

**FORTY-FIRST DAY**

St. Paul, Minnesota, Thursday, April 14, 2011

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

**CALL OF THE SENATE**

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

Prayer was offered by the Chaplain, Major Philip A. Winn, Jr.

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

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

Bakk	Gazelka	Koch	Newman	Sheran
Benson	Gerlach	Kruse	Nienow	Sieben
Berglin	Gimse	Kubly	Olson	Skoe
Bonoff	Goodwin	Langseth	Ortman	Sparks
Brown	Hall	Latz	Pappas	Thompson
Carlson	Hann	Lillie	Parry	Torres Ray
Chamberlain	Harrington	Limmer	Pederson	Vandever
Cohen	Higgins	Lourey	Pogemiller	Wiger
Dahms	Hoffman	Magnus	Rest	Wolf
Daley	Howe	Marty	Robling	
DeKruif	Ingebrigtsen	Michel	Rosen	
Dibble	Jungbauer	Miller	Saxhaug	
Fischbach	Kelash	Nelson	Senjem	

The President declared a quorum present.

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

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received.

March 17, 2011

The Honorable Michelle L. Fischbach  
President of the Senate

Dear Senator Fischbach:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

**BOARD OF ANIMAL HEALTH**

Steven Brake, 12171 Erickson Ave., Wilmont, in the county of Nobles, effective March 21, 2011, for a term expiring on January 5, 2015.

Dean Compart, 40750 – 441st Ave., Nicollet, in the county of Nicollet, effective March 14, 2011, for a term expiring on January 5, 2015.

(Referred to the Committee on Agriculture and Rural Economies.)

April 12, 2011

The Honorable Michelle L. Fischbach  
President of the Senate

Dear Senator Fischbach:

The enclosed Notaries Public for 2010 are hereby respectfully submitted to the Senate for confirmation as required by Article V, Section 3, of the Minnesota Constitution.

Sincerely,  
Mark Dayton, Governor

Senator Koch moved that the appointments of Notaries Public be laid on the table. The motion prevailed.

**MESSAGES FROM THE HOUSE**

Madam President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

**Senate Concurrent Resolution No. 6:** A Senate concurrent resolution relating to adjournment for more than three days.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 11, 2011

Madam President:

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

**S.F. No. 56:** A bill for an act relating to education; providing school district budget relief;

amending Minnesota Statutes 2010, section 126C.44; repealing Minnesota Statutes 2010, sections 122A.61; 123B.05.

Senate File No. 56 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 11, 2011

Senator Thompson moved that the Senate do not concur in the amendments by the House to S.F. No. 56, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Madam President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 5 members of the House, on the amendments adopted by the House to the following Senate File:

**S.F. No. 760:** A bill for an act relating to state government; establishing the health and human services budget; modifying provisions related to continuing care, chemical and mental health, children and family services, human services licensing, health care programs, the Department of Health, and health licensing boards; appropriating money to the departments of health and human services and other health-related boards and councils; making forecast adjustments; requiring reports; imposing fees; imposing criminal penalties; amending Minnesota Statutes 2010, sections 8.31, subdivisions 1, 3a; 62E.14, by adding a subdivision; 62J.04, subdivision 3; 62J.17, subdivision 4a; 62J.692, subdivisions 4, 7; 103I.005, subdivisions 2, 8, 12, by adding a subdivision; 103I.101, subdivisions 2, 5; 103I.105; 103I.111, subdivision 8; 103I.205, subdivision 4; 103I.208, subdivision 2; 103I.501; 103I.531, subdivision 5; 103I.535, subdivision 6; 103I.641; 103I.711, subdivision 1; 103I.715, subdivision 2; 119B.011, subdivision 13; 119B.09, subdivision 10, by adding subdivisions; 119B.125, by adding a subdivision; 119B.13, subdivisions 1, 1a, 7; 144.125, subdivisions 1, 3; 144.128; 144.396, subdivisions 5, 6; 145.925, subdivision 1; 145.928, subdivisions 7, 8; 148.108, by adding a subdivision; 148.191, subdivision 2; 148.212, subdivision 1; 148.231; 151.07; 151.101; 151.102, by adding a subdivision; 151.12; 151.13, subdivision 1; 151.19; 151.25; 151.47, subdivision 1; 151.48; 152.12, subdivision 3; 245A.10, subdivisions 1, 3, 4, by adding subdivisions; 245A.11, subdivision 2b; 245A.143, subdivision 1; 245C.10, by adding a subdivision; 254B.03, subdivision 4; 254B.04, by adding a subdivision; 254B.06, subdivision 2; 256.01, subdivisions 14, 24, 29, by adding a subdivision; 256.969, subdivision 2b; 256B.04, subdivision 18; 256B.056, subdivisions 1a, 3; 256B.057, subdivision 9; 256B.06, subdivision 4; 256B.0625, subdivisions 8, 8a, 8b, 8c, 12, 13e, 17, 17a, 18, 19a, 25, 31a, by adding subdivisions; 256B.0651, subdivision 1; 256B.0652, subdivision 6; 256B.0653, subdivisions 2, 6; 256B.0911, subdivision 3a; 256B.0913, subdivision 4; 256B.0915, subdivisions 3a, 3b, 3e, 3h, 6, 10; 256B.14, by adding a subdivision; 256B.431, subdivisions 2r, 32, 42, by adding a subdivision; 256B.437, subdivision 6; 256B.441, subdivisions 50a, 59; 256B.48, subdivision 1; 256B.49, subdivision 16a; 256B.69, subdivisions 4, 5a, by adding a subdivision; 256B.76, subdivision 4; 256D.02, subdivision 12a; 256D.031, subdivisions 6, 7, 9; 256D.44, subdivision 5; 256D.47; 256D.49, subdivision 3; 256E.30, subdivision 2; 256E.35, subdivisions 5, 6; 256J.12, subdivisions 1a, 2; 256J.37, by adding a subdivision; 256J.38, subdivision 1; 256L.04, subdivision 7; 256L.05, by adding a subdivision;

256L.11, subdivision 7; 256L.12, subdivision 9; 297F.10, subdivision 1; 393.07, subdivision 10; 402A.10, subdivisions 4, 5; 402A.15; 518A.51; Laws 2008, chapter 363, article 18, section 3, subdivision 5; Laws 2010, First Special Session chapter 1, article 15, section 3, subdivision 6; article 25, section 3, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 1; 145; 148; 151; 214; 256; 256B; 256L; proposing coding for new law as Minnesota Statutes, chapter 256N; repealing Minnesota Statutes 2010, sections 62J.17, subdivisions 1, 3, 5a, 6a, 8; 62J.321, subdivision 5a; 62J.381; 62J.41, subdivisions 1, 2; 103I.005, subdivision 20; 144.1464; 144.147; 144.1487; 144.1488, subdivisions 1, 3, 4; 144.1489; 144.1490; 144.1491; 144.1499; 144.1501; 144.6062; 145.925; 145A.14, subdivisions 1, 2a; 245A.10, subdivision 5; 256.979, subdivisions 5, 6, 7, 10; 256.9791; 256B.055, subdivision 15; 256B.0625, subdivision 8e; 256B.0653, subdivision 5; 256B.0756; 256D.01, subdivisions 1, 1a, 1b, 1e, 2; 256D.03, subdivisions 1, 2, 2a; 256D.031, subdivisions 5, 8; 256D.05, subdivisions 1, 2, 4, 5, 6, 7, 8; 256D.0513; 256D.053, subdivisions 1, 2, 3; 256D.06, subdivisions 1, 1b, 2, 5, 7, 8; 256D.09, subdivisions 1, 2, 2a, 2b, 5, 6; 256D.10; 256D.13; 256D.15; 256D.16; 256D.35, subdivision 8b; 256D.46; Laws 2010, First Special Session chapter 1, article 16, sections 6; 7; Minnesota Rules, parts 3400.0130, subpart 8; 4651.0100, subparts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 16a, 18, 19, 20, 20a, 21, 22, 23; 4651.0110, subparts 2, 2a, 3, 4, 5; 4651.0120; 4651.0130; 4651.0140; 4651.0150; 9500.1243, subpart 3.

There has been appointed as such committee on the part of the House:

Abeler, Gottwalt, Kiffmeyer, Lohmer and Huntley.

Senate File No. 760 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 11, 2011

Madam President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 5 members of the House, on the amendments adopted by the House to the following Senate File:

**S.F. No. 958:** A bill for an act relating to public safety; acquiring an easement for the correctional facility in Faribault; appropriating money for the courts, public defenders, public safety, corrections, certain other criminal justice agencies, boards, and commissions; amending Minnesota Statutes 2010, section 297I.06, subdivision 3.

There has been appointed as such committee on the part of the House:

Cornish, Kelly, Smith, Vogel and Woodard.

