect the agency's decision on whether to issue or deny a permit, what conditions are included in a permit, or the application of state and federal statutes and rules governing permit determinations; and shall not affect final decisions regarding environmental review.

(g) The fees under this subdivision are exempt from section 16A.1285.

(h) A project proposer who wishes to construct, reconstruct, or modify a project that has completed or will complete an environmental impact statement under section 116D.04, may request

the commissioner of the Pollution Control Agency to assess the proposer for the costs of staff time or consultant services needed to efficiently and effectively complete permit processing that for purposes of this paragraph includes the preapplication process, the permit development process through a final decision on the permit, and the analysis of environmental review documents. When the commissioner determines that additional resources are needed for permit processing, the commissioner may accept the payment offer and submit to the proposer a draft cost agreement within 15 days of the request. The agreement must include a brief description of the tasks and the estimated cost of each task to be performed for permit processing. The proposer may request changes in the cost agreement. After signing an agreement with the commissioner, the proposer must make a payment to the commissioner of at least one-half of the agreed cost for permit processing tasks within ten days. The remainder of the proposer's payment must be paid on a schedule agreed to by the commissioner and the proposer. If the payments made by the proposer, including permit application fees, exceed the actual costs for permit processing, the commissioner must refund the overpayment. The refund must be paid within 30 days of completion of the accounting of the permit processing costs. Payments accepted by the commissioner are appropriated to the commissioner for permit processing. Payment by a project proposer must precede and not be contingent upon issuance of a permit; does not affect the commissioner's decision on whether to issue or deny a permit, what conditions are included in a permit, or the application of state and federal statutes and rules governing permit determinations; and does not affect final decisions regarding environmental review."

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

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

**S.F. No. 2503:** A bill for an act relating to natural resources; clarifying and modifying certain buffer requirements on public waters and drainage ditches; establishing local government aid for buffer enforcement; appropriating money; amending Minnesota Statutes 2014, section 103E.315, subdivision 8; Minnesota Statutes 2015 Supplement, sections 103B.101, subdivision 12a; 103F.48, subdivisions 1, 3, 4, 5, 7, 8, 10; proposing coding for new law in Minnesota Statutes, chapter 477A.

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 103B.101, subdivision 12, is amended to read:

Subd. 12. **Authority to issue penalty orders.** (a) Except as provided under subdivision 12a, the board may issue an order requiring violations to be corrected and administratively assessing monetary penalties of up to \$10,000 per violation for violations of this chapter and chapters 103C, 103D, 103E, 103F, and 103G, any rules adopted under those chapters, and any standards, limitations, or conditions established by the board.

(b) Administrative penalties issued by the board under paragraph (a) or subdivision 12a, may be appealed according to section 116.072, if the recipient of the penalty requests a hearing by notifying the commissioner in writing within 30 days after receipt of the order. For the purposes of this section, the terms "commissioner" and "agency" as used in section 116.072 mean the board. If a hearing is not requested within the 30-day period, the order becomes a final order not subject to further review.



(c) Administrative penalty orders issued under paragraph (a) or subdivision 12a, may be enforced under section 116.072, subdivision 9. Penalty amounts must be remitted within 30 days of issuance of the order.

Sec. 2. Minnesota Statutes 2015 Supplement, section 103B.101, subdivision 12a, is amended to read:

Subd. 12a. **Authority to issue penalty orders.** (a) A county or watershed district with jurisdiction or the Board of Water and Soil Resources may issue an order requiring violations of the water resources riparian protection requirements under sections 103F.415, 103F.421, and 103F.48 to be corrected and administratively assessing monetary penalties up to \$500 for noncompliance commencing on day one of the 11th month after the noncompliance notice was issued. ~~One-half of~~ The proceeds collected from an administrative penalty order issued under this section must be remitted to the county or watershed district with jurisdiction over the noncompliant site, or otherwise remitted to the Board of Water and Soil Resources.

(b) Before exercising this authority, the Board of Water and Soil Resources must adopt a plan containing procedures for the issuance of administrative penalty orders by local governments and the board as authorized in this subdivision. This plan, and any subsequent amendments, will become effective 30 days after being published in the State Register. The initial plan must be published in the State Register no later than July 1, 2017.

~~(b)~~ (c) Administrative penalties may be reissued and appealed under paragraph (a) according to section 103F.48, subdivision 9.

