

FORTY-FOURTH DAY

St. Paul, Minnesota, Tuesday, April 30, 2019

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

**CALL OF THE SENATE**

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

Prayer was offered by the Chaplain, Major Daryl Thul.

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       | Draheim  | Howe         | Little  | Ruud       |
| Anderson, B. | Dziedzic | Ingebrigtsen | Marty   | Senjem     |
| Anderson, P. | Eaton    | Isaacson     | Mathews | Simonson   |
| Bakk         | Eichorn  | Jasinski     | Miller  | Sparks     |
| Benson       | Eken     | Jensen       | Nelson  | Tomassoni  |
| Bigham       | Franzen  | Johnson      | Newman  | Torres Ray |
| Carlson      | Frentz   | Kent         | Newton  | Utke       |
| Chamberlain  | Gazelka  | Kiffmeyer    | Osmek   | Weber      |
| Champion     | Goggin   | Klein        | Pappas  | Westrom    |
| Clausen      | Hall     | Koran        | Pratt   | Wiger      |
| Cohen        | Hawj     | Laine        | Rarick  | Wiklund    |
| Cwodzinski   | Hayden   | Lang         | Relph   |            |
| Dahms        | Hoffman  | Latz         | Rest    |            |
| Dibble       | Housley  | Limmer       | Rosen   |            |

The President declared a quorum present.

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

**MESSAGES FROM THE HOUSE**

Mr. President:

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

**S.F. No. 802:** A bill for an act relating to public safety; appropriating money for public safety, courts, corrections, human rights, Guardian Ad Litem Board, Uniform Laws Commission, Board on Judicial Standards, Board of Public Defense, Sentencing Guidelines, Peace Officer Standards and Training (POST) Board, and Private Detective Board; increasing the maximum penalty and requiring predatory offender registration for certain invasion of privacy crimes involving minors; increasing penalties for child pornography offenses; expanding criminal sexual conduct offenses for persons in current or recent positions of authority over juveniles and for peace officers who engage in sexual activity with those in custody; amending Minnesota Statutes 2018, sections 243.166, subdivision 1b; 299A.707, by adding a subdivision; 357.021, subdivision 7; 609.341, subdivisions 10, 11; 609.342, subdivision 1; 609.343, subdivision 1; 609.344, subdivision 1; 609.345, subdivision 1; 609.746, subdivision 1; 617.246, subdivisions 2, 3, 4, 7; 617.247, subdivisions 3, 4, 9.

Senate File No. 802 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned April 29, 2019

Senator Limmer moved that the Senate do not concur in the amendments by the House to S.F. No. 802, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

### REPORTS OF COMMITTEES

Senator Gazelka moved that the Committee Report at the Desk be now adopted. The motion prevailed.

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

**H.F. No. 1555** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

| <b>GENERAL ORDERS</b> |          | <b>CONSENT CALENDAR</b> |          | <b>CALENDAR</b> |          |
|-----------------------|----------|-------------------------|----------|-----------------|----------|
| H.F. No.              | S.F. No. | H.F. No.                | S.F. No. | H.F. No.        | S.F. No. |
| 1555                  | 1093     |                         |          |                 |          |

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 1555 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1555, the second engrossment; and insert the language after the enacting clause of S.F. No. 1093, the fourth engrossment; further, delete the title of H.F. No. 1555, the second engrossment; and insert the title of S.F. No. 1093, the fourth engrossment.

And when so amended H.F. No. 1555 will be identical to S.F. No. 1093, and further recommends that H.F. No. 1555 be given its second reading and substituted for S.F. No. 1093, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

### SECOND READING OF HOUSE BILLS

H.F. No. 1555 was read the second time.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time.

#### **Senator Little introduced--**

**S.F. No. 2856:** A bill for an act relating to taxation; individual income; modifying the calculation of tax for nonresidents; amending Minnesota Statutes 2018, section 290.06, subdivision 2c, by adding subdivisions.

Referred to the Committee on Taxes.

### MOTIONS AND RESOLUTIONS

#### **Senator Dziejdzic introduced --**

**Senate Resolution No. 94:** A Senate resolution congratulating the DeLaSalle High School girls basketball team on winning the 2019 State High School Class AAA girls basketball championship.

Referred to the Committee on Rules and Administration.

#### **Senator Dziejdzic introduced --**

**Senate Resolution No. 95:** A Senate resolution congratulating the DeLaSalle High School boys basketball team on winning the State High School Class AAA boys basketball championship.

Referred to the Committee on Rules and Administration.

#### **Senator Laine introduced --**

**Senate Resolution No. 96:** A Senate resolution honoring Maikou Xiong.

Referred to the Committee on Rules and Administration.

### RECESS

Senator Gazelka 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.

**CALL OF THE SENATE**

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

**MOTIONS AND RESOLUTIONS - CONTINUED**

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Messages from the House, Reports of Committees, and Second Reading of Senate Bills.

**MESSAGES FROM THE HOUSE**

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2208:

**H.F. No. 2208:** A bill for an act relating to state government; establishing a budget for economic development, telecommunications, and energy; appropriating money to the broadband grant program; establishing a budget to finance energy-related activities; creating renewable energy grant programs; modifying and establishing various provisions governing energy policy and finance; strengthening requirements for clean energy and energy conservation in Minnesota; appropriating money for jobs and economic development; establishing paid family leave insurance; modifying economic development programs; establishing wage theft prevention; providing for earned sick and safe time; modifying labor and industry policy provisions; modifying commerce policy provisions; adopting Unemployment Insurance Advisory Council provisions; modifying unemployment insurance policy; modifying Bureau of Mediation Services policy; establishing guidelines relating to unclaimed property; modifying fees; increasing civil and criminal penalties; authorizing rulemaking; requiring reports; appropriating money; amending Minnesota Statutes 2018, sections 13.43, subdivision 6; 13.685; 13.719, by adding a subdivision; 15.72, subdivision 2; 16C.285, subdivision 3; 47.59, subdivision 2; 47.60, subdivision 2; 47.601, subdivisions 2, 6; 53.04, subdivision 3a; 56.131, subdivision 1; 116C.7792; 116J.8731, subdivision 5; 116J.8748, subdivisions 4, 6; 175.46, subdivisions 3, 13; 176.1812, subdivision 2; 176.231, subdivision 1; 177.27, subdivisions 2, 4, 7, by adding subdivisions; 177.30; 177.32, subdivision 1; 179.86, subdivisions 1, 3; 179A.041, by adding a subdivision; 181.03, subdivision 1, by adding subdivisions; 181.032; 181.101; 181.635, subdivision 2; 181.942, subdivision 1; 182.659, subdivision 8; 182.666, subdivisions 1, 2, 3, 4, 5, by adding a subdivision; 216B.16, subdivision 13, by adding a subdivision; 216B.1641; 216B.1645, subdivisions 1, 2; 216B.1691, subdivisions 1, 2b, 9, by adding a subdivision; 216B.2401; 216B.241, subdivisions 1a, 1c, 1d, 1f, 2, 2b, 3, 5, 7, 9, by adding a subdivision; 216B.2422, subdivisions 1, 2, 3, 4, 5, by adding subdivisions; 216B.243, subdivisions 3, 3a; 216B.62, subdivision 3b; 216C.435, subdivisions 3a, 8; 216C.436, subdivision 4, by adding a subdivision; 216F.04; 216F.08; 256J.561, by adding a subdivision; 256J.95, subdivisions 3, 11; 256P.01, subdivision 3; 268.035, subdivisions 4, 12, 15, 20; 268.044, subdivisions 2, 3; 268.046, subdivision 1; 268.047, subdivision 3; 268.051, subdivision 2a; 268.057, subdivision 5; 268.069, subdivision 1; 268.07, subdivision 1; 268.085, subdivisions 3, 3a, 8, 13a, by adding subdivisions; 268.095, subdivisions 6, 6a; 268.105, subdivision 6; 268.145, subdivision 1; 268.18, subdivisions 2b, 5; 268.19, subdivision 1; 326B.082, subdivisions

6, 8, 12; 326B.103, subdivision 11; 326B.106, subdivision 9, by adding a subdivision; 326B.46, by adding a subdivision; 326B.475, subdivision 4; 326B.802, subdivision 15; 326B.821, subdivision 21; 326B.84; 337.10, subdivision 4; 341.30, subdivision 1; 341.32, subdivision 1; 341.321; 345.515; 345.53, by adding a subdivision; 609.52, subdivisions 1, 2, 3; Laws 2014, chapter 211, section 13, as amended; Laws 2017, chapter 94, article 1, section 2, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 13; 16C; 116J; 116L; 177; 181; 216B; 216C; 216H; 325F; proposing coding for new law as Minnesota Statutes, chapters 58B; 268B; 345A; repealing Minnesota Statutes 2018, sections 181.9413; 216B.241, subdivisions 1, 2c, 4; 325F.75; Laws 2017, chapter 94, article 1, section 7, subdivision 7.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

Mahoney, Wagenius, Stephenson, Long and Hassan have been appointed as such committee on the part of the House.

House File No. 2208 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted April 30, 2019

Senator Pratt moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2208, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

## REPORTS OF COMMITTEES

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

### **Senator Rosen from the Committee on Finance, to which was re-referred**

**S.F. No. 973:** A bill for an act relating to health; requesting the Board of Regents of the University of Minnesota to establish an advisory council on rare diseases; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 137.

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

Page 3, line 31, delete "\$150,000" and insert "\$50,000" and delete "\$150,000" and insert "\$50,000"

Page 3, line 32, delete "to the commissioner of human services for transfer"

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

**Senator Rosen from the Committee on Finance, to which was re-referred**

**S.F. No. 836:** A bill for an act relating to state government; appropriating money from outdoor heritage, clean water, parks and trails, and arts and cultural heritage funds; modifying and extending prior appropriations; amending Laws 2015, First Special Session chapter 2, article 1, section 2, subdivision 2, as amended; Laws 2017, chapter 91, article 1, section 2, subdivision 2.

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

**SECOND READING OF SENATE BILLS**

S.F. Nos. 973 and 836 were read the second time.

**MOTIONS AND RESOLUTIONS - CONTINUED****SPECIAL ORDERS**

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

H.F. Nos. 2125 and 2414.

**SPECIAL ORDER**

**H.F. No. 2125:** A bill for an act relating to financing and operation of state and local government; providing conformity and nonconformity to certain federal tax law changes; modifying individual income and corporate franchise taxes, estate taxes, sales and use taxes, special and excise taxes, property taxes, local government aids, provisions related to local taxes, tax increment financing, and public finance, and other miscellaneous taxes and tax provisions; modifying indexing provisions; changing the starting point for state individual income tax calculation from federal taxable income to federal adjusted gross income; providing for various individual and corporate additions and subtractions to income; modifying certain allowances and adjustments to income; modifying individual income tax brackets; modifying certain income tax credits; modifying and allowing certain construction exemptions and other sales and purchases from sales and use taxes; modifying rates and definitions for certain tobacco and cigarette taxes; modifying rates and deposits for solid waste taxes; modifying provisions relating to property tax records and information; modifying certain property tax timelines; establishing property tax exemptions; allowing tax deferral for elderly living facilities; modifying homestead provisions; modifying state general levy; modifying local government and county aid; modifying approval requirements for certain local sales taxes; modifying and authorizing certain local sales taxes; authorizing Metropolitan Council bonds; requiring reports; appropriating money; amending Minnesota Statutes 2018, sections 6.495, subdivision 3; 37.31, subdivision 1; 38.27, by adding a subdivision; 103E.611, subdivision 2; 116J.8737, subdivisions 1, 2, 3, 4, 5, 6, 12; 123B.595, subdivision 5; 138.053; 144E.42, subdivision 2; 161.14, by adding a subdivision; 162.145, subdivision 3; 197.603, subdivision 2; 270A.03, subdivision 5; 270B.08, subdivision 2; 270C.13, subdivision 2; 270C.21; 270C.445, subdivision 6; 270C.85, subdivision 2; 270C.89, subdivisions 1, 2; 270C.91; 272.02, subdivisions 27, 49, 81, by adding subdivisions; 272.115, subdivision 1; 273.032; 273.061, subdivision 9; 273.0755; 273.113, subdivision 3; 273.119,

subdivision 2; 273.1231, subdivision 3; 273.124, subdivisions 3a, 13, 14, 21, by adding a subdivision; 273.1245, subdivision 2; 273.13, subdivisions 22, 23, 34, 35; 273.136, subdivision 2; 273.1384, subdivisions 2, 3; 273.1385, subdivision 4; 273.1387, subdivisions 2, 3; 273.18; 273.371, subdivision 1; 274.14; 274.16; 275.025, subdivision 1; 282.01, subdivision 6; 287.21, subdivision 1; 289A.08, subdivisions 1, 6, 7, by adding a subdivision; 289A.10, subdivision 1; 289A.11, by adding a subdivision; 289A.20, by adding a subdivision; 289A.25, subdivision 1; 289A.31, subdivisions 1, 2; 289A.37, subdivisions 2, 6; 289A.38, subdivisions 7, 10; 289A.42; 289A.60, subdivisions 24, 29; 290.01, subdivisions 4a, 29a, 31, by adding subdivisions; 290.0131, subdivisions 1, 3, by adding subdivisions; 290.0132, subdivisions 1, 7, 18, 19, 20, 26, by adding subdivisions; 290.0133, subdivision 6; 290.0134, by adding subdivisions; 290.0137; 290.032, subdivision 2; 290.05, subdivisions 1, 3; 290.06, subdivisions 2c, 2d, 2h; 290.067, subdivision 2b; 290.0671, subdivisions 1, 7; 290.0672, subdivision 2; 290.0675, subdivision 1; 290.0677, subdivision 1a; 290.0681, subdivisions 1, 2; 290.0682, subdivisions 1, 2; 290.0684, subdivision 2; 290.0685, subdivision 1, by adding a subdivision; 290.0802, subdivisions 2, 3; 290.091, subdivisions 2, 3; 290.0921, subdivisions 2, 3; 290.0922, subdivision 1; 290.095, subdivision 2; 290.17, subdivision 4, by adding subdivisions; 290.191, subdivision 5; 290.21, subdivision 4, by adding a subdivision; 290.31, subdivision 1; 290.92, subdivisions 1, 5, 28; 290A.03, subdivisions 3, 4, 8, 12, 13; 290A.04, subdivisions 2, 2a, 4; 290A.05; 290A.08; 290A.09; 290A.19; 290B.04, subdivision 1; 290B.09, subdivision 1; 291.016, subdivision 3; 295.50, subdivisions 3, 4, 9b, 14, 15, by adding subdivisions; 295.53, subdivision 1; 295.57, subdivision 5; 295.582, subdivision 1; 295.75, subdivision 4; 296A.03, subdivision 3; 296A.13; 297A.61, subdivision 18; 297A.66, subdivisions 1, 2, 3; 297A.67, subdivisions 6, 12, 28, by adding a subdivision; 297A.68, subdivisions 17, 25, 29, 42, 44, by adding a subdivision; 297A.70, subdivisions 3, 4, 10, 16, 20, by adding subdivisions; 297A.71, subdivisions 22, 45, 50, by adding subdivisions; 297A.75, subdivisions 1, 2; 297A.77, by adding a subdivision; 297A.83, subdivision 1; 297A.84; 297A.85; 297A.99, subdivisions 1, 2, 3, by adding a subdivision; 297A.993, subdivisions 1, 2, by adding a subdivision; 297B.01, subdivisions 14, 16; 297B.03; 297F.01, subdivisions 19, 23, by adding a subdivision; 297F.05, by adding a subdivision; 297F.08, subdivisions 8, 9; 297F.17, subdivision 6; 297G.07, subdivision 1; 297G.16, subdivision 7; 297H.02, subdivision 2; 297H.03, subdivision 2; 297H.04, subdivision 2; 297H.05; 297H.13, subdivision 2; 297I.20, subdivision 3; 298.018, subdivision 1, by adding a subdivision; 298.225, subdivision 1; 298.28, subdivision 3; 298.282, subdivision 1; 353G.01, subdivision 9; 353G.05, subdivision 2; 353G.08, subdivisions 1, 1a; 353G.17, subdivision 2; 356.20, subdivision 4a; 356.219, subdivision 8; 423A.02, subdivisions 1b, 3; 423A.022, subdivisions 2, 4; 424A.016, subdivisions 2, 4; 424A.02, subdivisions 1, 3a, 10; 424A.03, subdivision 2; 424A.05, subdivisions 2, 3, by adding a subdivision; 424A.07; 424A.091, subdivision 3; 424A.092, subdivisions 3, 4; 424A.093, subdivision 5; 424B.09; 462D.03, subdivision 2; 469.169, by adding a subdivision; 469.171, subdivision 4; 469.177, subdivision 1; 469.190, subdivisions 1, 7; 469.316, subdivision 1; 469.319, subdivision 4; 471.831; 473.39, subdivision 6, by adding a subdivision; 473H.08, subdivisions 1, 4, by adding a subdivision; 475.521, subdivision 1; 477A.011, subdivision 45; 477A.013, subdivisions 9, 13; 477A.03, subdivisions 2a, 2b; Minnesota Statutes 2019 Supplement, sections 289A.02, subdivision 7; 289A.12, subdivision 14; 289A.35; 290.01, subdivision 19; 290.0131, subdivision 10; 290.0132, subdivision 21; 290.0133, subdivision 12; 290.0672, subdivision 1; 290.0684, subdivision 1; 290.091, subdivision 2; 290.17, subdivision 2; 290A.03, subdivision 15; 291.005, subdivision 1; 462D.06, subdivisions 1, 2; Laws 1980, chapter 511, section 1, subdivision 1; Laws 1986, chapter 396, section 5, as amended; Laws 1986, chapter 462, section 31, as amended; Laws 1994, chapter 587, article 9, section 11; Laws 1998, chapter 389, article 8, section 45, subdivisions 1, 3, as amended, 4, 5; Laws 2008, chapter 366, article 5, sections 26, as amended; 33, as amended; Laws 2009, chapter 88, article

2, section 46, subdivisions 1, as amended, 2, 3, as amended, 4, 5; Laws 2011, First Special Session chapter 7, article 4, section 10, subdivision 3; Laws 2014, chapter 308, article 6, section 8, subdivisions 1, as amended, 3; Laws 2017, First Special Session chapter 1, article 3, sections 26; 32; article 8, section 3; article 10, section 4; Laws 2018, chapter 211, article 14, section 26; proposing coding for new law in Minnesota Statutes, chapters 16A; 270C; 273; 289A; 290; 290A; 297H; 297I; 424A; 469; proposing coding for new law as Minnesota Statutes, chapters 477B; 477C; repealing Minnesota Statutes 2018, sections 37.31, subdivision 8; 69.011, subdivisions 1, 2, 2b, 2c, 3, 4; 69.021, subdivisions 1, 2, 3, 4, 5, 7, 7a, 8, 9, 10, 11; 69.022; 69.031, subdivisions 1, 3, 5; 69.041; 69.051, subdivisions 1, 1a, 1b, 2, 3, 4; 69.33; 69.80; 270C.131; 275.29; 289A.38, subdivisions 7, 8, 9; 290.0131, subdivisions 7, 11, 12, 13; 290.0132, subdivision 8; 290.0133, subdivisions 13, 14; 290.10, subdivision 2; 296A.03, subdivision 5; 296A.04, subdivision 2; 296A.05, subdivision 2; 297A.66, subdivision 4b; 297F.08, subdivision 5; 297I.25, subdivision 2; Minnesota Rules, part 8125.0410, subpart 1.

Senator Chamberlain moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 16, after line 9, insert:

"Sec. 21. Minnesota Statutes 2018, section 290.0131, is amended by adding a subdivision to read:

Subd. 17. **Special deductions.** The amount of any deductions under section 250 of the Internal Revenue Code is an addition.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017."

Page 18, delete section 28 and insert:

"Sec. 29. Minnesota Statutes 2018, section 290.0133, subdivision 6, is amended to read:

Subd. 6. **Special deductions.** The amount of any special deductions under sections 241 to 247, 250, and ~~965~~ 965(c) of the Internal Revenue Code is an addition.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017."

Page 39, line 10, delete "2020" and insert "2018"

Page 40, line 7, before the period insert ". The statutory year is 2018"

Page 51, line 13, after "for" insert "an election made in"

Page 56, line 14, after "for" insert "an election made in"

Page 63, line 11, after "for" insert "an election made in"



Page 78, line 28, after "for" insert "an election made in"

Page 79, line 22, after "for" insert "an election made in"

Page 143, line 6, delete everything after the period

Page 143, delete line 7

Page 149, delete line 12

Page 150, line 16, delete everything after the period

Page 150, delete line 17

Page 151, line 22, delete everything after the period

Page 151, delete lines 23 and 24

Page 156, line 28, delete everything after the period

Page 156, delete line 29

Page 158, line 3, delete everything after the period

Page 158, delete line 4

Page 170, line 24, delete everything after the period

Page 170, delete lines 25 and 26

Page 181, line 12, delete "...." and insert "30"

Page 181, line 18, delete everything after "that"

Page 181, delete line 19

Page 181, line 20, delete everything before "has" and delete the semicolon and insert a period

Page 181, delete lines 21 to 24

Page 181, line 25, delete "(3) the" and insert "(c) The" and after "commissioner" insert "must have"

Page 181, line 26, delete "...." and insert "five"

Page 181, line 28, after "commissioner" insert "must have" and delete "the greater of (1)" and delete everything after "\$1,000" and insert a period

Page 181, delete lines 29 and 30

Page 188, line 30, after "of" insert a colon

Page 188, line 31, delete "\$26,500,000" and insert "(1) \$26,900,000 in fiscal year 2020; (2) \$26,100,000 in fiscal year 2021; (3) \$25,400,000 in fiscal year 2022; and (4) \$24,500,000 in fiscal year 2023 and thereafter"

Page 188, after line 32, insert:

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

Page 190, line 25, delete "July 15" and insert "June 1"

Page 192, line 22, strike "20" and insert "25"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Rest moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 172, after line 2, insert:

"Section 1. Laws 2003, chapter 127, article 10, section 31, subdivision 1, as amended by Laws 2008, chapter 366, article 5, section 21, is amended to read:

Subdivision 1. **District extension.** (a) The governing body of the city of Hopkins may elect to extend the duration of its redevelopment tax increment financing district 2-11 by up to four additional years.

(b) Notwithstanding ~~any law to the contrary~~ Minnesota Statutes, section 469.1763, subdivision 2, effective upon approval of this subdivision, no increments may be spent on activities located outside of the area of the district, other than:

(1) to pay administrative expenses, not to exceed ten percent of the total tax increments from the district; or

(2) to pay the costs of housing or redevelopment activities that are consistent with Minnesota Statutes, section 469.176, subdivision 4j, provided that expenditures under this clause may not exceed 20 percent of the total tax increments from the district.

The total amount of increment that may be spent on activities located outside the area of the district under this section shall be limited to 25 percent.

**EFFECTIVE DATE. This section is effective the day after the governing body of the city of Hopkins and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.**

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Tomassoni moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 190, line 25, reinstate the stricken period

Page 190, line 27, delete the period

Page 192, after line 2, insert:

"Sec. 15. Minnesota Statutes 2018, section 298.28, subdivision 11, is amended to read:

Subd. 11. **Remainder.** (a) The proceeds of the tax imposed by section 298.24 which remain after the distributions and payments in subdivisions 2 to 10a, as certified by the commissioner of revenue, and paragraphs (b), (c), and (d) have been made, together with interest earned on all money distributed under this section prior to distribution, shall be divided between the taconite environmental protection fund created in section 298.223 and the Douglas J. Johnson economic protection trust fund created in section 298.292 as follows: Two-thirds to the taconite environmental protection fund and one-third to the Douglas J. Johnson economic protection trust fund. The proceeds shall be placed in the respective special accounts.

(b) There shall be distributed to each city, town, and county the amount that it received under Minnesota Statutes 1978, section 294.26, in calendar year 1977; provided, however, that (1) the amount distributed in 1981 to the unorganized territory number 2 of Lake County and the town of Beaver Bay based on the between-terminal trackage of Erie Mining Company will be distributed in 1982 and subsequent years to the unorganized territory number 2 of Lake County and the towns of Beaver Bay and Stony River based on the miles of track of Erie Mining Company in each taxing district; and (2) a city located within six miles of five other cities qualifying for a distribution under section 298.282 shall receive a distribution equal to \$5,000 under this paragraph in calendar year 2020 and subsequent years. The distribution to all other cities and towns receiving a distribution under this paragraph shall be reduced by the ratio that \$5,000 bears to the total aid distribution received by all cities and towns under this paragraph.

(c) There shall be distributed to the Iron Range resources and rehabilitation account the amounts it received in 1977 under Minnesota Statutes 1978, section 298.22. The amount distributed under this paragraph shall be expended within or for the benefit of the taconite assistance area defined in section 273.1341.

(d) There shall be distributed to each school district 62 percent of the amount that it received under Minnesota Statutes 1978, section 294.26, in calendar year 1977.

**EFFECTIVE DATE.** This section is effective for aid distributions in 2020 and subsequent years.

Sec. 16. Minnesota Statutes 2018, section 298.282, subdivision 1, is amended to read:

Subdivision 1. **Distribution of taconite municipal aid account.** The amount deposited with the county as provided in section 298.28, subdivision 3, must be distributed as provided by this section among: (1) the municipalities ~~comprising~~ located within a taconite assistance area under section 273.1341 that meet the criteria of section 273.1341, clause (1) or (2); (2) a township that contains a state park consisting primarily of an underground iron ore mine; ~~and~~ (3) a city located within five miles of that state park; and (4) Breitung Township in St. Louis County, each being referred to in this section as a qualifying municipality. The distribution to Breitung Township under this subdivision shall be \$15,000 annually.

**EFFECTIVE DATE.** This section is effective beginning with distributions in 2020."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Howe moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 47, after line 19, insert:

"Section 1. Minnesota Statutes 2018, section 116J.8737, subdivision 1, is amended to read:

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

(b) "Qualified small business" means a business that has been certified by the commissioner under subdivision 2.

(c) "Qualified investor" means an investor who has been certified by the commissioner under subdivision 3.

(d) "Qualified fund" means a pooled angel investment network fund that has been certified by the commissioner under subdivision 4.

(e) "Qualified investment" means a cash investment in a qualified small business of a minimum of:

(1) \$10,000 in a calendar year by a qualified investor; or

(2) \$30,000 in a calendar year by a qualified fund.

A qualified investment must be made in exchange for common stock, a partnership or membership interest, preferred stock, debt with mandatory conversion to equity, or an equivalent ownership interest as determined by the commissioner.

(f) "Family" means a family member within the meaning of the Internal Revenue Code, section 267(c)(4).

(g) "Pass-through entity" means a corporation that for the applicable taxable year is treated as an S corporation or a general partnership, limited partnership, limited liability partnership, trust, or limited liability company and which for the applicable taxable year is not taxed as a corporation under chapter 290.

(h) "Intern" means a student of an accredited institution of higher education, or a former student who has graduated in the past six months from an accredited institution of higher education, who is employed by a qualified small business in a nonpermanent position for a duration of nine months or less that provides training and experience in the primary business activity of the business.

(i) "Liquidation event" means a conversion of qualified investment for cash, cash and other consideration, or any other form of equity or debt interest.

(j) "Qualified greater Minnesota business" means a qualified small business that is also certified by the commissioner as a qualified greater Minnesota business under subdivision 2, paragraph (h).

(k) "Minority group member" means a United States citizen who is Asian, Pacific Islander, Black, Hispanic, or Native American.

(l) "Minority-owned business" means a business for which one or more minority group members:

(1) own at least 50 percent of the business, or, in the case of a publicly owned business, own at least 51 percent of the stock; and

(2) manage the business and control the daily business operations.

(m) "Women" means persons of the female gender.

(n) "Women-owned business" means a business for which one or more women:

(1) own at least 50 percent of the business, or, in the case of a publicly owned business, own at least 51 percent of the stock; and

(2) manage the business and control the daily business operations.

(o) "Veteran" has the meaning given in section 197.447.

(p) "Veteran-owned business" means a business for which one or more veterans:

(1) own at least 50 percent of the business, or, in the case of a publicly owned business, own at least 51 percent of the stock; and

(2) manage the business and control the daily business operations.

(q) "Officer" means a person elected or appointed by the board of directors to manage the daily operations of the qualified small business.

~~(p)~~ (r) "Principal" means a person having authority to act on behalf of the qualified small business."

Page 47, line 31, strike "minority- or" and insert "minority-owned," and after "women-owned" insert ", or veteran-owned"

Page 48, line 2, strike "minority- or" and insert "minority-owned," and after "women-owned" insert ", or veteran-owned"

The motion prevailed. So the amendment was adopted.

Senator Rest moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 17, delete section 25

Page 18, delete section 29

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Rest moved to amend the second Rest amendment to H.F. No. 2125 as follows:

Page 1, after line 5, insert:

"Page 63, after line 12, insert:

"Sec. 20. Minnesota Statutes 2018, section 290.0671, subdivision 1, is amended to read:

Subdivision 1. **Credit allowed.** (a) An individual who is a resident of Minnesota is allowed a credit against the tax imposed by this chapter equal to a percentage of earned income. To receive a credit, a taxpayer must be eligible for a credit under section 32 of the Internal Revenue Code, except that:

(1) a taxpayer with no qualifying children who has attained the age of 21, but not attained age 65 before the close of the taxable year and is otherwise eligible for a credit under section 32 of the Internal Revenue Code may also receive a credit; and

(2) a taxpayer who is otherwise eligible for a credit under section 32 of the Internal Revenue Code remains eligible for this credit even if the taxpayer's earned income or adjusted gross income exceeds the income limitation under section 32 of the Internal Revenue Code.

(b) For individuals with no qualifying children, the credit equals ~~2.10~~ three percent of the first ~~\$6,180~~ \$6,640 of earned income. The credit is reduced by ~~2.01~~ three percent of earned income or adjusted gross income, whichever is greater, in excess of ~~\$8,130~~ \$12,640, but in no case is the credit less than zero.

(c) For individuals with one qualifying child, the credit equals 9.35 percent of the first ~~\$11,120~~ \$11,950 of earned income. The credit is reduced by 6.02 percent of earned income or adjusted gross income, whichever is greater, in excess of ~~\$21,190~~ \$22,770, but in no case is the credit less than zero.

(d) For individuals with two ~~or more~~ qualifying children, the credit equals 11 percent of the first ~~\$18,240~~ \$19,600 of earned income. The credit is reduced by 10.82 percent of earned income or adjusted gross income, whichever is greater, in excess of ~~\$25,130~~ \$27,000, but in no case is the credit less than zero.

(e) For individuals with three or more qualifying children, the credit equals 15.78 percent of the first \$14,870 of earned income. The credit is reduced by 9.07 percent of earned income or adjusted gross income, whichever is greater, in excess of \$27,000, but in no case is the credit less than zero.

~~(e)~~ (f) For a part-year resident, the credit must be allocated based on the percentage calculated under section 290.06, subdivision 2c, paragraph (e).

~~(f)~~ (g) For a person who was a resident for the entire tax year and has earned income not subject to tax under this chapter, including income excluded under section 290.0132, subdivision 10, the credit must be allocated based on the ratio of federal adjusted gross income reduced by the earned income not subject to tax under this chapter over federal adjusted gross income. For purposes of this paragraph, the following clauses are not considered "earned income not subject to tax under this chapter":

- (1) the subtractions for military pay under section 290.0132, subdivisions 11 and 12;
- (2) the exclusion of combat pay under section 112 of the Internal Revenue Code; and
- (3) income derived from an Indian reservation by an enrolled member of the reservation while living on the reservation.