Senate File No. 958 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 11, 2011

Madam President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 5 members of the House, on the amendments adopted by the House to the following Senate File:

**S.F. No. 1047:** A bill for an act relating to state government financing; establishing the Sunset Advisory Commission; prohibiting legislative liaison positions in state agencies and departments; eliminating assistant commissioner positions and reducing deputy commissioner positions; changing provisions of performance data required in the budget proposal; requiring specific funding information for forecasted programs; implementing zero-based budgeting principles; implementing federal offset program for collection of debts owed to state agencies; providing a state employee salary freeze; providing an HSA-eligible high-deductible health plan for state employees; requiring a 15 percent reduction in the state workforce; requiring a verification audit for dependent eligibility for state employee health insurance; requiring a request for proposals for recommendations on state building efficiency, state vehicle management, tax fraud prevention, and strategic sourcing; requiring reports; appropriating money; amending Minnesota Statutes 2010, sections 15.057; 15.06, subdivision 8; 16A.10, subdivisions 1a, 1b, 1c; 16A.103, subdivision 1a; 16A.11, subdivision 3; 16B.03; 43A.08, subdivision 1; 43A.23, subdivision 1; 45.013; 84.01, subdivision 3; 116.03, subdivision 1; 116J.01, subdivision 5; 116J.035, subdivision 4; 174.02, subdivision 2; 241.01, subdivision 2; 270C.41; Laws 2010, chapter 215, article 6, section 4; proposing coding for new law in Minnesota Statutes, chapters 16A; 16D; 43A; proposing coding for new law as Minnesota Statutes, chapter 3D; repealing Minnesota Statutes 2010, section 197.585, subdivision 5.

There has been appointed as such committee on the part of the House:

Lanning; Anderson, B.; Benson, M.; Downey and Stensrud.

Senate File No. 1047 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 11, 2011

Madam President:

I have the honor to announce the following change in the membership of the Conference Committee on House File 1140:

Delete the name of Benson, M., and add the name of Murray.

**H.F. No. 1140:** A bill for an act relating to government finance; appropriating money for transportation, Metropolitan Council, and public safety activities and programs; providing for fund transfers and tort claims; authorizing an account and certain contingent appropriations; providing for use of revenues from metropolitan transportation area sales tax; reducing funding for 2010 state road construction; authorizing temporary transfers from metropolitan livable communities fund accounts, right-of-way loan acquisition fund for transit operating deficits, and Metropolitan Council operating budget; establishing direct appropriation from transit assistance fund; establishing an account; modifying various provisions related to transportation finance and policy; modifying provisions related to licensing drivers; mandating and amending legislative reports; making

technical and clarifying changes; amending Minnesota Statutes 2010, sections 16A.11, subdivision 3a; 16A.86, subdivision 3a; 16A.88; 162.06, subdivision 1; 162.12, subdivision 1; 168.12, subdivision 5; 171.06, subdivision 2; 171.0701; 171.13, subdivision 1, by adding a subdivision; 174.93; 297A.992, subdivision 5, by adding a subdivision; Laws 2009, chapter 36, article 1, section 3, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 171.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted April 11, 2011

Madam President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 12, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 12 is herewith transmitted to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted April 11, 2011

### CONFERENCE COMMITTEE REPORT ON H. F. NO. 12

A bill for an act relating to taxation; property; making changes to the green acres and rural preserve programs; amending Minnesota Statutes 2010, sections 273.111, subdivision 9, by adding a subdivision; 273.114, subdivisions 2, 5, 6; repealing Minnesota Statutes 2010, section 273.114, subdivision 1.

April 7, 2011

The Honorable Kurt Zellers  
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach  
President of the Senate

We, the undersigned conferees for H. F. No. 12 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 12 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 273.111, is amended by adding a subdivision to read:

Subd. 2a. **Purpose.** The legislature finds that it is in the interest of the state to encourage and preserve farms by mitigating the property tax impact of increasing land values due to nonagricultural economic forces.

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

Sec. 2. Minnesota Statutes 2010, section 273.114, subdivision 2, is amended to read:

Subd. 2. **Requirements.** Class 2a or 2b property that had been assessed properly enrolled under Minnesota Statutes 2006, section 273.111 for taxes payable in 2008, or that is part of an agricultural homestead under Minnesota Statutes, section 273.13, subdivision 23, paragraph (a), at least a portion of which is enrolled under section 273.111, is entitled to valuation and tax deferment under this section if:

(1) the land consists of at least ten acres property is contiguous to class 2a property enrolled under section 273.111 under the same ownership;

(2) a conservation assessment plan for the land must be prepared by an approved plan writer and implemented during the period in which the land is subject to valuation and deferment under this section;

(3) the land must be enrolled for a minimum of eight years;

(4) (2) there are no delinquent property taxes on the land; and

(5) (3) the property is not also enrolled for valuation and deferment under section 273.111 or 273.112, or chapter 290C or 473H.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2012 and thereafter.

Sec. 3. Minnesota Statutes 2010, section 273.114, subdivision 5, is amended to read:

Subd. 5. **Application and covenant agreement.** (a) Application for deferment of taxes and assessment under this section shall be filed by May 1 of the year prior to the year in which the taxes are payable, provided that in calendar year 2011 the application must be filed before August 1. Any application filed under this subdivision and granted shall continue in effect for subsequent years until the termination of the covenant agreement under paragraph (b) property is withdrawn or no longer qualifies. The application must be filed with the assessor of the taxing district in which the real property is located on the form prescribed by the commissioner of revenue. Each application must include the most recent available aerial photograph or satellite image of the property provided by the Farm Service Agency of the United States Department of Agriculture or by the county geospatial information systems service that clearly delineates the land that is to be enrolled. The application form must contain a statement setting forth the consequences to the property owner of termination of qualification of property under the rural preserve program. The assessor may require proof by affidavit or otherwise that the property qualifies under subdivision 2.

(b) The owner of the property must sign a covenant agreement that is filed with the county recorder and recorded in the county where the property is located. The covenant agreement must include all of the following:

(1) legal description of the area to which the covenant applies;

(2) name and address of the owner;

(3) a statement that the land described in the covenant must be kept as rural preserve land, which meets the requirements of subdivision 2, for the duration of the covenant;

~~(4) a statement that the landowner may terminate the covenant agreement by notifying the county assessor in writing three years in advance of the date of proposed termination, provided that the notice of intent to terminate may not be given at any time before the land has been subject to the covenant for a period of five years;~~

~~(5) a statement that the covenant is binding on the owner or the owner's successor or assigns and runs with the land; and~~

~~(6) a witnessed signature of the owner, agreeing by covenant, to maintain the land as described in subdivision 2.~~

~~(c) After a covenant under this section has been terminated, the land that had been subject to the covenant is ineligible for subsequent valuation under this section for a period of three years after the termination.~~

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

Sec. 4. Minnesota Statutes 2010, section 273.114, subdivision 6, is amended to read:

Subd. 6. **Additional taxes.** ~~Upon termination of a covenant agreement in subdivision 5, paragraph (b), the land to which the covenant applied~~ When real property which is being, or has been valued and assessed under this section no longer qualifies under subdivision 2, the portion no longer qualifying shall be subject to additional taxes in the amount equal to the difference between the taxes determined in accordance with subdivision 3 and the amount determined under subdivision 4, provided that the amount determined under subdivision 4 shall not be greater than it would have been had the actual bona fide sale price of the real property at an arm's-length transaction been used in lieu of the market value determined under subdivision 4. The additional taxes shall be extended against the property on the tax list for the current year, provided that no interest or penalties shall be levied on the additional taxes if timely paid and that the additional taxes shall only be levied with respect to the current year plus two prior years that the property has been valued and assessed under this section.

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

Sec. 5. **LAND REMOVED FROM PROGRAM.**

(a) Any class 2a land that had been properly enrolled in the Minnesota Agricultural Property Tax Law under Minnesota Statutes 2006, section 273.111, and that was removed from the program between May 21, 2008, and the effective date of this section must be reinstated to the program at the request of the owner provided that the request is made prior to August 1, 2011.

(b) Any class 2b land that had been properly enrolled in the Minnesota Agricultural Property Tax Law under Minnesota Statutes, section 273.111, and that was removed from the program between May 21, 2008, and the effective date of this section, and that applies for enrollment in the rural preserve program under Minnesota Statutes, section 273.114, prior to August 1, 2011, shall be allowed to apply as if it had been enrolled under Minnesota Statutes, section 273.111, immediately prior to application for enrollment under Minnesota Statutes, section 273.114.

(c) If additional taxes, as defined under Minnesota Statutes, section 273.111, subdivision 9, have been paid by a property owner prior to the effective date of this paragraph for property being enrolled or reenrolled under paragraph (a) or (b), the county must repay the property owner in the manner



prescribed by the commissioner of revenue.

**EFFECTIVE DATE.** Paragraphs (a) and (b) are effective for taxes payable in 2012 and thereafter. Paragraph (c) is effective the day following final enactment.

**Sec. 6. COVENANTS TERMINATED.**

Any covenants entered into in order to comply with the requirements of Minnesota Statutes 2010, section 273.114, subdivision 5, are terminated.

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

**Sec. 7. STUDY REQUIRED.**

The commissioner of revenue, in consultation with the Minnesota Association of Assessing Officers, the Department of Applied Economics at the University of Minnesota, and representatives of major farm groups within the state of Minnesota, must explore alternative methods for determining the taxable value of tillable and nontillable land enrolled in the green acres program under Minnesota Statutes, section 273.111, and the rural preserves program under Minnesota Statutes, section 273.114. The commissioner must make a report to the legislature by February 15, 2012, describing the methodologies intended to be used for assessment year 2012 and thereafter.

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

**Sec. 8. REPEALER.**

Minnesota Statutes 2010, section 273.114, subdivision 1, is repealed.