Sec. 3. Minnesota Statutes 2014, section 103E.315, subdivision 8, is amended to read:

Subd. 8. **Extent of damages.** (a) Damages to be paid may include:

(1) the fair market value of the property required for the channel of an open ditch and the permanent strip of perennial vegetation under section 103E.021;

(2) the diminished value of a farm due to severing a field by an open ditch;

(3) loss of crop production during drainage project construction;

(4) the diminished productivity or land value from increased overflow; and

(5) costs to restore a perennial vegetative cover or structural practice existing under a federal or state conservation program adjacent to the permanent drainage system right-of-way and damaged by the drainage project.

(b) When damages are determined to acquire or otherwise provide compensation for buffer strips or alternative riparian water quality practices previously installed as required by section 103F.48, subdivision 3, the viewers and drainage authority shall consider the land use prior to buffer strip or alternative practice installation in determining the fair market value of the property under paragraph (a), clause (1).

Sec. 4. Minnesota Statutes 2015 Supplement, section 103F.48, subdivision 1, is amended to read:

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

(b) "Board" means the Board of Water and Soil Resources.

(c) "Buffer" means an area consisting of perennial vegetation, excluding invasive plants and noxious weeds, adjacent to all bodies of water within the state and that protects the water resources of the state from runoff pollution; stabilizes soils, shores, and banks; and protects or provides riparian corridors.

(d) "Buffer protection map" means buffer maps established and maintained by the commissioner of natural resources.

(e) "Commissioner" means the commissioner of natural resources.

(f) "Executive director" means the executive director of the Board of Water and Soil Resources.

(g) "Local water management authority" means a watershed district, metropolitan water management organization, or county operating separately or jointly in its role as local water management authority under chapter 103B or 103D.

(h) "Normal water level" means the level evidenced by the long-term presence of surface water as indicated directly by hydrophytic plants or hydric soils or indirectly determined via hydrological models or analysis.

(i) "Public waters" has the meaning given in section 103G.005, subdivision 15. The term public waters as used in this section applies to waters that are on the public waters inventory as provided in section 103G.201.

(j) "With jurisdiction" means a board determination that the county or watershed district has adopted a rule, ordinance, or official controls providing procedures for the issuance of administrative penalty orders, enforcement, and appeals for purposes of this section and section 103B.101, subdivision 12a.

Sec. 5. Minnesota Statutes 2015 Supplement, section 103F.48, subdivision 3, is amended to read:

Subd. 3. **Water resources riparian protection requirements on public waters and public drainage systems.** (a) Except as provided in paragraph (b), landowners owning property adjacent to a water body identified and mapped on a buffer protection map must maintain a buffer to protect the state's water resources as follows:

(1) for all public waters, the more restrictive of:

(i) a 50-foot average width, 30-foot minimum width, continuous buffer of perennially rooted vegetation; or

(ii) the state shoreland standards and criteria adopted by the commissioner under section 103F.211; and

(2) for public drainage systems established under chapter 103E, a 16.5-foot minimum width continuous buffer of ~~perennially rooted vegetation on ditches within the benefited area of public drainage systems~~ as provided in section 103E.021, subdivision 1. The buffer vegetation shall not impede future maintenance of the ditch.

(b) A landowner owning property adjacent to a water body identified in a buffer protection map and whose property is used for cultivation farming may meet the requirements under paragraph (a) by adopting an alternative riparian water quality practice, or combination of structural, vegetative, and management practices, based on the Natural Resources Conservation Service Field Office

Technical Guide or other practices approved by the board, that provide water quality protection comparable to the buffer protection for the water body that the property abuts. Included in these practices are retention ponds and alternative measures that prevent overland flow to the water resource.

(c) The width of a buffer on public waters must be measured from the top or crown of the bank. Where there is no defined bank, measurement must be from the edge of the normal water level. The width of the buffer on public drainage systems must be measured as provided in section 103E.021, subdivision 1.

(d) Upon request by a landowner or authorized agent or operator of a landowner, a technical professional employee or contractor of the soil and water conservation district or its delegate may issue a validation of compliance with the requirements of this subdivision. The soil and water conservation district validation may be appealed to the board as described in subdivision 9.

(e) Buffers or alternative water quality practices required under paragraph (a) or (b) must be in place on or before:

- (1) November 1, 2017, for public waters; and
- (2) November 1, 2018, for public drainage systems.

