

## SEVENTY-FIFTH DAY

St. Paul, Minnesota, Wednesday, March 17, 2010

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

**CALL OF THE SENATE**

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

Prayer was offered by the Chaplain, Pastor Gary Dreier.

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

Anderson	Erickson Ropes	Koch	Olson, M.	Scheid
Bakk	Fischbach	Koering	Ortman	Senjem
Berglin	Fobbe	Kubly	Pappas	Sheran
Betzold	Foley	Langseth	Pariseau	Sieben
Bonoff	Frederickson	Latz	Parry	Skoe
Carlson	Gerlach	Limmer	Pogemiller	Skogen
Chaudhary	Gimse	Lourey	Prettner Solon	Sparks
Clark	Hann	Lynch	Rest	Stumpf
Cohen	Higgins	Marty	Robling	Tomassoni
Dahle	Ingebrigtsen	Metzen	Rosen	Torres Ray
Dibble	Johnson	Michel	Rummel	Vandev eer
Dille	Jungbauer	Moua	Saltzman	Vickerman
Doll	Kelash	Olson, G.	Saxhaug	Wiger

The President declared a quorum present.

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

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received.

March 14, 2010

The Honorable James P. Metzen  
President of the Senate

Dear President Metzen:

Please be advised that I have received, approved, signed and deposited in the Office of the

Secretary of State, S.F. No. 2253.

Sincerely,  
Tim Pawlenty, Governor

March 15, 2010

The Honorable Margaret Anderson Kelliher  
Speaker of the House of Representatives

The Honorable James P. Metzen  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2010 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2010	Date Filed 2010
2253		188	6:50 p.m. March 14	March 15
	*2700	189	6:00 p.m. March 14	March 15

Sincerely,  
Mark Ritchie  
Secretary of State

\* Chapter with line item vetoes

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 2624.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted March 15, 2010

### FIRST READING OF HOUSE BILLS

The following bill was read the first time.

**H.F. No. 2624:** A bill for an act relating to state government; appropriating money for environment and natural resources.

Referred to the Committee on Finance.

**REPORTS OF COMMITTEES**

Senator Pogemiller moved that the Committee Reports at the Desk be now adopted, with the exception of the report pertaining to appointments. The motion prevailed.

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

**S.F. No. 2789:** A bill for an act relating to juvenile records; modifying provisions governing public access to certain juvenile records; limiting release of records with informed consent; amending Minnesota Statutes 2008, section 260B.171, subdivision 5.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 241.31, subdivision 1, is amended to read:

Subdivision 1. **Establishment of program.** Notwithstanding any provisions of Minnesota Statutes to the contrary, any city, county or town, or any nonprofit corporation approved by the commissioner of corrections, or any combination thereof may establish and operate a community corrections program for the purpose of providing housing, supervision, treatment, counseling or other correctional services;

(a) to persons convicted of crime in the courts of this state and placed on probation by such courts pursuant to section 609.135;

(b) to persons not yet convicted of a crime but under criminal accusation who voluntarily accept such treatment;

(c) to persons adjudicated a delinquent or who received a stay of adjudication of delinquency under chapter 260 or chapter 260B;

(d) with the approval of the commissioner of corrections, to persons paroled under chapter 242; and

(e) with the approval of the commissioner of corrections, to persons paroled under section 243.05 or released under section 241.26.

Sec. 2. Minnesota Statutes 2008, section 242.32, subdivision 2, is amended to read:

Subd. 2. **Secure placement of juvenile offenders.** The commissioner shall license several small regional facilities providing secure capacity programming for juveniles who have been adjudicated delinquent, have received a stay of adjudication of delinquency, or have been convicted as extended jurisdiction juveniles and require secure placement. The programming shall be tailored to the types of juveniles being served, including their offense history, age, gender, cultural and ethnic heritage, mental health and chemical dependency problems, and other characteristics. Services offered shall include but not be limited to:

(1) intensive general educational programs, with an individual educational plan for each juvenile;

(2) specific educational components in the management of anger and nonviolent conflict resolution;

- (3) treatment for chemical dependency;
- (4) mental health screening, assessment, and treatment; and
- (5) programming to educate offenders about sexuality and address issues specific to victims and perpetrators of sexual abuse.

The facilities shall collaborate with facilities providing nonsecure residential programming and with community-based aftercare programs.

Sec. 3. Minnesota Statutes 2009 Supplement, section 245C.24, subdivision 2, is amended to read:

Subd. 2. **Permanent bar to set aside a disqualification.** (a) Except as otherwise provided in ~~paragraph (b)~~ this subdivision, the commissioner may not set aside the disqualification of any individual disqualified pursuant to this chapter, regardless of how much time has passed, if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision 1.

(b) For an individual in the chemical dependency or corrections field who was disqualified for a crime or conduct listed under section 245C.15, subdivision 1, and whose disqualification was set aside prior to July 1, 2005, the commissioner must consider granting a variance pursuant to section 245C.30 for the license holder for a program dealing primarily with adults. A request for reconsideration evaluated under this paragraph must include a letter of recommendation from the license holder that was subject to the prior set-aside decision addressing the individual's quality of care to children or vulnerable adults and the circumstances of the individual's departure from that service.

(c) When a licensed foster care provider adopts an individual who had received foster care services from the provider for over six months, and the adopted individual is required to receive a background study under section 245C.03, subdivision 1, paragraph (a), clause (2) or (6), the commissioner may grant a variance to the license holder under section 245C.30 to permit the adopted individual with a permanent disqualification to remain affiliated with the license holder under the conditions of the variance when the variance is recommended by the county of responsibility for each of the remaining individuals in placement in the home and the licensing agency for the home.

(d) The commissioner shall consider granting a set aside under section 245C.22 or a variance under section 245C.30 to an individual who is now 21 years of age or older and who was disqualified for a crime or conduct listed under section 245C.15, subdivision 1, occurring while the individual was under the age of 18. This paragraph does not apply to individuals who were convicted of the disqualifying crime following certification under section 260B.125.

Sec. 4. Minnesota Statutes 2008, section 260B.125, subdivision 4, is amended to read:

Subd. 4. **Public safety.** In determining whether the public safety is served by certifying the matter, the court shall consider the following factors:

- (1) the seriousness of the alleged offense in terms of community protection, including the existence of any aggravating factors recognized by the Sentencing Guidelines, the use of a firearm, and the impact on any victim;
- (2) the culpability of the child in committing the alleged offense, including the level of the child's

participation in planning and carrying out the offense and the existence of any mitigating factors recognized by the Sentencing Guidelines;

(3) the child's prior record of delinquency, including adjudications of delinquency and delinquency petitions that resulted in stays of adjudication of delinquency;

(4) the child's programming history, including the child's past willingness to participate meaningfully in available programming;

(5) the adequacy of the punishment or programming available in the juvenile justice system; and

(6) the dispositional options available for the child.

In considering these factors, the court shall give greater weight to the seriousness of the alleged offense and the child's prior record of delinquency, including adjudications of delinquency and delinquency petitions that resulted in stays of adjudication of delinquency, than to the other factors listed in this subdivision.

Sec. 5. Minnesota Statutes 2008, section 260B.130, subdivision 5, is amended to read:

Subd. 5. **Execution of adult sentence.** (a) When it appears that a person convicted as an extended jurisdiction juvenile has violated the conditions of the stayed sentence, or is alleged to have committed a new offense, the court may, without notice, revoke the stay and probation and direct that the offender be taken into immediate custody. The court shall notify the offender in writing of the reasons alleged to exist for revocation of the stay of execution of the adult sentence. If the offender challenges the reasons, the court shall hold a summary hearing on the issue at which the offender is entitled to be heard and represented by counsel.

(b) If a person described in paragraph (a) is taken into custody, the person may be detained in a secure juvenile detention facility. If there is no secure juvenile detention facility or existing acceptable detention alternative available for juveniles within the county, the child may be detained up to 24 hours, excluding Saturdays, Sundays, and holidays, or for up to six hours in a standard metropolitan statistical area, in a jail, lockup, or other facility used for the confinement of adults who have been charged with or convicted of a crime. In this instance, the person must be confined in quarters separate from any adult confined in the facility that allow for complete sight and sound separation for all activities during the period of the detention, and the adult facility must be approved for the detention of juveniles by the commissioner of corrections.

If the person is 18 years of age or older and is to be detained prior to the revocation hearing, the person may be detained in a local adult correctional facility without the need for sight and sound separation.

(c) After the hearing, if the court finds that reasons exist to revoke the stay of execution of sentence, the court shall treat the offender as an adult and order any of the adult sanctions authorized by section 609.14, subdivision 3, except that no credit shall be given for time served in juvenile facility custody prior to a summary hearing. If the offender was convicted of an offense described in subdivision 1, clause (2), and the court finds that reasons exist to revoke the stay, the court must order execution of the previously imposed sentence unless the court makes written findings regarding the mitigating factors that justify continuing the stay.

(d) Upon revocation, the offender's extended jurisdiction status is terminated and juvenile court

jurisdiction is terminated. The ongoing jurisdiction for any adult sanction, other than commitment to the commissioner of corrections, is with the adult court.

Sec. 6. Minnesota Statutes 2008, section 260B.157, subdivision 1, is amended to read:

Subdivision 1. **Investigation.** Upon request of the court the local social services agency or probation officer shall investigate the personal and family history and environment of any minor coming within the jurisdiction of the court under section 260B.101 and shall report its findings to the court. The court may order any minor coming within its jurisdiction to be examined by a duly qualified physician, psychiatrist, or psychologist appointed by the court.

The court shall order a chemical use assessment conducted when a child is (1) found to be delinquent for violating a provision of chapter 152, or for committing a felony-level violation of a provision of chapter 609 if the probation officer determines that alcohol or drug use was a contributing factor in the commission of the offense, or (2) alleged to be delinquent for violating a provision of chapter 152, if the child is being held in custody under a detention order. The assessor's qualifications and the assessment criteria shall comply with Minnesota Rules, parts 9530.6600 to 9530.6655. If funds under chapter 254B are to be used to pay for the recommended treatment, the assessment and placement must comply with all provisions of Minnesota Rules, parts 9530.6600 to 9530.6655 and 9530.7000 to 9530.7030. The commissioner of human services shall reimburse the court for the cost of the chemical use assessment, up to a maximum of \$100.

The court shall order a children's mental health screening and a chemical use screening conducted when a child is found to be delinquent. The screening shall be conducted with a screening instrument approved by the commissioner of human services and shall be conducted by a mental health practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is trained in the use of the screening instrument. If the screening indicates a need for a mental health assessment, the local social services agency, in consultation with the child's family, shall have a diagnostic assessment conducted, including a functional assessment, as defined in section 245.4871. If the screening indicates a need for a chemical use assessment, the local social service agency, in consultation with the child's family, shall have a chemical use assessment conducted, as defined in section 254A.03, subdivision 3.

With the consent of the commissioner of corrections and agreement of the county to pay the costs thereof, the court may, by order, place a minor coming within its jurisdiction in an institution maintained by the commissioner for the detention, diagnosis, custody and treatment of persons adjudicated to be delinquent or who received a stay of adjudication of delinquency, in order that the condition of the minor be given due consideration in the disposition of the case. Any funds received under the provisions of this subdivision shall not cancel until the end of the fiscal year immediately following the fiscal year in which the funds were received. The funds are available for use by the commissioner of corrections during that period and are hereby appropriated annually to the commissioner of corrections as reimbursement of the costs of providing these services to the juvenile courts.

Sec. 7. Minnesota Statutes 2008, section 260B.163, subdivision 1, is amended to read:

Subdivision 1. **General.** (a) Except for hearings arising under section 260B.425, hearings on any matter shall be without a jury and may be conducted in an informal manner, except that a child who is prosecuted as an extended jurisdiction juvenile has the right to a jury trial on the issue of guilt. The rules of evidence promulgated pursuant to section 480.0591 and the law of evidence shall apply

in adjudicatory proceedings involving a child alleged to be delinquent, an extended jurisdiction juvenile, or a juvenile petty offender, and hearings conducted pursuant to section 260B.125 except to the extent that the rules themselves provide that they do not apply.

(b) When a continuance or adjournment is ordered in any proceeding, the court may make any interim orders as it deems in the best interests of the minor in accordance with the provisions of sections 260B.001 to 260B.421.

(c) Except as otherwise provided in this paragraph, the court shall exclude the general public from hearings under this chapter and shall admit only those persons who, in the discretion of the court, have a direct interest in the case or in the work of the court. The court shall permit the victim of a child's delinquent act to attend any related delinquency proceeding, except that the court may exclude the victim:

(1) as a witness under the Rules of Criminal Procedure; and

(2) from portions of a certification hearing to discuss psychological material or other evidence that would not be accessible to the public.

The court shall open ~~the hearings~~ a hearing to the public in a delinquency or extended jurisdiction juvenile proceedings where proceeding if the child is alleged to have committed, ~~an offense~~ or has been proven to have committed ~~an~~ a violent or severe offense that would be a felony if committed by an adult and the child was at least 16 years of age at the time of the offense, except that the court may exclude the public from portions of a certification hearing to discuss psychological material or other evidence that would not be accessible to the public in an adult proceeding.

(d) In all delinquency cases a person named in the charging clause of the petition as a person directly damaged in person or property shall be entitled, upon request, to be notified by the court administrator in writing, at the named person's last known address, of (1) the date of the certification or adjudicatory hearings, and (2) the disposition of the case.

Sec. 8. Minnesota Statutes 2008, section 260B.171, subdivision 4, is amended to read:

Subd. 4. **Public inspection of records.** (a) Legal records arising from proceedings or portions of proceedings that ~~are~~ the court opens to the public under section 260B.163, subdivision 1, are open to public inspection.

(b) Except as otherwise provided by this section, none of the records of the juvenile court and none of the records relating to an appeal from a nonpublic juvenile court proceeding, except the written appellate opinion, shall be open to public inspection or their contents disclosed except:

(1) by order of a court; or

(2) as required by chapter 245C or sections 245A.04, 611A.03, 611A.04, 611A.06, and 629.73.

(c) The victim of any alleged delinquent act may, upon the victim's request, obtain the following information, unless it reasonably appears that the request is prompted by a desire on the part of the requester to engage in unlawful activities:

(1) the name and age of the juvenile;

(2) the act for which the juvenile was petitioned and date of the offense; and

(3) the disposition, including, but not limited to, dismissal of the petition, diversion, probation and conditions of probation, detention, fines, or restitution.

(d) The records of juvenile probation officers and county home schools are records of the court for the purposes of this subdivision. Court services data relating to delinquent acts that are contained in records of the juvenile court may be released as allowed under section 13.84, subdivision 6. This subdivision applies to all proceedings under this chapter, including appeals from orders of the juvenile court, except that this subdivision does not apply to proceedings under section 260B.335 or 260B.425 when the proceeding involves an adult defendant. The court shall maintain the confidentiality of adoption files and records in accordance with the provisions of laws relating to adoptions. In juvenile court proceedings any report or social history furnished to the court shall be open to inspection by the attorneys of record and the guardian ad litem a reasonable time before it is used in connection with any proceeding before the court.

(e) When a judge of a juvenile court, or duly authorized agent of the court, determines under a proceeding under this chapter that a child has violated a state or local law, ordinance, or regulation pertaining to the operation of a motor vehicle on streets and highways, except parking violations, the judge or agent shall immediately report the violation to the commissioner of public safety. The report must be made on a form provided by the Department of Public Safety and must contain the information required under section 169.95.

(f) A county attorney may give a law enforcement agency that referred a delinquency matter to the county attorney a summary of the results of that referral, including the details of any juvenile court disposition.

Sec. 9. Minnesota Statutes 2008, section 260B.171, subdivision 5, is amended to read:

**Subd. 5. Peace officer records of children.** (a) Except for records relating to an offense where the court opens the proceedings are to the public under section 260B.163, subdivision 1, Peace officers' records of children who are or may be delinquent or who may be engaged in criminal acts shall be kept separate from records of persons 18 years of age or older and are private data but shall be disseminated: (1) by order of the juvenile court, (2) as required by section 121A.28, (3) as authorized under section 13.82, subdivision 2, (4) to the child or the child's parent or guardian unless disclosure of a record would interfere with an ongoing investigation, (5) to the Minnesota crime victims reparations board as required by section 611A.56, subdivision 2, clause (6), for the purpose of processing claims for crime victims reparations, or (6) as otherwise provided in this subdivision. Except as provided in paragraph (c), no photographs of a child taken into custody may be taken without the consent of the juvenile court unless the child is alleged to have violated section 169A.20. Peace officers' records containing data about children who are victims of crimes or witnesses to crimes must be administered consistent with section 13.82, subdivisions 2, 3, 6, and 17. Any person violating any of the provisions of this subdivision shall be guilty of a misdemeanor.

In the case of computerized records maintained about juveniles by peace officers, the requirement of this subdivision that records about juveniles must be kept separate from adult records does not mean that a law enforcement agency must keep its records concerning juveniles on a separate computer system. Law enforcement agencies may keep juvenile records on the same computer as adult records and may use a common index to access both juvenile and adult records so long as the agency has in place procedures that keep juvenile records in a separate place in computer storage and that comply with the special data retention and other requirements associated



with protecting data on juveniles.

(b) Nothing in this subdivision prohibits the exchange of information by law enforcement agencies if the exchanged information is pertinent and necessary for law enforcement purposes.

(c) A photograph may be taken of a child taken into custody pursuant to section 260B.175, subdivision 1, clause (b), provided that the photograph must be destroyed when the child reaches the age of 19 years. The commissioner of corrections may photograph juveniles whose legal custody is transferred to the commissioner. Photographs of juveniles authorized by this paragraph may be used only for institution management purposes, case supervision by parole agents, and to assist law enforcement agencies to apprehend juvenile offenders. The commissioner shall maintain photographs of juveniles in the same manner as juvenile court records and names under this section.

(d) Traffic investigation reports are open to inspection by a person who has sustained physical harm or economic loss as a result of the traffic accident. Identifying information on juveniles who are parties to traffic accidents may be disclosed as authorized under section 13.82, subdivision 6, and accident reports required under section 169.09 may be released under section 169.09, subdivision 13, unless the information would identify a juvenile who was taken into custody or who is suspected of committing an offense that would be a crime if committed by an adult, or would associate a juvenile with the offense, and the offense is not an adult court traffic offense under section 260B.225.

(e) The head of a law enforcement agency or a person specifically given the duty by the head of the law enforcement agency shall notify the superintendent or chief administrative officer of a juvenile's school of an incident occurring within the agency's jurisdiction if:

(1) the agency has probable cause to believe that the juvenile has committed an offense that would be a crime if committed as an adult, that the victim of the offense is a student or staff member of the school, and that notice to the school is reasonably necessary for the protection of the victim; or

(2) the agency has probable cause to believe that the juvenile has committed an offense described in subdivision 3, paragraph (a), clauses (1) to (3), that would be a crime if committed by an adult, regardless of whether the victim is a student or staff member of the school.

A law enforcement agency is not required to notify the school under this paragraph if the agency determines that notice would jeopardize an ongoing investigation. For purposes of this paragraph, "school" means a public or private elementary, middle, secondary, or charter school.

(f) In any county in which the county attorney operates or authorizes the operation of a juvenile prepetition or pretrial diversion program, a law enforcement agency or county attorney's office may provide the juvenile diversion program with data concerning a juvenile who is a participant in or is being considered for participation in the program.

(g) Upon request of a local social services agency, peace officer records of children who are or may be delinquent or who may be engaged in criminal acts may be disseminated to the agency to promote the best interests of the subject of the data.

(h) Upon written request, the prosecuting authority shall release investigative data collected by a law enforcement agency to the victim of a criminal act or alleged criminal act or to the victim's legal representative, except as otherwise provided by this paragraph. Data shall not be released if:

(1) the release to the individual subject of the data would be prohibited under section 13.821; or

(2) the prosecuting authority reasonably believes:

(i) that the release of that data will interfere with the investigation; or

(ii) that the request is prompted by a desire on the part of the requester to engage in unlawful activities.

(i) A consent to the release of a peace officer record governed by this subdivision from the individual who is the subject of the record is not effective and a law enforcement agency must not release the record or release information in a manner that reveals the existence of the record.

Sec. 10. Minnesota Statutes 2008, section 260B.176, subdivision 2, is amended to read:

Subd. 2. **Reasons for detention.** (a) If the child is not released as provided in subdivision 1, the person taking the child into custody shall notify the court as soon as possible of the detention of the child and the reasons for detention.

(b) No child may be detained in a juvenile secure detention facility or shelter care facility longer than 36 hours, excluding Saturdays, Sundays, and holidays, after being taken into custody for a delinquent act as defined in section 260B.007, subdivision 6, unless a petition has been filed and the judge or referee determines pursuant to section 260B.178 that the child shall remain in detention.

(c) No child may be detained in an adult jail or municipal lockup longer than 24 hours, excluding Saturdays, Sundays, and holidays, or longer than six hours in an adult jail or municipal lockup in a standard metropolitan statistical area, after being taken into custody for a delinquent act as defined in section 260B.007, subdivision 6, unless:

(1) a petition has been filed under section 260B.141; and

(2) a judge or referee has determined under section 260B.178 that the child shall remain in detention.

After August 1, 1991, no child described in this paragraph may be detained in an adult jail or municipal lockup longer than 24 hours, excluding Saturdays, Sundays, and holidays, or longer than six hours in an adult jail or municipal lockup in a standard metropolitan statistical area, unless the requirements of this paragraph have been met and, in addition, a motion to refer the child for adult prosecution has been made under section 260B.125. Notwithstanding this paragraph, continued detention of a child in an adult detention facility outside of a standard metropolitan statistical area county is permissible if:

(i) the facility in which the child is detained is located where conditions of distance to be traveled or other ground transportation do not allow for court appearances within 24 hours. A delay not to exceed 48 hours may be made under this clause; or

(ii) the facility is located where conditions of safety exist. Time for an appearance may be delayed until 24 hours after the time that conditions allow for reasonably safe travel. "Conditions of safety" include adverse life-threatening weather conditions that do not allow for reasonably safe travel.

The continued detention of a child under clause (i) or (ii) must be reported to the commissioner of corrections.

(d) If a child described in paragraph (c) is to be detained in a jail beyond 24 hours, excluding Saturdays, Sundays, and holidays, the judge or referee, in accordance with rules and procedures established by the commissioner of corrections, shall notify the commissioner of the place of the detention and the reasons therefor. The commissioner shall thereupon assist the court in the relocation of the child in an appropriate juvenile secure detention facility or approved jail within the county or elsewhere in the state, or in determining suitable alternatives. The commissioner shall direct that a child detained in a jail be detained after eight days from and including the date of the original detention order in an approved juvenile secure detention facility with the approval of the administrative authority of the facility. If the court refers the matter to the prosecuting authority pursuant to section 260B.125, notice to the commissioner shall not be required.

(e) When a child is detained for an alleged delinquent act in a state licensed juvenile facility or program, or when a child is detained in an adult jail or municipal lockup as provided in paragraph (c), the supervisor of the facility shall, if the child's parent or legal guardian consents, have a children's mental health screening conducted with a screening instrument approved by the commissioner of human services, unless a screening has been performed within the previous 180 days or the child is currently under the care of a mental health professional. The screening shall be conducted by a mental health practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is trained in the use of the screening instrument. The screening shall be conducted after the initial detention hearing has been held and the court has ordered the child continued in detention. The results of the screening may only be presented to the court at the dispositional phase of the court proceedings on the matter unless the parent or legal guardian consents to presentation at a different time. If the screening indicates a need for assessment, the local social services agency or probation officer, with the approval of the child's parent or legal guardian, shall have a diagnostic assessment conducted, including a functional assessment, as defined in section 245.4871.

(f) When a child is detained for an alleged delinquent act in a state licensed juvenile facility or program, or when a child is detained in an adult jail or municipal lockup as provided in paragraph (c), the supervisor of the facility shall, if the child's parent or legal guardian consents, have a chemical use screen conducted with a screening instrument approved by the commissioner of human services, unless a screening has been performed within the previous 180 days or the child is currently under the care of a licensed alcohol and drug counselor. The screening shall be conducted by a mental health practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is trained in the use of the screening instrument. The screening shall be conducted after the initial detention hearing has been held and the court has ordered the child continued in detention.

Sec. 11. Minnesota Statutes 2008, section 260B.198, subdivision 7, is amended to read:

Subd. 7. **Continuance.** When it is in the best interests of the child and public safety to do so and when the child has admitted the allegations contained in the petition before the judge or referee, or when a hearing has been held as provided for in section 260B.163 and the allegations contained in the petition have been duly proven but, in either case, before a finding of delinquency has been entered, the court may stay the adjudication of delinquency and continue the case for a period not to exceed 90 180 days on any one order. With the consent of the prosecutor, such a continuance may be extended renewed for one additional successive a period not to exceed 90 days extend beyond the child's 19th birthday and only after the court has reviewed the case and entered its order for an additional continuance without a finding of delinquency. During this either continuance the court may enter an order in accordance with the provisions of subdivision 1, ~~clause~~

~~(1) or (2)~~, or enter an order to hold the child in detention for a period not to exceed 15 days on any one order for the purpose of completing any consideration, or any investigation or examination ordered in accordance with the provisions of section 260B.157. The court shall not stay adjudication on any felony offense if the child has previously received a stay of adjudication of delinquency by a court in any judicial district. This subdivision does not apply to an extended jurisdiction juvenile proceeding. In calculating an adult criminal history score, a stay of adjudication for a felony-level offense ordered by the court pursuant to this subdivision shall be counted as an adjudication by the Minnesota Sentencing Guidelines Commission.

Sec. 12. Minnesota Statutes 2008, section 299C.105, subdivision 1, is amended to read:

Subdivision 1. **Required collection of biological specimen for DNA testing.** (a) Sheriffs, peace officers, and community corrections agencies operating secure juvenile detention facilities shall take or cause to be taken biological specimens for the purpose of DNA analysis as defined in section 299C.155, of the following:

(1) persons who have appeared in court and have had a judicial probable cause determination on a charge of committing, or persons having been convicted of or attempting to commit, any of the following:

- (i) murder under section 609.185, 609.19, or 609.195;
- (ii) manslaughter under section 609.20 or 609.205;
- (iii) assault under section 609.221, 609.222, or 609.223;
- (iv) robbery under section 609.24 or aggravated robbery under section 609.245;
- (v) kidnapping under section 609.25;
- (vi) false imprisonment under section 609.255;
- (vii) criminal sexual conduct under section 609.342, 609.343, 609.344, 609.345, 609.3451, subdivision 3, or 609.3453;
- (viii) incest under section 609.365;
- (ix) burglary under section 609.582, subdivision 1; or
- (x) indecent exposure under section 617.23, subdivision 3;

(2) persons sentenced as patterned sex offenders under section 609.3455, subdivision 3a; or

(3) juveniles who have appeared in court and have had a judicial probable cause determination on a charge of committing, ~~or juveniles having been adjudicated delinquent, or juveniles who have received a stay of adjudication of delinquency~~ for committing or attempting to commit, any of the following:

- (i) murder under section 609.185, 609.19, or 609.195;
- (ii) manslaughter under section 609.20 or 609.205;
- (iii) assault under section 609.221, 609.222, or 609.223;

- (iv) robbery under section 609.24 or aggravated robbery under section 609.245;
  - (v) kidnapping under section 609.25;
  - (vi) false imprisonment under section 609.255;
  - (vii) criminal sexual conduct under section 609.342, 609.343, 609.344, 609.345, 609.3451, subdivision 3, or 609.3453;
  - (viii) incest under section 609.365;
  - (ix) burglary under section 609.582, subdivision 1; or
  - (x) indecent exposure under section 617.23, subdivision 3.
- (b) Unless the superintendent of the bureau requires a shorter period, within 72 hours the biological specimen required under paragraph (a) must be forwarded to the bureau in such a manner as may be prescribed by the superintendent.
- (c) Prosecutors, courts, and probation officers shall attempt to ensure that the biological specimen is taken on a person described in paragraph (a).

Sec. 13. Minnesota Statutes 2008, section 299C.61, subdivision 8a, is amended to read:

Subd. 8a. **Conviction.** "Conviction" means a criminal conviction or an adjudication of delinquency or a stay of adjudication of delinquency for an offense that would be a crime if committed by an adult.

Sec. 14. Minnesota Statutes 2008, section 609.117, subdivision 1, is amended to read:

Subdivision 1. **Upon sentencing.** If an offender has not already done so, the court shall order an offender to provide a biological specimen for the purpose of DNA analysis as defined in section 299C.155 when:

(1) the court sentences a person charged with committing or attempting to commit a felony offense and the person is convicted of that offense or of any offense arising out of the same set of circumstances; or

(2) ~~the juvenile court adjudicates a person a delinquent child who is petitioned for committing or attempting to commit a felony offense and is adjudicated delinquent for that offense or any offense arising out of the same set of circumstances~~ finds that a child who was petitioned for committing or attempting to commit a felony offense did commit that offense or any offense arising out of the same set of circumstances.

The biological specimen or the results of the analysis shall be maintained by the Bureau of Criminal Apprehension as provided in section 299C.155.

Sec. 15. Minnesota Statutes 2008, section 609A.02, subdivision 2, is amended to read:

Subd. 2. **Offenses committed by juveniles prosecuted as adults.** ~~A petition for the sealing of a conviction record~~ any type of delinquency or criminal record relating to a juvenile matter may be filed under section 609A.03 by a person who has been committed to the custody of the commissioner of corrections upon conviction of a crime following certification to district court under section

260B.125, if the person successfully completed the terms of the person's disposition or sentence and who is no longer under correctional supervision for the offense, if:

(1) is finally discharged by the commissioner; or the person received a disposition under section 260B.198, regardless of whether the person was adjudicated delinquent;

(2) has been placed on probation by the court under section 609.135 and has been discharged from probation after satisfactory fulfillment of it the matter was designated an extended jurisdiction juvenile prosecution under section 260B.130 and the person's adult sentence was never executed;

(3) the matter was designated an extended jurisdiction juvenile prosecution under section 260B.130 and the person's adult sentence was subsequently executed; or

(4) the matter was certified for adult prosecution under section 260B.125.

Sec. 16. Minnesota Statutes 2008, section 609A.03, subdivision 1, is amended to read:

Subdivision 1. **Petition; filing fee.** An individual who is the subject of a criminal record who is seeking the expungement of the record shall file a petition under this section and pay a filing fee in the amount required under section 357.021, subdivision 2, clause (1). The filing fee may be waived in cases of indigency and shall be waived in the cases described in section 609A.02, subdivision 2, clause (1) or (2), and subdivision 3.

Sec. 17. Minnesota Statutes 2008, section 609A.03, subdivision 2, is amended to read:

Subd. 2. **Contents of petition.** (a) A petition for expungement shall be signed under oath by the petitioner and shall state the following:

(1) the petitioner's full name and all other legal names or aliases by which the petitioner has been known at any time;

(2) the petitioner's date of birth;

(3) all of the petitioner's addresses from the date of the offense or alleged offense in connection with which an expungement order is sought, to the date of the petition;

(4) why expungement is sought, if it is for employment or licensure purposes, the statutory or other legal authority under which it is sought, and why it should be granted;

(5) the details of the offense or arrest for which expungement is sought, including the date and jurisdiction of the occurrence, either the names of any victims or that there were no identifiable victims, whether there is a current order for protection, restraining order, or other no contact order prohibiting the petitioner from contacting the victims or whether there has ever been a prior order for protection or restraining order prohibiting the petitioner from contacting the victims, the court file number, and the date of conviction or of dismissal;

(6) in the case of a conviction or delinquency record, what steps the petitioner has taken since the time of the offense toward personal rehabilitation, including treatment, work, or other personal history that demonstrates rehabilitation;

(7) petitioner's criminal conviction and delinquency record indicating all convictions and findings of delinquency for misdemeanors, gross misdemeanors, or felonies in this state, and for

all comparable convictions and findings of delinquency in any other state, federal court, or foreign country, whether the convictions or findings of delinquency occurred before or after the arrest ~~or~~ conviction, or finding of delinquency for which expungement is sought;

(8) petitioner's criminal charges record indicating all prior and pending criminal charges against the petitioner in this state or another jurisdiction, including all criminal charges that have been continued for dismissal or stayed for adjudication, or have been the subject of pretrial diversion; and

(9) all prior requests by the petitioner, whether for the present offense or for any other offenses, in this state or any other state or federal court, for pardon, return of arrest records, or expungement or sealing of a criminal record, whether granted or not, and all stays of adjudication or imposition of sentence involving the petitioner.

(b) If there is a current order for protection, restraining order, or other no contact order prohibiting the petitioner from contacting the victims or there has ever been a prior order for protection or restraining order prohibiting the petitioner from contacting the victims, the petitioner shall attach a copy of the order to the petition.

Sec. 18. Minnesota Statutes 2008, section 609A.03, subdivision 4, is amended to read:

Subd. 4. **Hearing.** (a) A hearing on the petition shall be held no sooner than 60 days after service of the petition. A victim of the offense for which expungement is sought has a right to submit an oral or written statement to the court at the time of the hearing describing the harm suffered by the victim as a result of the crime and the victim's recommendation on whether expungement should be granted or denied. The judge shall consider the victim's statement when making a decision.

(b) The court shall exclude the general public from a hearing on a petition to expunge a record relating to a juvenile matter under section 609A.02, subdivision 2, and may admit only persons who the court determines have a direct interest in the case, unless the hearing on the underlying offense for which expungement is sought was open to the public under section 260B.163, subdivision 1, paragraph (c), or other law.

Sec. 19. Minnesota Statutes 2008, section 609A.03, subdivision 5, is amended to read:

Subd. 5. **Nature of remedy; standard; ~~firearms restriction~~.** (a) Except as otherwise provided by paragraph (b) or (c), expungement of a criminal or delinquency record is an extraordinary remedy to be granted only upon clear and convincing evidence that it would yield a benefit to the petitioner commensurate with the disadvantages to the public and public safety of:

(1) sealing the record; and

(2) burdening the court and public authorities to issue, enforce, and monitor an expungement order.

(b) Except as otherwise provided by this paragraph, if the petitioner is petitioning for the sealing of a criminal or delinquency record under section 609A.02, subdivision 3, the court shall grant the petition to seal the record unless the agency or jurisdiction whose records would be affected establishes by clear and convincing evidence that the interests of the public and public safety outweigh the disadvantages to the petitioner of not sealing the record.

(c) If the petitioner is petitioning for the sealing of a criminal or delinquency record under section 609A.02, subdivision 2, clause (1) or (2), the court shall grant the petition to seal the record unless the agency or jurisdiction whose records would be affected establishes by clear and convincing evidence that the interests of the public and public safety outweigh the disadvantages to the petitioner of not sealing the record.

(d) If the court issues an expungement order it may require that the criminal or delinquency record be sealed, the existence of the record not be revealed, and the record not be opened except as required under subdivision 7. Records must not be destroyed or returned to the subject of the record.

Sec. 20. Minnesota Statutes 2008, section 609A.03, subdivision 5a, is amended to read:

**Subd. 5a. Order concerning crimes of violence.** An order expunging the record of a conviction or delinquency record for a crime of violence as defined in section 624.712, subdivision 5, must provide that the person is not entitled to ship, transport, possess, or receive a firearm for the remainder of the person's lifetime. Any person whose record of conviction or delinquency record is expunged under this section and who thereafter receives a relief of disability under United States Code, title 18, section 925, or whose ability to possess firearms has been restored under section 609.165, subdivision 1d, is not subject to the restriction in this subdivision.

Sec. 21. Minnesota Statutes 2008, section 609A.03, subdivision 7, is amended to read:

**Subd. 7. Limitations of order.** (a) Upon issuance of an expungement order related to a charge supported by probable cause, the DNA samples and DNA records held by the Bureau of Criminal Apprehension and collected under authority other than section 299C.105, shall not be sealed, returned to the subject of the record, or destroyed.

(b) Notwithstanding the issuance of an expungement order:

(1) an expunged record may be opened for purposes of a criminal investigation, prosecution, or sentencing, upon an ex parte court order;

(2) an expunged record of a conviction or delinquency proceeding may be opened for purposes of evaluating a prospective employee in a criminal justice agency without a court order; and

(3) an expunged record of a conviction or delinquency proceeding may be opened for purposes of a background study under section 245C.08 unless the court order for expungement is directed specifically to the commissioner of human services.

Upon request by law enforcement, prosecution, or corrections authorities, an agency or jurisdiction subject to an expungement order shall inform the requester of the existence of a sealed record and of the right to obtain access to it as provided by this paragraph. For purposes of this section, a "criminal justice agency" means courts or a government agency that performs the administration of criminal justice under statutory authority.

Sec. 22. Minnesota Statutes 2009 Supplement, section 624.713, subdivision 1, is amended to read:

**Subdivision 1. Ineligible persons.** The following persons shall not be entitled to possess a pistol or semiautomatic military-style assault weapon or, except for clause (1), any other firearm:

(1) a person under the age of 18 years except that a person under 18 may carry or possess a



pistol or semiautomatic military-style assault weapon (i) in the actual presence or under the direct supervision of the person's parent or guardian, (ii) for the purpose of military drill under the auspices of a legally recognized military organization and under competent supervision, (iii) for the purpose of instruction, competition, or target practice on a firing range approved by the chief of police or county sheriff in whose jurisdiction the range is located and under direct supervision; or (iv) if the person has successfully completed a course designed to teach marksmanship and safety with a pistol or semiautomatic military-style assault weapon and approved by the commissioner of natural resources;

(2) except as otherwise provided in clause (9), a person who has been convicted of, or adjudicated delinquent or received a stay of adjudication of delinquency or convicted as an extended jurisdiction juvenile for committing, in this state or elsewhere, a crime of violence. For purposes of this section, crime of violence includes crimes in other states or jurisdictions which would have been crimes of violence as herein defined if they had been committed in this state;

(3) a person who is or has ever been committed in Minnesota or elsewhere by a judicial determination that the person is mentally ill, developmentally disabled, or mentally ill and dangerous to the public, as defined in section 253B.02, to a treatment facility, or who has ever been found incompetent to stand trial or not guilty by reason of mental illness, unless the person's ability to possess a firearm has been restored under subdivision 4;

(4) a person who has been convicted in Minnesota or elsewhere of a misdemeanor or gross misdemeanor violation of chapter 152, unless three years have elapsed since the date of conviction and, during that time, the person has not been convicted of any other such violation of chapter 152 or a similar law of another state; or a person who is or has ever been committed by a judicial determination for treatment for the habitual use of a controlled substance or marijuana, as defined in sections 152.01 and 152.02, unless the person's ability to possess a firearm has been restored under subdivision 4;

(5) a person who has been committed to a treatment facility in Minnesota or elsewhere by a judicial determination that the person is chemically dependent as defined in section 253B.02, unless the person has completed treatment or the person's ability to possess a firearm has been restored under subdivision 4. Property rights may not be abated but access may be restricted by the courts;

(6) a peace officer who is informally admitted to a treatment facility pursuant to section 253B.04 for chemical dependency, unless the officer possesses a certificate from the head of the treatment facility discharging or provisionally discharging the officer from the treatment facility. Property rights may not be abated but access may be restricted by the courts;

(7) a person, including a person under the jurisdiction of the juvenile court, who has been charged with committing a crime of violence and has been placed in a pretrial diversion program by the court before disposition, until the person has completed the diversion program and the charge of committing the crime of violence has been dismissed;

(8) except as otherwise provided in clause (9), a person who has been convicted in another state of committing an offense similar to the offense described in section 609.224, subdivision 3, against a family or household member or section 609.2242, subdivision 3, unless three years have elapsed since the date of conviction and, during that time, the person has not been convicted of any other violation of section 609.224, subdivision 3, or 609.2242, subdivision 3, or a similar law of another state;

(9) a person who has been convicted in this state or elsewhere of assaulting a family or household member and who was found by the court to have used a firearm in any way during commission of the assault is prohibited from possessing any type of firearm for the period determined by the sentencing court;

(10) a person who:

(i) has been convicted in any court of a crime punishable by imprisonment for a term exceeding one year;

(ii) is a fugitive from justice as a result of having fled from any state to avoid prosecution for a crime or to avoid giving testimony in any criminal proceeding;

(iii) is an unlawful user of any controlled substance as defined in chapter 152;

(iv) has been judicially committed to a treatment facility in Minnesota or elsewhere as a person who is mentally ill, developmentally disabled, or mentally ill and dangerous to the public, as defined in section 253B.02;

(v) is an alien who is illegally or unlawfully in the United States;

(vi) has been discharged from the armed forces of the United States under dishonorable conditions; or

(vii) has renounced the person's citizenship having been a citizen of the United States; or

(11) a person who has been convicted of the following offenses at the gross misdemeanor level, unless three years have elapsed since the date of conviction and, during that time, the person has not been convicted of any other violation of these sections: section 609.229 (crimes committed for the benefit of a gang); 609.2231, subdivision 4 (assaults motivated by bias); 609.255 (false imprisonment); 609.378 (neglect or endangerment of a child); 609.582, subdivision 4 (burglary in the fourth degree); 609.665 (setting a spring gun); 609.71 (riot); or 609.749 (harassment and stalking). For purposes of this paragraph, the specified gross misdemeanor convictions include crimes committed in other states or jurisdictions which would have been gross misdemeanors if conviction occurred in this state.

A person who issues a certificate pursuant to this section in good faith is not liable for damages resulting or arising from the actions or misconduct with a firearm committed by the individual who is the subject of the certificate.

The prohibition in this subdivision relating to the possession of firearms other than pistols and semiautomatic military-style assault weapons does not apply retroactively to persons who are prohibited from possessing a pistol or semiautomatic military-style assault weapon under this subdivision before August 1, 1994.

The lifetime prohibition on possessing, receiving, shipping, or transporting firearms for persons convicted or adjudicated delinquent or received a stay of adjudication of delinquency of a crime of violence in clause (2), applies only to offenders who are discharged from sentence or court supervision for a crime of violence on or after August 1, 1993.

For purposes of this section, "judicial determination" means a court proceeding pursuant to sections 253B.07 to 253B.09 or a comparable law from another state.

Sec. 23. Minnesota Statutes 2008, section 624.713, subdivision 3, is amended to read:

Subd. 3. **Notice.** (a) When a person is convicted of, or adjudicated delinquent, received a stay of adjudication of delinquency, or convicted as an extended jurisdiction juvenile for committing, a crime of violence as defined in section 624.712, subdivision 5, the court shall inform the defendant that the defendant is prohibited from possessing a pistol or semiautomatic military-style assault weapon for the remainder of the person's lifetime, and that it is a felony offense to violate this prohibition. The failure of the court to provide this information to a defendant does not affect the applicability of the pistol or semiautomatic military-style assault weapon possession prohibition or the felony penalty to that defendant.

(b) When a person, including a person under the jurisdiction of the juvenile court, is charged with committing a crime of violence and is placed in a pretrial diversion program by the court before disposition, the court shall inform the defendant that: (1) the defendant is prohibited from possessing a pistol or semiautomatic military-style assault weapon until the person has completed the diversion program and the charge of committing a crime of violence has been dismissed; (2) it is a gross misdemeanor offense to violate this prohibition; and (3) if the defendant violates this condition of participation in the diversion program, the charge of committing a crime of violence may be prosecuted. The failure of the court to provide this information to a defendant does not affect the applicability of the pistol or semiautomatic military-style assault weapon possession prohibition or the gross misdemeanor penalty to that defendant.

Sec. 24. **REVISOR INSTRUCTION; TABLE OF JUVENILE COLLATERAL SANCTIONS.**

(a) The revisor of statutes shall publish a table in Minnesota Statutes that contains cross-references to state laws that are collateral sanctions imposed on a juvenile as a result of an adjudication of delinquency. The revisor shall create a structure that categorizes these laws in a useful way to users.

(b) The revisor shall include appropriate cautionary language with the table, including, at a minimum, language that notifies users that:

(1) the list of collateral sanctions laws is intended to be comprehensive but is not necessarily complete;

(2) the inclusion or exclusion of a collateral sanction is not intended to have any substantive legal effect; and

(3) users must consult the language of each cross-referenced law to fully understand the scope and effect of the collateral sanction it imposes.