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

Delete the title and insert:

"A bill for an act relating to taxation; property; making changes to the green acres and rural preserve programs; requiring a study; amending Minnesota Statutes 2010, sections 273.111, by adding a subdivision; 273.114, subdivisions 2, 5, 6; repealing Minnesota Statutes 2010, section 273.114, subdivision 1."

We request the adoption of this report and repassage of the bill.

House Conferees: Mike LeMieur, Rod Hamilton, Kurt Daudt, Greg Davids, Kent Eken

Senate Conferees: Jeremy R. Miller, Paul Gazelka, Sean Nienow, David M. Brown, Rod Skoe

Senator Miller moved that the foregoing recommendations and Conference Committee Report on H.F. No. 12 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 12 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 45 and nays 15, as follows:

Those who voted in the affirmative were:

Benson	Gerlach	Kruse	Nelson	Saxhaug
Brown	Gimse	Kubly	Newman	Senjem
Carlson	Hall	Langseth	Nienow	Sheran
Chamberlain	Hann	Lillie	Olson	Sieben
Dahms	Hoffman	Limmer	Ortman	Skoe
Daley	Howe	Lourey	Parry	Sparks
DeKruif	Ingebrigtsen	Magnus	Pederson	Thompson
Fischbach	Jungbauer	Michel	Robling	Vanderveer
Gazelka	Koch	Miller	Rosen	Wolf

Those who voted in the negative were:

Bakk	Dibble	Higgins	Marty	Rest
Berglin	Goodwin	Kelash	Pappas	Torres Ray
Bonoff	Harrington	Latz	Pogemiller	Wiger

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Madam President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 562.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted April 11, 2011

### FIRST READING OF HOUSE BILLS

The following bill was read the first time.

**H.F. No. 562:** A bill for an act relating to manufactured homes; regulating water and sewer charges for manufactured home parks; regulating charges to manufactured home parks by public water suppliers; amending Minnesota Statutes 2010, sections 327C.01, by adding subdivisions; 327C.02, subdivision 2; 327C.04, subdivision 2, by adding subdivisions; 444.075, subdivision 3.

Referred to the Committee on Judiciary and Public Safety.

### REPORTS OF COMMITTEES

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

**Senator Ingebrigtsen from the Committee on Environment and Natural Resources, to which was referred**

**S.F. No. 79:** A resolution memorializing Congress to delist the gray wolf from the Endangered Species Act.

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

Page 1, line 18, delete everything after "remove"

Page 1, line 19, after "wolves" insert "in Minnesota"

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

**Senator Ingebrigtsen from the Committee on Environment and Natural Resources, to which was referred**

**S.F. No. 756:** A bill for an act relating to environment; extending subsurface sewage treatment systems ordinance adoption delay; amending Laws 2010, chapter 361, article 4, section 73.

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

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2010, section 115.55, subdivision 2, is amended to read:

Subd. 2. **Local ordinances.** (a) All counties must adopt ordinances that comply with revisions to the subsurface sewage treatment system rules within two years of the final adoption by the agency unless all towns and cities in the county have adopted such ordinances. County ordinances must apply to all areas of the county other than cities or towns that have adopted ordinances that comply with this section and are as strict as the applicable county ordinances.

(b) A copy of each ordinance adopted under this subdivision must be submitted to the commissioner upon adoption.

(c) A local unit of government must make available to the public upon request a written list of any differences between its ordinances and rules adopted under this section."

Renumber the sections in sequence

Amend the title accordingly

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

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

**S.F. No. 230:** A bill for an act relating to health occupations; providing for a Nurse Licensure Compact; providing for appointments; proposing coding for new law in Minnesota Statutes, chapter 148.

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

Page 10, line 10, delete "2009" and insert "2011"

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

**Senator Hann from the Committee on Health and Human Services, to which was**

**re-referred**

**S.F. No. 195:** A bill for an act relating to vulnerable adults; modifying provisions governing investigations, reviews, and hearings; making the crime of criminal abuse of a vulnerable adult a registrable offense under the predatory offender registration law; changing terminology; increasing the criminal penalty for assaulting a vulnerable adult; providing criminal penalties; amending Minnesota Statutes 2010, sections 144.7065, subdivision 10; 243.166, subdivision 1b; 256.021; 256.045, subdivision 4; 518.165, subdivision 5; 524.5-118, subdivision 2; 609.2231, by adding a subdivision; 609.224, subdivision 2; 626.557, subdivisions 9, 9a, 9c, 9d, 12b, by adding a subdivision; 626.5571, subdivision 1; 626.5572, subdivision 13.

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

Page 7, line 13, delete everything after the first "proceedings"

Page 7, line 14, delete everything before the period

Page 7, line 24, after the period, insert "The lead investigative agency must consider including the vulnerable adult victim of maltreatment as a witness in the hearing. If the lead investigative agency determines that participation in the hearing would endanger the well-being of the vulnerable adult or not be in the best interests of the vulnerable adult, the lead investigative agency shall inform the human services referee of the basis for this determination, which must be included in the final order."

Page 20, line 19, delete everything after the first "proceedings"

Page 20, line 20, delete everything before the period

Page 20, line 30, after the period, insert "The lead investigative agency must consider including the vulnerable adult victim of maltreatment as a witness in the hearing. If the lead investigative agency determines that participation in the hearing would endanger the well-being of the vulnerable adult or not be in the best interests of the vulnerable adult, the lead investigative agency shall inform the administrative law judge of the basis for this determination, which must be included in the final order."

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

**Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred**

**H.F. No. 299:** A bill for an act relating to state government; establishing a retained savings program for executive branch agencies; amending Minnesota Statutes 2010, section 16A.28, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 15.

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

**Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred**

**S.F. No. 527:** A bill for an act relating to health; creating an Autism Spectrum Disorder Task Force; providing appointments; requiring development of a statewide strategic plan.

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

**Senator Michel from the Committee on Jobs and Economic Growth, to which was referred**

**S.F. No. 1130:** A bill for an act relating to unemployment insurance; modifying unemployment insurance and workforce development provisions; amending Minnesota Statutes 2010, sections 116L.17, subdivision 1; 116L.561, subdivision 7; 268.035, subdivisions 4, 19a, 20, 23, 29; 268.051, subdivisions 5, 6, 8; 268.057, subdivision 2; 268.07, subdivisions 2, 3b; 268.085, subdivision 3; 268.095, subdivision 10; 268.115, subdivision 1; 268.184, subdivisions 1, 1a; Laws 2009, chapter 78, article 3, section 16.

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

Page 2, after line 16, insert:

"Sec. 3. Minnesota Statutes 2010, section 268.035, subdivision 32, is amended to read:

Subd. 32. **Weekly unemployment benefit amount.** "Weekly unemployment benefit amount" means the amount of unemployment benefits computed under section 268.07, subdivision 2, ~~paragraph (b)~~ 2a."

Page 3, line 24, before the period, insert ", except that in paragraph (b), the striking of "wage credits" and the insertion of "wages paid" and the insertion of "and have been reported on wage detail under section 268.044" are effective the day following final enactment""

Page 4, delete line 18 and insert:

"**EFFECTIVE DATE.** This section is effective October 28, 2012, and applies retroactively from July 1, 2011."

Page 10, line 14, strike "is regularly attending classes at" and insert "whose primary relation to" and after "university" insert "is a student. This does not include an individual whose primary relation to the school, college, or university is as an employee who also takes courses""

Renumber the sections in sequence

Amend the title numbers accordingly

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

**Senator Michel from the Committee on Jobs and Economic Growth, to which was referred**

**H.F. No. 529:** A bill for an act relating to building codes; requiring equivalent load-bearing capacity for panels used in agricultural building roofs; amending Minnesota Statutes 2010, sections 326B.106, by adding a subdivision; 326B.121, subdivision 1.

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

**Senator Michel from the Committee on Jobs and Economic Growth, to which was referred**

**H.F. No. 569:** A bill for an act relating to labor and industry; modifying licensing requirements

for well contractors in certain cases; amending Minnesota Statutes 2010, section 326B.46, subdivision 6.

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

**Senator Gerlach from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 508:** A bill for an act relating to insurance; prohibiting motor vehicle insurance companies from restricting an insured's choice of rental vehicle company as a source of a temporary replacement vehicle; requiring that insurers inform insureds of that right; amending Minnesota Statutes 2010, section 72A.201, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 65B.

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

Page 1, delete section 1

Page 5, delete lines 20 to 22 and insert:

"(17) failing to inform an insured making a claim under collision or comprehensive coverage, that includes rental vehicle reimbursement coverage, of the insured's right to select any rental vehicle company. If the insurer recommends a rental vehicle company to their insured, the insurer must also provide the following advisory: "Minnesota law gives you the right to choose any rental vehicle company, and prohibits me from pressuring you to choose a particular vendor.""

Re-number the sections in sequence

Amend the title numbers accordingly

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

**Senator Robling from the Committee on Finance, to which was referred**

**S.F. No. 930:** A bill for an act relating to state government; providing deficiency funding for certain state agencies; appropriating money; amending Laws 2005, chapter 156, article 2, section 45, as amended.