(f) Nothing in this section limits the eligibility of a landowner or authorized agent or operator of a landowner to participate in federal or state conservation programs, including enrolling or reenrolling in federal conservation programs.

Sec. 6. Minnesota Statutes 2015 Supplement, section 103F.48, subdivision 4, is amended to read:

Subd. 4. **Local water resources riparian protection.** In consultation with local water management authorities, on or before July 1, 2017, the soil and water conservation district shall develop, adopt, and submit to each local water management authority within its boundary a summary of watercourses for inclusion in the local water management authority's plan. A local water management authority that receives a summary of watercourses identified under this subdivision must ~~revise~~ incorporate an addendum to its comprehensive local water management plan or comprehensive watershed management plan to ~~incorporate~~ include the soil and water conservation district recommendations by July 1, 2018. The incorporation to include the summary of watercourses provided by the soil and water conservation district does not require a plan amendment as long as a copy of the included information is distributed to all agencies, organizations, and individuals required to receive a copy of the plan changes. A local water management authority that receives a summary of watercourses identified under this subdivision must address implementation of the soil and water conservation district recommendations when revising its comprehensive local water management plan as part of a regularly scheduled update to its comprehensive local water management plan or development of a comprehensive watershed management plan under section 103B.801.

Sec. 7. Minnesota Statutes 2015 Supplement, section 103F.48, subdivision 7, is amended to read:

Subd. 7. **Corrective actions.** (a) If the soil and water conservation district determines a landowner is not in compliance with this section, the district must notify the county or watershed district with jurisdiction over the noncompliant site and the board. The county or watershed district with jurisdiction or the board must provide the landowner with a list of corrective actions needed

to come into compliance and a practical timeline to meet the requirements in this section. The county or watershed district with jurisdiction must provide a copy of the corrective action notice to the board.

(b) A county or watershed district exercising jurisdiction under this subdivision and the enforcement authority granted in section 103B.101, subdivision 12a, shall affirm their jurisdiction and identify the ordinance, rule, or other official controls to carry out the compliance provisions of this section and section 103B.101, subdivision 12a, by notice to the board prior to March 31, 2017. A county or watershed district must provide notice to the board at least 60 days prior to the effective date of a subsequent decision on their jurisdiction.

~~(b)~~ (c) If the landowner does not comply with the list of actions and timeline provided, the county or watershed district may enforce this section under the authority granted in section 103B.101, subdivision 12a, or by rule of the watershed district or ordinance or other official control of the county. Before exercising ~~this~~ administrative penalty authority, a county or watershed district must adopt a plan consistent with the plan adopted by the board containing procedures for the issuance of administrative penalty orders and may issue orders beginning November 1, 2017. If a county or watershed district with jurisdiction over the noncompliant site has not adopted a plan, rule, ordinance, or official control under this paragraph, the board ~~may~~ must enforce this section under the authority granted in section 103B.101, subdivision 12a.

~~(e)~~ (d) If the county, watershed district, or board determines that sufficient steps have been taken to fully resolve noncompliance, all or part of the penalty may be forgiven.

~~(d)~~ (e) An order issued under paragraph ~~(b)~~ (c) may be appealed to the board as provided under subdivision 9.

~~(e)~~ (f) A corrective action is not required for conditions resulting from a flood or other act of nature.

~~(f)~~ (g) A landowner agent or operator of a landowner may not remove or willfully degrade a riparian buffer or water quality practice, wholly or partially, unless the agent or operator has obtained a signed statement from the property owner stating that the permission for the work has been granted by the unit of government authorized to approve the work in this section or that a buffer or water quality practice is not required as validated by the soil and water conservation district. Removal or willful degradation of a riparian buffer or water quality practice, wholly or partially, by an agent or operator is a separate and independent offense and may be subject to the corrective actions and penalties in this subdivision.

Sec. 8. Minnesota Statutes 2015 Supplement, section 103F.48, subdivision 8, is amended to read:

Subd. 8. **Funding subject to withholding.** The state board may withhold funding from a local water management authority with jurisdiction or a soil and water conservation district that fails to implement this section, or from a local water management authority that fails to implement subdivision 4. ~~Funding subject to withholding includes soil and water program aid, a natural resources block grant, and other project or program funding.~~ Funding may be restored upon the board's approval of a corrective action plan.