~~(g)~~ (h) For tax years beginning after December 31, ~~2013~~ 2019, the ~~\$8,130~~ \$12,640 in paragraph (b), the ~~\$21,190~~ \$22,770 in paragraph (c), ~~and the \$25,130~~ \$27,000 in paragraph (d), and the \$27,000 in paragraph (e), after being adjusted for inflation under subdivision 7, are each increased by ~~\$5,000~~ \$5,700 for married taxpayers filing joint returns. ~~For tax years beginning after December 31, 2013, the commissioner shall annually adjust the \$5,000 by the percentage determined pursuant to the provisions of section 1(f) of the Internal Revenue Code, except that in section 1(f)(3)(B), the word "2008" shall be substituted for the word "1992." For 2014, the commissioner shall then determine the percent change from the 12 months ending on August 31, 2008, to the 12 months ending on August 31, 2013, and in each subsequent year, from the 12 months ending on August 31, 2008, to the 12 months ending on August 31 of the year preceding the taxable year. The earned income thresholds as adjusted for inflation must be rounded to the nearest \$10. If the amount ends in \$5, the amount is rounded up to the nearest \$10. The determination of the commissioner under this subdivision is not a rule under the Administrative Procedure Act.~~

~~(h)~~ (i) The commissioner shall construct tables showing the amount of the credit at various income levels and make them available to taxpayers. The tables shall follow the schedule contained

in this subdivision, except that the commissioner may graduate the transition between income brackets.

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2018.

Sec. 21. Minnesota Statutes 2018, section 290.0671, subdivision 7, is amended to read:

Subd. 7. **Inflation adjustment.** The earned income amounts used to calculate the credit and the income thresholds at which the maximum credit begins to be reduced in subdivision 1, and the additional threshold amount for married taxpayers filing joint returns, must be adjusted for inflation. The commissioner shall adjust by the percentage determined pursuant to the provisions of section 1(f) of the Internal Revenue Code, as amended through December 31, 2016, except that in section 1(f)(3)(B) the word "~~2013~~" "2018" shall be substituted for the word "1992." For ~~2015~~ 2020, the commissioner shall then determine the percent change from the 12 months ending on August 31, ~~2013~~ 2018, to the 12 months ending on August 31, ~~2014~~ 2019, and in each subsequent year, from the 12 months ending on August 31, ~~2013~~ 2018, to the 12 months ending on August 31 of the year preceding the taxable year. The earned income thresholds as adjusted for inflation must be rounded to the nearest \$10 amount. If the amount ends in \$5, the amount is rounded up to the nearest \$10 amount. The determination of the commissioner under this subdivision is not a rule under the Administrative Procedure Act.

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2018. ""

### CALL OF THE SENATE

Senator Limmer imposed a call of the Senate for the balance of the proceedings on H.F. No. 2125. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Rest amendment to the second Rest amendment.

The roll was called, and there were yeas 32 and nays 35, as follows:

Those who voted in the affirmative were:

|            |          |          |          |            |
|------------|----------|----------|----------|------------|
| Bakk       | Dibble   | Hayden   | Little   | Tomassoni  |
| Bigham     | Dziedzic | Hoffman  | Marty    | Torres Ray |
| Carlson    | Eaton    | Isaacson | Newton   | Wiger      |
| Champion   | Eken     | Kent     | Pappas   | Wiklund    |
| Clausen    | Franzen  | Klein    | Rest     |            |
| Cohen      | Frentz   | Laine    | Simonson |            |
| Cwodzinski | Hawj     | Latz     | Sparks   |            |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Senjem  |
| Chamberlain  | Housley      | Koran     | Osmek   | Utke    |
| Dahms        | Howe         | Lang      | Pratt   | Weber   |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  | Westrom |



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

Senator Bakk moved to amend the second Rest amendment to H.F. No. 2125 as follows:

Page 1, after line 5, insert:

"Page 136, after line 30, insert:

"Sec. 4. Minnesota Statutes 2018, section 477A.011, subdivision 45, is amended to read:

Subd. 45. **Sparsity adjustment.** ~~For~~ The sparsity adjustment is \$200 for either: (1) a city with a population of 10,000 or more, the sparsity adjustment is 100 for any city with and an average population density less than 150 per square mile, according to the most recent federal census. For; ~~or (2) a city with a population less than 10,000, the sparsity adjustment is 200 for any city with and an average population density less than 30 per square mile, according to the most recent federal census. The sparsity adjustment is zero for all other cities.~~

**EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2020 and thereafter."

Page 137, after line 24, insert:

"Sec. 7. Minnesota Statutes 2018, section 477A.013, subdivision 9, is amended to read:

Subd. 9. **City aid distribution.** (a) In calendar year 2018 and thereafter, if a city's certified aid before any aid adjustment under subdivision 13 for the previous year is less than its current unmet need, the city shall receive an aid distribution equal to the sum of (1) its certified aid in the previous year before any aid adjustment under subdivision 13, (2) the city formula aid under subdivision 8, and (3) its aid adjustment under subdivision 13.

(b) For aids payable in 2020 only, no city's aid amount before any adjustment under subdivision 13 may be less than its pay 2019 certified aid amount, less any aid adjustment under subdivision 13 for that year. For aids payable in 2018 2019 and thereafter, if a city's certified aid before any aid adjustment under subdivision 13 for the previous year is equal to or greater than its current unmet need, the total aid for a city is equal to the greater of (1) its unmet need plus any aid adjustment under subdivision 13, or (2) the amount it was certified to receive in the previous year minus the sum of (i) any adjustment under subdivision 13 that was paid in the previous year but has expired, and (ii) the lesser of \$10 \$5 multiplied by its population, or five percent of its net levy in the year prior to the aid distribution. No city may have a total aid amount less than \$0.

**EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2020 and thereafter.

Sec. 8. Minnesota Statutes 2018, section 477A.013, subdivision 13, is amended to read:

Subd. 13. **Certified aid adjustments.** ~~(a) A city that received an aid base increase under Minnesota Statutes 2012, section 477A.011, subdivision 36, paragraph (e), shall have its total aid under subdivision 9 increased by an amount equal to \$150,000 for aids payable in 2014 through 2018.~~

~~(b)~~ (a) A city that received an aid base increase under Minnesota Statutes 2012, section 477A.011, subdivision 36, paragraph (r), shall have its total aid under subdivision 9 increased by an amount equal to \$160,000 for aids payable in 2014 and thereafter.

~~(e) A city that received a temporary aid increase under Minnesota Statutes 2012, section 477A.011, subdivision 36, paragraph (e), shall have its total aid under subdivision 9 increased by an amount equal to \$1,000,000 for aids payable in 2014 only.~~

(b) The city of Floodwood shall have its total aid under subdivision 9 increased by \$20,000 for aids payable in 2020 through 2024.

(c) The city of Hermantown shall have its total aid under subdivision 9 increased by \$200,000 for aids payable in 2020 through 2024.

(d) The city of West St. Paul shall have its total aid under subdivision 9 increased by \$920,000 for aids payable in 2020 through 2024.

(e) The city of Flensburg shall have its total aid under subdivision 9 increased by \$38,400 for aids payable in 2020 only.

(f) The city of Lilydale shall have its total aid under subdivision 9 increased by \$275,000 for aids payable in 2020 only.

(g) The city of Scanlon shall have its total aid under subdivision 9 increased by \$40,000 for aids payable in 2020 through 2029.

(h) The city of East Grand Forks shall have its total aid under subdivision 9 increased by \$300,000 for aids payable in 2021 through 2024.

(i) The city of Virginia shall have its total aid under subdivision 9 increased by \$5,400,000 for aids payable in 2020 only.

**EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2020 and thereafter.

Sec. 9. Minnesota Statutes 2018, section 477A.03, subdivision 2a, is amended to read:

Subd. 2a. **Cities.** For aids payable in 2016 and 2017, the total aid paid under section 477A.013, subdivision 9, is \$519,398,012. For aids payable in 2018 and ~~thereafter~~ 2019, the total aid paid under section 477A.013, subdivision 9, is \$534,398,012. For aids payable in 2020, the total aid paid under subdivision 9 is \$567,637,600. For aids payable in 2021 and thereafter, the total aid paid under section 477A.013, subdivision 9, is \$562,237,600.

**EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2020 and thereafter.

Sec. 10. Minnesota Statutes 2018, section 477A.03, subdivision 2b, is amended to read:

Subd. 2b. **Counties.** (a) For aids payable in 2018 ~~through 2024~~ and 2019, the total aid payable under section 477A.0124, subdivision 3, is \$103,795,000, of which \$3,000,000 shall be allocated

as required under Laws 2014, chapter 150, article 4, section 6. For aids payable in 2020 through 2024, the total aid payable under section 477A.0124, subdivision 3, is \$117,715,000, of which \$3,000,000 shall be allocated as required under Laws 2014, chapter 150, article 4, section 6. For aids payable in 2025 and thereafter, the total aid payable under section 477A.0124, subdivision 3, is ~~\$100,795,000~~ \$114,715,000. Each calendar year, \$500,000 of this appropriation shall be retained by the commissioner of revenue to make reimbursements to the commissioner of management and budget for payments made under section 611.27. The reimbursements shall be to defray the additional costs associated with court-ordered counsel under section 611.27. Any retained amounts not used for reimbursement in a year shall be included in the next distribution of county need aid that is certified to the county auditors for the purpose of property tax reduction for the next taxes payable year.

(b) For aids payable in 2018 and ~~thereafter~~ 2019, the total aid under section 477A.0124, subdivision 4, is \$130,873,444. For aids payable in 2020 and thereafter, the total aid under section 477A.0124, subdivision 4, is \$144,793,230. The commissioner of revenue shall transfer to the commissioner of management and budget \$207,000 annually for the cost of preparation of local impact notes as required by section 3.987, and other local government activities. The commissioner of revenue shall transfer to the commissioner of education \$7,000 annually for the cost of preparation of local impact notes for school districts as required by section 3.987. The commissioner of revenue shall deduct the amounts transferred under this paragraph from the appropriation under this paragraph. The amounts transferred are appropriated to the commissioner of management and budget and the commissioner of education respectively.

**EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2020 and thereafter."

The question was taken on the adoption of the Bakk amendment to the second Rest amendment.

The roll was called, and there were yeas 32 and nays 35, as follows:

Those who voted in the affirmative were:

|            |          |          |          |            |
|------------|----------|----------|----------|------------|
| Bakk       | Dibble   | Hayden   | Little   | Tomassoni  |
| Bigham     | Dziedzic | Hoffman  | Marty    | Torres Ray |
| Carlson    | Eaton    | Isaacson | Newton   | Wiger      |
| Champion   | Eken     | Kent     | Pappas   | Wiklund    |
| Clausen    | Franzen  | Klein    | Rest     |            |
| Cohen      | Frentz   | Laine    | Simonson |            |
| Cwodzinski | Hawj     | Latz     | Sparks   |            |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Senjem  |
| Chamberlain  | Housley      | Koran     | Osmek   | Utke    |
| Dahms        | Howe         | Lang      | Pratt   | Weber   |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  | Westrom |

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

Senator Kent moved to amend the second Rest amendment to H.F. No. 2125 as follows:

Page 1, after line 5, insert:

"Page 133, after line 23, insert:

"Sec. 2. Minnesota Statutes 2018, section 126C.44, is amended to read:

**126C.44 SAFE SCHOOLS ~~LEVY~~ REVENUE.**

Subdivision 1. **Safe schools revenue.** (a) ~~Each district may make a levy on all taxable property located within the district for the purposes specified in this section. The maximum amount which may be levied for all costs under this section shall be equal to \$36 multiplied by~~ For fiscal year 2021 and later, the initial safe schools revenue for a school district equals \$45 times the district's adjusted pupil units for the school year.

(b) For fiscal year 2021 and later, the cooperative safe schools revenue for a school district that is a member of an intermediate school district equals \$30 times the district's adjusted pupil units for the school year. For fiscal year 2021 and later, the cooperative safe schools revenue for a school district that is a member of a cooperative unit other than an intermediate district that enrolls students equals \$15 times the district's adjusted pupil units for the school year. Revenue raised under this paragraph must be transferred to the intermediate school district or other cooperative unit of which the district is a member and used only for costs associated with safe schools activities authorized under subdivision 3, paragraph (a), clauses (1) to (9). If the district is a member of more than one cooperative unit that enrolls students, the revenue must be allocated among the cooperative units.

(c) For fiscal year 2021 and later, the safe schools revenue for a school district equals the sum of the district's initial safe schools revenue and the district's cooperative safe schools revenue.

Subd. 2. **Safe schools revenue for a charter school.** (a) For fiscal year 2021 and later, safe schools revenue for a charter school equals \$45 times the adjusted pupil units for the school year.

(b) The revenue must be reserved and used only for costs associated with safe schools activities authorized under subdivision 3, paragraph (a), or for building lease expenses not funded by charter school building lease aid that are attributable to facility security enhancements made by the landlord after July 1, 2020.

Subd. 3. **Uses of safe schools revenue.** (a) The ~~proceeds of the levy~~ revenue must be reserved and used for directly funding the following purposes or for reimbursing the cities and counties who contract with the district for the following purposes:

(1) to pay the costs incurred for the salaries, benefits, and transportation costs of peace officers and sheriffs for liaison in services in the district's schools;

(2) to pay the costs for a drug abuse prevention program as defined in section 609.101, subdivision 3, paragraph (e), in the elementary schools;

(3) to pay the costs for a gang resistance education training curriculum in the district's schools;

(4) to pay the costs for security in the district's schools and on school property;

(5) to pay the costs for other crime prevention, drug abuse, student and staff safety, voluntary opt-in suicide prevention tools, and violence prevention measures taken by the school district;

(6) to pay costs for licensed school counselors, licensed school nurses, licensed school social workers, licensed school psychologists, and licensed alcohol and chemical dependency counselors to help provide early responses to problems;

(7) to pay for facility security enhancements including laminated glass, public announcement systems, emergency communications devices, and equipment and facility modifications related to violence prevention and facility security;

(8) to pay for costs associated with improving the school climate; or

(9) to pay costs for colocating and collaborating with mental health professionals who are not district employees or contractors.

(b) For expenditures under paragraph (a), clause (1), the district must initially attempt to contract for services to be provided by peace officers or sheriffs with the police department of each city or the sheriff's department of the county within the district containing the school receiving the services. If a local police department or a county sheriff's department does not wish to provide the necessary services, the district may contract for these services with any other police or sheriff's department located entirely or partially within the school district's boundaries.

~~(e) A school district that is a member of an intermediate school district may include in its authority under this section the costs associated with safe schools activities authorized under paragraph (a) for intermediate school district programs. This authority must not exceed \$15 times the adjusted pupil units of the member districts. This authority is in addition to any other authority authorized under this section. Revenue raised under this paragraph must be transferred to the intermediate school district.~~

Subd. 4. **Aid entitlement limit.** For fiscal year 2022 and later, the total aid entitlement under this section must not exceed \$52,000,000 per fiscal year. The commissioner must prorate the aid to not exceed this limit.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2020 and later.'''

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Nelson questioned whether the amendment was germane.

The President ruled that the amendment was germane.

The question was taken on the adoption of the Kent amendment to the second Rest amendment.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler

Anderson, B.

Anderson, P.

Bakk

Benson

|             |              |           |         |            |
|-------------|--------------|-----------|---------|------------|
| Bigham      | Eken         | Jasinski  | Mathews | Senjem     |
| Carlson     | Franzen      | Jensen    | Miller  | Simonson   |
| Chamberlain | Frentz       | Johnson   | Nelson  | Sparks     |
| Champion    | Gazelka      | Kent      | Newman  | Tomassoni  |
| Clausen     | Goggin       | Kiffmeyer | Newton  | Torres Ray |
| Cohen       | Hall         | Klein     | Osmeke  | Utke       |
| Cwodzinski  | Hawj         | Koran     | Pappas  | Weber      |
| Dahms       | Hayden       | Laine     | Pratt   | Westrom    |
| Dibble      | Hoffman      | Lang      | Rarick  | Wiger      |
| Draheim     | Housley      | Latz      | Relph   | Wiklund    |
| Dziedzic    | Howe         | Limmer    | Rest    |            |
| Eaton       | Ingebrigtsen | Little    | Rosen   |            |
| Eichorn     | Isaacson     | Marty     | Ruud    |            |

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the second Rest amendment, as amended.

The roll was called, and there were yeas 32 and nays 35, as follows:

Those who voted in the affirmative were:

|            |          |          |          |            |
|------------|----------|----------|----------|------------|
| Bakk       | Dibble   | Hayden   | Little   | Tomassoni  |
| Bigham     | Dziedzic | Hoffman  | Marty    | Torres Ray |
| Carlson    | Eaton    | Isaacson | Newton   | Wiger      |
| Champion   | Eken     | Kent     | Pappas   | Wiklund    |
| Clausen    | Franzen  | Klein    | Rest     |            |
| Cohen      | Frentz   | Laine    | Simonson |            |
| Cwodzinski | Hawj     | Latz     | Sparks   |            |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Senjem  |
| Chamberlain  | Housley      | Koran     | Osmeke  | Utke    |
| Dahms        | Howe         | Lang      | Pratt   | Weber   |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  | Westrom |

The motion did not prevail. So the second Rest amendment, as amended, was not adopted.

Senator Nelson moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 19, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 65, after line 23, insert:

"Sec. 21. **[290.0683] MINNESOTA HOUSING TAX CREDIT PROGRAM; DEFINITIONS.**

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

(b) "Agency" means the Minnesota Housing Finance Agency.

(c) "Minnesota housing tax credit contribution fund" means the fund established in section 462A.40.

(d) "Qualified project" means a project that qualifies for a grant or loan under section 462A.40, subdivision 2.

(e) "Taxpayer" means a taxpayer as defined in section 290.01, subdivision 6, or a taxpayer as defined in section 297I.01, subdivision 16."

Page 82, after line 2, insert:

**"Sec. 22. 462A.40 MINNESOTA HOUSING TAX CREDIT CONTRIBUTION FUND.**

Subdivision 1. **Fund created.** If a Minnesota housing tax credit is established, the Minnesota housing tax credit contribution fund is created to be a revolving fund at the agency and administered by the commissioner. Amounts contributed to the fund are appropriated to the commissioner. The commissioner may use the amounts appropriated to direct disbursements from the fund as loans or grants to eligible recipients.

Subd. 2. **Use of funds; grant and loan program.** (a) The commissioner may award grants and loans to be used for multifamily and single family developments for persons and families of low and moderate income, or developments for persons experiencing homelessness, including youth. Allowable use of the funds include: gap financing, as defined in section 462A.33, subdivision 1, new construction, acquisition, rehabilitation, demolition or removal of existing structures, construction financing, permanent financing, interest rate reduction, and refinancing.

(b) The commissioner may give preference for grants and loans to comparable proposals that include regulatory changes or waivers that result in identifiable cost avoidance or cost reductions, including but not limited to increased density, flexibility in site development standards, or zoning code requirements.

(c) To the extent practicable, grants and loans shall be made so that an approximately equal number of housing units are financed in the metropolitan area, as defined in section 473.121, subdivision 2, and in greater Minnesota.

(d) The commissioner shall set aside 50 percent of the financing under this section for households at or below the greater of 50 percent of state or area median income. If by June 1 each year the commissioner does not receive requests to use all of the financing set aside under this paragraph, the commissioner may use any remaining financing for other projects eligible under this section.

Subd. 3. **Eligible recipients.** (a) The commissioner may award grants or loans to a city, a federally recognized American Indian tribe or subdivision located in Minnesota, a tribal housing corporation, a private developer, a nonprofit organization, a housing and redevelopment authority under sections 469.001 to 469.047, a public housing authority or agency authorized by law to exercise any of the powers granted by sections 469.001 to 469.047, or the owner of the housing, excluding individuals who own the housing and are using it as their domicile.

(b) Eligible recipients must use the funds to serve households that meet the income limits as provided in section 462A.33, subdivision 5.

(c) For the purpose of this subdivision, "city" has the meaning given it in section 462A.03, subdivision 21.

Subd. 4. **Recapture.** A loan or grant awarded under this section is subject to repayment or recapture under the guidelines adopted by the commissioner. Any loan or grant that is repaid or recaptured must be redeposited in the fund.

Subd. 5. **Report.** The commissioners of housing finance, revenue, and management and budget shall report by January 15, 2021, to the chairs and ranking minority members of the legislative tax committees on: whether a tax credit would stimulate private sector and individual participation in the development and preservation of affordable housing; to what extent a tax credit could increase unit production targeted at households at below 50 percent of area median income; what additional economic activity the tax credit would generate; and provide a recommendation on the value of the credit.

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2019."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Dibble moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 30, after line 24, insert:

"Sec. 47. Minnesota Statutes 2018, section 290.095, subdivision 2, is amended to read:

Subd. 2. **Defined and limited.** (a) The term "net operating loss" as used in this section shall mean a net operating loss as defined in section 172(c) of the Internal Revenue Code, with the modifications specified in subdivision 4. The deductions provided in section 290.21 cannot be used in the determination of a net operating loss.

(b) The term "net operating loss deduction" as used in this section means the aggregate of the net operating loss carryovers to the taxable year, computed in accordance with subdivision 3. The provisions of section 172(b) of the Internal Revenue Code relating to the carryback of net operating losses, do not apply.

(c) The amount of net operating loss deduction under this section must not exceed 80 percent of taxable net income in a single taxable year.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly



Senator Dibble moved to amend the Dibble amendment to H.F. No. 2125 as follows:

Page 1, after line 3, insert:

"Page 12, line 14, delete "\$15,000," and insert a colon

Page 12, delete line 15, and insert:

"(i) for married couples filing joint returns and surviving spouses as defined in section 2(a) of the Internal Revenue Code, \$20,000;

(ii) for married individuals filing separate returns, \$10,000;

(iii) for unmarried individuals, \$15,000; and

(iv) for unmarried individuals filing as head of household as defined in section 2(b) of the Internal Revenue Code, \$16,850."

The question was taken on the adoption of the Dibble amendment to the Dibble amendment.

The roll was called, and there were yeas 32 and nays 35, as follows:

Those who voted in the affirmative were:

|            |          |          |          |            |
|------------|----------|----------|----------|------------|
| Bakk       | Dibble   | Hayden   | Little   | Tomassoni  |
| Bigham     | Dziedzic | Hoffman  | Marty    | Torres Ray |
| Carlson    | Eaton    | Isaacson | Newton   | Wiger      |
| Champion   | Eken     | Kent     | Pappas   | Wiklund    |
| Clausen    | Franzen  | Klein    | Rest     |            |
| Cohen      | Frentz   | Laine    | Simonson |            |
| Cwodzinski | Hawj     | Latz     | Sparks   |            |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Senjem  |
| Chamberlain  | Housley      | Koran     | Osmek   | Utke    |
| Dahms        | Howe         | Lang      | Pratt   | Weber   |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  | Westrom |

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

Senator Little moved to amend the first Dibble amendment to H.F. No. 2125 as follows:

Page 1, after line 17, insert:

"Page 84, after line 24, insert:

"Sec. 3. Minnesota Statutes 2018, section 297A.61, subdivision 12, is amended to read:

Subd. 12. **Farm machinery.** (a) "Farm machinery" means new or used machinery, equipment, implements, accessories, and contrivances used directly and principally in agricultural production of tangible personal property intended to be sold ultimately at retail including, but not limited to:

(1) machinery for the preparation, seeding, or cultivation of soil for growing agricultural crops;

(2) barn cleaners, milking systems, grain bins, grain dryers, feeding systems including stationary feed bunks, and similar installations, whether or not the equipment is installed by the seller and becomes part of the real property; and

(3) irrigation equipment sold for exclusively agricultural use, including pumps, pipe fittings, valves, sprinklers, and other equipment necessary to the operation of an irrigation system when sold as part of an irrigation system, whether or not the equipment is installed by the seller and becomes part of the real property.

(b) Farm machinery does not include:

(1) repair or replacement parts;

(2) tools, shop equipment, ~~grain bins~~, fencing material, communication equipment, and other farm supplies;

(3) motor vehicles taxed under chapter 297B;

(4) snowmobiles or snow blowers;

(5) lawn mowers except those used in the production of sod for sale, or garden-type tractors or garden tillers; or

(6) machinery, equipment, implements, accessories, and contrivances used directly in the production of horses not raised for slaughter, fur-bearing animals, or research animals.

**EFFECTIVE DATE.** This section is effective for sales and purchases made after June 30, 2019."

Page 87, after line 18, insert:

"Sec. 10. Minnesota Statutes 2018, section 297A.71, is amended by adding a subdivision to read:

Subd. 52. **Building materials; grain bins.** Materials and supplies used or consumed in, and equipment incorporated into, the construction or improvement of a grain bin that is not exempt under section 297A.61, subdivision 12, are exempt.

**EFFECTIVE DATE.** This section is effective for sales and purchases made after June 30, 2019.""

The question was taken on the adoption of the Little amendment to the first Dibble amendment.

The roll was called, and there were yeas 32 and nays 35, as follows:

Those who voted in the affirmative were:

Bakk  
Bigham  
Carlson

Champion  
Clausen  
Cohen

Cwodzinski  
Dibble  
Dziedzic

Eaton  
Eken  
Franzen

Frentz  
Hawj  
Hayden

|          |        |          |            |         |
|----------|--------|----------|------------|---------|
| Hoffman  | Laine  | Newton   | Sparks     | Wiklund |
| Isaacson | Latz   | Pappas   | Tomassoni  |         |
| Kent     | Little | Rest     | Torres Ray |         |
| Klein    | Marty  | Simonson | Wiger      |         |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Senjem  |
| Chamberlain  | Housley      | Koran     | Osmek   | Utke    |
| Dahms        | Howe         | Lang      | Pratt   | Weber   |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  | Westrom |

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

Senator Frentz moved to amend the first Dibble amendment to H.F. No. 2125 as follows:

Page 1, after line 17, insert:

"Page 133, after line 23, insert:

"Sec. 2. **[273.1388] AGRICULTURAL RIPARIAN BUFFER CREDIT.**

Subdivision 1. **Eligibility.** Class 2a and 2b property under section 273.13, subdivision 23, containing a riparian buffer as defined in section 103F.48, is eligible to receive the credit under this section, provided that the landowner is in compliance with the requirements of section 103F.48. Eligible land must be certified by the local soil and water conservation district. This certification is effective until the local soil and water conservation district notifies the assessor that qualified land is no longer in compliance with section 103F.38. The local soil and water conservation districts must annually notify their county's assessor of any landowner who is not in compliance with the requirements of section 103F.48.

Subd. 2. **Credit amount.** For each qualifying property, the agricultural riparian buffer credit is equal to the amount of net tax capacity based property tax attributable to the portion of the property subject to section 103F.48.

Subd. 3. **Credit reimbursement.** The county auditor must determine the tax reductions allowed under this section within the county for each taxes payable year and must certify that amount to the commissioner of revenue as part of the data required under section 270C.85, subdivision 2. Any prior-year adjustments must also be certified as part of the data required under section 270C.85, subdivision 2. The commissioner must review the certifications for accuracy, and may make such changes as are deemed necessary, or return the certification to the county auditor for correction. The credit under this section must be used to proportionately reduce the net tax capacity based property tax payable to each local taxing jurisdiction as provided in section 273.1393.

Subd. 4. **Payment.** (a) The commissioner of revenue shall reimburse each local taxing jurisdiction, other than school districts, for the tax reductions granted under this section in two equal installments on October 31 and December 26 of the taxes payable year for which the reductions are granted, including in each payment the prior year adjustments certified under section 270C.85, subdivision 2, for that taxes payable year.

(b) The commissioner of revenue shall certify the total of the tax reductions granted under this section for each taxes payable year within each school district to the commissioner of the Department of Education and the commissioner of education must pay the reimbursement amounts to each school district as provided in section 273.1392.

Subd. 5. **Appropriation.** An amount sufficient to make the payments required by this section to taxing jurisdictions other than school districts is annually appropriated from the general fund to the commissioner of revenue. An amount sufficient to make the payments required by this section for school districts is annually appropriated from the general fund to the commissioner of education.

**EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2020.

Sec. 3. Minnesota Statutes 2018, section 273.1392, is amended to read:

**273.1392 PAYMENT; SCHOOL DISTRICTS.**

The amounts of bovine tuberculosis credit reimbursements under section 273.113; conservation tax credits under section 273.119; disaster or emergency reimbursement under sections 273.1231 to 273.1235; agricultural credits under sections 273.1384 ~~and~~ 273.1387, and 273.1388; aids and credits under section 273.1398; enterprise zone property credit payments under section 469.171; and metropolitan agricultural preserve reduction under section 473H.10 for school districts, shall be certified to the Department of Education by the Department of Revenue. The amounts so certified shall be paid according to section 127A.45, subdivisions 9, 10, and 13.

**EFFECTIVE DATE.** This section is effective beginning with fiscal year 2021.

Sec. 4. Minnesota Statutes 2018, section 273.1393, is amended to read:

**273.1393 COMPUTATION OF NET PROPERTY TAXES.**

Notwithstanding any other provisions to the contrary, "net" property taxes are determined by subtracting the credits in the order listed from the gross tax:

- (1) disaster credit as provided in sections 273.1231 to 273.1235;
- (2) powerline credit as provided in section 273.42;
- (3) agricultural preserves credit as provided in section 473H.10;
- (4) enterprise zone credit as provided in section 469.171;
- (5) disparity reduction credit;
- (6) conservation tax credit as provided in section 273.119;
- (7) the school bond credit as provided in section 273.1387;
- (8) agricultural credit as provided in section 273.1384;
- (9) the agricultural riparian buffer credit as provided in section 273.1388;

- ~~(9)~~ (10) taconite homestead credit as provided in section 273.135;
- ~~(10)~~ (11) supplemental homestead credit as provided in section 273.1391; and
- ~~(11)~~ (12) the bovine tuberculosis zone credit, as provided in section 273.113.

The combination of all property tax credits must not exceed the gross tax amount.

**EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2020.

Sec. 5. Minnesota Statutes 2018, section 275.065, subdivision 3, is amended to read:

Subd. 3. **Notice of proposed property taxes.** (a) The county auditor shall prepare and the county treasurer shall deliver after November 10 and on or before November 24 each year, by first class mail to each taxpayer at the address listed on the county's current year's assessment roll, a notice of proposed property taxes. Upon written request by the taxpayer, the treasurer may send the notice in electronic form or by electronic mail instead of on paper or by ordinary mail.

(b) The commissioner of revenue shall prescribe the form of the notice.

(c) The notice must inform taxpayers that it contains the amount of property taxes each taxing authority proposes to collect for taxes payable the following year. In the case of a town, or in the case of the state general tax, the final tax amount will be its proposed tax. The notice must clearly state for each city that has a population over 500, county, school district, regional library authority established under section 134.201, and metropolitan taxing districts as defined in paragraph (i), the time and place of a meeting for each taxing authority in which the budget and levy will be discussed and public input allowed, prior to the final budget and levy determination. The taxing authorities must provide the county auditor with the information to be included in the notice on or before the time it certifies its proposed levy under subdivision 1. The public must be allowed to speak at that meeting, which must occur after November 24 and must not be held before 6:00 p.m. It must provide a telephone number for the taxing authority that taxpayers may call if they have questions related to the notice and an address where comments will be received by mail, except that no notice required under this section shall be interpreted as requiring the printing of a personal telephone number or address as the contact information for a taxing authority. If a taxing authority does not maintain public offices where telephone calls can be received by the authority, the authority may inform the county of the lack of a public telephone number and the county shall not list a telephone number for that taxing authority.

(d) The notice must state for each parcel:

(1) the market value of the property as determined under section 273.11, and used for computing property taxes payable in the following year and for taxes payable in the current year as each appears in the records of the county assessor on November 1 of the current year; and, in the case of residential property, whether the property is classified as homestead or nonhomestead. The notice must clearly inform taxpayers of the years to which the market values apply and that the values are final values;

(2) the items listed below, shown separately by county, city or town, and state general tax, agricultural homestead credit under section 273.1384, school building bond agricultural credit under section 273.1387, the agricultural riparian buffer credit under section 273.1388, voter approved

school levy, other local school levy, and the sum of the special taxing districts, and as a total of all taxing authorities:

- (i) the actual tax for taxes payable in the current year; and
- (ii) the proposed tax amount.

If the county levy under clause (2) includes an amount for a lake improvement district as defined under sections 103B.501 to 103B.581, the amount attributable for that purpose must be separately stated from the remaining county levy amount.