(c) The revisor shall consult with legislative staff and the chairs of the senate and house committees having jurisdiction over criminal justice to identify laws that impose collateral sanctions on a juvenile who has been adjudicated delinquent.

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

Delete the title and insert:

"A bill for an act relating to public safety; modifying provisions governing public hearings

and public access to juvenile records; authorizing the expungement of certain juvenile records; authorizing the commissioner of human services to grant set asides or variances for certain individuals disqualified from licensure because of an offense committed as a juvenile; requiring chemical use screen of juvenile offenders; requiring the revisor of statutes to publish a table in Minnesota Statutes containing cross-references to collateral sanctions imposed on juveniles as a result of an adjudication of delinquency; clarifying detention placement options for extended jurisdiction juveniles pending revocation hearings; modifying certain provisions regarding juvenile delinquency to include stays of adjudication of delinquency; extending the duration of the continuance period allowed in a juvenile delinquency matter; amending Minnesota Statutes 2008, sections 241.31, subdivision 1; 242.32, subdivision 2; 260B.125, subdivision 4; 260B.130, subdivision 5; 260B.157, subdivision 1; 260B.163, subdivision 1; 260B.171, subdivisions 4, 5; 260B.176, subdivision 2; 260B.198, subdivision 7; 299C.105, subdivision 1; 299C.61, subdivision 8a; 609.117, subdivision 1; 609A.02, subdivision 2; 609A.03, subdivisions 1, 2, 4, 5, 5a, 7; 624.713, subdivision 3; Minnesota Statutes 2009 Supplement, sections 245C.24, subdivision 2; 624.713, subdivision 1."

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

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

**S.F. No. 2790:** A bill for an act relating to public safety; modifying provisions governing public hearings and public access to juvenile records; authorizing the expungement of certain juvenile records; authorizing the commissioner of human services to grant set asides or variances for certain individuals disqualified from licensure because of an offense committed as a juvenile; amending Minnesota Statutes 2008, sections 260B.163, subdivision 1; 260B.171, subdivisions 4, 5; 609A.02, subdivision 2; 609A.03, subdivisions 1, 2, 4, 5, 5a, 7; Minnesota Statutes 2009 Supplement, section 245C.24, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 241.31, subdivision 1, is amended to read:

Subdivision 1. **Establishment of program.** Notwithstanding any provisions of Minnesota Statutes to the contrary, any city, county or town, or any nonprofit corporation approved by the commissioner of corrections, or any combination thereof may establish and operate a community corrections program for the purpose of providing housing, supervision, treatment, counseling or other correctional services;

(a) to persons convicted of crime in the courts of this state and placed on probation by such courts pursuant to section 609.135;

(b) to persons not yet convicted of a crime but under criminal accusation who voluntarily accept such treatment;

(c) to persons adjudicated a delinquent or who received a stay of adjudication of delinquency under chapter 260 or chapter 260B;

(d) with the approval of the commissioner of corrections, to persons paroled under chapter 242;

and

(e) with the approval of the commissioner of corrections, to persons paroled under section 243.05 or released under section 241.26.

Sec. 2. Minnesota Statutes 2008, section 242.32, subdivision 2, is amended to read:

Subd. 2. **Secure placement of juvenile offenders.** The commissioner shall license several small regional facilities providing secure capacity programming for juveniles who have been adjudicated delinquent, have received a stay of adjudication of delinquency, or have been convicted as extended jurisdiction juveniles and require secure placement. The programming shall be tailored to the types of juveniles being served, including their offense history, age, gender, cultural and ethnic heritage, mental health and chemical dependency problems, and other characteristics. Services offered shall include but not be limited to:

- (1) intensive general educational programs, with an individual educational plan for each juvenile;
- (2) specific educational components in the management of anger and nonviolent conflict resolution;
- (3) treatment for chemical dependency;
- (4) mental health screening, assessment, and treatment; and
- (5) programming to educate offenders about sexuality and address issues specific to victims and perpetrators of sexual abuse.

The facilities shall collaborate with facilities providing nonsecure residential programming and with community-based aftercare programs.

Sec. 3. Minnesota Statutes 2009 Supplement, section 245C.24, subdivision 2, is amended to read:

Subd. 2. **Permanent bar to set aside a disqualification.** (a) Except as otherwise provided in ~~paragraph (b)~~ this subdivision, the commissioner may not set aside the disqualification of any individual disqualified pursuant to this chapter, regardless of how much time has passed, if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision 1.

(b) For an individual in the chemical dependency or corrections field who was disqualified for a crime or conduct listed under section 245C.15, subdivision 1, and whose disqualification was set aside prior to July 1, 2005, the commissioner must consider granting a variance pursuant to section 245C.30 for the license holder for a program dealing primarily with adults. A request for reconsideration evaluated under this paragraph must include a letter of recommendation from the license holder that was subject to the prior set-aside decision addressing the individual's quality of care to children or vulnerable adults and the circumstances of the individual's departure from that service.

(c) When a licensed foster care provider adopts an individual who had received foster care services from the provider for over six months, and the adopted individual is required to receive a background study under section 245C.03, subdivision 1, paragraph (a), clause (2) or (6), the commissioner may grant a variance to the license holder under section 245C.30 to permit the adopted individual with a permanent disqualification to remain affiliated with the license holder under the

conditions of the variance when the variance is recommended by the county of responsibility for each of the remaining individuals in placement in the home and the licensing agency for the home.

(d) The commissioner shall consider granting a set aside under section 245C.22 or a variance under section 245C.30 to an individual who is now 21 years of age or older and who was disqualified for a crime or conduct listed under section 245C.15, subdivision 1, occurring while the individual was under the age of 18. This paragraph does not apply to individuals who were convicted of the disqualifying crime following certification under section 260B.125.

Sec. 4. Minnesota Statutes 2008, section 260B.125, subdivision 4, is amended to read:

Subd. 4. **Public safety.** In determining whether the public safety is served by certifying the matter, the court shall consider the following factors:

(1) the seriousness of the alleged offense in terms of community protection, including the existence of any aggravating factors recognized by the Sentencing Guidelines, the use of a firearm, and the impact on any victim;

(2) the culpability of the child in committing the alleged offense, including the level of the child's participation in planning and carrying out the offense and the existence of any mitigating factors recognized by the Sentencing Guidelines;

(3) the child's prior record of delinquency, including adjudications of delinquency and delinquency petitions that resulted in stays of adjudication of delinquency;

(4) the child's programming history, including the child's past willingness to participate meaningfully in available programming;

(5) the adequacy of the punishment or programming available in the juvenile justice system; and

(6) the dispositional options available for the child.

In considering these factors, the court shall give greater weight to the seriousness of the alleged offense and the child's prior record of delinquency, including adjudications of delinquency and delinquency petitions that resulted in stays of adjudication of delinquency, than to the other factors listed in this subdivision.

Sec. 5. Minnesota Statutes 2008, section 260B.130, subdivision 5, is amended to read:

Subd. 5. **Execution of adult sentence.** (a) When it appears that a person convicted as an extended jurisdiction juvenile has violated the conditions of the stayed sentence, or is alleged to have committed a new offense, the court may, without notice, revoke the stay and probation and direct that the offender be taken into immediate custody. The court shall notify the offender in writing of the reasons alleged to exist for revocation of the stay of execution of the adult sentence. If the offender challenges the reasons, the court shall hold a summary hearing on the issue at which the offender is entitled to be heard and represented by counsel.

(b) If a person described in paragraph (a) is taken into custody, the person may be detained in a secure juvenile detention facility. If there is no secure juvenile detention facility or existing acceptable detention alternative available for juveniles within the county, the child may be detained up to 24 hours, excluding Saturdays, Sundays, and holidays, or for up to six hours in a standard metropolitan statistical area, in a jail, lockup, or other facility used for the confinement of adults

who have been charged with or convicted of a crime. In this instance, the person must be confined in quarters separate from any adult confined in the facility that allow for complete sight and sound separation for all activities during the period of the detention, and the adult facility must be approved for the detention of juveniles by the commissioner of corrections.

If the person is 18 years of age or older and is to be detained prior to the revocation hearing, the person may be detained in a local adult correctional facility without the need for sight and sound separation.

(c) After the hearing, if the court finds that reasons exist to revoke the stay of execution of sentence, the court shall treat the offender as an adult and order any of the adult sanctions authorized by section 609.14, subdivision 3, except that no credit shall be given for time served in juvenile facility custody prior to a summary hearing. If the offender was convicted of an offense described in subdivision 1, clause (2), and the court finds that reasons exist to revoke the stay, the court must order execution of the previously imposed sentence unless the court makes written findings regarding the mitigating factors that justify continuing the stay.

(d) Upon revocation, the offender's extended jurisdiction status is terminated and juvenile court jurisdiction is terminated. The ongoing jurisdiction for any adult sanction, other than commitment to the commissioner of corrections, is with the adult court.

Sec. 6. Minnesota Statutes 2008, section 260B.157, subdivision 1, is amended to read:

Subdivision 1. **Investigation.** Upon request of the court the local social services agency or probation officer shall investigate the personal and family history and environment of any minor coming within the jurisdiction of the court under section 260B.101 and shall report its findings to the court. The court may order any minor coming within its jurisdiction to be examined by a duly qualified physician, psychiatrist, or psychologist appointed by the court.

The court shall order a chemical use assessment conducted when a child is (1) found to be delinquent for violating a provision of chapter 152, or for committing a felony-level violation of a provision of chapter 609 if the probation officer determines that alcohol or drug use was a contributing factor in the commission of the offense, or (2) alleged to be delinquent for violating a provision of chapter 152, if the child is being held in custody under a detention order. The assessor's qualifications and the assessment criteria shall comply with Minnesota Rules, parts 9530.6600 to 9530.6655. If funds under chapter 254B are to be used to pay for the recommended treatment, the assessment and placement must comply with all provisions of Minnesota Rules, parts 9530.6600 to 9530.6655 and 9530.7000 to 9530.7030. The commissioner of human services shall reimburse the court for the cost of the chemical use assessment, up to a maximum of \$100.

The court shall order a children's mental health screening and a chemical use screening conducted when a child is found to be delinquent. The screening shall be conducted with a screening instrument approved by the commissioner of human services and shall be conducted by a mental health practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is trained in the use of the screening instrument. If the screening indicates a need for a mental health assessment, the local social services agency, in consultation with the child's family, shall have a diagnostic assessment conducted, including a functional assessment, as defined in section 245.4871. If the screening indicates a need for a chemical use assessment, the local social service agency, in consultation with the child's family, shall have a chemical use assessment conducted, as defined in section 254A.03, subdivision 3.

With the consent of the commissioner of corrections and agreement of the county to pay the costs thereof, the court may, by order, place a minor coming within its jurisdiction in an institution maintained by the commissioner for the detention, diagnosis, custody and treatment of persons adjudicated to be delinquent or who received a stay of adjudication of delinquency, in order that the condition of the minor be given due consideration in the disposition of the case. Any funds received under the provisions of this subdivision shall not cancel until the end of the fiscal year immediately following the fiscal year in which the funds were received. The funds are available for use by the commissioner of corrections during that period and are hereby appropriated annually to the commissioner of corrections as reimbursement of the costs of providing these services to the juvenile courts.

Sec. 7. Minnesota Statutes 2008, section 260B.163, subdivision 1, is amended to read:

Subdivision 1. **General.** (a) Except for hearings arising under section 260B.425, hearings on any matter shall be without a jury and may be conducted in an informal manner, except that a child who is prosecuted as an extended jurisdiction juvenile has the right to a jury trial on the issue of guilt. The rules of evidence promulgated pursuant to section 480.0591 and the law of evidence shall apply in adjudicatory proceedings involving a child alleged to be delinquent, an extended jurisdiction juvenile, or a juvenile petty offender, and hearings conducted pursuant to section 260B.125 except to the extent that the rules themselves provide that they do not apply.

(b) When a continuance or adjournment is ordered in any proceeding, the court may make any interim orders as it deems in the best interests of the minor in accordance with the provisions of sections 260B.001 to 260B.421.

(c) Except as otherwise provided in this paragraph, the court shall exclude the general public from hearings under this chapter and shall admit only those persons who, in the discretion of the court, have a direct interest in the case or in the work of the court. The court shall permit the victim of a child's delinquent act to attend any related delinquency proceeding, except that the court may exclude the victim:

(1) as a witness under the Rules of Criminal Procedure; and

(2) from portions of a certification hearing to discuss psychological material or other evidence that would not be accessible to the public.

The court shall open ~~the hearings~~ a hearing to the public in a delinquency or extended jurisdiction juvenile ~~proceedings where proceeding~~ if the child is alleged to have committed, ~~an offense~~ or has been proven to have committed ~~an~~, a violent or severe offense that would be a felony if committed by an adult and the child was at least 16 years of age at the time of the offense, except that the court may exclude the public from portions of a certification hearing to discuss psychological material or other evidence that would not be accessible to the public in an adult proceeding.

(d) In all delinquency cases a person named in the charging clause of the petition as a person directly damaged in person or property shall be entitled, upon request, to be notified by the court administrator in writing, at the named person's last known address, of (1) the date of the certification or adjudicatory hearings, and (2) the disposition of the case.

Sec. 8. Minnesota Statutes 2008, section 260B.171, subdivision 4, is amended to read:

Subd. 4. **Public inspection of records.** (a) Legal records arising from proceedings or portions of



proceedings that ~~are~~ the court opens to the public under section 260B.163, subdivision 1, are open to public inspection.

(b) Except as otherwise provided by this section, none of the records of the juvenile court and none of the records relating to an appeal from a nonpublic juvenile court proceeding, except the written appellate opinion, shall be open to public inspection or their contents disclosed except:

(1) by order of a court; or

(2) as required by chapter 245C or sections 245A.04, 611A.03, 611A.04, 611A.06, and 629.73.

(c) The victim of any alleged delinquent act may, upon the victim's request, obtain the following information, unless it reasonably appears that the request is prompted by a desire on the part of the requester to engage in unlawful activities:

(1) the name and age of the juvenile;

(2) the act for which the juvenile was petitioned and date of the offense; and

(3) the disposition, including, but not limited to, dismissal of the petition, diversion, probation and conditions of probation, detention, fines, or restitution.

(d) The records of juvenile probation officers and county home schools are records of the court for the purposes of this subdivision. Court services data relating to delinquent acts that are contained in records of the juvenile court may be released as allowed under section 13.84, subdivision 6. This subdivision applies to all proceedings under this chapter, including appeals from orders of the juvenile court, except that this subdivision does not apply to proceedings under section 260B.335 or 260B.425 when the proceeding involves an adult defendant. The court shall maintain the confidentiality of adoption files and records in accordance with the provisions of laws relating to adoptions. In juvenile court proceedings any report or social history furnished to the court shall be open to inspection by the attorneys of record and the guardian ad litem a reasonable time before it is used in connection with any proceeding before the court.

(e) When a judge of a juvenile court, or duly authorized agent of the court, determines under a proceeding under this chapter that a child has violated a state or local law, ordinance, or regulation pertaining to the operation of a motor vehicle on streets and highways, except parking violations, the judge or agent shall immediately report the violation to the commissioner of public safety. The report must be made on a form provided by the Department of Public Safety and must contain the information required under section 169.95.

(f) A county attorney may give a law enforcement agency that referred a delinquency matter to the county attorney a summary of the results of that referral, including the details of any juvenile court disposition.

Sec. 9. Minnesota Statutes 2008, section 260B.171, subdivision 5, is amended to read:

Subd. 5. **Peace officer records of children.** (a) Except for records relating to an offense where the court opens the proceedings ~~are~~ to the public under section 260B.163, subdivision 1, Peace officers' records of children who are or may be delinquent or who may be engaged in criminal acts shall be kept separate from records of persons 18 years of age or older and are private data but shall be disseminated: (1) by order of the juvenile court, (2) as required by section 121A.28, (3) as

authorized under section 13.82, subdivision 2, (4) to the child or the child's parent or guardian unless disclosure of a record would interfere with an ongoing investigation, (5) to the Minnesota crime victims reparations board as required by section 611A.56, subdivision 2, clause (6), for the purpose of processing claims for crime victims reparations, or (6) as otherwise provided in this subdivision. Except as provided in paragraph (c), no photographs of a child taken into custody may be taken without the consent of the juvenile court unless the child is alleged to have violated section 169A.20. Peace officers' records containing data about children who are victims of crimes or witnesses to crimes must be administered consistent with section 13.82, subdivisions 2, 3, 6, and 17. Any person violating any of the provisions of this subdivision shall be guilty of a misdemeanor.

In the case of computerized records maintained about juveniles by peace officers, the requirement of this subdivision that records about juveniles must be kept separate from adult records does not mean that a law enforcement agency must keep its records concerning juveniles on a separate computer system. Law enforcement agencies may keep juvenile records on the same computer as adult records and may use a common index to access both juvenile and adult records so long as the agency has in place procedures that keep juvenile records in a separate place in computer storage and that comply with the special data retention and other requirements associated with protecting data on juveniles.

(b) Nothing in this subdivision prohibits the exchange of information by law enforcement agencies if the exchanged information is pertinent and necessary for law enforcement purposes.

(c) A photograph may be taken of a child taken into custody pursuant to section 260B.175, subdivision 1, clause (b), provided that the photograph must be destroyed when the child reaches the age of 19 years. The commissioner of corrections may photograph juveniles whose legal custody is transferred to the commissioner. Photographs of juveniles authorized by this paragraph may be used only for institution management purposes, case supervision by parole agents, and to assist law enforcement agencies to apprehend juvenile offenders. The commissioner shall maintain photographs of juveniles in the same manner as juvenile court records and names under this section.

(d) Traffic investigation reports are open to inspection by a person who has sustained physical harm or economic loss as a result of the traffic accident. Identifying information on juveniles who are parties to traffic accidents may be disclosed as authorized under section 13.82, subdivision 6, and accident reports required under section 169.09 may be released under section 169.09, subdivision 13, unless the information would identify a juvenile who was taken into custody or who is suspected of committing an offense that would be a crime if committed by an adult, or would associate a juvenile with the offense, and the offense is not an adult court traffic offense under section 260B.225.

(e) The head of a law enforcement agency or a person specifically given the duty by the head of the law enforcement agency shall notify the superintendent or chief administrative officer of a juvenile's school of an incident occurring within the agency's jurisdiction if:

(1) the agency has probable cause to believe that the juvenile has committed an offense that would be a crime if committed as an adult, that the victim of the offense is a student or staff member of the school, and that notice to the school is reasonably necessary for the protection of the victim; or

(2) the agency has probable cause to believe that the juvenile has committed an offense described in subdivision 3, paragraph (a), clauses (1) to (3), that would be a crime if committed by an adult, regardless of whether the victim is a student or staff member of the school.

A law enforcement agency is not required to notify the school under this paragraph if the agency determines that notice would jeopardize an ongoing investigation. For purposes of this paragraph, "school" means a public or private elementary, middle, secondary, or charter school.

(f) In any county in which the county attorney operates or authorizes the operation of a juvenile prepetition or pretrial diversion program, a law enforcement agency or county attorney's office may provide the juvenile diversion program with data concerning a juvenile who is a participant in or is being considered for participation in the program.

(g) Upon request of a local social services agency, peace officer records of children who are or may be delinquent or who may be engaged in criminal acts may be disseminated to the agency to promote the best interests of the subject of the data.

(h) Upon written request, the prosecuting authority shall release investigative data collected by a law enforcement agency to the victim of a criminal act or alleged criminal act or to the victim's legal representative, except as otherwise provided by this paragraph. Data shall not be released if:

(1) the release to the individual subject of the data would be prohibited under section 13.821; or

(2) the prosecuting authority reasonably believes:

(i) that the release of that data will interfere with the investigation; or

(ii) that the request is prompted by a desire on the part of the requester to engage in unlawful activities.

(i) A consent to the release of a peace officer record governed by this subdivision from the individual who is the subject of the record is not effective and a law enforcement agency must not release the record or release information in a manner that reveals the existence of the record.

Sec. 10. Minnesota Statutes 2008, section 260B.176, subdivision 2, is amended to read:

Subd. 2. **Reasons for detention.** (a) If the child is not released as provided in subdivision 1, the person taking the child into custody shall notify the court as soon as possible of the detention of the child and the reasons for detention.

(b) No child may be detained in a juvenile secure detention facility or shelter care facility longer than 36 hours, excluding Saturdays, Sundays, and holidays, after being taken into custody for a delinquent act as defined in section 260B.007, subdivision 6, unless a petition has been filed and the judge or referee determines pursuant to section 260B.178 that the child shall remain in detention.

(c) No child may be detained in an adult jail or municipal lockup longer than 24 hours, excluding Saturdays, Sundays, and holidays, or longer than six hours in an adult jail or municipal lockup in a standard metropolitan statistical area, after being taken into custody for a delinquent act as defined in section 260B.007, subdivision 6, unless:

(1) a petition has been filed under section 260B.141; and

(2) a judge or referee has determined under section 260B.178 that the child shall remain in detention.

After August 1, 1991, no child described in this paragraph may be detained in an adult jail or

municipal lockup longer than 24 hours, excluding Saturdays, Sundays, and holidays, or longer than six hours in an adult jail or municipal lockup in a standard metropolitan statistical area, unless the requirements of this paragraph have been met and, in addition, a motion to refer the child for adult prosecution has been made under section 260B.125. Notwithstanding this paragraph, continued detention of a child in an adult detention facility outside of a standard metropolitan statistical area county is permissible if:

(i) the facility in which the child is detained is located where conditions of distance to be traveled or other ground transportation do not allow for court appearances within 24 hours. A delay not to exceed 48 hours may be made under this clause; or

(ii) the facility is located where conditions of safety exist. Time for an appearance may be delayed until 24 hours after the time that conditions allow for reasonably safe travel. "Conditions of safety" include adverse life-threatening weather conditions that do not allow for reasonably safe travel.

The continued detention of a child under clause (i) or (ii) must be reported to the commissioner of corrections.

(d) If a child described in paragraph (c) is to be detained in a jail beyond 24 hours, excluding Saturdays, Sundays, and holidays, the judge or referee, in accordance with rules and procedures established by the commissioner of corrections, shall notify the commissioner of the place of the detention and the reasons therefor. The commissioner shall thereupon assist the court in the relocation of the child in an appropriate juvenile secure detention facility or approved jail within the county or elsewhere in the state, or in determining suitable alternatives. The commissioner shall direct that a child detained in a jail be detained after eight days from and including the date of the original detention order in an approved juvenile secure detention facility with the approval of the administrative authority of the facility. If the court refers the matter to the prosecuting authority pursuant to section 260B.125, notice to the commissioner shall not be required.

(e) When a child is detained for an alleged delinquent act in a state licensed juvenile facility or program, or when a child is detained in an adult jail or municipal lockup as provided in paragraph (c), the supervisor of the facility shall, if the child's parent or legal guardian consents, have a children's mental health screening conducted with a screening instrument approved by the commissioner of human services, unless a screening has been performed within the previous 180 days or the child is currently under the care of a mental health professional. The screening shall be conducted by a mental health practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is trained in the use of the screening instrument. The screening shall be conducted after the initial detention hearing has been held and the court has ordered the child continued in detention. The results of the screening may only be presented to the court at the dispositional phase of the court proceedings on the matter unless the parent or legal guardian consents to presentation at a different time. If the screening indicates a need for assessment, the local social services agency or probation officer, with the approval of the child's parent or legal guardian, shall have a diagnostic assessment conducted, including a functional assessment, as defined in section 245.4871.

(f) When a child is detained for an alleged delinquent act in a state licensed juvenile facility or program, or when a child is detained in an adult jail or municipal lockup as provided in paragraph (c), the supervisor of the facility shall, if the child's parent or legal guardian consents, have a chemical use screen conducted with a screening instrument approved by the commissioner of human services, unless a screening has been performed within the previous 180 days or the child is currently under

the care of a licensed alcohol and drug counselor. The screening shall be conducted by a mental health practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is trained in the use of the screening instrument. The screening shall be conducted after the initial detention hearing has been held and the court has ordered the child continued in detention.

Sec. 11. Minnesota Statutes 2008, section 260B.198, subdivision 7, is amended to read:

Subd. 7. **Continuance.** When it is in the best interests of the child and public safety to do so and when the child has admitted the allegations contained in the petition before the judge or referee, or when a hearing has been held as provided for in section 260B.163 and the allegations contained in the petition have been duly proven but, in either case, before a finding of delinquency has been entered, the court may stay the adjudication of delinquency and continue the case for a period not to exceed 90 180 days on any one order. With the consent of the prosecutor, such a continuance may be extended renewed for one additional successive a period not to exceed 90 days extend beyond the child's 19th birthday and only after the court has reviewed the case and entered its order for an additional continuance without a finding of delinquency. During this either continuance the court may enter an order in accordance with the provisions of subdivision 1, clause (1) or (2), or enter an order to hold the child in detention for a period not to exceed 15 days on any one order for the purpose of completing any consideration, or any investigation or examination ordered in accordance with the provisions of section 260B.157. The court shall not stay adjudication on any felony offense if the child has previously received a stay of adjudication of delinquency by a court in any judicial district. This subdivision does not apply to an extended jurisdiction juvenile proceeding. In calculating an adult criminal history score, a stay of adjudication for a felony-level offense ordered by the court pursuant to this subdivision shall be counted as an adjudication by the Minnesota Sentencing Guidelines Commission.

Sec. 12. Minnesota Statutes 2008, section 299C.105, subdivision 1, is amended to read:

Subdivision 1. **Required collection of biological specimen for DNA testing.** (a) Sheriffs, peace officers, and community corrections agencies operating secure juvenile detention facilities shall take or cause to be taken biological specimens for the purpose of DNA analysis as defined in section 299C.155, of the following:

(1) persons who have appeared in court and have had a judicial probable cause determination on a charge of committing, or persons having been convicted of or attempting to commit, any of the following:

(i) murder under section 609.185, 609.19, or 609.195;

(ii) manslaughter under section 609.20 or 609.205;

(iii) assault under section 609.221, 609.222, or 609.223;

(iv) robbery under section 609.24 or aggravated robbery under section 609.245;

(v) kidnapping under section 609.25;

(vi) false imprisonment under section 609.255;

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

(viii) incest under section 609.365;  
(ix) burglary under section 609.582, subdivision 1; or  
(x) indecent exposure under section 617.23, subdivision 3;  
(2) persons sentenced as patterned sex offenders under section 609.3455, subdivision 3a; or  
(3) juveniles who have appeared in court and have had a judicial probable cause determination on a charge of committing, ~~or juveniles having been adjudicated delinquent, or juveniles who have received a stay of adjudication of delinquency~~ for committing or attempting to commit, any of the following:

- (i) murder under section 609.185, 609.19, or 609.195;
- (ii) manslaughter under section 609.20 or 609.205;
- (iii) assault under section 609.221, 609.222, or 609.223;
- (iv) robbery under section 609.24 or aggravated robbery under section 609.245;
- (v) kidnapping under section 609.25;
- (vi) false imprisonment under section 609.255;
- (vii) criminal sexual conduct under section 609.342, 609.343, 609.344, 609.345, 609.3451, subdivision 3, or 609.3453;
- (viii) incest under section 609.365;
- (ix) burglary under section 609.582, subdivision 1; or  
(x) indecent exposure under section 617.23, subdivision 3.

(b) Unless the superintendent of the bureau requires a shorter period, within 72 hours the biological specimen required under paragraph (a) must be forwarded to the bureau in such a manner as may be prescribed by the superintendent.

(c) Prosecutors, courts, and probation officers shall attempt to ensure that the biological specimen is taken on a person described in paragraph (a).

Sec. 13. Minnesota Statutes 2008, section 299C.61, subdivision 8a, is amended to read:

Subd. 8a. **Conviction.** "Conviction" means a criminal conviction or an adjudication of delinquency or a stay of adjudication of delinquency for an offense that would be a crime if committed by an adult.

Sec. 14. Minnesota Statutes 2008, section 609.117, subdivision 1, is amended to read:

Subdivision 1. **Upon sentencing.** If an offender has not already done so, the court shall order an offender to provide a biological specimen for the purpose of DNA analysis as defined in section 299C.155 when:

(1) the court sentences a person charged with committing or attempting to commit a felony offense and the person is convicted of that offense or of any offense arising out of the same set of

circumstances; or

~~(2) the juvenile court adjudicates a person a delinquent child who is petitioned for committing or attempting to commit a felony offense and is adjudicated delinquent for that offense or any offense arising out of the same set of circumstances finds that a child who was petitioned for committing or attempting to commit a felony offense did commit that offense or any offense arising out of the same set of circumstances.~~

The biological specimen or the results of the analysis shall be maintained by the Bureau of Criminal Apprehension as provided in section 299C.155.

Sec. 15. Minnesota Statutes 2008, section 609A.02, subdivision 2, is amended to read:

Subd. 2. **Offenses committed by juveniles prosecuted as adults.** ~~A petition for the sealing of a conviction record~~ any type of delinquency or criminal record relating to a juvenile matter may be filed under section 609A.03 by a person who has been committed to the custody of the commissioner of corrections upon conviction of a crime following certification to district court under section 260B.125, if the person successfully completed the terms of the person's disposition or sentence and who is no longer under correctional supervision for the offense, if:

(1) is finally discharged by the commissioner; or the person received a disposition under section 260B.198, regardless of whether the person was adjudicated delinquent;

(2) has been placed on probation by the court under section 609.135 and has been discharged from probation after satisfactory fulfillment of it the matter was designated an extended jurisdiction juvenile prosecution under section 260B.130 and the person's adult sentence was never executed;

(3) the matter was designated an extended jurisdiction juvenile prosecution under section 260B.130 and the person's adult sentence was subsequently executed; or

(4) the matter was certified for adult prosecution under section 260B.125.

Sec. 16. Minnesota Statutes 2008, section 609A.03, subdivision 1, is amended to read:

Subdivision 1. **Petition; filing fee.** An individual who is the subject of a criminal record who is seeking the expungement of the record shall file a petition under this section and pay a filing fee in the amount required under section 357.021, subdivision 2, clause (1). The filing fee may be waived in cases of indigency and shall be waived in the cases described in section 609A.02, subdivision 2, clause (1) or (2), and subdivision 3.

Sec. 17. Minnesota Statutes 2008, section 609A.03, subdivision 2, is amended to read:

Subd. 2. **Contents of petition.** (a) A petition for expungement shall be signed under oath by the petitioner and shall state the following:

(1) the petitioner's full name and all other legal names or aliases by which the petitioner has been known at any time;

(2) the petitioner's date of birth;

(3) all of the petitioner's addresses from the date of the offense or alleged offense in connection with which an expungement order is sought, to the date of the petition;

(4) why expungement is sought, if it is for employment or licensure purposes, the statutory or other legal authority under which it is sought, and why it should be granted;

(5) the details of the offense or arrest for which expungement is sought, including the date and jurisdiction of the occurrence, either the names of any victims or that there were no identifiable victims, whether there is a current order for protection, restraining order, or other no contact order prohibiting the petitioner from contacting the victims or whether there has ever been a prior order for protection or restraining order prohibiting the petitioner from contacting the victims, the court file number, and the date of conviction or of dismissal;

(6) in the case of a conviction or delinquency record, what steps the petitioner has taken since the time of the offense toward personal rehabilitation, including treatment, work, or other personal history that demonstrates rehabilitation;

(7) petitioner's criminal conviction and delinquency record indicating all convictions and findings of delinquency for misdemeanors, gross misdemeanors, or felonies in this state, and for all comparable convictions and findings of delinquency in any other state, federal court, or foreign country, whether the convictions or findings of delinquency occurred before or after the arrest ~~or~~ conviction, or finding of delinquency for which expungement is sought;

(8) petitioner's criminal charges record indicating all prior and pending criminal charges against the petitioner in this state or another jurisdiction, including all criminal charges that have been continued for dismissal or stayed for adjudication, or have been the subject of pretrial diversion; and

(9) all prior requests by the petitioner, whether for the present offense or for any other offenses, in this state or any other state or federal court, for pardon, return of arrest records, or expungement or sealing of a criminal record, whether granted or not, and all stays of adjudication or imposition of sentence involving the petitioner.

(b) If there is a current order for protection, restraining order, or other no contact order prohibiting the petitioner from contacting the victims or there has ever been a prior order for protection or restraining order prohibiting the petitioner from contacting the victims, the petitioner shall attach a copy of the order to the petition.

Sec. 18. Minnesota Statutes 2008, section 609A.03, subdivision 4, is amended to read:

Subd. 4. **Hearing.** (a) A hearing on the petition shall be held no sooner than 60 days after service of the petition. A victim of the offense for which expungement is sought has a right to submit an oral or written statement to the court at the time of the hearing describing the harm suffered by the victim as a result of the crime and the victim's recommendation on whether expungement should be granted or denied. The judge shall consider the victim's statement when making a decision.

(b) The court shall exclude the general public from a hearing on a petition to expunge a record relating to a juvenile matter under section 609A.02, subdivision 2, and may admit only persons who the court determines have a direct interest in the case, unless the hearing on the underlying offense for which expungement is sought was open to the public under section 260B.163, subdivision 1, paragraph (c), or other law.

Sec. 19. Minnesota Statutes 2008, section 609A.03, subdivision 5, is amended to read:



Subd. 5. **Nature of remedy; standard; ~~firearms restriction~~.** (a) Except as otherwise provided by paragraph (b) or (c), expungement of a criminal or delinquency record is an extraordinary remedy to be granted only upon clear and convincing evidence that it would yield a benefit to the petitioner commensurate with the disadvantages to the public and public safety of:

(1) sealing the record; and

(2) burdening the court and public authorities to issue, enforce, and monitor an expungement order.

(b) Except as otherwise provided by this paragraph, If the petitioner is petitioning for the sealing of a criminal or delinquency record under section 609A.02, subdivision 3, the court shall grant the petition to seal the record unless the agency or jurisdiction whose records would be affected establishes by clear and convincing evidence that the interests of the public and public safety outweigh the disadvantages to the petitioner of not sealing the record.

(c) If the petitioner is petitioning for the sealing of a criminal or delinquency record under section 609A.02, subdivision 2, clause (1) or (2), the court shall grant the petition to seal the record unless the agency or jurisdiction whose records would be affected establishes by clear and convincing evidence that the interests of the public and public safety outweigh the disadvantages to the petitioner of not sealing the record.

(d) If the court issues an expungement order it may require that the criminal or delinquency record be sealed, the existence of the record not be revealed, and the record not be opened except as required under subdivision 7. Records must not be destroyed or returned to the subject of the record.

Sec. 20. Minnesota Statutes 2008, section 609A.03, subdivision 5a, is amended to read:

Subd. 5a. **Order concerning crimes of violence.** An order expunging the record of a conviction or delinquency record for a crime of violence as defined in section 624.712, subdivision 5, must provide that the person is not entitled to ship, transport, possess, or receive a firearm for the remainder of the person's lifetime. Any person whose record of conviction or delinquency record is expunged under this section and who thereafter receives a relief of disability under United States Code, title 18, section 925, or whose ability to possess firearms has been restored under section 609.165, subdivision 1d, is not subject to the restriction in this subdivision.

Sec. 21. Minnesota Statutes 2008, section 609A.03, subdivision 7, is amended to read:

Subd. 7. **Limitations of order.** (a) Upon issuance of an expungement order related to a charge supported by probable cause, the DNA samples and DNA records held by the Bureau of Criminal Apprehension and collected under authority other than section 299C.105, shall not be sealed, returned to the subject of the record, or destroyed.

(b) Notwithstanding the issuance of an expungement order:

(1) an expunged record may be opened for purposes of a criminal investigation, prosecution, or sentencing, upon an ex parte court order;

(2) an expunged record of a conviction or delinquency proceeding may be opened for purposes of evaluating a prospective employee in a criminal justice agency without a court order; and

(3) an expunged record of a conviction or delinquency proceeding may be opened for purposes

of a background study under section 245C.08 unless the court order for expungement is directed specifically to the commissioner of human services.

Upon request by law enforcement, prosecution, or corrections authorities, an agency or jurisdiction subject to an expungement order shall inform the requester of the existence of a sealed record and of the right to obtain access to it as provided by this paragraph. For purposes of this section, a "criminal justice agency" means courts or a government agency that performs the administration of criminal justice under statutory authority.

Sec. 22. Minnesota Statutes 2009 Supplement, section 624.713, subdivision 1, is amended to read:

Subdivision 1. **Ineligible persons.** The following persons shall not be entitled to possess a pistol or semiautomatic military-style assault weapon or, except for clause (1), any other firearm:

(1) a person under the age of 18 years except that a person under 18 may carry or possess a pistol or semiautomatic military-style assault weapon (i) in the actual presence or under the direct supervision of the person's parent or guardian, (ii) for the purpose of military drill under the auspices of a legally recognized military organization and under competent supervision, (iii) for the purpose of instruction, competition, or target practice on a firing range approved by the chief of police or county sheriff in whose jurisdiction the range is located and under direct supervision; or (iv) if the person has successfully completed a course designed to teach marksmanship and safety with a pistol or semiautomatic military-style assault weapon and approved by the commissioner of natural resources;

(2) except as otherwise provided in clause (9), a person who has been convicted of, or adjudicated delinquent or received a stay of adjudication of delinquency or convicted as an extended jurisdiction juvenile for committing, in this state or elsewhere, a crime of violence. For purposes of this section, crime of violence includes crimes in other states or jurisdictions which would have been crimes of violence as herein defined if they had been committed in this state;

(3) a person who is or has ever been committed in Minnesota or elsewhere by a judicial determination that the person is mentally ill, developmentally disabled, or mentally ill and dangerous to the public, as defined in section 253B.02, to a treatment facility, or who has ever been found incompetent to stand trial or not guilty by reason of mental illness, unless the person's ability to possess a firearm has been restored under subdivision 4;

(4) a person who has been convicted in Minnesota or elsewhere of a misdemeanor or gross misdemeanor violation of chapter 152, unless three years have elapsed since the date of conviction and, during that time, the person has not been convicted of any other such violation of chapter 152 or a similar law of another state; or a person who is or has ever been committed by a judicial determination for treatment for the habitual use of a controlled substance or marijuana, as defined in sections 152.01 and 152.02, unless the person's ability to possess a firearm has been restored under subdivision 4;

(5) a person who has been committed to a treatment facility in Minnesota or elsewhere by a judicial determination that the person is chemically dependent as defined in section 253B.02, unless the person has completed treatment or the person's ability to possess a firearm has been restored under subdivision 4. Property rights may not be abated but access may be restricted by the courts;

(6) a peace officer who is informally admitted to a treatment facility pursuant to section 253B.04 for chemical dependency, unless the officer possesses a certificate from the head of the treatment facility discharging or provisionally discharging the officer from the treatment facility. Property rights may not be abated but access may be restricted by the courts;

(7) a person, including a person under the jurisdiction of the juvenile court, who has been charged with committing a crime of violence and has been placed in a pretrial diversion program by the court before disposition, until the person has completed the diversion program and the charge of committing the crime of violence has been dismissed;

(8) except as otherwise provided in clause (9), a person who has been convicted in another state of committing an offense similar to the offense described in section 609.224, subdivision 3, against a family or household member or section 609.2242, subdivision 3, unless three years have elapsed since the date of conviction and, during that time, the person has not been convicted of any other violation of section 609.224, subdivision 3, or 609.2242, subdivision 3, or a similar law of another state;

(9) a person who has been convicted in this state or elsewhere of assaulting a family or household member and who was found by the court to have used a firearm in any way during commission of the assault is prohibited from possessing any type of firearm for the period determined by the sentencing court;

(10) a person who:

(i) has been convicted in any court of a crime punishable by imprisonment for a term exceeding one year;

(ii) is a fugitive from justice as a result of having fled from any state to avoid prosecution for a crime or to avoid giving testimony in any criminal proceeding;

(iii) is an unlawful user of any controlled substance as defined in chapter 152;

(iv) has been judicially committed to a treatment facility in Minnesota or elsewhere as a person who is mentally ill, developmentally disabled, or mentally ill and dangerous to the public, as defined in section 253B.02;

(v) is an alien who is illegally or unlawfully in the United States;

(vi) has been discharged from the armed forces of the United States under dishonorable conditions; or

(vii) has renounced the person's citizenship having been a citizen of the United States; or

(11) a person who has been convicted of the following offenses at the gross misdemeanor level, unless three years have elapsed since the date of conviction and, during that time, the person has not been convicted of any other violation of these sections: section 609.229 (crimes committed for the benefit of a gang); 609.2231, subdivision 4 (assaults motivated by bias); 609.255 (false imprisonment); 609.378 (neglect or endangerment of a child); 609.582, subdivision 4 (burglary in the fourth degree); 609.665 (setting a spring gun); 609.71 (riot); or 609.749 (harassment and stalking). For purposes of this paragraph, the specified gross misdemeanor convictions include crimes committed in other states or jurisdictions which would have been gross misdemeanors if

conviction occurred in this state.

A person who issues a certificate pursuant to this section in good faith is not liable for damages resulting or arising from the actions or misconduct with a firearm committed by the individual who is the subject of the certificate.

The prohibition in this subdivision relating to the possession of firearms other than pistols and semiautomatic military-style assault weapons does not apply retroactively to persons who are prohibited from possessing a pistol or semiautomatic military-style assault weapon under this subdivision before August 1, 1994.

The lifetime prohibition on possessing, receiving, shipping, or transporting firearms for persons convicted or adjudicated delinquent or received a stay of adjudication of delinquency of a crime of violence in clause (2), applies only to offenders who are discharged from sentence or court supervision for a crime of violence on or after August 1, 1993.

For purposes of this section, "judicial determination" means a court proceeding pursuant to sections 253B.07 to 253B.09 or a comparable law from another state.

Sec. 23. Minnesota Statutes 2008, section 624.713, subdivision 3, is amended to read:

Subd. 3. **Notice.** (a) When a person is convicted of, or adjudicated delinquent, received a stay of adjudication of delinquency, or convicted as an extended jurisdiction juvenile for committing, a crime of violence as defined in section 624.712, subdivision 5, the court shall inform the defendant that the defendant is prohibited from possessing a pistol or semiautomatic military-style assault weapon for the remainder of the person's lifetime, and that it is a felony offense to violate this prohibition. The failure of the court to provide this information to a defendant does not affect the applicability of the pistol or semiautomatic military-style assault weapon possession prohibition or the felony penalty to that defendant.

(b) When a person, including a person under the jurisdiction of the juvenile court, is charged with committing a crime of violence and is placed in a pretrial diversion program by the court before disposition, the court shall inform the defendant that: (1) the defendant is prohibited from possessing a pistol or semiautomatic military-style assault weapon until the person has completed the diversion program and the charge of committing a crime of violence has been dismissed; (2) it is a gross misdemeanor offense to violate this prohibition; and (3) if the defendant violates this condition of participation in the diversion program, the charge of committing a crime of violence may be prosecuted. The failure of the court to provide this information to a defendant does not affect the applicability of the pistol or semiautomatic military-style assault weapon possession prohibition or the gross misdemeanor penalty to that defendant.

Sec. 24. **REVISOR INSTRUCTION; TABLE OF JUVENILE COLLATERAL SANCTIONS.**

(a) The revisor of statutes shall publish a table in Minnesota Statutes that contains cross-references to state laws that are collateral sanctions imposed on a juvenile as a result of an adjudication of delinquency. The revisor shall create a structure that categorizes these laws in a useful way to users.

(b) The revisor shall include appropriate cautionary language with the table, including, at a minimum, language that notifies users that:

(1) the list of collateral sanctions laws is intended to be comprehensive but is not necessarily complete;

(2) the inclusion or exclusion of a collateral sanction is not intended to have any substantive legal effect; and

(3) users must consult the language of each cross-referenced law to fully understand the scope and effect of the collateral sanction it imposes.