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

Page 2, line 21, delete "149,000" and insert "471,000"

Page 2, line 22, delete "This appropriation" and insert "\$149,000"

Page 2, after line 29, insert:

"\$322,000 is for the reimbursement of costs of recounts during the 2010 general election, to be paid to counties consistent with the cost survey of the counties previously conducted by the secretary of state and for reimbursement to the secretary of state costs

in those recounts already paid by the secretary of state to the counties. This appropriation is available until December 31, 2011."

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

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

**S.F. No. 712:** A bill for an act relating to state lands; modifying valuation methods of acquired lands; establishing adopt-a-WMA program; adding to and deleting from state parks, state recreation areas, state forests, and state wildlife management areas; authorizing public and private sales of certain surplus and tax-forfeited lands; amending Minnesota Statutes 2010, sections 84.0272, subdivision 3; 85.052, subdivision 4; 89.021, subdivision 48; proposing coding for new law in Minnesota Statutes, chapter 97A.

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

Page 1, delete section 1

Page 21, after line 17, insert:

"Sec. 26. **CONVEYANCE OF STATE LAND; WINONA COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 16B.281 to 16B.287, 92.45, 161.43, and 161.44, or any other law to the contrary, the commissioner of transportation may convey to the United States Fish and Wildlife Service all right, title, and interest of the state of Minnesota, in the land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. The conveyance may take place only upon completion of the Dresbach bridge project, state project number 8580-149.

(c) The land to be conveyed is located in Winona County and is described as: That part of Alcorn Island located along the south side of marked Interstate Highway 90 from mile point 276.52 easterly to the westerly shoreline of the main channel of the Mississippi River. The majority of the site is in Government Lot 4, Section 34, Township 105 North, Range 4 West, and in Government Lot 5, Section 33, Township 105 North, Range 4 West. The overall site is approximately 1.4 acres."

Page 21, line 19, delete everything before "are" and insert "Sections 10, 13 to 15, 19, 21, and 25"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "modifying valuation methods of acquired lands;"

Amend the title numbers accordingly

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

**Senator Vandever from the Committee on Local Government and Elections, to which was referred**

**S.F. No. 1113:** A bill for an act relating to retirement; city of White Bear Lake and White Bear Lake Volunteer Fire Department Relief Association; authorizing the use of special actuarial work in determining the 2009 and 2010 special fund financial requirements and minimum municipal obligations.

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

Page 1, line 12, delete "Relief Department" and insert "Department Relief Association"

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

**Senator Vandever from the Committee on Local Government and Elections, to which was referred**

**H.F. No. 954:** A bill for an act relating to counties; providing a process for making certain county offices appointive in Kittson County.

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

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

**S.F. No. 103:** A bill for an act relating to health; limiting use of funds for state-sponsored health programs for funding abortions.

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

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

**S.F. No. 649:** A bill for an act relating to health; prohibiting abortions at or after 20 weeks gestational age unless certain exceptions apply; providing civil and criminal penalties; amending Minnesota Statutes 2010, section 145.4131, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 8; 145.

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

Delete everything after the enacting clause and insert:

"Section 1. **SHORT TITLE.**

This act may be cited as the "Pain-Capable Unborn Child Protection Act."

Sec. 2. **[8.40] LITIGATION DEFENSE FUND.**

(a) There is created in the special revenue fund an account entitled the Pain-Capable Unborn Child Protection Act litigation account for the purpose of providing funds to pay for any costs and expenses incurred by the state attorney general in relation to actions surrounding defense of sections 145.4141 to 145.4148.

(b) The account shall be maintained by the commissioner of management and budget.



(c) The litigation account shall consist of:

(1) appropriations made to the account by the legislature; and

(2) any donations, gifts, or grants made to the account by private citizens or entities.

(d) The litigation account shall retain the interest income derived from the money credited to the account.

(e) Any funds in the litigation account are appropriated to the attorney general for the purposes described in paragraph (a).

Sec. 3. Minnesota Statutes 2010, section 145.4131, subdivision 1, is amended to read:

Subdivision 1. **Forms.** (a) Within 90 days of July 1, 1998, the commissioner shall prepare a reporting form for use by physicians or facilities performing abortions. A copy of this section shall be attached to the form. A physician or facility performing an abortion shall obtain a form from the commissioner.

(b) The form shall require the following information:

(1) the number of abortions performed by the physician in the previous calendar year, reported by month;

(2) the method used for each abortion;

(3) the approximate gestational age expressed in one of the following increments:

(i) less than nine weeks;

(ii) nine to ten weeks;

(iii) 11 to 12 weeks;

(iv) 13 to 15 weeks;

(v) 16 to 20 weeks;

(vi) 21 to 24 weeks;

(vii) 25 to 30 weeks;

(viii) 31 to 36 weeks; or

(ix) 37 weeks to term;

(4) the age of the woman at the time the abortion was performed;

(5) the specific reason for the abortion, including, but not limited to, the following:

(i) the pregnancy was a result of rape;

(ii) the pregnancy was a result of incest;

(iii) economic reasons;

- (iv) the woman does not want children at this time;
- (v) the woman's emotional health is at stake;
- (vi) the woman's physical health is at stake;
- (vii) the woman will suffer substantial and irreversible impairment of a major bodily function if the pregnancy continues;
- (viii) the pregnancy resulted in fetal anomalies; or
- (ix) unknown or the woman refused to answer;
- (6) the number of prior induced abortions;
- (7) the number of prior spontaneous abortions;
- (8) whether the abortion was paid for by:
  - (i) private coverage;
  - (ii) public assistance health coverage; or
  - (iii) self-pay;
- (9) whether coverage was under:
  - (i) a fee-for-service plan;
  - (ii) a capitated private plan; or
  - (iii) other;
- (10) complications, if any, for each abortion and for the aftermath of each abortion. Space for a description of any complications shall be available on the form; ~~and~~
- (11) the medical specialty of the physician performing the abortion; and
- (12) whether a determination of probable postfertilization age was made and the probable postfertilization age determined:
  - (i) the method used to make such a determination; or
  - (ii) if a determination was not made prior to performing an abortion, the basis of the determination that a medical emergency existed; and
- (13) for abortions performed after a determination of postfertilization age of 20 or more weeks, the basis of the determination that the pregnant woman had a condition that so complicated her medical condition as to necessitate the abortion of her pregnancy to avert her death or to avert serious risk of substantial and irreversible physical impairment of a major bodily function, not including psychological or emotional conditions.

Sec. 4. [145.4141] DEFINITIONS.

Subdivision 1. Scope. For purposes of sections 145.4141 to 145.4148, the following terms have

the meanings given them.

Subd. 2. **Abortion.** "Abortion" means the use or prescription of any instrument, medicine, drug, or any other substance or device to terminate the pregnancy of a woman known to be pregnant with an intention other than to increase the probability of a live birth, to preserve the life or health of the child after live birth, or to remove a dead unborn child who died as the result of natural causes in utero, accidental trauma, or a criminal assault on the pregnant woman or her unborn child, and which causes the premature termination of the pregnancy.

Subd. 3. **Attempt to perform or induce an abortion.** "Attempt to perform or induce an abortion" means an act, or an omission of a statutorily required act, that, under the circumstances as the actor believes them to be, constitutes a substantial step in a course of conduct planned to culminate in the performance or induction of an abortion in this state in violation of sections 145.4141 to 145.4148.

Subd. 4. **Fertilization.** "Fertilization" means the fusion of a human spermatozoon with a human ovum.

Subd. 5. **Medical emergency.** "Medical emergency" means a condition that, in reasonable medical judgment, so complicates the medical condition of the pregnant woman that it necessitates the immediate abortion of her pregnancy without first determining postfertilization age to avert her death or for which the delay necessary to determine postfertilization age will create serious risk of substantial and irreversible physical impairment of a major bodily function not including psychological or emotional conditions. No condition shall be deemed a medical emergency if based on a claim or diagnosis that the woman will engage in conduct which she intends to result in her death or in substantial and irreversible physical impairment of a major bodily function.

Subd. 6. **Physician.** "Physician" means any person licensed to practice medicine and surgery or osteopathic medicine and surgery in this state.

Subd. 7. **Postfertilization age.** "Postfertilization age" means the age of the unborn child as calculated from the fusion of a human spermatozoon with a human ovum.

Subd. 8. **Probable postfertilization age of the unborn child.** "Probable postfertilization age of the unborn child" means what, in reasonable medical judgment, will with reasonable probability be the postfertilization age of the unborn child at the time the abortion is planned to be performed or induced.

Subd. 9. **Reasonable medical judgment.** "Reasonable medical judgment" means a medical judgment that would be made by a reasonably prudent physician knowledgeable about the case and the treatment possibilities with respect to the medical conditions involved.

Subd. 10. **Unborn child or fetus.** "Unborn child" or "fetus" means an individual organism of the species homo sapiens from fertilization until live birth.

Subd. 11. **Woman.** "Woman" means a female human being whether or not she has reached the age of majority.

Sec. 5. [145.4142] **LEGISLATIVE FINDINGS.**

(a) The legislature makes the following findings.

(b) Pain receptors (nociceptors) are present throughout an unborn child's entire body and nerves link these receptors to the brain's thalamus and subcortical plate by 20 weeks.

(c) By eight weeks after fertilization, an unborn child reacts to touch. After 20 weeks an unborn child reacts to stimuli that would be recognized as painful if applied to an adult human, for example by recoiling.

(d) In the unborn child, application of such painful stimuli is associated with significant increases in stress hormones known as the stress response.