In the case of a town or the state general tax, the final tax shall also be its proposed tax unless the town changes its levy at a special town meeting under section 365.52. If a school district has certified under section 126C.17, subdivision 9, that a referendum will be held in the school district at the November general election, the county auditor must note next to the school district's proposed amount that a referendum is pending and that, if approved by the voters, the tax amount may be higher than shown on the notice. In the case of the city of Minneapolis, the levy for Minneapolis Park and Recreation shall be listed separately from the remaining amount of the city's levy. In the case of the city of St. Paul, the levy for the St. Paul Library Agency must be listed separately from the remaining amount of the city's levy. In the case of Ramsey County, any amount levied under section 134.07 may be listed separately from the remaining amount of the county's levy. In the case of a parcel where tax increment or the fiscal disparities areawide tax under chapter 276A or 473F applies, the proposed tax levy on the captured value or the proposed tax levy on the tax capacity subject to the areawide tax must each be stated separately and not included in the sum of the special taxing districts; and

(3) the increase or decrease between the total taxes payable in the current year and the total proposed taxes, expressed as a percentage.

For purposes of this section, the amount of the tax on homesteads qualifying under the senior citizens' property tax deferral program under chapter 290B is the total amount of property tax before subtraction of the deferred property tax amount.

(e) The notice must clearly state that the proposed or final taxes do not include the following:

- (1) special assessments;
- (2) levies approved by the voters after the date the proposed taxes are certified, including bond referenda and school district levy referenda;
- (3) a levy limit increase approved by the voters by the first Tuesday after the first Monday in November of the levy year as provided under section 275.73;
- (4) amounts necessary to pay cleanup or other costs due to a natural disaster occurring after the date the proposed taxes are certified;
- (5) amounts necessary to pay tort judgments against the taxing authority that become final after the date the proposed taxes are certified; and

(6) the contamination tax imposed on properties which received market value reductions for contamination.

(f) Except as provided in subdivision 7, failure of the county auditor to prepare or the county treasurer to deliver the notice as required in this section does not invalidate the proposed or final tax levy or the taxes payable pursuant to the tax levy.

(g) If the notice the taxpayer receives under this section lists the property as nonhomestead, and satisfactory documentation is provided to the county assessor by the applicable deadline, and the property qualifies for the homestead classification in that assessment year, the assessor shall reclassify the property to homestead for taxes payable in the following year.

(h) In the case of class 4 residential property used as a residence for lease or rental periods of 30 days or more, the taxpayer must either:

(1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter, or lessee; or

(2) post a copy of the notice in a conspicuous place on the premises of the property.

The notice must be mailed or posted by the taxpayer by November 27 or within three days of receipt of the notice, whichever is later. A taxpayer may notify the county treasurer of the address of the taxpayer, agent, caretaker, or manager of the premises to which the notice must be mailed in order to fulfill the requirements of this paragraph.

(i) For purposes of this subdivision and subdivision 6, "metropolitan special taxing districts" means the following taxing districts in the seven-county metropolitan area that levy a property tax for any of the specified purposes listed below:

(1) Metropolitan Council under section 473.132, 473.167, 473.249, 473.325, 473.446, 473.521, 473.547, or 473.834;

(2) Metropolitan Airports Commission under section 473.667, 473.671, or 473.672; and

(3) Metropolitan Mosquito Control Commission under section 473.711.

For purposes of this section, any levies made by the regional rail authorities in the county of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington under chapter 398A shall be included with the appropriate county's levy.

(j) The governing body of a county, city, or school district may, with the consent of the county board, include supplemental information with the statement of proposed property taxes about the impact of state aid increases or decreases on property tax increases or decreases and on the level of services provided in the affected jurisdiction. This supplemental information may include information for the following year, the current year, and for as many consecutive preceding years as deemed appropriate by the governing body of the county, city, or school district. It may include only information regarding:

(1) the impact of inflation as measured by the implicit price deflator for state and local government purchases;

(2) population growth and decline;

(3) state or federal government action; and

(4) other financial factors that affect the level of property taxation and local services that the governing body of the county, city, or school district may deem appropriate to include.

The information may be presented using tables, written narrative, and graphic representations and may contain instruction toward further sources of information or opportunity for comment.

**EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2020.

Sec. 6. Minnesota Statutes 2018, section 276.04, subdivision 2, is amended to read:

Subd. 2. **Contents of tax statements.** (a) The treasurer shall provide for the printing of the tax statements. The commissioner of revenue shall prescribe the form of the property tax statement and its contents. The tax statement must not state or imply that property tax credits are paid by the state of Minnesota. The statement must contain a tabulated statement of the dollar amount due to each taxing authority and the amount of the state tax from the parcel of real property for which a particular tax statement is prepared. The dollar amounts attributable to the county, the state tax, the voter approved school tax, the other local school tax, the township or municipality, and the total of the metropolitan special taxing districts as defined in section 275.065, subdivision 3, paragraph (i), must be separately stated. The amounts due all other special taxing districts, if any, may be aggregated except that any levies made by the regional rail authorities in the county of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington under chapter 398A shall be listed on a separate line directly under the appropriate county's levy. If the county levy under this paragraph includes an amount for a lake improvement district as defined under sections 103B.501 to 103B.581, the amount attributable for that purpose must be separately stated from the remaining county levy amount. In the case of Ramsey County, if the county levy under this paragraph includes an amount for public library service under section 134.07, the amount attributable for that purpose may be separated from the remaining county levy amount. The amount of the tax on homesteads qualifying under the senior citizens' property tax deferral program under chapter 290B is the total amount of property tax before subtraction of the deferred property tax amount. The amount of the tax on contamination value imposed under sections 270.91 to 270.98, if any, must also be separately stated. The dollar amounts, including the dollar amount of any special assessments, may be rounded to the nearest even whole dollar. For purposes of this section whole odd-numbered dollars may be adjusted to the next higher even-numbered dollar. The amount of market value excluded under section 273.11, subdivision 16, if any, must also be listed on the tax statement.

(b) The property tax statements for manufactured homes and sectional structures taxed as personal property shall contain the same information that is required on the tax statements for real property.

(c) Real and personal property tax statements must contain the following information in the order given in this paragraph. The information must contain the current year tax information in the right column with the corresponding information for the previous year in a column on the left:

(1) the property's estimated market value under section 273.11, subdivision 1;

(2) the property's homestead market value exclusion under section 273.13, subdivision 35;



- (3) the property's taxable market value under section 272.03, subdivision 15;
- (4) the property's gross tax, before credits;
- (5) for agricultural properties, the credits under sections 273.1384 ~~and~~, 273.1387, and 273.1388;
- (6) any credits received under sections 273.119; 273.1234 or 273.1235; 273.135; 273.1391; 273.1398, subdivision 4; 469.171; and 473H.10, except that the amount of credit received under section 273.135 must be separately stated and identified as "taconite tax relief"; and
- (7) the net tax payable in the manner required in paragraph (a).

(d) If the county uses envelopes for mailing property tax statements and if the county agrees, a taxing district may include a notice with the property tax statement notifying taxpayers when the taxing district will begin its budget deliberations for the current year, and encouraging taxpayers to attend the hearings. If the county allows notices to be included in the envelope containing the property tax statement, and if more than one taxing district relative to a given property decides to include a notice with the tax statement, the county treasurer or auditor must coordinate the process and may combine the information on a single announcement.

**EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2020. ""

The question was taken on the adoption of the Frentz amendment to the first Dibble amendment.

The roll was called, and there were yeas 32 and nays 35, as follows:

Those who voted in the affirmative were:

|            |          |          |          |            |
|------------|----------|----------|----------|------------|
| Bakk       | Dibble   | Hayden   | Little   | Tomassoni  |
| Bigham     | Dziedzic | Hoffman  | Marty    | Torres Ray |
| Carlson    | Eaton    | Isaacson | Newton   | Wiger      |
| Champion   | Eken     | Kent     | Pappas   | Wicklund   |
| Clausen    | Franzen  | Klein    | Rest     |            |
| Cohen      | Frentz   | Laine    | Simonson |            |
| Cwodzinski | Hawj     | Latz     | Sparks   |            |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Senjem  |
| Chamberlain  | Housley      | Koran     | Osmek   | Utke    |
| Dahms        | Howe         | Lang      | Pratt   | Weber   |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  | Westrom |

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

Senator Simonson moved to amend the first Dibble amendment to H.F. No. 2125 as follows:

Page 1, after line 17, insert:

"Page 137, line 19, delete "\$7,000,000" and insert "\$15,000,000""

The question was taken on the adoption of the Simonson amendment to the first Dibble amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

|            |          |          |          |            |
|------------|----------|----------|----------|------------|
| Bakk       | Dibble   | Hawj     | Latz     | Sparks     |
| Bigham     | Dziedzic | Hayden   | Little   | Tomassoni  |
| Carlson    | Eaton    | Hoffman  | Marty    | Torres Ray |
| Champion   | Eichorn  | Isaacson | Newton   | Wiger      |
| Clausen    | Eken     | Kent     | Pappas   | Wiklund    |
| Cohen      | Franzen  | Klein    | Rest     |            |
| Cwodzinski | Frentz   | Laine    | Simonson |            |

Those who voted in the negative were:

|              |              |           |        |         |
|--------------|--------------|-----------|--------|---------|
| Abeler       | Gazelka      | Jensen    | Miller | Rosen   |
| Anderson, B. | Goggin       | Johnson   | Nelson | Ruud    |
| Anderson, P. | Hall         | Kiffmeyer | Newman | Senjem  |
| Benson       | Housley      | Koran     | Osmek  | Utke    |
| Chamberlain  | Howe         | Lang      | Pratt  | Weber   |
| Dahms        | Ingebrigtsen | Limmer    | Rarick | Westrom |
| Draheim      | Jasinski     | Mathews   | Relph  |         |

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

Senator Bigham moved to amend the first Dibble amendment to H.F. No. 2125 as follows:

Page 1, after line 17, insert:

"Page 133, after line 23, insert:

"Sec. 2. Minnesota Statutes 2018, section 273.1385, subdivision 4, is amended to read:

Subd. 4. **Aid termination.** The aid provided under this section ~~terminates on June 30, 2020.~~ continues until the earlier of:

(1) the last day of the fiscal year immediately following the fiscal year in which the actuarial value of assets of the general employees retirement plan of the Public Employees Retirement Association first equals or exceeds the actuarial accrued liabilities of the plan as reported in the annual actuarial valuation prepared under section 356.215; or

(2) June 30, 2048.

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

The question was taken on the adoption of the Bigham amendment to the first Dibble amendment.

The roll was called, and there were yeas 32 and nays 35, as follows:

Those who voted in the affirmative were:

|          |            |          |         |          |
|----------|------------|----------|---------|----------|
| Bakk     | Clausen    | Dziedzic | Frentz  | Isaacson |
| Bigham   | Cohen      | Eaton    | Hawj    | Kent     |
| Carlson  | Cwodzinski | Eken     | Hayden  | Klein    |
| Champion | Dibble     | Franzen  | Hoffman | Laine    |

|        |        |           |            |
|--------|--------|-----------|------------|
| Latz   | Newton | Simonson  | Torres Ray |
| Little | Pappas | Sparks    | Wiger      |
| Marty  | Rest   | Tomassoni | Wiklund    |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Senjem  |
| Chamberlain  | Housley      | Koran     | Osmek   | Utke    |
| Dahms        | Howe         | Lang      | Pratt   | Weber   |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  | Westrom |

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

Senator Dibble withdrew his first amendment.

Senator Rosen moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 188, after line 32, insert:

"Sec. 13. Minnesota Statutes 2018, section 297E.021, subdivision 3, is amended to read:

Subd. 3. **Available revenues.** For purposes of this section, "available revenues" equals the amount determined under subdivision 2, ~~plus up to \$20,000,000 each fiscal year from the taxes imposed under section 290.06, subdivision 1:~~

(1) reduced by the following amounts paid for the fiscal year under:

(i) the appropriation to principal and interest on appropriation bonds under section 16A.965, subdivision 8;

(ii) the appropriation from the general fund to make operating expense payments under section 473J.13, subdivision 2, paragraph (b);

(iii) the appropriation for contributions to the capital reserve fund under section 473J.13, subdivision 4, paragraph (c);

(iv) the appropriations under Laws 2012, chapter 299, article 4, for administration and any successor appropriation;

(v) the reduction in revenues resulting from the sales tax exemptions under section 297A.71, subdivision 43;

(vi) reimbursements authorized by section 473J.15, subdivision 2, paragraph (d);

(vii) the compulsive gambling appropriations under section 297E.02, subdivision 3, paragraph (c), and any successor appropriation; and

(viii) the appropriation for the city of St. Paul under section 16A.726, paragraph (c); and

(2) increased by the revenue deposited in the general fund under section 297A.994, subdivision 4, clauses (1) to (3), for the fiscal year.

Sec. 14. Minnesota Statutes 2018, section 297E.021, is amended by adding a subdivision to read:

Subd. 3a. **Revenue dedication.** If the commissioner of management and budget determines that the available revenues determined under subdivision 2 are insufficient, the commissioner may add up to \$20,000,000 each fiscal year from the taxes imposed under section 290.06, subdivision 1, to the available revenues under subdivision 3. The commissioner must notify the chairs and ranking minority members of the house of representatives Ways and Means Committee and the senate Finance Committee at least 15 days prior to increasing the available revenue under subdivision 3. Any increase made under this subdivision must continue in subsequent fiscal years.

Sec. 15. Minnesota Statutes 2018, section 297E.021, subdivision 4, is amended to read:

Subd. 4. **Appropriation; general reserve account.** To the extent the commissioner determines that revenues are available under ~~subdivision~~ subdivisions 3 and 3a for the fiscal year, those amounts are appropriated from the general fund for deposit in a general reserve account established by order of the commissioner of management and budget. Amounts in this reserve are appropriated as necessary for application against any shortfall in the amounts deposited to the general fund under section 297A.994 or, after consultation with the Legislative Commission on Planning and Fiscal Policy, amounts in this reserve are appropriated to the commissioner of management and budget for other uses related to the stadium authorized under section 473J.03, subdivision 8, that the commissioner deems financially prudent including but not limited to reimbursements for capital and operating costs relating to the stadium, refundings, and prepayment of debt. In no event, shall available revenues be pledged, nor shall the appropriations of available revenues made by this section constitute a pledge of available revenues as security for the prepayment of principal and interest on the appropriation bonds under section 16A.965."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Dziejdzic moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 54, delete section 7

Page 56, delete section 12

Page 65, delete section 21

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 35, as follows:

Those who voted in the affirmative were:

|            |          |          |          |            |
|------------|----------|----------|----------|------------|
| Bakk       | Dibble   | Hayden   | Little   | Tomassoni  |
| Bigham     | Dziedzic | Hoffman  | Marty    | Torres Ray |
| Carlson    | Eaton    | Isaacson | Newton   | Wiger      |
| Champion   | Eken     | Kent     | Pappas   | Wiklund    |
| Clausen    | Franzen  | Klein    | Rest     |            |
| Cohen      | Frentz   | Laine    | Simonson |            |
| Cwodzinski | Hawj     | Latz     | Sparks   |            |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Senjem  |
| Chamberlain  | Housley      | Koran     | Osmek   | Utke    |
| Dahms        | Howe         | Lang      | Pratt   | Weber   |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  | Westrom |

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

Senator Westrom moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 79, after line 23, insert:

"Sec. 26. Minnesota Statutes 2018, section 290A.04, subdivision 2a, is amended to read:

Subd. 2a. **Renters.** A claimant whose rent constituting property taxes exceeds the percentage of the household income stated below must pay an amount equal to the percent of income shown for the appropriate household income level along with the percent to be paid by the claimant of the remaining amount of rent constituting property taxes. The state refund equals the amount of rent constituting property taxes that remain, up to the maximum state refund amount shown below.

| Household Income   | Percent of Income | Percent Paid by Claimant | Maximum State Refund                |
|--|-------------------|--------------------------|-------------------------------------|
| \$0 to <del>4,909</del> <u>5,369</u>                               | 1.0 percent       | 5 percent                | <del>2,000</del><br>\$ <u>2,190</u> |
| <del>4,910</del> <u>5,370</u> to <del>6,529</del> <u>7,149</u>     | 1.0 percent       | 10 percent               | <del>2,000</del><br>\$ <u>2,190</u> |
| <del>6,530</del> <u>7,150</u> to <del>8,159</del> <u>8,929</u>     | 1.1 percent       | 10 percent               | <del>1,950</del><br>\$ <u>2,130</u> |
| <del>8,160</del> <u>8,930</u> to <del>11,439</del> <u>12,519</u>   | 1.2 percent       | 10 percent               | <del>1,900</del><br>\$ <u>2,080</u> |
| <del>11,440</del> <u>12,520</u> to <del>14,709</del> <u>16,099</u> | 1.3 percent       | 15 percent               | <del>1,850</del><br>\$ <u>2,020</u> |

|   |             |            |                                     |
|---|-------------|------------|-------------------------------------|
| <del>14,710</del> <u>16,100</u> to <del>16,339</del><br><u>17,879</u> | 1.4 percent | 15 percent | <del>1,800</del><br>\$ <u>1,970</u> |
| <del>16,340</del> <u>17,880</u> to <del>17,959</del><br><u>19,649</u> | 1.4 percent | 20 percent | <del>1,750</del><br>\$ <u>1,910</u> |
| <del>17,960</del> <u>19,650</u> to <del>21,239</del><br><u>23,239</u> | 1.5 percent | 20 percent | <del>1,700</del><br>\$ <u>1,860</u> |
| <del>21,240</del> <u>23,240</u> to <del>22,869</del><br><u>25,029</u> | 1.6 percent | 20 percent | <del>1,650</del><br>\$ <u>1,810</u> |
| <del>22,870</del> <u>25,030</u> to <del>24,499</del><br><u>26,809</u> | 1.7 percent | 25 percent | <del>1,650</del><br>\$ <u>1,810</u> |
| <del>24,500</del> <u>26,810</u> to <del>27,779</del><br><u>30,399</u> | 1.8 percent | 25 percent | <del>1,650</del><br>\$ <u>1,810</u> |
| <del>27,780</del> <u>30,400</u> to <del>29,399</del><br><u>32,169</u> | 1.9 percent | 30 percent | <del>1,650</del><br>\$ <u>1,810</u> |
| <del>29,400</del> <u>32,170</u> to <del>34,299</del><br><u>37,529</u> | 2.0 percent | 30 percent | <del>1,650</del><br>\$ <u>1,810</u> |
| <del>34,300</del> <u>37,530</u> to <del>39,199</del><br><u>42,889</u> | 2.0 percent | 35 percent | <del>1,650</del><br>\$ <u>1,810</u> |
| <del>39,200</del> <u>42,890</u> to <del>45,739</del><br><u>50,049</u> | 2.0 percent | 40 percent | <del>1,650</del><br>\$ <u>1,810</u> |
| <del>45,740</del> <u>50,050</u> to <del>47,369</del><br><u>51,829</u> | 2.0 percent | 45 percent | <del>1,500</del><br>\$ <u>1,640</u> |
| <del>47,370</del> <u>51,830</u> to <del>49,009</del><br><u>53,629</u> | 2.0 percent | 45 percent | <del>1,350</del><br>\$ <u>1,480</u> |
| <del>49,010</del> <u>53,630</u> to <del>50,649</del><br><u>55,419</u> | 2.0 percent | 45 percent | <del>1,150</del><br>\$ <u>1,260</u> |
| <del>50,650</del> <u>55,420</u> to <del>52,269</del><br><u>57,199</u> | 2.0 percent | 50 percent | <del>1,000</del><br>\$ <u>1,090</u> |
| <del>52,270</del> <u>57,200</u> to <del>53,909</del><br><u>58,989</u> | 2.0 percent | 50 percent | <del>900</del><br>\$ <u>980</u>     |
| <del>53,910</del> <u>58,990</u> to <del>55,539</del><br><u>60,769</u> | 2.0 percent | 50 percent | <del>500</del><br>\$ <u>550</u>     |
| <del>55,540</del> <u>60,770</u> to <del>57,169</del><br><u>60,999</u> | 2.0 percent | 50 percent | <del>200</del><br>\$ <u>220</u>     |

The payment made to a claimant is the amount of the state refund calculated under this subdivision. No payment is allowed if the claimant's household income is ~~\$57,170~~ \$61,000 or more.

**EFFECTIVE DATE.** This section is effective following sections effective for rent paid in 2019 and thereafter.

Sec. 27. Minnesota Statutes 2018, section 290A.04, subdivision 4, is amended to read:

Subd. 4. **Inflation adjustment.** (a) Beginning for property tax refunds payable in calendar year 2002, the commissioner shall annually adjust the dollar amounts of the income thresholds and the

maximum refunds under subdivisions 2 and 2a for inflation. The commissioner shall make the inflation adjustments in accordance with section 1(f) of the Internal Revenue Code, as amended through December 16, 2016, except that for purposes of this subdivision the percentage increase shall be determined as provided in this subdivision.

(b) In adjusting the dollar amounts of the income thresholds and the maximum refunds under subdivision 2 for inflation, the percentage increase shall be determined from the year ending on June 30, 2013, to the year ending on June 30 of the year preceding that in which the refund is payable.

(c) In adjusting the dollar amounts of the income thresholds and the maximum refunds under subdivision 2a for inflation, the percentage increase shall be determined from the year ending on June 30, ~~2013~~ 2019, to the year ending on June 30 of the year preceding that in which the refund is payable.

(d) The commissioner shall use the appropriate percentage increase to annually adjust the income thresholds and maximum refunds under subdivisions 2 and 2a for inflation without regard to whether or not the income tax brackets are adjusted for inflation in that year. The commissioner shall round the thresholds and the maximum amounts, as adjusted to the nearest \$10 amount. If the amount ends in \$5, the commissioner shall round it up to the next \$10 amount.

(e) The commissioner shall annually announce the adjusted refund schedule at the same time provided under section 290.06. The determination of the commissioner under this subdivision is not a rule under the Administrative Procedure Act.

**EFFECTIVE DATE.** This section is effective following sections effective for rent paid in 2019 and thereafter."

Page 82, after line 2, insert:

"Sec. 30. Minnesota Statutes 2018, section 291.03, subdivision 11, is amended to read:

Subd. 11. **Recapture tax.** (a) If, within three years after the decedent's death and before the death of the qualified heir, the qualified heir disposes of any interest in the qualified property, other than by a disposition to a family member, or a family member ceases to satisfy the requirement under subdivision 9, clause (8); or 10, clause (5), an additional estate tax is imposed on the property. In the case of a sole proprietor, if the qualified heir replaces qualified small business property excluded under subdivision 9 with similar property, then the qualified heir will not be treated as having disposed of an interest in the qualified property.

(b) The amount of the additional tax equals the amount of the ~~exclusion~~ subtraction claimed by the estate under section 291.016, subdivision 3, for qualified property as defined in subdivision 8, paragraph (d), multiplied by 16 percent.

(c) The additional tax under this subdivision is due on the day which is six months after the date of the disposition or cessation in paragraph (a).

(d) The tax under this subdivision does not apply to the acquisition of title or possession of the qualified property by a federal, state, or local government unit, or any other entity with the power

of eminent domain for a public purpose, as defined in section 117.025, subdivision 11, within the three-year holding period.

(e) This subdivision shall not apply as a result of any of the following:

(1) a portion of qualified farm property consisting of less than one-fifth of the acreage of the property is reclassified as class 2b property under section 273.13, subdivision 23, and the qualified heir has not substantially altered the reclassified property during the three-year holding period; or

(2) a portion of qualified farm property classified as class 2a property at the death of the decedent pursuant to section 273.13, subdivision 23, paragraph (a), consisting of a residence, garage, and immediately surrounding one acre of land is reclassified as class 4bb property during the three-year holding period, and the qualified heir has not substantially altered the property.

(f) This paragraph applies only to estates of decedents dying after June 30, 2011, and before January 1, 2017, for which no tax liability was reported on the final estate tax return. For purposes of estates qualifying under this paragraph, the amount of the subtraction claimed by the estate for purposes of calculating the tax under paragraph (b) is deemed to be the minimum amount of the subtraction necessary to reduce the amount of estate tax to zero, without regard to the amount actually claimed on the final estate tax return. The provisions of this paragraph expire effective January 1, 2021.

**EFFECTIVE DATE; SPECIAL PROVISION.** This section is effective retroactively for estates of decedents dying after June 30, 2011, and before January 1, 2017, and claims for refund of recapture tax may be made under a process established by the commissioner for estates entitled to refunds under this section. The authority to file claims for refunds under these provisions expires on January 1, 2021."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 8 and nays 59, as follows:

Those who voted in the affirmative were:

|              |         |              |         |
|--------------|---------|--------------|---------|
| Abeler       | Eken    | Howe         | Rosen   |
| Anderson, B. | Hoffman | Ingebrigtsen | Westrom |

Those who voted in the negative were:

|              |          |           |         |            |
|--------------|----------|-----------|---------|------------|
| Anderson, P. | Dibble   | Hayden    | Lang    | Pappas     |
| Bakk         | Draheim  | Housley   | Latz    | Pratt      |
| Benson       | Dziedzic | Isaacson  | Limmer  | Rarick     |
| Bigham       | Eaton    | Jasinski  | Little  | Relph      |
| Carlson      | Eichorn  | Jensen    | Marty   | Rest       |
| Chamberlain  | Franzen  | Johnson   | Mathews | Ruud       |
| Champion     | Frentz   | Kent      | Miller  | Senjem     |
| Clausen      | Gazelka  | Kiffmeyer | Nelson  | Simonson   |
| Cohen        | Goggin   | Klein     | Newman  | Sparks     |
| Cwodzinski   | Hall     | Koran     | Newton  | Tomassoni  |
| Dahms        | Hawj     | Laine     | Osmek   | Torres Ray |



Utke

Weber

Wiger

Wiklund

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

Senator Newton moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 142, after line 5, insert:

"Sec. 5. Minnesota Statutes 2018, section 297A.99, subdivision 10, is amended to read:

Subd. 10. **Use of zip code in determining location of sale.** (a) The lowest combined tax rate imposed in the zip code area applies if the area includes more than one tax rate in any level of taxing jurisdictions. If a nine-digit zip code designation is not available for a street address or if a seller is unable to determine the nine-digit zip code designation of a purchaser after exercising due diligence to determine the designation, the seller may apply the rate for the five-digit zip code area.

(b) The commissioner shall publish and separately state all applicable tax rates in a nine-digit zip code using software approved by the governing board. At least 30 days before the effective date of a tax authorized under this section, the commissioner shall notify sellers of all nine-digit zip codes that are affected by changes to taxes authorized in this section. The notification must include and separately state the changes to the tax in any jurisdiction to which a tax authorized under this section applies.

(c) For the purposes of this subdivision, there is a rebuttable presumption that a seller has exercised due diligence if the seller has attempted to determine the nine-digit zip code designation by utilizing software approved by the governing board that makes this designation from the street address and the five-digit zip code of the purchaser.

(d) Notwithstanding subdivision 13, this subdivision applies to all local sales taxes without regard to the date of authorization. This subdivision does not apply when the purchased product is received by the purchaser at the business location of the seller.

**EFFECTIVE DATE.** This section is effective January 1, 2020."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

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

Senator Klein moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 188, after line 32, insert:

"Sec. 13. Minnesota Statutes 2018, section 297F.01, is amended by adding a subdivision to read:

Subd. 5a. **Closed-system cartridge.** "Closed-system cartridge" means a disposable cartridge, tank, pod, or other package that is prefilled with any liquid nicotine solution or other material containing nicotine that is consumed or meant to be consumed through the use of a heating element, electronic circuit, or other electronic, chemical, or mechanical means and is not intended to be reused, refilled, or opened.

**EFFECTIVE DATE.** This section is effective January 1, 2020.

Sec. 14. Minnesota Statutes 2018, section 297F.01, subdivision 19, is amended to read:

Subd. 19. **Tobacco products.** (a) "Tobacco products" means any product containing, made, or derived from tobacco that is intended for human consumption, whether chewed, smoked, absorbed, dissolved, inhaled, snorted, sniffed, or ingested by any other means, or any component, part, or accessory of a tobacco product, including, but not limited to, cigars; cheroots; stogies; periques; granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco; snuff; snuff flour; cavendish; plug and twist tobacco; fine-cut and other chewing tobacco; shorts; refuse scraps, clippings, cuttings and sweepings of tobacco, and other kinds and forms of tobacco; but does not include cigarettes as defined in this section. Tobacco products includes closed-system cartridges. Tobacco products excludes any tobacco product that has been approved by the United States Food and Drug Administration for sale as a tobacco cessation product, as a tobacco dependence product, or for other medical purposes, and is being marketed and sold solely for such an approved purpose.

(b) Except for the imposition of tax under section 297F.05, subdivisions 3 and 4, tobacco products includes a premium cigar, as defined in subdivision 13a.

**EFFECTIVE DATE.** This section is effective January 1, 2020.

Sec. 15. Minnesota Statutes 2018, section 297F.05, is amended by adding a subdivision to read:

Subd. 3b. **Surcharge; closed-system cartridges.** In addition to taxes imposed under this chapter and chapter 297A, a surcharge equal to \$2 is imposed on the retail sale of each closed-system cartridge in the state. The retail sales price on which the tax under chapter 297A is imposed does not include the surcharge required under this section. The surcharge must be remitted in the form and manner required under chapter 289A, as applied to taxes imposed under chapter 297A.

**EFFECTIVE DATE.** This section is effective for closed-system cartridges bought or sold in Minnesota after December 31, 2019."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Hoffman moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 73, after line 4, insert:

"Subd. 7. **Mandatory inclusion for people with disabilities.** No otherwise qualified individual with a disability, as defined in Minnesota Statutes, shall, solely by reason of the individual's disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving funding from tax credits defined within this section."

The motion prevailed. So the amendment was adopted.

Senator Clausen moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 16, after line 9, insert:

"Sec. 21. Minnesota Statutes 2018, section 290.0131, is amended by adding a subdivision to read:

Subd. 17. **529 plan addition.** The lesser of the following amounts is an addition:

(1) the total distributions for the taxable year from a qualified plan under section 529 of the Internal Revenue Code, owned by the taxpayer, that are expended for qualified higher education expenses under section 529(c)(7) of the Internal Revenue Code (expenses for tuition for elementary or secondary public, private, or religious school); or

(2) the total amount required to be reported to the taxpayer by any trustee of a qualified tuition plan under section 529 of the Internal Revenue Code as earnings on Internal Revenue Service Form 1099Q for the taxable year.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

|            |          |          |          |            |
|------------|----------|----------|----------|------------|
| Bakk       | Dibble   | Hayden   | Little   | Sparks     |
| Bigham     | Dziedzic | Hoffman  | Marty    | Tomassoni  |
| Carlson    | Eaton    | Isaacson | Newton   | Torres Ray |
| Champion   | Eken     | Kent     | Pappas   | Wiger      |
| Clausen    | Franzen  | Klein    | Rest     | Wiklund    |
| Cohen      | Frentz   | Laine    | Senjem   |            |
| Cwodzinski | Hawj     | Latz     | Simonson |            |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Utke    |
| Chamberlain  | Housley      | Koran     | Osmek   | Weber   |
| Dahms        | Howe         | Lang      | Pratt   | Westrom |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  |         |

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

Senator Marty moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 59, line 3, strike "5.35" and insert "5.12"

Page 59, line 4, reinstate the stricken language and delete the new language

Page 59, lines 5 and 6, strike "\$250,000" and insert "\$268,690"

Page 59, line 12, strike "5.35" and insert "5.12"

Page 59, line 13, reinstate the stricken language and delete the new language

Page 59, lines 14 and 15, strike "\$150,000" and insert "\$160,840"

Page 59, line 19, strike "5.35" and insert "5.12"

Page 59, line 20, reinstate the stricken language and delete the new language

Page 59, lines 21 and 22, strike "\$200,000" and insert "\$214,760"

Page 60, delete lines 16 to 17

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 35, as follows:

Those who voted in the affirmative were:

|            |          |          |          |            |
|------------|----------|----------|----------|------------|
| Bakk       | Dibble   | Hayden   | Marty    | Tomassoni  |
| Bigham     | Dziedzic | Isaacson | Newton   | Torres Ray |
| Carlson    | Eaton    | Kent     | Pappas   | Wiger      |
| Champion   | Eken     | Klein    | Rarick   | Wiklund    |
| Clausen    | Franzen  | Laine    | Rest     |            |
| Cohen      | Frentz   | Latz     | Simonson |            |
| Cwodzinski | Hawj     | Little   | Sparks   |            |

Those who voted in the negative were:

|              |             |         |              |           |
|--------------|-------------|---------|--------------|-----------|
| Abeler       | Chamberlain | Gazelka | Housley      | Jensen    |
| Anderson, B. | Dahms       | Goggin  | Howe         | Johnson   |
| Anderson, P. | Draheim     | Hall    | Ingebrigtsen | Kiffmeyer |
| Benson       | Eichorn     | Hoffman | Jasinski     | Koran     |

|         |        |       |        |         |
|---------|--------|-------|--------|---------|
| Lang    | Miller | Osmek | Rosen  | Utke    |
| Limmer  | Nelson | Pratt | Ruud   | Weber   |
| Mathews | Newman | Relph | Senjem | Westrom |

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

### RECONSIDERATION

Having voted on the prevailing side, Senator Jasinski moved that the vote whereby the Clausen amendment to H.F. No. 2125 was not adopted on April 30, 2019, be now reconsidered. The motion prevailed. So the vote was reconsidered.