(c) The revisor shall consult with legislative staff and the chairs of the senate and house committees having jurisdiction over criminal justice to identify laws that impose collateral sanctions on a juvenile who has been adjudicated delinquent.

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

Delete the title and insert:

"A bill for an act relating to public safety; modifying provisions governing public hearings and public access to juvenile records; authorizing the expungement of certain juvenile records; authorizing the commissioner of human services to grant set asides or variances for certain individuals disqualified from licensure because of an offense committed as a juvenile; requiring chemical use screen of juvenile offenders; requiring the revisor of statutes to publish a table in Minnesota Statutes containing cross-references to collateral sanctions imposed on juveniles as a result of an adjudication of delinquency; clarifying detention placement options for extended jurisdiction juveniles pending revocation hearings; modifying certain provisions regarding juvenile delinquency to include stays of adjudication of delinquency; extending the duration of the continuance period allowed in a juvenile delinquency matter; amending Minnesota Statutes 2008, sections 241.31, subdivision 1; 242.32, subdivision 2; 260B.125, subdivision 4; 260B.130, subdivision 5; 260B.157, subdivision 1; 260B.163, subdivision 1; 260B.171, subdivisions 4, 5; 260B.176, subdivision 2; 260B.198, subdivision 7; 299C.105, subdivision 1; 299C.61, subdivision 8a; 609.117, subdivision 1; 609A.02, subdivision 2; 609A.03, subdivisions 1, 2, 4, 5, 5a, 7; 624.713, subdivision 3; Minnesota Statutes 2009 Supplement, sections 245C.24, subdivision 2; 624.713, subdivision 1."

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

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

**S.F. No. 2788:** A bill for an act relating to public safety; extending the duration of the continuance period allowed in a juvenile delinquency matter; amending Minnesota Statutes 2008, section 260B.198, subdivision 7.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 241.31, subdivision 1, is amended to read:

Subdivision 1. **Establishment of program.** Notwithstanding any provisions of Minnesota Statutes to the contrary, any city, county or town, or any nonprofit corporation approved by the commissioner of corrections, or any combination thereof may establish and operate a community

corrections program for the purpose of providing housing, supervision, treatment, counseling or other correctional services;

(a) to persons convicted of crime in the courts of this state and placed on probation by such courts pursuant to section 609.135;

(b) to persons not yet convicted of a crime but under criminal accusation who voluntarily accept such treatment;

(c) to persons adjudicated a delinquent or who received a stay of adjudication of delinquency under chapter 260 or chapter 260B;

(d) with the approval of the commissioner of corrections, to persons paroled under chapter 242; and

(e) with the approval of the commissioner of corrections, to persons paroled under section 243.05 or released under section 241.26.

Sec. 2. Minnesota Statutes 2008, section 242.32, subdivision 2, is amended to read:

Subd. 2. **Secure placement of juvenile offenders.** The commissioner shall license several small regional facilities providing secure capacity programming for juveniles who have been adjudicated delinquent, have received a stay of adjudication of delinquency, or have been convicted as extended jurisdiction juveniles and require secure placement. The programming shall be tailored to the types of juveniles being served, including their offense history, age, gender, cultural and ethnic heritage, mental health and chemical dependency problems, and other characteristics. Services offered shall include but not be limited to:

- (1) intensive general educational programs, with an individual educational plan for each juvenile;
- (2) specific educational components in the management of anger and nonviolent conflict resolution;
- (3) treatment for chemical dependency;
- (4) mental health screening, assessment, and treatment; and
- (5) programming to educate offenders about sexuality and address issues specific to victims and perpetrators of sexual abuse.

The facilities shall collaborate with facilities providing nonsecure residential programming and with community-based aftercare programs.

Sec. 3. Minnesota Statutes 2008, section 260B.125, subdivision 4, is amended to read:

Subd. 4. **Public safety.** In determining whether the public safety is served by certifying the matter, the court shall consider the following factors:

(1) the seriousness of the alleged offense in terms of community protection, including the existence of any aggravating factors recognized by the Sentencing Guidelines, the use of a firearm, and the impact on any victim;

(2) the culpability of the child in committing the alleged offense, including the level of the child's

participation in planning and carrying out the offense and the existence of any mitigating factors recognized by the Sentencing Guidelines;

(3) the child's prior record of delinquency, including adjudications of delinquency and delinquency petitions that resulted in stays of adjudication of delinquency;

(4) the child's programming history, including the child's past willingness to participate meaningfully in available programming;

(5) the adequacy of the punishment or programming available in the juvenile justice system; and

(6) the dispositional options available for the child.

In considering these factors, the court shall give greater weight to the seriousness of the alleged offense and the child's prior record of delinquency, including adjudications of delinquency and delinquency petitions that resulted in stays of adjudication of delinquency, than to the other factors listed in this subdivision.

Sec. 4. Minnesota Statutes 2008, section 260B.157, subdivision 1, is amended to read:

Subdivision 1. **Investigation.** Upon request of the court the local social services agency or probation officer shall investigate the personal and family history and environment of any minor coming within the jurisdiction of the court under section 260B.101 and shall report its findings to the court. The court may order any minor coming within its jurisdiction to be examined by a duly qualified physician, psychiatrist, or psychologist appointed by the court.

The court shall order a chemical use assessment conducted when a child is (1) found to be delinquent for violating a provision of chapter 152, or for committing a felony-level violation of a provision of chapter 609 if the probation officer determines that alcohol or drug use was a contributing factor in the commission of the offense, or (2) alleged to be delinquent for violating a provision of chapter 152, if the child is being held in custody under a detention order. The assessor's qualifications and the assessment criteria shall comply with Minnesota Rules, parts 9530.6600 to 9530.6655. If funds under chapter 254B are to be used to pay for the recommended treatment, the assessment and placement must comply with all provisions of Minnesota Rules, parts 9530.6600 to 9530.6655 and 9530.7000 to 9530.7030. The commissioner of human services shall reimburse the court for the cost of the chemical use assessment, up to a maximum of \$100.

The court shall order a children's mental health screening conducted when a child is found to be delinquent. The screening shall be conducted with a screening instrument approved by the commissioner of human services and shall be conducted by a mental health practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is trained in the use of the screening instrument. If the screening indicates a need for assessment, the local social services agency, in consultation with the child's family, shall have a diagnostic assessment conducted, including a functional assessment, as defined in section 245.4871.

With the consent of the commissioner of corrections and agreement of the county to pay the costs thereof, the court may, by order, place a minor coming within its jurisdiction in an institution maintained by the commissioner for the detention, diagnosis, custody and treatment of persons adjudicated to be delinquent or who received a stay of adjudication of delinquency, in order that the condition of the minor be given due consideration in the disposition of the case. Any funds received under the provisions of this subdivision shall not cancel until the end of the fiscal year

immediately following the fiscal year in which the funds were received. The funds are available for use by the commissioner of corrections during that period and are hereby appropriated annually to the commissioner of corrections as reimbursement of the costs of providing these services to the juvenile courts.

Sec. 5. Minnesota Statutes 2008, section 260B.198, subdivision 7, is amended to read:

Subd. 7. **Continuance.** When it is in the best interests of the child and public safety to do so and when the child has admitted the allegations contained in the petition before the judge or referee, or when a hearing has been held as provided for in section 260B.163 and the allegations contained in the petition have been duly proven but, in either case, before a finding of delinquency has been entered, the court may stay the adjudication of delinquency and continue the case for a period not to exceed 90 180 days on any one order. With the consent of the prosecutor, such a continuance may be extended renewed for one additional successive a period not to exceed 90 days extend beyond the child's 19th birthday and only after the court has reviewed the case and entered its order for an additional continuance without a finding of delinquency. During this either continuance the court may enter an order in accordance with the provisions of subdivision 1, clause (1) or (2), or enter an order to hold the child in detention for a period not to exceed 15 days on any one order for the purpose of completing any consideration, or any investigation or examination ordered in accordance with the provisions of section 260B.157. The court shall not stay adjudication on any felony offense if the child has previously received a stay of adjudication of delinquency by a court in any judicial district. This subdivision does not apply to an extended jurisdiction juvenile proceeding. In calculating an adult criminal history score, a stay of adjudication for a felony-level offense ordered by the court pursuant to this subdivision shall be counted as an adjudication by the Minnesota Sentencing Guidelines Commission.

Sec. 6. Minnesota Statutes 2008, section 299C.105, subdivision 1, is amended to read:

Subdivision 1. **Required collection of biological specimen for DNA testing.** (a) Sheriffs, peace officers, and community corrections agencies operating secure juvenile detention facilities shall take or cause to be taken biological specimens for the purpose of DNA analysis as defined in section 299C.155, of the following:

(1) persons who have appeared in court and have had a judicial probable cause determination on a charge of committing, or persons having been convicted of or attempting to commit, any of the following:

(i) murder under section 609.185, 609.19, or 609.195;

(ii) manslaughter under section 609.20 or 609.205;

(iii) assault under section 609.221, 609.222, or 609.223;

(iv) robbery under section 609.24 or aggravated robbery under section 609.245;

(v) kidnapping under section 609.25;

(vi) false imprisonment under section 609.255;

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



(viii) incest under section 609.365;

(ix) burglary under section 609.582, subdivision 1; or

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

(2) persons sentenced as patterned sex offenders under section 609.3455, subdivision 3a; or

(3) juveniles who have appeared in court and have had a judicial probable cause determination on a charge of committing, ~~or juveniles having been adjudicated delinquent, or juveniles who have received a stay of adjudication of delinquency~~ for committing or attempting to commit, any of the following:

- (i) murder under section 609.185, 609.19, or 609.195;
- (ii) manslaughter under section 609.20 or 609.205;
- (iii) assault under section 609.221, 609.222, or 609.223;
- (iv) robbery under section 609.24 or aggravated robbery under section 609.245;
- (v) kidnapping under section 609.25;
- (vi) false imprisonment under section 609.255;
- (vii) criminal sexual conduct under section 609.342, 609.343, 609.344, 609.345, 609.3451, subdivision 3, or 609.3453;
- (viii) incest under section 609.365;
- (ix) burglary under section 609.582, subdivision 1; or
- (x) indecent exposure under section 617.23, subdivision 3.

(b) Unless the superintendent of the bureau requires a shorter period, within 72 hours the biological specimen required under paragraph (a) must be forwarded to the bureau in such a manner as may be prescribed by the superintendent.

(c) Prosecutors, courts, and probation officers shall attempt to ensure that the biological specimen is taken on a person described in paragraph (a).

Sec. 7. Minnesota Statutes 2008, section 299C.61, subdivision 8a, is amended to read:

Subd. 8a. **Conviction.** "Conviction" means a criminal conviction or an adjudication of delinquency or a stay of adjudication of delinquency for an offense that would be a crime if committed by an adult.

Sec. 8. Minnesota Statutes 2008, section 609.117, subdivision 1, is amended to read:

Subdivision 1. **Upon sentencing.** If an offender has not already done so, the court shall order an offender to provide a biological specimen for the purpose of DNA analysis as defined in section 299C.155 when:

(1) the court sentences a person charged with committing or attempting to commit a felony offense and the person is convicted of that offense or of any offense arising out of the same set of

circumstances; or

~~(2) the juvenile court adjudicates a person a delinquent child who is petitioned for committing or attempting to commit a felony offense and is adjudicated delinquent for that offense or any offense arising out of the same set of circumstances finds that a child who was petitioned for committing or attempting to commit a felony offense did commit that offense or any offense arising out of the same set of circumstances.~~

The biological specimen or the results of the analysis shall be maintained by the Bureau of Criminal Apprehension as provided in section 299C.155.

Sec. 9. Minnesota Statutes 2009 Supplement, section 624.713, subdivision 1, is amended to read:

Subdivision 1. **Ineligible persons.** The following persons shall not be entitled to possess a pistol or semiautomatic military-style assault weapon or, except for clause (1), any other firearm:

(1) a person under the age of 18 years except that a person under 18 may carry or possess a pistol or semiautomatic military-style assault weapon (i) in the actual presence or under the direct supervision of the person's parent or guardian, (ii) for the purpose of military drill under the auspices of a legally recognized military organization and under competent supervision, (iii) for the purpose of instruction, competition, or target practice on a firing range approved by the chief of police or county sheriff in whose jurisdiction the range is located and under direct supervision; or (iv) if the person has successfully completed a course designed to teach marksmanship and safety with a pistol or semiautomatic military-style assault weapon and approved by the commissioner of natural resources;

(2) except as otherwise provided in clause (9), a person who has been convicted of, or adjudicated delinquent or received a stay of adjudication of delinquency or convicted as an extended jurisdiction juvenile for committing, in this state or elsewhere, a crime of violence. For purposes of this section, crime of violence includes crimes in other states or jurisdictions which would have been crimes of violence as herein defined if they had been committed in this state;

(3) a person who is or has ever been committed in Minnesota or elsewhere by a judicial determination that the person is mentally ill, developmentally disabled, or mentally ill and dangerous to the public, as defined in section 253B.02, to a treatment facility, or who has ever been found incompetent to stand trial or not guilty by reason of mental illness, unless the person's ability to possess a firearm has been restored under subdivision 4;

(4) a person who has been convicted in Minnesota or elsewhere of a misdemeanor or gross misdemeanor violation of chapter 152, unless three years have elapsed since the date of conviction and, during that time, the person has not been convicted of any other such violation of chapter 152 or a similar law of another state; or a person who is or has ever been committed by a judicial determination for treatment for the habitual use of a controlled substance or marijuana, as defined in sections 152.01 and 152.02, unless the person's ability to possess a firearm has been restored under subdivision 4;

(5) a person who has been committed to a treatment facility in Minnesota or elsewhere by a judicial determination that the person is chemically dependent as defined in section 253B.02, unless the person has completed treatment or the person's ability to possess a firearm has been restored under subdivision 4. Property rights may not be abated but access may be restricted by the courts;

(6) a peace officer who is informally admitted to a treatment facility pursuant to section 253B.04 for chemical dependency, unless the officer possesses a certificate from the head of the treatment facility discharging or provisionally discharging the officer from the treatment facility. Property rights may not be abated but access may be restricted by the courts;

(7) a person, including a person under the jurisdiction of the juvenile court, who has been charged with committing a crime of violence and has been placed in a pretrial diversion program by the court before disposition, until the person has completed the diversion program and the charge of committing the crime of violence has been dismissed;

(8) except as otherwise provided in clause (9), a person who has been convicted in another state of committing an offense similar to the offense described in section 609.224, subdivision 3, against a family or household member or section 609.2242, subdivision 3, unless three years have elapsed since the date of conviction and, during that time, the person has not been convicted of any other violation of section 609.224, subdivision 3, or 609.2242, subdivision 3, or a similar law of another state;

(9) a person who has been convicted in this state or elsewhere of assaulting a family or household member and who was found by the court to have used a firearm in any way during commission of the assault is prohibited from possessing any type of firearm for the period determined by the sentencing court;

(10) a person who:

(i) has been convicted in any court of a crime punishable by imprisonment for a term exceeding one year;

(ii) is a fugitive from justice as a result of having fled from any state to avoid prosecution for a crime or to avoid giving testimony in any criminal proceeding;

(iii) is an unlawful user of any controlled substance as defined in chapter 152;

(iv) has been judicially committed to a treatment facility in Minnesota or elsewhere as a person who is mentally ill, developmentally disabled, or mentally ill and dangerous to the public, as defined in section 253B.02;

(v) is an alien who is illegally or unlawfully in the United States;

(vi) has been discharged from the armed forces of the United States under dishonorable conditions; or

(vii) has renounced the person's citizenship having been a citizen of the United States; or

(11) a person who has been convicted of the following offenses at the gross misdemeanor level, unless three years have elapsed since the date of conviction and, during that time, the person has not been convicted of any other violation of these sections: section 609.229 (crimes committed for the benefit of a gang); 609.2231, subdivision 4 (assaults motivated by bias); 609.255 (false imprisonment); 609.378 (neglect or endangerment of a child); 609.582, subdivision 4 (burglary in the fourth degree); 609.665 (setting a spring gun); 609.71 (riot); or 609.749 (harassment and stalking). For purposes of this paragraph, the specified gross misdemeanor convictions include crimes committed in other states or jurisdictions which would have been gross misdemeanors if

conviction occurred in this state.

A person who issues a certificate pursuant to this section in good faith is not liable for damages resulting or arising from the actions or misconduct with a firearm committed by the individual who is the subject of the certificate.

The prohibition in this subdivision relating to the possession of firearms other than pistols and semiautomatic military-style assault weapons does not apply retroactively to persons who are prohibited from possessing a pistol or semiautomatic military-style assault weapon under this subdivision before August 1, 1994.

The lifetime prohibition on possessing, receiving, shipping, or transporting firearms for persons convicted or adjudicated delinquent or received a stay of adjudication of delinquency of a crime of violence in clause (2), applies only to offenders who are discharged from sentence or court supervision for a crime of violence on or after August 1, 1993.

For purposes of this section, "judicial determination" means a court proceeding pursuant to sections 253B.07 to 253B.09 or a comparable law from another state.

Sec. 10. Minnesota Statutes 2008, section 624.713, subdivision 3, is amended to read:

Subd. 3. **Notice.** (a) When a person is convicted of, or adjudicated delinquent, received a stay of adjudication of delinquency, or convicted as an extended jurisdiction juvenile for committing, a crime of violence as defined in section 624.712, subdivision 5, the court shall inform the defendant that the defendant is prohibited from possessing a pistol or semiautomatic military-style assault weapon for the remainder of the person's lifetime, and that it is a felony offense to violate this prohibition. The failure of the court to provide this information to a defendant does not affect the applicability of the pistol or semiautomatic military-style assault weapon possession prohibition or the felony penalty to that defendant.

(b) When a person, including a person under the jurisdiction of the juvenile court, is charged with committing a crime of violence and is placed in a pretrial diversion program by the court before disposition, the court shall inform the defendant that: (1) the defendant is prohibited from possessing a pistol or semiautomatic military-style assault weapon until the person has completed the diversion program and the charge of committing a crime of violence has been dismissed; (2) it is a gross misdemeanor offense to violate this prohibition; and (3) if the defendant violates this condition of participation in the diversion program, the charge of committing a crime of violence may be prosecuted. The failure of the court to provide this information to a defendant does not affect the applicability of the pistol or semiautomatic military-style assault weapon possession prohibition or the gross misdemeanor penalty to that defendant."

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "modifying certain provisions regarding juvenile delinquency to include stays of adjudication of delinquency;"

Amend the title numbers accordingly

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

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

**S.F. No. 560:** A bill for an act relating to public safety; expanding and modifying the expungement law; authorizing courts to modify or suspend collateral sanctions under certain circumstances; limiting the situations in which a juvenile delinquency criminal record is publicly available; amending Minnesota Statutes 2008, sections 260B.171, subdivisions 4, 5; 609.135, by adding a subdivision; 609A.02, subdivisions 2, 3; 609A.03, subdivisions 2, 3, 4, 5, 5a, 7; proposing coding for new law in Minnesota Statutes, chapter 609A.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 609A.02, subdivision 3, is amended to read:

Subd. 3. **Certain criminal proceedings not resulting in conviction.** A petition may be filed under section 609A.03 to seal all records relating to an arrest, indictment or information, trial, or verdict if the records are not subject to section 299C.11, subdivision 1, paragraph (b), and if:

(1) all pending actions or proceedings were resolved in favor of the petitioner. For purposes of this chapter, a verdict of not guilty by reason of mental illness is not a resolution in favor of the petitioner; or

(2) the petitioner has successfully completed the terms of a diversion program or stay of adjudication that was agreed to by the prosecutor and has not been charged with a new crime for at least one year since completion of the diversion program or stay of adjudication.

**Sec. 2. [609A.025] EXPUNGEMENT FOR CASES INVOLVING DIVERSION AND STAYS OF ADJUDICATION; NO PETITION REQUIRED WITH PROSECUTOR AGREEMENT AND VICTIM NOTIFICATION.**

(a) Upon agreement of the prosecutor, the court shall seal the criminal record for a person described in section 609A.02, subdivision 3, clause (2), without the filing of a petition unless it determines that the interests of the public and public safety in keeping the record public outweigh the disadvantages to the subject of the record in not sealing it.

(b) Before agreeing to the sealing of a record under this section, the prosecutor shall make a good-faith effort to inform any identifiable victims of the offense of the intended prosecutorial agreement and the opportunity to object to the agreement.

(c) Subject to paragraph (b), the prosecutor may agree to the sealing of records under this section before or after the criminal charges are dismissed.

Sec. 3. Minnesota Statutes 2008, section 609A.03, subdivision 2, is amended to read:

Subd. 2. **Contents of petition.** (a) A petition for expungement shall be signed under oath by the petitioner and shall state the following:

(1) the petitioner's full name and all other legal names or aliases by which the petitioner has been known at any time;

(2) the petitioner's date of birth;

(3) all of the petitioner's addresses from the date of the offense or alleged offense in connection

with which an expungement order is sought, to the date of the petition;

(4) why expungement is sought, if it is for employment or licensure purposes, the statutory or other legal authority under which it is sought, and why it should be granted;

(5) the details of the offense or arrest for which expungement is sought, including the date and jurisdiction of the occurrence, either the names of any victims or that there were no identifiable victims, whether there is a current order for protection, restraining order, or other no contact order prohibiting the petitioner from contacting the victims or whether there has ever been a prior order for protection or restraining order prohibiting the petitioner from contacting the victims, the court file number, and the date of conviction or of dismissal;

(6) in the case of a conviction, what steps the petitioner has taken since the time of the offense toward personal rehabilitation, including treatment, work, or other personal history that demonstrates rehabilitation;

(7) petitioner's criminal conviction record indicating all convictions for misdemeanors, gross misdemeanors, or felonies in this state, and for all comparable convictions in any other state, federal court, or foreign country, whether the convictions occurred before or after the arrest or conviction for which expungement is sought;

(8) petitioner's criminal charges record indicating all prior and pending criminal charges against the petitioner in this state or another jurisdiction, including all criminal charges that have been continued for dismissal or stayed for adjudication, or have been the subject of pretrial diversion; and

(9) all prior requests by the petitioner, whether for the present offense or for any other offenses, in this state or any other state or federal court, for pardon, return of arrest records, or expungement or sealing of a criminal record, whether granted or not, and all stays of adjudication or imposition of sentence involving the petitioner.

(b) If there is a current order for protection, restraining order, or other no contact order prohibiting the petitioner from contacting the victims or there has ever been a prior order for protection or restraining order prohibiting the petitioner from contacting the victims, the petitioner shall attach a copy of the order to the petition.

(c) Where practicable, the petitioner shall attach to the petition a copy of the complaint or the police report for the offense or offenses for which expungement is sought.

Sec. 4. Minnesota Statutes 2008, section 609A.03, subdivision 7, is amended to read:

Subd. 7. **Limitations of order.** (a) Upon issuance of an expungement order related to a charge supported by probable cause, the DNA samples and DNA records held by the Bureau of Criminal Apprehension and collected under authority other than section 299C.105, shall not be sealed, returned to the subject of the record, or destroyed.

(b) Notwithstanding the issuance of an expungement order:

(1) an expunged record may be opened upon request by law enforcement, prosecution, or corrections authorities for purposes of a criminal investigation, prosecution, or sentencing, ~~upon an~~ ex parte without a court order;

(2) an expunged record of a conviction may be opened for purposes of evaluating a prospective employee in a criminal justice agency without a court order; and

(3) an expunged record of a conviction may be opened for purposes of a background study under section 245C.08 unless the court order for expungement is directed specifically to the commissioner of human services.

Upon request by law enforcement, prosecution, or corrections authorities, an agency or jurisdiction subject to an expungement order shall inform the requester of the existence of a sealed record and of the right to obtain access to it as provided by this paragraph. For purposes of this section, a "criminal justice agency" means courts or a government agency that performs the administration of criminal justice under statutory authority."

Delete the title and insert:

"A bill for an act relating to public safety; authorizing the expungement of criminal records for certain individuals who have received stays of adjudication or diversion; authorizing expungements without petitions in certain cases where charges were dismissed against a person upon prosecutorial approval and with victim notification; requiring persons petitioning for an expungement to provide a copy of the criminal complaint or police report; authorizing the opening of certain expunged records without a court hearing; amending Minnesota Statutes 2008, sections 609A.02, subdivision 3; 609A.03, subdivisions 2, 7; proposing coding for new law in Minnesota Statutes, chapter 609A."

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

**Senator Prettner Solon from the Committee on Energy, Utilities, Technology and Communications, to which was referred**

**S.F. No. 3051:** A bill for an act relating to utilities; regulating rates charged to low-income customers; providing for inverted block rates; amending Minnesota Statutes 2008, sections 216B.03; 216B.16, subdivisions 14, 15.

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

Page 1, delete section 1

Page 3, after line 11, insert:

"Sec. 3. Minnesota Statutes 2008, section 216B.2401, is amended to read:

**216B.2401 ENERGY CONSERVATION POLICY GOAL.**

It is the energy policy of the state of Minnesota to achieve annual energy savings equal to 1.5 percent of annual retail energy sales of electricity and natural gas directly through energy conservation improvement programs and rate design, such as inverted block rates in which lower energy prices are made available to lower usage customers, and indirectly through energy codes and appliance standards, programs designed to transform the market or change consumer behavior, energy savings resulting from efficiency improvements to the utility infrastructure and system, and other efforts to promote energy efficiency and energy conservation."

Renumber the sections in sequence

Amend the title numbers accordingly

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

**Senator Prettner Solon from the Committee on Energy, Utilities, Technology and Communications, to which was referred**

**S.F. No. 3080:** A bill for an act relating to energy; modifying programs for reducing emissions at electric generating plants; amending Minnesota Statutes 2008, sections 216B.1692, subdivision 8; 216B.685, subdivision 4.

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

Page 2, after line 6, insert:

"(d) A utility requesting an extension under paragraph (c) must provide by July 1 of each year of an extension granted under paragraph (c) to the Public Utilities Commission and the Pollution Control Agency a study reporting on mercury control plans at units subject to this section, along with all contemporaneous emission controls integral to these mercury control plans.

In addition, the utility shall provide an assessment of the financial, customer cost, and operational impacts of pending regulations the commissioner determined prudent to anticipate under paragraph (c) for the utility's coal-fired power plants and provide a range of regulatory response scenarios that include, but are not limited to:

- (1) the installation of pollution control equipment;
- (2) the use of pollution allowances to achieve compliance; and
- (3) describing the impacts of the planned mercury and contemporaneous emission controls on the unit's service life.

The utility shall consult with interested stakeholders in establishing the scope of the regulatory, financial, and operational assessments."

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

**Senator Prettner Solon from the Committee on Energy, Utilities, Technology and Communications, to which was referred**

**S.F. No. 3081:** A bill for an act relating to energy; modifying community-based energy development program; amending Minnesota Statutes 2008, section 216B.1612, subdivisions 3, 5, 7, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 216B.1612, subdivision 2.

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

Page 1, line 14, strike everything after "(2)"

Page 1, line 15, delete the new language

Page 1, line 16, delete the new language and strike the semicolon



Page 1, line 17, strike "(3)"

Page 1, line 18, strike "(4)" and insert "(3)"

Page 1, line 21, strike "(5)" and insert "(4)"

Page 2, line 3, strike "(6)" and insert "(5)"

Page 2, line 4, delete "(7) a corporation, limited liability company, or partnership" and insert "(6) a legal entity (i) formed for a purpose other than to participate in C-BED projects; (ii)"

Page 2, line 5, after "Minnesota" insert "; and (iii) that provides labor, services, equipment, components, or financing to a C-BED project"

Page 2, line 12, delete "and" and after "dividends" insert ", and other payments"

Page 2, line 16, delete "bank" and after "to" insert "financial institutions that are"

Page 5, line 3, after "eligibility" insert "from the commissioner"

Page 5, line 4, delete everything after the period

Page 5, delete lines 5 and 6

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

**Senator Prettner Solon from the Committee on Energy, Utilities, Technology and Communications, to which was referred**

**S.F. No. 3046:** A bill for an act relating to energy; providing for large solar energy electric generation demonstration conservation improvement project; amending Minnesota Statutes 2008, section 216B.241, by adding a subdivision.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 216B.241, is amended by adding a subdivision to read:

Subd. 5c. Large solar electric generating plant. (a) For the purpose of this subdivision:

(1) "project" means a solar electric generation project consisting of arrays of solar photovoltaic cells with a capacity of up to two megawatts located on the site of a closed landfill owned by the Minnesota Pollution Control Agency; and

(2) "cooperative electric association" means a generation and transmission cooperative electric association that has a member distribution cooperative association to which it provides wholesale electric service in whose service territory a project is located.

(b) A cooperative electric association may include in its conservation plan purchases of electric energy from a project. The cost-effectiveness of project purchases may be determined by a different standard than for other energy conservation improvements under this section if the commissioner determines that doing so is in the public interest in order to encourage solar energy. The kilowatt

hours of solar energy purchased from a project may be counted toward the energy-savings goal required under subdivision 1c. Expenditures made by a cooperative association for the purchase of energy from a project may not be used to meet the revenue expenditure requirements of subdivisions 1a and 1b."

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

**Senator Prettner Solon from the Committee on Energy, Utilities, Technology and Communications, to which was referred**

**S.F. No. 3126:** A bill for an act relating to energy; allowing for advance determination of prudence determination by Public Utilities Commission for certain environmental projects of a public utility; proposing coding for new law in Minnesota Statutes, chapter 216B.

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

Delete everything after the enacting clause and insert:

"Section 1. [216B.1695] ENVIRONMENTAL PROJECTS; ADVANCE DETERMINATION OF PRUDENCE.

Subdivision 1. **Qualifying project.** A public utility may petition the commission for an advance determination of prudence for a project undertaken to comply with federal or state air quality standards of states in which the utility's electric generation facilities are located, if the project has an expected jurisdictional cost to Minnesota ratepayers of at least \$10,000,000. A project is undertaken to comply with federal or state air quality standards if it is required:

(1) by the state in which the generation facility is located in a state implementation plan, permit, or order; or

(2) to comply with section 111 or 112 of the federal Clean Air Act, United States Code, title 42, section 7411 or 7412.

Subd. 2. **Regulatory cost assessments and reports.** A utility requesting an advance determination under subdivision 1 must, as part of the evidence required when filing a petition under subdivision 3, provide to the Public Utilities Commission and the Pollution Control Agency an assessment of all anticipated state and federal environmental regulations related to the production of electricity from the utility's facility subject to the filing, including regulations relating to:

(1) air pollution by nitrogen oxide and sulphur dioxide, including an assumption that Minnesota will be included in the federal Clean Air Interstate Rule region, hazardous air pollutants, carbon dioxide, particulates, and ozone;

(2) coal waste; and

(3) water consumption and water pollution.

In addition, the utility shall provide an assessment of the financial and operational impacts of these pending regulations applicable to the generating facility that is the subject of the filing and provide a range of regulatory response scenarios that include, but are not limited to:

(1) the installation of pollution control equipment;

(2) the benefits of the retirement or repowering of the plant that is the subject of the filing with cleaner fuels considering the costs of complying with state and federal environmental regulations; and

(3) the use of pollution allowances to achieve compliance.

The utility shall consult with interested stakeholders in establishing the scope of the regulatory, financial, and operational assessments prior to or during the 60-day period of the notice under subdivision 4.

Subd. 3. **Petition.** A petition filed under this section must include a description of the project, evidence supporting the project's reasonableness, a discussion of project alternatives, a project implementation schedule, a cost estimate and support for the reasonableness of the estimated cost, and a description of the public utility's efforts to ensure the lowest reasonable costs. Following receipt of the Pollution Control Agency's verification under subdivision 3, the commission shall allow opportunity for oral and written comment on the petition. The commission shall make a final determination on the petition within ten months of its filing date. The commission must make findings in support of its determination.

Subd. 4. **Verification.** At least 60 days prior to filing a petition to the commission under subdivision 2, the utility shall file notice with the Pollution Control Agency that describes the project and how it qualifies under subdivision 1. The Pollution Control Agency shall, within 60 days of receipt of the notice, verify that the project qualifies under subdivision 1, and shall forward written verification to the commission.

Subd. 5. **Cost recovery.** The utility may begin recovery of costs that have been incurred by the utility in connection with implementation of the project in the next rate case following an advance determination of prudence. The commission shall review the costs incurred by the utility for the project. The utility must show that the project costs are reasonable and necessary, and demonstrate its efforts to ensure the lowest reasonable project costs. Notwithstanding the commission's prior determination of prudence, it may accept, modify, or reject any of the project costs. The commission may determine whether to require an allowance for funds used during construction offset.

Subd. 6. **Expiration.** A petition for an advance determination of prudence may not be filed after December 31, 2015.

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

Amend the title numbers accordingly

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

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

**S.F. No. 2862:** A bill for an act relating to public safety; amending the predatory offender registration law to address registrants living in homeless shelters and to clarify that the registration requirement for offenders who move out of state are suspended not terminated; amending Minnesota Statutes 2008, section 243.166, subdivisions 1a, 3.

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

Page 3, line 1, after the period, insert "The written notice required by this paragraph must be provided in person."

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

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

**S.F. No. 2614:** A bill for an act relating to motor vehicles; clarifying definition of motor vehicle; amending Minnesota Statutes 2008, sections 65B.43, subdivision 2; 169.09, subdivision 5a.

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

Page 1, line 22, delete everything after "combination" and insert "only."

Page 1, delete line 23

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

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

**S.F. No. 2469:** A bill for an act relating to transportation; regulating contracts; prohibiting indemnification provisions; proposing coding for new law in Minnesota Statutes, chapter 221.

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

Page 1, delete subdivision 2 and insert:

"Subd. 2. **Agreements to insure.** (a) Subdivision 1 does not affect the validity of an agreement under which a promisor agrees to provide specific insurance coverage for the benefit of others if:

(1) a promisor agrees to provide specific types and limits of insurance;

(2) a claim arises within the scope of the specified insurance; and

(3) the promisor did not obtain and keep in force the specified insurance.

For a claim described in this paragraph, the promisee shall have indemnification from the promisor to the same extent as the specified insurance.

(b) The indemnification stated in paragraph (a) is not available if:

(1) the specified insurance was not reasonably available in the market; and

(2) the promisor so informed the other party to the agreement to insure before signing the agreement, or signed the agreement subject to a written exception as to the nonavailable insurance.

(c) Subdivision 1 does not affect the validity of an agreement under which:

(1) a promisor agrees to provide specific types and limits of insurance;

(2) a claim arises within the scope of the specified insurance; and

(3) the insurance provided by the promisor includes a self-insured retention or a deductible amount.

For a claim described in this paragraph, the promisee shall have indemnification from the promisor to the full extent of the deductible amount or self-insured retention.

(d) A promisor's obligation to provide specified insurance is not waived by a promisee's failure to require or insist upon certificates or other evidence of insurance."

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

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

**S.F. No. 2339:** A bill for an act relating to public safety; increasing the criminal penalty for possessing dangerous weapons on school property; amending Minnesota Statutes 2008, section 609.66, subdivision 1d.

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

Page 1, line 8, strike "(c)" and insert "(d)" and strike "(e)" and insert "(f)" and strike "or uses or"

Page 1, line 9, strike everything before "while"

Page 1, after line 11, insert:

"(b) Whoever uses or brandishes a replica firearm or a BB gun while knowingly on school property is guilty of a gross misdemeanor."

Page 1, line 12, strike "(b)" and insert "(c)" and after "gun" insert "while knowingly"

Page 1, line 13, reinstate the stricken "misdemeanor" and delete the new language

Page 1, line 14, delete the new language

Page 1, line 15, strike "(c)" and insert "(d)" and strike "or" and insert a comma and before "it" insert "or (c),"

Page 1, line 20, strike "(d)" and insert "(e)"

Page 2, line 14, strike "(e)" and insert "(f)"

Page 2, line 34, strike "(f)" and insert "(g)"

Amend the title as follows:

Page 1, line 3, after "property" insert "while lowering the criminal penalty for brandishing, using, or possessing replica firearms and BB guns on school property"

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

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

**S.F. No. 2707:** A bill for an act relating to motor vehicles; granting peace officers authority to take into custody and impound vehicles in certain circumstances; amending Minnesota Statutes 2008, section 168B.04, subdivision 2.

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

Page 2, line 7, delete "was" and insert "is" and after "custody" insert "and another means of safely dealing with the vehicle is not immediately available"

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

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

**S.F. No. 2322:** A bill for an act relating to commerce; regulating business screening services; providing for the correction and deletion of certain criminal records; amending Minnesota Statutes 2008, section 332.70, subdivisions 1, 2, 3, 4.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 332.70, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of this section:

(a) "Business screening service" means a person regularly engaged in the business of collecting, assembling, evaluating, or disseminating ~~criminal record information~~ records on individuals for a fee. Business screening service does not include a government entity, as defined in section 13.02, or the news media.

(b) "Conviction" has the meaning given in section 609.02, subdivision 5.

(c) "Criminal record" means a record of an arrest, citation, prosecution, criminal proceeding, or conviction.

Sec. 2. Minnesota Statutes 2008, section 332.70, subdivision 2, is amended to read:

Subd. 2. **Criminal records.** ~~A business screening service must not disseminate a criminal record unless the record has been updated within the previous month~~ A business screening service must only disseminate a criminal record that reflects the complete and accurate record provided by the source of the data. A complete and accurate record is a record that has:

(1) been updated within 30 days of its receipt; or

(2) been verified with the source of the data within the previous 90 days as being up-to-date.

Sec. 3. Minnesota Statutes 2008, section 332.70, subdivision 3, is amended to read:

Subd. 3. **Correction and deletion of records.** (a) If the completeness or accuracy of a criminal record maintained by a business screening service is disputed by the individual who is the subject of the record, the screening service shall, without charge, investigate the disputed record. In conducting an investigation, the business screening service shall review and consider all relevant information submitted by the subject of the record with respect to the disputed record to determine whether the record maintained by the screening service accurately reflects the content of the official record, as maintained by the official government custodian.

~~(b) If the disputed record is found to be inaccurate or incomplete, the business screening service shall promptly correct the record. If the disputed record is found to be sealed, expunged, or the subject of a pardon, the business screening service shall promptly delete the record. If,~~

upon investigation, the screening service determines that the record does not accurately reflect the content of the official record, the screening service shall correct the disputed record so as to accurately reflect the content of the official record. If the disputed record is found to be sealed, expunged, or the subject of a pardon, the business screening service shall promptly delete the record.

(c) A business screening service may terminate an investigation of a disputed record if the business screening agency reasonably determines that the dispute is frivolous, which may be based on the failure of the subject of the record to provide sufficient information to investigate the disputed record. Upon making a determination that the dispute is frivolous, the business screening service shall inform the subject of the record of the specific reasons why it has determined that the dispute is frivolous and provide a description of any information required to investigate the disputed record.

(d) The business screening service shall notify the subject of the disputed record of the correction or deletion of the record or of the termination or completion of the investigation related to the record within 30 days of the date when the agency receives notice of the dispute from the subject of the record.

Sec. 4. Minnesota Statutes 2008, section 332.70, subdivision 4, is amended to read:

Subd. 4. **Date and notice required.** A business screening service that disseminates a criminal record that was collected on or after July 1, 2010, must include the date when the record was collected by the business screening service and a notice that the information may include criminal records that have been expunged, sealed, or otherwise have become inaccessible to the public since that date.

Sec. 5. **EFFECTIVE DATE.**

Sections 1 to 4 are effective July 1, 2010."

Delete the title and insert:

"A bill for an act relating to commerce; regulating business screening services; providing for the correction and deletion of certain criminal records; amending Minnesota Statutes 2008, section 332.70, subdivisions 1, 2, 3, 4."

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

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

**S.F. No. 2974:** A bill for an act relating to health; amending provisions for electronic health record technology; providing for administrative penalties; appropriating money; amending Minnesota Statutes 2009 Supplement, sections 62J.495, subdivisions 1a, 3; 62J.497, subdivisions 4, 5; proposing coding for new law in Minnesota Statutes, chapter 62J.

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

Page 6, delete line 6

Page 6, line 7, delete everything before "protect"

Page 6, line 8, delete "board" and insert "commissioner"

Page 6, line 9, delete "recommend" and insert "act on"

Page 6, line 11, delete "work in consultation with the commissioner to"

Page 6, line 13, delete "assist the commissioner's response" and insert "respond"

Page 6, line 15, delete "make recommendations to the commissioner on" and insert "take" and after "actions" insert "as necessary,"

Page 6, line 18, delete "to the commissioner"

Page 6, line 29, delete "as assigned by the commissioner" and insert "necessary to protect the public interest"

Page 6, delete lines 30 to 36 and insert:

"(b) As part of the application review process for certification under paragraph (a), prior to issuing a certificate of authority, the commissioner shall:

(1) hold public hearings that provide an adequate opportunity for participating entities and consumers to provide feedback and recommendations on the application under consideration. The commissioner shall make all portions of the application classified as public data available to the public at least ten days in advance of the hearing. The applicant shall participate in the hearing by presenting an overview of their application and responding to questions from interested parties;

(2) make available all feedback and recommendations gathered at the hearing available to the public prior to issuing a certificate of authority; and

(3) consult with hospitals, physicians, and other professionals eligible to receive meaningful use incentive payments or subject to penalties as established in the HITECH Act, and their respective statewide associations, prior to issuing a certificate of authority."

Page 7, delete lines 1 to 22

Page 7, line 23, delete "(f)" and insert "(c)" and delete "Health Information Exchange Oversight Board" and insert "commissioner"

Page 7, line 28, delete "(g)" and insert "(d)" and delete "Health Information Exchange Oversight Board" and insert "commissioner"

Page 7, line 29, delete "this paragraph" and insert "paragraph (c)" and delete "the Health Information"

Page 7, line 30, delete everything before "disclosing"

Page 7, line 32, delete "(h)" and insert "(e)"

Page 7, line 33, delete everything after "all"

Page 10, line 13, delete "Health" and insert "commissioner"

Page 10, line 14, delete everything before "that"

Page 10, line 28, delete everything after "the" and insert "commissioner"



Page 11, line 10, delete "in" and insert a period

Page 11, delete line 11

Page 11, line 34, delete everything after the period

Page 11, delete line 35

Page 11, line 36, delete everything before "Contract"

Page 13, after line 18, insert:

"(b) Reciprocal agreements must include comparable quality of service standards that ensure equitable levels of services."

Page 13, line 19, delete "(b)" and insert "(c)"

Page 13, line 20, delete everything before the period

Page 13, line 21, delete "(c)" and insert "(d)"

Page 16, delete lines 20 to 24 and insert:

"(b) After a hearing before the commissioner at which the health information exchange service provider may respond to the grounds for denial, suspension, or revocation, or upon the failure of the health information exchange service provider to appear at the hearing, the commissioner shall take action as deemed necessary and shall issue written findings that shall be mailed to the health information exchange service provider."

Page 17, delete subdivision 5

Page 17, line 20, delete "6" and insert "5"

Page 18, line 2, delete everything after "for" and insert "the duties required"

Page 18, delete line 3 and insert "under Minnesota Statutes, sections 62J.498 to 62J.4982"

Page 18, line 4, delete "subdivision 2"

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

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

**S.F. No. 2430:** A bill for an act relating to mortgages; requiring certain notices related to redemption rights be made to a mortgagor; providing for a private right of action; amending Minnesota Statutes 2008, sections 580.03; 580.041, as amended; 580.06.

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

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2009 Supplement, section 463.251, subdivision 3, is amended to read:

Subd. 3. **Securing building by city; lien.** If the owner of the building or a holder of the sheriff's certificate of sale fails to either comply or provide to the governing body a reasonable plan and schedule to comply with an order issued under subdivision 2 or to request a hearing on the order within ~~14~~ six days after the order is served, the governing body shall cause the building to be properly secured and the cost of securing the building may be charged against the real estate as provided in section 463.21. In the metropolitan area, as defined in section 473.121, subdivision 2, the governing body may work with neighborhood associations to develop and implement plans to secure vacant buildings in a timely and cost-effective fashion. The city may use rehabilitation and revitalization funds in implementing this section."