(e) Subjection to such painful stimuli is associated with long-term harmful neurodevelopmental effects, such as altered pain sensitivity and, possibly, emotional, behavioral, and learning disabilities later in life.

(f) For the purposes of surgery on an unborn child, fetal anesthesia is routinely administered and is associated with a decrease in stress hormones compared to the level when painful stimuli is applied without anesthesia.

(g) The position, asserted by some medical experts, that an unborn child is incapable of experiencing pain until a point later in pregnancy than 20 weeks after fertilization predominately rests on the assumption that the ability to experience pain depends on the cerebral cortex and requires nerve connections between the thalamus and the cortex. However, recent medical research and analysis, especially since 2007, provides strong evidence for the conclusion that a functioning cortex is not necessary to experience pain.

(h) Substantial evidence indicates that children born missing the bulk of the cerebral cortex, those with hydranencephaly, nevertheless experience pain.

(i) In adults, stimulation or ablation of the cerebral cortex does not alter pain perception, while stimulation or ablation of the thalamus does.

(j) Substantial evidence indicates that structures used for pain processing in early development differ from those of adults, using different neural elements available at specific times during development, such as the subcortical plate, to fulfill the role of pain processing.

(k) The position asserted by some medical experts, that the unborn child remains in a coma-like sleep state that precludes the unborn child experiencing pain is inconsistent with the documented reaction of unborn children to painful stimuli and with the experience of fetal surgeons who have found it necessary to sedate the unborn child with anesthesia to prevent the unborn child from thrashing about in reaction to invasive surgery.

(l) Consequently, there is substantial medical evidence that an unborn child is capable of experiencing pain by 20 weeks after fertilization.

(m) It is the purpose of the state to assert a compelling state interest in protecting the lives of unborn children from the stage at which substantial medical evidence indicates that they are capable of feeling pain.

#### **Sec. 6. [145.4143] DETERMINATION OF GESTATIONAL AGE.**

Subdivision 1. **Determination of postfertilization age.** Except in the case of a medical emergency, no abortion shall be performed or induced or be attempted to be performed or induced

unless the physician performing or inducing it has first made a determination of the probable postfertilization age of the unborn child or relied upon such a determination made by another physician. In making such a determination, the physician shall make those inquiries of the woman and perform or cause to be performed those medical examinations and tests that a reasonably prudent physician, knowledgeable about the case and the medical conditions involved, would consider necessary to perform in making an accurate diagnosis with respect to postfertilization age.

Subd. 2. **Unprofessional conduct.** Failure by any physician to conform to any requirement of this section constitutes unprofessional conduct under section 147.091, paragraph (k).

Sec. 7. **[145.4144] ABORTION OF UNBORN CHILD OF 20 OR MORE WEEKS GESTATIONAL AGE PROHIBITED; CAPABLE OF FEELING PAIN.**

Subdivision 1. **Abortion prohibition; exemption.** No person shall perform or induce or attempt to perform or induce an abortion upon a woman when it has been determined, by the physician performing or inducing or attempting to perform or induce the abortion, or by another physician upon whose determination that physician relies, that the probable postfertilization age of the woman's unborn child is 20 or more weeks unless, in reasonable medical judgment, she has a condition which so complicates her medical condition as to necessitate the abortion of her pregnancy to avert her death or to avert serious risk of substantial and irreversible physical impairment of a major bodily function, not including psychological or emotional conditions. No such condition shall be deemed to exist if it is based on a claim or diagnosis that the woman will engage in conduct which she intends to result in her death or in substantial and irreversible physical impairment of a major bodily function.

Subd. 2. **When abortion not prohibited.** When an abortion upon a woman whose unborn child has been determined to have a probable postfertilization age of 20 or more weeks is not prohibited by this section, the physician shall terminate the pregnancy in the manner which, in reasonable medical judgment, provides the best opportunity for the unborn child to survive unless, in reasonable medical judgment, termination of the pregnancy in that manner would pose a greater risk either of the death of the pregnant woman or of the substantial and irreversible physical impairment of a major bodily function, not including psychological or emotional conditions, of the woman than would other available methods. No such greater risk shall be deemed to exist if it is based on a claim or diagnosis that the woman will engage in conduct which she intends to result in her death or in substantial and irreversible physical impairment of a major bodily function.

Sec. 8. **[145.4145] ENFORCEMENT.**

Subdivision 1. **Criminal penalties.** A person who intentionally or recklessly performs or induces or attempts to perform or induce an abortion in violation of sections 145.4141 to 145.4148 shall be guilty of a felony. No penalty may be assessed against the woman upon whom the abortion is performed or induced or attempted to be performed or induced.

Subd. 2. **Civil remedies.** (a) A woman upon whom an abortion has been performed or induced in violation of sections 145.4141 to 145.4148, or the father of the unborn child who was the subject of such an abortion, may maintain an action against the person who performed or induced the abortion in intentional or reckless violation of sections 145.4141 to 145.4148 for actual and punitive damages. A woman upon whom an abortion has been attempted in violation of sections 145.4141 to 145.4148 may maintain an action against the person who attempted to perform or induce the abortion in an intentional or reckless violation of sections 145.4141 to 145.4148 for actual and punitive damages.

(b) A cause of action for injunctive relief against a person who has intentionally violated sections 145.4141 to 145.4148 may be maintained by the woman upon whom an abortion was performed or induced or attempted to be performed or induced in violation of sections 145.4141 to 145.4148; by a person who is the father of the unborn child subject to an abortion, parent, sibling, or guardian of, or a current or former licensed health care provider of, the woman upon whom an abortion has been performed or induced or attempted to be performed or induced in violation of sections 145.4141 to 145.4148; by a county attorney with appropriate jurisdiction; or by the attorney general. The injunction shall prevent the abortion provider from performing or inducing or attempting to perform or induce further abortions in this state in violation of sections 145.4141 to 145.4148.

(c) If judgment is rendered in favor of the plaintiff in an action described in this section, the court shall also render judgment for reasonable attorney fees in favor of the plaintiff against the defendant.

(d) If judgment is rendered in favor of the defendant and the court finds that the plaintiff's suit was frivolous and brought in bad faith, the court shall also render judgment for reasonable attorney fees in favor of the defendant against the plaintiff.

(e) No damages or attorney fees may be assessed against the woman upon whom an abortion was performed or induced or attempted to be performed or induced except according to paragraph (d).

**Sec. 9. [145.4146] PROTECTION OF PRIVACY IN COURT PROCEEDINGS.**

In every civil or criminal proceeding or action brought under the Pain-Capable Unborn Child Protection Act, the court shall rule on whether the anonymity of a woman upon whom an abortion has been performed or induced or attempted to be performed or induced shall be preserved from public disclosure if she does not give her consent to such disclosure. The court, upon motion or sua sponte, shall make such a ruling and, upon determining that her anonymity should be preserved, shall issue orders to the parties, witnesses, and counsel and shall direct the sealing of the record and exclusion of individuals from courtrooms or hearing rooms to the extent necessary to safeguard her identity from public disclosure. Each such order shall be accompanied by specific written findings explaining why the anonymity of the woman should be preserved from public disclosure, why the order is essential to that end, how the order is narrowly tailored to serve that interest, and why no reasonable, less restrictive alternative exists. In the absence of written consent of the woman upon whom an abortion has been performed or induced or attempted to be performed or induced, anyone, other than a public official, who brings an action under section 145.4145, subdivision 2, shall do so under a pseudonym. This section may not be construed to conceal the identity of the plaintiff or of witnesses from the defendant or from attorneys for the defendant.

**Sec. 10. [145.4147] SEVERABILITY.**

If any one or more provisions, sections, subsections, sentences, clauses, phrases, or words of sections 145.4141 to 145.4148, or the application thereof to any person or circumstance is found to be unconstitutional, the same is hereby declared to be severable and the balance of sections 145.4141 to 145.4148 shall remain effective notwithstanding such unconstitutionality. The legislature hereby declares that it would have passed sections 145.4141 to 145.4148, and each provision, section, subsection, sentence, clause, phrase, or word thereof, irrespective of the fact that any one or more provisions, sections, subsections, sentences, clauses, phrases, or words of sections 145.4141 to 145.4148, or the application of sections 145.4141 to 145.4148, would be

declared unconstitutional.

Sec. 11. **[145.4148] SUPREME COURT JURISDICTION.**

The Minnesota Supreme Court has original jurisdiction over an action challenging the constitutionality of sections 145.4141 to 145.4147 and shall expedite the resolution of the action."

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

**Senator Limmer from the Committee on Judiciary and Public Safety, to which was referred**

**H.F. No. 57:** A bill for an act relating to public safety; establishing the crimes of sale or possession of synthetic cannabinoids; including a person under the influence of a synthetic cannabinoid for a driving while impaired crime; providing for a penalty; amending Minnesota Statutes 2010, sections 152.027, by adding a subdivision; 169A.20, subdivisions 1, 1a, 1b, 1c.

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 2010, section 152.01, subdivision 9a, is amended to read:

Subd. 9a. **Mixture.** "Mixture" means a preparation, compound, mixture, or substance containing a controlled substance, regardless of purity except as provided in subdivision 16; sections 152.021, subdivision 2, paragraph (b); 152.022, subdivision 2, paragraph (b); and 152.023, subdivision 2, paragraph (b).