Sec. 9. Minnesota Statutes 2015 Supplement, section 103F.48, subdivision 10, is amended to read:

Subd. 10. **Landowner financial assistance and public drainage system procedure.** (a) A landowner or drainage authority may contact the soil and water conservation district for information on how to apply for local, state, or federal cost-share grants, contracts, or loans that are available to establish buffers or other water resource protection measures.

(b) The provisions of sections 103E.011, subdivision 5; 103E.021, ~~subdivision 6~~; and 103E.715 may be used in advance or retroactively to acquire or provide compensation for all or part of the buffer strip establishment or alternative riparian water quality practices as required under subdivision 3, paragraph (a), ~~within the benefited area of a public drainage system~~ or (b). ~~Implementation of this subdivision is not subject to limitation of project costs to the current benefits adopted for the drainage system.~~

**Sec. 10. [477A.21] RIPARIAN PROTECTION; SUPPLEMENTAL AID.**

(a) Each county is eligible to receive aid under this section to enforce and implement the riparian protection and water quality practices under section 103F.48. Aid to each county shall equal: (1) the number of miles of shoreline of public waters, as defined in section 103F.48, subdivision 1, paragraph (i), and the number of miles of public drainage system ditches in the county; multiplied by (2) the number of acres in the county classified as class 2a under section 273.13; multiplied by ..... If one or more watershed districts assumes responsibility for the riparian protection and water quality practices under section 103F.48, the county shall proportionately allocate funds received under this section to the district.

(b) The aid under this section shall be paid in the same manner and at the same time as the aid payments under section 477A.0124.

(c) The amount necessary to pay supplemental aid under this section is appropriated from the general fund to the commissioner of revenue.

**EFFECTIVE DATE.** This section is effective beginning with aids payable in 2018 and thereafter."

Amend the title numbers accordingly

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

**Senator Marty from the Committee on Environment and Energy, to which was re-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; providing a sales tax exemption for siding production facility materials; appropriating money; amending Minnesota Statutes 2014, section 297A.71, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 41A.

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

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

**S.F. No. 3354:** A bill for an act relating to higher education; creating reimbursement procedures for the University of Minnesota for money from the environment and natural resources trust fund; amending Minnesota Statutes 2014, section 137.025, by adding a subdivision.

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

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

**S.F. No. 3272:** A bill for an act relating to environment; providing incentive for certain wastewater treatment technology; proposing coding for new law in Minnesota Statutes, chapter 115.

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

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

**S.F. No. 2860:** A bill for an act relating to energy conservation; providing an exception to heating restrictions in commercial parking facilities; amending Minnesota Statutes 2014, section 216C.20, subdivision 3.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2014, section 216C.20, subdivision 3, is amended to read:

Subd. 3. **Parking ramp.** No enclosed structure or portion of an enclosed structure constructed after January 1, 1978, and used primarily as a commercial parking facility for three or more motor vehicles shall be heated. Incidental heating resulting from building exhaust air passing through a parking facility shall not be prohibited, provided that substantially all useful heat has previously been removed from the air. The commissioner of commerce may grant an exemption from this subdivision if the commercial parking is integrated within a facility that has both public and private uses, the benefits to taxpayers of the exemption exceed the costs, and all appropriate energy efficiency measures have been considered."

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

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

**S.F. No. 2563:** A bill for an act relating to natural resources; directing the Board of Water and Soil Resources to coordinate goals and strategies for the Minnesota River basin; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 103B.

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

Page 1, line 17, delete everything after the period

Page 1, lines 18 to 20, delete the new language

Page 1, line 23, after "be" insert "citizens and elected officials that are"

Page 2, line 1, delete everything after the period

Page 2, line 2, delete everything before "The board"

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

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

**S.F. No. 3312:** 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.

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

Page 1, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 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 reckless 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) 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

(17) knowingly operates a drone within an emergency zone established by a law enforcement agency, fire department, or emergency medical service provider, or within one mile of a helicopter being operated by one of these entities;

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

Notwithstanding section 609.035 or 609.04, a prosecution for or conviction of violating clause (16) is not a bar to conviction of or punishment for any other crime."

Page 3, delete section 3 and insert:

"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 after having previously been convicted of violating subdivision 1 is guilty of a gross misdemeanor."

Page 4, line 28, after the period, insert "Sections 2, 3, and 5, subdivision 5, apply to crimes committed on or after that date."