Page 1, after line 16, insert:

"Sec. 3. Minnesota Statutes 2009 Supplement, section 580.04, is amended to read:

**580.04 REQUISITES OF NOTICE.**

(a) Each notice shall specify or contain:

(1) the name of the mortgagor, the mortgagee, each assignee of the mortgage, if any, and the original or maximum principal amount secured by the mortgage;

(2) the date of the mortgage, and when and where recorded, except where the mortgage is upon registered land, in which case the notice shall state that fact, and when and where registered;

(3) the amount claimed to be due on the mortgage on the date of the notice;

(4) a description of the mortgaged premises, conforming substantially to that contained in the mortgage, and the commonly used street address of the mortgaged premises;

(5) the time and place of sale;

(6) the time allowed by law for redemption by the mortgagor, the mortgagor's personal representatives or assigns; ~~and~~

(7) the name, address, and telephone number of a current representative of the mortgagee or an assignee of the mortgage who has the authority to negotiate a resolution of the foreclosure and respond to property maintenance concerns of the city or town in which the premises is located; and

(8) for mortgaged premises described in section 582.032, subdivision 1, the following statement in capital letters: "THE TIME ALLOWED BY LAW FOR REDEMPTION BY THE MORTGAGOR, THE MORTGAGOR'S PERSONAL REPRESENTATIVES OR ASSIGNS, MAY BE REDUCED TO FIVE WEEKS IF A JUDICIAL ORDER IS ENTERED UNDER MINNESOTA STATUTES, SECTION 582.032, DETERMINING, AMONG OTHER THINGS, THAT THE MORTGAGED PREMISES ARE IMPROVED WITH A RESIDENTIAL DWELLING OF LESS THAN FIVE UNITS, ARE NOT PROPERTY USED IN AGRICULTURAL PRODUCTION, AND ARE ABANDONED."

(b) If the real estate is an owner-occupied, single-family dwelling, the notice must also specify the date on or before which the mortgagor must vacate the property if the mortgage is not reinstated under section 580.30 or the property redeemed under section 580.23. The notice must state that the time to vacate the property is 11:59 p.m. on the specified date."

Page 2, line 35, after "amount" insert ", plus interest and other costs,"

Page 3, line 31, delete "fees" and insert "interest and costs"

Page 3, line 34, delete everything after the period

Page 3, delete line 35

Page 4, line 3, delete "district"

Page 4, line 6, delete "deed" and insert "transfer"

Page 4, line 9, delete everything after "by" and insert "paying the amount of the bid, plus interest and costs."

Page 4, line 11, delete "keep" and insert "redeem" and delete "(\"redeem\")"

Page 4, line 14, delete "calling" and insert "contacting"

Page 4, line 21, delete everything after "keep" and insert "the money. You can also enter into a \"short sale\" where the lender agrees to accept less than the full amount you owe on the mortgage."

Page 5, line 24, after "the" insert "sheriff's"

Page 5, delete lines 27 to 30 and insert:

**\"(i) you have (insert the number of months) to \"redeem,\" which means to pay the winning bidder the sale price listed above (plus interest and costs) and keep your house;\"**

Page 5, line 31, delete "(iii)" and insert "(ii)"

Page 5, line 34, delete "(iv)" and insert "(iii)"

Page 5, line 35, delete "KEEP" and insert "REDEEM"

Page 6, line 1, after "THE" insert "SHERIFF'S SALE"

Page 6, line 3, after "THE" insert "SHERIFF'S"

Page 6, line 4, delete "(v)" and insert "(iv)"

Page 6, line 9, after the period, insert "You can also enter into a \"short sale\" where the lender accepts less than the full amount you owe on the mortgage."

Page 6, line 11, delete "it" and insert "the money"

Page 7, delete section 4 and insert:

"Sec. 6. Minnesota Statutes 2008, section 580.30, subdivision 1, is amended to read:

Subdivision 1. **Reinstatement.** In any proceedings for the foreclosure of a real estate mortgage, whether by action or by advertisement, if at any time before the sale of the premises under such foreclosure the mortgagor, the owner, or any holder of any subsequent encumbrance or lien, or any one for them, shall pay or cause to be paid to the holder of the mortgage so being foreclosed, or to the attorney foreclosing the same, or to the sheriff of the county, the amount actually due thereon

and constituting the default actually existing in the conditions of the mortgage at the time of the commencement of the foreclosure proceedings, including insurance, delinquent taxes, if any, upon the premises, interest to date of payment, cost of publication and services of process or notices, attorney's fees not exceeding \$150 or one-half of the attorney's fees authorized by section 582.01, whichever is greater, any costs incurred when an order to reduce a mortgagor's redemption period under section 582.032 is entered, including costs and disbursements awarded under section 582.032, subdivision 9, together with other lawful disbursements necessarily incurred in connection with the proceedings by the party foreclosing, then, and in that event, the mortgage shall be fully reinstated and further proceedings in such foreclosure shall be thereupon abandoned.

Sec. 7. Minnesota Statutes 2008, section 582.03, subdivision 1, is amended to read:

Subdivision 1. **Allowable costs collectable upon redemption.** The holder of any sheriff's certificate of sale, from a foreclosure by advertisement or action of a mortgage or lien or execution, or the holder of any certificate of redemption as a junior creditor during the period of redemption, may pay and claim the following on redemption: any taxes or assessments on which any penalty would otherwise accrue, and any costs of a hazard insurance policy for the holder's interest in the mortgaged premises incurred for the period of holding the sheriff's certificate, any costs incurred when an order to reduce a mortgagor's redemption period under section 582.032 is entered, including costs and disbursements awarded under section 582.032, subdivision 9, any fees paid to the county recorder, registrar of titles, or sheriff to obtain or record the certificates of sale or redemption or notices of intention to redeem, any reasonable fees paid to licensed real estate brokers for broker price opinions or to licensed appraisers for appraisals, any deed tax paid to file a certificate of redemption, reasonable attorney fees incurred after the foreclosure sale not to exceed one-half of the amount authorized by section 582.01, any costs incurred under section 582.031, and any interest or installment of principal upon any prior or superior mortgage, lien, or contract for deed in default or that becomes due during the period of redemption. In all such cases, the costs so paid and claimed due, with interest, shall be a part of the sum required to be paid to redeem from such sale. No other costs, fees, interest, or other amount may be added to the amount necessary to redeem.

Sec. 8. Minnesota Statutes 2008, section 582.032, is amended by adding a subdivision to read:

Subd. 9. **Costs.** Upon motion of a political subdivision that initiated a proceeding under subdivision 4 or intervened under subdivision 5, if an order is entered to reduce the redemption period to five weeks, the court shall award costs and disbursements to the political subdivision. The party foreclosing the mortgage or holding the sheriff's certificate of sale is liable for an award under this subdivision but may recover these amounts upon reinstatement or redemption as provided in section 580.30, subdivision 1, or 582.03, subdivision 1."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the second semicolon, insert "modifying time for requesting a hearing on an order to secure a building; modifying notice of sale requirements; authorizing political subdivisions to recover costs associated with obtaining a five-week redemption period;"

Amend the title numbers accordingly

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

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

**S.F. No. 3147:** A bill for an act relating to health occupation; requiring license revocation for chiropractors convicted of a felony-level criminal sexual conduct offense; amending Minnesota Statutes 2008, section 148.10, by adding a subdivision.

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

Page 1, after line 17, insert:

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

Sec. 2. Minnesota Statutes 2008, section 364.09, is amended to read:

**364.09 EXCEPTIONS.**

(a) This chapter does not apply to the licensing process for peace officers; to law enforcement agencies as defined in section 626.84, subdivision 1, paragraph (f); to fire protection agencies; to eligibility for a private detective or protective agent license; to the licensing and background study process under chapters 245A and 245C; to eligibility for school bus driver endorsements; to eligibility for special transportation service endorsements; to eligibility for a commercial driver training instructor license, which is governed by section 171.35 and rules adopted under that section; to emergency medical services personnel, or to the licensing by political subdivisions of taxicab drivers, if the applicant for the license has been discharged from sentence for a conviction within the ten years immediately preceding application of a violation of any of the following:

(1) sections 609.185 to 609.21, 609.221 to 609.223, 609.342 to 609.3451, or 617.23, subdivision 2 or 3;

(2) any provision of chapter 152 that is punishable by a maximum sentence of 15 years or more; or

(3) a violation of chapter 169 or 169A involving driving under the influence, leaving the scene of an accident, or reckless or careless driving.

This chapter also shall not apply to eligibility for juvenile corrections employment, where the offense involved child physical or sexual abuse or criminal sexual conduct.

(b) This chapter does not apply to a school district or to eligibility for a license issued or renewed by the Board of Teaching or the commissioner of education.

(c) Nothing in this section precludes the Minnesota Police and Peace Officers Training Board or the state fire marshal from recommending policies set forth in this chapter to the attorney general for adoption in the attorney general's discretion to apply to law enforcement or fire protection agencies.

(d) This chapter does not apply to a license to practice medicine that has been denied or revoked by the Board of Medical Practice pursuant to section 147.091, subdivision 1a.

(e) This chapter does not apply to a license to practice chiropractic that has been denied or revoked by the Board of Chiropractic Examiners under section 148.10, subdivision 7.

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

Amend the title numbers accordingly

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

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

**S.F. No. 2875:** A bill for an act relating to energy; modifying utility's requirement to post notice of impending disconnection of utility services to a rental building due to landlord's failure to pay for service; amending Minnesota Statutes 2008, section 504B.215, subdivision 3.

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

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

**S.F. No. 2935:** A bill for an act relating to human services; making changes to licensing provisions; modifying background study requirements, disqualifications, and data classification; amending Minnesota Statutes 2008, sections 245A.07, subdivision 2a; 245A.30; 245B.05, subdivision 7; 245C.02, subdivision 18; Minnesota Statutes 2009 Supplement, sections 245A.03, subdivision 2; 245A.04, subdivisions 5, 7; 245A.07, subdivisions 1, 3; 245A.144; 245A.50, subdivision 5; 245C.15, subdivision 2; 245C.20; 245C.22, subdivision 7.

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

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

**S.F. No. 2796:** A bill for an act relating to probate; clarifying the powers of health care agents, guardians, and others to make health care decisions for wards and protected persons; modifying provisions governing guardians and conservators; amending Minnesota Statutes 2008, sections 145C.09, subdivision 3; 524.5-303; 524.5-403; 525A.09; Minnesota Statutes 2009 Supplement, sections 524.5-120; 524.5-304; 524.5-309; 524.5-310; 524.5-315; 524.5-316; 524.5-406; 524.5-420.

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

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

**S.F. No. 2690:** A bill for an act relating to children; modifying driver's license requirements for foster children; requiring in-court reviews; expanding the definition of parent for child protection proceedings; amending Minnesota Statutes 2008, sections 171.04, subdivision 1; 171.05, subdivision 2; 171.055, subdivision 1; 245C.33, subdivision 4, by adding a subdivision; 260C.007, subdivision 4; 260C.163, subdivisions 1, 2; 260C.193, subdivision 6; 260C.201, subdivision 10; 260C.317, subdivision 3; 260C.451; Minnesota Statutes 2009 Supplement, sections 260C.007, subdivision 25; 260C.150, subdivision 3; 260C.151, subdivision 1; 260C.178, subdivision 3; 260C.201, subdivision 11; 260C.212, subdivision 7; 260C.331, subdivision 1; 260C.456.

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

Page 6, delete section 2

Page 20, line 29, strike everything after the comma and insert "or, for children in foster care beyond age 18 pursuant to section 260C.451, until the individual becomes 21 years of age according to the provisions set forth in sections 260C.193, subdivision 6, and 260C.451"

Page 20, line 30, strike "court"

Page 25, delete section 3

Renumber the sections in sequence

Amend the title numbers accordingly

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred**

**S.F. No. 2928:** A bill for an act relating to labor and industry; modifying construction codes and licensing provisions; modifying certain notice provisions; amending Minnesota Statutes 2008, sections 178.01; 178.03, subdivisions 3, 4; 178.06; 178.08; 178.11; 326.02, subdivision 5; 326B.04, subdivision 2; 326B.127, subdivision 3; 326B.13, subdivisions 3, 4, 5, 6; 326B.133, subdivision 5; 326B.139; 326B.142; 326B.148, subdivisions 2, 3; 326B.191; 326B.31, subdivision 28; 326B.33, subdivision 17; 326B.42, subdivisions 2, 6; 326B.435, subdivision 2; 326B.47; 326B.84; 326B.89, subdivisions 1, 5, 6, 7, 8, 10, 13, by adding subdivisions; 326B.921, subdivision 3; Minnesota Statutes 2009 Supplement, sections 14.14, subdivision 1a; 326B.145; Laws 2010, chapter 183, section 8; repealing Minnesota Statutes 2008, sections 299G.11; 299G.13, subdivisions 1, 6, 9, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28; 299G.14; 299G.15; 299G.16; 299G.17; 299G.18; 326B.115; 326B.37, subdivision 13; Minnesota Rules, parts 5200.0020; 5200.0050; 5200.0080, subparts 2, 3, 4, 4a, 4b, 6, 7, 8.

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred**

**S.F. No. 2866:** A bill for an act relating to health; modifying provisions for the statewide trauma system; amending Minnesota Statutes 2008, sections 144.603; 144.605, subdivisions 2, 3, by adding a subdivision; 144.608, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 2008, section 144.607.

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred**

**S.F. No. 2738:** A bill for an act relating to Special School District No. 1, Minneapolis; providing for two members appointed by Special School District No. 1, Minneapolis, on the Minneapolis redistricting commission; establishing standards.

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

Page 2, line 4, delete "not more than twice"

Page 2, line 5, delete "as long as it is wide"

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred**

**S.F. No. 2573:** A bill for an act relating to retirement; general state employees retirement plan; correctional state employees retirement plan; legislators retirement plan; judges retirement plan; State Patrol retirement plan; increasing certain contribution rates; temporarily reducing certain postretirement adjustment increase rates; reducing interest rates on refunds; reducing deferred annuity augmentation rates; eliminating interest on reemployed annuitant earnings limitation deferred accounts; increasing certain vesting requirements; increasing certain early retirement reduction rates; reducing certain benefit accrual rates; extending certain amortization periods; amending Minnesota Statutes 2008, sections 3A.02, subdivision 4; 352.113, subdivision 1; 352.115, subdivision 1; 352.12, subdivision 2; 352.22, subdivisions 2, 3; 352.72, subdivisions 1, 2; 352.93, subdivisions 1, 2a, 3a; 352.931, subdivision 1; 352B.02, as amended; 352B.08, subdivisions 1, 2a; 352B.11, subdivision 2b; 352B.30, subdivisions 1, 2; 352F.07; 356.30, subdivision 1; 356.302, subdivisions 3, 4, 5; 356.303, subdivision 2; 356.315, subdivision 5; 356.47, subdivision 3; Minnesota Statutes 2009 Supplement, sections 352.75, subdivision 4; 352.95, subdivision 2; 356.215, subdivision 11; 356.415, subdivision 1, by adding a subdivision.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 3A.02, subdivision 4, is amended to read:

Subd. 4. **Deferred annuities augmentation.** (a) The deferred retirement allowance of any former legislator must be augmented as provided herein.

(b) The required reserves applicable to the deferred retirement allowance, determined as of the date the benefit begins to accrue using an appropriate mortality table and an interest assumption of six percent, must be augmented from the first of the month following the termination of active service, or July 1, 1973, whichever is later, to the first day of the month in which the allowance begins to accrue, at the following annually compounded rate or rates:

(1) five percent until January 1, 1981;

(2) three percent from January 1, 1981, or from the first day of the month following the termination of active service, whichever is later, until January 1 of the year in which the former legislator attains age 55 or until January 1, 2011, whichever is earlier; ~~and~~

(3) five percent from the period end date under clause (2) ~~to~~ until the effective date of retirement or until January 1, 2011, whichever is earlier; and

(4) two percent after December 31, 2010.



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

Sec. 2. Minnesota Statutes 2008, section 352.113, subdivision 1, is amended to read:

Subdivision 1. **Age and service requirements.** (a) An employee covered by the system, who is less than normal retirement age and who becomes totally and permanently disabled after three or more years of allowable service if employed before July 1, 2010, or after five or more years of allowable service if employed after June 30, 2010, is entitled to a disability benefit in an amount provided in subdivision 3.

(b) If the disabled employee's state service has terminated at any time, the employee must have at least two years of allowable service after last becoming a state employee covered by the system.

(c) Refunds may be repaid under section 352.23 before the effective accrual date of the disability benefit under subdivision 2.

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

Sec. 3. Minnesota Statutes 2008, section 352.115, subdivision 1, is amended to read:

Subdivision 1. **Age and service requirements.** After separation from state service, any employee (1) who has attained the age of at least 55 years and who is entitled to credit for at least three years allowable service if employed before July 1, 2010, or after five or more years of allowable service if employed after June 30, 2010, or (2) who has received credit for at least 30 years allowable service regardless of age, is entitled upon application to a retirement annuity.

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

Sec. 4. Minnesota Statutes 2008, section 352.12, subdivision 2, is amended to read:

Subd. 2. **Surviving spouse benefit.** (a) If an employee or former employee has credit for at least three years allowable service if the employee was employed before July 1, 2010, or for at least five years of allowable service if the employee was employed after June 30, 2010, and dies before an annuity or disability benefit has become payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse of the employee may elect to receive, in lieu of the refund with interest under subdivision 1, an annuity equal to the joint and 100 percent survivor annuity which the employee or former employee could have qualified for on the date of death.

(b) If the employee was under age 55 and has credit for at least 30 years of allowable service on the date of death, the surviving spouse may elect to receive a 100 percent joint and survivor annuity based on the age of the employee and surviving spouse on the date of death. The annuity is payable using the full early retirement reduction under section 352.116, subdivision 1, paragraph (a), to age 55 and one-half of the early retirement reduction from age 55 to the age payment begins.

(c) If the employee was under age 55 and has credit for at least three years of allowable service credit on the date of death if the employee was employed before July 1, 2010, or for at least five years of allowable service if the employee was employed after June 30, 2010, but did not yet qualify for retirement, the surviving spouse may elect to receive a 100 percent joint and survivor annuity based on the age of the employee and surviving spouse at the time of death. The annuity is payable using the full early retirement reduction under section 352.116, subdivision 1 or 1a, to age 55 and one-half of the early retirement reduction from age 55 to the age payment begins.

(d) The surviving spouse eligible for benefits under paragraph (a) may apply for the annuity at any time after the date on which the employee or former employee would have attained the required age for retirement based on the allowable service earned. The surviving spouse eligible for surviving spouse benefits under paragraph (b) or (c) may apply for the annuity at any time after the employee's death. The annuity must be computed under sections 352.115, subdivisions 1, 2, and 3, and 352.116, subdivisions 1, 1a, and 3. Sections 352.22, subdivision 3, and 352.72, subdivision 2, apply to a deferred annuity or surviving spouse benefit payable under this subdivision. The annuity must cease with the last payment received by the surviving spouse in the lifetime of the surviving spouse, or upon expiration of a term certain benefit payment to a surviving spouse under subdivision 2a. An amount equal to the excess, if any, of the accumulated contributions credited to the account of the deceased employee in excess of the total of the benefits paid and payable to the surviving spouse must be paid to the deceased employee's or former employee's last designated beneficiary or, if none, as specified under subdivision 1.

(e) Any employee or former employee may request in writing, with the signed consent of the spouse, that this subdivision not apply and that payment be made only to a designated beneficiary as otherwise provided by this chapter.

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

Sec. 5. Minnesota Statutes 2008, section 352.22, subdivision 2, is amended to read:

Subd. 2. **Amount of refund.** Except as provided in subdivision 3, the refund payable to a person who ceased to be a state employee by reason of a termination of state service is an amount equal to employee accumulated contributions plus interest at the rate of six percent per year compounded daily from the date that the contribution was made until June 30, 2011, or until the date on which the refund is paid, whichever is earlier, and at the rate of four percent per year compounded daily from the date that the contribution was made or from July 1, 2011, whichever is later, until the date on which the refund is paid. Included with the refund is any interest paid as part of repayment of a past refund, plus interest thereon from the date of repayment.

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

Sec. 6. Minnesota Statutes 2008, section 352.22, subdivision 3, is amended to read:

Subd. 3. **Deferred annuity.** (a) An employee who has at least three years of allowable service if employed before July 1, 2010, or who has at least five years of allowable service if employed after June 30, 2010, when termination occurs may elect to leave the accumulated contributions in the fund and thereby be entitled to a deferred retirement annuity. The annuity must be computed under the law in effect when state service terminated, on the basis of the allowable service credited to the person before the termination of service.

(b) An employee on layoff or on leave of absence without pay, except a leave of absence for health reasons, and who does not return to state service must have an annuity, deferred annuity, or other benefit to which the employee may become entitled computed under the law in effect on the employee's last working day.

(c) No application for a deferred annuity may be made more than 60 days before the time the former employee reaches the required age for entitlement to the payment of the annuity. The deferred annuity begins to accrue no earlier than 60 days before the date the application is filed in the office of

the system, but not (1) before the date on which the employee reaches the required age for entitlement to the annuity nor (2) before the day following the termination of state service in a position which is not covered by the retirement system.

(d) Application for the accumulated contributions left on deposit with the fund may be made at any time following the date of the termination of service.

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

Sec. 7. Minnesota Statutes 2008, section 352.72, subdivision 1, is amended to read:

Subdivision 1. **Entitlement to annuity.** (a) Any person who has been an employee covered by a retirement system listed in paragraph (b) is entitled when qualified to an annuity from each fund if total allowable service in all funds or in any two of these funds totals three or more years if employed before July 1, 2010, or totals five or more years if employed after June 30, 2010.

(b) This section applies to the Minnesota State Retirement System, the Public Employees Retirement Association including the Public Employees Retirement Association police and fire fund, the Teachers Retirement Association, the State Patrol Retirement Association, or any other public employee retirement system in the state with a similar provision, except as noted in paragraph (c).

(c) This section does not apply to other funds providing benefits for police officers or firefighters.

(d) No portion of the allowable service upon which the retirement annuity from one fund is based shall be again used in the computation for benefits from another fund. No refund may have been taken from any one of these funds since service entitling the employee to coverage under the system or the employee's membership in any of the associations last terminated. The annuity from each fund must be determined by the appropriate provisions of the law except that the requirement that a person must have at least ~~three~~ a specific number of years of allowable service in the respective system or association does not apply for the purposes of this section if the combined service in two or more of these funds equals ~~three or more years~~ at least the longest period of allowable service of any of the applicable retirement plans.

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

Sec. 8. Minnesota Statutes 2008, section 352.72, subdivision 2, is amended to read:

Subd. 2. **Computation of deferred annuity.** (a) The deferred annuity, if any, accruing under subdivision 1, or section 352.22, subdivision 3, must be computed as provided in section 352.22, subdivision 3, on the basis of allowable service before termination of state service and augmented as provided herein. The required reserves applicable to a deferred annuity or to an annuity for which a former employee was eligible but had not applied or to any deferred segment of an annuity must be determined as of the date the benefit begins to accrue and augmented by interest compounded annually from the first day of the month following the month in which the employee ceased to be a state employee, or July 1, 1971, whichever is later, to the first day of the month in which the annuity begins to accrue. The rates of interest used for this purpose must be five percent compounded annually until January 1, 1981, and three percent compounded annually thereafter until January 1 of the year following the year in which the former employee attains age 55 or until January 1, 2011, whichever is earlier, and from that date the January 1 next following the attainment of age 55 to the effective date of retirement or until January 1, 2011, whichever is earlier, the rate is five percent

compounded annually if the employee became an employee before July 1, 2006, ~~and at 2.5 percent compounded annually until January 1, 2011,~~ if the employee becomes an employee after June 30, 2006, and two percent compounded annually after December 31, 2010, irrespective of when the employee became a state employee. If a person has more than one period of uninterrupted service, the required reserves related to each period must be augmented by interest under this subdivision. The sum of the augmented required reserves so determined is the present value of the annuity. "Uninterrupted service" for the purpose of this subdivision means periods of covered employment during which the employee has not been separated from state service for more than two years. If a person repays a refund, the service restored by the repayment must be considered continuous with the next period of service for which the employee has credit with this system. The formula percentages used for each period of uninterrupted service must be those applicable to a new employee. The mortality table and interest assumption used to compute the annuity must be those in effect when the employee files application for annuity. This section does not reduce the annuity otherwise payable under this chapter.

(b) The retirement annuity or disability benefit of, or the survivor benefit payable on behalf of, a former state employee who terminated service before July 1, 1997, which is not first payable until after June 30, 1997, must be increased on an actuarial equivalent basis to reflect the change in the postretirement interest rate actuarial assumption under section 356.215, subdivision 8, from five percent to six percent under a calculation procedure and the tables adopted by the board and approved by the actuary retained under section 356.214.

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

Sec. 9. Minnesota Statutes 2009 Supplement, section 352.75, subdivision 4, is amended to read:

Subd. 4. **Existing deferred retirees.** Any former member of the former Metropolitan Transit Commission-Transit Operating Division employees retirement fund is entitled to a retirement annuity from the Minnesota State Retirement System if the employee:

(1) is not an active employee of the Transit Operating Division of the former Metropolitan Transit Commission on July 1, 1978; (2) has at least ten years of active continuous service with the Transit Operating Division of the former Metropolitan Transit Commission as defined by the former Metropolitan Transit Commission-Transit Operating Division employees retirement plan document in effect on December 31, 1977; (3) has not received a refund of contributions; (4) has not retired or begun receiving an annuity or benefit from the former Metropolitan Transit Commission-Transit Operating Division employees retirement fund; (5) is at least 55 years old; and (6) submits a valid application for a retirement annuity to the executive director of the Minnesota State Retirement System.

The person is entitled to a retirement annuity in an amount equal to the normal old age retirement allowance calculated under the former Metropolitan Transit Commission-Transit Operating Division employees retirement fund plan document in effect on December 31, 1977, subject to an early retirement reduction or adjustment in amount on account of retirement before the normal retirement age specified in that former Metropolitan Transit Commission-Transit Operating Division employees retirement fund plan document.

The deferred retirement annuity of any person to whom this subdivision applies must be augmented. The required reserves applicable to the deferred retirement annuity, determined as of the date the allowance begins to accrue using an appropriate mortality table and an interest

assumption of five percent, must be augmented by interest at the rate of five percent per year compounded annually from January 1, 1978, to January 1, 1981, and three percent per year compounded annually from January 1, 1981, until the date that the annuity begins to accrue or June 30, 2010, whichever is earlier, and two percent after June 30, 2010, to the first day of the month in which the annuity begins to accrue. After the commencement of the retirement annuity, the annuity is eligible for postretirement adjustments under section 356.415. On applying for a retirement annuity under this subdivision, the person is entitled to elect a joint and survivor optional annuity under section 352.116, subdivision 3.

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

Sec. 10. Minnesota Statutes 2008, section 352.93, subdivision 1, is amended to read:

Subdivision 1. **Basis of annuity; when to apply.** After separation from state service, an employee covered under section 352.91 who has reached age 55 years and has credit for at least three years of covered correctional service or a combination of covered correctional service and general state employees state retirement plan allowable service if first employed as a state employee before July 1, 2010, or has credit for at least ten years of covered correctional service or a combination of covered correctional service and general state employees retirement plan allowable service if first employed as a state employee after June 30, 2010, is entitled upon application to a retirement annuity under this section, based only on covered correctional employees' service. Application may be made no earlier than 60 days before the date the employee is eligible to retire by reason of both age and service requirements.

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

Sec. 11. Minnesota Statutes 2008, section 352.93, subdivision 2a, is amended to read:

Subd. 2a. **Early retirement.** Any covered correctional employee who becomes at least 50 years old and who has at least three years of allowable service if first employed as a correctional state employee before July 1, 2010, or has credit for at least ten years of allowable service if first employed as a correctional state employee after June 30, 2010, is entitled upon application to a reduced retirement annuity equal to the annuity calculated under subdivision 2, reduced by two-tenths of one percent for each month that the correctional employee is under age 55 at the time of retirement if first employed as a correctional state employee before July 1, 2010, and if retired before July 1, 2015, or reduced by 0.417 percent for each month that the correctional employee is under age 55 at the time of retirement if first employed as a correctional state employee after June 30, 2010, or if first employed as a correctional state employee before July 1, 2010, and if retired after June 30, 2015.

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

Sec. 12. Minnesota Statutes 2008, section 352.93, subdivision 3a, is amended to read:

Subd. 3a. **Optional annuities.** The board may establish optional annuity forms to pay a higher amount from the date of retirement until an employee is first eligible to draw Social Security benefits, reaches age 65, or up to reaches the age the employee is eligible to receive unreduced Social Security benefits, at which time the monthly benefits must be reduced. The optional annuity forms must be actuarially equivalent to the normal single life annuity form provided in subdivision 2. The optional annuity forms must be approved certified as actuarially equivalent by the actuary retained under

section 356.214.

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

Sec. 13. Minnesota Statutes 2008, section 352.931, subdivision 1, is amended to read:

Subdivision 1. **Surviving spouse benefit.** (a) If the correctional employee was at least age 50, has credit for at least three years of allowable service if first employed as a correctional state employee before July 1, 2010, or has credit for at least ten years of allowable service if first employed as a correctional state employee after June 30, 2010, and dies before an annuity or disability benefit has become payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse of the employee may elect to receive, in lieu of the refund under section 352.12, subdivision 1, an annuity for life equal to the joint and 100 percent survivor annuity which the employee could have qualified for had the employee terminated service on the date of death. The election may be made at any time after the date of death of the employee. The surviving spouse benefit begins to accrue as of the first of the month next following the date on which the application for the benefit was filed.

(b) If the employee was under age 50, dies, and had credit for at least three years of allowable service ~~credit~~ on the date of death if first employed as a correctional state employee before July 1, 2010, or had credit for at least ten years of allowable service on the date of death if first employed as a correctional state employee after June 30, 2010, but did not yet qualify for retirement, the surviving spouse may elect to receive a 100 percent joint and survivor annuity based on the age of the employee and surviving spouse at the time of death. The annuity is payable using the early retirement reduction under section 352.93, subdivision 2a, to age 50, and one-half of the early retirement reduction from age 50 to the age payment begins. The surviving spouse eligible for surviving spouse benefits under this paragraph may apply for the annuity at any time after the employee's death. Sections 352.22, subdivision 3, and 352.72, subdivision 2, apply to a deferred annuity or surviving spouse benefit payable under this subdivision.

(c) The annuity must cease with the last payment received by the surviving spouse in the lifetime of the surviving spouse. Any employee may request in writing, with the signed consent of the spouse, that this subdivision not apply and that payment be made only to a designated beneficiary as otherwise provided by this chapter.

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

Sec. 14. Minnesota Statutes 2009 Supplement, section 352.95, subdivision 2, is amended to read:

Subd. 2. **Regular disability; computation of benefit.** A covered correctional employee who was hired before July 1, 2009, after rendering at least one year of covered correctional service, or a covered correctional employee who was first hired after June 30, 2009, after rendering at least three years of covered correctional plan service if first employed as a correctional state employee before July 1, 2010, or after rendering at least ten years of covered correctional plan service if first employed as a correctional state employee after June 30, 2010, and who is determined to have a regular disability, physical or psychological, as defined under section 352.01, subdivision 17c, is entitled to a regular disability benefit. The regular disability benefit must be based on covered correctional service only. The regular disability benefit must be computed as provided in section 352.93, subdivisions 1 and 2. The regular disability benefit of a covered correctional employee who was first hired before July 1, 2009, and who is determined to have a regular disability, physical or

psychological, under this subdivision must be computed as though the employee had at least 15 years of covered correctional service.

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

Sec. 15. Minnesota Statutes 2008, section 352B.02, as amended by Laws 2009, chapter 101, article 2, section 109; and Laws 2009, chapter 169, article 1, section 23; article 2, section 16; and article 4, sections 3 and 4, is amended to read:

**352B.02 STATE PATROL RETIREMENT FUND.**

Subdivision 1. **Fund created; membership.** A State Patrol retirement fund is established. Its membership consists of all persons defined in section 352B.011, subdivision 10.

Subd. 1a. **Member contributions.** (a) The member contribution is ~~10.40 percent~~ the following percentage of the member's salary:

<u>(1) before the first day of the first pay period beginning after July 1, 2011</u>	<u>10.40 percent</u>
<u>(2) on or after the first day of the first pay period beginning after July 1, 2011</u>	<u>11.20 percent</u>

(b) These contributions must be made by deduction from salary as provided in section 352.04, subdivision 4.

Subd. 1b. **Salary deductions.** Member contribution amounts must be deducted each pay period by the department head, who shall have the total amount of the deductions paid to the commissioner of management and budget for deposit in the State Patrol retirement fund, and have a detailed report of all deductions made each pay period to the executive director of the Minnesota State Retirement System.

Subd. 1c. **Employer contributions.** (a) In addition to member contributions, department heads shall pay a sum equal to ~~15.60 percent~~ the specified percentage of the salary upon which deductions were made, which constitutes the employer contribution to the fund; as follows:

<u>(1) before the first day of the first pay period beginning after July 1, 2011</u>	<u>15.60 percent</u>
<u>(2) on or after the first day of the first pay period beginning after July 1, 2011</u>	<u>16.80 percent</u>

(b) Department contributions must be paid out of money appropriated to departments for this purpose.

Subd. 1d. **Additional employer contributions.** (a) In addition to the regular employer contribution under subdivision 1c, department heads shall pay a sum equal to ten percent of the salary upon which member contribution deductions were made, which is the additional employer contribution to the fund.

(b) Department additional employer contributions must be paid from departmental appropriations or revenue.

Subd. ~~4d~~ 1e. **Fund revenue and expenses.** The amounts provided for in this section must be credited to the State Patrol retirement fund. All money received must be deposited by the commissioner of management and budget in the State Patrol retirement fund. The fund must be used to pay the administrative expenses of the retirement fund, and the benefits and annuities provided in this chapter.

Subd. ~~4e~~ 1f. **Audit; regular actuarial valuation; supplemental valuations.** (a) The legislative auditor shall audit the fund.

(b) Any actuarial valuation of the fund required under section 356.215 must be prepared by the actuary retained under section 356.214.

(c) Any approved actuary retained by the executive director under section 352.03, subdivision 6, may perform actuarial valuations and experience studies to supplement those performed by the actuary retained under section 356.214. Any supplemental actuarial valuation or experience studies must be filed with the executive director of the Legislative Commission on Pensions and Retirement.

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

Sec. 16. Minnesota Statutes 2008, section 352B.08, subdivision 1, is amended to read:

Subdivision 1. **Eligibility; when to apply; accrual.** (a) Every member who is credited with three or more years of allowable service if first employed before July 1, 2010, or with at least five years of allowable service if first employed after June 30, 2010, is entitled to separate from state service and upon becoming 50 years old, is entitled to receive a life annuity, upon separation from state service.

(b) Members ~~shall~~ must apply for an annuity in a form and manner prescribed by the executive director.

(c) No application may be made more than 90 days before the date the member is eligible to retire by reason of both age and service requirements.

(d) An annuity begins to accrue no earlier than 180 days before the date the application is filed with the executive director.

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

Sec. 17. Minnesota Statutes 2008, section 352B.08, subdivision 2a, is amended to read:

Subd. 2a. **Early retirement.** Any member who has become at least 50 years old and who has at least three years of allowable service if first employed before July 1, 2010, or who has at least five years of allowable service if first employed after June 30, 2010, is entitled upon application to a reduced retirement annuity equal to the annuity calculated under subdivision 2, reduced by one-tenth of one percent for each month that the member is under age 55 at the time of retirement if first employed before July 1, 2010, or reduced by two-tenths of one percent for each month that the member is under age 55 at the time of retirement if first employed after June 30, 2010.

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

Sec. 18. Minnesota Statutes 2008, section 352B.11, subdivision 2b, is amended to read:



Subd. 2b. **Surviving spouse benefit eligibility.** (a) If an active member with three or more years of allowable service if first employed before July 1, 2010, or with at least five years of allowable service if first employed after June 30, 2010, dies before attaining age 55, the surviving spouse is entitled to the benefit specified in subdivision 2c, paragraph (b).

(b) If an active member with less than three years of allowable service if first employed before July 1, 2010, or with fewer than five years of allowable service if first employed after June 30, 2010, dies at any age, the surviving spouse is entitled to receive the benefit specified in subdivision 2c, paragraph (c).

(c) If an active member with three or more years of allowable service if first employed before July 1, 2010, or with at least five years of allowable service if first employed after June 30, 2010, dies on or after attaining exact age 55, the surviving spouse is entitled to receive the benefits specified in subdivision 2c, paragraph (d).

(d) If a disabiltant dies while receiving a disability benefit under section 352B.10 or before the benefit under that section commenced, and an optional annuity was not elected under section 352B.10, subdivision 5, the surviving spouse is entitled to receive the benefit specified in subdivision 2c, paragraph (b).

(e) If a former member with three or more years of allowable service if first employed before July 1, 2010, or with at least five years of allowable service if first employed after June 30, 2010, who terminated from service and has not received a refund or commenced receipt of any other benefit provided by this chapter, dies, the surviving spouse is entitled to receive the benefit specified in subdivision 2c, paragraph (e).

(f) If a former member with less than three years of allowable service if first employed before July 1, 2010, or with fewer than five years of allowable service if first employed after June 30, 2010, who terminated from service and has not received a refund or commenced receipt of any other benefit, if applicable, provided by this chapter, dies, the surviving spouse is entitled to receive the refund specified in subdivision 2c, paragraph (f).

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

Sec. 19. Minnesota Statutes 2008, section 352B.30, subdivision 1, is amended to read:

Subdivision 1. **Entitlement to annuity.** Any person who has been an employee covered by the Minnesota State Retirement System, or a member of the Public Employees Retirement Association including the Public Employees Retirement Association Police and Fire Fund, or the Teachers Retirement Association, or the State Patrol retirement fund, or any other public employee retirement system in Minnesota having a like provision but excluding all other funds providing benefits for police or firefighters is entitled when qualified to an annuity from each fund if total allowable service in all funds or in any two of these funds totals ~~three or more~~ the number of years of allowable service required by the applicable retirement plan with the longest vesting period for the person. No part of the allowable service upon which the retirement annuity from one fund is based may again be used in the computation for benefits from another fund. The member must not have taken a refund from any one of these funds since service entitling the member to coverage under the system or membership in any of the associations last terminated. The annuity from each fund must be determined by the appropriate law except that the requirement that a person must have at least ~~three~~ a specific number of years allowable service in the respective system or association

does not apply for the purposes of this section if the combined service in two or more of these funds equals ~~three or more~~ the number of years of allowable service required by the applicable retirement plan with the longest vesting period for the person.

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

Sec. 20. Minnesota Statutes 2008, section 352B.30, subdivision 2, is amended to read:

Subd. 2. **Computation of deferred annuity.** Deferred annuities must be computed according to this chapter on the basis of allowable service before termination of service and augmented as provided in this chapter. The required reserves applicable to a deferred annuity must be augmented by interest compounded annually from the first day of the month following the month in which the member terminated service, or July 1, 1971, whichever is later, to the first day of the month in which the annuity begins to accrue. The rates of interest used for this purpose ~~shall~~ must be five percent per year compounded annually until January 1, 1981, ~~and after that date~~ three percent per year compounded annually after January 1, 1981, until January 1, 2011, if the employee became an employee before July 1, 2006, ~~and at~~ 2.5 percent compounded annually if the employee becomes an employee after June 30, 2006, ~~and two percent per year compounded annually after December 31, 2010, irrespective of when the employee was first employed.~~ The mortality table and interest assumption used to compute the annuity ~~shall~~ must be those in effect when the member files application for annuity.

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

Sec. 21. Minnesota Statutes 2008, section 352F.07, is amended to read:

**352F.07 EFFECT ON REFUND.**

Notwithstanding any provision of chapter 352 to the contrary, terminated hospital employees may receive a refund of employee accumulated contributions plus interest ~~at the rate of six percent per year compounded annually~~ in accordance with ~~Minnesota Statutes 1994,~~ section 352.22, subdivision 2, at any time after the transfer of employment to Fairview, University of Minnesota Physicians, or University Affiliated Family Physicians. If a terminated hospital employee has received a refund from a pension plan enumerated in section 356.30, subdivision 3, the person may not repay that refund unless the person again becomes a member of one of those enumerated plans and complies with section 356.30, subdivision 2.

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

Sec. 22. Minnesota Statutes 2008, section 353.01, is amended by adding a subdivision to read:

Subd. 47. **Vesting.** (a) "Vesting" means obtaining a nonforfeitable entitlement to an annuity or benefit from a retirement plan administered by the Public Employees Retirement Association by having credit for sufficient allowable service under paragraph (b) or (c), whichever applies.

(b) For purposes of qualifying for an annuity or benefit as a basic or coordinated plan member of the general employees retirement plan of the Public Employees Retirement Association:

(1) a member who first became a public employee before July 1, 2010, is vested when the person has accrued credit for not less than three years of allowable service as defined under subdivision 16; and

(2) a member who first becomes a public employee after June 30, 2010, is vested when the person has accrued credit for not less than five years of allowable service as defined under subdivision 16.

(c) For purposes of qualifying for an annuity or benefit as a member of the police and fire plan or a member of the local government correctional employees retirement plan:

(1) a member who first became a public employee before July 1, 2010, is vested when the person has accrued credit for not less than three years of allowable service as defined under subdivision 16; and

(2) a member who first becomes a public employee after June 30, 2010, is vested at the following percentages when the person has accrued credited allowable service as defined under subdivision 16, as follows:

- (i) 50 percent after five years;
- (ii) 60 percent after six years;
- (iii) 70 percent after seven years;
- (iv) 80 percent after eight years;
- (v) 90 percent after nine years; and
- (vi) 100 percent after ten years.

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

Sec. 23. Minnesota Statutes 2009 Supplement, section 353.27, subdivision 2, is amended to read:

Subd. 2. **Employee contribution.** (a) For a basic member, the employee contribution is 9.10 percent of salary. For a coordinated member, the employee contribution is ~~six percent~~ the following percentage of salary plus any contribution rate adjustment under subdivision 3b-:

<u>Effective before January 1, 2011</u>	<u>6.00</u>
<u>Effective after December 31, 2010</u>	<u>6.25</u>

(b) These contributions must be made by deduction from salary as defined in section 353.01, subdivision 10, in the manner provided in subdivision 4. If any portion of a member's salary is paid from other than public funds, the member's employee contribution must be based on the total salary received by the member from all sources.

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

Sec. 24. Minnesota Statutes 2009 Supplement, section 353.27, subdivision 3, is amended to read:

Subd. 3. **Employer contribution.** (a) For a basic member, the employer contribution is 9.10 percent of salary. For a coordinated member, the employer contribution is ~~six percent~~ the following percentage of salary plus any contribution rate adjustment under subdivision 3b-:

<u>Effective before January 1, 2011</u>	<u>6.00</u>
<u>Effective after December 31, 2010</u>	<u>6.25</u>

(b) This contribution must be made from funds available to the employing subdivision by the means and in the manner provided in section 353.28.

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

Sec. 25. Minnesota Statutes 2008, section 353.27, subdivision 3b, is amended to read:

Subd. 3b. **Change in employee and employer contributions in certain instances.** (a) For purposes of this section;

(1) a contribution sufficiency exists if the total of the employee contribution under subdivision 2, the employer contribution under subdivision 3, the additional employer contribution under subdivision 3a, and any additional contribution previously imposed under this subdivision exceeds the total of the normal cost, the administrative expenses, and the amortization contribution of the retirement plan as reported in the most recent actuarial valuation of the retirement plan prepared by the actuary retained under section 356.214 and prepared under section 356.215 and the standards for actuarial work of the Legislative Commission on Pensions and Retirement. ~~For purposes of this section;~~ and

(2) a contribution deficiency exists if the total of the employee contributions under subdivision 2, the employer contributions under subdivision 3, the additional employer contribution under subdivision 3a, and any additional contribution previously imposed under this subdivision is less than the total of the normal cost, the administrative expenses, and the amortization contribution of the retirement plan as reported in the most recent actuarial valuation of the retirement plan prepared by the actuary retained under section 356.214 and prepared under section 356.215 and the standards for actuarial work of the Legislative Commission on Pensions and Retirement.