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

The roll was called, and there were yeas 32 and nays 35, as follows:

Those who voted in the affirmative were:

|            |          |          |          |            |
|------------|----------|----------|----------|------------|
| Bakk       | Dibble   | Hayden   | Little   | Tomassoni  |
| Bigham     | Dziedzic | Hoffman  | Marty    | Torres Ray |
| Carlson    | Eaton    | Isaacson | Newton   | Wiger      |
| Champion   | Eken     | Kent     | Pappas   | Wiklund    |
| Clausen    | Franzen  | Klein    | Rest     |            |
| Cohen      | Frentz   | Laine    | Simonson |            |
| Cwodzinski | Hawj     | Latz     | Sparks   |            |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Senjem  |
| Chamberlain  | Housley      | Koran     | Osmek   | Utke    |
| Dahms        | Howe         | Lang      | Pratt   | Weber   |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  | Westrom |

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

Senator Chamberlain moved to amend H.F. No. 2125, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 5.)

Page 188, after line 32, insert:

"Sec. 13. Minnesota Statutes 2018, section 297F.05, is amended by adding a subdivision to read:

**Subd. 3c. Rates; vapor products.** (a) On and after January 1, 2020, a tax is hereby imposed upon the privilege of selling or dealing in vapor products in this state by any person engaged in business as a distributor thereof, at the rate of \$0.05 per milliliter of consumable material for vapor products and a proportionate tax at the like rate on all fractional parts thereof. For vapor products in the possession of retail dealers for which tax has not been paid, tax shall be imposed under this subdivision at the earliest time the retail dealer: (1) brings or causes to be brought into this state

from without the state vapor products for sale; (2) makes, manufactures, or fabricates vapor products in this state for sale in this state; or (3) sells vapor products to consumers within this state.

(b) "Consumable material" means any liquid solution or similar material that is depleted as a vapor product is used."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 2125 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 39 and nays 28, as follows:

Those who voted in the affirmative were:

|              |              |           |        |           |
|--------------|--------------|-----------|--------|-----------|
| Abeler       | Eken         | Jasinski  | Miller | Rosen     |
| Anderson, B. | Gazelka      | Jensen    | Nelson | Ruud      |
| Anderson, P. | Goggin       | Johnson   | Newman | Senjem    |
| Benson       | Hall         | Kiffmeyer | Osmek  | Tomassoni |
| Chamberlain  | Hoffman      | Koran     | Pratt  | Utke      |
| Dahms        | Housley      | Lang      | Rarick | Weber     |
| Draheim      | Howe         | Limmer    | Relph  | Westrom   |
| Eichorn      | Ingebrigtsen | Mathews   | Rest   |           |

Those who voted in the negative were:

|          |            |          |          |            |
|----------|------------|----------|----------|------------|
| Bakk     | Cwodzinski | Hawj     | Latz     | Sparks     |
| Bigham   | Dibble     | Hayden   | Little   | Torres Ray |
| Carlson  | Dziedzic   | Isaacson | Marty    | Wiger      |
| Champion | Eaton      | Kent     | Newton   | Wiklund    |
| Clausen  | Franzen    | Klein    | Pappas   |            |
| Cohen    | Frentz     | Laine    | Simonson |            |

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

### **MOTIONS AND RESOLUTIONS - CONTINUED**

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

### **MESSAGES FROM THE HOUSE**

Mr. President:

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

**S.F. No. 2415:** A bill for an act relating to higher education; providing funding and policy changes for the Office of Higher Education, the Minnesota State Colleges and Universities, and the University of Minnesota; modifying the state grant formula; requiring a report; appropriating money; amending Minnesota Statutes 2018, sections 13.322, subdivision 3; 135A.15, subdivision 2; 136A.101, subdivision 5a; 136A.121, subdivision 6; 136A.1215, subdivision 4; 136A.1275, subdivisions 2, 3; 136A.15, subdivision 8; 136A.16, subdivisions 1, 2, 5, 8, 9; 136A.162; 136A.1701, subdivision 7; 136A.1789, subdivisions 1, 3, 5; 136A.64, subdivisions 1, 5, by adding a subdivision; 136A.645; 136A.646; 136A.672, by adding a subdivision; 136A.821, by adding subdivisions; 136A.822, subdivisions 6, 10, 12; 136A.8295, by adding subdivisions; 136A.87; 136F.20, by adding a subdivision; 136F.38; 136F.58, by adding a subdivision; 179A.20, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 136A; 136F; 137; repealing Minnesota Statutes 2018, sections 136A.15, subdivisions 2, 7; 136A.1701, subdivision 12.

Senate File No. 2415 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned April 30, 2019

Senator Anderson, P. moved that the Senate do not concur in the amendments by the House to S.F. No. 2415, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

**S.F. No. 2314:** A bill for an act relating to state government; appropriating money for environment and natural resources and tourism; modifying programs; creating accounts and providing for disposition of certain receipts; modifying certain natural resources fee and permit conditions; authorizing sales of certain state land; establishing the Wild Rice Stewardship Council; creating the Reinvest in Fish Hatcheries Citizen-Legislative Advisory Group; providing appointments; requiring reports; making technical corrections; amending Minnesota Statutes 2018, sections 17.035, subdivision 1; 35.153, by adding subdivisions; 35.155, subdivisions 4, 6, 7, 9, 10, 11; 84.026, by adding a subdivision; 84.027, subdivision 18, by adding a subdivision; 84.0273; 84.0895, subdivision 2; 84.775, subdivision 1; 84.788, subdivision 2; 84.794, subdivision 2; 84.83, subdivision 3; 84.86, subdivision 1; 84.925, subdivision 1; 84.9256, subdivision 1; 84.928, subdivision 2; 84D.03, subdivisions 3, 4; 84D.108, subdivisions 2b, 2c; 85.054, subdivision 1; 85.44; 85.47; 85A.02, subdivision 17; 86B.005, subdivision 18; 86B.415, subdivision 1a; 89.71, by adding a subdivision; 92.115, subdivision 1; 92.50, subdivision 1; 93.25; 94.09, subdivision 3; 94.10; 97A.015, subdivisions 25, 43; 97A.051, subdivision 2; 97A.055, subdivision 4b; 97A.075, subdivision 1; 97A.126; 97A.433, subdivisions 4, 5; 97A.475, subdivision 4; 97A.505, subdivision 8; 97B.086; 97B.106, subdivision 2; 97B.426; 97B.516; 97B.722; 97B.731, subdivision 3; 97C.315, subdivision 1; 97C.345, by adding a subdivision; 97C.391, subdivision 1; 97C.395, subdivision 2; 97C.605, subdivision 2; 97C.815, subdivision 2; 103B.3369, subdivisions 5, 9; 103B.611, subdivision 3; 103B.801, subdivisions 2,

5; 103D.315, subdivision 8; 103F.361, subdivision 2; 103F.363, subdivision 1; 103F.365, by adding a subdivision; 103F.371; 103F.373, subdivisions 1, 3, 4; 103G.2242, subdivision 14; 103G.241, subdivisions 1, 3; 103G.271, subdivision 7, by adding a subdivision; 103G.287, subdivisions 1, 4, 5; 103G.289; 103G.311, subdivisions 2, 5; 103G.315, subdivision 8; 103G.408; 103G.615, subdivision 3a; 114D.15, subdivisions 7, 11, 13, by adding subdivisions; 114D.20, subdivisions 2, 3, 5, 7, by adding subdivisions; 114D.26; 114D.35, subdivisions 1, 3; 115.03, subdivisions 1, 5, by adding a subdivision; 115.035; 115.44, subdivision 6; 115.455; 115.77, subdivision 1; 115.84, subdivisions 2, 3; 115A.51; 115B.421; 116.03, subdivision 1, by adding a subdivision; 116.07, subdivisions 2, 4d, by adding a subdivision; 116.0714; 116.993, subdivisions 2, 6; 116D.04, subdivision 2a; 216G.01, subdivision 4; 282.01, subdivision 4; Laws 2012, chapter 236, section 28, subdivisions 2, as amended, 9, as amended; Laws 2013, chapter 114, article 4, section 105, as amended; Laws 2015, chapter 76, section 2, subdivision 9, as amended; Laws 2016, chapter 189, article 3, sections 2, subdivision 2; 6, as amended; Laws 2017, chapter 93, article 1, section 9; article 2, section 155, as amended; Laws 2017, chapter 96, section 2, subdivision 9; proposing coding for new law in Minnesota Statutes, chapters 84; 92; 97A; 103C; 114D; 115B; 116; repealing Minnesota Statutes 2018, section 92.121; Minnesota Rules, part 6232.0350.

Senate File No. 2314 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned April 30, 2019

Senator Ingebrigtsen moved that the Senate do not concur in the amendments by the House to S.F. No. 2314, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

## MOTIONS AND RESOLUTIONS - CONTINUED

### SPECIAL ORDER

**H.F. No. 2414:** A bill for an act relating to state government; establishing the health and human services budget; modifying provisions governing children and families, operations, direct care and treatment, continuing care for older adults, disability services, chemical and mental health, mental health uniform service standards, health care, prescription drugs, health-related licensing boards, Department of Health programs, health coverage, resident rights and consumer protections, independent senior living facilities, dementia care services for assisted living facilities with dementia care, assisted living licensure conforming changes, third-party logistics providers and wholesale distributors, and prescription drug pricing; establishing OneCare Buy-In; establishing pharmacy benefit manager licensure; establishing prescription drug repository program; establishing insulin assistance program; establishing OneCare Buy-In reserve account; establishing assisted living licensure; requiring reports; making technical changes; modifying civil and criminal penalties; providing for rulemaking; modifying fees; making forecast adjustments; appropriating money; amending Minnesota Statutes 2018, sections 8.31, subdivision 1; 13.46, subdivisions 2, 3; 13.461, subdivision 28; 13.69, subdivision 1; 13.851, by adding a subdivision; 15C.02; 16A.151, subdivision 2; 16A.724, subdivision 2; 18K.02, subdivision 3; 18K.03; 62A.021, by adding subdivisions;



62A.152, subdivision 3; 62A.25, subdivision 2; 62A.28, subdivision 2; 62A.30, by adding a subdivision; 62A.3094, subdivision 1; 62A.65, subdivision 7; 62A.671, subdivision 6; 62D.02, subdivision 4; 62D.03, subdivision 1; 62D.05, subdivision 1; 62D.06, subdivision 1; 62D.12, by adding a subdivision; 62D.124, subdivisions 1, 2, 3, by adding subdivisions; 62D.17, subdivision 1; 62D.19; 62D.30, subdivision 8; 62E.02, subdivision 3; 62E.23, subdivision 4; 62J.23, subdivision 2; 62J.497, subdivision 1; 62K.075; 62K.10, subdivisions 2, 3, 4, 5; 62Q.01, by adding a subdivision; 62Q.184, subdivisions 1, 3; 62Q.47; 62Q.81; 103I.005, subdivisions 2, 8a, 17a; 103I.205, subdivisions 1, 4, 9; 103I.208, subdivision 1; 103I.235, subdivision 3; 103I.301, subdivision 6, by adding a subdivision; 103I.601, subdivision 4; 119B.011, subdivisions 19, 20, by adding a subdivision; 119B.02, subdivisions 3, 6, 7; 119B.025, subdivision 1, by adding a subdivision; 119B.03, subdivision 9; 119B.05, subdivision 1; 119B.09, subdivisions 1, 7; 119B.095, subdivision 2, by adding a subdivision; 119B.125, subdivision 6; 119B.13, subdivisions 1, 6, 7; 119B.16, subdivisions 1, 1a, 1b, by adding subdivisions; 124D.142; 124D.165, subdivision 4; 125A.515, subdivisions 1, 3, 4, 5, 7, 8; 144.051, subdivisions 4, 5, 6; 144.057, subdivisions 1, 3; 144.0724, subdivisions 4, 5, 8; 144.121, subdivision 1a, by adding a subdivision; 144.122; 144.225, subdivisions 2, 2a, 7; 144.3831, subdivision 1; 144.412; 144.413, subdivisions 1, 4; 144.414, subdivisions 2, 3; 144.416; 144.4165; 144.4167, subdivision 4; 144.417, subdivision 4; 144.562, subdivision 2; 144.966, subdivision 2; 144.99, subdivision 1; 144A.04, subdivision 5; 144A.071, subdivisions 1a, 2, 3, 4a, 4c, 5a; 144A.073, subdivision 3c; 144A.20, subdivision 1; 144A.24; 144A.26; 144A.43, subdivisions 11, 30, by adding a subdivision; 144A.44, subdivision 1; 144A.471, subdivisions 7, 9; 144A.472, subdivisions 5, 7; 144A.473; 144A.474, subdivisions 2, 9, 11; 144A.475, subdivisions 1, 2, 3b, 5; 144A.476, subdivision 1; 144A.479, subdivision 7; 144A.4791, subdivisions 1, 3, 6, 7, 8, 9, 10; 144A.4792, subdivisions 1, 2, 5, 10; 144A.4793, subdivision 6; 144A.4796, subdivision 2; 144A.4797, subdivision 3; 144A.4798; 144A.4799; 144A.484, subdivision 1; 145.4235, subdivisions 2, 3, 4, by adding a subdivision; 145.928, subdivisions 1, 7; 147.37; 147D.27, by adding a subdivision; 147E.40, subdivision 1; 147F.17, subdivision 1; 148.59; 148.6445, subdivisions 1, 2, 2a, 3, 4, 5, 6, 10; 148.7815, subdivision 1; 148B.5301, subdivision 2; 148E.0555, subdivision 6; 148E.120, subdivision 2; 148E.180; 148F.11, subdivision 1; 150A.06, by adding subdivisions; 150A.091, by adding subdivisions; 151.01, subdivisions 23, 31, 35, by adding a subdivision; 151.06, by adding a subdivision; 151.065, subdivisions 1, 2, 3, 6; 151.071, subdivisions 1, 2; 151.15, subdivision 1, by adding subdivisions; 151.19, subdivisions 1, 3; 151.21, subdivision 7, by adding a subdivision; 151.211, subdivision 2, by adding a subdivision; 151.252, subdivisions 1, 1a, 3; 151.253, by adding a subdivision; 151.32; 151.40, subdivisions 1, 2; 151.43; 151.46; 151.47, subdivision 1, by adding a subdivision; 152.01, subdivision 23; 152.02, subdivisions 2, 3; 152.11, by adding a subdivision; 152.12, by adding a subdivision; 152.125, subdivision 3; 152.126, subdivisions 1, 6, 7, by adding a subdivision; 152.22, subdivisions 6, 11, 13, 14, by adding subdivisions; 152.25, subdivisions 1, 1a, 1c, 4; 152.27, subdivisions 2, 3, 4, 5, 6; 152.28, subdivision 1; 152.29, subdivisions 1, 2, 3; 152.31; 152.32, subdivision 2; 152.33, subdivisions 1, 2; 152.34; 152.36, subdivision 2; 171.171; 214.25, subdivision 2; 237.50, subdivisions 4a, 6a, 10a, 11, by adding subdivisions; 237.51, subdivisions 1, 5a; 237.52, subdivision 5; 237.53; 245.095; 245.462, subdivisions 6, 8, 9, 14, 17, 18, 21, 23, by adding a subdivision; 245.4661, subdivision 9; 245.467, subdivisions 2, 3; 245.469, subdivisions 1, 2; 245.470, subdivision 1; 245.4712, subdivision 2; 245.472, subdivision 2; 245.4863; 245.4871, subdivisions 9a, 10, 11a, 17, 21, 26, 27, 29, 32, 34; 245.4876, subdivisions 2, 3; 245.4879, subdivisions 1, 2; 245.488, subdivision 1; 245.4889, subdivision 1; 245.696, by adding a subdivision; 245.735, subdivision 3; 245A.02, subdivisions 3, 5a, 8, 9, 12, 14, 18, by adding subdivisions; 245A.03, subdivisions 1, 3; 245A.04, subdivisions 1, 2, 4, 6, 7, 10, by adding subdivisions; 245A.05; 245A.07, subdivisions 1, 2, 2a, 3; 245A.10, subdivision 4; 245A.14, subdivisions 4, 8, by adding

subdivisions; 245A.145, subdivisions 1, 2; 245A.151; 245A.16, subdivision 1, by adding a subdivision; 245A.18, subdivision 2; 245A.40; 245A.41; 245A.50; 245A.51, subdivision 3, by adding subdivisions; 245A.66, subdivisions 2, 3; 245C.02, subdivision 6a, by adding subdivisions; 245C.03, subdivision 1, by adding a subdivision; 245C.05, subdivisions 2c, 2d, 4, 5, 5a; 245C.08, subdivisions 1, 3; 245C.10, by adding a subdivision; 245C.13, subdivision 2, by adding a subdivision; 245C.14, subdivision 1; 245C.15, subdivisions 2, 3, 4, by adding a subdivision; 245C.22, subdivisions 4, 5; 245C.24; 245C.30, subdivisions 1, 2, 3; 245C.32, subdivision 2; 245D.03, subdivision 1; 245D.071, subdivision 1; 245D.081, subdivision 3; 245E.01, subdivision 8; 245E.02, by adding a subdivision; 245F.05, subdivision 2; 245H.01, by adding subdivisions; 245H.03, by adding a subdivision; 245H.07; 245H.10, subdivision 1; 245H.11; 245H.12; 245H.13, subdivision 5, by adding subdivisions; 245H.14, subdivisions 1, 3, 4, 5, 6; 245H.15, subdivision 1; 246.54, by adding a subdivision; 246B.10; 252.27, subdivision 2a; 252.275, subdivision 3; 252.28, subdivision 1; 252.41, subdivisions 3, 4, 5, 6, 7, 9; 252.42; 252.43; 252.44; 252.45; 254A.03, subdivision 3; 254B.02, subdivision 1; 254B.03, subdivisions 2, 4; 254B.04, subdivision 1; 254B.05, subdivisions 1a, 5; 254B.06, subdivisions 1, 2; 256.01, subdivision 14b; 256.046, subdivision 1, by adding a subdivision; 256.478; 256.9365; 256.962, subdivision 5; 256.969, subdivisions 2b, 3a, 9, 17, 19; 256.98, subdivision 8; 256B.02, subdivision 7; 256B.04, subdivisions 14, 21, 22; 256B.055, subdivision 2; 256B.056, subdivisions 3, 5c; 256B.0615, subdivision 1; 256B.0616, subdivisions 1, 3; 256B.0622, subdivisions 1, 2, 3a, 4, 5a, 7, 7a, 7b, 7d; 256B.0623, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12; 256B.0624, subdivisions 2, 4, 5, 6, 7, 8, 9, 11; 256B.0625, subdivisions 3b, 5, 5l, 9, 13, 13d, 13e, 13f, 17, 19c, 23, 24, 30, 31, 42, 45a, 48, 49, 56a, 57, 61, 62, 65, by adding subdivisions; 256B.064, subdivisions 1a, 1b, 2, by adding subdivisions; 256B.0644; 256B.0651, subdivision 17; 256B.0658; 256B.0659, subdivisions 11, 12, 21, 24, 28, by adding a subdivision; 256B.0757, subdivisions 2, 4, 8, by adding subdivisions; 256B.0915, subdivisions 3a, 3b; 256B.092, subdivision 13; 256B.0941, subdivisions 1, 3; 256B.0943, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 11; 256B.0944, subdivisions 1, 3, 4, 5, 6, 7, 8, 9; 256B.0946, subdivisions 1, 1a, 2, 3, 4, 6; 256B.0947, subdivisions 1, 2, 3, 3a, 5, 6, 7a; 256B.0949, subdivisions 2, 4, 5a, by adding a subdivision; 256B.27, subdivision 3; 256B.434, subdivisions 1, 3; 256B.49, subdivision 24; 256B.4912, by adding subdivisions; 256B.4913, subdivisions 4a, 5; 256B.4914, subdivisions 2, 4, 5, 6, 7, 8, 9, 10, 10a, 14, 15, by adding a subdivision; 256B.69, subdivisions 6, 6d, 35, by adding subdivisions; 256B.76, subdivisions 2, 4; 256B.766; 256B.79, subdivisions 2, 3, 4, 5, 6; 256B.85, subdivisions 3, 10, 11, 12, 16, by adding a subdivision; 256I.03, subdivision 15; 256I.04, subdivisions 1, 2a, 2f; 256I.05, subdivision 1c; 256I.06, subdivision 8; 256J.24, subdivision 5; 256L.03, by adding a subdivision; 256L.07, subdivision 2, by adding a subdivision; 256L.11, subdivisions 2, 7; 256L.121, subdivision 3; 256M.41, subdivision 3, by adding a subdivision; 256R.02, subdivisions 8, 19, by adding subdivisions; 256R.08, subdivision 1; 256R.10, by adding a subdivision; 256R.16, subdivision 1; 256R.21, by adding a subdivision; 256R.23, subdivision 5; 256R.24; 256R.25; 256R.26; 256R.44; 256R.47; 256R.50, subdivision 6; 260C.007, subdivision 18, by adding a subdivision; 260C.178, subdivision 1; 260C.201, subdivisions 1, 2, 6; 260C.212, subdivision 2; 260C.452, subdivision 4; 260C.503, subdivision 1; 270B.12, by adding a subdivision; 290.0131, by adding a subdivision; 295.51, subdivision 1a; 295.52, subdivision 8; 295.57, subdivision 3; 295.582, subdivision 1; 297I.05, subdivision 5; 317A.811, by adding a subdivision; 325F.69, by adding a subdivision; 325F.72, subdivisions 1, 2, 4; 461.12, subdivisions 2, 3, 4, 5, 6, 8; 461.18; 518A.32, subdivision 3; 609.685; 609.6855; 626.556, subdivision 10; 626.5561, subdivision 1; 626.5572, subdivision 6; 628.26; 641.15, subdivision 3a; Laws 2003, First Special Session chapter 14, article 13C, section 2, subdivision 6, as amended; Laws 2017, First Special Session chapter 6, article 1, section 45; article 3, section 49; article 5, section 11; article 8, sections 71; 72; proposing coding for new law in

Minnesota Statutes, chapters 10; 62A; 62C; 62D; 62K; 62Q; 62V; 119B; 137; 144; 144A; 144G; 145; 148; 151; 214; 245; 245A; 245D; 256; 256B; 256L; 256M; 256R; 260C; 290; 461; 609; proposing coding for new law as Minnesota Statutes, chapters 62W; 144I; 144J; 144K; 245I; 256T; 317B; repealing Minnesota Statutes 2018, sections 62A.021, subdivisions 1, 3; 119B.125, subdivision 8; 119B.16, subdivision 2; 144.414, subdivision 5; 144A.071, subdivision 4d; 144A.441; 144A.442; 144A.45, subdivision 6; 144A.472, subdivision 4; 144A.481; 144D.01; 144D.015; 144D.02; 144D.025; 144D.03; 144D.04; 144D.045; 144D.05; 144D.06; 144D.065; 144D.066; 144D.07; 144D.08; 144D.09; 144D.10; 144D.11; 144G.01; 144G.02; 144G.03; 144G.04; 144G.05; 144G.06; 151.214, subdivision 2; 151.42; 151.44; 151.49; 151.50; 151.51; 151.55; 151.60; 151.61; 151.62; 151.63; 151.64; 151.65; 151.66; 151.67; 151.68; 151.69; 151.70; 151.71; 214.17; 214.18; 214.19; 214.20; 214.21; 214.22; 214.23; 214.24; 245.462, subdivision 4a; 245E.06, subdivisions 2, 4, 5; 245H.10, subdivision 2; 246.18, subdivisions 8, 9; 252.41, subdivision 8; 252.431; 252.451; 254B.03, subdivision 4a; 256B.0615, subdivisions 2, 4, 5; 256B.0616, subdivisions 2, 4, 5; 256B.0624, subdivision 10; 256B.0625, subdivision 63; 256B.0659, subdivision 22; 256B.0705; 256B.0943, subdivision 10; 256B.0944, subdivision 10; 256B.0946, subdivision 5; 256B.0947, subdivision 9; 256B.431, subdivisions 3a, 3f, 3g, 3i, 10, 13, 15, 16, 17, 17a, 17c, 17d, 17e, 18, 21, 22, 30, 45; 256B.434, subdivisions 4, 4f, 4i, 4j, 6, 10; 256B.4913, subdivisions 4a, 6, 7; 256B.79, subdivision 7; 256L.11, subdivisions 2a, 6a; 256R.36; 256R.40; 256R.41; Laws 2010, First Special Session chapter 1, article 25, section 3, subdivision 10; Laws 2011, First Special Session chapter 9, article 6, section 97, subdivision 6; Minnesota Rules, parts 2960.3030, subpart 3; 3400.0185, subpart 5; 6400.6970; 7200.6100; 7200.6105; 9502.0425, subparts 4, 16, 17; 9503.0155, subpart 8; 9505.0370; 9505.0371; 9505.0372; 9520.0010; 9520.0020; 9520.0030; 9520.0040; 9520.0050; 9520.0060; 9520.0070; 9520.0080; 9520.0090; 9520.0100; 9520.0110; 9520.0120; 9520.0130; 9520.0140; 9520.0150; 9520.0160; 9520.0170; 9520.0180; 9520.0190; 9520.0200; 9520.0210; 9520.0230; 9549.0057; 9549.0060, subparts 4, 5, 6, 7, 10, 11, 14.

Senator Benson moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 245, delete section 5

Page 257, delete section 16 and insert:

"Sec. 16. **REPEALER.**

Minnesota Statutes 2018, section 245G.11, subdivisions 1, 4, and 7, are repealed."

Page 266, line 16, after "children" insert ", pregnant women,"

Page 338, line 25, delete everything after the first comma, and insert "section 144.1464 is repealed."

Page 375, line 22, delete "\$120,223,000" and insert "\$120,254,000"

Page 375, line 23, delete "\$122,712,000" and insert "\$122,743,000"

Page 389, line 11, delete "225,900,000" and insert "225,720,000" and delete "227,953,000" and insert "227,827,000"

Page 389, line 14, delete "157,897,000" and insert "157,717,000" and delete "157,988,000" and insert "157,862,000"

Page 389, line 23, delete "129,824,000" and insert "129,644,000" and delete "129,096,000" and insert "128,970,000"

Page 392, line 8, delete "\$79,000" and insert "\$69,000"

Page 392, line 17, delete "\$42,000" and insert "\$34,000"

Page 393, line 35, delete "\$10,000" and insert "\$8,000"

Page 394, after line 3, insert:

"(n) Prescription Drug Price Transparency. \$739,000 in fiscal year 2020 and \$595,000 in fiscal year 2021 are from the general fund for implementation of the Prescription Drug Price Transparency Act under Minnesota Statutes, section 62J.84. The base for this appropriation is \$565,000 in fiscal year 2022 and \$565,000 in fiscal year 2023."

Page 394, line 4, delete "(n)" and insert "(o)"

Page 397, line 9, delete "3,747,000" and insert "3,950,000" and delete "3,809,000" and insert "3,951,000"

Page 397, line 25, delete "\$1,851,000" and insert "\$1,707,000"

Page 397, line 26, delete "\$1,913,000" and insert "\$1,707,000"

Page 397, line 27, delete everything after the period

Page 397, delete lines 28 and 29

Page 398, line 8, delete "\$3,776,000" and insert "\$3,902,000" and delete "\$3,776,000" and insert "\$3,902,000"

Page 398, after line 9, insert:

"(f) Regional Emergency Medical Services Programs. \$347,000 in fiscal year 2020 and \$348,000 in fiscal year 2021 are to be deposited in the emergency medical services system fund and distributed by the

Emergency Medical Services Regulatory Board according to Minnesota Statutes, section 144E.50. The base for this appropriation is \$299,000 in fiscal year 2022 and \$299,000 in fiscal year 2023."

Page 399, delete section 10

Correct the subdivision and section totals and the appropriations by fund

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Benson moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 338, after line 17, insert:

"Sec. 60. **STUDY OF HEALTH CARE COSTS AND REIMBURSEMENT RATES.**

(a) Within existing appropriations, the commissioner of health, in consultation with the commissioner of commerce, shall study the cost of health care in the state, including a comparison of the provider reimbursement rates paid to providers in the state under Medicare, medical assistance, and private commercial market, and an analysis of the impact on hospitals if the commercial market were to reimburse hospitals at the Medicare rate. Notwithstanding Minnesota Statutes, section 62U.04, subdivision 11, the commissioner may use the data collected under Minnesota Statutes, section 62U.04, to conduct the comparison of reimbursement rates.

(b) The commissioner shall submit the findings of the study to the chairs and ranking minority members of the legislative committees with jurisdiction over health care by February 1, 2020."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

### CALL OF THE SENATE

Senator Marty imposed a call of the Senate for the balance of the proceedings on H.F. No. 2414. The Sergeant at Arms was instructed to bring in the absent members.

Senator Benson moved to amend the second Benson amendment to H.F. No. 2414 as follows:

Page 1, after line 3, insert:

"Page 282, delete section 25 and insert:

"Sec. 25. **REPEALER.**

(a) Minnesota Statutes 2018, sections 16A.724, subdivision 2; and 256B.0625, subdivision 31c, are repealed.

(b) Laws 2011, First Special Session chapter 9, article 6, section 97, subdivision 6, is repealed.

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

The question was taken on the adoption of the Benson amendment to the second Benson amendment.

The roll was called, and there were yeas 32 and nays 35, as follows:

Those who voted in the affirmative were:

|            |          |          |          |            |
|------------|----------|----------|----------|------------|
| Bakk       | Dibble   | Hayden   | Little   | Tomassoni  |
| Bigham     | Dziedzic | Hoffman  | Marty    | Torres Ray |
| Carlson    | Eaton    | Isaacson | Newton   | Wiger      |
| Champion   | Eken     | Kent     | Pappas   | Wiklund    |
| Clausen    | Franzen  | Klein    | Rest     |            |
| Cohen      | Frentz   | Laine    | Simonson |            |
| Cwodzinski | Hawj     | Latz     | Sparks   |            |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Senjem  |
| Chamberlain  | Housley      | Koran     | Osmek   | Utke    |
| Dahms        | Howe         | Lang      | Pratt   | Weber   |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  | Westrom |

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

The question was taken on the adoption of the second Benson amendment.