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



**SECOND READING OF SENATE BILLS**

S.F. Nos. 2857, 2792, 2219, 3031, 2657, 994, 3272 and 2860 were read the second time.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time.

**Senators Saxhaug, Hawj and Hayden introduced—**

**S.F. No. 3406:** A bill for an act relating to state government; appropriating money for addressing educational disparities for American Indian students.

Referred to the Committee on Finance.

**Senators Saxhaug and Tomassoni introduced—**

**S.F. No. 3407:** A bill for an act relating to education finance; establishing a school safety and technology levy program; proposing coding for new law in Minnesota Statutes, chapter 126C.

Referred to the Committee on Finance.

**Senators Bonoff, Franzen and Torres Ray introduced—**

**S.F. No. 3408:** A bill for an act relating to education; appropriating money for a Girls in Action grant.

Referred to the Committee on Finance.

**Senator Koenen introduced—**

**S.F. No. 3409:** A bill for an act relating to environment; appropriating money to assess state water infrastructure needs and funding sources; requiring reports.

Referred to the Committee on Environment and Energy.

**Senator Stumpf introduced—**

**S.F. No. 3410:** A bill for an act relating to taxation; property tax; providing for supplemental county program aid payment.

Referred to the Committee on Taxes.

**Senator Housley introduced—**

**S.F. No. 3411:** A bill for an act relating to education finance; granting school boards authority to reallocate school district revenue; making permanent authority to reallocate money among school district accounts and funds; amending Minnesota Statutes 2015 Supplement, section 126C.10, subdivision 1; Laws 2013, chapter 116, article 7, section 19, as amended.

Referred to the Committee on Education.

**Senator Sheran introduced—**

**S.F. No. 3412:** A bill for an act relating to health; appropriating money for a grant to a nonprofit community clinic.

Referred to the Committee on Finance.

**Senator Gazelka introduced—**

**S.F. No. 3413:** A bill for an act relating to local government; providing for notice, hearing, and reverse referendum on whether a municipality may use public utility license, permit, rights, or franchise fees to raise revenue; amending Minnesota Statutes 2014, section 216B.36.

Referred to the Committee on Environment and Energy.

**Senator Ortman introduced—**

**S.F. No. 3414:** A bill for an act relating to transportation; capital investment; appropriating money for reconstruction of a portion of Trunk Highway 101; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

**Senators Stumpf and Scalze introduced—**

**S.F. No. 3415:** A bill for an act relating to capital investment; authorizing spending to acquire and better public land and buildings and other improvements of a capital nature with certain conditions; modifying previous appropriations; establishing new programs and modifying existing programs; authorizing the sale and issuance of state bonds; appropriating money; amending Minnesota Statutes 2014, sections 219.166; 256E.37; 446A.072; 446A.073, as amended; 446A.081, subdivision 9; 446A.12, subdivision 1; 462A.37, subdivisions 1, 2, by adding a subdivision; Minnesota Statutes 2015 Supplement, sections 16A.967; 462A.37, subdivision 5; Laws 2015, chapter 75, article 1, section 3, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 174; 219; repealing Minnesota Statutes 2014, section 123A.446.

Referred to the Committee on Capital Investment.

**Senator Rosen introduced—**

**S.F. No. 3416:** A bill for an act relating to human services; modifying certain provisions governing child care programs; proposing coding for new law in Minnesota Statutes, chapter 245A.

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

**Senator Rosen introduced—**

**S.F. No. 3417:** A bill for an act relating to human services; appropriating money; modifying certain provisions governing child care programs; creating a legislative task force on child care; proposing coding for new law in Minnesota Statutes, chapter 245A.

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

**Senator Scalze introduced—**

**S.F. No. 3418:** A bill for an act relating to economic development; providing for a north metro mass transit study; appropriating money.

Referred to the Committee on Finance.

**Senator Miller introduced—**

**S.F. No. 3419:** A bill for an act relating to capital investment; appropriating money for the Blufflands Trail System Recreational Trails system; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

**Senator Benson introduced—**

**S.F. No. 3420:** A bill for an act relating to civil law; allowing for termination of awards based on the cohabitation of the obligee; amending Minnesota Statutes 2014, section 518A.39, subdivision 3.

Referred to the Committee on Judiciary.