(b) Employee and employer contributions under subdivisions 2 and 3 must be adjusted:

(1) if, on or after July 1, 2010, the regular actuarial ~~valuation~~ valuation of the general employees retirement plan of the Public Employees Retirement Association under section 356.215 ~~indicate~~ indicates that there is a contribution sufficiency under paragraph (a) ~~equal to or greater than 0.5 one~~ equal to or greater than 0.5 one percent of covered payroll and that the sufficiency has existed for at least two consecutive years, the coordinated program employee and employer contribution rates must be decreased as determined under paragraph (c) to a level such that the sufficiency ~~equals~~ is no more greater than 0.25 one percent of covered payroll based on the most recent actuarial valuation; or

(2) if, on or after July 1, 2010, the regular actuarial ~~valuation~~ valuation of the general employees retirement plan of the Public Employees Retirement Association under section 356.215 ~~indicate~~ indicates that there is a contribution deficiency equal to or greater than 0.5 percent of covered payroll and that the deficiency has existed for at least two consecutive years, the coordinated program employee and employer contribution rates must be increased as determined under paragraph (e) ~~(d)~~ to a level such that no deficiency exists based on the most recent actuarial valuation.

(c) ~~The contribution rate increase or decrease must be determined by the executive director of the Public Employees Retirement Association, must be reported to the chair and the executive director of the Legislative Commission on Pensions and Retirement on or before the next February 1, and, if the Legislative Commission on Pensions and Retirement does not recommend against the rate change or does not recommend a modification in the rate change, is effective on the next July 1 following the determination by the executive director that a contribution deficiency or sufficiency has existed for~~

~~two consecutive fiscal years based on the most recent actuarial valuations under section 356.215. If the actuarially required contribution exceeds or is less than the total support provided by the combined employee and employer contribution rates under subdivisions 2, 3, and 3a, by more than 0.5 one percent of covered payroll, the coordinated program employee and employer contribution rates under subdivisions 2 and 3 must be adjusted decreased incrementally over one or more years by no more than 0.25 percent of pay each for employee and employer matching contribution rates to a level such that there remains a contribution sufficiency of no more than 0.25 at least one percent of covered payroll. No contribution rate decrease may be made until at least two years have elapsed since any adjustment under this subdivision has been fully implemented.~~

(d) No If the actuarially required contribution exceeds the total support provided by the combined employee and employer contribution rates under subdivisions 2, 3, and 3a, the employee and matching employer contribution rates must be increased equally to eliminate that contribution deficiency. If the contribution deficiency is:

(1) less than two percent, the incremental adjustment increase may exceed be up to 0.25 percent for either the coordinated program employee and matching employer contribution rates per year in which any adjustment is implemented. A contribution rate adjustment under this subdivision must not be made until at least two years have passed since fully implementing a previous adjustment under this subdivision.;

(2) greater than 1.99 percent and less than 4.01 percent, the incremental increase may be up to 0.5 percent for the employee and matching employer contribution rates; or

(3) greater than four percent, the incremental increase may be up to 0.75 percent for the employee and matching employer contribution.

(e) Any recommended adjustment to the contribution rates must be reported to the chair and the executive director of the Legislative Commission on Pensions and Retirement by January 15 following receipt of the most recent annual actuarial valuation prepared under section 356.215. If the Legislative Commission on Pensions and Retirement does not recommend against the rate change or does not recommend a modification in the rate change, the recommended adjustment becomes effective on the first day of the first full payroll period in the fiscal year following receipt of the most recent actuarial valuation that gave rise to the adjustment.

(f) A contribution sufficiency of up to one percent of covered payroll must be held in reserve to be used to offset any future actuarially required contributions that are more than the total combined employee and employer contributions under subdivisions 2, 3, and 3a.

(g) Before any reduction in contributions to eliminate a sufficiency in excess of one percent of covered pay may be recommended, the executive director must review any need for a change in actuarial assumptions, as recommended by the actuary retained under section 356.214 in the most recent experience study of the general employees retirement plan prepared under section 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement that may result in an increase in the actuarially required contribution and must report to the Legislative Commission on Pensions and Retirement any recommendation by the board to use the sufficiency exceeding one percent of covered payroll to offset the impact of an actuarial assumption change recommended by the actuary retained under section 356.214, subdivision 1, and reviewed by the actuary retained by the commission under section 356.214, subdivision 4.

(h) No contribution sufficiency in excess of one percent of covered pay may be proposed to be used to increase benefits, and no benefit increase may be proposed that would initiate an automatic adjustment to increase contributions under this subdivision. Any proposed benefit improvement must include a recommendation, prepared by the actuary retained under section 356.214, subdivision 1, and reviewed by the actuary retained by the Legislative Commission on Pensions and Retirement as provided under section 356.214, subdivision 4, on how the benefit modification will be funded.

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

Sec. 26. Minnesota Statutes 2008, section 353.29, subdivision 1, is amended to read:

Subdivision 1. **Age and allowable service requirements.** Upon termination of membership, a person who has attained normal retirement age and who ~~received credit for not less than three years of allowable service~~ is vested under section 353.01, subdivision 47, is entitled upon application to a retirement annuity. The retirement annuity is known as the "normal" retirement annuity.

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

Sec. 27. Minnesota Statutes 2008, section 353.30, subdivision 1c, is amended to read:

Subd. 1c. **Pre-July 1, 1989, members: early retirement.** Upon termination of public service, a person who first became a public employee or a member of a pension fund listed in section 356.30, subdivision 3, before July 1, 1989, who has become at least 55 years old but not normal retirement age, and ~~has received credit for at least three years of allowable service~~ is vested under section 353.01, subdivision 47, is entitled, upon application, to a retirement annuity in an amount equal to the normal annuity provided in section 353.29, subdivision 3, paragraph (a), reduced by one-quarter of one percent for each month that the member is under normal retirement age at the time of retirement.

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

Sec. 28. Minnesota Statutes 2008, section 353.32, subdivision 1, is amended to read:

Subdivision 1. **Before retirement.** If a member or former member who terminated public service dies before retirement or before receiving any retirement annuity and no other payment of any kind is or may become payable to any person, a refund ~~shall be paid~~ is payable to the designated beneficiary or, if there be none, to the surviving spouse, or, if none, to the legal representative of the decedent's estate. ~~Such~~ The refund shall must be in an amount equal to accumulated deductions plus annual compound interest thereon at the rate of six percent per annum ~~compounded annually~~ specified in section 353.34, subdivision 2, and less the sum of any disability or survivor benefits, if any, that may have been paid by the fund; provided that a survivor who has a right to benefits ~~pursuant to~~ under section 353.31 may waive such benefits in writing, except such benefits for a dependent child under the age of 18 years may only be waived ~~pursuant to~~ under an order of the district court.

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

Sec. 29. Minnesota Statutes 2008, section 353.32, subdivision 1a, is amended to read:

Subd. 1a. **Surviving spouse optional annuity.** (a) If a member or former member who ~~has credit for not less than three years of allowable service~~ is vested under section 353.01, subdivision 47, and who dies before the annuity or disability benefit begins to accrue under section 353.29, subdivision 7, or 353.33, subdivision 2, notwithstanding any designation of beneficiary to the

contrary, the surviving spouse may elect to receive, instead of a refund with interest under subdivision 1, or surviving spouse benefits otherwise payable under section 353.31, an annuity equal to a 100 percent joint and survivor annuity computed consistent with section 353.30, subdivision 1a, 1c, or 5, whichever is applicable.

(b) If a member first became a public employee or a member of a pension fund listed in section 356.30, subdivision 3, before July 1, 1989, and has credit for at least 30 years of allowable service on the date of death, the surviving spouse may elect to receive a 100 percent joint and survivor annuity computed using section 353.30, subdivision 1b, except that the early retirement reduction under that provision will be applied from age 62 back to age 55 and one-half of the early retirement reduction from age 55 back to the age payment begins.

(c) If a member who was under age 55 and ~~has credit for at least three years of allowable service~~ who is vested under section 353.01, subdivision 47, dies, but did not qualify for retirement on the date of death, the surviving spouse may elect to receive a 100 percent joint and survivor annuity computed using section 353.30, subdivision 1c or 5, as applicable, except that the early retirement reduction specified in the applicable subdivision will be applied to age 55 and one-half of the early retirement reduction from age 55 back to the age payment begins.

(d) Notwithstanding the definition of surviving spouse in section 353.01, subdivision 20, a former spouse of the member, if any, is entitled to a portion of the monthly surviving spouse optional annuity if stipulated under the terms of a marriage dissolution decree filed with the association. If there is no surviving spouse or child or children, a former spouse may be entitled to a lump-sum refund payment under subdivision 1, if provided for in a marriage dissolution decree, but not a monthly surviving spouse optional annuity, despite the terms of a marriage dissolution decree filed with the association.

(e) The surviving spouse eligible for surviving spouse benefits under paragraph (a) may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. The surviving spouse eligible for surviving spouse benefits under paragraph (b) or (c) may apply for an annuity any time after the member's death.

(f) Sections 353.34, subdivision 3, and 353.71, subdivision 2, apply to a deferred annuity or surviving spouse benefit payable under this subdivision.

(g) An amount equal to any excess of the accumulated contributions that were credited to the account of the deceased employee over and above the total of the annuities paid and payable to the surviving spouse must be paid to the surviving spouse's estate.

(h) A member may specify in writing, with the signed consent of the spouse, that this subdivision does not apply and that payment may be made only to the designated beneficiary as otherwise provided by this chapter. The waiver of a surviving spouse annuity under this section does not make a dependent child eligible for benefits under subdivision 1c.

(i) If the deceased member or former member first became a public employee or a member of a public pension plan listed in section 356.30, subdivision 3, on or after July 1, 1989, a survivor annuity computed under paragraph (a) or (c) must be computed as specified in section 353.30, subdivision 5, except for the revised early retirement reduction specified in paragraph (c), if paragraph (c) is the applicable provision.

(j) For any survivor annuity determined under this subdivision, the payment is to be based on the total allowable service that the member had accrued as of the date of death and the age of the member and surviving spouse on that date.

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

Sec. 30. Minnesota Statutes 2009 Supplement, section 353.33, subdivision 1, is amended to read:

Subdivision 1. **Age, service, and salary requirements.** (a) A coordinated or basic member who ~~has at least three years of allowable service~~ is vested under section 353.01, subdivision 47, and who becomes totally and permanently disabled before normal retirement age, upon application as defined under section 353.031, is entitled to a disability benefit in an amount determined under subdivision 3.

(b) If the disabled person's public service has terminated at any time, at least two of the ~~required three~~ years of allowable service required to be vested under section 353.01, subdivision 47, must have been rendered after last becoming an active member.

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

Sec. 31. Minnesota Statutes 2008, section 353.34, subdivision 1, is amended to read:

Subdivision 1. **Refund or deferred annuity.** (a) A former member is entitled to either a refund of accumulated employee deductions under subdivision 2, or to a deferred annuity under subdivision 3. Application for a refund may not be made before the date of termination of public service. Except as specified in paragraph (b), a refund must be paid within 120 days following receipt of the application unless the applicant has again become a public employee required to be covered by the association.

(b) If an individual was placed on layoff under section 353.01, subdivision 12 or 12c, a refund is not payable before termination of service under section 353.01, subdivision 11a.

(c) An individual who terminates public service covered by the Public Employees Retirement Association general employees retirement plan, the Public Employees Retirement Association police and fire retirement plan, or the public employees local government ~~corrections~~ correctional service retirement plan, and who is employed by a different employer and who becomes an active member covered by one of the other two plans, may receive a refund of employee contributions plus ~~six percent annual compound interest compounded annually~~ from the plan from which the member terminated service at the applicable rate specified in subdivision 2.

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

Sec. 32. Minnesota Statutes 2008, section 353.34, subdivision 2, is amended to read:

Subd. 2. **Refund with interest.** (a) Except as provided in subdivision 1, any person who ceases to be a public employee ~~shall be entitled to receive a refund in an amount equal to accumulated deductions with annual compound interest to the first day of the month in which the refund is processed at the rate of six percent compounded annually based on fiscal year balances.~~

(b) For a person who ceases to be a public employee before July 1, 2011, the refund interest is at the rate of six percent to June 30, 2011, and at the rate of four percent after June 30, 2011. For a person who ceases to be a public employee after July 1, 2011, the refund interest is at the rate of four percent.



(c) If a person repays a refund and subsequently applies for another refund, the repayment amount, including interest, is added to the fiscal year balance in which the repayment was made.

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

Sec. 33. Minnesota Statutes 2008, section 353.34, subdivision 3, is amended to read:

Subd. 3. **Deferred annuity; eligibility; computation.** (a) ~~A member with at least three years of allowable service~~ who is vested under section 353.01, subdivision 47, when termination of public service or termination of membership occurs has the option of leaving the accumulated deductions in the fund and being entitled to a deferred retirement annuity commencing at normal retirement age or to a deferred early retirement annuity under section 353.30, subdivision 1a, 1b, 1c, or 5.

(b) The deferred annuity must be computed under section 353.29, subdivision 3, on the basis of the law in effect on the date of termination of public service or termination of membership, whichever is earlier, and must be augmented as provided in section 353.71, subdivision 2.

(c) A former member qualified to apply for a deferred retirement annuity may revoke this option at any time before the commencement of deferred annuity payments by making application for a refund. The person is entitled to a refund of accumulated member contributions within 30 days following date of receipt of the application by the executive director.

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

Sec. 34. Minnesota Statutes 2009 Supplement, section 353.65, subdivision 2, is amended to read:

Subd. 2. **Employee contribution.** The employee contribution is 9.4 percent of the salary of the member in calendar year 2010 and is 9.6 percent of the salary of the member in each calendar year after 2010. This contribution must be made by deduction from salary in the manner provided in subdivision 4. Where any portion of a member's salary is paid from other than public funds, the member's employee contribution is based on the total salary received from all sources.

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

Sec. 35. Minnesota Statutes 2009 Supplement, section 353.65, subdivision 3, is amended to read:

Subd. 3. **Employer contribution.** The employer contribution is 14.1 percent of the salary of the member in calendar year 2010 and is 14.4 percent of the salary of the member in each calendar year after 2010. This contribution must be made from funds available to the employing subdivision by the means and in the manner provided in section 353.28.

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

Sec. 36. Minnesota Statutes 2008, section 353.651, subdivision 1, is amended to read:

Subdivision 1. **Age and allowable service requirements.** Upon separation from public service, any police officer or firefighter member who has attained the age of at least 55 years and who received credit for not less than three years of allowable service is vested under section 353.01, subdivision 47, is entitled upon application to a retirement annuity. Such retirement annuity is, known as the "normal" retirement annuity.

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

Sec. 37. Minnesota Statutes 2008, section 353.651, subdivision 4, is amended to read:

Subd. 4. **Early retirement.** (a) A person who becomes a police and fire plan member after June 30, 2007, or a former member who is reinstated as a member of the plan after that date, who is at least 50 years of age ~~with at least three years of allowable service~~ and who is vested under section 353.01, subdivision 47, upon the termination of public service is entitled upon application to a retirement annuity equal to the normal annuity calculated under subdivision 3, reduced by two-tenths of one percent for each month that the member is under age 55 at the time of retirement.

(b) Upon the termination of public service, any police and fire plan member not specified in paragraph (a), upon attaining at least 50 years of age with at least three years of allowable service is entitled upon application to a retirement annuity equal to the normal annuity calculated under subdivision 3, reduced by one-tenth of one percent for each month that the member is under age 55 at the time of retirement.

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

Sec. 38. Minnesota Statutes 2008, section 353.657, subdivision 1, is amended to read:

Subdivision 1. **Generally.** (a) In the event that a member of the police and fire fund dies from any cause before retirement or before becoming disabled and receiving disability benefits, the association shall grant survivor benefits to a surviving spouse, as defined in section 353.01, subdivision 20, and to a dependent child or children, as defined in section 353.01, subdivision 15, except that if the death is not a line of duty death, the member must ~~have accrued at least three years of credited service~~ be vested under section 353.01, subdivision 47.

(b) Notwithstanding the definition of surviving spouse, a former spouse of the member, if any, is entitled to a portion of the monthly surviving spouse benefit if stipulated under the terms of a marriage dissolution decree filed with the association. If there is no surviving spouse or child or children, a former spouse may be entitled to a lump-sum refund payment under section 353.32, subdivision 1, if provided for in a marriage dissolution decree but not a monthly surviving spouse benefit despite the terms of a marriage dissolution decree filed with the association.

(c) The spouse and child or children are entitled to monthly benefits as provided in subdivisions 2 to 4.

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

Sec. 39. Minnesota Statutes 2008, section 353.657, subdivision 2a, is amended to read:

Subd. 2a. **Death while eligible survivor benefit.** (a) If a member or former member who has attained the age of at least 50 years and ~~has credit for not less than three years allowable service~~ either who is vested under section 353.01, subdivision 47, or who has credit for at least 30 years of allowable service, regardless of age attained, dies before the annuity or disability benefit becomes payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse may elect to receive a death while eligible survivor benefit.

(b) Notwithstanding the definition of surviving spouse in section 353.01, subdivision 20, a former spouse of the member, if any, is entitled to a portion of the death while eligible survivor benefit if stipulated under the terms of a marriage dissolution decree filed with the association. If there is no surviving spouse or child or children, a former spouse may be entitled to a lump-sum

refund payment under section 353.32, subdivision 1, if provided for in a marriage dissolution decree but not a death while eligible survivor benefit despite the terms of a marriage dissolution decree filed with the association.

(c) The benefit may be elected instead of a refund with interest under section 353.32, subdivision 1, or surviving spouse benefits otherwise payable under subdivisions 1 and 2. The benefit must be an annuity equal to the 100 percent joint and survivor annuity which the member could have qualified for on the date of death, computed as provided in sections 353.651, subdivisions 2 and 3, and 353.30, subdivision 3.

(d) The surviving spouse may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. Sections 353.34, subdivision 3, and 353.71, subdivision 2, apply to a deferred annuity payable under this subdivision.

(e) No payment accrues beyond the end of the month in which entitlement to such annuity has terminated. An amount equal to the excess, if any, of the accumulated contributions which were credited to the account of the deceased employee over and above the total of the annuities paid and payable to the surviving spouse must be paid to the deceased member's last designated beneficiary or, if none, to the legal representative of the estate of such deceased member.

(f) Any member may request in writing, with the signed consent of the spouse, that this subdivision not apply and that payment be made only to the designated beneficiary, as otherwise provided by this chapter.

(g) For a member who is employed as a full-time firefighter by the Department of Military Affairs of the state of Minnesota, allowable service as a full-time state Military Affairs Department firefighter credited by the Minnesota State Retirement System may be used in meeting the minimum allowable service requirement of this subdivision.

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

Sec. 40. Minnesota Statutes 2008, section 353.71, subdivision 1, is amended to read:

Subdivision 1. **Eligibility.** Any person who has been a member of a defined benefit retirement plan administered by the Public Employees Retirement Association, or a retirement plan administered by the Minnesota State Retirement System, or the Teachers Retirement Association, or any other public retirement system in the state of Minnesota having a like provision, except a fund retirement plan providing benefits for police officers or firefighters governed by sections 69.77 or 69.771 to 69.776, shall be is entitled, when qualified, to an annuity from each fund retirement plan if the total allowable service in all funds retirement plans or in any two of these funds retirement plans totals three or more years the number of years of allowable service required to receive a normal retirement annuity for that retirement plan, provided that no portion of the allowable service upon which the retirement annuity from one fund retirement plan is based is again used in the computation for benefits from another fund retirement plan and provided further that the person has not taken a refund from any one of these funds retirement plans since the person's membership in that association or system last terminated. The annuity from each fund shall must be determined by the appropriate provisions of the law except that the requirement that a person must have at least three years a specific minimum period of allowable service in the respective association or system shall does not apply for the purposes of this section provided if the combined

service in two or more of these ~~funds~~ retirement plans equals three or more the number of years of allowable service required to receive a normal retirement annuity for that retirement plan.

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

Sec. 41. Minnesota Statutes 2008, section 353.71, subdivision 2, is amended to read:

Subd. 2. **Deferred annuity computation; augmentation.** (a) The deferred annuity accruing under subdivision 1, or under sections 353.34, subdivision 3, and 353.68, subdivision 4, must be computed on the basis of allowable service prior to the termination of public service and augmented as provided in this ~~paragraph~~ subdivision. The required reserves applicable to a deferred annuity, or to any deferred segment of an annuity must be determined as of the first day of the month following the month in which the former member ceased to be a public employee, or July 1, 1971, whichever is later. ~~These~~

(b) For a person who became a public employee before July 1, 2006, whose period of deferral began after June 30, 1971, and who terminated public employment before January 1, 2011, the required reserves of the deferred annuity must be augmented at the following applicable rate of rates:

(1) five percent ~~annually compounded annually~~ annual compound interest until January 1, 1981, and at the rate of;

(2) three percent ~~thereafter~~ annual compound interest after January 1, 1981, or until the earlier of December 31, 2010, or after the date of the termination of public service or the termination of membership, whichever is later, until January 1 of the year following the year in which the former member attains age 55 and;

(3) five percent annual compound interest from ~~that date to the effective date of retirement, the rate is five percent compounded annually if the employee became an employee before July 1, 2006, and at 2.5 percent compounded annually if the employee becomes an~~ January 1 of the year following the year in which the former member attains age 55, or until December 31, 2010, whichever is earlier; and

(4) one percent annual compound interest from January 1, 2011.

(c) For a person who became a public employee after June 30, 2006, and who terminated public employment before January 1, 2011, the required reserves of the deferred annuity must be augmented at 2.5 percent annual compound interest from the date of termination of public service or termination of membership, whichever is earlier, until December 31, 2010, and one percent annual compound interest after December 31, 2010.

(d) For a person who terminates public employment after December 31, 2010, the required reserves of the deferred annuity must not be augmented.

(e) If a person has more than one period of uninterrupted service, the required reserves related to each period must be augmented as specified in this paragraph. The sum of the augmented required reserves is the present value of the annuity. Uninterrupted service for the purpose of this subdivision means periods of covered employment during which the employee has not been separated from public service for more than two years. If a person repays a refund, the restored service must be considered as continuous with the next period of service for which the employee has credit with

this association. This section must not reduce the annuity otherwise payable under this chapter. This paragraph applies to individuals who become deferred annuitants on or after July 1, 1971. For a member who became a deferred annuitant before July 1, 1971, the paragraph applies from July 1, 1971, if the former active member applies for an annuity after July 1, 1973.

~~(b)~~ (f) The retirement annuity or disability benefit of, or the survivor benefit payable on behalf of, a former member who terminated service before July 1, 1997, or the survivor benefit payable on behalf of a basic or police and fire member who was receiving disability benefits before July 1, 1997, which is first payable after June 30, 1997, must be increased on an actuarial equivalent basis to reflect the change in the postretirement interest rate actuarial assumption under section 356.215, subdivision 8, from five percent to six percent under a calculation procedure and tables adopted by the board and approved by the actuary retained under section 356.214.

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

Sec. 42. Minnesota Statutes 2008, section 353E.04, subdivision 1, is amended to read:

Subdivision 1. **Eligibility requirements.** After termination of public employment, an employee covered under section 353E.02 who has attained the age of at least 55 years and ~~has credit for not less than three years of coverage~~ who is vested under section 353.01, subdivision 47, in the local government correctional service plan is entitled, upon application, to a normal retirement annuity. Instead of a normal retirement annuity, a retiring employee may elect to receive the optional annuity provided in section 353.30, subdivision 3.

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

Sec. 43. Minnesota Statutes 2008, section 353E.04, subdivision 4, is amended to read:

Subd. 4. **Early retirement.** An employee covered under section 353E.02 who has attained the age of at least 50 years and ~~has credit for not less than three years of coverage~~ who is vested under section 353.01, subdivision 47, in the local government correctional service plan is entitled, upon application, to a reduced retirement annuity equal to the annuity calculated under subdivision 3, reduced so that the reduced annuity is the actuarial equivalent of the annuity that would be payable if the employee deferred receipt of the annuity from the day the annuity begins to accrue until age 55.

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

Sec. 44. Minnesota Statutes 2008, section 353E.07, subdivision 1, is amended to read:

Subdivision 1. **Member at least age 50.** If a member or former member of the local government correctional service retirement plan who has attained the age of at least 50 years and ~~has credit for not less than three years of allowable service~~ who is vested under section 353.01, subdivision 47, dies before the annuity or disability benefit has become payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse may elect to receive, in lieu of a refund with interest provided in section 353.32, subdivision 1, a surviving spouse annuity equal to the 100 percent joint and survivor annuity for which the member could have qualified had the member terminated service on the date of death.

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

Sec. 45. Minnesota Statutes 2008, section 353E.07, subdivision 2, is amended to read:

Subd. 2. **Member not yet age 50.** If the member was under age 50, dies, and ~~had credit for not less than three years of allowable service~~ was vested under section 353.01, subdivision 47, on the date of death but did not yet qualify for retirement, the surviving spouse may elect to receive a 100 percent joint and survivor annuity based on the age of the employee and the surviving spouse at the time of death. The annuity is payable using the early retirement reduction under section 353E.04, subdivision 4, to age 50 and one-half the early retirement reduction from age 50 to the age payment begins. Sections 353.34, subdivision 3, and 353.71, subdivision 2, apply to a deferred annuity or surviving spouse benefit payable under this subdivision.

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

Sec. 46. Minnesota Statutes 2008, section 353F.03, is amended to read:

**353F.03 VESTING RULE FOR CERTAIN EMPLOYEES.**

Notwithstanding any provision of chapter 353 to the contrary, a terminated medical facility or other public employing unit employee is eligible to receive a retirement annuity under section 353.29 of the edition of Minnesota Statutes published in the year before the year in which the privatization occurred, without regard to the requirement ~~for three years of allowable service~~ specified in section 353.01, subdivision 47.

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

Sec. 47. Minnesota Statutes 2009 Supplement, section 354.42, subdivision 2, is amended to read:

Subd. 2. **Employee contribution.** (a) For a basic member, the employee contribution to the fund is ~~9.0 percent~~ the following percentage of the member's salary:

<u>before July 1, 2011</u>	<u>9.0 percent</u>
<u>from July 1, 2011, until June 30, 2012</u>	<u>9.5 percent</u>
<u>from July 1, 2012, until June 30, 2013</u>	<u>10.0 percent</u>
<u>from July 1, 2013, until June 30, 2014</u>	<u>10.5 percent</u>
<u>after June 30, 2014</u>	<u>11.0 percent</u>

(b) For a coordinated member, the employee contribution is ~~5.5 percent~~ the following percentage of the member's salary:

<u>before July 1, 2011</u>	<u>5.5 percent</u>
<u>from July 1, 2011, until June 30, 2012</u>	<u>6.0 percent</u>
<u>from July 1, 2012, until June 30, 2013</u>	<u>6.5 percent</u>
<u>from July 1, 2013, until June 30, 2014</u>	<u>7.0 percent</u>
<u>after June 30, 2014</u>	<u>7.5 percent</u>

(c) When an employee contribution rate changes for a fiscal year, the new contribution rate is effective for the entire salary paid for each employer unit with the first payroll cycle reported.

(d) After June 30, 2015, if a contribution rate revision is required under subdivisions 4a, 4b, and 4c, the employee contributions under paragraphs (a) and (b) must be adjusted accordingly.

~~(b)~~ (e) This contribution must be made by deduction from salary. Where any portion of a member's salary is paid from other than public funds, the member's employee contribution must be based on the entire salary received.

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

Sec. 48. Minnesota Statutes 2008, section 354.42, subdivision 3, is amended to read:

Subd. 3. **Employer.** ~~(a) The regular employer contribution to the fund by Special School District No. 1, Minneapolis, after July 1, 2006, and before July 1, 2007, is an amount equal to 5.0 percent of the salary of each of its teachers who is a coordinated member and 9.0 percent of the salary of each of its teachers who is a basic member. After July 1, 2007, the regular employer contribution to the fund by Special School District No. 1, Minneapolis, is an amount equal to 5.5 percent the applicable following percentage of salary of each coordinated member and 9.5 percent the applicable following percentage of salary of each basic member.:~~

<u>Period</u>	<u>Coordinated Member</u>	<u>Basic Member</u>
<u>before July 1, 2011</u>	<u>5.5 percent</u>	<u>9.5 percent</u>
<u>from July 1, 2011, until June 30, 2012</u>	<u>6.0 percent</u>	<u>10.0 percent</u>
<u>from July 1, 2012, until June 30, 2013</u>	<u>6.5 percent</u>	<u>10.5 percent</u>
<u>from July 1, 2013, until June 30, 2014</u>	<u>7.0 percent</u>	<u>11.0 percent</u>
<u>after June 30, 2014</u>	<u>7.5 percent</u>	<u>11.5 percent</u>

The additional employer contribution to the fund by Special School District No. 1, Minneapolis, ~~after July 1, 2006,~~ is an amount equal to 3.64 percent of the salary of each teacher who is a coordinated member or is a basic member.

~~(b) The employer contribution to the fund for every other employer is an amount equal to 5.0 percent the applicable following percentage of the salary of each coordinated member and 9.0 percent the applicable following percentage of the salary of each basic member before July 1, 2007, and 5.5 percent of the salary of each coordinated member and 9.5 percent of the salary of each basic member after June 30, 2007.:~~

<u>Period</u>	<u>Coordinated Member</u>	<u>Basic Member</u>
<u>before July 1, 2011</u>	<u>5.5 percent</u>	<u>9.5 percent</u>
<u>from July 1, 2011, until June 30, 2012</u>	<u>6.0 percent</u>	<u>10.0 percent</u>
<u>from July 1, 2012, until June 30, 2013</u>	<u>6.5 percent</u>	<u>10.5 percent</u>
<u>from July 1, 2013, until June 30, 2014</u>	<u>7.0 percent</u>	<u>11.0 percent</u>
<u>after June 30, 2014</u>	<u>7.5 percent</u>	<u>11.5 percent</u>

(c) When an employer contribution rate changes for a fiscal year, the new contribution rate is effective for the entire salary paid for each employer unit with the first payroll cycle reported.

(d) After June 30, 2015, if a contribution rate revision is made under subdivisions 4a, 4b, and 4c, the employer contributions under paragraphs (a) and (b) must be adjusted accordingly.

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

Sec. 49. Minnesota Statutes 2008, section 354.42, is amended by adding a subdivision to read:

Subd. 4a. **Determination.** (a) For purposes of this section, a contribution sufficiency exists if the total of the employee contributions, the employer contributions, and any additional employer contributions, if applicable, exceeds the total of the normal cost, the administrative expenses, and the amortization contribution of the retirement plan as reported in the most recent actuarial valuation of the retirement plan prepared by the approved actuary retained under section 356.214 and prepared under section 356.215 and the standards for actuarial work of the Legislative Commission on Pensions and Retirement.

(b) For purposes of this section, a contribution deficiency exists if the total of the employee contributions, the employer contributions, and any additional employer contributions are less than the total of the normal cost, the administrative expenses, and the amortization contribution of the retirement plan as reported in the most recent actuarial valuation of the retirement plan prepared by the approved actuary retained under section 356.214 and prepared under section 356.215 and the standards for actuarial work of the Legislative Commission on Pensions and Retirement.

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

Sec. 50. Minnesota Statutes 2008, section 354.42, is amended by adding a subdivision to read:

Subd. 4b. **Contribution rate revision.** Notwithstanding the contribution rate provisions under subdivisions 2 and 3, the employee and employer contribution rates may be adjusted as follows:

(1) if, after June 30, 2015, the regular actuarial valuation of the plan under section 356.215 indicates that there is a contribution sufficiency under subdivision 4a equal to or greater than one percent of covered payroll and the sufficiency has existed for at least two consecutive years, the employee and employer contribution rates for the plan may each be decreased to a level such that the sufficiency equals no more than one percent of covered payroll based on the most recent actuarial valuation; or

(2) if, after June 30, 2015, the regular valuation of the plan under section 356.215 indicates that there is a deficiency equal to or greater than 0.25 percent of covered payroll and the deficiency has existed for at least two consecutive years, the employee and employer contribution rates for the applicable plan may each be increased by:

(i) 0.25 percent if the deficiency is less than 2.00 percent of covered payroll;

(ii) 0.5 percent if the deficiency is equal to or greater than 2.00 percent of covered payroll and less than or equal to four percent; and

(iii) 0.75 percent if the deficiency is greater than four percent.

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

Sec. 51. Minnesota Statutes 2008, section 354.42, is amended by adding a subdivision to read:



Subd. 4c. **Contribution sufficiency measures.** (a) A contribution sufficiency of up to one percent of covered payroll must be held in reserve to be used to offset any future actuarially required contributions that are more than the total combined employee and employer contributions being collected.

(b) Before any reduction in contributions to eliminate a sufficiency in excess of one percent of covered pay may be recommended, the executive director must review any need for a change in actuarial assumptions, as recommended by the actuary retained under section 356.214 in the most recent experience study of the retirement plan, that may result in an increase in the actuarially required contribution and must report to the Legislative Commission on Pensions and Retirement any recommendation by the board to use the sufficiency exceeding one percent of covered payroll to offset the impact of an actuarial assumption change recommended by the actuary retained under section 356.214, subdivision 1, and reviewed by the actuary retained by the commission under section 356.214, subdivision 4.

(c) A contribution sufficiency in excess of one percent of covered pay must not be used to increase benefits, and a benefit increase must not be proposed that would initiate an automatic adjustment under this section to increase contributions. A proposed benefit improvement must include a recommendation, prepared by the actuary retained under section 356.214, subdivision 1, and reviewed by the actuary retained by the Legislative Commission on Pensions and Retirement, as provided under section 356.214, subdivision 4, on the manner in which the benefit modification is to be funded.

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

Sec. 52. Minnesota Statutes 2008, section 354.42, is amended by adding a subdivision to read:

Subd. 4d. **Reporting; commission review.** A contribution rate increase or decrease under subdivision 4b, as determined by the executive director of the Teachers Retirement Association, must be reported to the chair and the executive director of the Legislative Commission on Pensions and Retirement on or before the next February 1 and, if the Legislative Commission on Pensions and Retirement does not recommend against the rate change or does not recommend a modification in the rate change, is effective on the next July 1 following the determination by the executive director that a contribution deficiency or sufficiency exists based on the most recent actuarial valuation under section 356.215.

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

Sec. 53. Minnesota Statutes 2009 Supplement, section 354.47, subdivision 1, is amended to read:

Subdivision 1. **Death before retirement.** (a) If a member dies before retirement and is covered under section 354.44, subdivision 2, and neither an optional annuity, nor a reversionary annuity, nor a benefit under section 354.46, subdivision 1, is payable to the survivors if the member was a basic member, then the surviving spouse, or if there is no surviving spouse, the designated beneficiary is entitled to an amount equal to the member's accumulated deductions with interest credited to the account of the member to the date of death of the member. If the designated beneficiary is a minor, interest must be credited to the date the beneficiary reaches legal age, or the date of receipt, whichever is earlier.

(b) If a member dies before retirement and is covered under section 354.44, subdivision 6, and

neither an optional annuity, nor reversionary annuity, nor the benefit described in section 354.46, subdivision 1, is payable to the survivors if the member was a basic member, then the surviving spouse, or if there is no surviving spouse, then the designated beneficiary is entitled to an amount equal to the member's accumulated deductions credited to the account of the member as of June 30, 1957, and from July 1, 1957, to the date of death of the member, the member's accumulated deductions plus six percent interest compounded annually. a refund equal to the accumulated deductions credited to the member's account plus interest compounded annually until the member's date of death using the following interest rates:

- (1) before July 1, 1957, no interest accrues;
- (2) July 1, 1957, to June 30, 2011, six percent; and
- (3) after June 30, 2011, four percent.

(c) If the designated beneficiary under paragraph (b) is a minor, any interest credited under that paragraph must be credited to the date the beneficiary reaches legal age, or the date of receipt, whichever is earlier.

(d) The amount of any refund payable under this subdivision must be reduced by any permanent disability payment under section 354.48 received by the member.

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

Sec. 54. Minnesota Statutes 2009 Supplement, section 354.49, subdivision 2, is amended to read:

Subd. 2. **Calculation.** (a) Except as provided in section 354.44, subdivision 1, any person who ceases to be a member by reason of termination of teaching service, is entitled to receive a refund in an amount equal to the accumulated deductions credited to the account ~~as of June 30, 1957, and after July 1, 1957, the accumulated deductions with interest at the rate of six percent per annum compounded annually.~~ plus interest compounded annually using the following interest rates:

- (1) before July 1, 1957, no interest accrues;
- (2) July 1, 1957, to June 30, 2011, six percent; and
- (3) after June 30, 2011, four percent.

For the purpose of this subdivision, interest must be computed on fiscal year end balances to the first day of the month in which the refund is issued.

(b) If the person has received permanent disability payments under section 354.48, the refund amount must be reduced by the amount of those payments.

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

Sec. 55. Minnesota Statutes 2009 Supplement, section 354.55, subdivision 11, is amended to read:

Subd. 11. **Deferred annuity; augmentation.** (a) Any person covered under section 354.44, subdivision 6, who ceases to render teaching service, may leave the person's accumulated deductions in the fund for the purpose of receiving a deferred annuity at retirement.

(b) The amount of the deferred retirement annuity is determined by section 354.44, subdivision 6, and augmented as provided in this subdivision. The required reserves for the annuity which had accrued when the member ceased to render teaching service must be augmented, as further specified in this subdivision, by the applicable interest rate compounded annually from the first day of the month following the month during which the member ceased to render teaching service to the effective date of retirement.

(c) No augmentation is not creditable if the deferral period is less than three months or if deferral commenced before July 1, 1971.

(d) For persons who became covered employees before July 1, 2006, with a deferral period commencing after June 30, 1971, the annuity must be augmented using as follows:

(1) five percent interest compounded annually until January 1, 1981, and;

(2) three percent interest compounded annually thereafter from January 1, 1981, until January 1 of the year following the year in which the deferred annuitant attains age 55;

From that date (3) five percent interest compounded annually from the date established in clause (2) to the effective date of retirement, the rate is five percent compounded annually, or until June 30, 2011, whichever is earlier; and

(4) two percent interest compounded annually after June 30, 2011.

(e) For persons who become covered employees after June 30, 2006, the interest rate used to augment the deferred annuity is 2.5 percent interest compounded annually until June 30, 2011, or until the effective date of retirement, whichever is earlier, and two percent interest compounded annually after June 30, 2011.

(f) If a person has more than one period of uninterrupted service, a separate average salary determined under section 354.44, subdivision 6, must be used for each period and the required reserves related to each period must be augmented as specified in this subdivision. The sum of the augmented required reserves is the present value of the annuity. For the purposes of this subdivision, "period of uninterrupted service" means a period of covered teaching service during which the member has not been separated from active service for more than one fiscal year.

(g) If a person repays a refund, the service restored by the repayment must be considered as continuous with the next period of service for which the person has allowable service credit in the Teachers Retirement Association.

(h) If a person does not render teaching service in any one fiscal year or more consecutive fiscal years and then resumes teaching service, the formula percentages used from the date of the resumption of teaching service must be those applicable to new members.

(i) The mortality table and interest rate actuarial assumption used to compute the annuity must be the applicable mortality table established by the board under section 354.07, subdivision 1, and the interest rate actuarial assumption under section 356.215 in effect when the member retires.

(j) In no case may the annuity payable under this subdivision be less than the amount of annuity payable under section 354.44, subdivision 6.

(k) The requirements and provisions for retirement before normal retirement age contained

in section 354.44, subdivision 6, also apply to an employee fulfilling the requirements with a combination of service as provided in section 354.60.

(l) The augmentation provided by this subdivision applies to the benefit provided in section 354.46, subdivision 2.

(m) The augmentation provided by this subdivision does not apply to any period in which a person is on an approved leave of absence from an employer unit covered by the provisions of this chapter.

(n) The retirement annuity or disability benefit of, or the survivor benefit payable on behalf of, a former teacher who terminated service before July 1, 1997, which is not first payable until after June 30, 1997, must be increased on an actuarial equivalent basis to reflect the change in the postretirement interest rate actuarial assumption under section 356.215, subdivision 8, from five percent to six percent under a calculation procedure and tables adopted by the board as recommended by an approved actuary and approved by the actuary retained under section 356.214.

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

Sec. 56. Minnesota Statutes 2008, section 354A.12, subdivision 1, is amended to read:

Subdivision 1. **Employee contributions.** (a) The contribution required to be paid by each member of a teachers retirement fund association ~~shall not be less than~~ is the percentage of total salary specified below for the applicable association and program:

Association and Program	Percentage of Total Salary
Duluth Teachers Retirement Fund Association	
old law and new law	
coordinated programs	<del>5.5 percent</del>
<u>before July 1, 2011</u>	<u>5.5 percent</u>
<u>effective July 1, 2011</u>	<u>6.0 percent</u>
<u>effective July 1, 2012</u>	<u>6.5 percent</u>
St. Paul Teachers Retirement Fund Association	
basic program <u>before July 1, 2011</u>	8 percent
<u>basic program after June 30, 2011</u>	<u>8.5 percent</u>
<u>basic program after June 30, 2012</u>	<u>9.0 percent</u>
coordinated program <u>before July 1, 2011</u>	5.5 percent
<u>coordinated program after June 30, 2011</u>	<u>6.0 percent</u>
<u>coordinated program after June 30, 2012</u>	<u>6.5 percent</u>

(b) Contributions shall be made by deduction from salary and must be remitted directly to the respective teachers retirement fund association at least once each month.

(c) When an employee contribution rate changes for a fiscal year, the new contribution rate is effective for the entire salary paid by the employer with the first payroll cycle reported.

**EFFECTIVE DATE.** This section is effective July 1, 2010.

Sec. 57. Minnesota Statutes 2009 Supplement, section 354A.12, subdivision 2a, is amended to read:

Subd. 2a. **Employer regular and additional contributions.** (a) The employing units shall make the following employer contributions to teachers retirement fund associations:

(1) for any coordinated member of one of the following teachers retirement fund associations in a city of the first class, the employing unit shall make a regular employer contribution to the respective retirement fund association in an amount equal to the designated percentage of the salary of the coordinated member as provided below:

Duluth Teachers Retirement Fund Association	<del>4.50 percent</del>
<u>before July 1, 2011</u>	<u>5.79 percent</u>
<u>effective July 1, 2011</u>	<u>6.29 percent</u>
<u>effective July 1, 2012</u>	<u>6.79 percent</u>
St. Paul Teachers Retirement Fund Association	
<u>before July 1, 2011</u>	<u>4.50 percent</u>
<u>after June 30, 2011</u>	<u>5.0 percent</u>
<u>after June 30, 2012</u>	<u>5.5 percent</u>
<u>after June 30, 2014</u>	<u>6.5 percent</u>

(2) for any basic member of the St. Paul Teachers Retirement Fund Association, the employing unit shall make a regular employer contribution to the respective retirement fund in an amount equal to ~~8.00 percent of the salary of the basic member~~; according to the schedule below:

<u>before July 1, 2010</u>	<u>8.0 percent of the salary of the basic member</u>
<u>before July 1, 2011</u>	<u>8.5 percent of the salary of the basic member</u>
<u>before July 1, 2012</u>	<u>9.0 percent of the salary of the basic member</u>
<u>before July 1, 2013</u>	<u>9.5 percent of the salary of the basic member</u>
<u>before July 1, 2014</u>	<u>10.0 percent of the salary of the basic member</u>

(3) for a basic member of the St. Paul Teachers Retirement Fund Association, the employing unit shall make an additional employer contribution to the respective fund in an amount equal to 3.64 percent of the salary of the basic member;

(4) for a coordinated member of ~~a teachers retirement fund association in a city of the first class~~ the St. Paul Teachers Retirement Fund Association, the employing unit shall make an additional employer contribution to the respective fund in an amount equal to the applicable percentage of the coordinated member's salary, as provided below:

<del>Duluth Teachers Retirement Fund Association</del>	<del>1.29 percent</del>
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St. Paul Teachers Retirement  
Fund Association

3.84 percent

(b) The regular and additional employer contributions must be remitted directly to the respective teachers retirement fund association at least once each month. Delinquent amounts are payable with interest under the procedure in subdivision 1a.