**EFFECTIVE DATE.** This section is effective August 1, 2011, and applies to crimes committed on or after that date.

Sec. 2. Minnesota Statutes 2010, section 152.01, subdivision 16, is amended to read:

Subd. 16. **Small amount.** "Small amount" as applied to marijuana means 42.5 grams or less. This provision shall not apply to the resinous form of marijuana. The weight of fluid used in a water pipe may not be considered in determining a small amount except in cases where the marijuana is mixed with four or more fluid ounces of fluid.

**EFFECTIVE DATE.** This section is effective August 1, 2011, and applies to crimes committed on or after that date.

Sec. 3. Minnesota Statutes 2010, section 152.01, is amended by adding a subdivision to read:

Subd. 23. **Analog.** (a) Except as provided in paragraph (b), "analog" means a substance, the chemical structure of which is substantially similar to the chemical structure of a controlled substance in Schedule I or II:

(1) that has a stimulant, depressant, or hallucinogenic effect on the central nervous system that is substantially similar to or greater than the stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance in Schedule I or II; or

(2) with respect to a particular person, if the person represents or intends that the substance have

a stimulant, depressant, or hallucinogenic effect on the central nervous system that is substantially similar to or greater than the stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance in Schedule I or II.

(b) "Analog" does not include:

(1) a controlled substance;

(2) any substance for which there is an approved new drug application under the Federal Food, Drug, and Cosmetic Act; or

(3) with respect to a particular person, any substance, if an exemption is in effect for investigational use, for that person, as provided by United States Code, title 21, section 355, and the person is registered as a controlled substance researcher as required under section 152.12, subdivision 3, to the extent conduct with respect to the substance is pursuant to the exemption and registration.

**EFFECTIVE DATE.** This section is effective August 1, 2011, and applies to crimes committed on or after that date.

Sec. 4. Minnesota Statutes 2010, section 152.02, subdivision 2, is amended to read:

Subd. 2. **Schedule I.** The following items are listed in Schedule I:

(1) Any of the following substances, including their isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, unless specifically excepted, whenever the existence of ~~such~~ the isomers, esters, ethers and salts is possible within the specific chemical designation: Acetylmethadol; Allylprodine; Alphacetylmethadol; Alphameprodine; Alphamethadol; Benzethidine; Betacetylmethadol; Betameprodine; Betamethadol; Betaprodine; Clonitazene; Dextromoramide; Dextrorphan; Diampromide; Diethylambutene; Dimenoxadol; Dimepheptanol; Dimethylambutene; Dioxaphetyl butyrate; Dipipanone; Ethylmethylthiambutene; Etonitazene; Etoxadine; Furethidine; Hydroxypethidine; Ketobemidone; Levomoramide; Levophenacylmorphan; Morpheridine; Noracymethadol; Norlevorphanol; Normethadone; Norpipanone; Phenadoxone; Phenampromide; Phenomorphan; Phenoperidine; Piritramide; Proheptazine; Properidine; Racemoramide; Trimeperidine.

(2) Any of the following opium derivatives, their salts, isomers and salts of isomers, unless specifically excepted, whenever the existence of ~~such~~ the salts, isomers and salts of isomers is possible within the specific chemical designation: Acetorphine; Acetyldihydrocodeine; Acetylcodeine; Benzylmorphine; Codeine methylbromide; Codeine-N-Oxide; Cyprenorphine; Desomorphine; Dihydromorphine; Etorphine; Heroin; Hydromorphanol; Methyl-desorphine; Methylhydromorphine; Morphine methylbromide; Morphine methylsulfonate; Morphine-N-Oxide; Myrophine; Nicocodeine; Nicomorphine; Normorphine; Pholcodine; Thebacon.

(3) Any material, compound, mixture or preparation which contains any quantity of the following hallucinogenic substances, their salts, isomers (whether optical, positional, or geometric), and salts of isomers, unless specifically excepted or unless listed in another schedule, whenever the existence of ~~such~~ the salts, isomers, and salts of isomers is possible within the specific chemical designation: 3,4-methylenedioxy amphetamine; 3,4-methylenedioxymethamphetamine; 4-bromo-2,5-dimethoxyamphetamine; 2,5-dimethoxyamphetamine; 4-methoxyamphetamine; 5-methoxy-3, 4-methylenedioxy amphetamine; Bufotenine; Diethyltryptamine;



Dimethyltryptamine; 3,4,5-trimethoxy amphetamine; 4-methyl-2, 5-dimethoxyamphetamine; Ibogaine; Lysergic acid diethylamide; marijuana; Mescaline; N-ethyl-3-piperidyl benzilate; N-methyl-3-piperidyl benzilate; Psilocybin; Psilocyn; Tetrahydrocannabinols; 1-(1-(2-thienyl) cyclohexyl) piperidine; n-ethyl-1-phenyl-cyclohexylamine; 1-(1-phenylcyclohexyl) pyrrolidine; 2,5-dimethoxy-4-ethylphenethylamine, also known as 2C-E; 2,5-dimethoxy-4-iodophenethylamine, also known as 2C-I.

(4) Peyote, providing the listing of peyote as a controlled substance in Schedule I does not apply to the nondrug use of peyote in bona fide religious ceremonies of the American Indian Church, and members of the American Indian Church are exempt from registration. Any person who manufactures peyote for or distributes peyote to the American Indian Church, however, is required to obtain federal registration annually and to comply with all other requirements of law.

(5) Unless specifically excepted or unless listed in another schedule, any material compound, mixture, or preparation which contains any quantity of the following substances having a depressant effect on the central nervous system, including its salts, isomers, and salts of isomers whenever the existence of ~~such~~ the salts, isomers, and salts of isomers is possible within the specific chemical designation:

Mecloqualone;

Flunitrazepam.

(6) Unless specifically excepted or unless listed in another schedule, any material compound, mixture, or preparation which contains any quantity of the following substances having a stimulant effect on the central nervous system, including its salts, isomers, and salts of isomers whenever the existence of ~~such~~ the salts, isomers, and salts of isomers is possible within the specific chemical designation:

Cathinone;

Methcathinone.

(7) Unless specifically excepted or unless listed in another schedule, any natural or synthetic material, compound, mixture, or preparation that contains any quantity of a substance that is a cannabinoid receptor agonist, including, but not limited to, the following substances and their analogs, including isomers, whether optical, positional, or geometric; esters; ethers; salts; and salts of isomers, esters, and ethers, whenever the existence of the isomers, esters, ethers, or salts is possible within the specific chemical designation:

1-pentyl-2-methyl-3-(1-naphthoyl)indole	(JWH-007),
(2-Methyl-1-propyl-1H-indol-3-yl)-1-naphthalenylmethanone	(JWH-015),
1-Pentyl-3-(1-naphthoyl)indole	(JWH-018),
1-hexyl-3-(naphthalen-1-oyl)indole	(JWH-019),
1-Butyl-3-(1-naphthoyl)indole	(JWH-073),
4-methoxynaphthalen-1-yl-(1-pentylindol-3-yl)methanone	(JWH-081),
4-methoxynaphthalen-1-yl-(1-pentyl-2-methylindol-3-yl)methanone	(JWH-098),
(1-(2-morpholin-4-ylethyl)indol-3-yl)-naphthalen-1-ylmethanone	(JWH-200),
7-methoxynaphthalen-1-yl-(1-pentylindol-3-yl)methanone	(JWH-164),
2-(2-chlorophenyl)-1-(1-pentylindol-3-yl)ethanone	(JWH-203),
4-ethylnaphthalen-1-yl-(1-pentylindol-3-yl)methanone	(JWH-210),

2-(2-methoxyphenyl)-1-(1-pentylindol-3-yl)ethanone (JWH-250),  
 1-pentyl-3-(4-chloro-1-naphthoyl)indole (JWH-398), (6aR,10aR)-  
 9-(Hydroxymethyl)-6,6-dimethyl-3-(2-methyloctan-2-yl)-6a,7,10,10a-  
 tetrahydrobenzo[c]chromen-1-ol (HU-210), (R)-(+)-[2,3-Dihydro-5-methyl-3-  
 (4-morpholinylmethyl)pyrrolo[1,2,3-de]-1,4-benzoxazin-6-yl]-1-naphthalenylmethanone  
 (WIN-55,212-2), 2-[3-hydroxycyclohexyl]- 5-(2-methyloctan-2-yl)phenol  
 (CP47,497), dimethylheptylpyran.

(8) A controlled substance analog, to the extent that it is implicitly or explicitly intended for human consumption.

**EFFECTIVE DATE.** This section is effective August 1, 2011, and applies to crimes committed on or after that date.

Sec. 5. Minnesota Statutes 2010, section 152.021, subdivision 2, is amended to read:

Subd. 2. **Possession crimes.** (a) A person is guilty of a controlled substance crime in the first degree if:

(1) the person unlawfully possesses one or more mixtures of a total weight of 25 grams or more containing cocaine, heroin, or methamphetamine;

(2) the person unlawfully possesses one or more mixtures of a total weight of 500 grams or more containing a narcotic drug other than cocaine, heroin, or methamphetamine;

(3) the person unlawfully possesses one or more mixtures of a total weight of 500 grams or more containing amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 500 or more dosage units; or

(4) the person unlawfully possesses one or more mixtures of a total weight of 100 kilograms or more containing marijuana or Tetrahydrocannabinols.