**Senator Dahle introduced—**

**S.F. No. 3421:** A bill for an act relating to public safety; providing for a driver's license expiration and renewal exception for Peace Corps volunteers; amending Minnesota Statutes 2014, section 171.27.

Referred to the Committee on Transportation and Public Safety.

**Senators Nelson, Metzen, Sheran, Marty and Torres Ray introduced—**

**S.F. No. 3422:** A resolution expressing concern over persistent and credible reports of systematic, state-sanctioned, forced organ harvesting from nonconsenting prisoners of conscience, primarily from Falun Gong practitioners imprisoned for their spiritual beliefs, and members of other religious and ethnic minority groups in the People's Republic of China.

Referred to the Committee on Judiciary.

**Senators Dziejic and Hayden introduced—**

**S.F. No. 3423:** A bill for an act relating to public safety; appropriating grant funds to support the Somali community.

Referred to the Committee on Finance.

**Senator Newman introduced—**

**S.F. No. 3424:** A bill for an act relating to data practices; permitting trade associations to access vehicle registration information in certain circumstances; amending Minnesota Statutes 2014, sections 13.6905, subdivision 3; 168.345, subdivision 2.

Referred to the Committee on Judiciary.

**Senator Dahms introduced—**

**S.F. No. 3425:** A bill for an act relating to environment; providing for certain demolition debris landfill permitting and rules.

Referred to the Committee on Environment and Energy.

**MOTIONS AND RESOLUTIONS**

Senator Eaton moved that the name of Senator Pappas be added as a co-author to S.F. No. 1426. The motion prevailed.

Senator Hall moved that the name of Senator Fischbach be added as a co-author to S.F. No. 2081. The motion prevailed.

Senator Chamberlain moved that the name of Senator Kiffmeyer be added as a co-author to S.F. No. 2308. The motion prevailed.

Senator Wiger moved that his name be stricken as a co-author to S.F. No. 2323. The motion prevailed.

Senator Rest moved that the name of Senator Nelson be added as a co-author to S.F. No. 2436. The motion prevailed.

Senator Housley moved that her name be stricken as a co-author to S.F. No. 2694. The motion prevailed.

Senator Hayden moved that the name of Senator Abeler be added as a co-author to S.F. No. 2789. The motion prevailed.

Senator Hall moved that his name be stricken as a co-author to S.F. No. 2810. The motion prevailed.

Senator Latz moved that the name of Senator Koenen be added as a co-author to S.F. No. 3039. The motion prevailed.

Senator Cohen moved that the name of Senator Koenen be added as a co-author to S.F. No. 3167. The motion prevailed.

Senator Dahle moved that the name of Senator Ruud be added as a co-author to S.F. No. 3174. The motion prevailed.

Senator Carlson moved that the name of Senator Abeler be added as a co-author to S.F. No. 3195. The motion prevailed.

Senator Tomassoni moved that the name of Senator Dahle be added as a co-author to S.F. No. 3366. The motion prevailed.

Senator Koenen moved that the name of Senator Dahle be added as a co-author to S.F. No. 3374. The motion prevailed.

Senator Nienow moved that the name of Senator Newman be added as a co-author to S.F. No. 3384. The motion prevailed.

Senator Koenen moved that the name of Senator Dahms be added as a co-author to S.F. No. 3397. The motion prevailed.

Senator Clausen moved that S.F. No. 2479 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration. The motion prevailed.

Senator Clausen moved that S.F. No. 2717 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration. The motion prevailed.

Senator Dziedzic moved that S.F. No. 3146 be withdrawn from the Committee on Jobs, Agriculture and Rural Development and re-referred to the Committee on Finance. The motion prevailed.

Senator Dziedzic moved that S.F. No. 3210 be withdrawn from the Committee on Jobs, Agriculture and Rural Development and re-referred to the Committee on Finance. The motion prevailed.

#### **MEMBERS EXCUSED**

Senators Abeler, Brown, Chamberlain, Dahms, Fischbach, Gazelka, Housley, Ingebrigtsen, Latz, Metzen, Miller, Nienow, Ortman, Pederson, Ruud, Scalze, Stumpf, Thompson, Weber and Wiger were excused from the Session of today.

#### **ADJOURNMENT**

Senator Bakk moved that the Senate do now adjourn until 11:00 a.m., Monday, April 4, 2016. The motion prevailed.

JoAnne M. Zoff, Secretary of the Senate