The roll was called, and there were yeas 49 and nays 18, as follows:

Those who voted in the affirmative were:

|              |              |           |         |           |
|--------------|--------------|-----------|---------|-----------|
| Abeler       | Eken         | Jasinski  | Little  | Ruud      |
| Anderson, B. | Frentz       | Jensen    | Mathews | Senjem    |
| Anderson, P. | Gazelka      | Johnson   | Miller  | Simonson  |
| Benson       | Goggin       | Kent      | Nelson  | Sparks    |
| Bigham       | Hall         | Kiffmeyer | Newman  | Tomassoni |
| Chamberlain  | Hoffman      | Klein     | Osmek   | Utke      |
| Cwodzinski   | Housley      | Koran     | Pratt   | Weber     |
| Dahms        | Howe         | Lang      | Rarick  | Westrom   |
| Draheim      | Ingebrigtsen | Latz      | Relph   | Wiger     |
| Eichorn      | Isaacson     | Limmer    | Rosen   |           |

Those who voted in the negative were:

|          |          |         |        |            |
|----------|----------|---------|--------|------------|
| Bakk     | Cohen    | Franzen | Marty  | Torres Ray |
| Carlson  | Dibble   | Hawj    | Newton | Wiklund    |
| Champion | Dziedzic | Hayden  | Pappas |            |
| Clausen  | Eaton    | Laine   | Rest   |            |

The motion prevailed. So the amendment was adopted.

Senator Benson moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 363, after line 29, insert:

"Sec. 6. [62Q.48] COST-SHARING IN PRESCRIPTION INSULIN DRUGS.

Subdivision 1. Scope of coverage. This section applies to all health plans issued or renewed to a Minnesota resident.

Subd. 2. Definitions. (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Cost-sharing" means a deductible payment, co-payment, or coinsurance amount imposed on an enrollee for a covered prescription drug in accordance with the terms and conditions of the enrollee's health plan.

(c) "Legend drug" has the same meaning as in section 151.01, subdivision 17.

(d) "Prescription insulin drug" means a legend drug that contains insulin and is used to treat diabetes.

(e) "Net price" means the health plan company's cost for a prescription insulin drug, including any rebates or discounts received by or accrued directly or indirectly to the health plan company from a drug manufacturer or pharmacy benefit manager.

Subd. 3. Cost-sharing limits. (a) A health plan that imposes a cost-sharing requirement on the coverage of a prescription insulin drug shall limit the total amount of cost-sharing that an enrollee is required to pay at point of sale, including deductible payments and the cost-sharing amounts charged once the deductible is met at an amount that does not exceed the net price of the prescription insulin drug.

(b) Nothing in this section shall prevent a health plan company from imposing a cost-sharing requirement that is less than the amount specified in paragraph (a).

EFFECTIVE DATE. This section is effective for health plans issued or renewed on or after January 1, 2020."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Benson moved to amend the fourth Benson amendment to H.F. No. 2414 as follows:

Page 1, after line 3, insert:

"Page 260, after line 20, insert:

"Sec. 4. [256.937] INSULIN ASSISTANCE PROGRAM.

Subdivision 1. **Establishment.** (a) The commissioner of human services shall implement an insulin assistance program by July 1, 2020. Under the program, the commissioner shall:

(1) pay participating pharmacies for insulin that is dispensed by a participating pharmacy to an eligible individual subject to a valid prescription;

(2) maintain an up-to-date list of eligible individuals and make the list available to participating pharmacies; and

(3) ensure pharmacy participation in the program in all areas of the state and maintain an up-to-date list of participating pharmacies on the department's website.

(b) The commissioner may contract with a private entity or enter into an interagency agreement with another state agency to implement this program.

Subd. 2. **Eligible individual.** (a) To be eligible for the insulin assistance program, an individual must submit to the commissioner an application form that is signed by the individual. Eligibility for the insulin assistance program is subject to the limits of available funding. To be eligible, an individual must:

(1) be a resident of Minnesota;

(2) not be eligible for Medicare, medical assistance, or MinnesotaCare;

(3) have a family income that is equal to or less than 400 percent of the federal poverty guidelines; and

(4) be uninsured or have no prescription drug coverage.

(b) The commissioner shall develop an application form and make the form available to pharmacies, health care providers, and to individuals on the department's website. An applicant must include their income and insurance status information with the application. The commissioner shall require the applicant to submit additional information to verify eligibility if deemed necessary by the commissioner.

(c) Upon receipt of a completed application and any additional information requested by the commissioner, the commissioner shall determine eligibility to the program. Once the individual has been determined eligible, the individual shall be issued an identification card. The card shall be valid for 30 days from the date of issuance and may be used at any participating pharmacy. An individual is not eligible for renewal until 12 months from the card's expiration date, at which time the individual must submit a new application form and meet the qualifications in paragraph (a).

Subd. 3. **Pharmacy participation.** (a) Pharmacy participation in the program is voluntary. In order to participate, a pharmacy must register with the commissioner and agree to reimbursement and other contract terms. A pharmacy may withdraw from participation at any time by providing written notice to the commissioner.



(b) A pharmacy shall dispense insulin to eligible individuals who present a valid prescription and an identification card.

(c) Eligible individuals are responsible for paying an insulin co-payment to the participating pharmacy that is equal to the prescription co-payment required under section 256L.03, subdivision 5.

(d) Notwithstanding paragraph (c), if an eligible individual has coverage through an individual or group health plan, the pharmacy must process the insulin in accordance with the individual's health plan.

**Sec. 5. [256.938] INSULIN ASSISTANCE ACCOUNT.**

Subdivision 1. **Establishment.** The insulin assistance account is established in the special revenue fund in the state treasury. The fees collected by the Board of Pharmacy under section 151.252, subdivision 1, paragraph (b), shall be deposited into the account.

Subd. 2. **Use of account funds.** For fiscal year 2021 and subsequent fiscal years, money in the insulin assistance account is appropriated to the commissioner of human services to fund the insulin assistance program established under section 256.937."

Page 352, after line 17, insert:

**"Sec. 12. [151.254] INSULIN REGISTRATION FEE.**

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

(b) "Manufacturer" means a manufacturer licensed under section 151.252 engaged in the manufacturing of insulin.

(c) "Wholesaler" means a wholesale drug distributor licensed under section 151.47 and engaged in the wholesale drug distribution of insulin.

Subd. 2. **Reporting requirements.** (a) Effective March 1 of each year, beginning March 1, 2020, each manufacturer and each wholesaler must report to the Board of Pharmacy every sale, delivery, or other distribution within or into the state of insulin that was made to any practitioner, pharmacy, hospital, or other person who is permitted by section 151.37 to possess insulin for administration or was dispensed to human patients during the previous calendar year. Reporting must be in a manner specified by the board. If the manufacturer or wholesaler fails to provide information required under this paragraph on a timely basis, the board may assess an administrative penalty of \$100 per day. This penalty shall not be considered a form of disciplinary action. Any penalty assessed under this section shall be deposited in the insulin assistance account established under section 256.938.

(b) By March 1 of each year, beginning March 1, 2020, each owner of a pharmacy with at least one location within this state must report to the board any intracompany delivery or distribution of insulin into this state, to the extent that those deliveries and distributions are not reported to the board by a licensed wholesaler owned by, under contract to, or otherwise operating on behalf of the

owner of the pharmacy. Reporting must be in the manner and format specified by the board for deliveries and distributions that occurred during the previous calendar year. The report must include the name of the manufacturer or wholesaler from which the owner of the pharmacy ultimately purchased the insulin and the amount and date the purchase occurred.

Subd. 3. **Determination of manufacturer's registration fee.** (a) The board shall annually assess manufacturers a registration fee that in aggregate equals the total cost of the insulin assistance program established under section 256.937 for the previous fiscal year, not to exceed \$....., including any administration costs incurred by the commissioner of human services or the board in collecting the fee. The board shall determine each manufacturer's annual insulin registration fee that is prorated and based on the manufacturer's percentage of the total number of units reported to the board under subdivision 2. For the first assessment, the commissioner shall estimate the cost of the program for the first fiscal year and notify the board of the estimated cost by March 1, 2020. The board shall determine each manufacturer's initial registration fee based on the estimated cost.

(b) By April 1 of each year, beginning April 1, 2020, the board shall notify each manufacturer of the annual amount of the manufacturer's insulin registration fee to be paid in accordance with section 151.252, subdivision 1, paragraph (b).

(c) A manufacturer may dispute the fee assessed under this section as determined by the board no later than 30 days after the date of notification. However, the manufacturer must still remit the registration fee required by section 151.252, subdivision 1, paragraph (b). The dispute must be filed with the board in the manner and using the forms specified by the board. A manufacturer must submit, with the required forms, data satisfactory to the board that demonstrates that the fee was incorrect or otherwise unwarranted. The board must make a decision concerning a dispute no later than 60 days after receiving the required dispute forms. If the board determines that the manufacturer has satisfactorily demonstrated that the original fee was incorrect, the board must: (1) adjust the manufacturer's fee; (2) adjust the manufacturer's fee due the next year by the amount in excess of the correct fee that should have been paid; or (3) refund the amount paid in error.'''

The question was taken on the adoption of the Benson amendment to the fourth Benson amendment.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

|              |          |              |         |            |
|--------------|----------|--------------|---------|------------|
| Abeler       | Draheim  | Howe         | Little  | Ruud       |
| Anderson, B. | Dziedzic | Ingebrigtsen | Marty   | Senjem     |
| Anderson, P. | Eaton    | Isaacson     | Mathews | Simonson   |
| Bakk         | Eichorn  | Jasinski     | Miller  | Sparks     |
| Benson       | Eken     | Jensen       | Nelson  | Tomassoni  |
| Bigham       | Franzen  | Johnson      | Newman  | Torres Ray |
| Carlson      | Frentz   | Kent         | Newton  | Utke       |
| Chamberlain  | Gazelka  | Kiffmeyer    | Osmek   | Weber      |
| Champion     | Goggin   | Klein        | Pappas  | Westrom    |
| Clausen      | Hall     | Koran        | Pratt   | Wiger      |
| Cohen        | Hawj     | Laine        | Rarick  | Wiklund    |
| Cwodzinski   | Hayden   | Lang         | Relph   |            |
| Dahms        | Hoffman  | Latz         | Rest    |            |
| Dibble       | Housley  | Limmer       | Rosen   |            |

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the fourth Benson amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Senator Abeler moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 17, after line 15, insert:

"Sec. 18. Minnesota Statutes 2018, section 256.983, is amended by adding a subdivision to read:

Subd. 5. **Financial misconduct.** (a) County agencies may conduct investigations of financial misconduct by a license holder as defined in section 245A.02, subdivision 9, only after receiving verification that the department is not investigating the license holder.

(b) If, upon investigation, a preponderance of evidence shows financial misconduct by a license holder, the county may immediately suspend the license holder's authorization to receive any available assistance payments prior to pursuing other available remedies.

(c) The county shall give immediate notice in writing to a license holder and any affected families of any suspension of the license holder's assistance authorization under paragraph (b). The notice shall state:

- (1) the factual basis for the county's determination;
- (2) the date of the suspension;
- (3) the length of the suspension;
- (4) the requirements and procedures for reinstatement;
- (5) the right to dispute the county's determination and to provide evidence; and
- (6) the right to appeal the county's determination.

(d) The county's determination under paragraph (b) is subject to the fair hearing requirements under section 119B.16. A license holder that requests a fair hearing is entitled to a hearing within ten days of the request."

Page 102, lines 9 to 11, delete the new language

Page 105, after line 3, insert:

"(j) For the biennium ending June 30, 2020, the commissioner shall reduce the parental contribution amount under paragraph (a) for natural or adoptive parents of a minor child determined eligible for medical assistance without consideration of parental income under the TEFRA option, or for the purposes of accessing home and community-based waiver services, by an amount equal to a total general fund revenue reduction of \$14,609,000.

(k) Beginning July 1, 2021, the natural or adoptive parents of a minor child determined eligible for medical assistance without consideration of parental income under the TEFRA option, or for the purposes of accessing home and community-based waiver services, shall not be required to pay the parental contribution under paragraph (a)."

Page 105, line 27, before "The" insert "(a)"

Page 106, line 3, reinstate the stricken language

Page 106, line 4, reinstate the stricken language and delete the new language

Page 106, lines 5 and 6, delete the new language

Page 106, after line 19, insert:

"(b) Beginning July 1, 2021, the rules described in paragraph (a) shall not apply to parents of children whose eligibility for medical assistance was determined without deeming of the parents' resources and income under the TEFRA option or for the purposes of accessing home and community-based waiver services."

Page 160, line 21, strike everything after "(g)"

Page 160, line 22, strike "after June 30, 2019" and delete "2021" and strike the period

Page 160, line 23, strike "before June 30, 2019" and delete "2021" and strike the second comma

Page 282, line 11, after the semicolon, insert "occupational therapists licensed under Minnesota Statutes, sections 148.6401 to 148.6449;"

Page 368, line 3, delete "8,059,011,000" and insert "8,059,179,000" and delete "7,936,257,000" and insert "7,938,318,000"

Page 368, line 6, delete "7,269,109,000" and insert "7,269,277,000" and delete "7,141,320,000" and insert "7,143,381,000"

Page 378, line 23, delete "5,610,367,000" and insert "5,610,535,000" and delete "5,616,974,000" and insert "5,619,035,000"

Page 379, line 27, delete "\$236,264,000" and insert "\$218,616,000"

ReNUMBER the sections in sequence and correct the internal references

Correct the subdivision and section totals and the appropriations by fund

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Abeler moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 344, after line 22, insert:

"Section 1. Minnesota Statutes 2018, section 147.037, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** The board shall issue a license to practice medicine to any person who satisfies the requirements in paragraphs (a) to (g).

(a) The applicant shall satisfy all the requirements established in section 147.02, subdivision 1, paragraphs (a), (e), (f), (g), and (h).

(b) The applicant shall present evidence satisfactory to the board that the applicant is a graduate of a medical or osteopathic school approved by the board as equivalent to accredited United States or Canadian schools based upon its faculty, curriculum, facilities, accreditation, or other relevant data. If the applicant is a graduate of a medical or osteopathic program that is not accredited by the Liaison Committee for Medical Education or the American Osteopathic Association, the applicant may use the Federation of State Medical Boards' Federation Credentials Verification Service (FCVS) or its successor. If the applicant uses this service as allowed under this paragraph, the physician application fee may be less than \$200 but must not exceed the cost of administering this paragraph.

(c) The applicant shall present evidence satisfactory to the board that the applicant has been awarded a certificate by the Educational Council for Foreign Medical Graduates, and the applicant has a working ability in the English language sufficient to communicate with patients and physicians and to engage in the practice of medicine.

(d) The applicant shall present evidence satisfactory to the board of the completion of ~~two years~~ one year of graduate, clinical medical training in a program ~~located in the United States, its territories, or Canada and accredited by a national accrediting organization approved by the board~~ accredited by a national accrediting organization approved by the board or other graduate training approved in advance by the board as meeting standards similar to those of a national accrediting organization. This requirement does not apply:

(1) to an applicant who is admitted as a permanent immigrant to the United States on or before October 1, 1991, as a person of exceptional ability in the sciences according to Code of Federal Regulations, title 20, section 656.22(d); or

(2) to an applicant holding a valid license to practice medicine in another country and issued a permanent immigrant visa after October 1, 1991, as a person of extraordinary ability in the field of science or as an outstanding professor or researcher according to Code of Federal Regulations, title 8, section 204.5(h) and (i), or a temporary nonimmigrant visa as a person of extraordinary ability in the field of science according to Code of Federal Regulations, title 8, section 214.2(o),

provided that a person under clause (1) or (2) is admitted pursuant to rules of the United States Department of Labor; ~~or~~

~~(3) to an applicant who is licensed in another state, has practiced five years without disciplinary action in the United States, its territories, or Canada, has completed one year of the graduate, clinical~~

~~medical training required by this paragraph, and has passed the Special Purpose Examination of the Federation of State Medical Boards within three attempts in the 24 months before licensing.~~

(e) The applicant must:

(1) have passed an examination prepared and graded by the Federation of State Medical Boards, the United States Medical Licensing Examination program in accordance with section 147.02, subdivision 1, paragraph (c), clause (2), or the Medical Council of Canada; and

~~(2) have a current license from the equivalent licensing agency in another state or country and, if the examination in clause (1) was passed more than ten years ago, either:~~

(i) pass the Special Purpose Examination of the Federation of State Medical Boards with a score of 75 or better within three attempts; or

(ii) have a current certification by a specialty board of the American Board of Medical Specialties, of the American Osteopathic Association, of the Royal College of Physicians and Surgeons of Canada, or of the College of Family Physicians of Canada; or

(3) if the applicant fails to meet the requirement established in section 147.02, subdivision 1, paragraph (c), clause (2), because the applicant failed to pass each of steps one, two, and three of the USMLE within the required three attempts, the applicant may be granted a license provided the applicant:

(i) has passed each of steps one, two, and three with passing scores as recommended by the USMLE program within no more than four attempts for any of the three steps;

(ii) is currently licensed in another state; and

(iii) has current certification by a specialty board of the American Board of Medical Specialties, the American Osteopathic Association, the Royal College of Physicians and Surgeons of Canada, or the College of Family Physicians of Canada.

(f) The applicant must not be under license suspension or revocation by the licensing board of the state or jurisdiction in which the conduct that caused the suspension or revocation occurred.

(g) The applicant must not have engaged in conduct warranting disciplinary action against a licensee, or have been subject to disciplinary action other than as specified in paragraph (f). If an applicant does not satisfy the requirements stated in this paragraph, the board may issue a license only on the applicant's showing that the public will be protected through issuance of a license with conditions or limitations the board considers appropriate.

Sec. 2. Minnesota Statutes 2018, section 147.0375, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** The board shall issue a license to practice medicine to any person who satisfies the requirements in paragraphs (a) to (d).

(a) The applicant must satisfy all the requirements established in section 147.02, subdivision 1, paragraphs (a), (e), (f), (g), and (h).

(b) The applicant must present evidence satisfactory to the board that the applicant is a graduate of a medical or osteopathic school approved by the board as equivalent to accredited United States or Canadian schools based upon its faculty, curriculum, facilities, accreditation, or other relevant data. If the applicant is a graduate of a medical or osteopathic program that is not accredited by the Liaison Committee for Medical Education or the American Osteopathic Association, the applicant may use the Federation of State Medical Boards' Federation Credentials Verification Service (FCVS) or its successor. If the applicant uses this service as allowed under this paragraph, the physician application fee may be less than \$200 but must not exceed the cost of administering this paragraph.

(c) The applicant must present evidence satisfactory to the board of the completion of ~~two years~~ one year of graduate, clinical medical training in a program ~~located in the United States, its territories, or Canada and accredited by a national accrediting organization approved by the board~~ accredited by a national accrediting organization approved by the board or other graduate training approved in advance by the board as meeting standards similar to those of a national accrediting organization. This requirement does not apply:

(1) to an applicant who is admitted as a permanent immigrant to the United States on or before October 1, 1991, as a person of exceptional ability in the sciences according to Code of Federal Regulations, title 20, section 656.22 (d); or

(2) to an applicant holding a valid license to practice medicine in another state or country and issued a permanent immigrant visa after October 1, 1991, as a person of extraordinary ability in the field of science or as an outstanding professor or researcher according to Code of Federal Regulations, title 8, section 204.5(h) and (i), or a temporary nonimmigrant visa or status as a person of extraordinary ability in the field of science according to Code of Federal Regulations, title 8, section 214.2(o); ~~or~~

~~(3) to an applicant who is licensed in another state, has practiced five years without disciplinary action in the United States, its territories, or Canada, has completed one year of the graduate, clinical medical training required by this paragraph, and has passed the Special Purpose Examination of the Federation of State Medical Boards within three attempts in the 24 months before licensing.~~

(d) The applicant must present evidence satisfactory to the board that the applicant has been appointed to serve as a faculty member of a medical school accredited by the Liaison Committee of Medical Education or an osteopathic medical school accredited by the American Osteopathic Association."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

### RECESS

Senator Gazelka 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.

**CALL OF THE SENATE**

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

The Senate resumed consideration of H.F. No. 2414.

Senator Nelson moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 290, after line 29, insert:

"Sec. 10. Minnesota Statutes 2018, section 144.412, is amended to read:

**144.412 PUBLIC POLICY.**

The purpose of sections 144.411 to 144.417 is to protect employees and the general public from the hazards of secondhand smoke and involuntary exposure to aerosol or vapor from electronic delivery devices by eliminating smoking in public places, places of employment, public transportation, and at public meetings.

Sec. 11. Minnesota Statutes 2018, section 144.413, subdivision 1, is amended to read:

Subdivision 1. **Scope.** As used in sections 144.411 to ~~144.416~~ 144.417, the terms defined in this section have the meanings given them.

Sec. 12. Minnesota Statutes 2018, section 144.413, subdivision 4, is amended to read:

Subd. 4. **Smoking.** "Smoking" means inhaling or, exhaling ~~smoke from~~, burning, or carrying any lighted or heated cigar, cigarette, pipe, or any other lighted tobacco or plant or heated product containing, made, or derived from nicotine, tobacco, marijuana, or other plant, whether natural or synthetic, that is intended for inhalation. Smoking ~~also includes carrying a lighted cigar, cigarette, pipe, or any other lighted tobacco or plant product intended for inhalation~~ carrying or using an activated electronic delivery device, as defined in section 609.685.

Sec. 13. Minnesota Statutes 2018, section 144.414, subdivision 2, is amended to read:

Subd. 2. **Day care premises.** ~~(a)~~ Smoking is prohibited in a day care center licensed under Minnesota Rules, parts 9503.0005 to 9503.0170, or in a family home or in a group family day care provider home licensed under Minnesota Rules, parts 9502.0300 to 9502.0445, during its hours of operation. The proprietor of a family home or group family day care provider must disclose to parents or guardians of children cared for on the premises if the proprietor permits smoking outside of its hours of operation. Disclosure must include posting on the premises a conspicuous written notice and orally informing parents or guardians.

~~(b) For purposes of this subdivision, the definition of smoking includes the use of electronic cigarettes, including the inhaling and exhaling of vapor from any electronic delivery device as defined in section 609.685, subdivision 1.~~



Sec. 14. Minnesota Statutes 2018, section 144.414, subdivision 3, is amended to read:

Subd. 3. **Health care facilities and clinics.** (a) Smoking is prohibited in any area of a hospital, health care clinic, doctor's office, licensed residential facility for children, or other health care-related facility, except that a patient or resident in a nursing home, boarding care facility, or licensed residential facility for adults may smoke in a designated separate, enclosed room maintained in accordance with applicable state and federal laws.

(b) Except as provided in section 246.0141, smoking by patients in a locked psychiatric unit may be allowed in a separated well-ventilated area in the unit under a policy established by the administrator of the program that allows the treating physician to approve smoking if, in the opinion of the treating physician, the benefits to be gained in obtaining patient cooperation with treatment outweigh the negative impacts of smoking.

~~(c) For purposes of this subdivision, the definition of smoking includes the use of electronic cigarettes, including the inhaling and exhaling of vapor from any electronic delivery device as defined in section 609.685, subdivision 1.~~

Sec. 15. Minnesota Statutes 2018, section 144.416, is amended to read:

#### **144.416 RESPONSIBILITIES OF PROPRIETORS.**

(a) The proprietor or other person, firm, limited liability company, corporation, or other entity that owns, leases, manages, operates, or otherwise controls the use of a public place, public transportation, place of employment, or public meeting shall make reasonable efforts to prevent smoking in the public place, public transportation, place of employment, or public meeting by:

(1) posting appropriate signs or by any other means which may be appropriate; and

(2) asking any person who smokes in an area where smoking is prohibited to refrain from smoking and, if the person does not refrain from smoking after being asked to do so, asking the person to leave. If the person refuses to leave, the proprietor, person, or entity in charge shall handle the situation consistent with lawful methods for handling other persons acting in a disorderly manner or as a trespasser.

(b) The proprietor or other person or entity in charge of a public place, public meeting, public transportation, or place of employment must not provide smoking equipment, including ashtrays or matches, in areas where smoking is prohibited. Nothing in this section prohibits the proprietor or other person or entity in charge from taking more stringent measures than those under sections 144.414 to 144.417 to protect individuals from secondhand smoke or from involuntary exposure to aerosol or vapor from electronic delivery devices. The proprietor or other person or entity in charge of a restaurant or bar may not serve an individual who is in violation of sections 144.411 to 144.417.

Sec. 16. Minnesota Statutes 2018, section 144.4165, is amended to read:

#### **144.4165 TOBACCO PRODUCTS PROHIBITED IN PUBLIC SCHOOLS.**

No person shall at any time smoke, chew, or otherwise ingest tobacco or a tobacco product, or ~~inhale or exhale vapor from~~ carry or use an activated electronic delivery device as defined in section

609.685, subdivision 1, in a public school, as defined in section 120A.05, subdivisions 9, 11, and 13, and no person under the age of 18 shall possess any of these items. This prohibition extends to all facilities, whether owned, rented, or leased, and all vehicles that a school district owns, leases, rents, contracts for, or controls. Nothing in this section shall prohibit the lighting of tobacco by an adult as a part of a traditional Indian spiritual or cultural ceremony. For purposes of this section, an Indian is a person who is a member of an Indian tribe as defined in section 260.755 subdivision 12.

Sec. 17. Minnesota Statutes 2018, section 144.417, subdivision 4, is amended to read:

Subd. 4. **Local government ordinances.** (a) Nothing in sections 144.414 to 144.417 prohibits a statutory or home rule charter city or county from enacting and enforcing more stringent measures to protect individuals from secondhand smoke or from involuntary exposure to aerosol or vapor from electronic delivery devices.

(b) Except as provided in sections 144.411 to 144.417, smoking is permitted outside of restaurants, bars, and bingo halls unless limited or prohibited by restrictions adopted in accordance with paragraph (a)."

Page 338, line 25, delete "and" and after "144.1911" insert "; and 144.414, subdivision 5"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 53 and nays 13, as follows:

Those who voted in the affirmative were:

|              |          |              |        |            |
|--------------|----------|--------------|--------|------------|
| Abeler       | Draheim  | Hayden       | Latz   | Senjem     |
| Anderson, P. | Dziedzic | Hoffman      | Limmer | Simonson   |
| Bakk         | Eaton    | Housley      | Little | Sparks     |
| Bigham       | Eichorn  | Ingebrigtsen | Marty  | Tomassoni  |
| Carlson      | Eken     | Isaacson     | Miller | Torres Ray |
| Champion     | Franzen  | Jasinski     | Nelson | Utke       |
| Clausen      | Frentz   | Jensen       | Newton | Weber      |
| Cohen        | Gazelka  | Kent         | Pratt  | Wiger      |
| Cwodzinski   | Goggin   | Klein        | Rarick | Wicklund   |
| Dahms        | Hall     | Koran        | Rest   |            |
| Dibble       | Hawj     | Laine        | Rosen  |            |

Those who voted in the negative were:

|              |           |         |       |         |
|--------------|-----------|---------|-------|---------|
| Anderson, B. | Howe      | Lang    | Osmek | Westrom |
| Benson       | Johnson   | Mathews | Relph |         |
| Chamberlain  | Kiffmeyer | Newman  | Ruud  |         |

The motion prevailed. So the amendment was adopted.

Senator Bigham moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 325, after line 12, insert:

"Sec. 44. [151.72] SALE OF CERTAIN CANNABINOID PRODUCTS.

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

(b) "Hemp" has the meaning given to "industrial hemp" in section 18K.02, subdivision 3.

(c) "Labeling" means all labels and other written, printed, or graphic matter that are:

(1) affixed to the immediate container in which a product regulated under this section is sold;

or

(2) provided, in any manner, with the immediate container, including but not limited to outer containers, wrappers, package inserts, brochures, or pamphlets.

Subd. 2. Sale of cannabinoids derived from hemp. (a) This section applies to the sale of any products, other than food, intended for human or animal consumption by any route of administration, that contain cannabinoids extracted from hemp. This section does not apply to any products dispensed by a registered medical cannabis manufacturer pursuant to sections 152.22 to 152.37.

(b) Notwithstanding any other section of this chapter, a product containing cannabinoids may be sold for human or animal consumption if all of the requirements of this section are met.

(c) A product regulated under this section must be tested by an independent, accredited, third-party analytical laboratory to confirm that the product:

(1) contains the amount or percentage of cannabidiol that is stated on the label of the product;

(2) does not contain more than trace amounts of any pesticides, fertilizers, or heavy metals; and

(3) does not contain tetrahydrocannabinol that exceeds the concentration permitted for industrial hemp as defined in section 18K.02, subdivision 3.

(d) A product regulated under this section must bear a label that contains, at a minimum:

(1) the name, location, contact phone number, and website of the manufacturer of the product;

(2) the name and address of the independent, accredited third-party analytical laboratory that has tested the product;

(3) an accurate statement of the amount or percentage of cannabidiol found in each unit of the product meant to be consumed; and

(4) the statement "This product has not been approved by the U.S. Food and Drug Administration for the prevention, treatment, or cure of any disease, or to alter the structure or function of human or animal bodies, or for use as a dietary supplement," unless the product has been so approved.

(e) A product sold under this section is considered an adulterated drug if:

(1) it consists, in whole or in part, of any filthy, putrid, or decomposed substance;

(2) it has been produced, prepared, packed, or held under unsanitary conditions where it may have been rendered injurious to health, or where it may have been contaminated with filth;

(3) its container is composed, in whole or in part, of any poisonous or deleterious substance that may render the contents injurious to health;

(4) it contains any color additives or excipients that have been found by the United States Food and Drug Administration to be unsafe for human or animal consumption; or

(5) it contains an amount or percentage of cannabidiol that is different than the amount or percentage stated on the label.

(f) A product sold under this section is a misbranded drug if:

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

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

(3) its labeling makes any claim that the product may be used or is effective for the prevention, treatment, or cure of a disease or that it may be used to alter the structure or function of human or animal bodies, unless the claim has been approved by the United States Food and Drug Administration.

(g) No person who sells a product regulated under this section may make a false, misleading, or unsubstantiated claim concerning the health benefits of the product.

(h) The authority of the Board of Pharmacy to issue cease and desist orders under section 151.06, to embargo misbranded and adulterated drugs under section 151.38, and to seek injunctive relief under section 214.11, extends to violations of this section."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Jensen moved to amend the Bigham amendment to H.F. No. 2414 as follows:

Page 2, line 22, delete "a" and delete "drug"

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the Bigham amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Senator Kiffmeyer moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 78, after line 20, insert:

"Sec. 5. Minnesota Statutes 2018, section 124D.142, is amended to read:

**124D.142 QUALITY RATING AND IMPROVEMENT SYSTEM.**

Subdivision 1. Establishment. (a) There is established a quality rating and improvement system (QRIS) framework to ensure that Minnesota's children have access to high-quality early learning and care programs in a range of settings so that they are fully ready for kindergarten by 2020. Creation of a standards-based voluntary quality rating and improvement system includes:

(1) quality opportunities in order to improve the educational outcomes of children so that they are ready for school. The framework shall be based on the Minnesota quality rating system rating tool and a common set of child outcome and program standards and informed by evaluation results;

(2) a tool to increase the number of publicly funded and regulated early learning and care services in both public and private market programs that are high quality. If a program or provider chooses to participate, the program or provider will be rated and may receive public funding associated with the rating. The state shall develop a plan to link future early learning and care state funding to the framework in a manner that complies with federal requirements; and

(3) tracking progress toward statewide access to high-quality early learning and care programs, progress toward the number of low-income children whose parents can access quality programs, and progress toward increasing the number of children who are fully prepared to enter kindergarten.

(b) In planning a statewide quality rating and improvement system framework in paragraph (a), the state shall use evaluation results of the Minnesota quality rating system rating tool in use in fiscal year 2008 to recommend:

(1) a framework of a common set of child outcome and program standards for a voluntary statewide quality rating and improvement system;

(2) a plan to link future funding to the framework described in paragraph (a), clause (2); and

(3) a plan for how the state will realign existing state and federal administrative resources to implement the voluntary quality rating and improvement system framework. The state shall provide the recommendation in this paragraph to the early childhood education finance committees of the legislature by March 15, 2011.

(c) Prior to the creation of a statewide quality rating and improvement system in paragraph (a), the state shall employ the Minnesota quality rating system rating tool in use in fiscal year 2008 in the original Minnesota Early Learning Foundation pilot areas and additional pilot areas supported by private or public funds with its modification as a result of the evaluation results of the pilot project.