(b) For the purposes of this subdivision, the weight of fluid used in a water pipe may not be considered in measuring the weight of a mixture except in cases where the mixture contains four or more fluid ounces of fluid.

**EFFECTIVE DATE.** This section is effective August 1, 2011, and applies to crimes committed on or after that date.

Sec. 6. Minnesota Statutes 2010, section 152.022, subdivision 2, is amended to read:

Subd. 2. **Possession crimes.** (a) A person is guilty of controlled substance crime in the second degree if:

(1) the person unlawfully possesses one or more mixtures of a total weight of six grams or more containing cocaine, heroin, or methamphetamine;

(2) the person unlawfully possesses one or more mixtures of a total weight of 50 grams or more containing a narcotic drug other than cocaine, heroin, or methamphetamine;

(3) the person unlawfully possesses one or more mixtures of a total weight of 50 grams or more containing amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged

in dosage units, equaling 100 or more dosage units; or

(4) the person unlawfully possesses one or more mixtures of a total weight of 50 kilograms or more containing marijuana or Tetrahydrocannabinols.

(b) For the purposes of this subdivision, the weight of fluid used in a water pipe may not be considered in measuring the weight of a mixture except in cases where the mixture contains four or more fluid ounces of fluid.

**EFFECTIVE DATE.** This section is effective August 1, 2011, and applies to crimes committed on or after that date.

Sec. 7. Minnesota Statutes 2010, section 152.023, subdivision 2, is amended to read:

Subd. 2. **Possession crimes.** (a) A person is guilty of controlled substance crime in the third degree if:

(1) on one or more occasions within a 90-day period the person unlawfully possesses one or more mixtures of a total weight of three grams or more containing cocaine, heroin, or methamphetamine;

(2) on one or more occasions within a 90-day period the person unlawfully possesses one or more mixtures of a total weight of ten grams or more containing a narcotic drug other than cocaine, heroin, or methamphetamine;

(3) on one or more occasions within a 90-day period the person unlawfully possesses one or more mixtures containing a narcotic drug, it is packaged in dosage units, and equals 50 or more dosage units;

(4) on one or more occasions within a 90-day period the person unlawfully possesses any amount of a schedule I or II narcotic drug or five or more dosage units of lysergic acid diethylamide (LSD), 3,4-methylenedioxy amphetamine, or 3,4-methylenedioxymethamphetamine in a school zone, a park zone, a public housing zone, or a drug treatment facility;

(5) on one or more occasions within a 90-day period the person unlawfully possesses one or more mixtures of a total weight of ten kilograms or more containing marijuana or Tetrahydrocannabinols; or

(6) the person unlawfully possesses one or more mixtures containing methamphetamine or amphetamine in a school zone, a park zone, a public housing zone, or a drug treatment facility.

(b) For the purposes of this subdivision, the weight of fluid used in a water pipe may not be considered in measuring the weight of a mixture except in cases where the mixture contains four or more fluid ounces of fluid.

**EFFECTIVE DATE.** This section is effective August 1, 2011, and applies to crimes committed on or after that date.

Sec. 8. Minnesota Statutes 2010, section 152.027, is amended by adding a subdivision to read:

Subd. 6. **Sale or possession of synthetic cannabinoids.** (a) As used in this subdivision, "synthetic cannabinoid" includes any substance included in section 152.02, subdivision 2, clause (7).

(b) A person who unlawfully sells any amount of a synthetic cannabinoid is guilty of a gross misdemeanor.

(c) A person who unlawfully possesses any amount of a synthetic cannabinoid is guilty of a misdemeanor.

(d) Notwithstanding any contrary provision in sections 152.021 to 152.025, this subdivision describes the exclusive penalties for the sale and possession of synthetic cannabinoid.

**EFFECTIVE DATE.** This section is effective August 1, 2011, and applies to crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to public safety; establishing the crimes of sale or possession of synthetic cannabinoids; adding synthetic cannabinoids, 2C-E, and 2C-I to the list of Schedule I controlled substances; adding a definition of "analog" in the controlled substances law; providing that an analog of a Schedule I or II controlled substance is considered a Schedule I controlled substance; establishing use of weight of fluid used in a water pipe when determining weight or amount of controlled substance; providing criminal penalties; amending Minnesota Statutes 2010, sections 152.01, subdivisions 9a, 16, by adding a subdivision; 152.02, subdivision 2; 152.021, subdivision 2; 152.022, subdivision 2; 152.023, subdivision 2; 152.027, by adding a subdivision."

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

**Senator Limmer from the Committee on Judiciary and Public Safety, to which was referred**

**S.F. No. 593:** A bill for an act relating to public safety; clarifying and recodifying certain provisions and modifying certain definitions in the prostitution laws; amending Minnesota Statutes 2010, sections 609.321, subdivisions 4, 8, 9; 609.324, subdivisions 2, 3, by adding subdivisions.

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

**Senator Limmer from the Committee on Judiciary and Public Safety, to which was referred**

**S.F. No. 301:** A bill for an act relating to public safety; expanding the fourth-degree assault crime and the assaulting a police horse crime to provide more protection to law enforcement assistants; amending Minnesota Statutes 2010, sections 609.02, by adding a subdivision; 609.2231, by adding a subdivision; 609.597.

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 2010, section 609.2231, is amended by adding a subdivision to read:

Subd. 8. **Reserve officer.** A person is guilty of a gross misdemeanor who:

(1) assaults a reserve officer as defined in section 626.84, subdivision 1, paragraph (e), who is

engaged in the performance of official public duties at the direction of, under the control of, or on behalf of a peace officer or supervising law enforcement officer or agency; and

(2) should reasonably know that the victim is a reserve officer engaged in the performance of official public duties of the peace officer, or supervising law enforcement officer or agency.

**EFFECTIVE DATE.** This section is effective August 1, 2011, and applies to crimes committed on or after that date.

Sec. 2. Minnesota Statutes 2010, section 609.597, is amended to read:

**609.597 ASSAULTING OR HARMING POLICE HORSE; PENALTIES.**

Subdivision 1. **Definition.** As used in this section, "police horse" means a horse that has been trained for crowd control and other law enforcement purposes and is used to assist peace officers or reserve officers in the performance of their official duties.

Subd. 2. **Crime.** Whoever assaults or intentionally harms a police horse while the horse is being used or maintained for use by a law enforcement agency, or while under the control of a reserve officer who is operating at the direction of, under the control of, or on behalf of a peace officer or a law enforcement agency, is guilty of a crime and may be sentenced as provided in subdivision 3.

Subd. 3. **Penalties.** A person convicted of violating subdivision 2 may be sentenced as follows:

(1) if a peace officer, a reserve officer, or any other person suffers great bodily harm or death as a result of the violation, the person may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both;

(2) if the police horse suffers death or great bodily harm as a result of the violation, or if a peace officer or a reserve officer suffers demonstrable bodily harm as a result of the violation, the person may be sentenced to imprisonment for not more than two years or to payment of a fine of not more than \$4,000, or both;

(3) if the police horse suffers demonstrable bodily harm as a result of the violation, the person may be sentenced to imprisonment for not more than one year and one day or to payment of a fine of not more than \$3,000, or both;

(4) if a peace officer or a reserve officer is involuntarily unseated from the police horse or any person, other than the peace officer or reserve officer, suffers demonstrable bodily harm as a result of the violation, the person may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both;

(5) if a violation other than one described in clauses (1) to (4) occurs, the person may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$1,000, or both.

**EFFECTIVE DATE.** This section is effective August 1, 2011, and applies to crimes committed on or after that date.

Sec. 3. Minnesota Statutes 2010, section 626.84, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of sections 626.84 to 626.863, the following terms have the meanings given them:

(a) "Board" means the Board of Peace Officer Standards and Training.

(b) "Director" means the executive director of the board.

(c) "Peace officer" means:

(1) an employee or an elected or appointed official of a political subdivision or law enforcement agency who is licensed by the board, charged with the prevention and detection of crime and the enforcement of the general criminal laws of the state and who has the full power of arrest, and shall also include the Minnesota State Patrol, agents of the Division of Alcohol and Gambling Enforcement, state conservation officers, Metropolitan Transit police officers, Department of Corrections Fugitive Apprehension Unit officers, and Department of Commerce Insurance Fraud Unit officers, and the statewide coordinator of the Violent Crime Coordinating Council; and

(2) a peace officer who is employed by a law enforcement agency of a federally recognized tribe, as defined in United States Code, title 25, section 450b(e), and who is licensed by the board.

(d) "Part-time peace officer" means an individual licensed by the board whose services are utilized by law enforcement agencies no more than an average of 20 hours per week, not including time spent on call when no call to active duty is received, calculated on an annual basis, who has either full powers of arrest or authorization to carry a firearm while on active duty. The term shall apply even though the individual receives no compensation for time spent on active duty, and shall apply irrespective of the title conferred upon the individual by any law enforcement agency.

(e) "Reserve officer" means an individual whose services are utilized by a law enforcement agency to provide supplementary assistance at special events, traffic or crowd control, and administrative or clerical assistance, and shall include reserve deputies, special deputies, mounted or unmounted patrols, and all other employees or volunteers performing reserve officer functions. A reserve officer's duties do not include enforcement of the general criminal laws of the state, and the officer does not have full powers of arrest or authorization to carry a firearm on duty.