(c) Payments of regular and additional employer contributions for school district or technical college employees who are paid from normal operating funds must be made from the appropriate fund of the district or technical college.

(d) When an employer contribution rate changes for a fiscal year, the new contribution rate is effective for the entire salary paid by the employer with the first payroll cycle reported.

**EFFECTIVE DATE.** This section is effective July 1, 2010.

Sec. 58. Minnesota Statutes 2008, section 354A.12, subdivision 3c, is amended to read:

Subd. 3c. **Termination of supplemental contributions and direct matching and state aid.** (a) The supplemental contributions payable to the Minneapolis Teachers Retirement Fund Association by Special School District No. 1 and the city of Minneapolis under section 423A.02, subdivision 3, must be paid to the Teachers Retirement Association and must continue until the current assets of the fund equal or exceed the actuarial accrued liability of the fund as determined in the most recent actuarial report for the fund by the actuary retained under section 356.214, or 2037, whichever occurs earlier. The supplemental contributions payable to the St. Paul Teachers Retirement Fund Association by Independent School District No. 625 under section 423A.02, subdivision 3, or the direct state aid under subdivision 3a to the St. Paul Teachers Retirement Fund Association ~~terminate at the end of the fiscal year in which the accrued liability funding ratio for that fund, as determined in the most recent actuarial report for that fund by the actuary retained under section 356.214, equals or exceeds the accrued liability funding ratio for the Teachers Retirement Association, as determined in the most recent actuarial report for the Teachers Retirement Association by the actuary retained under section 356.214.~~ must continue until the current assets of the fund equal or exceed the actuarial accrued liability of the fund as determined in the most recent actuarial report for the fund by the actuary retained under section 356.214 or until 2037, whichever occurs earlier.

~~(b) If the St. Paul Teachers Retirement Fund Association is funded at an amount equal to or greater than the funding ratio applicable to the Teachers Retirement Association, then any future state aid under subdivision 3a is payable to the Teachers Retirement Association.~~

**EFFECTIVE DATE.** This section is effective July 1, 2010.

Sec. 59. Minnesota Statutes 2008, section 354A.27, subdivision 5, is amended to read:

Subd. 5. **Calculation Eligibility for and payment of postretirement adjustments.** (a) Annually, after June 30, the board of trustees of the Duluth Teachers Retirement Fund Association determines the amount of any postretirement adjustment using the procedures in this subdivision and subdivision 6 or 7, whichever is applicable.

(b) Each person who has been receiving an annuity or benefit under the articles of incorporation, bylaws, or under this section for at least 12 months as of the date of the postretirement adjustment

shall be eligible for a postretirement adjustment. The postretirement adjustment shall be payable each January 1. The postretirement adjustment shall be ~~equal to two percent of a permanent percentage increase as specified under subdivision 6 or 7, whichever is applicable, applied to the annuity or benefit to which the person is entitled one month prior to the payment of the postretirement adjustment.~~

**EFFECTIVE DATE.** This section is effective July 1, 2010.

Sec. 60. Minnesota Statutes 2008, section 354A.27, subdivision 6, is amended to read:

Subd. 6. **Additional increase Calculation of postretirement adjustments; transitional provision.** ~~(a) In addition to the postretirement increases granted under subdivision 5, an additional percentage increase must be computed and paid under this subdivision.~~

~~(b) The board of trustees shall determine the number of annuitants or benefit recipients who have been receiving an annuity or benefit for at least 12 months as of the current June 30. These recipients are entitled to receive the surplus investment earnings additional postretirement increase.~~

~~(c) Annually, as of each June 30, the board shall determine the five-year annualized rate of return attributable to the assets of the Duluth Teachers Retirement Fund Association under the formula or formulas specified in section 11A.04, clause (11).~~

~~(d) The board shall determine the amount of excess five-year annualized rate of return over the preretirement interest assumption as specified in section 356.215.~~

~~(e) The additional percentage increase must be determined by multiplying the quantity one minus the rate of contribution deficiency, as specified in the most recent actuarial report of the actuary retained under section 356.214, times the rate of return excess as determined in paragraph (d).~~

~~(f) The additional increase is payable to all eligible annuitants or benefit recipients on the following January 1.~~

(a) For purposes of computing postretirement adjustments after the effective date of this section for eligible benefit recipients of the Duluth Teachers Retirement Fund Association, the funding ratio of the plan, as determined by dividing the market value of assets by the actuarial accrued liability as reported in the most recent actuarial valuation prepared under sections 356.214 and 356.215, determines the postretirement increase as follows:

<u>Funding Ratio</u>	<u>Postretirement Increase</u>
<u>less than 80 percent</u>	<u>0 percent</u>
<u>at least 80 percent but less than 90 percent</u>	<u>1 percent</u>
<u>at least 90 percent</u>	<u>2 percent</u>

(b) If the funding ratio of the plan based on actuarial value, rather than market value, is at least 90 percent as reported in the most recent actuarial valuation prepared under sections 356.214 and 356.215, this subdivision expires and subsequent postretirement increases must be paid as specified under subdivision 7.

**EFFECTIVE DATE.** This section is effective July 1, 2010.

Sec. 61. Minnesota Statutes 2008, section 354A.27, is amended by adding a subdivision to read:

Subd. 7. **Calculation of postretirement adjustments.** (a) This subdivision applies if subdivision 6 has expired.

(b) A percentage adjustment must be computed and paid under this subdivision to eligible persons under subdivision 5. This adjustment is determined by reference to the Consumer Price Index for urban wage earners and clerical workers all items index as reported by the Bureau of Labor Statistics within the United States Department of Labor each year as part of the determination of annual cost-of-living adjustments to recipients of federal old-age, survivors, and disability insurance. For calculations of cost-of-living adjustments under paragraph (c), the term "average third quarter Consumer Price Index value" means the sum of the monthly index values as initially reported by the Bureau of Labor Statistics for the months of July, August, and September, divided by 3.

(c) Before January 1 of each year, the executive director must calculate the amount of the cost-of-living adjustment by dividing the most recent average third quarter index value by the same average third quarter index value from the previous year, subtract one from the resulting quotient, and express the result as a percentage amount, which must be rounded to the nearest one-tenth of one percent.

(d) The amount calculated under paragraph (c) is the full cost-of-living adjustment to be applied as a permanent increase to the regular payment of each eligible member on January 1 of the next calendar year. For any eligible member whose effective date of benefit commencement occurred during the calendar year before the cost-of-living adjustment is applied, the full increase amount must be prorated on the basis of whole calendar quarters in benefit payment status in the calendar year prior to the January 1 on which the cost-of-living adjustment is applied, calculated to the third decimal place.

(e) The adjustment must not be less than zero nor greater than five percent.

(f) If the funding ratio of the plan as determined in the most recent actuarial valuation using the actuarial value of assets is less than 80 percent there will be no postretirement adjustment the following January 1.

**EFFECTIVE DATE.** This section is effective July 1, 2010.

Sec. 62. Minnesota Statutes 2008, section 354A.31, subdivision 1, is amended to read:

Subdivision 1. **Age and service requirements.** Any coordinated member or former coordinated member of the St. Paul Teachers Retirement Fund Association who has ceased to render teaching service for the school district in which the teachers retirement fund association exists and who has either attained the age of at least 55 years with not less than three years of allowable service credit or received credit for not less than 30 years of allowable service regardless of age, shall be entitled upon written application to a retirement annuity. Any coordinated member or former coordinated member of the Duluth Teachers Retirement Fund Association who has ceased to render teaching service for the school district in which the teacher retirement fund association exists and who has either attained the age of at least 55 years with not less than three years of allowable service credit if the member became an employee before July 1, 2010, or not less than five years of allowable service credit if the member became an employee after June 30, 2010, or received service credit for not less



than 30 years of allowable service regardless of age, shall be entitled upon written application to a retirement annuity.

**EFFECTIVE DATE.** This section is effective July 1, 2010.

Sec. 63. Minnesota Statutes 2008, section 354A.35, subdivision 1, is amended to read:

Subdivision 1. **Death before retirement; refund.** If a coordinated member or former coordinated member dies prior to retirement or prior to the receipt of any retirement annuity or other benefit payment which is or may be payable and a surviving spouse optional annuity is not payable pursuant to subdivision 2, a refund shall be paid to the person's surviving spouse, or if there is none, to the person's designated beneficiary, or if there is none, to the legal representative of the person's estate. For a coordinated member or former coordinated member of the St. Paul Teachers Retirement Fund Association, the refund shall be in an amount equal to the person's accumulated employee contributions plus interest at the rate of six percent per annum compounded annually. For a coordinated member or former coordinated member of the Duluth Teachers Retirement Fund Association, the refund shall be in an amount equal to the person's accumulated employee contributions plus interest at the rate of six percent per annum compounded annually to July 1, 2010, and four percent per annum compounded annually thereafter.

**EFFECTIVE DATE.** This section is effective July 1, 2010.

Sec. 64. Minnesota Statutes 2008, section 354A.37, subdivision 2, is amended to read:

Subd. 2. **Eligibility for deferred retirement annuity.** (a) Any coordinated member who ceases to render teaching services for the school district in which the teachers retirement fund association is located, with sufficient allowable service credit to meet the minimum service requirements specified in section 354A.31, subdivision 1, shall be entitled to a deferred retirement annuity in lieu of a refund pursuant to subdivision 1. The deferred retirement annuity shall be computed pursuant to section 354A.31 and shall be augmented as provided in this subdivision. The deferred annuity shall commence upon application after the person on deferred status attains at least the minimum age specified in section 354A.31, subdivision 1.

(b) The monthly annuity amount that had accrued when the member ceased to render teaching service must be augmented from the first day of the month following the month during which the member ceased to render teaching service to the effective date of retirement. There is no augmentation if this period is less than three months. For a member of the St. Paul Teachers Retirement Fund Association, the rate of augmentation is three percent compounded annually until January 1 of the year following the year in which the former member attains age 55, and five percent compounded annually after that date to the effective date of retirement if the employee became an employee before July 1, 2006, and at 2.5 percent compounded annually if the employee becomes an employee after June 30, 2006. For a member of the Duluth Teachers Retirement Fund Association, the rate of augmentation is three percent compounded annually until January 1 of the year following the year in which the former member attains age 55, five percent compounded annually after that date to July 1, 2010, and two percent compounded annually after that date to the effective date of retirement if the employee became an employee before July 1, 2006, and at 2.5 percent compounded annually to July 1, 2010, and two percent compounded annually after that date to the effective date of retirement if the employee becomes an employee after June 30, 2006. If a person has more than one period of uninterrupted service, a separate average salary determined under section 354A.31 must be used for each period, and the monthly annuity amount related to

each period must be augmented as provided in this subdivision. The sum of the augmented monthly annuity amounts determines the total deferred annuity payable. If a person repays a refund, the service restored by the repayment must be considered as continuous with the next period of service for which the person has credit with the fund. If a person does not render teaching services in any one fiscal year or more consecutive fiscal years and then resumes teaching service, the formula percentages used from the date of resumption of teaching service are those applicable to new members. The mortality table and interest assumption used to compute the annuity are the table established by the fund to compute other annuities, and the interest assumption under section 356.215 in effect when the member retires. A period of uninterrupted service for the purpose of this subdivision means a period of covered teaching service during which the member has not been separated from active service for more than one fiscal year.

(c) The augmentation provided by this subdivision applies to the benefit provided in section 354A.35, subdivision 2. The augmentation provided by this subdivision does not apply to any period in which a person is on an approved leave of absence from an employer unit.

**EFFECTIVE DATE.** This section is effective July 1, 2010.

Sec. 65. Minnesota Statutes 2008, section 354A.37, subdivision 3, is amended to read:

Subd. 3. **Computation of refund amount.** A former coordinated member of the St. Paul Teachers Retirement Fund Association who qualifies for a refund pursuant to under subdivision 1 shall receive a refund equal to the amount of the former coordinated member's accumulated employee contributions with interest at the rate of six percent per annum compounded annually. A former coordinated member of the Duluth Teachers Retirement Fund Association who qualifies for a refund under subdivision 1 shall receive a refund equal to the amount of the former coordinated member's accumulated employee contributions with interest at the rate of six percent per annum compounded annually to July 1, 2010, and four percent per annum compounded annually thereafter.

**EFFECTIVE DATE.** This section is effective July 1, 2010.

Sec. 66. Minnesota Statutes 2008, section 354A.37, subdivision 4, is amended to read:

Subd. 4. **Certain refunds at normal retirement age.** Any coordinated member who has attained the normal retirement age with less than ten years of allowable service credit and has terminated active teaching service shall be entitled to a refund in lieu of a proportionate annuity pursuant to section 356.32. The refund for a member of the St. Paul Teachers Retirement Fund Association shall be equal to the coordinated member's accumulated employee contributions plus interest at the rate of six percent compounded annually. The refund for a member of the Duluth Teachers Retirement Fund Association shall be equal to the coordinated member's accumulated employee contributions plus interest at the rate of six percent compounded annually to July 1, 2010, and four percent per annum compounded annually thereafter.

**EFFECTIVE DATE.** This section is effective July 1, 2010.

Sec. 67. Minnesota Statutes 2008, section 356.215, subdivision 8, is amended to read:

Subd. 8. **Interest and salary assumptions.** (a) The actuarial valuation must use the applicable following preretirement interest assumption and the applicable following postretirement interest assumption:

plan	preretirement interest rate assumption	postretirement interest rate assumption
general state employees retirement plan	8.5%	6.0%
correctional state employees retirement plan	8.5	6.0
State Patrol retirement plan	8.5	6.0
legislators retirement plan	8.5	6.0
elective state officers retirement plan	8.5	6.0
judges retirement plan	8.5	6.0
general public employees retirement plan	8.5	6.0
public employees police and fire retirement plan	8.5	6.0
local government correctional service retirement plan	8.5	6.0
teachers retirement plan	8.5	6.0
Minneapolis employees retirement plan	6.0	5.0
Duluth teachers retirement plan	8.5	8.5
St. Paul teachers retirement plan	8.5	8.5
Minneapolis Police Relief Association	6.0	6.0
Fairmont Police Relief Association	5.0	5.0
Minneapolis Fire Department Relief Association	6.0	6.0
Virginia Fire Department Relief Association	5.0	5.0
Bloomington Fire Department Relief Association	6.0	6.0
local monthly benefit volunteer firefighters relief associations	5.0	5.0

(b) Before July 1, 2010, the actuarial valuation must use the applicable following single rate future salary increase assumption, the applicable following modified single rate future salary increase assumption, or the applicable following graded rate future salary increase assumption:

(1) single rate future salary increase assumption

plan	future salary increase assumption
legislators retirement plan	5.0%
judges retirement plan	4.0
Minneapolis Police Relief Association	4.0
Fairmont Police Relief Association	3.5
Minneapolis Fire Department Relief Association	4.0

Virginia Fire Department Relief Association	3.5
Bloomington Fire Department Relief Association	4.0

## (2) modified single rate future salary increase assumption

plan	future salary increase assumption
Minneapolis employees retirement plan	the prior calendar year amount increased first by 1.0198 percent to prior fiscal year date and then increased by 4.0 percent annually for each future year

## (3) age-related select and ultimate future salary increase assumption or graded rate future salary increase assumption

plan	future salary increase assumption
general state employees retirement plan	select calculation and assumption A
correctional state employees retirement plan	assumption <u>H</u> <u>G</u>
State Patrol retirement plan	assumption <u>G</u> <u>F</u>
<del>general public employees retirement plan</del>	<del>select calculation and assumption B</del>
public employees police and fire fund retirement plan	assumption <u>C</u> <u>B</u>
local government correctional service retirement plan	assumption <u>G</u> <u>F</u>
teachers retirement plan	assumption <u>D</u> <u>C</u>
Duluth teachers retirement plan	assumption <u>E</u> <u>D</u>
St. Paul teachers retirement plan	assumption <u>F</u> <u>E</u>

The select calculation is: during the designated select period, a designated percentage rate is multiplied by the result of the designated integer minus T, where T is the number of completed years of service, and is added to the applicable future salary increase assumption. The designated select period is five years and the designated integer is five for the general state employees retirement plan ~~and the general public employees retirement plan~~. The designated select period is ten years and the designated integer is ten for all other retirement plans covered by this clause. The designated percentage rate is: (1) 0.2 percent for the correctional state employees retirement plan, the State Patrol retirement plan, the public employees police and fire plan, and the local government correctional service plan; (2) 0.6 percent for the general state employees retirement plan ~~and the general public employees retirement plan~~; and (3) 0.3 percent for the teachers retirement plan, the Duluth Teachers Retirement Fund Association, and the St. Paul Teachers Retirement Fund Association. The select calculation for the Duluth Teachers Retirement Fund Association is 8.00 percent per year for service years one through seven, 7.25 percent per year for service years seven and eight, and 6.50 percent per year for service years eight and nine.

The ultimate future salary increase assumption is:

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age	A	B	<u>C</u> <u>B</u>	<u>D</u> <u>C</u>	<u>E</u> <u>D</u>	<u>F</u> <u>E</u>	<u>G</u> <u>F</u>	<u>H</u> <u>G</u>
16	5.95%	<del>5.95%</del>	11.00%	7.70%	8.00%	6.90%	7.7500%	7.2500%
17	5.90	<del>5.90</del>	11.00	7.65	8.00	6.90	7.7500	7.2500
18	5.85	<del>5.85</del>	11.00	7.60	8.00	6.90	7.7500	7.2500
19	5.80	<del>5.80</del>	11.00	7.55	8.00	6.90	7.7500	7.2500
20	5.75	<del>5.40</del>	11.00	5.50	6.90	6.90	7.7500	7.2500
21	5.75	<del>5.40</del>	11.00	5.50	6.90	6.90	7.1454	6.6454
22	5.75	<del>5.40</del>	10.50	5.50	6.90	6.90	7.0725	6.5725
23	5.75	<del>5.40</del>	10.00	5.50	6.85	6.85	7.0544	6.5544
24	5.75	<del>5.40</del>	9.50	5.50	6.80	6.80	7.0363	6.5363
25	5.75	<del>5.40</del>	9.00	5.50	6.75	6.75	7.0000	6.5000
26	5.75	<del>5.36</del>	8.70	5.50	6.70	6.70	7.0000	6.5000
27	5.75	<del>5.32</del>	8.40	5.50	6.65	6.65	7.0000	6.5000
28	5.75	<del>5.28</del>	8.10	5.50	6.60	6.60	7.0000	6.5000
29	5.75	<del>5.24</del>	7.80	5.50	6.55	6.55	7.0000	6.5000
30	5.75	<del>5.20</del>	7.50	5.50	6.50	6.50	7.0000	6.5000
31	5.75	<del>5.16</del>	7.30	5.50	6.45	6.45	7.0000	6.5000
32	5.75	<del>5.12</del>	7.10	5.50	6.40	6.40	7.0000	6.5000
33	5.75	<del>5.08</del>	6.90	5.50	6.35	6.35	7.0000	6.5000
34	5.75	<del>5.04</del>	6.70	5.50	6.30	6.30	7.0000	6.5000
35	5.75	<del>5.00</del>	6.50	5.50	6.25	6.25	7.0000	6.5000
36	5.75	<del>4.96</del>	6.30	5.50	6.20	6.20	6.9019	6.4019
37	5.75	<del>4.92</del>	6.10	5.50	6.15	6.15	6.8074	6.3074
38	5.75	<del>4.88</del>	5.90	5.40	6.10	6.10	6.7125	6.2125
39	5.75	<del>4.84</del>	5.70	5.30	6.05	6.05	6.6054	6.1054
40	5.75	<del>4.80</del>	5.50	5.20	6.00	6.00	6.5000	6.0000
41	5.75	<del>4.76</del>	5.40	5.10	5.90	5.95	6.3540	5.8540
42	5.75	<del>4.72</del>	5.30	5.00	5.80	5.90	6.2087	5.7087
43	5.65	<del>4.68</del>	5.20	4.90	5.70	5.85	6.0622	5.5622
44	5.55	<del>4.64</del>	5.10	4.80	5.60	5.80	5.9048	5.4078
45	5.45	<del>4.60</del>	5.00	4.70	5.50	5.75	5.7500	5.2500
46	5.35	<del>4.56</del>	4.95	4.60	5.40	5.70	5.6940	5.1940
47	5.25	<del>4.52</del>	4.90	4.50	5.30	5.65	5.6375	5.1375
48	5.15	<del>4.48</del>	4.85	4.50	5.20	5.60	5.5822	5.0822

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[75TH DAY

49	5.05	4.44	4.80	4.50	5.10	5.55	5.5404	5.0404
50	4.95	4.40	4.75	4.50	5.00	5.50	5.5000	5.0000
51	4.85	4.36	4.75	4.50	4.90	5.45	5.4384	4.9384
52	4.75	4.32	4.75	4.50	4.80	5.40	5.3776	4.8776
53	4.65	4.28	4.75	4.50	4.70	5.35	5.3167	4.8167
54	4.55	4.24	4.75	4.50	4.60	5.30	5.2826	4.7826
55	4.45	4.20	4.75	4.50	4.50	5.25	5.2500	4.7500
56	4.35	4.16	4.75	4.50	4.40	5.20	5.2500	4.7500
57	4.25	4.12	4.75	4.50	4.30	5.15	5.2500	4.7500
58	4.25	4.08	4.75	4.60	4.20	5.10	5.2500	4.7500
59	4.25	4.04	4.75	4.70	4.10	5.05	5.2500	4.7500
60	4.25	4.00	4.75	4.80	4.00	5.00	5.2500	4.7500
61	4.25	4.00	4.75	4.90	3.90	5.00	5.2500	4.7500
62	4.25	4.00	4.75	5.00	3.80	5.00	5.2500	4.7500
63	4.25	4.00	4.75	5.10	3.70	5.00	5.2500	4.7500
64	4.25	4.00	4.75	5.20	3.60	5.00	5.2500	4.7500
65	4.25	4.00	4.75	5.20	3.50	5.00	5.2500	4.7500
66	4.25	4.00	4.75	5.20	3.50	5.00	5.2500	4.7500
67	4.25	4.00	4.75	5.20	3.50	5.00	5.2500	4.7500
68	4.25	4.00	4.75	5.20	3.50	5.00	5.2500	4.7500
69	4.25	4.00	4.75	5.20	3.50	5.00	5.2500	4.7500
70	4.25	4.00	4.75	5.20	3.50	5.00	5.2500	4.7500
71	4.25	4.00		5.20				

(4) service-related ultimate future salary increase assumption

<u>service length</u>	<u>general employees retirement plan of the Public Employees Retirement Association</u>
<u>1</u>	<u>12.03%</u>
<u>2</u>	<u>8.90</u>
<u>3</u>	<u>7.46</u>
<u>4</u>	<u>6.58</u>
<u>5</u>	<u>5.97</u>
<u>6</u>	<u>5.52</u>
<u>7</u>	<u>5.16</u>

<u>8</u>	<u>4.87</u>
<u>9</u>	<u>4.63</u>
<u>10</u>	<u>4.42</u>
<u>11</u>	<u>4.24</u>
<u>12</u>	<u>4.08</u>
<u>13</u>	<u>3.94</u>
<u>14</u>	<u>3.82</u>
<u>15</u>	<u>3.70</u>
<u>16</u>	<u>3.60</u>
<u>17</u>	<u>3.51</u>
<u>18</u>	<u>3.50</u>
<u>19</u>	<u>3.50</u>
<u>20</u>	<u>3.50</u>
<u>21</u>	<u>3.50</u>
<u>22</u>	<u>3.50</u>
<u>23</u>	<u>3.50</u>
<u>24</u>	<u>3.50</u>
<u>25</u>	<u>3.50</u>
<u>26</u>	<u>3.50</u>
<u>27</u>	<u>3.50</u>
<u>28</u>	<u>3.50</u>
<u>29</u>	<u>3.50</u>
<u>30 or more</u>	<u>3.50</u>

(c) Before July 2, 2010, the actuarial valuation must use the applicable following payroll growth assumption for calculating the amortization requirement for the unfunded actuarial accrued liability where the amortization retirement is calculated as a level percentage of an increasing payroll:

plan	payroll growth assumption
general state employees retirement plan	4.50%
correctional state employees retirement plan	4.50
State Patrol retirement plan	4.50
legislators retirement plan	4.50
judges retirement plan	4.00

general <del>public</del> employees retirement plan <u>of the Public Employees Retirement Association</u>	4.50 <u>4.00</u>
public employees police and fire retirement plan	4.50
local government correctional service retirement plan	4.50
teachers retirement plan	4.50
Duluth teachers retirement plan	4.50
St. Paul teachers retirement plan	5.00

(d) After July 1, 2010, the assumptions set forth in paragraphs (b) and (c) continue to apply, unless a different salary assumption or a different payroll increase assumption:

(1) has been proposed by the governing board of the applicable retirement plan;

(2) is accompanied by the concurring recommendation of the actuary retained under section 356.214, subdivision 1, if applicable, or by the approved actuary preparing the most recent actuarial valuation report if section 356.214 does not apply; and

(3) has been approved or deemed approved under subdivision 18.

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

Sec. 68. Minnesota Statutes 2009 Supplement, section 356.215, subdivision 11, is amended to read:

Subd. 11. **Amortization contributions.** (a) In addition to the exhibit indicating the level normal cost, the actuarial valuation of the retirement plan must contain an exhibit for financial reporting purposes indicating the additional annual contribution sufficient to amortize the unfunded actuarial accrued liability and must contain an exhibit for contribution determination purposes indicating the additional contribution sufficient to amortize the unfunded actuarial accrued liability. For the retirement plans listed in subdivision 8, paragraph (c), the additional contribution must be calculated on a level percentage of covered payroll basis by the established date for full funding in effect when the valuation is prepared, assuming annual payroll growth at the applicable percentage rate set forth in subdivision 8, paragraph (c). For all other retirement plans, the additional annual contribution must be calculated on a level annual dollar amount basis.

(b) For any retirement plan other than the Minneapolis Employees Retirement Fund, the general employees retirement plan of the Public Employees Retirement Association, the general state employees retirement plan of the Minnesota State Retirement System, and the St. Paul Teachers Retirement Fund Association, if there has not been a change in the actuarial assumptions used for calculating the actuarial accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the actuarial accrued liability of all or a portion of the fund, or a combination of the three, which change or changes by itself or by themselves without inclusion of any other items of increase or decrease produce a net increase in the unfunded actuarial accrued liability of the fund, the established date for full funding is the first actuarial valuation date occurring after June 1, 2020.

(c) For any retirement plan other than the Minneapolis Employees Retirement Fund and the general employees retirement plan of the Public Employees Retirement Association, if there has



been a change in any or all of the actuarial assumptions used for calculating the actuarial accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the actuarial accrued liability of all or a portion of the fund, or a combination of the three, and the change or changes, by itself or by themselves and without inclusion of any other items of increase or decrease, produce a net increase in the unfunded actuarial accrued liability in the fund, the established date for full funding must be determined using the following procedure:

(i) the unfunded actuarial accrued liability of the fund must be determined in accordance with the plan provisions governing annuities and retirement benefits and the actuarial assumptions in effect before an applicable change;

(ii) the level annual dollar contribution or level percentage, whichever is applicable, needed to amortize the unfunded actuarial accrued liability amount determined under item (i) by the established date for full funding in effect before the change must be calculated using the interest assumption specified in subdivision 8 in effect before the change;

(iii) the unfunded actuarial accrued liability of the fund must be determined in accordance with any new plan provisions governing annuities and benefits payable from the fund and any new actuarial assumptions and the remaining plan provisions governing annuities and benefits payable from the fund and actuarial assumptions in effect before the change;

(iv) the level annual dollar contribution or level percentage, whichever is applicable, needed to amortize the difference between the unfunded actuarial accrued liability amount calculated under item (i) and the unfunded actuarial accrued liability amount calculated under item (iii) over a period of 30 years from the end of the plan year in which the applicable change is effective must be calculated using the applicable interest assumption specified in subdivision 8 in effect after any applicable change;

(v) the level annual dollar or level percentage amortization contribution under item (iv) must be added to the level annual dollar amortization contribution or level percentage calculated under item (ii);

(vi) the period in which the unfunded actuarial accrued liability amount determined in item (iii) is amortized by the total level annual dollar or level percentage amortization contribution computed under item (v) must be calculated using the interest assumption specified in subdivision 8 in effect after any applicable change, rounded to the nearest integral number of years, but not to exceed 30 years from the end of the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and not to be less than the period of years beginning in the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and ending by the date for full funding in effect before the change; and

(vii) the period determined under item (vi) must be added to the date as of which the actuarial valuation was prepared and the date obtained is the new established date for full funding.

(d) For the Minneapolis Employees Retirement Fund, the established date for full funding is June 30, 2020.

(e) For the general employees retirement plan of the Public Employees Retirement Association,

the established date for full funding is June 30, 2031.

(f) For the Teachers Retirement Association, the established date for full funding is June 30, 2037.

(g) For the correctional state employees retirement plan of the Minnesota State Retirement System, the established date for full funding is June 30, 2038.

(h) For the judges retirement plan, the established date for full funding is June 30, 2038.

(i) For the public employees police and fire retirement plan, the established date for full funding is June 30, 2038.

(j) For the St. Paul Teachers Retirement Fund Association, the established date for full funding is June 30 of the 25th year from the valuation date. In addition to other requirements of this chapter, the annual actuarial valuation shall contain an exhibit indicating the funded ratio and the deficiency or sufficiency in annual contributions when comparing liabilities to the market value of the assets of the fund as of the close of the most recent fiscal year.

(k) For the general state employees retirement plan of the Minnesota State Retirement System, the established date for full funding is June 30, 2040.

(l) For the retirement plans for which the annual actuarial valuation indicates an excess of valuation assets over the actuarial accrued liability, the valuation assets in excess of the actuarial accrued liability must be recognized as a reduction in the current contribution requirements by an amount equal to the amortization of the excess expressed as a level percentage of pay over a 30-year period beginning anew with each annual actuarial valuation of the plan.

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

Sec. 69. Minnesota Statutes 2008, section 356.30, subdivision 1, is amended to read:

Subdivision 1. **Eligibility; computation of annuity.** (a) Notwithstanding any provisions of the laws governing the retirement plans enumerated in subdivision 3, a person who has met the qualifications of paragraph (b) may elect to receive a retirement annuity from each enumerated retirement plan in which the person has at least one-half year of allowable service, based on the allowable service in each plan, subject to the provisions of paragraph (c).

(b) A person may receive, upon retirement, a retirement annuity from each enumerated retirement plan in which the person has at least one-half year of allowable service, and augmentation of a deferred annuity calculated at the appropriate rate under the laws governing each public pension plan or fund named in subdivision 3, based on the date of the person's initial entry into public employment from the date the person terminated all public service if:

(1) the person has allowable service ~~totaling an amount that allows the person to receive an annuity~~ in any two or more of the enumerated plans;

(2) the person has sufficient allowable service in total that equals or exceeds the applicable service credit vesting requirement of the retirement plan with the longest applicable service credit vesting requirement; and

~~(2)~~ (3) the person has not begun to receive an annuity from any enumerated plan or the person

has made application for benefits from each applicable plan and the effective dates of the retirement annuity with each plan under which the person chooses to receive an annuity are within a one-year period.

(c) The retirement annuity from each plan must be based upon the allowable service, accrual rates, and average salary in the applicable plan except as further specified or modified in the following clauses:

(1) the laws governing annuities must be the law in effect on the date of termination from the last period of public service under a covered retirement plan with which the person earned a minimum of one-half year of allowable service credit during that employment;

(2) the "average salary" on which the annuity from each covered plan in which the employee has credit in a formula plan must be based on the employee's highest five successive years of covered salary during the entire service in covered plans;

(3) the accrual rates to be used by each plan must be those percentages prescribed by each plan's formula as continued for the respective years of allowable service from one plan to the next, recognizing all previous allowable service with the other covered plans;

(4) the allowable service in all the plans must be combined in determining eligibility for and the application of each plan's provisions in respect to reduction in the annuity amount for retirement prior to normal retirement age; and

(5) the annuity amount payable for any allowable service under a nonformula plan of a covered plan must not be affected, but such service and covered salary must be used in the above calculation.

(d) This section does not apply to any person whose final termination from the last public service under a covered plan was before May 1, 1975.

(e) For the purpose of computing annuities under this section, the accrual rates used by any covered plan, except the public employees police and fire plan, the judges retirement fund, and the State Patrol retirement plan, must not exceed the percent specified in section 356.315, subdivision 4, per year of service for any year of service or fraction thereof. The formula percentage used by the judges retirement fund must not exceed the percentage rate specified in section 356.315, subdivision 8, per year of service for any year of service or fraction thereof. The accrual rate used by the public employees police and fire plan and the State Patrol retirement plan must not exceed the percentage rate specified in section 356.315, subdivision 6, per year of service for any year of service or fraction thereof. The accrual rate or rates used by the legislators retirement plan must not exceed 2.5 percent, but this limit does not apply to the adjustment provided under section 3A.02, subdivision 1, paragraph (c).

(f) Any period of time for which a person has credit in more than one of the covered plans must be used only once for the purpose of determining total allowable service.

(g) If the period of duplicated service credit is more than one-half year, or the person has credit for more than one-half year, with each of the plans, each plan must apply its formula to a prorated service credit for the period of duplicated service based on a fraction of the salary on which deductions were paid to that fund for the period divided by the total salary on which deductions were paid to all plans for the period.

(h) If the period of duplicated service credit is less than one-half year, or when added to other service credit with that plan is less than one-half year, the service credit must be ignored and a refund of contributions made to the person in accord with that plan's refund provisions.

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

Sec. 70. Minnesota Statutes 2008, section 356.302, subdivision 3, is amended to read:

Subd. 3. **General employee plan eligibility requirements.** A disabled member of a covered retirement plan who has credit for allowable service in a combination of general employee retirement plans is entitled to a combined service disability benefit if the member:

- (1) is less than the normal retirement age on the date of the application for the disability benefit;
- (2) has become totally and permanently disabled;
- (3) has credit for allowable service in any combination of general employee retirement plans totaling at least ~~three years~~ the number of years required by the applicable retirement plan with the longest service credit requirement for disability benefit receipt;
- (4) has credit for at least one-half year of allowable service with the current general employee retirement plan before the commencement of the disability;
- (5) has at least three continuous years of allowable service credit by the general employee retirement plan or has at least a total of three years of allowable service credit by a combination of general employee retirement plans in a 72-month period during which no interruption of allowable service credit from a termination of employment exceeded 29 days; and
- (6) was not receiving a retirement annuity or disability benefit from any covered general employee retirement plan at the time of the commencement of the disability.

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

Sec. 71. Minnesota Statutes 2008, section 356.302, subdivision 4, is amended to read:

Subd. 4. **Public safety plan eligibility requirements.** A disabled member of a covered retirement plan who has credit for allowable service in a combination of public safety employee retirement plans is entitled to a combined service disability benefit if the member:

- (1) has become occupationally disabled;
- (2) has credit for allowable service in any combination of public safety employee retirement plans totaling at least ~~one year~~ the minimum period of service credit required by the applicable retirement plan with the longest service credit eligibility requirement for the receipt of a duty-related disability benefit if the disability is duty-related or totaling at least ~~three years~~ the minimum period of service credit required by the applicable retirement plan with the longest service credit eligibility requirement for a disability benefit that is not duty-related if the disability is not duty-related;
- (3) has credit for at least one-half year of allowable service with the current public safety employee retirement plan before the commencement of the disability; and
- (4) was not receiving a retirement annuity or disability benefit from any covered public safety employee retirement plan at the time of the commencement of the disability.

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

Sec. 72. Minnesota Statutes 2008, section 356.302, subdivision 5, is amended to read:

Subd. 5. **General and public safety plan eligibility requirements.** A disabled member of a covered retirement plan who has credit for allowable service in a combination of both a public safety employee retirement plan and general employee retirement plan must meet the qualifying requirements in subdivisions 3 and 4 to receive a combined service disability benefit from the applicable general employee and public safety employee retirement plans, except that the person need only be a member of a covered retirement plan at the time of the commencement of the disability, that the person must have allowable service credit for the applicable retirement plan with the longest service credit eligibility requirement for the receipt of a disability benefit, and that the minimum allowable service requirements of subdivisions 3, clauses (3) and (5), and 4, clauses (3) and (4), may be met in any combination of covered retirement plans.

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

Sec. 73. Minnesota Statutes 2008, section 356.303, subdivision 2, is amended to read:

Subd. 2. **Entitlement; eligibility.** Notwithstanding any provision of law to the contrary governing a covered retirement plan, a person who is the survivor of a deceased member of a covered retirement plan may receive a combined service survivor benefit from each covered retirement plan in which the deceased member had credit for at least one-half year of allowable service if the deceased member:

(1) had credit for sufficient allowable service in any combination of covered retirement plans to meet any the minimum allowable service credit requirement of the applicable covered retirement fund with the longest allowable service credit requirement for qualification for a survivor benefit or annuity;

(2) had credit for at least one-half year of allowable service with the most recent covered retirement plan before the date of death and was an active member of that covered retirement plan on the date of death; and

(3) was not receiving a retirement annuity from any covered retirement plan on the date of death.

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

Sec. 74. Minnesota Statutes 2008, section 356.315, subdivision 5, is amended to read:

Subd. 5. **Correctional plan members.** The applicable benefit accrual rate is 2.4 percent if employed as a correctional state employee before July 1, 2010, or 2.2 percent if employed as a correctional state employee after June 30, 2010.

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

Sec. 75. Minnesota Statutes 2009 Supplement, section 356.415, subdivision 1, is amended to read:

Subdivision 1. **Annual postretirement adjustments; generally.** (a) Except as otherwise provided in subdivision 1a, 1b, 1c, or 1d, retirement annuity, disability benefit, or survivor benefit recipients of a covered retirement plan are entitled to a postretirement adjustment annually on

January 1, as follows:

(1) a postretirement increase of 2.5 percent must be applied each year, effective January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months prior to the January 1 increase; and

(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit amount for at least one full month, an annual postretirement increase of 1/12 of 2.5 percent for each month that the person has been receiving an annuity or benefit must be applied, effective on January 1 following the calendar year in which the person has been retired for less than 12 months.

(b) The increases provided by this ~~section~~ subdivision commence on January 1, 2010.

(c) An increase in annuity or benefit payments under this section must be made automatically unless written notice is filed by the annuitant or benefit recipient with the executive director of the covered retirement plan requesting that the increase not be made.

(d) The retirement annuity payable to a person who retires before becoming eligible for Social Security benefits and who has elected the optional payment as provided in section 353.29, subdivision 6, ~~or 354.35~~ must be treated as the sum of a period certain retirement annuity and a life retirement annuity for the purposes of any postretirement adjustment. The period certain retirement annuity plus the life retirement annuity must be the annuity amount payable until age 62 for section 353.29, subdivision 6, ~~or age 62, 65, or normal retirement age, as selected by the member at retirement, for an annuity amount payable under section 354.35.~~ A postretirement adjustment granted on the period certain retirement annuity must terminate when the period certain retirement annuity terminates.

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

Sec. 76. Minnesota Statutes 2009 Supplement, section 356.415, is amended by adding a subdivision to read:

**Subd. 1a. Annual postretirement adjustments; Minnesota State Retirement System plans.**

(a) Retirement annuity, disability benefit, or survivor benefit recipients of the legislators retirement plan, the general state employees retirement plan, the correctional state employees retirement plan, the State Patrol retirement plan, the elected state officers retirement plan, the unclassified state employees retirement program, and the judges retirement plan are entitled to a postretirement adjustment annually on January 1, as follows:

(1) a postretirement increase of two percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 18 full months before the January 1 increase; and

(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least six full months, an annual postretirement increase of 1/12 of two percent for each month that the person has been receiving an annuity or benefit must be applied, effective January 1, following the calendar year in which the person has been retired for at least six months, but has been retired for less than 18 months.

(b) The increases provided by this subdivision commence on January 1, 2011. Increases under this subdivision for the general state employees retirement plan, the correctional state employees

retirement plan, the State Patrol retirement plan, or the judges retirement plan terminate on December 31 of the calendar year in which the actuarial valuation prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement indicates that the market value of assets of the retirement plan equals or exceeds 90 percent of the actuarial accrued liability of the retirement plan and increases under subdivision 1 recommence after that date. Increases under this subdivision for the legislators retirement plan or the elected state officers retirement plan terminate on December 31 of the calendar year in which the actuarial valuation prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement indicates that the market value of assets of the general state employees retirement plan equals or exceeds 90 percent of the actuarial accrued liability of the retirement plan and increases under subdivision 1 recommence after that date.

(c) An increase in annuity or benefit payments under this subdivision must be made automatically unless written notice is filed by the annuitant or benefit recipient with the executive director of the applicable covered retirement plan requesting that the increase not be made.

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

Sec. 77. Minnesota Statutes 2009 Supplement, section 356.415, is amended by adding a subdivision to read:

**Subd. 1b. Annual postretirement adjustments; PERA; general employees retirement plan and local government correctional retirement plan.** (a) Retirement annuity, disability benefit, or survivor benefit recipients of the general employees retirement plan of the Public Employees Retirement Association and the local government correctional service retirement plan are entitled to a postretirement adjustment annually on January 1, as follows:

(1) for January 1, 2011, and each successive January 1 until funding stability is restored for the applicable retirement plan, a postretirement increase of one percent must be applied each year, effective on January 1, to the monthly annuity or benefit amount of each annuitant or benefit recipient who has been receiving an annuity or benefit for at least 12 full months as of the current June 30;

(2) for January 1, 2011, and each successive January 1 until funding stability is restored for the applicable retirement plan, for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the current June 30, an annual postretirement increase of 1/12 of one percent for each month the person has been receiving an annuity or benefit must be applied;

(3) for each January 1 following the restoration of funding stability for the applicable retirement plan, a postretirement increase of 2.5 percent must be applied each year, effective January 1, to the monthly annuity or benefit amount of each annuitant or benefit recipient who has been receiving an annuity or benefit for at least 12 full months as of the current June 30; and

(4) for each January 1 following restoration of funding stability for the applicable retirement plan, for each annuity or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the current June 30, an annual postretirement increase of 1/12 of 2.5 percent for each month the person has been receiving an annuity or benefit must be applied.

(b) Funding stability is restored when the market value of assets of the applicable retirement plan equals or exceeds 90 percent of the actuarial accrued liabilities of the applicable plan in the most recent prior actuarial valuation prepared under section 356.215 and the standards for actuarial work by the approved actuary retained by the Public Employees Retirement Association under section 356.214.

(c) If, after applying the increase as provided for in paragraph (a), clauses (3) and (4), the market value of the applicable retirement plan is determined in the next subsequent actuarial valuation prepared under section 356.215 to be less than 90 percent of the actuarial accrued liability of any of the applicable Public Employees Retirement Association plans, the increase provided in paragraph (a), clauses (1) and (2), are to be applied as of the next successive January until funding stability is again restored.

(d) An increase in annuity or benefit payments under this section must be made automatically unless written notice is filed by the annuitant or benefit recipient with the executive director of the Public Employees Retirement Association requesting that the increase not be made.

(e) The retirement annuity payable to a person who retires before becoming eligible for Social Security benefits and who has elected the optional payment, as provided in section 353.29, subdivision 6, must be treated as the sum of a period-certain retirement annuity and a life retirement annuity for the purposes of any postretirement adjustment. The period-certain retirement annuity plus the life retirement annuity must be the annuity amount payable until age 62 for section 353.29, subdivision 6. A postretirement adjustment granted on the period-certain retirement annuity must terminate when the period-certain retirement annuity terminates.