Subd. 2. Ratings. (a) All providers that choose to participate in the quality rating and improvement system shall be rated through a formal process that evaluates a common set of child

outcome and program standards. No provider shall receive a rating without being evaluated through the formal rating process.

(b) Providers that are determined to be responsible for one or more maltreatment determinations shall not be eligible for a rating for two years from the date of the most recent maltreatment determination.

(c) Failure to comply with licensing requirements for completing training and background studies may result in a one-star reduction of a provider's rating.

(d) Failure to comply with technical requirements that do not affect the quality of care or early learning programming shall not reduce a provider's rating."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Nelson moved to amend the Kiffmeyer amendment to H.F. No. 2414 as follows:

Page 2, delete lines 14 to 16

Page 2, line 17, delete "(c)" and insert "(b)"

Page 2, line 19, delete "(d)" and insert "(c)"

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the Kiffmeyer amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Senator Kiffmeyer moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 87, line 5, before the period, insert ". Any publicly published fix-it ticket shall identify the federal law requiring publication"

Page 95, line 18, strike everything after the period

Page 95, strike lines 19 and 20

Page 96, line 4, strike everything after "completed"

Page 96, line 5, strike the old language and delete the new language

Page 96, delete line 6

Page 96, line 7, delete the new language and strike the old language

Page 96, strike lines 8 to 10

Page 96, line 11, strike everything before the period and insert "as part of the annual refresher training course under subdivision 12"

Page 98, line 30, delete the second "and" and after "(3)" insert "sudden unexpected infant death and abusive head trauma; and (4)"

Page 99, line 12, before the period, insert ", and background study requirements under this chapter"

Page 100, line 6, strike the old language

Page 100, line 7, reinstate the period

Page 100, after line 7, insert:

"Sec. 28. [245A.52] FAMILY CHILD CARE SUBSTITUTE CAREGIVERS.

The use of a substitute caregiver must be limited to a cumulative total of 720 hours in any 12-month period."

Page 100, line 10, delete "child care providers, including"

Page 100, line 12, delete "must" and insert "shall meet the qualifications in subdivision 7, and shall"

Page 100, line 13, delete "two" and insert "six"

Page 101, line 26, before the period insert "as a family child care provider"

Page 101, line 30, after "by" insert "the child care licensing division of"

Page 117, delete section 44

Page 118, line 2, delete "14" and insert "18"

Page 118, after line 11, insert:

"(5) two members from the house of representatives, including one appointed by the speaker of the house of representatives, and one appointed by the minority leader;

(6) two members from the senate, including one appointed by the senate majority leader, and one appointed by the senate minority leader;"

Page 118, line 12, delete "(5)" and insert "(7)"

Page 118, line 15, delete "(6)" and insert "(8)"

Page 118, line 18, delete "(7)" and insert "(9)"

Page 118, line 19, delete "(8)" and insert "(10)"

Page 118, line 30, delete "and"

Page 119, line 2, delete the period and insert "and"

Page 119, after line 2, insert:

"(4) review proposed legislation from the revisor of statutes that would codify as statutes Minnesota Rules, chapters 9502 and 9503, and recodify Minnesota Statutes, chapter 245A."

Page 119, line 29, delete "and"

Page 119, after line 29, insert:

"(4) the task force's opinion of and any suggested revisions to the proposed legislation from the revisor of statutes described in subdivision 3, clause (4); and"

Page 119, line 30, delete "(4)" and insert "(5)"

Page 120, line 27, delete "a courtesy copy of"

Page 120, line 28, after "to" insert "the chairs and ranking minority members of the legislative committees with jurisdiction over child care," and before the period, insert ", and the Family Child Care Task Force, by February 15, 2020"

Page 121, line 6, delete "a courtesy copy of"

Page 121, line 7, after "to" insert "the chairs and ranking minority members of the legislative committees with jurisdiction over child care," and before the period, insert ", and the Family Child Care Task Force, by February 15, 2020"

Page 121, line 15, after the period, insert "The revisor of statutes shall provide the proposed legislation to the chairs and ranking minority members of the legislative committees with jurisdiction over child care, the chief authors in the house of representatives and senate of this act, and the Family Child Care Task Force, by February 15, 2020."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Hoffman moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 237, after line 16, insert:

**"Sec. 72. DIRECTION TO THE COMMISSIONERS OF HUMAN SERVICES, EDUCATION, AND EMPLOYMENT AND ECONOMIC DEVELOPMENT; PLAN FOR SUPPORTED EMPLOYMENT."**



The commissioners of human services, education, and employment and economic development, along with local education agencies, must assist persons with disabilities who are between the ages of 14 and 24 to maximize their opportunities to achieve competitive integrated employment through services provided by Vocational Rehabilitation Services and local educational agencies and funded under Title I and Title VI, Part B of the Rehabilitation Act. The agencies must have a coordinated plan to expand employment options for participants with the most significant disabilities, including mental illness, for whom competitive employment has not traditionally occurred or for whom competitive employment has been interrupted or intermittent as a result of the severity of the individual's disability, but who have:

- (1) the ability or potential to engage in a training program leading to supported employment;
- (2) a need for intensive ongoing support services or extended services in order to perform competitive work; and
- (3) the ability to work in a supported employment setting.

This plan shall not include short-term job coaching and other related services for persons who do not require supported employment services to enter or retain competitive employment."

Renumber the sections in sequence and correct the internal references

The motion prevailed. So the amendment was adopted.

Senator Hayden moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 115, delete section 40

Page 120, delete section 48

Page 121, delete lines 17 to 33

Page 122, delete lines 1 to 3

Page 122, line 4, delete "(c)"

Page 282, delete section 25 and insert:

"Sec. 25. **REPEALER.**

(a) Minnesota Statutes 2018, section 256B.0625, subdivision 31c, is repealed.

(b) Laws 2011, First Special Session chapter 9, article 6, section 97, subdivision 6, is repealed.

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

Page 377, after line 25, insert:

**"Appropriation.** \$112,523,000 is appropriated in fiscal year 2021 from the general fund to the commissioner of human services for the MFIP/DWP child care assistance under Minnesota Statutes, section 19B.05. The base for this appropriation is \$117,757,000 in fiscal year 2022 and \$123,076,000 in fiscal year 2023."

Page 379, after line 25, insert:

**"Appropriation.** \$53,639,000 is appropriated in fiscal year 2021 from the general fund to the commissioner of human services for basic sliding fee child care assistance grants under Minnesota Statutes, section 119B.03."

Page 398, delete lines 26 to 34

Page 399, line 1, delete "(d)" and insert "(b)"

Correct the subdivision and section totals and the appropriations by fund

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 35, as follows:

Those who voted in the affirmative were:

|            |          |          |           |            |
|------------|----------|----------|-----------|------------|
| Bakk       | Dibble   | Hayden   | Little    | Torres Ray |
| Bigham     | Dziedzic | Hoffman  | Marty     | Wiger      |
| Carlson    | Eaton    | Isaacson | Newton    | Wiklund    |
| Champion   | Eken     | Kent     | Rest      |            |
| Clausen    | Franzen  | Klein    | Simonson  |            |
| Cohen      | Frentz   | Laine    | Sparks    |            |
| Cwodzinski | Hawj     | Latz     | Tomassoni |            |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Senjem  |
| Chamberlain  | Housley      | Koran     | Osmeck  | Utke    |
| Dahms        | Howe         | Lang      | Pratt   | Weber   |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  | Westrom |

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

Senator Rosen moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 284, after line 30, insert:

"(b) "Biosimilar" means a drug that is produced or distributed pursuant to a biologics license application approved under United States Code, title 42, section 262(K)(3).

(c) "Brand name drug" means a drug that is produced or distributed pursuant to:

(1) an original, new drug application approved under United States Code, title 21, section 355(c), except for a generic drug as defined under Code of Federal Regulations, title 42, section 447.502;  
or

(2) a biologics license application approved under United States Code, title 45, section 262(a)(c),"

Page 284, line 31, delete "(b)" and insert "(d)"

Page 284, after line 31, insert:

"(e) "Generic drug" means a drug that is marketed or distributed pursuant to:

(1) an abbreviated new drug application approved under United States Code, title 21, section 355(j);

(2) an authorized generic as defined under Code of Federal Regulations, title 45, section 447.502;  
or

(3) a drug that entered the market the year before 1962 and was not originally marketed under a new drug application."

Page 285, line 1, delete "(c)" and insert "(f)"

Page 285, line 2, delete "(d)" and insert "(g)" and before "means" insert "or "new drug""

Page 285, line 5, delete "(e)" and insert "(h)"

Page 285, line 9, delete "(f)" and insert "(i)"

Page 285, line 11, delete "(g)" and insert "(j)"

Page 285, line 18, after "(2)" insert "for brand name drugs,"

Page 285, line 19, before the period, insert ", and for generic drugs, there was a net increase of 100 percent or greater in the price over the previous 12-month period"

Page 285, line 22, after "information" insert ", if applicable"

Page 286, line 12, after "(12)" insert "if a brand name prescription drug,"

Page 286, line 19, delete everything after "generic" and insert "or biosimilar drug with a price that is greater than \$500 for a 30-day supply and is not at least 15 percent lower than the referenced brand name drug when the generic or biosimilar drug is launched."

Page 286, line 20, delete "supply,"

Page 286, line 21, after "information" insert ", if applicable"

Page 287, line 8, after "information" insert ", if applicable"

The motion prevailed. So the amendment was adopted.

Senator Klein moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 171, delete section 12

Page 172, delete section 13

Page 193, delete section 30

Page 194, delete section 32

Page 222, line 5, delete the new language

Page 222, lines 6 and 7, delete the new language and reinstate the stricken language

Page 222, delete line 8

Page 222, line 9, delete the new language

Page 222, delete section 49

Page 235, delete sections 66 to 68

Page 282, delete section 25 and insert:

"Sec. 25. **REPEALER.**

(a) Minnesota Statutes 2018, section 256B.0625, subdivision 31c, is repealed.

(b) Laws 2011, First Special Session chapter 9, article 6, section 97, subdivision 6, is repealed.

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

Page 398, delete lines 26 to 34

Page 399, line 1, delete "(d)" and insert "(b)"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 35, as follows:

Those who voted in the affirmative were:

|          |            |          |        |            |
|----------|------------|----------|--------|------------|
| Bakk     | Cwodzinski | Frentz   | Klein  | Simonson   |
| Bigham   | Dibble     | Hawj     | Laine  | Sparks     |
| Carlson  | Dziedzic   | Hayden   | Latz   | Tomassoni  |
| Champion | Eaton      | Hoffman  | Little | Torres Ray |
| Clausen  | Eken       | Isaacson | Marty  | Wiger      |
| Cohen    | Franzen    | Kent     | Newton | Wiklund    |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Senjem  |
| Chamberlain  | Housley      | Koran     | Osmek   | Utke    |
| Dahms        | Howe         | Lang      | Pratt   | Weber   |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  | Westrom |

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

Senator Draheim moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 358, after line 13, insert:

"Sec. 2. Minnesota Statutes 2018, section 62A.65, subdivision 2, is amended to read:

Subd. 2. **Preexisting condition protection; guaranteed issue and renewal.** (a) No individual health plan may be offered, sold, issued, or renewed to a Minnesota resident unless the health plan provides that the plan is guaranteed issued and is guaranteed renewable at a premium rate that does not take into account the claims experience or any change in the health status of any covered person that occurred after the initial issuance of the health plan to the person. The premium rate upon renewal must also otherwise comply with this section. A health carrier must not refuse to renew an individual health plan, except for nonpayment of premiums, fraud, or misrepresentation, or as otherwise provided in paragraph (b).

(b) A health carrier may close product offerings that cover less than 50 individuals in total, provided that the carrier offers to each covered individual, on a guaranteed issue basis, the option to purchase another individual health plan currently being offered by the health carrier."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Draheim moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 293, line 27, after the period, insert "The itemized description of billed charges must include a notation for each drug dispensed to the patient, the charge for which was increased by five percent or more over the hospital's acquisition cost, and must indicate the total percent increase."

The motion prevailed. So the amendment was adopted.

Senator Eaton moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 264, delete section 9

Page 266, delete section 10

Page 282, delete section 25 and insert:

"Sec. 25. **REPEALER.**

(a) Minnesota Statutes 2018, section 256B.0625, subdivision 31c, is repealed.

(b) Laws 2011, First Special Session chapter 9, article 6, section 97, subdivision 6, is repealed.

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

Page 398, delete lines 26 to 34

Page 399, line 1, delete "(d)" and insert "(b)"

Correct the subdivision and section totals and the appropriations by fund

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Benson moved to amend the Eaton amendment to H.F. No. 2414 as follows:

Page 1, after line 10, insert:

"(c) Minnesota Statutes 2018, section 295.52, subdivisions 1 and 1a, are repealed."

Amend the title accordingly

The question was taken on the adoption of the Benson amendment to the Eaton amendment.

The roll was called, and there were yeas 35 and nays 29, as follows:

Those who voted in the affirmative were:

|              |             |         |              |           |
|--------------|-------------|---------|--------------|-----------|
| Abeler       | Chamberlain | Gazelka | Howe         | Johnson   |
| Anderson, B. | Dahms       | Goggin  | Ingebrigtsen | Kiffmeyer |
| Anderson, P. | Draheim     | Hall    | Jasinski     | Koran     |
| Benson       | Eichorn     | Housley | Jensen       | Lang      |

|         |        |        |        |         |
|---------|--------|--------|--------|---------|
| Limmer  | Nelson | Pratt  | Rosen  | Utke    |
| Mathews | Newman | Rarick | Ruud   | Weber   |
| Miller  | Osmek  | Relph  | Senjem | Westrom |

Those who voted in the negative were:

|          |            |          |          |            |
|----------|------------|----------|----------|------------|
| Bakk     | Cwodzinski | Frentz   | Laine    | Sparks     |
| Bigham   | Dibble     | Hawj     | Latz     | Tomassoni  |
| Carlson  | Dziedzic   | Hayden   | Little   | Torres Ray |
| Champion | Eaton      | Hoffman  | Marty    | Wiger      |
| Clausen  | Eken       | Isaacson | Newton   | Wiklund    |
| Cohen    | Franzen    | Kent     | Simonson |            |

The motion prevailed. So the amendment to the amendment was adopted.

Senator Benson moved to amend the Eaton amendment to H.F. No. 2414 as follows:

Page 1, after line 10, insert:

"(c) Minnesota Statutes 2018, section 295.52, subdivision 2, is repealed."

The question was taken on the adoption of the Benson amendment to the Eaton amendment.

The roll was called, and there were yeas 35 and nays 30, as follows:

Those who voted in the affirmative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Relph   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Rosen   |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Ruud    |
| Benson       | Hall         | Kiffmeyer | Newman  | Senjem  |
| Chamberlain  | Housley      | Koran     | Osmek   | Utke    |
| Dahms        | Howe         | Lang      | Pratt   | Weber   |
| Draheim      | Ingebrigtsen | Limmer    | Rarick  | Westrom |

Those who voted in the negative were:

|          |            |          |        |            |
|----------|------------|----------|--------|------------|
| Bakk     | Cwodzinski | Frentz   | Klein  | Simonson   |
| Bigham   | Dibble     | Hawj     | Laine  | Sparks     |
| Carlson  | Dziedzic   | Hayden   | Latz   | Tomassoni  |
| Champion | Eaton      | Hoffman  | Little | Torres Ray |
| Clausen  | Eken       | Isaacson | Marty  | Wiger      |
| Cohen    | Franzen    | Kent     | Newton | Wiklund    |

The motion prevailed. So the amendment to the amendment was adopted.

Senator Eaton withdrew her amendment.

Senator Jensen moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 338, after line 23, insert:

**"Sec. 61. TARGETED GRANT PROGRAM TO ADDRESS OUTBREAKS OF VACCINE-PREVENTABLE DISEASES.**

Subdivision 1. **Grant program established.** The commissioner of health shall provide two-year targeted grants to community health boards as defined in Minnesota Statutes, section 145A.02, subdivision 5, to fund immunization-related activities to address outbreaks of vaccine-preventable diseases and lower the risk of outbreaks of vaccine-preventable diseases in communities with low immunization rates. Community health boards must use grant funds to provide immunization information and education and engage in immunization awareness and support activities within populations or geographic areas that are experiencing or are at risk of experiencing an outbreak of a vaccine-preventable disease.

Subd. 2. **Application.** Community health boards seeking a grant under this section shall apply to the commissioner in a form and manner and according to timelines established by the commissioner. The application must include a complete description of the immunization-related activities the applicant proposes, the geographic area or population to be served, the amount of funding sought, and a proposed budget detailing how the funds will be spent.

Subd. 3. **Information and education materials; content.** (a) The commissioner must develop and provide grant recipients with culturally competent information and educational materials on immunizations, based on materials available from the Centers for Disease Control and Prevention or the Institute of Vaccine Safety at Johns Hopkins Bloomberg School of Public Health. The information and educational materials must be available in the primary languages of the populations experiencing or at risk of experiencing a vaccine-preventable disease outbreak and must include:

- (1) the benefits and risks of immunizations to individuals and communities;
- (2) indications and contraindications of immunizations;
- (3) the recommended schedules of immunizations for children, adolescents, and adults;
- (4) programs that provide free or reduced-cost immunizations to eligible individuals; and

(5) health clinics, health care providers, and other locations at which individuals may obtain immunizations.

(b) The grant funds may also be used to provide information to providers to encourage the provider to submit the vaccine adverse events report system (VAERS) report as required under federal law.

Subd. 4. **Workgroup.** The commissioner shall convene a workgroup to study and develop recommendations on offering vaccines separately rather than bundled and on adjusting the schedule of vaccine administration based on patient conditions and circumstances."

Page 394, after line 3, insert:

"(o) **Vaccine-Preventable Diseases Grants.** \$50,000 in fiscal year 2020 and \$50,000 in fiscal year 2021 are from the general fund for the vaccine-preventable diseases grant program under article 9, section 61. This is a onetime appropriation.



(p) **Base Level Reduction.** The general fund base for the statewide health improvement program is reduced by \$50,000 in fiscal year 2020 and by \$50,000 in fiscal year 2021. This is a onetime reduction."

Page 394, line 4, delete "(n)" and insert "(p)"

Correct the subdivision and section totals and the appropriations by fund

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Franzen moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 282, delete section 1

Page 308, delete section 25

Page 310, delete section 26

Page 311, delete section 27

Page 312, delete section 28

Page 313, delete sections 29 and 30

Page 314, delete section 31

Page 315, delete section 32

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

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

Senator Nelson moved to amend the fifth Benson amendment to H.F. No. 2414, adopted by the Senate April 30, 2019, as follows:

Page 4, after line 11, insert:

"Subd. 4. **Exclusion.** This section does not include biosimilars produced or distributed pursuant to a biologics license application, approved under United States Code, title 42, section 262(k)(3)."

The motion prevailed. So the amendment was adopted.

Senator Latz moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 248, after line 8, insert:

"Sec. 7. Minnesota Statutes 2018, section 245C.10, is amended by adding a subdivision to read:

Subd. 14. **Guardians and conservators.** The commissioner shall recover the cost of conducting background studies for guardians and conservators under section 524.5-118 through a fee of no more than \$110 per study. The fees collected under this subdivision are appropriated to the commissioner for the purpose of conducting background studies.

**EFFECTIVE DATE.** This section is effective January 1, 2020."

Page 250, after line 30, insert:

"Sec. 10. Minnesota Statutes 2018, section 245C.32, subdivision 2, is amended to read:

Subd. 2. **Use.** (a) The commissioner may also use these systems and records to obtain and provide criminal history data from the Bureau of Criminal Apprehension, criminal history data held by the commissioner, and data about substantiated maltreatment under section 626.556 or 626.557, for other purposes, provided that:

(1) the background study is specifically authorized in statute; or

(2) the request is made with the informed consent of the subject of the study as provided in section 13.05, subdivision 4.

(b) An individual making a request under paragraph (a), clause (2), must agree in writing not to disclose the data to any other individual without the consent of the subject of the data.

(c) The commissioner may recover the cost of obtaining and providing background study data by charging the individual or entity requesting the study a fee of no more than \$20 per study. The fees collected under this paragraph are appropriated to the commissioner for the purpose of conducting background studies.

~~(d) The commissioner shall recover the cost of obtaining background study data required under section 524.5-118 through a fee of \$50 per study for an individual who has not lived outside Minnesota for the past ten years, and a fee of \$100 for an individual who has resided outside of Minnesota for any period during the ten years preceding the background study. The commissioner shall recover, from the individual, any additional fees charged by other states' licensing agencies that are associated with these data requests. Fees under subdivision 3 also apply when criminal history data from the National Criminal Records Repository is required.~~

**EFFECTIVE DATE.** This section is effective January 1, 2020."

Page 256, after line 9, insert:

"Sec. 15. Minnesota Statutes 2018, section 524.5-118, is amended to read:

**524.5-118 BACKGROUND STUDY.**

Subdivision 1. **When required; exception.** (a) The court shall require a background study under this section:

(1) before the appointment of a guardian or conservator, unless a background study has been done on the person under this section within the previous ~~two~~ five years; and

(2) once every ~~two~~ five years after the appointment, if the person continues to serve as a guardian or conservator.

(b) The background study must include:

(1) criminal history data from the Bureau of Criminal Apprehension, other criminal history data held by the commissioner of human services, and data regarding whether the person has been a perpetrator of substantiated maltreatment of a vulnerable adult or minor;

(2) criminal history data from ~~the National Criminal Records Repository if the proposed guardian or conservator has not resided in Minnesota for the previous ten years or if the Bureau of Criminal Apprehension information received from the commissioner of human services under subdivision 2, paragraph (b), indicates that the subject is a multistate offender or that the individual's multistate offender status is undetermined~~ a national criminal history record check as defined in section 245C.02, subdivision 13c; and

(3) state licensing agency data if a search of the database or databases of the agencies listed in subdivision 2a shows that the proposed guardian or conservator has ever held a professional license directly related to the responsibilities of a professional fiduciary from an agency listed in subdivision 2a that was conditioned, suspended, revoked, or canceled.

(c) If the guardian or conservator is not an individual, the background study must be done on all individuals currently employed by the proposed guardian or conservator who will be responsible for exercising powers and duties under the guardianship or conservatorship.

(d) If the court determines that it would be in the best interests of the ward or protected person to appoint a guardian or conservator before the background study can be completed, the court may make the appointment pending the results of the study, however, the background study must then be completed as soon as reasonably possible after appointment, no later than 30 days after appointment.

(e) The fee for background studies conducted under this section is specified in section 245C.10, subdivision 14. The fee for conducting a background study for appointment of a professional guardian or conservator must be paid by the guardian or conservator. In other cases, the fee must be paid as follows:

(1) if the matter is proceeding in forma pauperis, the fee is an expense for purposes of section 524.5-502, paragraph (a);

(2) if there is an estate of the ward or protected person, the fee must be paid from the estate; or

(3) in the case of a guardianship or conservatorship of the person that is not proceeding in forma pauperis, the court may order that the fee be paid by the guardian or conservator or by the court.

(f) The requirements of this subdivision do not apply if the guardian or conservator is:

(1) a state agency or county;

(2) a parent or guardian of a proposed ward or protected person who has a developmental disability, if the parent or guardian has raised the proposed ward or protected person in the family home until the time the petition is filed, unless counsel appointed for the proposed ward or protected person under section 524.5-205, paragraph (d); 524.5-304, paragraph (b); 524.5-405, paragraph (a); or 524.5-406, paragraph (b), recommends a background study; or

(3) a bank with trust powers, bank and trust company, or trust company, organized under the laws of any state or of the United States and which is regulated by the commissioner of commerce or a federal regulator.

**Subd. 2. Procedure; criminal history and maltreatment records background check.** (a) The court shall request the commissioner of human services to complete a background study under section 245C.32. The request must be accompanied by the applicable fee and ~~the signed consent of the subject of the study authorizing the release of the data obtained to the court. If the court is requesting a search of the National Criminal Records Repository, the request must be accompanied by acknowledgment that the study subject received a privacy notice required under subdivision 3.~~ The commissioner of human services shall conduct a national criminal history record check. The study subject shall submit a set of classifiable fingerprints of the subject of the study. The fingerprints must be recorded on a fingerprint card provided by the commissioner of human services.

(b) The commissioner of human services shall provide the court with criminal history data as defined in section 13.87 from the Bureau of Criminal Apprehension in the Department of Public Safety, other criminal history data held by the commissioner of human services, ~~and data regarding substantiated maltreatment of vulnerable adults under section 626.557 and substantiated maltreatment of minors under section 626.556, and criminal history information from other states or jurisdictions as indicated from a national criminal history record check within 15 20~~ working days of receipt of a request. If the subject of the study has been the perpetrator of substantiated maltreatment of a vulnerable adult or minor, the response must include a copy of the public portion of the investigation memorandum under section 626.557, subdivision 12b, or the public portion of the investigation memorandum under section 626.556, subdivision 10f. If the court did not request a search of the National Criminal Records Repository and information from the Bureau of Criminal Apprehension indicates that the subject is a multistate offender or that multistate offender status is undetermined, the response must include this information. The commissioner shall provide the court with information from the National Criminal Records Repository within three working days of the commissioner's receipt of the data. The commissioner shall provide the court with information from a review of information according to subdivision 2a if the study subject provided information indicating current or prior affiliation with a state licensing agency.

(c) Notwithstanding section 626.557, subdivision 12b, or 626.556, subdivision 10f, if the commissioner of human services or a county lead agency or lead investigative agency has information that a person on whom a background study was previously done under this section has been

determined to be a perpetrator of maltreatment of a vulnerable adult or minor, the commissioner or the county may provide this information to the court that requested the background study. The commissioner may also provide the court with additional criminal history or substantiated maltreatment information that becomes available after the background study is done.

Subd. 2a. **Procedure; state licensing agency data.** (a) The court shall request the commissioner of human services to provide the court within 25 working days of receipt of the request with licensing agency data for licenses directly related to the responsibilities of a professional fiduciary if the study subject indicates current or prior affiliation from the following agencies in Minnesota:

- (1) Lawyers Responsibility Board;
- (2) State Board of Accountancy;
- (3) Board of Social Work;
- (4) Board of Psychology;
- (5) Board of Nursing;
- (6) Board of Medical Practice;
- (7) Department of Education;
- (8) Department of Commerce;
- (9) Board of Chiropractic Examiners;
- (10) Board of Dentistry;
- (11) Board of Marriage and Family Therapy;
- (12) Department of Human Services; ~~and~~
- (13) Peace Officer Standards and Training (POST) Board; and
- (14) Professional Educator Licensing and Standards Board.

(b) The commissioner shall enter into agreements with these agencies to provide for the commissioner with electronic access to the relevant licensing data by the commissioner, and to provide the commissioner with a quarterly list of new sanctions issued by the agency.

(c) The commissioner shall provide to the court the electronically available data maintained in the agency's database, including whether the proposed guardian or conservator is or has been licensed by the agency, and if the licensing agency database indicates a disciplinary action or a sanction against the individual's license, including a condition, suspension, revocation, or cancellation.

(d) If the proposed guardian or conservator has resided in a state other than Minnesota in the previous ten years, licensing agency data under this section shall also include the licensing agency data from any other state where the proposed guardian or conservator reported to have resided during the previous ten years if the study subject indicates current or prior affiliation. If the proposed

guardian or conservator has or has had a professional license in another state that is directly related to the responsibilities of a professional fiduciary from one of the agencies listed under paragraph (a), state licensing agency data shall also include data from the relevant licensing agency of that state.

(e) The commissioner is not required to repeat a search for Minnesota or out-of-state licensing data on an individual if the commissioner has provided this information to the court within the prior ~~two~~ five years.

(f) If an individual has continuously resided in Minnesota since a previous background study under this section was completed, the commissioner is not required to repeat a search for records in another state.

(g) The commissioner shall review the information in paragraph (c) at least once every four months to determine if an individual who has been studied within the previous five years:

(1) has new disciplinary action or sanction against the individual's license; or

(2) did not disclose a prior or current affiliation with a Minnesota licensing agency.

(h) If the commissioner's review in paragraph (g) identifies new information, the commissioner shall provide any new information to the court.

Subd. 3. ~~**Form Forms and systems.** The court must provide the study subject with a privacy notice that complies with section 245C.05, subdivision 2c. The commissioner of human services shall develop a form to be used for requesting use the NETStudy 2.0 system to conduct a background study under this section, which must include:~~

~~(1) a notification to the subject of the study that the court will request the commissioner to perform a background study under this section;~~

~~(2) a notification to the subject of the rights in subdivision 4; and~~

~~(3) a signed consent to conduct the background study.~~

Subd. 4. **Rights.** The court shall notify the subject of a background study that the subject has the following rights:

(1) the right to be informed that the court will request a background study on the subject for the purpose of determining whether the person's appointment or continued appointment is in the best interests of the ward or protected person;

(2) the right to be informed of the results of the study and to obtain from the court a copy of the results; and

(3) the right to challenge the accuracy and completeness of information contained in the results under section 13.04, subdivision 4, except to the extent precluded by section 256.045, subdivision 3.

**EFFECTIVE DATE.** This section is effective January 1, 2020."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Dibble moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 264, after line 3, insert:

"Sec. 8. Minnesota Statutes 2018, section 256B.0625, is amended by adding a subdivision to read:

Subd. 5m. **Conversion therapy.** Conversion therapy, as defined in section 214.078, is not covered."

Page 356, after line 19, insert:

"Sec. 13. **[214.078] PROTECTION FROM CONVERSION THERAPY.**

Subdivision 1. **Definition.** "Conversion therapy" means any practice by a mental health practitioner or mental health professional as defined in section 245.462 that seeks to change an individual's sexual orientation or gender identity, including efforts to change behaviors or gender expressions or to eliminate or reduce sexual or romantic attractions or feelings toward individuals of the same gender. Conversion therapy does not include counseling that provides assistance to an individual undergoing gender transition, or counseling that provides acceptance, support, and understanding of an individual or facilitates an individual's coping, social support, and identity exploration and development, including sexual-orientation-neutral interventions to prevent or address unlawful conduct or unsafe sexual practices, as long as the counseling does not seek to change an individual's sexual orientation or gender identity.

Subd. 2. **Prohibition.** (a) No mental health practitioner or mental health professional shall engage in conversion therapy with a client younger than 18 years of age or with a vulnerable adult as defined in section 626.5572, subdivision 21.

(b) Conversion therapy attempted by a mental health practitioner or mental health professional with a client younger than 18 years of age or with vulnerable adults shall be considered unprofessional conduct and the mental health practitioner or mental health professional may be subject to disciplinary action by the licensing board of the mental health practitioner or mental health professional.

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

Page 364, after line 2, insert:

"Sec. 7. Minnesota Statutes 2018, section 325F.69, is amended by adding a subdivision to read:

Subd. 7. **Advertisement and sales; misrepresentation of conversion therapy.** No person or entity shall, while conducting any trade or commerce, use or employ any fraud, false pretense, false promise, false guarantee, misrepresentation, false or misleading statements, or deceptive practice when advertising or otherwise offering conversion therapy services. For purposes of this subdivision, "conversion therapy" means services or products that are intended to change an individual's sexual orientation or gender identity, including efforts to change behaviors and gender expressions or to eliminate or reduce sexual or romantic attractions or feelings toward individuals of the same gender."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 34, as follows:

Those who voted in the affirmative were:

|          |            |          |        |            |
|----------|------------|----------|--------|------------|
| Bakk     | Cwodzinski | Frentz   | Klein  | Simonson   |
| Bigham   | Dibble     | Hawj     | Laine  | Sparks     |
| Carlson  | Dziedzic   | Hayden   | Latz   | Tomassoni  |
| Champion | Eaton      | Hoffman  | Little | Torres Ray |
| Clausen  | Eken       | Isaacson | Marty  | Wiger      |
| Cohen    | Franzen    | Kent     | Newton | Wiklund    |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Rosen   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Ruud    |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Senjem  |
| Benson       | Hall         | Kiffmeyer | Newman  | Utke    |
| Chamberlain  | Housley      | Koran     | Pratt   | Weber   |
| Dahms        | Howe         | Lang      | Rarick  | Westrom |
| Draheim      | Ingebrigtsen | Limmer    | Relph   |         |

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

Senator Marty moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 358, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 2018, section 62D.02, subdivision 4, is amended to read:

**Subd. 4. Health maintenance organization.** "Health maintenance organization" means a ~~foreign or domestic~~ nonprofit corporation organized under chapter 317A, or a local governmental unit as defined in subdivision 11, controlled and operated as provided in sections 62D.01 to 62D.30, which provides, either directly or through arrangements with providers or other persons, comprehensive health maintenance services, or arranges for the provision of these services, to enrollees on the basis of a fixed prepaid sum without regard to the frequency or extent of services furnished to any particular enrollee.