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

Sec. 78. Minnesota Statutes 2009 Supplement, section 356.415, is amended by adding a subdivision to read:

**Subd. 1c. Annual postretirement adjustments; PERA-P&F.** (a) Retirement annuity, disability benefit, or survivor benefit recipients of the public employees police and fire retirement plan are entitled to a postretirement adjustment annually on January 1, as follows:

(1) for January 1, 2011, and for January 1, 2012, for each annuitant or benefit recipient who has been receiving the annuity or benefit for at least 12 full months as of the immediate preceding June 30, an amount equal to one percent in each year;

(2) for January 1, 2011, and for January 1, 2012, for each annuitant or benefit recipient who has been receiving the annuity or benefit for at least one full month as of the immediate preceding June 30, an amount equal to 1/12 of one percent in each year;

(3) for January 1, 2013, and each successive January 1 that follows the loss of funding stability as defined under paragraph (b) until funding stability as defined under paragraph (b) is again restored, for each annuitant or benefit recipient who has been receiving the annuity or benefit for at least 12 full months as of the immediate preceding June 30, an amount equal to the percentage increase in the Consumer Price Index for urban wage earners and clerical workers all items index published by the Bureau of Labor Statistics of the United States Department of Labor between the immediate preceding June 30 and the June 30 occurring 12 months previous, but not to exceed 1.5 percent;

(4) for January 1, 2013, and each successive January 1 that follows the loss of funding stability as



defined under paragraph (b) until funding stability as defined under paragraph (b) is again restored, for each annuitant or benefit recipient who has been receiving the annuity or benefit for at least one full month as of the immediate preceding June 30, an amount equal to 1/12 of the percentage increase in the Consumer Price Index for urban wage earners and clerical workers all items index published by the Bureau of Labor Statistics of the United States Department of Labor between the immediate preceding June 30 and the June 30 occurring 12 months previous for each full month of annuity or benefit receipt, but not to exceed 1/12 of 1.5 percent for each full month of annuity or benefit receipt;

(5) for each January 1 following the restoration of funding stability as defined under paragraph (b) and during the continuation of funding stability as defined under paragraph (b), for each annuitant or benefit recipient who has been receiving the annuity or benefit for at least 12 full months as of the immediate preceding June 30, an amount equal to the percentage increase in the Consumer Price Index for urban wage earners and clerical workers all items index published by the Bureau of Labor Statistics of the United States Department of Labor between the immediate preceding June 30 and the June 30 occurring 12 months previous, but not to exceed 2.5 percent; and

(6) for each January 1 following the restoration of funding stability as defined under paragraph (b) and during the continuation of funding stability as defined under paragraph (b), for each annuitant or benefit recipient who has been receiving the annuity or benefit for at least one full month as of the immediate preceding June 30, an amount equal to 1/12 of the percentage increase in the Consumer Price Index for urban wage earners and clerical workers all items index published by the Bureau of Labor Statistics of the United States Department of Labor between the immediate preceding June 30 and the June 30 occurring 12 months previous for each full month of annuity or benefit receipt, but not to exceed 1/12 of 2.5 percent for each full month of annuity or benefit receipt.

(b) Funding stability is restored when the market value of assets of the public employees police and fire retirement plan equals or exceeds 90 percent of the actuarial accrued liabilities of the applicable plan in the most recent prior actuarial valuation prepared under section 356.215 and under the standards for actuarial work of the Legislative Commission on Pensions and Retirement by the approved actuary retained by the Public Employees Retirement Association under section 356.214.

(c) An increase in annuity or benefit payments under this section must be made automatically unless written notice is filed by the annuitant or benefit recipient with the executive director of the Public Employees Retirement Association requesting that the increase not be made.

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

Sec. 79. Minnesota Statutes 2009 Supplement, section 356.415, is amended by adding a subdivision to read:

Subd. 1d. **Teachers Retirement Association annual postretirement adjustments.** (a) Retirement annuity, disability benefit, or survivor benefit recipients of the Teachers Retirement Association are entitled to a postretirement adjustment annually on January 1, as follows:

(1) for January 1, 2011, and January 1, 2012, no postretirement increase is payable;

(2) for January 1, 2013, and each successive January 1 until funding stability is restored, a postretirement increase of two percent must be applied each year, effective on January 1, to the

monthly annuity or benefit amount of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 18 full months prior to the January 1 increase;

(3) for January 1, 2013, and each successive January 1 until funding stability is restored, for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least six full months, an annual postretirement increase of 1/12 of two percent for each month the person has been receiving an annuity or benefit must be applied, effective January 1, following the year in which the person has been retired for less than 12 months;

(4) for each January 1 following the restoration of funding stability, a postretirement increase of 2.5 percent must be applied each year, effective January 1, to the monthly annuity or benefit amount of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 18 full months prior to the January 1 increase; and

(5) for each January 1 following the restoration of funding stability, for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least six full months, an annual postretirement increase of 1/12 of 2.5 percent for each month the person has been receiving an annuity or benefit must be applied, effective January 1, following the year in which the person has been retired for less than 12 months.

(b) Funding stability is restored when the market value of assets of the Teachers Retirement Association equals or exceeds 90 percent of the actuarial accrued liabilities of the Teachers Retirement Association in the most recent prior actuarial valuation prepared under section 356.215 and the standards for actuarial work by the approved actuary retained by the Teachers Retirement Association under section 356.214.

(c) An increase in annuity or benefit payments under this section must be made automatically unless written notice is filed by the annuitant or benefit recipient with the executive director of the Teachers Retirement Association requesting that the increase not be made.

(d) The retirement annuity payable to a person who retires before becoming eligible for Social Security benefits and who has elected the optional payment as provided in section 354.35 must be treated as the sum of a period-certain retirement annuity and a life retirement annuity for the purposes of any postretirement adjustment. The period-certain retirement annuity plus the life retirement annuity must be the annuity amount payable until age 62, 65, or normal retirement age, as selected by the member at retirement, for an annuity amount payable under section 354.35. A postretirement adjustment granted on the period-certain retirement annuity must terminate when the period-certain retirement annuity terminates.

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

Sec. 80. Minnesota Statutes 2008, section 356.47, subdivision 3, is amended to read:

Subd. 3. **Payment.** (a) Beginning one year after the reemployment withholding period ends relating to the reemployment that gave rise to the limitation, and the filing of a written application, the retired member is entitled to the payment, in a lump sum, of the value of the person's amount under subdivision 2, plus annual compound interest at. For the general state employees retirement plan, the correctional state employees retirement plan, the general employees retirement plan of the Public Employees Retirement Association, the public employees police and fire retirement plan, the local government correctional employees retirement plan, and the teachers retirement

plan, the annual interest rate is six percent from the date on which the amount was deducted from the retirement annuity to the date of payment or until January 1, 2011, whichever is earlier, and no interest after January 1, 2011. For the Duluth Teachers Retirement Fund Association, the annual interest is six percent from the date on which the amount was deducted from the retirement annuity to the date of payment or until June 30, 2010, whichever is earlier, and no interest after June 30, 2010. For the St. Paul Teachers Retirement Fund Association, the annual interest is the ~~compound~~ annual rate of six percent from the date that the amount was deducted from the retirement annuity to the date of payment.

(b) The written application must be on a form prescribed by the chief administrative officer of the applicable retirement plan.

(c) If the retired member dies before the payment provided for in paragraph (a) is made, the amount is payable, upon written application, to the deceased person's surviving spouse, or if none, to the deceased person's designated beneficiary, or if none, to the deceased person's estate.

(d) In lieu of the direct payment of the person's amount under subdivision 2, on or after the payment date under paragraph (a), if the federal Internal Revenue Code so permits, the retired member may elect to have all or any portion of the payment amount under this section paid in the form of a direct rollover to an eligible retirement plan as defined in section 402(c) of the federal Internal Revenue Code that is specified by the retired member. If the retired member dies with a balance remaining payable under this section, the surviving spouse of the retired member, or if none, the deceased person's designated beneficiary, or if none, the administrator of the deceased person's estate may elect a direct rollover under this paragraph.

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

Sec. 81. Minnesota Statutes 2009 Supplement, section 423A.02, subdivision 3, is amended to read:

Subd. 3. **Reallocation of amortization or supplementary amortization state aid.** (a) Seventy percent of the difference between \$5,720,000 and the current year amortization aid and supplemental amortization aid distributed under subdivisions 1 and 1a that is not distributed for any reason to a municipality for use by a local police or salaried fire relief association must be distributed by the commissioner of revenue according to this paragraph. The commissioner shall distribute 50 percent of the amounts derived under this paragraph to the Teachers Retirement Association, ten percent to the Duluth Teachers Retirement Fund Association, and 40 percent to the St. Paul Teachers Retirement Fund Association to fund the unfunded actuarial accrued liabilities of the respective funds. These payments shall be made on or before June 30 each fiscal year. If the St. Paul Teachers Retirement Fund Association becomes fully funded, its eligibility for this aid ceases. Amounts remaining in the undistributed balance account at the end of the biennium if aid eligibility ceases cancel to the general fund.

(b) In order to receive amortization and supplementary amortization aid under paragraph (a), Independent School District No. 625, St. Paul, must make contributions to the St. Paul Teachers Retirement Fund Association in accordance with the following schedule:

Fiscal Year	Amount
1996	\$ 0

1997	\$	0
1998	\$	200,000
1999	\$	400,000
2000	\$	600,000
2001 and thereafter	\$	800,000

(c) Special School District No. 1, Minneapolis, and the city of Minneapolis must each make contributions to the Teachers Retirement Association in accordance with the following schedule:

Fiscal Year	City amount	School district amount
1996	\$ 0	\$ 0
1997	\$ 0	\$ 0
1998	\$ 250,000	\$ 250,000
1999	\$ 400,000	\$ 400,000
2000	\$ 550,000	\$ 550,000
2001	\$ 700,000	\$ 700,000
2002	\$ 850,000	\$ 850,000
2003 and thereafter	\$ 1,000,000	\$ 1,000,000

~~(d) Money contributed under paragraph (a) and either paragraph (b) or (c), as applicable, must be credited to a separate account in the applicable teachers retirement fund and may not be used in determining any benefit increases. The separate account terminates for a fund when the aid payments to the fund under paragraph (a) cease.~~

(e) (d) Thirty percent of the difference between \$5,720,000 and the current year amortization aid and supplemental amortization aid under subdivisions 1 and 1a that is not distributed for any reason to a municipality for use by a local police or salaried firefighter relief association must be distributed under section 69.021, subdivision 7, paragraph (d), as additional funding to support a minimum fire state aid amount for volunteer firefighter relief associations.

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

**Sec. 82. LOCAL RETIREMENT FUND INVESTMENT AUTHORITIES STUDY.**

A study group consisting of representatives from pension plans subject to Minnesota Statutes, section 356A.06, subdivision 6 or 7, shall be convened by the state auditor to study investment-related provisions, authorities, and limitations under Minnesota Statutes, chapter 356A, and related sections of other chapters. Administrative support for the study group shall be provided by the state auditor. The study group shall prepare a report to include an assessment of the effectiveness of current statutory prescriptions, options for change, and recommendations for consideration by the governor and the legislature during the 2011 legislative session. The report will be provided no later than January 15, 2011, to the executive director of the Legislative Commission on Pensions and Retirement, the chair and ranking minority caucus member of the

senate State and Local Government Operations and Oversight Committee, and the chair and ranking minority caucus member of the house State and Local Government Operations Reform, Technology and Elections Committee.

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

Sec. 83. **BYLAW AUTHORIZATION.**

Consistent with the requirements of Minnesota Statutes, section 354A.12, subdivision 4, the board of the Duluth Teachers Retirement Fund Association is authorized to revise the bylaws or articles of incorporation so that the requirements of this act apply to the old law coordinated program.

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

Sec. 84. **ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION; TEMPORARY SUSPENSION OF POSTRETIREMENT ADJUSTMENT.**

Notwithstanding Minnesota Statutes 2009, section 354A.29, no postretirement benefit adjustment to benefit recipients of the St. Paul Teachers Retirement Fund Association shall be provided for the year commencing January 1, 2011.

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

Sec. 85. **REPEALER.**

Minnesota Statutes 2008, section 354A.27, subdivision 1, is repealed.

**EFFECTIVE DATE.** This section is effective July 1, 2010."

Delete the title and insert:

"A bill for an act relating to retirement; Minnesota State Retirement System; Public Employees Retirement Association; Teachers Retirement Association; first class city teacher retirement fund associations; increasing certain contribution rates; suspending certain postretirement adjustments; reducing certain postretirement adjustment increase rates; reducing interest rates on refunds; reducing deferred annuity augmentation rates; eliminating interest on reemployed annuitant earnings limitation deferred accounts; increasing certain vesting requirements; increasing certain early retirement reduction rates; reducing certain benefit accrual rates; extending certain amortization periods; requiring a retirement fund investment authority study; authorizing certain bylaw amendments; amending Minnesota Statutes 2008, sections 3A.02, subdivision 4; 352.113, subdivision 1; 352.115, subdivision 1; 352.12, subdivision 2; 352.22, subdivisions 2, 3; 352.72, subdivisions 1, 2; 352.93, subdivisions 1, 2a, 3a; 352.931, subdivision 1; 352B.02, as amended; 352B.08, subdivisions 1, 2a; 352B.11, subdivision 2b; 352B.30, subdivisions 1, 2; 352F.07; 353.01, by adding a subdivision; 353.27, subdivision 3b; 353.29, subdivision 1; 353.30, subdivision 1c; 353.32, subdivisions 1, 1a; 353.34, subdivisions 1, 2, 3; 353.651, subdivisions 1, 4; 353.657, subdivisions 1, 2a; 353.71, subdivisions 1, 2; 353E.04, subdivisions 1, 4; 353E.07, subdivisions 1, 2; 353F.03; 354.42, subdivision 3, by adding subdivisions; 354A.12, subdivisions 1, 3c; 354A.27, subdivisions 5, 6, by adding a subdivision; 354A.31, subdivision 1; 354A.35, subdivision 1; 354A.37, subdivisions 2, 3, 4; 356.215, subdivision 8; 356.30, subdivision 1; 356.302, subdivisions 3, 4, 5; 356.303, subdivision 2; 356.315, subdivision 5; 356.47, subdivision 3; Minnesota Statutes 2009 Supplement, sections 352.75, subdivision 4; 352.95, subdivision 2; 353.27, subdivisions 2,

3; 353.33, subdivision 1; 353.65, subdivisions 2, 3; 354.42, subdivision 2; 354.47, subdivision 1; 354.49, subdivision 2; 354.55, subdivision 11; 354A.12, subdivision 2a; 356.215, subdivision 11; 356.415, subdivision 1, by adding subdivisions; 423A.02, subdivision 3; repealing Minnesota Statutes 2008, section 354A.27, subdivision 1."

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred**

**S.F. No. 2957:** A bill for an act relating to local government; authorizing Hennepin County to purchase energy under forward pricing mechanisms; proposing coding for new law in Minnesota Statutes, chapter 383B.

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

Page 1, line 8, before "or" insert "unleaded fuel,"

Page 2, line 11, delete "quarterly" and insert "annual"

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred**

**S.F. No. 3096:** A bill for an act relating to state government; designating the process for disposal of old state-owned buildings; amending Minnesota Statutes 2008, section 16B.24, subdivision 3.

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

Page 1, line 21, before the period, insert ", unless otherwise provided by law. If the fund from which the appropriation was made cannot be identified, the proceeds shall be deposited in the general fund"

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred**

**S.F. No. 2874:** A bill for an act relating to state government; streamlining state government; abolishing the Department of Employment and Economic Development and the Department of Labor and Industry; establishing a task force; requiring establishment of an employee participation committee before agency restructuring; requiring reports; providing for taxpayer accountability; proposing coding for new law in Minnesota Statutes, chapter 16C.

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

Page 4, line 20, after "reorganization" insert ", including draft legislation,"

Page 4, line 21, delete "legislature" and insert "chairs and ranking minority members of the legislative committees and divisions with jurisdiction over state government and economic development policy and finance"

Page 5, line 8, after "chairs" insert "and ranking minority members"

Page 7, line 13, delete "legislature" and insert "chairs and ranking minority members of the legislative committees with jurisdiction over finance"

Page 7, line 14, delete "September 1" and insert "January 15"

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred**

**S.F. No. 160:** A bill for an act relating to elections; allowing certain persons access to multiple unit residences for certain campaign and election purposes; expanding certain exceptions to access provided to multiple unit residences for certain campaign purposes; amending Minnesota Statutes 2008, section 211B.20, subdivisions 1, 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 211B.20, is amended to read:

**211B.20 DENIAL OF ACCESS BY POLITICAL CANDIDATES TO MULTIPLE UNIT DWELLINGS.**

Subdivision 1. **Prohibition.** (a) It is unlawful for a person, either directly or indirectly, to deny access to an apartment house, dormitory, nursing home, manufactured home park, other multiple unit facility used as a residence, or an area in which two or more single-family dwellings are located on private roadways to a candidate who has filed for election to public office or to campaign workers accompanied by the candidate, if the candidate and workers seeking admittance to the facility do so solely for the purpose of campaigning. a candidate who has:

- (1) organized a campaign committee under applicable federal or state law;
- (2) filed a financial report as required by section 211A.02; or
- (3) filed an affidavit of candidacy for elected office.

A candidate granted access under this section must be allowed to be accompanied by campaign volunteers.

(b) Access to a facility or area is only required if it is located within the district or territory that will be represented by the office to which the candidate seeks election, and the candidate and any accompanying campaign volunteers seek access exclusively for the purpose of campaigning for a candidate or registering voters. The candidate must be seeking election to office at the next general or special election to be held for that office.

(c) A candidate and any accompanying campaign volunteers granted access under this section must be permitted to leave campaign materials for residents at their doors, except that the manager of a nursing home may direct that the campaign materials be left at a central location within the facility. The campaign materials must be left in an orderly manner.

(d) A violation of this section is a petty misdemeanor.

Subd. 2. **Exceptions.** Subdivision 1 does not prohibit:

(1) denial of admittance into a particular apartment, room, manufactured home, or personal residential unit;

(2) requiring reasonable and proper identification as a necessary prerequisite to admission to a multiple unit dwelling;

(3) in the case of a nursing home or a registered housing with services establishment providing assisted living services meeting the requirements of section 144G.03, subdivision 2, denial of permission to visit certain persons for valid health reasons;

(4) limiting visits by candidates or ~~workers~~ volunteers accompanied by the candidate to a reasonable number of persons or reasonable hours;

(5) requiring a prior appointment to gain access to the facility; or

(6) denial of admittance to or expulsion from a multiple unit dwelling for good cause."

Amend the title numbers accordingly

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred**

**S.F. No. 3084:** A bill for an act relating to state government; reducing the reporting threshold for contracts for professional or technical services; amending Minnesota Statutes 2008, section 16C.08, subdivision 4.

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

Page 2, line 3, strike "one-page" and after "must" insert "post the report in a publicly available database and"

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred**

**S.F. No. 3107:** A bill for an act relating to local government; providing for a charter commission to report on a form of county government for the counties of Stearns, Benton, and Sherburne.

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



Delete everything after the enacting clause and insert:

"Section 1. **[372A.01] HOME RULE CHARTER FOR CONTIGUOUS COUNTIES.**

Any two or more contiguous counties in the state may propose a county home rule charter commission as provided in this chapter.

The county board of each contiguous county shall adopt a resolution to establish a home rule charter commission for the counties. The resolution must name the contiguous counties proposing to establish the charter commission.

Sec. 2. **[372A.02] CHARTER COMMISSION; NOMINATIONS AND APPOINTMENTS.**

Subdivision 1. **Nomination.** (a) Within 30 days of the date of the resolution in section 372A.01, the county board of each county shall nominate 15 persons as candidates for appointment to a charter commission to propose a charter to provide for the form of county government for the counties. Three persons who reside in the district shall be nominated for each of the county commissioner districts in each county. Immediately following selection of the nominees, the county board of each county shall submit the nominations, together with the county board resolution, to the chief judge of the district court with jurisdiction in the county.

(b) Within 30 days of the date of the resolution in section 372A.01, the joint legislative delegation of each county, after first publishing notice for applications by interested persons, shall nominate six persons who reside in the county as candidates for appointment to a charter commission to propose a charter to provide for the form of county government for the counties. The six persons shall be nominated without regard to county commissioner districts. Immediately following selection of the nominees, the delegation shall submit the nominations to the chief judge of the district court with jurisdiction in the county.

Subd. 2. **Appointment.** Within 30 days of the submission, the chief judge shall appoint to the charter commission seven members for each county, one appointee for each county commissioner district in each county, selected from those who were nominated by county commissioner district, and two appointees from each county who were nominated to serve from the county without regard to county commissioner districts. The commission members must be qualified voters in the county in which they reside. A person is not disqualified from serving on the charter commission because the person holds an elective or appointive office. The appointing authority shall fill any vacancies. Appointments must be filed with the board of county commissioners of the county in which the appointee resides. An appointee must file an acceptance with the board within ten days of notification of the appointment or be considered to have declined the appointment.

Sec. 3. **[372A.03] CHARTER COMMISSION; TERMS; ADMINISTRATION.**

Subdivision 1. **Chair; rules.** The charter commission shall meet within 30 days after the initial appointment, elect a chair from among the members, and establish rules, including quorum requirements, for its operation and procedures.

Subd. 2. **Expenses and administration.** The members of the charter commission receive no compensation except reimbursement for expenses actually incurred in the course of their duties. The board of county commissioners of each county may make appropriations to the charter commission to be used to employ research and clerical assistance, for supplies, and to meet expenses considered necessary by the charter commission. The charter commission may request and receive assistance

from any county official. If requested, a personnel director shall assist the charter commission to test and hire employees. If requested, a county attorney shall provide legal services.

Subd. 3. **Terms.** Members of the charter commission hold office until a final report has been made under section 4.

**Sec. 4. [372A.04] CHARTER COMMISSION; POWERS AND DUTIES.**

Subdivision 1. **Report to county boards.** The charter commission shall deliver to the board of county commissioners of each contiguous county either (1) its report determining that the present form of county government is adequate for the county and that a charter is not necessary or desirable, or (2) a draft of a proposed charter. The report must be signed by a majority of the members of the charter commission.

Subd. 2. **Contents of report.** The proposed charter may provide for any form of government consistent with the Constitution of the state of Minnesota. It may provide for the establishment and administration of all departments of a county government and for the regulation of all local county functions. It may abolish or consolidate any department or agency. It shall provide for present functions to be assumed by new elective or appointive officers as provided in the charter and may provide for other powers consistent with other law. It shall provide methods of procedure in respect to the operation of the government created and the duties of all officers. It shall provide for a home rule charter commission consistent with article XII, section 5, of the Constitution of the state of Minnesota and may provide for alternative methods for amending or abandoning the charter consistent with the Constitution. A county may be authorized to acquire by gift, devise, purchase, or condemnation or sell or lease any property needed for the full discharge of its duties and powers. All special and general laws authorizing a county to incur indebtedness or issue bonds shall be subject to the charter, provided that the charter provisions are not in conflict with general laws relating to public indebtedness. A county shall continue to have all the powers granted by law.

Subd. 3. **Public hearings.** The charter commission is required to hold at least one public hearing on the report in each of the county commissioner districts. Based upon the public hearings, the charter commission may revise the report. The revised report must be signed by a majority of the members of the charter commission, and delivered to the county boards.

Subd. 4. **Personnel exception.** Personnel matters relating to employees of a county continue to be governed by law. A charter proposed for adoption under this act shall not apply to personnel matters.

**Sec. 5. [372A.05] ELECTION; BALLOT.**

Subdivision 1. **Procedure; notice.** Upon delivery of the final proposed charter to the board of county commissioners in each county, each board shall submit it to the voters in that county at a general election. The notice of election must contain the complete charter and must be published once a week for two successive weeks in a qualified newspaper of general circulation within each county.

Subd. 2. **Ballot form.** The ballot must at least contain the following question with additional descriptive language that the charter commission may want included:

"Shall the proposed county charter be adopted?"

Yes .....  
No ....."

The voter shall place an "X" after one of the last two words to express the voter's choice.

**Sec. 6. [372A.06] ADOPTION OF CHARTER.**

If a majority of the votes cast in a county on the proposition are in favor of the proposed charter, it shall be considered adopted for that county. The charter shall take effect two years after the election.

**Sec. 7. EFFECTIVE DATE.**

Sections 1 to 6 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to counties; authorizing two or more contiguous counties to propose a home rule charter commission; providing for submission of a proposed charter to the voters; proposing coding for new law as Minnesota Statutes, chapter 372A."

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred**

**S.F. No. 1657:** A bill for an act relating to natural resources; establishing Environment and Natural Resources Organization Advisory Committee to advise legislature and governor on new structure for administration of environment and natural resource policies; requiring an advisory committee to consider all powers and duties of Pollution Control Agency, Department of Natural Resources, Environmental Quality Board, Board of Water and Soil Resources, Petroleum Tank Release Compensation Board, Harmful Substances Compensation Board, and Agricultural Chemical Response Compensation Board and certain powers and duties of Departments of Agriculture, Health, Transportation, and Commerce.

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

Page 1, line 15, delete "26" and insert "30"

Page 1, lines 18 and 22, delete "four" and insert "two"

Page 1, line 20, after "senate" insert ", including one member" and delete "Subcommittee on Committees of the" and insert "majority leader"

Page 1, line 21, delete "Committee on Rules and Administration" and insert "and one member appointed by the minority leader"

Page 1, line 23, after "representatives" insert ", including one member"

Page 1, line 24, after "house" insert "and one member appointed by the house minority leader"

Page 1, line 25, delete "six" and insert "three"

Page 2, line 7, delete "and"

Page 2, line 8, delete the period and insert a semicolon

Page 2, after line 8, insert:

"(ix) Minnesota Center for Environmental Advocacy;

(x) Minnesota Environmental Partnership;

(xi) Minnesota Waters;

(xii) The Nature Conservancy;

(xiii) Minnesota Forest Industries;

(xiv) Trust for Public Land;

(xv) Healthy Legacy Coalition;

(xvi) Clean Water Action;

(xvii) American Federation of State, County and Municipal Employees;

(xviii) Minnesota Chamber of Commerce; and

(xix) Minnesota Association of Professional Employees."

Page 2, line 12, delete everything after the period

Page 2, line 13, delete "from the minority caucus."

Page 2, line 15, after "appointments" insert "and selections"

Page 2, lines 27 and 28, delete "Finance" and insert "Management and Budget"

Page 2, line 28, delete "call" and insert "convene"

Page 4, line 3, after "forces" insert "authorized by this section"

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred**

**S.F. No. 3014:** A bill for an act relating to economic development; creating the Minnesota Science and Technology Authority; appropriating money; amending Laws 2009, chapter 78, article 1, section 3, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 116W; repealing Minnesota Statutes 2008, section 116J.657.

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

Page 1, line 23, delete "board" and insert "commission" and delete "board" and insert "commission" and delete "board" and insert "commission"

Page 2, line 8, after the period, insert "The commissioner of employment and economic development shall convene the first meeting of the authority no later than July 1, 2010."

Page 2, after line 34, insert:

"Subd. 7. **Expiration.** This section expires June 30, 2018."

Page 4, line 9, delete "January 15" and insert "February 1 of"

Page 4, delete lines 10 and 11 and insert "the chairs and the ranking minority members of the legislative committees and divisions with jurisdiction over finance and economic"

Page 5, line 19, delete "BOARD" and insert "COMMISSION"

Page 5, delete lines 20 to 33 and insert:

"Subdivision 1. **Advisory commission membership.** A Science and Technology Initiative Advisory Commission of 17 members is established and is comprised of:

(1) two representatives of the University of Minnesota, selected by the president of the university, including a faculty member actively involved in science and technology research;

(2) a representative of Minnesota State Colleges and Universities, selected by the chancellor;

(3) the chief executive officer of Mayo Clinic or a designee;

(4) six chief executive officers or designees from science-oriented or technology-oriented companies;

(5) four representatives from science-oriented and technology-oriented organizations;

(6) one representative of organized labor;

(7) a venture capital representative; and

(8) a representative of angel investors.

A member must have experience in science or technology in order to serve on the commission.

Members of the commission listed in clauses (4) to (8) shall be appointed by the authority."

Page 5, line 34, delete "board" and insert "commission" and delete "board" and insert "commission"

Page 6, line 1, delete "legislature" and insert "chairs and ranking minority members of the legislative committees and divisions with jurisdiction over economic development"

Page 6, line 5, delete "board" and insert "commission"

Page 6, line 7, delete "board" and insert "commission" and delete "board" and insert "commission"

Page 6, line 11, after the period, insert "The compensation required under this section must be paid by the authority."

Page 6, lines 12, 14, and 15, delete "board" and insert "commission"

Page 6, line 13, after "director" insert "of the authority"

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred**

**S.F. No. 2949:** A bill for an act relating to education; providing for online learning; statewide assessment supervision; limiting advertising; requiring a report; amending Minnesota Statutes 2009 Supplement, section 124D.095, subdivisions 4, 10.

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

Page 3, line 21, delete "January 15," and insert "February 1 of each year, beginning in 2011"

Page 3, line 28, delete "1" and insert "15"

Page 3, line 32, delete "Notwithstanding section 15.059, subdivision 5,"

Page 3, line 33, delete "is permanent and does not expire" and insert "expires June 30, 2015"

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

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred**

**S.F. No. 2762:** A bill for an act relating to economic development; prohibiting state contracts with vendors convicted of crimes involving fraud; requiring a report to the legislature; amending Minnesota Statutes 2008, section 16C.03, by adding a subdivision.

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

Page 1, delete lines 11 and 12

Page 1, line 13, delete everything before "Each"

Page 1, line 14, after "criminal" insert "fraud"

Page 1, delete section 2

Amend the title as follows:

Page 1, line 3, delete "requiring a report to the legislature;"

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

**Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred**

**S.F. No. 3123:** A bill for an act relating to employment; modifying benefit account requirements

for unemployment benefits; amending Minnesota Statutes 2009 Supplement, section 268.07, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. **NEW BENEFIT ACCOUNTS.**

If an applicant establishes a new benefit account under Minnesota Statutes, section 268.07, subdivision 3, within 39 weeks of the expiration of the benefit year on a prior benefit account, notwithstanding Minnesota Statutes, section 268.07, subdivision 2, paragraph (b), the weekly benefit amount on the new benefit account will not be less than 80 percent of the weekly benefit amount on the prior benefit account.

**EFFECTIVE DATE.** This section applies to benefit accounts effective on or after the first Sunday following enactment and expires June 30, 2011."

Delete the title and insert:

"A bill for an act relating to unemployment insurance; modifying certain second benefit account benefits."

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

**Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred**

**S.F. No. 2764:** A bill for an act relating to employment; providing for workers' compensation benefits for domestic partners; including domestic partners of military members in employee leave requirements; providing for payment of wages due a deceased employee to a surviving domestic partner; amending Minnesota Statutes 2008, sections 176.011, subdivision 11a, by adding a subdivision; 176.031; 176.041, subdivision 1a; 176.051, subdivision 1; 176.102, subdivision 1a; 176.111, subdivisions 1, 6, 7, 8, 9a, 10, 14, 15, 21; 176.191, subdivision 4; 181.58; 181.947, subdivision 1; 181.948, subdivision 1; Minnesota Statutes 2009 Supplement, section 176.041, subdivision 1.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 181.58, is amended to read:

**181.58 SURVIVING SPOUSE OR DOMESTIC PARTNER PAID WAGES DUE.**

Subdivision 1. **Employer.** For the purposes of this section the word "employer" includes every person, firm, partnership, corporation, the state of Minnesota, all political subdivisions, and all municipal corporations.

Subd. 2. **Domestic partners.** For the purpose of this section, "domestic partners" means two persons who:

(1) are the same sex;

- (2) are adults and mentally competent to enter into legally binding contracts;
- (3) have assumed responsibility for each other's basic common welfare, financial obligations, and well-being;
- (4) share a common domicile and primary residence with each other on a permanent basis;
- (5) have a committed interdependent relationship with each other, intend to continue that relationship indefinitely, and do not have this type of relationship with any other person;
- (6) are not married to another person and have not entered into a domestic partnership arrangement with another person that is currently in effect; and
- (7) are not related by blood or adoption so that a marriage between them would be prohibited under section 517.03, subdivision 1, paragraph (a), clause (2) or (3).

Subd. 3. **Paid wages due.** If, at the time of the death of any person, an employer is indebted to the person for work, labor, or services performed, and no personal representative of the person's estate has been appointed, such employer shall, upon the request of the surviving spouse or domestic partner, forthwith pay this indebtedness, in such an amount as may be due, not exceeding the sum of \$10,000, to the surviving spouse or domestic partner. The employer may in the same manner provide for payment to the surviving spouse or domestic partner of accumulated credits under the vacation or overtime plan or system maintained by the employer. The employer shall require proof of claimant's relationship to decedent by affidavit, and require claimant to acknowledge receipt of such payment in writing. Any payments made by the employer pursuant to the provisions of this section shall operate as a full and complete discharge of the employer's indebtedness to the extent of the payment, and no employer shall thereafter be liable therefor to the decedent's estate or the decedent's personal representative thereafter appointed. Any amounts so received by a spouse or domestic partner shall be considered in diminution of the allowance to the spouse or domestic partner under section 524.2-403.

Subd. 4. **Notice.** An employee must provide the name, address, and phone number of a domestic partner to the employer prior to any payment under this section."

Delete the title and insert:

"A bill for an act relating to employment; regulating employer payments upon death of employee and in other circumstances; amending Minnesota Statutes 2008, section 181.58."

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

**Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred**

**S.F. No. 2895:** A bill for an act relating to unemployment insurance; modifying administrative, benefit, and tax provisions; amending Minnesota Statutes 2008, sections 268.051, subdivisions 2, 5, 7; 268.07, as amended; 268.085, subdivision 9; Minnesota Statutes 2009 Supplement, sections 268.052, subdivision 2; 268.053, subdivision 1; 268.085, subdivision 1; 268.136, subdivision 1.

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

Page 1, after line 7, insert:



"Section 1. Minnesota Statutes 2008, section 268.046, subdivision 1, is amended to read:

Subdivision 1. **Tax accounts assigned.** (a) Any person that contracts with a taxpaying employer to have that person obtain the taxpaying employer's workforce and provide workers to the taxpaying employer for a fee is, as of the effective date of the contract, assigned for the duration of the contract the taxpaying employer's account under section 268.045. That tax account must be maintained by the person separate and distinct from every other tax account held by the person and identified in a manner prescribed by the commissioner. The tax account is, for the duration of the contract, considered that person's account for all purposes of this chapter. The workers obtained from the taxpaying employer and any other workers provided by that person to the taxpaying employer, including officers of the taxpaying employer as defined in section 268.035, subdivision 20, clause (28), whose wages paid by the person are considered paid in covered employment under section 268.035, subdivision 24, for the duration of the contract between the taxpaying employer and the person, must, under section 268.044, be reported on the wage detail report under that tax account, and that person must pay any taxes due at the tax rate computed for that account under section 268.051, subdivision 2.

(b) Any workers of the taxpaying employer who are not covered by the contract under paragraph (a) must be reported by the taxpaying employer as a separate unit on the wage detail report under the tax account assigned under paragraph (a). Taxes and any other amounts due on the wages reported by the taxpaying employer under this paragraph may be paid directly by the taxpaying employer.

(c) If the taxpaying employer that contracts with a person under paragraph (a) does not have a tax account at the time of the execution of the contract, an account must be registered for the taxpaying employer under section 268.042 and the new employer tax rate under section 268.051, subdivision 5, must be assigned. The tax account is then assigned to the person as provided for in paragraph (a).

(d) A person that contracts with a taxpaying employer under paragraph (a) must, within 30 calendar days of the execution or termination of a contract, notify the commissioner by electronic transmission, in a format prescribed by the commissioner, of that execution or termination. The taxpaying employer's name, the account number assigned, and any other information required by the commissioner must be provided by that person.

(e) Any contract subject to paragraph (a) must specifically inform the taxpaying employer of the assignment of the tax account under this section and the taxpaying employer's obligation under paragraph (b). If there is a termination of the contract, the tax account is, as of the date of termination, immediately assigned to the taxpaying employer."

Page 3, line 24, strike "shall" and insert "must"

Page 3, line 33, delete "last" and insert "most recent"

Page 5, line 32, strike "shall" and insert "must"

Page 9, delete lines 1 to 2

Page 10, line 1, before "Wage" insert "(a)"

Page 10, line 8, reinstate the stricken language

Page 10, line 9, reinstate the stricken language and after "paid" insert "in covered employment"

Page 10, line 10, reinstate the stricken language

Page 10, after line 11, insert:

"(b) An officer of a taxpaying employer referred to in section 268.046, subdivision 1, is subject to the limitations of this subdivision."

Page 10, line 11, reinstate the stricken language and after "account" insert "and all taxes due on those wages have been paid"

Page 11, delete lines 7 to 9

Page 11, delete subdivision 1

Page 11, line 17, delete "Subd. 2" and insert "Subdivision 1"

Page 11, line 18, after "payable" insert "under this section"

Page 11, line 19, after "benefits" insert "under Minnesota Statutes, section 268.115," and delete everything after "not"

Page 11, line 20, delete everything before "have" and delete "not less"

Page 11, line 21, delete "than" and insert "at least"

Page 11, line 23, after "benefits" insert "under Minnesota Statutes, section 268.115,"

Page 11, lines 25 and 30, after "benefits" insert "under this section"

Page 11, line 31, delete "section" and insert "sections" and before the period, insert "and 11"

Page 11, line 32, delete "3" and insert "2"

Page 12, line 3, delete "4" and insert "3"

Page 12, after line 5, insert:

"Sec. 11. **LEAVES OF ABSENCE.**

Minnesota Statutes, section 268.088, applies to leaves of absence taken by workers at the New Ulm location of 3M during 2009. The department must, notwithstanding any prior determination or appeal decision, redetermine an applicant's entitlement to unemployment benefits under this section.

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

Sec. 12. **SPECIAL STATE EMERGENCY UNEMPLOYMENT COMPENSATION.**

Notwithstanding the June 30, 2010, expiration date of Laws 2009, chapter 1, section 2, subdivision 4, if an applicant has received special state emergency unemployment compensation under that law for a week beginning prior to June 30, 2010, but has not exhausted the maximum amount available to the applicant under that law, the applicant may continue to receive special state emergency unemployment compensation under that law up to the applicant's determined maximum under that law. This section expires March 26, 2011, and no benefits may be paid pursuant to this section for a week beginning after that date."

Renumber the sections in sequence

Amend the title numbers accordingly

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

**Senator Marty from the Committee on Health, Housing and Family Security, to which was referred**

**S.F. No. 330:** A bill for an act relating to human services; offering supplemental hospital coverage under the MinnesotaCare program; amending Minnesota Statutes 2008, sections 256L.03, subdivisions 3, 5, by adding a subdivision; 256L.12, subdivision 6.

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

Page 2, lines 3 and 7, delete "2010" and insert "2011"

Page 2, line 16, delete "persons" and insert "enrollees"

Page 2, line 17, delete everything before "with"

Page 2, line 18, delete everything after "coverage" and insert "at renewal."

Page 2, delete lines 19 to 21

Page 2, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 2009 Supplement, section 256L.03, subdivision 5, is amended to read:

Subd. 5. **Co-payments and coinsurance.** (a) Except as provided in paragraphs (b) and (c), the MinnesotaCare benefit plan shall include the following co-payments and coinsurance requirements for all enrollees:

(1) ten percent of the paid charges for inpatient hospital services for adult enrollees, subject to an annual inpatient out-of-pocket maximum of \$1,000 per individual;

(2) \$3 per prescription for adult enrollees;

(3) \$25 for eyeglasses for adult enrollees;

(4) \$3 per nonpreventive visit. For purposes of this subdivision, a "visit" means an episode of service which is required because of a recipient's symptoms, diagnosis, or established illness, and which is delivered in an ambulatory setting by a physician or physician ancillary, chiropractor, podiatrist, nurse midwife, advanced practice nurse, audiologist, optician, or optometrist; and

(5) \$6 for nonemergency visits to a hospital-based emergency room.

(b) Paragraph (a), clause (1), does not apply to parents and relative caretakers of children under the age of 21.

(c) Paragraph (a) does not apply to pregnant women and children under the age of 21.

(d) Paragraph (a), clause (4), does not apply to mental health services.

(e) Adult enrollees with family gross income that exceeds 200 percent of the federal poverty guidelines or 215 percent of the federal poverty guidelines on or after July 1, 2009, and who are not pregnant shall be financially responsible for the coinsurance amount, if applicable, and if supplemental hospital coverage has not been purchased under subdivision 3b, amounts which exceed the \$10,000 inpatient hospital benefit limit.

(f) When a MinnesotaCare enrollee becomes a member of a prepaid health plan, or changes from one prepaid health plan to another during a calendar year, any charges submitted towards the \$10,000 annual inpatient benefit limit, and any out-of-pocket expenses incurred by the enrollee for inpatient services, that were submitted or incurred prior to enrollment, or prior to the change in health plans, shall be disregarded.

**EFFECTIVE DATE.** This section is effective January 1, 2011, or upon federal approval, whichever is later."

Page 3, line 26, delete "2010" and insert "2011"

Amend the title numbers accordingly

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

**Senator Stumpf from the Committee on Education, to which was referred**

**S.F. No. 2698:** A bill for an act relating to education; amending requirement for GRAD retakes; amending Minnesota Statutes 2009 Supplement, section 120B.30, subdivision 1.

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

Page 4, delete lines 15 to 17 and insert:

"(h) Any 12th grade student who does not achieve a passing score on an assessment required by this section must receive up to four weeks of remediation before the next testing opportunity. The student may participate in any reading retest administration beginning in October of the student's senior year."

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

**Senator Stumpf from the Committee on Education, to which was referred**

**S.F. No. 3002:** A bill for an act relating to education; establishing an advisory task force on school desegregation and integration.

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

Page 1, line 21, after "superintendents" insert ", collaborative coordinators,"

Page 2, line 6, after "superintendents" insert ", collaborative coordinators,"

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

**Senator Stumpf from the Committee on Education, to which was referred**

**S.F. No. 2757:** A bill for an act relating to education; allowing the Board of Teaching to approve innovative, research-based teacher preparation and licensure programs; amending Minnesota Statutes 2009 Supplement, section 122A.09, subdivision 4; repealing Minnesota Statutes 2008, section 122A.24.

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

Delete everything after the enacting clause and insert:

**"Section 1. [122A.245] ALTERNATIVE TEACHER PREPARATION PROGRAM AND LIMITED-TERM TEACHER LICENSE.**

Subdivision 1. **Requirements.** (a) The Board of Teaching must approve qualified teacher preparation programs under this section that are a means to acquire a two-year limited-term license and to prepare for acquiring a standard entrance license. Programs are partnerships composed of school districts or charter schools and either:

- (1) a college or university with a board-approved alternative teacher preparation program;
- (2) a nonprofit corporation formed for an education-related purpose and subject to chapter 317A with a board-approved teacher preparation program; or

(3) a board-approved teacher preparation program within a district.

(b) Prior to participation in this program, a candidate must:

(1) have a bachelor's degree with a minimum 3.0 grade point average, or have a bachelor's degree and meet other board-adopted criteria;

(2) pass the reading, writing, and mathematics skills examination under section 122A.18; and

(3) obtain qualifying scores on board-approved content area and pedagogy tests.

Subd. 2. **Characteristics.** An alternative teacher preparation program under this section must include:

(1) a minimum 200-hour instructional phase that provides intensive preparation before that person assumes classroom responsibilities;

(2) a research-based and results-oriented approach focused on best teaching practices to increase student proficiency and growth measured against state academic standards;

(3) strategies to combine pedagogy and best teaching practices to better inform teachers' classroom instruction;

(4) assessment, supervision, and evaluation of the program participant to determine the participant's specific needs throughout the program and to support the participant in successfully completing the program;

(5) intensive, ongoing, and multiyear professional learning opportunities that can accelerate initial educators' professional growth and that include developing dispositions and practices that support student learning, orientations to the workplace, a network of peer support, seminars and workshops, and mentoring focused on standards of professional practice and continual professional growth; and

(6) a requirement that program participants demonstrate to the local site team under subdivision 5 that they are making satisfactory progress toward acquiring a standard entrance license from the Board of Teaching.