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

Sec. 3. Minnesota Statutes 2018, section 62D.03, subdivision 1, is amended to read:

Subdivision 1. **Certificate of authority required.** Notwithstanding any law of this state to the contrary, any ~~foreign or domestic~~ nonprofit corporation organized to do so or a local governmental unit may apply to the commissioner of health for a certificate of authority to establish and operate a health maintenance organization in compliance with sections 62D.01 to 62D.30. No person shall establish or operate a health maintenance organization in this state, nor sell or offer to sell, or solicit offers to purchase or receive advance or periodic consideration in conjunction with a health maintenance organization or health maintenance contract unless the organization has a certificate of authority under sections 62D.01 to 62D.30.

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

Sec. 4. Minnesota Statutes 2018, section 62D.05, subdivision 1, is amended to read:

Subdivision 1. **Authority granted.** Any nonprofit corporation or local governmental unit may, upon obtaining a certificate of authority as required in sections 62D.01 to 62D.30, operate as a health maintenance organization.

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

Sec. 5. Minnesota Statutes 2018, section 62D.06, subdivision 1, is amended to read:

Subdivision 1. **Governing body composition; enrollee advisory body.** The governing body of any health maintenance organization which is a nonprofit corporation may include enrollees, providers, or other individuals; provided, however, that after a health maintenance organization which is a nonprofit corporation has been authorized under sections 62D.01 to 62D.30 for one year, at least 40 percent of the governing body shall be composed of enrollees and members elected by the enrollees and members from among the enrollees and members. For purposes of this section, "member" means a consumer who receives health care services through a self-insured contract that is administered by the health maintenance organization or its related third-party administrator. The number of members elected to the governing body shall not exceed the number of enrollees elected to the governing body. An enrollee or member elected to the governing board may not be a person:

(1) whose occupation involves, or before retirement involved, the administration of health activities or the provision of health services;

(2) who is or was employed by a health care facility as a licensed health professional; or

(3) who has or had a direct substantial financial or managerial interest in the rendering of a health service, other than the payment of a reasonable expense reimbursement or compensation as a member of the board of a health maintenance organization.

After a health maintenance organization which is a local governmental unit has been authorized under sections 62D.01 to 62D.30 for one year, an enrollee advisory body shall be established. The enrollees who make up this advisory body shall be elected by the enrollees from among the enrollees.

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

Sec. 6. Minnesota Statutes 2018, section 62D.12, is amended by adding a subdivision to read:

Subd. 8a. **Net earnings.** All net earnings of the health maintenance organization shall be devoted to the nonprofit purposes of the health maintenance organization in providing comprehensive health care. No health maintenance organization shall provide for the payment, whether directly or indirectly, of any part of its net earnings to any person as a dividend or rebate, provided, however, that health maintenance organizations may make payments to providers or other persons based upon the efficient provision of services or as incentives to provide quality care. The commissioner of health shall, pursuant to sections 62D.01 to 62D.30, revoke the certificate of authority of any health maintenance organization in violation of this subdivision.

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

Sec. 7. Minnesota Statutes 2018, section 62D.19, is amended to read:

**62D.19 UNREASONABLE EXPENSES.**

No health maintenance organization shall incur or pay for any expense of any nature which is unreasonably high in relation to the value of the service or goods provided. The commissioner of health shall implement and enforce this section by rules adopted under this section.

In an effort to achieve the stated purposes of sections 62D.01 to 62D.30, in order to safeguard the underlying nonprofit status of health maintenance organizations, and to ensure that the payment of health maintenance organization money to major participating entities results in a corresponding benefit to the health maintenance organization and its enrollees, when determining whether an organization has incurred an unreasonable expense in relation to a major participating entity, due consideration shall be given to, in addition to any other appropriate factors, whether the officers and trustees of the health maintenance organization have acted with good faith and in the best interests of the health maintenance organization in entering into, and performing under, a contract under which the health maintenance organization has incurred an expense. The commissioner has standing to sue, on behalf of a health maintenance organization, officers or trustees of the health maintenance organization who have breached their fiduciary duty in entering into and performing such contracts.

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

Sec. 8. Minnesota Statutes 2018, section 62E.02, subdivision 3, is amended to read:

Subd. 3. **Health maintenance organization.** "Health maintenance organization" means a nonprofit corporation licensed and operated as provided in chapter 62D.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 36, as follows:

Those who voted in the affirmative were:

|          |            |          |          |            |
|----------|------------|----------|----------|------------|
| Bakk     | Cwodzinski | Frentz   | Laine    | Tomassoni  |
| Bigham   | Dibble     | Hawj     | Latz     | Torres Ray |
| Carlson  | Dziedzic   | Hayden   | Little   | Wiger      |
| Champion | Eaton      | Isaacson | Marty    | Wiklund    |
| Clausen  | Eken       | Kent     | Newton   |            |
| Cohen    | Franzen    | Klein    | Simonson |            |

Those who voted in the negative were:

|              |             |           |        |         |
|--------------|-------------|-----------|--------|---------|
| Abeler       | Gazelka     | Jensen    | Nelson | Sparks  |
| Anderson, B. | Goggin      | Johnson   | Newman | Utke    |
| Anderson, P. | Hall        | Kiffmeyer | Pratt  | Weber   |
| Benson       | Hoffman     | Koran     | Rarick | Westrom |
| Chamberlain  | Housley     | Lang      | Relph  |         |
| Dahms        | Howe        | Limmer    | Rosen  |         |
| Draheim      | Ingebriksen | Mathews   | Ruud   |         |
| Eichorn      | Jasinski    | Miller    | Senjem |         |

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

Senator Franzen moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 315, line 30, strike "and"

Page 315, line 31, strike the period and insert "; and"

Page 315, after line 31, insert "(8) family planning services."

Amend the title accordingly

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

Senator Marty moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 358, delete section 2

Page 364, after line 2, insert:

"Sec. 6. Minnesota Statutes 2018, section 317A.811, is amended by adding a subdivision to read:

Subd. 1a. **Nonprofit health care entity; notice and approval required.** In addition to the requirements of subdivision 1, a nonprofit health care entity as defined in section 317B.01, subdivision 12, is subject to the notice and approval requirements for certain transactions under chapter 317B.

Sec. 7. **[317B.01] NONPROFIT HEALTH CARE ENTITY CONVERSIONS; DEFINITIONS.**

Subdivision 1. **Application.** The definitions in this section apply to this chapter.

Subd. 2. **Commissioner.** "Commissioner" means the commissioner of commerce for a nonprofit health care entity that is a nonprofit health service plan corporation operating under chapter 62C, or the commissioner of health for a nonprofit health care entity that is a nonprofit health maintenance organization operating under chapter 62D.

Subd. 3. **Conversion benefit entity.** "Conversion benefit entity" means a foundation, corporation, limited liability company, trust, partnership, or other entity that receives, in connection with a conversion transaction, the value of any public benefit assets, in accordance with section 317B.02, subdivision 7.

Subd. 4. **Conversion transaction or transaction.** "Conversion transaction" or "transaction" means a transaction otherwise permitted by applicable law in which a nonprofit health care entity:

(1) merges, consolidates, converts, or transfers all or a material amount of its assets to any entity except a corporation that is also exempt under United States Code, title 26, section 501(c)(3);

(2) makes a series of separate transfers within a 24-month period that in the aggregate constitute a transfer of all or a material amount of the nonprofit health care entity's assets to any entity except a corporation that is also exempt under United States Code, title 26, section 501(c)(3); or

(3) adds or substitutes one or more members that effectively transfers the control, responsibility for, or governance of the nonprofit health care entity to any entity except a corporation that is also exempt under United States Code, title 26, section 501(c)(3).

Subd. 5. **Corporation.** "Corporation" has the meaning given in section 317A.011, subdivision 6, and also includes a nonprofit limited liability company organized under section 322C.1101.

Subd. 6. **Director.** "Director" has the meaning given in section 317A.011, subdivision 7.

Subd. 7. **Family member.** "Family member" means a spouse, parent, child, spouse of a child, brother, sister, or spouse of a brother or sister.

Subd. 8. **Full and fair value.** "Full and fair value" means the amount that the public benefit assets of the nonprofit health care entity would be worth if the assets were equal to stock in the nonprofit health care entity, if the nonprofit health care entity was a for-profit corporation, and if the nonprofit health care entity had 100 percent of its stock authorized by the corporation and available for purchase without transfer restrictions. The valuation shall consider market value, investment or earning value, net asset value, goodwill, the amount of donations received, and a control premium, if any.

Subd. 9. **Key employee.** "Key employee" means a person, regardless of title, who:

(1) has responsibilities, power, or influence over an organization similar to those of an officer or director;

(2) manages a discrete segment or activity of the organization that represents ten percent or more of the activities, assets, income, or expenses of the organization, as compared to the organization as a whole; or

(3) has or shares authority to control or determine ten percent or more of the organization's capital expenditures, operating budget, or compensation for employees.

Subd. 10. **Material amount.** "Material amount" means the lesser of ten percent of a nonprofit health care entity's total net admitted assets as of December 31 of the preceding year, or \$10,000,000.

Subd. 11. **Member.** "Member" has the meaning given in section 317A.011, subdivision 12.

Subd. 12. **Nonprofit health care entity.** "Nonprofit health care entity" means a nonprofit service plan corporation operating under chapter 62C, a nonprofit health maintenance organization operating under chapter 62D, a corporation that can effectively exercise control over a nonprofit service plan corporation or a nonprofit health maintenance organization, or any other entity that is effectively controlled by a corporation operating a nonprofit service plan corporation or a nonprofit health maintenance organization.

Subd. 13. **Officer.** "Officer" has the meaning given in section 317A.011, subdivision 15.

Subd. 14. **Public benefit assets.** "Public benefit assets" means the entirety of a nonprofit health care entity's assets, whether tangible or intangible, including but not limited to its goodwill and anticipated future revenue.

Subd. 15. **Related organization.** "Related organization" has the meaning given in section 317A.011, subdivision 18.

Sec. 8. **[317B.02] NONPROFIT HEALTH CARE ENTITY CONVERSION TRANSACTIONS; REVIEW, NOTICE, APPROVAL.**

Subdivision 1. **Certain conversion transactions prohibited.** A nonprofit health care entity shall not enter into a conversion transaction if a person who has been an officer, director, or key employee of the nonprofit health care entity or of a related organization, or a family member of such a person:

(1) has received or will receive any type of compensation or other financial benefit, directly or indirectly, in connection with the conversion transaction;

(2) has held or will hold, whether guaranteed or contingent, an ownership stake, stock, securities, investment, or other financial interest in an entity to which the nonprofit health care entity transfers public benefit assets in connection with the conversion transaction;

(3) has received or will receive any type of compensation or other financial benefit from an entity to which the nonprofit health care entity transfers public benefit assets in connection with a conversion transaction;

(4) has held or will hold, whether guaranteed or contingent, an ownership stake, stock, securities, investment, or other financial interest in an entity that has or will have a business relationship with an entity to which the nonprofit health care entity transfers public benefit assets in connection with the conversion transaction; or

(5) has received or will receive any type of compensation or other financial benefit from an entity that has or will have a business relationship with an entity to which the nonprofit health care entity transfers public benefit assets in connection with the conversion transaction.

Subd. 2. **Attorney general notice required.** (a) Before entering into a conversion transaction, a nonprofit health care entity must notify the attorney general according to section 317A.811. In addition to the elements listed in section 317A.811, subdivision 1, the notice required by this subdivision must also include an itemization of the nonprofit health care entity's public benefit assets and the valuation the nonprofit health care entity attributes to those assets; a proposed plan for the distribution of the value of those assets to a conversion benefit entity that meets the requirements of subdivision 4; and other information from the nonprofit health care entity or the proposed conversion benefit entity that the attorney general reasonably considers necessary to review the proposed conversion transaction under subdivision 3.

(b) At the time the nonprofit health care entity provides the attorney general with the notice and other information required under this subdivision, the nonprofit health care entity must also provide a copy of the notice and other information required under this subdivision to the commissioner. If the attorney general requests additional information from a nonprofit health care entity in connection with its review of a proposed conversion transaction, the nonprofit health care entity must also provide a copy of this information to the commissioner, at the time this information is provided to the attorney general.

Subd. 3. **Review elements.** (a) The attorney general may approve, conditionally approve, or disapprove a proposed conversion transaction under this section. In determining whether to approve, conditionally approve, or disapprove a proposed transaction, the attorney general, in consultation with the commissioner, shall consider any factors the attorney general considers relevant in evaluating whether the proposed transaction is in the public interest, including whether:

- (1) the proposed transaction complies with chapters 317A and 501B and other applicable laws;
- (2) the proposed transaction involves or constitutes a breach of charitable trust;
- (3) the nonprofit health care entity will receive full and fair value for its public benefit assets;
- (4) the value of the public benefit assets to be transferred has been manipulated in a manner that causes or has caused the value of the assets to decrease;
- (5) the proceeds of the proposed transaction will be used in a manner consistent with the public benefit for which the assets are held by the nonprofit health care entity;
- (6) the proposed transaction will result in a breach of fiduciary duty, as determined by the attorney general, including whether:
  - (i) conflicts of interest exist related to payments to or benefits conferred upon officers, directors, or key employees of the nonprofit health care entity or a related organization;
  - (ii) the nonprofit health care entity's directors exercised reasonable care and due diligence in deciding to pursue the transaction, in selecting the entity with which to pursue the transaction, and in negotiating the terms and conditions of the transaction; and

(iii) the nonprofit health care entity's directors considered all reasonably viable alternatives, including any competing offers for its public benefit assets, or alternative transactions;

(7) the transaction will result in financial benefit to a person, including owners, directors, officers, or key employees of the nonprofit health care entity or of the entity to which the nonprofit health care entity proposes to transfer public benefit assets;

(8) the conversion benefit entity meets the requirements in subdivision 4; and

(9) the attorney general and the commissioner have been provided with sufficient information by the nonprofit health care entity to adequately evaluate the proposed transaction and its effects on the public and enrollees, provided the attorney general or commissioner has notified the nonprofit health care entity or the proposed conversion benefit entity if the information provided is insufficient and has provided the nonprofit health care entity or proposed conversion benefit entity with a reasonable opportunity to remedy that insufficiency.

(b) In addition to the elements in paragraph (a), the attorney general shall also consider public comments received under subdivision 5 regarding the proposed conversion transaction and the proposed transaction's likely effect on the availability, accessibility, and affordability of health care services to the public.

(c) In deciding whether to approve, conditionally approve, or disapprove a transaction, the attorney general must consult with the commissioner.

Subd. 4. **Conversion benefit entity requirements.** (a) A conversion benefit entity shall:

(1) be an existing or new, domestic, nonprofit corporation operating under chapter 317A and exempt under United States Code, title 26, section 501(c)(3);

(2) have in place procedures and policies to prohibit conflicts of interest, including but not limited to conflicts of interest relating to any grant-making activities that may benefit:

(i) the directors, officers, or key employees of the conversion benefit entity;

(ii) any entity to which the nonprofit health care entity transfers public benefit assets in connection with a conversion transaction; or

(iii) any directors, officers, or key employees of an entity to which the nonprofit health care entity transfers public benefit assets in connection with a conversion transaction;

(3) operate to benefit the health of the people of this state; and

(4) have in place procedures and policies that prohibit:

(i) an officer, director, or key employee of the nonprofit health care entity from serving as an officer, director, or key employee of the conversion benefit entity for the five-year period following the conversion transaction;

(ii) an officer, director, or key employee of the nonprofit health care entity or of the conversion benefit entity from directly or indirectly benefiting from the conversion transaction; and

(iii) elected or appointed public officials from serving as an officer, director, or key employee of the conversion benefit entity.

(b) A conversion benefit entity shall not make grants or payments or otherwise provide financial benefit to an entity to which a nonprofit health care entity transfers public benefit assets as part of a conversion transaction, or to a related organization of the entity to which the nonprofit health care entity transfers public benefit assets as part of a conversion transaction.

(c) No person who has been an officer, director, or key employee of an entity that has received public benefit assets in connection with a conversion transaction may serve as an officer, director, or key employee of the conversion benefit entity.

(d) The attorney general must review and approve the governance structure of a conversion benefit entity before the conversion benefit entity receives the value of public benefit assets from a nonprofit health care entity. In order to be approved by the attorney general under this paragraph, the conversion benefit entity's governance must be broadly based in the community served by the nonprofit health care entity and must be independent of the entity to which the nonprofit health care entity transfers public benefit assets as part of the conversion transaction. As part of the review of the conversion benefit entity's governance, the attorney general shall hold a public hearing. If the attorney general finds it necessary, a portion of the value of the public benefit assets shall be used to develop a community-based plan for use by the conversion benefit entity.

(e) The attorney general shall establish a community advisory committee for a conversion benefit entity receiving the value of public benefit assets. The members of the community advisory committee must be selected to represent the diversity of the community previously served by the nonprofit health care entity. The community advisory committee shall:

(1) provide a slate of three nominees for each vacancy on the governing board of the conversion benefit entity, from which the remaining board members shall select new members to the board;

(2) provide the governing board with guidance on the health needs of the community previously served by the nonprofit health care entity; and

(3) promote dialogue and information sharing between the conversion benefit entity and the community previously served by the nonprofit health care entity.

**Subd. 5. Hearing; public comment; maintenance of record.** (a) Before issuing a decision under subdivision 6, the attorney general shall hold one or more hearings and solicit public comments regarding the proposed conversion transaction. No later than 45 days after the attorney general receives notice of a proposed conversion transaction, the attorney general shall hold at least one public hearing in the area served by the nonprofit health care entity, and shall hold as many hearings as necessary in various parts of the state to ensure that each community in the nonprofit health care entity's service area has an opportunity to provide comments on the conversion transaction. Any person may appear and speak at the hearing, file written comments, or file exhibits for the hearing. At least 14 days before the hearing, the attorney general shall provide written notice of the hearing through posting on the attorney general's website, publication in one or more newspapers of general circulation, and notice by means of a public listserv or through other means to all persons who request notice from the attorney general of such hearings. A public hearing is not required if the



waiting period under subdivision 6 is waived or is shorter than 45 days in duration. The attorney general may also solicit public comments through other means.

(b) The attorney general shall develop and maintain a summary of written and oral public comments made at a hearing and otherwise received by the attorney general, shall record all questions posed during the public hearing or received by the attorney general, and shall require answers from the appropriate parties. The summary materials, questions, and answers shall be maintained on the attorney general's website, and the attorney general must provide a copy of these materials at no cost to any person who requests them.

Subd. 6. **Approval required; period for approval or disapproval; extension.** (a) Notwithstanding the time periods in section 15.99 or 317A.811, a nonprofit health care entity shall not enter into a conversion transaction until:

(1) 150 days after the entity has given written notice to the attorney general, unless the attorney general waives all or a part of the waiting period. The attorney general shall establish guidelines for when the attorney general may waive all or part of the waiting period, and must provide public notice if the attorney general waives all or part of the waiting period; and

(2) the nonprofit health care entity obtains approval of the transaction from the attorney general, or obtains conditional approval from the attorney general and satisfies the required conditions.

(b) During the waiting period, the attorney general shall decide whether to approve, conditionally approve, or disapprove the conversion transaction and shall notify the nonprofit health care entity in writing of the attorney general's decision. If the transaction is disapproved, the notice must include the reasons for the decision. If the transaction is conditionally approved, the notice must specify the conditions that must be met and the reasons for these conditions. The attorney general may extend the waiting period for an additional 90 days by notifying the nonprofit health care entity of the extension in writing.

(c) The time periods under this subdivision shall be suspended while a request from the attorney general for additional information is outstanding.

Subd. 7. **Transfer of value of assets required.** If a proposed conversion transaction is approved or conditionally approved by the attorney general, the nonprofit health care entity shall transfer the entirety of the full and fair value of its public benefit assets to one or more conversion benefit entities as part of the transaction.

Subd. 8. **Assessment of costs.** (a) The nonprofit health care entity must reimburse the attorney general or a state agency for all reasonable and actual costs incurred by the attorney general or the state agency in reviewing the proposed conversion transaction and in exercising enforcement remedies under this section. Costs incurred may include attorney fees at the rate at which the attorney general bills state agencies; costs for retaining actuarial, valuation, or other experts and consultants; and administrative costs. In order to receive reimbursement under this subdivision, the attorney general or state agency must provide the nonprofit health care entity with a statement of costs incurred.

(b) The nonprofit health care entity must remit the total amount listed on the statement to the attorney general or state agency within 30 days after the statement date, unless the entity disputes some or all of the submitted costs. The nonprofit health care entity may dispute the submitted costs

by bringing an action in district court to have the court determine the amount of the reasonable and actual costs that must be remitted.

(c) Money remitted to the attorney general or state agency under this subdivision shall be deposited in the general fund in the state treasury and is appropriated to the attorney general or state agency, as applicable, to reimburse the attorney general or state agency for costs paid or incurred under this section.

Subd. 9. **Challenge to disapproval or conditional approval.** If the attorney general disapproves or conditionally approves a conversion transaction, a nonprofit health care entity may bring an action in district court to challenge the disapproval, or any condition of a conditional approval, as applicable. To prevail in such an action, the nonprofit health care entity must clearly establish that the disapproval, or each condition being challenged, as applicable, is arbitrary and capricious and unnecessary to protect the public interest.

Subd. 10. **Penalties; remedies.** The attorney general is authorized to bring an action to unwind a conversion transaction entered into in violation of this section and to recover the amount of any financial benefit received or held in violation of subdivision 1. In addition to this recovery, the officers, directors, and key employees of each entity that is a party to, and who materially participated in, the transaction entered into in violation of this section, may be subject to a civil penalty of up to the greater of the entirety of any financial benefit each officer, director, or key employee derived from the transaction or \$1,000,000, as determined by the court. The attorney general is authorized to enforce this section under section 8.31.

Subd. 11. **Relation to other law.** (a) This section is in addition to, and does not affect or limit any power, remedy, or responsibility of a health maintenance organization, a service plan corporation, a conversion benefit entity, the attorney general, the commissioner of commerce, or commissioner of health under chapter 62C, 62D, 317A, or 501B, or other law.

(b) Nothing in this section authorizes a nonprofit health care entity to enter into a conversion transaction not otherwise permitted under chapter 317A or 501B or other law."

Page 365, after line 32, insert:

"Sec. 10. Laws 2017, First Special Session chapter 6, article 5, section 11, is amended to read:

**Sec. 11. MORATORIUM ON CONVERSION TRANSACTIONS.**

(a) Notwithstanding Laws 2017, chapter 2, article 2, a nonprofit ~~health~~ service plan corporation operating under Minnesota Statutes, chapter 62C, ~~or~~; a nonprofit health maintenance organization operating under Minnesota Statutes, chapter 62D, as of January 1, 2017;~~;~~ or a direct or indirect parent, subsidiary, or other affiliate of such an entity, may only merge or consolidate with; ~~or~~ convert;~~;~~ or transfer, as part of a single transaction or a series of transactions within a 24-month period, all or a ~~substantial portion~~ material amount of its assets to an entity that is a corporation organized under Minnesota Statutes, chapter 317A. For purposes of this section, "material amount" means the lesser of ten percent of such an entity's total net admitted assets as of December 31 of the preceding year, or \$10,000,000.

(b) Paragraph (a) does not apply if the nonprofit service plan corporation or nonprofit health maintenance organization files an intent to dissolve due to insolvency of the corporation in accordance with Minnesota Statutes, chapter 317A, or insolvency proceedings are commenced under Minnesota Statutes, chapter 60B.

(c) Nothing in this section shall be construed to authorize a nonprofit health maintenance organization or a nonprofit health service plan corporation to engage in any transaction or activities not otherwise permitted under state law.

(d) This section expires July 1, ~~2019~~ 2029.

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

Sec. 11. FINDINGS.

The Legislature of the state of Minnesota finds and declares that:

(1) nonprofit health care entities hold their assets in trust, and those assets are irrevocably dedicated, as a condition of their tax-exempt status, to the specific charitable purpose set forth in the articles of incorporation of the entities;

(2) the public is the beneficiary of that trust;

(3) nonprofit health care entities have a substantial and beneficial effect on the quality of life of the people of Minnesota;

(4) transfers of assets by nonprofit health care entities to for-profit entities directly affect the charitable uses of those assets and may adversely affect the public as the beneficiary of the charitable assets;

(5) it is in the best interest of the public to ensure that the public interest is fully protected whenever the assets or operations of a nonprofit health care entity are transferred, directly or indirectly, from a charitable trust to a for-profit or mutual benefit entity; and

(6) the attorney general's approval of any transfers of assets or operations by a nonprofit health care entity is necessary to ensure the protection of these trusts."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Benson moved to amend the second Marty amendment to H.F. No. 2414 as follows:

Page 1, delete lines 4 to 30, and insert:

"Page 365, after line 32, insert:

"Sec. 8. Laws 2017, First Special Session chapter 6, article 5, section 11, is amended to read:

Sec. 11. **MORATORIUM ON CONVERSION TRANSACTIONS.**

(a) Notwithstanding Laws 2017, chapter 2, article 2, a nonprofit ~~health~~ service plan corporation operating under Minnesota Statutes, chapter 62C, or nonprofit health maintenance organization operating under Minnesota Statutes, chapter 62D, as of January 1, 2017, may only merge or consolidate with; or convert, or transfer all or a substantial portion of its assets to an entity that is a corporation organized under Minnesota Statutes, chapter 317A; or to a nonprofit hospital within the same integrated health system as the health maintenance organization.

(b) Paragraph (a) does not apply if the nonprofit service plan corporation or nonprofit health maintenance organization files an intent to dissolve due to insolvency of the corporation in accordance with Minnesota Statutes, chapter 317A, or insolvency proceedings are commenced under Minnesota Statutes, chapter 60B.

(c) Nothing in this section shall be construed to authorize a health maintenance organization or a nonprofit ~~health~~ service plan corporation to engage in any transaction or activities not otherwise permitted under state law.

(d) This section expires July 1, ~~2019~~ 2023.

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

Page 2, delete lines 1 to 32

Page 3, delete lines 1 to 31

Page 4, delete lines 1 to 33

Page 5, delete lines 1 to 31

Page 6, delete lines 1 to 32

Page 7, delete lines 1 to 33

Page 8, delete lines 1 to 34

Page 9, delete lines 1 to 32

Page 10, delete lines 1 to 30

Page 11, delete lines 1 to 8

The question was taken on the adoption of the Benson amendment to the second Marty amendment.

The roll was called, and there were yeas 36 and nays 28, as follows:

Those who voted in the affirmative were:

|              |         |              |           |        |
|--------------|---------|--------------|-----------|--------|
| Abeler       | Draheim | Housley      | Kiffmeyer | Nelson |
| Anderson, B. | Eichorn | Howe         | Koran     | Newman |
| Anderson, P. | Gazelka | Ingebrigtsen | Lang      | Pratt  |
| Benson       | Goggin  | Jasinski     | Limmer    | Rarick |
| Chamberlain  | Hall    | Jensen       | Mathews   | Relph  |
| Dahms        | Hoffman | Johnson      | Miller    | Rosen  |

Ruud  
Senjem

Sparks  
Utke

Weber  
Westrom

Those who voted in the negative were:

Bakk  
Bigham  
Carlson  
Champion  
Clausen  
Cohen

Cwodzinski  
Dibble  
Dziedzic  
Eaton  
Eken  
Franzen

Frentz  
Hawj  
Hayden  
Isaacson  
Kent  
Klein

Laine  
Latz  
Little  
Marty  
Newton  
Simonson

Tomassoni  
Torres Ray  
Wiger  
Wiklund

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the second Marty amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Senator Dibble moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 304, after line 12, insert:

"Sec. 15. **[144G.07] RESIDENT RIGHTS.**

Subdivision 1. **Applicability.** This section applies to assisted living clients. For the purposes of this section, "assisted living facility" or "facility" means a housing with services establishment in which assisted living services are offered or provided. For the purposes of this section, "resident" means an assisted living client.

Subd. 2. **Legislative intent.** The rights established under this section for the benefit of residents do not limit any other rights available under law. No facility may request or require that any resident waive any of these rights at any time for any reason, including as a condition of admission to the facility.

Subd. 3. **Information about rights and facility policies.** (a) Before receiving services, residents have the right to be informed by the facility of the rights granted under this section. The information must be in plain language and in terms residents can understand. The facility must make reasonable accommodations for residents who have communication disabilities and those who speak a language other than English.

(b) Every facility must:

(1) indicate what recourse residents have if their rights are violated; and

(2) provide the information required under this section.

(c) Upon request, residents and their representatives have the right to copies of current facility policies and inspection findings of state and local health authorities, and to receive further explanation of the rights provided under this section, consistent with chapter 13 and section 626.557.

Subd. 4. **Courteous treatment.** Residents have the right to be treated with courtesy and respect, and to have the resident's property treated with respect.

Subd. 5. **Appropriate care and services.** (a) Residents have the right to care and services that are appropriate based on the resident's needs and according to an up-to-date service plan. All service plans must be designed to enable residents to achieve their highest level of emotional, psychological, physical, medical, and functional well-being and safety.

(b) Residents have the right to receive health care and other assisted living services with continuity from people who are properly trained and competent to perform their duties and in sufficient numbers to adequately provide the services agreed to in the housing with services contract and the service plan.

Subd. 6. **Participation in care and service planning.** Residents have the right to actively participate in the planning, modification, and evaluation of their care and services. This right includes:

(1) the opportunity to discuss care, services, treatment, and alternatives with the appropriate caregivers;

(2) the opportunity to request and participate in formal care conferences;

(3) the right to include a family member or the resident's health care agent or representative, or both; and

(4) the right to be told in advance of, and take an active part in decisions regarding, any recommended changes in the service plan.

Subd. 7. **Information about individuals providing services.** Before receiving services, residents have the right to be told the type and disciplines of staff who will be providing the services, the frequency of visits proposed to be furnished, and other choices that are available for addressing the resident's needs.

Subd. 8. **Information about health care treatment.** Where applicable, residents have the right to be given by their attending physician complete and current information concerning their diagnosis, cognitive functioning level, treatment, alternatives, risks, and prognosis as required by the physician's legal duty to disclose. This information must be in terms and language the residents can reasonably be expected to understand. This information must include the likely medical or major psychological results of the treatment and its alternatives.

Subd. 9. **Information about other providers and services.** (a) Residents have the right to be informed by the assisted living facility, prior to executing a housing with services contract or service plan, that other public and private services may be available and the resident has the right to purchase, contract for, or obtain services from a provider other than the assisted living facility or related assisted living services provider.

(b) Assisted living facilities must make every effort to assist residents in obtaining information regarding whether Medicare, medical assistance, or another public program will pay for any of the services.

Subd. 10. **Information about charges.** Before services are initiated, residents have the right to be notified:

(1) of all charges for services;

(2) whether payment may be expected from health insurance, public programs, or other sources, if known, and the amount of such payments; and

(3) what charges the resident may be responsible for paying.

Subd. 11. **Refusal of care or services.** (a) Residents have the right to refuse care or services.

(b) A provider must document in the resident's record that the provider informed a resident who refuses care, services, treatment, medication, or dietary restrictions of the likely medical, health-related, or psychological consequences of the refusal.

(c) In cases where a resident lacks capacity but has not been adjudicated incompetent, or when legal requirements limit the right to refuse medical treatment, the conditions and circumstances must be fully documented by the attending physician in the resident's record.

Subd. 12. **Freedom from maltreatment.** Residents have the right to be free from maltreatment. For the purposes of this subdivision, "maltreatment" means conduct described in section 626.5572, subdivision 15, and includes the intentional and nontherapeutic infliction of physical pain or injury, or any persistent course of conduct intended to produce mental or emotional distress.

Subd. 13. **Personal and treatment privacy.** (a) Residents have the right to every consideration of their privacy, individuality, and cultural identity as related to their social, religious, and psychological well-being. Staff must respect the privacy of a resident's space by knocking on the door and seeking consent before entering.

(b) Residents have the right to respect and privacy regarding the resident's health care and personal care program. Case discussion, consultation, examination, and treatment are confidential and must be conducted discreetly. Privacy must be respected during toileting, bathing, and other activities of personal hygiene, except as needed for resident safety or assistance.

Subd. 14. **Communication privacy.** (a) Residents have the right to communicate privately with persons of their choice. Assisted living facilities that are unable to provide a private area for communication must make reasonable arrangements to accommodate the privacy of residents' communications.

(b) Personal mail must be sent by the assisted living facility without interference and received unopened unless medically or programmatically contraindicated and documented by a licensed health care professional listed in the resident's record.

(c) Residents must be provided access to a telephone to make and receive calls.

Subd. 15. **Confidentiality of records.** (a) Residents have the right to have personal, financial, health, and medical information kept private, to approve or refuse release of information to any outside party, and to be advised of the assisted living facility's policies and procedures regarding

disclosure of the information. Residents must be notified when personal records are requested by any outside party.

(b) Residents have the right to access their own records and written information from those records in accordance with sections 144.291 to 144.298.

Subd. 16. **Grievances and inquiries.** (a) Residents have the right to make and receive a timely response to a complaint or inquiry, without limitation. Residents have the right to know and every facility must provide the name and contact information of the person representing the facility who is designated to handle and resolve complaints and inquiries.

(b) A facility must promptly investigate, make a good faith attempt to resolve, and provide a timely response to the complaint or inquiry.

(c) Residents have the right to recommend changes in policies and services to staff and managerial officials.

Subd. 17. **Visitors and social participation.** (a) Residents have the right to meet with or receive visitors of their choosing.

(b) Residents have the right to participate in commercial, religious, social, community, and political activities without interference and at their discretion if the activities do not infringe on the right to privacy of other residents.

Subd. 18. **Access to counsel and advocacy services.** Residents have the right to the immediate access to:

(1) the resident's legal counsel;

(2) any representative of the protection and advocacy system designated by the state under Code of Federal Regulations, title 45, section 1326.21; or

(3) any representative of the Office of Ombudsman for Long-Term Care.

Subd. 19. **Right to come and go freely.** Residents have the right to enter and leave the facility as they choose. This right may be restricted only as allowed by other law and consistent with a resident's service plan.

Subd. 20. **Resident councils.** Residents have the right to organize and participate in resident councils. The facility must provide a resident council with space and privacy for meetings, where doing so is reasonably achievable. Staff, visitors, or other guests may attend resident council meetings only at the council's invitation. The facility must provide a designated staff person who is approved by the resident council and the facility to be responsible for providing assistance and responding to written requests that result from meetings. The facility must consider the views of the resident council and must act promptly upon the grievances and recommendations of the council, but a facility is not required to implement as recommended every request of the council. The facility shall, with the approval of the resident council, take reasonably achievable steps to make residents aware of upcoming meetings in a timely manner.



Subd. 21. **Family councils.** Residents have the right to participate in family councils formed by families or residents. The facility must provide a family council with space and privacy for meetings, where doing so is reasonably achievable. The facility must provide a designated staff person who is approved by the family council and the facility to be responsible for providing assistance and responding to written requests that result from meetings. The facility must consider the views of the family council and must act promptly upon the grievances and recommendations of the council, but a facility is not required to implement as recommended every request of the council. The facility shall, with the approval of the family council, take reasonably achievable steps to make residents and family members aware of upcoming meetings in a timely manner.

Subd. 22. **Right to electronic monitoring.** Residents have the right to place and use electronic monitoring as provided under section 144.6502.

Subd. 23. **Enforcement.** In addition to the remedies otherwise provided by or available under law, a resident of an assisted living facility may bring a civil action against a facility for a violation of the rights under this section and recover damages and reasonable attorney fees, and receive any other equitable relief as determined by the court.

**EFFECTIVE DATE.** This section is effective August 1, 2019."

Page 338, line 25, before "Minnesota" insert "(a)"

Page 33, after line 25, insert:

"(b) Minnesota Statutes 2018, section 144A.441, is repealed effective August 1, 2019."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 35, as follows:

Those who voted in the affirmative were:

|          |            |          |          |            |
|----------|------------|----------|----------|------------|
| Bakk     | Cwodzinski | Frentz   | Laine    | Sparks     |
| Bigham   | Dibble     | Hawj     | Latz     | Tomassoni  |
| Carlson  | Dziedzic   | Hayden   | Little   | Torres Ray |
| Champion | Eaton      | Isaacson | Marty    | Wiger      |
| Clausen  | Eken       | Kent     | Newton   | Wiklund    |
| Cohen    | Franzen    | Klein    | Simonson |            |

Those who voted in the negative were:

|              |         |              |         |         |
|--------------|---------|--------------|---------|---------|
| Abeler       | Eichorn | Ingebrigtsen | Limmer  | Relph   |
| Anderson, B. | Gazelka | Jasinski     | Mathews | Rosen   |
| Anderson, P. | Goggin  | Jensen       | Miller  | Ruud    |
| Benson       | Hall    | Johnson      | Nelson  | Senjem  |
| Chamberlain  | Hoffman | Kiffmeyer    | Newman  | Utke    |
| Dahms        | Housley | Koran        | Pratt   | Weber   |
| Draheim      | Howe    | Lang         | Rarick  | Westrom |

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

Senator Eken moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 304, after line 12, insert:

"Sec. 15. **[144G.07] NO DISCRIMINATION BASED ON SOURCE OF PAYMENT.**

All housing with services establishments offering or providing assisted living services must, regardless of the source of payment and for all persons seeking to reside or residing in the establishment:

(1) provide equal access to quality care; and

(2) establish, maintain, and implement identical policies and practices regarding residency, transfer, and provision and termination of services.

**EFFECTIVE DATE.** This section is effective August 1, 2019."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Eken moved to amend the Eken amendment to H.F. No. 2414 as follows:

Page 1, after line 12, insert:

"Sec. 16. **[144G.08] NO TERMINATION BASED ON SOURCE OF PAYMENT.**

No housing with services establishments offering or providing assisted living services may terminate a housing with services contract solely on the basis of source of payment.

**EFFECTIVE DATE.** This section is effective August 1, 2019."

The motion prevailed. So the amendment to the amendment, was adopted.

Senator Benson questioned whether the Eken amendment, as amended, was germane.

Pursuant to Rule 35.4, the President put the germaneness question to the body.

The question was taken on the germaneness of the Eken amendment, as amended.

The roll was called, and there were yeas 30 and nays 33, as follows:

Those who voted that the amendment was germane were:

|          |            |          |        |            |
|----------|------------|----------|--------|------------|
| Bakk     | Cwodzinski | Frentz   | Klein  | Simonson   |
| Bigham   | Dibble     | Hawj     | Laine  | Sparks     |
| Carlson  | Dziedzic   | Hayden   | Latz   | Tomassoni  |
| Champion | Eaton      | Hoffman  | Little | Torres Ray |
| Clausen  | Eken       | Isaacson | Marty  | Wiger      |
| Cohen    | Franzen    | Kent     | Newton | Wiklund    |

Those who voted that the amendment was not germane were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Ruud    |
| Anderson, B. | Gazelka      | Jensen    | Nelson  | Senjem  |
| Anderson, P. | Goggin       | Johnson   | Newman  | Utke    |
| Benson       | Hall         | Kiffmeyer | Pratt   | Weber   |
| Chamberlain  | Housley      | Koran     | Rarick  | Westrom |
| Dahms        | Howe         | Lang      | Relph   |         |
| Draheim      | Ingebrigtsen | Limmer    | Rosen   |         |

By a vote of the body, the amendment was ruled not germane.

Senator Marty moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 304, after line 12, insert:

"Sec. 15. **[144G.07] FORCED ARBITRATION.**

An arbitration provision in a contract for assisted living services that precludes, limits, or delays the ability of a resident from taking a civil action must not be unconscionable. All or the portion of a forced arbitration provision found by a court to be unconscionable shall have no effect on the remaining provisions, terms, or conditions of the contract.

**EFFECTIVE DATE.** This section is effective for all contracts for assisted living services entered into or renewed on or after August 1, 2019."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Benson questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Senator Franzen moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 364, after line 2, insert:

"Sec. 7. **[152.38] CANNABIS TASK FORCE.**

Subdivision 1. **Establishment.** The Cannabis Task Force is established to advise the legislature on issues relating to the legalization and decriminalization of the cultivation, production, sale, possession, and use of cannabis in Minnesota by individuals 21 years of age or older.

Subd. 2. **Membership.** (a) The Cannabis Task Force consists of:

(1) the governor or a designee;

(2) four members representing each major political party recognized in Minnesota, with the chair of the political party appointing the member;

(3) the commissioner of agriculture or a designee;

(4) the commissioner of health or a designee;

(5) the commissioner of public safety or a designee;

(6) the attorney general or a designee;

(7) the state public defender or a designee;

(8) the commissioner of revenue or a designee;

(9) the commissioner of labor and industry or a designee;

(10) the commissioner of human services or a designee;

(11) the commissioner of commerce or a designee; and

(12) five members appointed by the governor who have relevant knowledge and experience, including:

(i) one member who is a county attorney;

(ii) one member who is a chief of police or sheriff;

(iii) one member with experience working in the medical cannabis industry;

(iv) one member who is a physician with expertise in the treatment of cannabis addiction; and

(v) one member who is a health care practitioner with experience in providing treatment for patients with a qualifying medical condition who are registered in the medical cannabis patient registry.

(b) Members shall serve without compensation.

Subd. 3. **Organization.** (a) The governor or the governor's designee shall convene the first meeting of the task force.

(b) The task force shall meet monthly or as determined by the chair.

(c) The members of the task force shall elect a chair and other officers as the members deem necessary.

Subd. 4. **Staff.** The commissioner of health shall provide support staff, office space, and administrative services for the task force.

Subd. 5. **Duties.** (a) The task force shall study the potential impact of legalizing and decriminalizing cannabis in Minnesota. The study shall assess the health, public safety, and economic

impact of legalization, including the benefits and risks associated with legalizing cannabis. The study shall examine:

- (1) the experiences of other states that have legalized cannabis;
  - (2) the impact on law enforcement and criminal justice, including possible increases in crime and traffic accidents;
  - (3) the impact on substance abuse, including possible reductions in opioid prescribing and overdoses;
  - (4) possible health benefits and risks associated with cannabis use;
  - (5) potential tax revenue and long-term cost savings or losses;
  - (6) social justice, including issues associated with criminalization and the disproportionate rates on certain racial and ethnic groups; and
  - (7) possibilities for economic development, including opportunities for community revitalization.
- (b) The task force shall develop a framework of what the state would need to include in regulating and decriminalizing cannabis, including:
- (1) statutory changes necessary for the legalization and decriminalization of cannabis;
  - (2) taxation of cannabis sales and appropriate dedicated uses for the tax revenue raised;
  - (3) state and local regulation of cannabis growth, processing, transport, packaging, labeling, sale, possession, and use;
  - (4) funding for and provision of treatment to persons who are dependent on cannabis;
  - (5) expungement of low level marijuana convictions;
  - (6) security of cannabis retail and manufacturing locations and the safe handling of proceeds from cannabis sales, including banking options;
  - (7) incentives for minority-owned businesses to participate in the cannabis industry; and
  - (8) recommendations to the legislature and others about the necessary and appropriate actions related to legalization of cannabis in the state.

Subd. 6. **Report.** By December 1, 2020, the task force shall submit a report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over health, human services, revenue, public safety, labor and industry, and agriculture policy and finance that details the task force's assessments and framework as required under subdivision 5.

Subd. 7. **Expiration.** This section expires July 1, 2021."

Page 365, after line 32, insert:

"Sec. 8. **APPROPRIATION.**

The general fund base funding for the medical cannabis program shall be reduced by \$217,000 in fiscal year 2020 and \$217,000 in fiscal year 2020 is appropriated from the general fund to the commissioner of health for the cannabis task force. This is a onetime appropriation."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 33, as follows:

Those who voted in the affirmative were:

|            |          |          |           |            |
|------------|----------|----------|-----------|------------|
| Abeler     | Dibble   | Hayden   | Latz      | Torres Ray |
| Bakk       | Dziedzic | Hoffman  | Little    | Wiger      |
| Bigham     | Eaton    | Isaacson | Marty     | Wiklund    |
| Carlson    | Eken     | Jensen   | Newton    |            |
| Champion   | Franzen  | Kent     | Simonson  |            |
| Cohen      | Frentz   | Klein    | Sparks    |            |
| Cwodzinski | Hawj     | Laine    | Tomassoni |            |

Those who voted in the negative were:

|              |              |           |        |         |
|--------------|--------------|-----------|--------|---------|
| Anderson, B. | Eichorn      | Jasinski  | Miller | Ruud    |
| Anderson, P. | Gazelka      | Johnson   | Nelson | Senjem  |
| Benson       | Goggin       | Kiffmeyer | Newman | Utke    |
| Chamberlain  | Hall         | Koran     | Pratt  | Weber   |
| Clausen      | Housley      | Lang      | Rarick | Westrom |
| Dahms        | Howe         | Limmer    | Relph  |         |
| Draheim      | Ingebrigtsen | Mathews   | Rosen  |         |

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

Senator Eaton moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 326, after line 2, insert:

"Sec. 46. Minnesota Statutes 2018, section 152.22, subdivision 14, is amended to read:

Subd. 14. **Qualifying medical condition.** "Qualifying medical condition" means a diagnosis of any of the following conditions:

(1) cancer, if the underlying condition or treatment produces one or more of the following:

(i) severe or chronic pain;

(ii) nausea or severe vomiting; or

(iii) cachexia or severe wasting;

- (2) glaucoma;
- (3) human immunodeficiency virus or acquired immune deficiency syndrome;
- (4) Tourette's syndrome;
- (5) amyotrophic lateral sclerosis;
- (6) seizures, including those characteristic of epilepsy;
- (7) severe and persistent muscle spasms, including those characteristic of multiple sclerosis;
- (8) inflammatory bowel disease, including Crohn's disease;
- (9) terminal illness, with a probable life expectancy of under one year, if the illness or its treatment produces one or more of the following:
  - (i) severe or chronic pain;
  - (ii) nausea or severe vomiting; or
  - (iii) cachexia or severe wasting; ~~or~~
- (10) opiate addiction;
- (11) pain or chronic pain; or
- ~~(10)~~ (12) any other medical condition or its treatment approved by the commissioner."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 37, as follows:

Those who voted in the affirmative were:

|            |          |          |           |            |
|------------|----------|----------|-----------|------------|
| Bigham     | Dibble   | Hawj     | Laine     | Torres Ray |
| Carlson    | Dziedzic | Hayden   | Little    | Wiger      |
| Champion   | Eaton    | Hoffman  | Marty     | Wiklund    |
| Clausen    | Eken     | Isaacson | Newton    |            |
| Cohen      | Franzen  | Kent     | Sparks    |            |
| Cwodzinski | Frentz   | Klein    | Tomassoni |            |

Those who voted in the negative were:

|              |              |           |        |          |
|--------------|--------------|-----------|--------|----------|
| Abeler       | Eichorn      | Jensen    | Miller | Senjem   |
| Anderson, B. | Gazelka      | Johnson   | Nelson | Simonson |
| Anderson, P. | Goggin       | Kiffmeyer | Newman | Utke     |
| Bakk         | Hall         | Koran     | Pratt  | Weber    |
| Benson       | Housley      | Lang      | Rarick | Westrom  |
| Chamberlain  | Howe         | Latz      | Relph  |          |
| Dahms        | Ingebrigtsen | Limmer    | Rosen  |          |
| Draheim      | Jasinski     | Mathews   | Ruud   |          |

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

Senator Franzen moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 337, after line 24, insert:

"(c) The workgroup shall also advise the legislature on the use of raw cannabis in the medical cannabis program under Minnesota Statutes, sections 152.22 to 152.37, including an assessment on public health and consumer safety as well as a potential cost savings for registered patients of the program."

Page 337, line 25, delete "(c)" and insert "(d)"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 34, as follows:

Those who voted in the affirmative were:

|          |            |          |        |            |
|----------|------------|----------|--------|------------|
| Bakk     | Cwodzinski | Frentz   | Klein  | Simonson   |
| Bigham   | Dibble     | Hawj     | Laine  | Sparks     |
| Carlson  | Dziedzic   | Hayden   | Latz   | Tomassoni  |
| Champion | Eaton      | Hoffman  | Little | Torres Ray |
| Clausen  | Eken       | Isaacson | Marty  | Wiger      |
| Cohen    | Franzen    | Kent     | Newton | Wiklund    |

Those who voted in the negative were:

|              |              |           |         |         |
|--------------|--------------|-----------|---------|---------|
| Abeler       | Eichorn      | Jasinski  | Mathews | Rosen   |
| Anderson, B. | Gazelka      | Jensen    | Miller  | Ruud    |
| Anderson, P. | Goggin       | Johnson   | Nelson  | Senjem  |
| Benson       | Hall         | Kiffmeyer | Newman  | Utke    |
| Chamberlain  | Housley      | Koran     | Pratt   | Weber   |
| Dahms        | Howe         | Lang      | Rarick  | Westrom |
| Draheim      | Ingebrigtsen | Limmer    | Relph   |         |

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

Senator Marty moved to amend H.F. No. 2414, as amended pursuant to Rule 45, adopted by the Senate April 29, 2019, as follows:

(The text of the amended House File is identical to S.F. No. 2452.)

Page 338, delete section 61 and insert:

"Sec. 61. **REPEALER.**

(a) Minnesota Statutes 2018, section 144.1464, is repealed.



(b) Minnesota Statutes 2018, sections 214.17; 214.18; 214.19; 214.20; 214.21; 214.22; 214.23; and 214.24, are repealed on January 1, 2020, and no new cases shall be investigated under these sections after June 1, 2019."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 2414 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 36 and nays 28, as follows:

Those who voted in the affirmative were:

|              |              |           |        |         |
|--------------|--------------|-----------|--------|---------|
| Abeler       | Gazelka      | Jensen    | Miller | Senjem  |
| Anderson, B. | Goggin       | Johnson   | Nelson | Utke    |
| Anderson, P. | Hall         | Kiffmeyer | Newman | Weber   |
| Benson       | Hoffman      | Koran     | Pratt  | Westrom |
| Chamberlain  | Housley      | Lang      | Rarick |         |
| Dahms        | Howe         | Limmer    | Relph  |         |
| Draheim      | Ingebrigtsen | Marty     | Rosen  |         |
| Eichorn      | Jasinski     | Mathews   | Ruud   |         |

Those who voted in the negative were:

|          |            |          |          |            |
|----------|------------|----------|----------|------------|
| Bakk     | Cwodzinski | Frentz   | Laine    | Tomassoni  |
| Bigham   | Dibble     | Hawj     | Latz     | Torres Ray |
| Carlson  | Dziedzic   | Hayden   | Little   | Wiger      |
| Champion | Eaton      | Isaacson | Newton   | Wiklund    |
| Clausen  | Eken       | Kent     | Simonson |            |
| Cohen    | Franzen    | Klein    | Sparks   |            |

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

### **MOTIONS AND RESOLUTIONS - CONTINUED**

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

### **MESSAGES FROM THE HOUSE**

Mr. President:

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

**S.F. No. 2227:** A bill for an act relating to the operation of state government; appropriating money for the legislature, governor's office, state auditor, attorney general, secretary of state, certain agencies, boards, councils, and retirement funds; changing provisions in state government operations; establishing commissions and task forces; repealing state aid to PERA General for MERF; establishing observances for veterans and allies; requiring reports; amending Minnesota Statutes 2018, sections

3.855, subdivision 2, by adding a subdivision; 3.97, subdivision 3a; 3.971, subdivision 9; 6.481, subdivisions 1, 3; 13.599, by adding a subdivision; 15A.083, subdivision 6a; 16A.103, subdivision 1a; 16A.11, subdivision 3; 16E.01, subdivision 1a; 16E.016; 16E.03, subdivisions 1, 2, by adding subdivisions; 16E.035; 16E.0466, subdivision 1; 16E.05, subdivision 3; 16E.14, subdivision 3; 16E.18, subdivision 6; 43A.01, by adding a subdivision; 43A.15, subdivision 14; 43A.191, subdivisions 2, 3; 179A.20, by adding a subdivision; 196.05, subdivision 1; 240.01, by adding a subdivision; 240.02, subdivisions 2, 6; 240.08, subdivision 5; 240.10; 240.12; 240.13, subdivision 5; 240.131, subdivision 7; 240.135; 240.16, subdivisions 1, 2; 240.18, subdivisions 2, 3; 240.22; 240.27; 240A.09; 326A.01, subdivision 2; 326A.04, subdivisions 4, 5; 326A.08, subdivisions 4, 5, by adding a subdivision; 326A.10; 349.12, subdivision 2; 349.17, subdivision 6; 349.181, subdivision 5; 349.19, subdivisions 1, 2; 353.27, subdivision 3c; 645.071; Laws 2016, chapter 189, article 13, section 64; Laws 2018, chapter 100, section 1; proposing coding for new law in Minnesota Statutes, chapters 3; 5; 10; 14; 15; 16A; 16E; 326A; repealing Minnesota Statutes 2018, sections 3.9735; 353.505.

House File No. 2227 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned April 30, 2019

Senator Kiffmeyer moved that the Senate do not concur in the amendments by the House to S.F. No. 2227, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2125:

**H.F. No. 2125:** A bill for an act relating to financing and operation of state and local government; providing conformity and nonconformity to certain federal tax law changes; modifying individual income and corporate franchise taxes, estate taxes, sales and use taxes, special and excise taxes, property taxes, local government aids, provisions related to local taxes, tax increment financing, and public finance, and other miscellaneous taxes and tax provisions; modifying indexing provisions; changing the starting point for state individual income tax calculation from federal taxable income to federal adjusted gross income; providing for various individual and corporate additions and subtractions to income; modifying certain allowances and adjustments to income; modifying individual income tax brackets; modifying certain income tax credits; modifying and allowing certain construction exemptions and other sales and purchases from sales and use taxes; modifying rates and definitions for certain tobacco and cigarette taxes; modifying rates and deposits for solid waste taxes; modifying provisions relating to property tax records and information; modifying certain property tax timelines; establishing property tax exemptions; allowing tax deferral for elderly living facilities; modifying homestead provisions; modifying state general levy; modifying local government and county aid; modifying approval requirements for certain local sales taxes; modifying and authorizing certain local sales taxes; authorizing Metropolitan Council bonds; requiring reports;

appropriating money; amending Minnesota Statutes 2018, sections 6.495, subdivision 3; 37.31, subdivision 1; 38.27, by adding a subdivision; 103E.611, subdivision 2; 116J.8737, subdivisions 1, 2, 3, 4, 5, 6, 12; 123B.595, subdivision 5; 138.053; 144E.42, subdivision 2; 161.14, by adding a subdivision; 162.145, subdivision 3; 197.603, subdivision 2; 270A.03, subdivision 5; 270B.08, subdivision 2; 270C.13, subdivision 2; 270C.21; 270C.445, subdivision 6; 270C.85, subdivision 2; 270C.89, subdivisions 1, 2; 270C.91; 272.02, subdivisions 27, 49, 81, by adding subdivisions; 272.115, subdivision 1; 273.032; 273.061, subdivision 9; 273.0755; 273.113, subdivision 3; 273.119, subdivision 2; 273.1231, subdivision 3; 273.124, subdivisions 3a, 13, 14, 21, by adding a subdivision; 273.1245, subdivision 2; 273.13, subdivisions 22, 23, 34, 35; 273.136, subdivision 2; 273.1384, subdivisions 2, 3; 273.1385, subdivision 4; 273.1387, subdivisions 2, 3; 273.18; 273.371, subdivision 1; 274.14; 274.16; 275.025, subdivision 1; 282.01, subdivision 6; 287.21, subdivision 1; 289A.08, subdivisions 1, 6, 7, by adding a subdivision; 289A.10, subdivision 1; 289A.11, by adding a subdivision; 289A.20, by adding a subdivision; 289A.25, subdivision 1; 289A.31, subdivisions 1, 2; 289A.37, subdivisions 2, 6; 289A.38, subdivisions 7, 10; 289A.42; 289A.60, subdivisions 24, 29; 290.01, subdivisions 4a, 29a, 31, by adding subdivisions; 290.0131, subdivisions 1, 3, by adding subdivisions; 290.0132, subdivisions 1, 7, 18, 19, 20, 26, by adding subdivisions; 290.0133, subdivision 6; 290.0134, by adding subdivisions; 290.0137; 290.032, subdivision 2; 290.05, subdivisions 1, 3; 290.06, subdivisions 2c, 2d, 2h; 290.067, subdivision 2b; 290.0671, subdivisions 1, 7; 290.0672, subdivision 2; 290.0675, subdivision 1; 290.0677, subdivision 1a; 290.0681, subdivisions 1, 2; 290.0682, subdivisions 1, 2; 290.0684, subdivision 2; 290.0685, subdivision 1, by adding a subdivision; 290.0802, subdivisions 2, 3; 290.091, subdivisions 2, 3; 290.0921, subdivisions 2, 3; 290.0922, subdivision 1; 290.095, subdivision 2; 290.17, subdivision 4, by adding subdivisions; 290.191, subdivision 5; 290.21, subdivision 4, by adding a subdivision; 290.31, subdivision 1; 290.92, subdivisions 1, 5, 28; 290A.03, subdivisions 3, 4, 8, 12, 13; 290A.04, subdivisions 2, 2a, 4; 290A.05; 290A.08; 290A.09; 290A.19; 290B.04, subdivision 1; 290B.09, subdivision 1; 291.016, subdivision 3; 295.50, subdivisions 3, 4, 9b, 14, 15, by adding subdivisions; 295.53, subdivision 1; 295.57, subdivision 5; 295.582, subdivision 1; 295.75, subdivision 4; 296A.03, subdivision 3; 296A.13; 297A.61, subdivision 18; 297A.66, subdivisions 1, 2, 3; 297A.67, subdivisions 6, 12, 28, by adding a subdivision; 297A.68, subdivisions 17, 25, 29, 42, 44, by adding a subdivision; 297A.70, subdivisions 3, 4, 10, 16, 20, by adding subdivisions; 297A.71, subdivisions 22, 45, 50, by adding subdivisions; 297A.75, subdivisions 1, 2; 297A.77, by adding a subdivision; 297A.83, subdivision 1; 297A.84; 297A.85; 297A.99, subdivisions 1, 2, 3, by adding a subdivision; 297A.993, subdivisions 1, 2, by adding a subdivision; 297B.01, subdivisions 14, 16; 297B.03; 297F.01, subdivisions 19, 23, by adding a subdivision; 297F.05, by adding a subdivision; 297F.08, subdivisions 8, 9; 297F.17, subdivision 6; 297G.07, subdivision 1; 297G.16, subdivision 7; 297H.02, subdivision 2; 297H.03, subdivision 2; 297H.04, subdivision 2; 297H.05; 297H.13, subdivision 2; 297I.20, subdivision 3; 298.018, subdivision 1, by adding a subdivision; 298.225, subdivision 1; 298.28, subdivision 3; 298.282, subdivision 1; 353G.01, subdivision 9; 353G.05, subdivision 2; 353G.08, subdivisions 1, 1a; 353G.17, subdivision 2; 356.20, subdivision 4a; 356.219, subdivision 8; 423A.02, subdivisions 1b, 3; 423A.022, subdivisions 2, 4; 424A.016, subdivisions 2, 4; 424A.02, subdivisions 1, 3a, 10; 424A.03, subdivision 2; 424A.05, subdivisions 2, 3, by adding a subdivision; 424A.07; 424A.091, subdivision 3; 424A.092, subdivisions 3, 4; 424A.093, subdivision 5; 424B.09; 462D.03, subdivision 2; 469.169, by adding a subdivision; 469.171, subdivision 4; 469.177, subdivision 1; 469.190, subdivisions 1, 7; 469.316, subdivision 1; 469.319, subdivision 4; 471.831; 473.39, subdivision 6, by adding a subdivision; 473H.08, subdivisions 1, 4, by adding a subdivision; 475.521, subdivision 1; 477A.011, subdivision 45; 477A.013, subdivisions 9, 13; 477A.03,

subdivisions 2a, 2b; Minnesota Statutes 2019 Supplement, sections 289A.02, subdivision 7; 289A.12, subdivision 14; 289A.35; 290.01, subdivision 19; 290.0131, subdivision 10; 290.0132, subdivision 21; 290.0133, subdivision 12; 290.0672, subdivision 1; 290.0684, subdivision 1; 290.091, subdivision 2; 290.17, subdivision 2; 290A.03, subdivision 15; 291.005, subdivision 1; 462D.06, subdivisions 1, 2; Laws 1980, chapter 511, section 1, subdivision 1; Laws 1986, chapter 396, section 5, as amended; Laws 1986, chapter 462, section 31, as amended; Laws 1994, chapter 587, article 9, section 11; Laws 1998, chapter 389, article 8, section 45, subdivisions 1, 3, as amended, 4, 5; Laws 2008, chapter 366, article 5, sections 26, as amended; 33, as amended; Laws 2009, chapter 88, article 2, section 46, subdivisions 1, as amended, 2, 3, as amended, 4, 5; Laws 2011, First Special Session chapter 7, article 4, section 10, subdivision 3; Laws 2014, chapter 308, article 6, section 8, subdivisions 1, as amended, 3; Laws 2017, First Special Session chapter 1, article 3, sections 26; 32; article 8, section 3; article 10, section 4; Laws 2018, chapter 211, article 14, section 26; proposing coding for new law in Minnesota Statutes, chapters 16A; 270C; 273; 289A; 290; 290A; 297H; 297I; 424A; 469; proposing coding for new law as Minnesota Statutes, chapters 477B; 477C; repealing Minnesota Statutes 2018, sections 37.31, subdivision 8; 69.011, subdivisions 1, 2, 2b, 2c, 3, 4; 69.021, subdivisions 1, 2, 3, 4, 5, 7, 7a, 8, 9, 10, 11; 69.022; 69.031, subdivisions 1, 3, 5; 69.041; 69.051, subdivisions 1, 1a, 1b, 2, 3, 4; 69.33; 69.80; 270C.131; 275.29; 289A.38, subdivisions 7, 8, 9; 290.0131, subdivisions 7, 11, 12, 13; 290.0132, subdivision 8; 290.0133, subdivisions 13, 14; 290.10, subdivision 2; 296A.03, subdivision 5; 296A.04, subdivision 2; 296A.05, subdivision 2; 297A.66, subdivision 4b; 297F.08, subdivision 5; 297I.25, subdivision 2; Minnesota Rules, part 8125.0410, subpart 1.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

Marquart, Loeffler, Lislegard, Gomez and Davids have been appointed as such committee on the part of the House.

House File No. 2125 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted April 30, 2019

Senator Chamberlain moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2125, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

#### **MEMBERS EXCUSED**

Senator Pappas was excused from the Session of today at 9:30 p.m. Senator Rest was excused from the Session of today at 11:00 p.m. Senator Osmek was excused from the Session of today at 12:10 a.m.

44TH DAY]

TUESDAY, APRIL 30, 2019

4125

**ADJOURNMENT**

Senator Gazelka moved that the Senate do now adjourn until 11:00 a.m., Wednesday, May 1, 2019. The motion prevailed.

Cal R. Ludeman, Secretary of the Senate