Subd. 3. **Program approval.** The Board of Teaching must approve alternative teacher preparation programs under this section based on board-adopted criteria that reflect best practices for alternative teacher preparation programs consistent with this section. The board must permit licensure candidates to demonstrate licensure competencies in school-based settings and through other nontraditional means.

Subd. 4. **Employment conditions.** Where applicable, teachers with a limited-term license under this section are members of and subject to the terms of the local collective bargaining agreement between the local representative of the teachers and the school board.

Subd. 5. **Approval for standard entrance license.** A local site team that may include teachers, school administrators, postsecondary faculty, and nonprofit staff must evaluate the performance of the teacher candidate using the Minnesota State Standards of Effective Practice for Teachers established in rule and submit to the board an evaluation report recommending whether or not to issue the teacher candidate a standard entrance license.

Subd. 6. **Standard entrance license.** The Board of Teaching must issue a standard entrance license to a teacher candidate under this section who successfully performs throughout the program and is recommended for licensure under subdivision 5.

Subd. 7. **Qualified teacher.** A person with a valid limited-term license under this section is the teacher of record and a qualified teacher within the meaning of section 122A.16.

Subd. 8. **Reports.** The Board of Teaching must submit an interim report on the efficacy of this program to the house of representatives and senate committees having jurisdiction over kindergarten through grade 12 education by February 15, 2012, and a final report by February 15, 2014.

**EFFECTIVE DATE.** This section is effective August 1, 2010.

Sec. 2. **REPEALER.**

Minnesota Statutes 2008, section 122A.24, is repealed.

**EFFECTIVE DATE.** This section is effective August 1, 2010."

Delete the title and insert:

"A bill for an act relating to education; establishing an alternative teacher preparation program and limited-term teacher license; proposing coding for new law in Minnesota Statutes, chapter 122A; repealing Minnesota Statutes 2008, section 122A.24."

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

Amendments adopted. Report adopted.

**Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 3039:** A bill for an act relating to insurance; creating interstate health insurance choice; authorizing rulemaking; proposing coding for new law as Minnesota Statutes, chapter 62V.

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

Page 1, after line 4, insert:

**"ARTICLE 1**

**INTERSTATE HEALTH INSURANCE COMPETITION"**

Page 5, after line 2, insert:

**"ARTICLE 2**

**FLEXIBLE BENEFITS PLANS.**

Section 1. **[62L.0561] FLEXIBLE BENEFITS PLANS.**

Subdivision 1. **Definitions.** For the purposes of this section, the terms used in this section have the meaning defined in section 62Q.01, except that "health plan" includes individual and group coverage.

Subd. 2. **Flexible benefits plan.** Notwithstanding any provision of this chapter, chapter 363A, or any other law to the contrary, a health plan company may offer, sell, issue, and renew a health plan that is a flexible benefits plan under this section if the following requirements are satisfied:

(1) the health plan must be offered in compliance with the laws of this state, except as otherwise permitted in this section;

(2) the health plan must be designed to enable covered persons to better manage costs and coverage options through the use of co-pays, deductibles, and other cost-sharing arrangements;

(3) the health plan may modify or exclude any or all coverages of benefits that would otherwise be required by law, except for maternity benefits and other benefits required under federal law;

(4) each health plan and plan's premiums must be approved by the commissioner of health or commerce, whichever is appropriate under section 62Q.01, subdivision 2, but neither commissioner may disapprove a plan on the grounds of a modification or exclusion permitted under clause (3); and

(5) prior to sale of the health plan, the purchaser must be given a written list of the coverages otherwise required by law that are modified or excluded in the health plan. The list must include a description of each coverage in the list and indicate whether the coverage is modified or excluded. If coverage is modified, the list must describe the modification. The list may, but is not required to, also list any or all coverages otherwise required by law that are included in the health plan and indicate that they are included. The health plan company must require that a copy of this written list be provided, prior to the effective date of the health plan, to each enrollee or employee who is eligible for health coverage under the plan.

Subd. 3. **Employer health plan.** An employer may provide a health plan permitted under this section to its employees, the employees' dependents, and other persons eligible for coverage under the employer's plan, notwithstanding chapter 363A or any other law to the contrary.

**EFFECTIVE DATE.** This section is effective January 1, 2012.

Sec. 2. **REPEALER.**

Minnesota Statutes 2008, section 62L.056, is repealed.

**EFFECTIVE DATE.** This section is effective January 1, 2012."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing for flexible benefits health plans;"

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Health, Housing and Family Security. Amendments adopted. Report adopted.

**Senator Chaudhary from the Committee on Environment and Natural Resources, to which was referred**

**S.F. No. 3003:** A bill for an act relating to the environment; modifying requirements for solid waste disposal facilities; amending Minnesota Statutes 2008, section 116.07, subdivisions 4, 4h.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 116.07, subdivision 4, is amended to read:

Subd. 4. **Rules and standards.** (a) Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the Pollution Control Agency may adopt, amend and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1967, chapter 882, for the prevention, abatement, or control of air pollution. Any such rule or standard may be of general application throughout the state, or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, rules or standards may relate to sources or emissions of air contamination or air pollution, to the quality or composition of such emissions, or to the quality of or composition of the ambient air or outdoor atmosphere or to any other matter relevant to the prevention, abatement, or control of air pollution.

(b) Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the Pollution Control Agency may adopt, amend, and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1969, chapter 1046, for the collection, transportation, storage, processing, and disposal of solid waste and the prevention, abatement, or control of water, air, and land pollution which may be related thereto, and the deposit in or on land of any other material that may tend to cause pollution. The agency shall adopt such rules and standards for sewage sludge, addressing the intrinsic suitability of land, the volume and rate of application of sewage sludge of various degrees of intrinsic hazard, design of facilities, and operation of facilities and sites. Any such rule or standard may be of general application throughout the state or may



be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, rules or standards may relate to collection, transportation, processing, disposal, equipment, location, procedures, methods, systems or techniques or to any other matter relevant to the prevention, abatement or control of water, air, and land pollution which may be advised through the control of collection, transportation, processing, and disposal of solid waste and sewage sludge, and the deposit in or on land of any other material that may tend to cause pollution. By January 1, 1983, the rules for the management of sewage sludge shall include an analysis of the sewage sludge determined by the commissioner of agriculture to be necessary to meet the soil amendment labeling requirements of section 18C.215. The rules for the disposal of solid waste shall include site-specific criteria to ~~prohibit solid waste disposal~~ determine site suitability based on the area's sensitivity to groundwater contamination, including site-specific testing. The rules shall provide criteria for locating landfills based on a site's sensitivity to groundwater contamination. Sensitivity to groundwater contamination is based on the predicted minimum time of travel of groundwater contaminants from the solid waste to the compliance boundary. The rules shall prohibit landfills in areas where karst is likely to develop. The rules shall specify testable or otherwise objective thresholds for these criteria. The rules shall also include modifications to financial assurance requirements under subdivision 4h that ensure the state is protected from financial responsibility for future groundwater contamination. The financial assurance and siting modifications to the rules specified in Laws 2008, chapter 363, article 5, section 24, and this act shall not apply to:

(1) solid waste facilities initially permitted before January 1, 2011, including future contiguous expansions and noncontiguous expansions within 600 yards of a permitted boundary;

(2) solid waste disposal facilities that accept only construction and demolition debris and incidental nonrecyclable packaging, and facilities that accept only industrial waste that is limited to wood, concrete, porcelain fixtures, shingles, or window glass resulting from the manufacture of construction materials; and

(3) requirements for permit by rule solid waste disposal facilities.

(c) Until the rules under paragraph (b) are modified to include site-specific criteria to ~~prohibit areas from~~ determine site suitability for solid waste disposal due to groundwater contamination sensitivity, as required under this section, the agency shall not issue a permit for a new solid waste disposal facility, except for:

(1) the reissuance of a permit for a land disposal facility operating as of March 1, 2008;

(2) a permit to expand a land disposal facility operating as of March 1, 2008, beyond its permitted boundaries, including expansion on land that is not contiguous to, but is located within 600 yards of, the land disposal facility's permitted boundaries;

(3) a permit to modify the type of waste accepted at a land disposal facility operating as of March 1, 2008;

(4) a permit to locate a disposal facility that accepts only construction debris as defined in section 115A.03, subdivision 7;

(5) a permit to locate a disposal facility that:

(i) accepts boiler ash from an electric energy power plant that has wet scrubbed units or has units

that have been converted from wet scrubbed units to dry scrubbed units as those terms are defined in section 216B.68;

(ii) is on land that was owned on May 1, 2008, by the utility operating the electric energy power plant; and

(iii) is located within three miles of the existing ash disposal facility for the power plant; or

(6) a permit to locate a new solid waste disposal facility for ferrous metallic minerals regulated under Minnesota Rules, chapter 6130, or for nonferrous metallic minerals regulated under Minnesota Rules, chapter 6132.

(d) Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the Pollution Control Agency may adopt, amend and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1971, chapter 727, for the prevention, abatement, or control of noise pollution. Any such rule or standard may be of general application throughout the state, or may be limited as to times, places, circumstances or conditions in order to make due allowances for variations therein. Without limitation, rules or standards may relate to sources or emissions of noise or noise pollution, to the quality or composition of noises in the natural environment, or to any other matter relevant to the prevention, abatement, or control of noise pollution.

(e) As to any matters subject to this chapter, local units of government may set emission regulations with respect to stationary sources which are more stringent than those set by the Pollution Control Agency.

(f) Pursuant to chapter 14, the Pollution Control Agency may adopt, amend, and rescind rules and standards having the force of law relating to any purpose within the provisions of this chapter for generators of hazardous waste, the management, identification, labeling, classification, storage, collection, treatment, transportation, processing, and disposal of hazardous waste and the location of hazardous waste facilities. A rule or standard may be of general application throughout the state or may be limited as to time, places, circumstances, or conditions. In implementing its hazardous waste rules, the Pollution Control Agency shall give high priority to providing planning and technical assistance to hazardous waste generators. The agency shall assist generators in investigating the availability and feasibility of both interim and long-term hazardous waste management methods. The methods shall include waste reduction, waste separation, waste processing, resource recovery, and temporary storage.

(g) The Pollution Control Agency shall give highest priority in the consideration of permits to authorize disposal of diseased shade trees by open burning at designated sites to evidence concerning economic costs of transportation and disposal of diseased shade trees by alternative methods.

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

Sec. 2. Minnesota Statutes 2008, section 116.07, subdivision 4h, is amended to read:

Subd. 4h. **Financial responsibility rules.** (a) The agency shall adopt rules requiring the operator or owner of a solid waste disposal facility to submit to the agency proof of the operator's or owner's financial capability to provide reasonable and necessary response during the operating life of the facility and for a minimum of 30 years after closure for a mixed municipal solid waste disposal facility or for a minimum of 20 years after closure, as determined by agency rules, for any other solid

waste disposal facility, and to provide for the closure of the facility and postclosure care required under agency rules. Proof of financial responsibility is required of the operator or owner of a facility receiving an original permit or a permit for expansion after adoption of the rules. Within 180 days of the effective date of the rules or by July 1, 1987, whichever is later, proof of financial responsibility is required of an operator or owner of a facility with a remaining capacity of more than five years or 500,000 cubic yards that is in operation at the time the rules are adopted. Compliance with the rules and the requirements of paragraph (b) is a condition of obtaining or retaining a permit to operate the facility.

(b) A municipality, as defined in section 475.51, subdivision 2, including a sanitary district, that owns or operates a solid waste disposal facility that was in operation on May 15, 1989, may meet its financial responsibility for all or a portion of the contingency action portion of the reasonable and necessary response costs at the facility by pledging its full faith and credit to meet its responsibility.

The pledge must be made in accordance with the requirements in chapter 475 for issuing bonds of the municipality, and the following additional requirements:

(1) The governing body of the municipality shall enact an ordinance that clearly accepts responsibility for the costs of contingency action at the facility and that reserves, during the operating life of the facility and for the time period required in paragraph (a) after closure, a portion of the debt limit of the municipality, as established under section 475.53 or other law, that is equal to the total contingency action costs.

(2) The municipality shall require that all collectors that haul to the facility implement a plan for reducing solid waste by using volume-based pricing, recycling incentives, or other means.

(3) When a municipality opts to meet a portion of its financial responsibility by relying on its authority to issue bonds, it shall also begin setting aside in a dedicated long-term care trust fund money that will cover a portion of the potential contingency action costs at the facility, the amount to be determined by the agency for each facility based on at least the amount of waste deposited in the disposal facility each year, and the likelihood and potential timing of conditions arising at the facility that will necessitate response action. The agency may not require a municipality to set aside more than five percent of the total cost in a single year.

(4) A municipality shall have and consistently maintain an investment grade bond rating as a condition of using bonding authority to meet financial responsibility under this section.

(5) The municipality shall file with the commissioner of revenue its consent to have the amount of its contingency action costs deducted from state aid payments otherwise due the municipality and paid instead to the remediation fund created in section 116.155, if the municipality fails to conduct the contingency action at the facility when ordered by the agency. If the agency notifies the commissioner that the municipality has failed to conduct contingency action when ordered by the agency, the commissioner shall deduct the amounts indicated by the agency from the state aids in accordance with the consent filed with the commissioner.

(6) The municipality shall file with the agency written proof that it has complied with the requirements of paragraph (b).

(c) The method for proving financial responsibility under paragraph (b) may not be applied to a new solid waste disposal facility or to expansion of an existing facility, unless the expansion is

a vertical expansion. Vertical expansions of qualifying existing facilities cannot be permitted for a duration of longer than three years.

(d) The commissioner shall consult with the commissioner of management and budget for guidance on the forms of financial assurance that are acceptable for private owners and public owners, and in carrying out a periodic review of the adequacy of financial assurance for solid waste disposal facilities. Financial assurance rules shall allow financial mechanisms to public owners of solid waste disposal facilities that are appropriate to their status as subdivisions of the state.

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

**Sec. 3. SOLID WASTE FACILITY FINANCIAL ASSURANCE MECHANISMS; INPUT.**

Within six months after the effective date of this section, and before publishing the rules required for groundwater sensitivity and financial assurance in Minnesota Statutes, section 116.07, subdivision 4, the Pollution Control Agency shall consult with experts and interested persons on financial assurance adequacy for solid waste facilities, including, but not limited to, staff from the Department of Natural Resources, Minnesota Management and Budget, local governments, private and public landfill operators, and environmental groups. The commissioner shall seek the input to determine the adequacy of existing financial assurance rules to address environmental risks, the length of time financial assurance is needed, based on the threat to human health and the environment, the reliability of financial assurance in covering risks from land disposal of waste in Minnesota and other states, and the role of private insurance.

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

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing exceptions for certain facilities;"

Amend the title numbers accordingly

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

**Senator Chaudhary from the Committee on Environment and Natural Resources, to which was referred**

**S.F. No. 2604:** A bill for an act relating to solid waste; amending mercury testing requirements for certain new incinerator units; amending Minnesota Statutes 2008, section 116.85, subdivision 1a.

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

**Senator Chaudhary from the Committee on Environment and Natural Resources, to which was re-referred**

**S.F. No. 2625:** A bill for an act relating to veterans; expanding eligibility of disabled veterans for a free annual state park permit; amending Minnesota Statutes 2009 Supplement, section 85.053, subdivision 10.

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

**Senator Chaudhary from the Committee on Environment and Natural Resources, to which was referred**

**S.F. No. 2991:** A bill for an act relating to solid waste; amending Minnesota's waste management hierarchy; amending Minnesota Statutes 2008, section 115A.02.

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

Page 1, line 22, delete "and" and insert ", including but not limited to," and reinstate the stricken language

Page 1, line 23, reinstate the stricken language

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

**Senator Chaudhary from the Committee on Environment and Natural Resources, to which was referred**

**S.F. No. 3210:** A bill for an act relating to natural resources; modifying provisions for wetland value replacement plans; amending Minnesota Statutes 2008, section 103G.2242, subdivisions 2a, 9, by adding a subdivision.

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

**Senator Chaudhary from the Committee on Environment and Natural Resources, to which was referred**

**S.F. No. 2841:** A bill for an act relating to environment; modifying petroleum tank release provisions; amending Minnesota Statutes 2008, sections 13.7411, subdivision 6; 115C.02, subdivision 14, by adding a subdivision; 115C.07, subdivision 3; 514.671, subdivision 5.

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

Page 2, line 13, delete everything after "to" and insert "rules of the board,"

Page 2, line 14, delete everything after "in" and insert "appropriate rules of the board"

Page 2, line 15, delete everything before "to reflect"

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

**Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 2962:** A bill for an act relating to insurance; regulating the sale and termination of portable electronics insurance; amending Minnesota Statutes 2008, sections 60K.36, subdivision 2; 60K.38, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 59D.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 60K.36, subdivision 2, is amended to read:

Subd. 2. **Examination not required.** A resident individual applying for a limited lines credit insurance, title insurance, travel baggage insurance, ~~mobile telephone insurance~~, or bail bonds license is not required to take a written examination.

Sec. 2. Minnesota Statutes 2008, section 60K.38, subdivision 1, is amended to read:

Subdivision 1. **Issuance.** (a) Unless denied a license under section 60K.43, a person who has met the requirements of sections 60K.36 and 60K.37 must be issued an insurance producer license. An insurance producer may receive qualification for a license in one or more of the lines of authority in paragraphs (b) and (c).

(b) An individual insurance producer may receive qualification for a license in one or more of the following major lines:

(1) life insurance: coverage on human lives including benefits of endowment and annuities, and may include benefits in the event of death or dismemberment by accident and benefits for disability income;

(2) accident and health or sickness insurance: coverage for sickness, bodily injury, or accidental death, and may include benefits for disability income;

(3) property insurance: coverage for the direct or consequential loss or damage to property of every kind;

(4) casualty insurance: coverage against legal liability, including that for death, injury, or disability, or damage to real or personal property;

(5) variable life and variable annuity products insurance: coverage provided under variable life insurance contracts and variable annuities; and

(6) personal lines: property and casualty insurance coverage sold to individuals and families for primarily noncommercial purposes.

(c) An individual insurance producer may receive qualification for a license in one or more of the following limited lines:

(1) limited line credit insurance;

(2) farm property and liability insurance;

(3) title insurance;

(4) travel baggage insurance; and

~~(5) mobile telephone insurance; and~~

~~(6) (5) bail bonds.~~

Sec. 3. [60K.381] SALE OF PORTABLE ELECTRONICS INSURANCE.

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

(a) "Customer" means a person who purchases portable electronics or services.

(b) "Covered customer" means a customer who elects coverage under a portable electronics insurance policy issued to a vendor of portable electronics.

(c) "Portable electronics" means electronic devices that are portable in nature, their accessories, and services related to the use of the device.

(d)(1) "Portable electronics insurance" means insurance providing coverage for the repair or replacement of portable electronics, which may cover portable electronics against any one or more of the following causes of loss: loss, theft, mechanical failure, malfunction, damage, or other applicable perils.

(2) "Portable electronics insurance" does not include:

(i) a service contract governed by chapter 59B;

(ii) a policy of insurance covering a seller's or a manufacturer's obligations under a warranty; or

(iii) a homeowner's, renter's, private passenger automobile, commercial multiperil, or similar policy that covers loss or theft of portable electronics.

(e) "Portable electronics transaction" means:

(1) the sale or lease of portable electronics by a vendor to a customer; or

(2) the sale of a service related to the use of portable electronics by a vendor to a customer.

(f) "Supervising agency" means a business entity that is a licensed insurance producer.

(g) "Vendor" means a business entity in the business of engaging in portable electronics transactions, directly or indirectly.

Subd. 2. **Licensure of vendors.** (a) A vendor is required to hold a limited lines license issued under this section to sell or offer coverage under a policy of portable electronics insurance in connection with, and incidental to, a portable electronics transaction with a customer.

(b) A limited lines license issued under this section shall authorize any employee or authorized representative of the vendor to sell or offer coverage under a policy of portable electronics insurance to a customer in connection with, and incidental to, a portable electronics transaction at each location at which the vendor engages in portable electronics transactions. The application for such a limited lines license shall set forth each location at which the vendor offers coverage under a policy of portable electronics insurance. The vendor shall notify the commissioner within 30 days of adding or eliminating such a location.

(c) Notwithstanding any other provision of law, a license issued pursuant to this section shall authorize the licensee and its employees or authorized representatives to engage only in those activities that are expressly permitted in this section.

Subd. 3. **Requirements for sale of portable electronics insurance.** (a) At every location where

portable electronics insurance is offered to customers, brochures, or other written materials must be made available to a prospective customer which:

(1) disclose that portable electronics insurance may provide a duplication of coverage already provided by a customer's homeowner's insurance policy, renter's insurance policy, or other source of coverage;

(2) state that the enrollment by the customer in a portable electronics insurance program is not required in order to purchase or lease portable electronics or services;

(3) summarize the material terms of the insurance coverage, including:

(i) the identity of the insurer;

(ii) the identity of the supervising agency;

(iii) the amount of any applicable deductible and how it is to be paid;

(iv) benefits of the coverage;

(v) the terms for terminating or modifying coverage as set forth in the policy of portable electronics insurance; and

(vi) any material exclusions, conditions, or other limitations of coverage including whether portable electronics may be repaired or replaced with similar make and model reconditioned or nonoriginal manufacturer parts or equipment;

(4) describe the process for filing a claim, including a description of any requirements:

(i) to return portable electronics and the maximum fee applicable in the event the customer fails to comply with any equipment return requirements; and

(ii) any proof of loss requirements; and

(5) state that the customer may cancel enrollment for coverage under a portable electronics insurance policy at any time and any unearned premium will be refunded on a pro rata basis.

(b) Portable electronics insurance may be offered on a month to month or other periodic basis as a group or master commercial inland marine policy issued to a vendor of portable electronics under which individual customers may elect to enroll for coverage.

(c) Notwithstanding any other provision of Minnesota law regarding the termination or modification of coverage under a policy of insurance, the terms for the termination or modification of coverage under a policy of portable electronics insurance issued in compliance with this chapter shall be as set forth in the policy.

(d) Eligibility and underwriting standards for customers electing to enroll in coverage shall be established for each portable electronics insurance program.

Subd. 4. **Authority of vendors of portable electronics.** (a) The employees and authorized representatives of vendors may sell or offer portable electronics insurance to customers and shall not be subject to licensure as an insurance producer under this chapter provided that:

(1) the vendor obtains a limited lines license to authorize its employees or authorized



representatives to sell or offer portable electronics insurance pursuant to this section;

(2) the insurer issuing the portable electronics insurance appoints a supervising agency to supervise the administration of the program including development of a training program for employees and authorized representatives of the vendors. The training required by this subdivision shall comply with the following:

(i) the training shall be delivered to all employees and authorized representatives of the vendors who sell or offer portable electronics insurance;

(ii) the training may be provided in electronic form. However, if conducted in an electronic form, the supervising agency shall implement a program of in-person training conducted by licensed employees of the supervising agency to supplement the electronic training; and

(iii) each employee and authorized representative shall receive basic instruction about the portable electronics insurance offered to customers and the disclosures required under subdivision 3 of this section; and

(3) no employee or authorized representative of a vendor of portable electronics shall advertise, represent, or otherwise hold himself or herself out as a non-limited lines licensed insurance producer.

(b) The charges for insurance coverage may be billed and collected by the vendor of portable electronics. If billed and collected by the vendor, the charges shall be separately itemized from the charges for the purchase or lease of portable electronics or services. Vendors billing and collecting such charges shall not be required to maintain such funds in a segregated account provided that the vendor is authorized by the insurer to hold such funds in an alternative manner and remits such amounts to the supervising agency within 60 days of receipt. All funds received by a vendor from a customer for the sale of portable electronics insurance shall be considered funds held by the vendor in a fiduciary capacity for the benefit of the insurer. Vendors may receive compensation for billing and collection services.

Sec. 4. Minnesota Statutes 2009 Supplement, section 60K.55, subdivision 2, is amended to read:

Subd. 2. **Licensing fees.** (a) In addition to fees provided for examinations and the technology surcharge required under paragraph (d), each insurance producer licensed under this chapter shall pay to the commissioner a fee of:

(1) \$50 for an initial life, accident and health, property, or casualty license issued to an individual insurance producer, and a fee of \$50 for each renewal;

(2) \$50 for an initial variable life and variable annuity license issued to an individual insurance producer, and a fee of \$50 for each renewal;

(3) \$50 for an initial personal lines license issued to an individual insurance producer, and a fee of \$50 for each renewal;

(4) \$50 for an initial limited lines license issued to an individual insurance producer, and a fee of \$50 for each renewal;

(5) \$200 for an initial license issued to a business entity, and a fee of \$200 for each renewal; ~~and~~

(6) \$500 for an initial surplus lines license, and a fee of \$500 for each renewal; and

(7) \$5,000 for an initial portable electronics insurance limited lines license under section 60K.381, and a fee of \$1,000 for each renewal.

(b) Initial licenses issued to a business entity under this chapter and section 60K.381 are valid for a period not to exceed 24 months and expire on October 31 of the renewal year assigned by the commissioner. Initial licenses issued to an individual insurance producer under this chapter before August 1, 2010, are valid for a period not to exceed 24 months and expire on October 31 of the renewal year assigned by the commissioner. Each individual license initially issued or renewed on or after August 1, 2010, expires on the last day of the birth month of the producer in the year that will result in the term of the license being at least 12 months, but no more than 24 months. Beginning with the first license expiration on the last day of the birth month of an individual producer as set forth in this paragraph, all such licenses must after this date expire biennially on the last day of the birth month of the individual producer that is two years subsequent to the preceding expiration date. Each renewal insurance producer license is valid for a period of 24 months.

(c) All fees are nonreturnable, except that an overpayment of any fee may be refunded upon proper application.

(d) In addition to the fees required under paragraph (a), individual insurance producers shall pay, for each initial license and renewal, a technology surcharge of up to \$40 under section 45.24, unless the commissioner has adjusted the surcharge as permitted under that section."

Amend the title numbers accordingly

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

**Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 2704:** A bill for an act relating to commerce; regulating nonrecourse civil litigation funding transactions; proposing coding for new law as Minnesota Statutes, chapter 80G.

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

Page 1, line 13, delete "individual or"

Page 2, line 19, delete "may" and insert "shall"

Page 3, line 4, delete "\$..... annually" and insert "\$1,000 for the initial year of registration and \$500 per year thereafter"

Page 4, line 30, after the period, insert "You understand and agree that the funds received from this nonrecourse civil litigation funding must not be used to pay for litigation costs related to your underlying legal claim."

Page 5, line 18, delete "Upon written request of a non-English speaking consumer."

Page 5, line 19, after the first "in" insert "both English and"

Page 6, after line 4, insert:

"(f) The amount to be paid under the contract to the civil litigation funding company may not be determined as a percentage of the recovery from the underlying claim but shall be set as a contractually determined amount based upon intervals of time from the funding date through the recovery date."

Page 6, line 7, after "COMMISSIONER'S" insert "ENFORCEMENT" and delete "AND DUTIES"

Page 6, delete subdivisions 1 and 2 and insert:

"The commissioner may take action that is necessary or appropriate to enforce the provisions of this chapter and the commissioner's rules and orders and to protect consumers in this state. The commissioner has the enforcement authority in chapter 45 available to enforce the provisions of this chapter and any rules adopted under it."

Amend the title numbers accordingly

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

**Senator Metzen from the Committee on Business, Industry and Jobs, to which were referred the following appointments:**

**WORKERS' COMPENSATION COURT OF APPEALS**

William R. Pederson

David Stofferahn

Debra Wilson

Reports the same back with the recommendation that the appointments be confirmed.

Senator Pogemiller moved that the foregoing committee report be laid on the table. The motion prevailed.

**SECOND READING OF SENATE BILLS**

S.F. Nos. 2789, 2790, 2788, 3051, 3080, 3081, 3046, 3126, 2862, 2614, 2469, 2339, 2707, 2322, 2430, 3147, 2875, 2935, 2796, 2690, 2738, 2957, 160, 3107, 2762, 3123, 2764, 3003, 2604, 2625 and 2991 were read the second time.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time.

**Senators Skogen, Stumpf, Saxhaug, Robling and Bonoff introduced—**

**S.F. No. 3261:** A bill for an act relating to libraries; adjusting the distribution of basic regional library system support; amending Minnesota Statutes 2008, section 134.355, subdivision 2, by adding a subdivision.

Referred to the Committee on Finance.

**Senator Lourey introduced—**

**S.F. No. 3262:** A bill for an act relating to taxes; authorizing the city of Cloquet to impose a local sales tax.

Referred to the Committee on Taxes.

**Senator Gimse introduced—**

**S.F. No. 3263:** A bill for an act relating to human services; modifying ICF/MR variable payment rates; appropriating money; amending Minnesota Statutes 2009 Supplement, section 256B.5012, subdivision 8.

Referred to the Committee on Finance.

**Senator Ortman introduced—**

**S.F. No. 3264:** A bill for an act relating to traffic regulations; authorizing Department of Transportation to tow vehicles within metropolitan district; amending Minnesota Statutes 2008, section 169.041, by adding a subdivision.

Referred to the Committee on Transportation.

**Senator Erickson Ropes introduced—**

**S.F. No. 3265:** A bill for an act relating to higher education; reorganizing the Minnesota State Colleges and Universities; adjusting salaries; establishing a central office; increasing the age for free classes; amending Minnesota Statutes 2008, sections 15A.081, subdivision 7c; 135A.51, subdivision 2; 136F.40, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 136F; repealing Minnesota Statutes 2008, section 136F.31.

Referred to the Committee on Finance.

**Senator Hann introduced—**

**S.F. No. 3266:** A bill for an act relating to education finance; statutorily establishing the state aid payment shift and the property tax recognition shift; clarifying the repayment of the shift; amending Minnesota Statutes 2008, sections 123B.75, subdivision 5; 127A.441; 127A.45, subdivisions 2, 3, 13, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 16A.152, subdivision 2.

Referred to the Committee on Finance.

**Senator Hann introduced—**

**S.F. No. 3267:** A bill for an act relating to health insurance; requiring guaranteed issue in the individual market; requiring MCHA to reinsure ceded risk on certain health plans; ending additional enrollment in MCHA; amending Minnesota Statutes 2008, sections 62A.65, subdivision

2, by adding a subdivision; 62E.10, subdivision 7; 62E.11, subdivision 1; 62E.14, subdivision 1; repealing Minnesota Statutes 2008, section 62A.65, subdivision 6.

Referred to the Committee on Commerce and Consumer Protection.

**Senator Hann introduced—**

**S.F. No. 3268:** A bill for an act relating to gambling; prohibiting class III gambling in Minnesota; repealing Minnesota Statutes 2008, section 3.9221.

Referred to the Committee on State and Local Government Operations and Oversight.

**Senators Fischbach, Gimse and Koch introduced—**

**S.F. No. 3269:** A bill for an act relating to property taxation; repealing changes to the green acres program and agricultural classifications made in 2008 and 2009; amending Minnesota Statutes 2009 Supplement, sections 273.111, subdivisions 3, 11a; 273.13, subdivision 23; repealing Minnesota Statutes 2008, sections 273.111, subdivisions 8, 11; 273.1384, subdivision 2; Minnesota Statutes 2009 Supplement, sections 273.1108; 273.111, subdivisions 3a, 4, 9; 273.114; Laws 2008, chapter 366, article 6, section 52.

Referred to the Committee on Taxes.

**Senator Skoe introduced—**

**S.F. No. 3270:** A bill for an act relating to human services; increasing the daily rate for an intermediate care facility; appropriating money.

Referred to the Committee on Finance.

**Senators Frederickson and Rosen introduced—**

**S.F. No. 3271:** A bill for an act relating to education; permitting a fund transfer for ISD No. 837, Madelia.

Referred to the Committee on Finance.

**Senators Erickson Ropes, Anderson and Frederickson introduced—**

**S.F. No. 3272:** A bill for an act relating to public health; establishing a work group to design a plan to monitor air and groundwater emissions from the Prairie Island nuclear plant; contracting for design of a monitoring network to measure thermal discharges from the Prairie Island nuclear plant; requiring reports; appropriating money.

Referred to the Committee on Energy, Utilities, Technology and Communications.

**Senators Tomassoni, Kelash, Metzen and Dibble introduced—**

**S.F. No. 3273:** A bill for an act relating to housing; authorizing the sale and issuance of challenge program bonds for affordable housing and permanent supportive housing purposes;

amending Minnesota Statutes 2008, section 462A.21, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462A.

Referred to the Committee on Health, Housing and Family Security.

**Senators Vickerman, Fobbe, Skogen, Erickson Ropes and Murphy introduced—**

**S.F. No. 3274:** A bill for an act relating to state lottery; directing the lottery to develop a special scratch lottery game to benefit Minnesota veterans, members of the military, and their families; amending Minnesota Statutes 2008, section 349A.10, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 349A.

Referred to the Committee on Agriculture and Veterans.

**Senators Anderson, Saxhaug, Frederickson, Kubly and Chaudhary introduced—**

**S.F. No. 3275:** A bill for an act relating to environment finance; requiring long-range land management budgeting of the Department of Natural Resources.

Referred to the Committee on Finance.

**Senator Ortman introduced—**

**S.F. No. 3276:** A resolution memorializing the Minnesota congressional delegation to vote against the federal health care reform bill.

Referred to the Committee on Health, Housing and Family Security.

**Senator Sieben introduced—**

**S.F. No. 3277:** A bill for an act relating to environment; prohibiting permitting of commercial hazardous waste incineration facilities; amending Minnesota Statutes 2008, section 115A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 115A.

Referred to the Committee on Environment and Natural Resources.

**Senator Ingebrigtsen introduced—**

**S.F. No. 3278:** A bill for an act relating to conciliation court; increasing the limit for claims that may be filed; amending Minnesota Statutes 2008, section 491A.01, subdivision 3.

Referred to the Committee on Judiciary.

**Senator Ingebrigtsen introduced—**

**S.F. No. 3279:** A bill for an act relating to licenses, certificates, and registrations.

Referred to the Committee on Business, Industry and Jobs.

**Senator Fischbach, by request, introduced—**

**S.F. No. 3280:** A bill for an act relating to state government finance; appropriating and transferring money and supplementing or reducing appropriations for the Departments of Health and Human Services, health-related boards, Emergency Medical Services Board, Council on Disabilities, ombudsman for mental health and developmental disabilities, and ombudsperson for families; establishing, regulating, or modifying health care services programs, continuing care services, children and family services, and Department of Health provisions; establishing a health information exchange; imposing fees and civil penalties; authorizing rulemaking; requiring reports; amending Minnesota Statutes 2008, sections 62J.04, subdivision 3; 62J.17, subdivision 4a; 62J.692, subdivision 4; 119B.011, subdivision 15; 119B.13, subdivision 1; 150A.22; 214.40, subdivision 7; 256.969, subdivision 27; 256B.0625, subdivision 39; 256B.0915, subdivision 3b; 256B.434, by adding a subdivision; 256B.48, subdivision 1; 256B.5012, by adding a subdivision; 256B.76, subdivision 4; 256D.045; 256D.05, subdivision 1; 256D.07; 256D.10; 256D.47; 256I.04, subdivision 1; 256J.13, subdivision 1; 256J.20, subdivision 3; 256J.21, subdivision 2; 256J.24, subdivisions 3, 4; 256J.28, by adding a subdivision; 256J.37, subdivisions 3a, 9; 256L.04, subdivision 7; 256L.05, subdivision 5; 256L.07, subdivision 1; 256L.12, subdivision 9; 256L.15, subdivision 2; 257.75, subdivision 7; 297F.10, subdivision 1; 517.08, subdivision 1c; Minnesota Statutes 2009 Supplement, sections 62J.495, subdivisions 1a, 3; 157.16, subdivision 3; 252.025, subdivision 7; 256.969, subdivisions 2b, 3a; 256B.0651, subdivision 1; 256B.0653, subdivisions 2, 6; 256B.0915, subdivision 3a; 256B.0947, subdivision 1; 256B.199; 256D.01, subdivision 1b; 256D.03, subdivision 4; 256D.44, subdivision 5; 256J.575, subdivision 3; 327.15, subdivision 3; Laws 2009, chapter 79, article 3, section 18; article 13, sections 3, subdivisions 1, as amended, 3, as amended, 4, as amended, 8, as amended; 5, subdivision 8, as amended; proposing coding for new law in Minnesota Statutes, chapters 62J; 256D; repealing Minnesota Statutes 2008, sections 62J.17, subdivisions 1, 3, 5a, 6a, 8; 62J.321, subdivision 5a; 62J.381; 62J.41, subdivisions 1, 2; 256.742; 256.969, subdivision 26; 256.979, subdivision 8; 256D.06, subdivision 2; 256D.46; Minnesota Statutes 2009 Supplement, section 256B.0653, subdivision 5; Minnesota Rules, parts 9500.1200; 9500.1202; 9500.1206, subparts 1, 1a, 2, 3, 4a, 4b, 5, 5a, 6, 6a, 6b, 7a, 7b, 8, 8a, 9, 9a, 9b, 11, 11a, 12, 12a, 12b, 12c, 12d, 12e, 12f, 12g, 12h, 12k, 13a, 14, 14a, 15, 15a, 15b, 15c, 15d, 16a, 17, 18, 18a, 18b, 18c, 18d, 19a, 19b, 21, 22a, 22b, 23, 23a, 24, 24a, 24b, 25, 25a, 25b, 25c, 25d, 25e, 25f, 26, 26b, 26c, 28a, 28b, 28c, 28d, 28e, 29, 29a, 29b, 30, 32, 32b, 32c, 32d, 32e, 32f, 33; 9500.1211; 9500.1213; 9500.1215; 9500.1219, subparts 1, 2, 3, 4; 9500.1221; 9500.1223, subparts 1, 2, 3, 5; 9500.1225; 9500.1226, subparts 1, 5, 6, 7, 8, 9; 9500.1231; 9500.1232, subpart 4; 9500.1233, subparts 1, 2, 3, 5; 9500.1237, subparts 1, 2, 4, 6; 9500.1239; 9500.1243; 9500.1245, subparts 1, 2, 3, 4, 5, 6, 7; 9500.1248, subpart 3; 9500.1250; 9500.1254, subparts 1, 2, 4, 5, 6, 7; 9500.1259, subparts 2, 3, 4; 9500.1261; 9500.1272.

Referred to the Committee on Finance.

**Senator Pogemiller introduced—**

**S.F. No. 3281:** A bill for an act relating to taxation; providing for use of tax increment from the Homeless Assistance Tax Increment District in the city of Minneapolis; amending Laws 2006, chapter 259, article 10, section 14, subdivision 3.

Referred to the Committee on Taxes.

**MOTIONS AND RESOLUTIONS**

Senator Sieben moved that her name be stricken as a co-author to S.F. No. 2752. The motion prevailed.

Senator Torres Ray moved that the name of Senator Erickson Ropes be added as a co-author to S.F. No. 3009. The motion prevailed.

Senator Vickerman moved that the name of Senator Erickson Ropes be added as a co-author to S.F. No. 3165. The motion prevailed.

Senator Torres Ray moved that the name of Senator Erickson Ropes be added as a co-author to S.F. No. 3183. The motion prevailed.

Senator Foley moved that the name of Senator Erickson Ropes be added as a co-author to S.F. No. 3194. The motion prevailed.

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

Senator Marty moved that the name of Senator Erickson Ropes be added as a co-author to S.F. No. 3211. The motion prevailed.

Senator Kubly moved that the name of Senator Rosen be added as a co-author to S.F. No. 3228. The motion prevailed.

Senator Lourey moved that S.F. No. 2639, No. 57 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

**Senator Erickson Ropes introduced –**

**Senate Resolution No. 160:** A Senate resolution honoring Dr. Judy Gernander, a devoted educator, upon her retirement from Winona State University.

Referred to the Committee on Rules and Administration.

**Senator Johnson introduced –**

**Senate Resolution No. 161:** A Senate resolution congratulating Greg Simmons of Andover, Minnesota, for receiving the Eagle Award.

Referred to the Committee on Rules and Administration.

Remaining on the Order of Business of Motions and Resolutions, Senator Pogemiller moved that the Senate take up the Consent Calendar. The motion prevailed.

**CONSENT CALENDAR**

**S.F. No. 3026:** A bill for an act relating to veterans; repealing authorization for a license plate;



repealing Minnesota Statutes 2008, section 168.1251.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Koch	Olson, M.	Senjem
Bakk	Fischbach	Koering	Ortman	Sheran
Berglin	Fobbe	Kubly	Pappas	Sieben
Betzold	Foley	Langseth	Pariseau	Skoe
Bonoff	Frederickson	Latz	Parry	Skogen
Carlson	Gerlach	Limmer	Pogemiller	Sparks
Chaudhary	Gimse	Lourey	Prettner Solon	Stumpf
Clark	Hann	Lynch	Rest	Tomassoni
Cohen	Higgins	Marty	Robling	Torres Ray
Dahle	Ingebrigtsen	Metzen	Rosen	Vanderveer
Dibble	Johnson	Michel	Rummel	Vickerman
Dille	Jungbauer	Moua	Saltzman	Wiger
Doll	Kelash	Olson, G.	Saxhaug	

So the bill passed and its title was agreed to.

**S.F. No. 3167:** A bill for an act relating to local government; providing for town meeting minutes; amending Minnesota Statutes 2008, section 365.55.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Koch	Olson, M.	Senjem
Bakk	Fischbach	Koering	Ortman	Sheran
Berglin	Fobbe	Kubly	Pappas	Sieben
Betzold	Foley	Langseth	Parry	Skoe
Bonoff	Frederickson	Latz	Pogemiller	Skogen
Carlson	Gerlach	Limmer	Prettner Solon	Sparks
Chaudhary	Gimse	Lourey	Rest	Stumpf
Clark	Hann	Lynch	Robling	Tomassoni
Cohen	Higgins	Marty	Rosen	Torres Ray
Dahle	Ingebrigtsen	Metzen	Rummel	Vanderveer
Dibble	Johnson	Michel	Saltzman	Vickerman
Dille	Jungbauer	Moua	Saxhaug	Wiger
Doll	Kelash	Olson, G.	Scheid	

So the bill passed and its title was agreed to.

## MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Senator Pogemiller moved

that the Senate take up the General Orders Calendar. The motion prevailed.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Senator Metzen in the chair.

After some time spent therein, the committee arose, and Senator Metzen reported that the committee had considered the following:

**H.F. No. 3108**, which the committee recommends to pass, subject to the following motions:

Senator Sieben moved that the amendment made to H.F. No. 3108 by the Committee on Rules and Administration in the report adopted March 18, 2010, pursuant to Rule 45, be stricken. The motion prevailed. So the amendment was stricken.

Senator Sieben moved to amend H.F. No. 3108 as follows:

Page 41, after line 20, insert:

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

Page 41, after line 26, insert:

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

The motion prevailed. So the amendment was adopted.

**H.F. No. 3111**, which the committee recommends to pass, subject to the following motion:

Senator Sieben moved that the amendment made to H.F. No. 3111 by the Committee on Rules and Administration in the report adopted March 11, 2010, pursuant to Rule 45, be stricken. The motion prevailed. So the amendment was stricken.

On motion of Senator Pogemiller, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

### MEMBERS EXCUSED

Senators Murphy and Olseen were excused from the Session of today. Senator Scheid was excused from the Session of today from 11:00 to 11:25 a.m.

**ADJOURNMENT**

Senator Pogemiller moved that the Senate do now adjourn until 11:00 a.m., Thursday, March 18, 2010. The motion prevailed.

Peter S. Wattson, Secretary of the Senate (Legislative)