(f) "Law enforcement agency" means:

(1) a unit of state or local government that is authorized by law to grant full powers of arrest and to charge a person with the duties of preventing and detecting crime and enforcing the general criminal laws of the state; and

(2) subject to the limitations in section 626.93, a law enforcement agency of a federally recognized tribe, as defined in United States Code, title 25, section 450b(e).

(g) "Professional peace officer education" means a postsecondary degree program, or a nondegree program for persons who already have a college degree, that is offered by a college or university in Minnesota, designed for persons seeking licensure as a peace officer, and approved by the board.

**EFFECTIVE DATE.** This section is effective August 1, 2011."

Amend the title as follows

Page 1, line 3, delete everything after the second "to" and insert "reserve officers"

Page 1, line 4, delete "assistants"

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

**Senator Limmer from the Committee on Judiciary and Public Safety, to which was referred**

**H.F. No. 460:** A bill for an act relating to State Fire Code; prohibiting sprinkler requirements in single-family dwellings; amending Minnesota Statutes 2010, section 299F.011, by adding a subdivision.

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

**Senator Gimse from the Committee on Transportation, to which was referred**

**S.F. No. 471:** A bill for an act relating to drivers' licenses; allowing counties to participate in driver's license reinstatement diversion pilot program; extending diversion pilot program; amending Laws 2009, chapter 59, article 3, section 4, as amended.

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

Page 1, line 19, after "Eligible cities" insert "and counties"

Page 1, line 22, delete "or" and insert "and"

Page 1, line 23, delete "jurisdiction" and insert "respective jurisdictions"

Page 3, line 8, after "all" insert "those"

Page 3, line 9, delete "affecting" and insert "that affect"

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

**Senator Gimse from the Committee on Transportation, to which was referred**

**S.F. No. 395:** A bill for an act relating to drivers' licenses; extending expiration period for driver's license while person is serving in active military service; amending Minnesota Statutes 2010, section 171.27.

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 2010, section 171.27, is amended to read:

**171.27 EXPIRATION OF LICENSE; MILITARY EXCEPTION.**

(a) The expiration date for each driver's license, other than under-21 licenses, is the birthday of the driver in the fourth year following the date of issuance of the license. The birthday of the driver shall be as indicated on the application for a driver's license. A license may be renewed on or before expiration or within one year after expiration upon application, payment of the required fee, and passing the examination required of all drivers for renewal. Driving privileges shall be extended or renewed on or preceding the expiration date of an existing driver's license unless the commissioner

believes that the licensee is no longer qualified as a driver.

(b) The expiration date for each under-21 license shall be the 21st birthday of the licensee. Upon the licensee attaining the age of 21 and upon the application, payment of the required fee, and passing the examination required of all drivers for renewal, a driver's license shall be issued unless the commissioner determines that the licensee is no longer qualified as a driver.

(c) The expiration date for each provisional license is two years after the date of application for the provisional license.

(d) Any valid Minnesota driver's license issued to a person then or subsequently ~~on active duty with~~ serving outside Minnesota in active military service, as defined in section 190.05, subdivision 5, in any branch or unit of the armed forces of the United States, or the person's spouse, shall continue in full force and effect without requirement for renewal until ~~90 days after the date of the person's discharge from such service, provided that a spouse's license must be renewed if the spouse is residing within the state at the time the license expires or within 90 days after the spouse returns to Minnesota and resides within the state~~ the date one year following the service member's separation or discharge from active military service, and until the license holder's birthday in the fourth full year following the person's most recent license renewal or if the case of a provisional license, until the person's birthday in the third full year following such renewal.

**EFFECTIVE DATE.** This section is effective July 1, 2011, and applies to Minnesota driver's licenses that are valid on or after that date."

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

**Senator Gerlach from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 389:** A bill for an act relating to insurance; no-fault auto; regulating uninsured and underinsured coverages, medical benefits, arbitration, and marketing practices; reducing automobile medical fraud; amending Minnesota Statutes 2010, sections 65B.44, subdivisions 1, 2; 65B.525, by adding subdivisions; 65B.54, subdivisions 4, 6, by adding subdivisions; 609.612, 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 2010, section 65B.44, subdivision 1, is amended to read:

Subdivision 1. **Inclusions.** (a) Basic economic loss benefits shall provide reimbursement for all loss suffered through injury arising out of the maintenance or use of a motor vehicle, subject to any applicable deductibles, exclusions, disqualifications, and other conditions, and shall provide a minimum of \$40,000 for loss arising out of the injury of any one person, consisting of:

(1) \$20,000 for medical expense loss arising out of injury to any one person; and

(2) a total of \$20,000 for income loss, replacement services loss, funeral expense loss, survivor's economic loss, and survivor's replacement services loss arising out of the injury to any one person.

(b) Notwithstanding any other law to the contrary, a person entitled to basic economic loss



benefits under this chapter is entitled to the full medical expense benefits set forth in subdivision 2, and may not receive medical expense benefits that are in any way less than those provided for in subdivision 2, or that involve any preestablished limitations on the benefits. Medical expenses must be reasonable and must be for necessary medical care as provided in subdivision 2. This paragraph shall not be deemed to alter the obligations of an insured or the rights of a reparation obligor as set forth in section 65B.56. This paragraph does not apply to medical expense loss that is subject to paragraph (d).

(c) No reparation obligor or health plan company as defined in section 62Q.01, subdivision 4, may enter into or renew any contract that provides, or has the effect of providing, managed care services to no-fault claimants. For the purposes of this section, "managed care services" is defined as any program of medical services that uses health care providers managed, owned, employed by, or under contract with a health plan company.

(d) Medical expense loss for diagnosis and treatment of a soft tissue injury is covered only if provided in compliance with the codes, treatment standards, and fee schedules provided in Minnesota Rules, chapter 5221. The term soft tissue injury specifically includes, without limitation, any injury with treatment covered by the procedure codes set forth in Minnesota Rules, chapter 5221, other than such treatment delivered by a health care provider defined in Minnesota Rules, part 5221.0100, subpart 11a, or by a medical facility described in section 176.136, subdivision 1b, paragraphs (a) and (b).

Sec. 2. Minnesota Statutes 2010, section 65B.44, subdivision 3, is amended to read:

Subd. 3. **Disability and income loss benefits.** Disability and income loss benefits shall provide compensation for 85 percent of the injured person's loss of present and future gross income from inability to work proximately caused by the nonfatal injury subject to a maximum of ~~\$250~~ \$500 per week. Loss of income includes the costs incurred by a self-employed person to hire substitute employees to perform tasks which are necessary to maintain the income of the injured person, which are normally performed by the injured person, and which cannot be performed because of the injury.

If the injured person is unemployed at the time of injury and is receiving or is eligible to receive unemployment benefits under chapter 268, but the injured person loses eligibility for those benefits because of inability to work caused by the injury, disability and income loss benefits shall provide compensation for the lost benefits in an amount equal to the unemployment benefits which otherwise would have been payable, subject to a maximum of ~~\$250~~ \$500 per week.

Compensation under this subdivision shall be reduced by any income from substitute work actually performed by the injured person or by income the injured person would have earned in available appropriate substitute work which the injured person was capable of performing but unreasonably failed to undertake.

For the purposes of this section "inability to work" means disability which prevents the injured person from engaging in any substantial gainful occupation or employment on a regular basis, for wage or profit, for which the injured person is or may by training become reasonably qualified. If the injured person returns to employment and is unable by reason of the injury to work continuously, compensation for lost income shall be reduced by the income received while the injured person is actually able to work. The weekly maximums may not be prorated to arrive at a daily maximum, even if the injured person does not incur loss of income for a full week.

For the purposes of this section, an injured person who is "unable by reason of the injury to work continuously" includes, but is not limited to, a person who misses time from work, including reasonable travel time, and loses income, vacation, or sick leave benefits, to obtain medical treatment for an injury arising out of the maintenance or use of a motor vehicle.

Sec. 3. Minnesota Statutes 2010, section 65B.44, subdivision 4, is amended to read:

Subd. 4. **Funeral and burial expenses.** Funeral and burial benefits shall be reasonable expenses not in excess of ~~\$2,000~~ \$5,000, including expenses for cremation or delivery under the Darlene Luther Revised Uniform Anatomical Gift Act, chapter 525A."

Delete the title and insert:

"A bill for an act relating to insurance; regulating no-fault medical expense loss benefits; adjusting disability and funeral expense benefits; amending Minnesota Statutes 2010, section 65B.44, subdivisions 1, 3, 4."

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

**Senator Ingebrigtsen from the Committee on Environment and Natural Resources, to which was referred**

**S.F. No. 1115:** A bill for an act relating to natural resources; modifying nonnative species provisions; modifying requirements for permits to control or harvest aquatic plants; providing criminal penalties and civil penalties; amending Minnesota Statutes 2010, sections 84D.01, subdivisions 8a, 16, 21, by adding subdivisions; 84D.02, subdivision 6; 84D.03, subdivisions 3, 4; 84D.09; 84D.10, subdivisions 1, 3, 4; 84D.11, subdivision 2a; 84D.13, subdivisions 3, 4, 5, 6, 7; 84D.15, subdivision 2; 103G.615, subdivision 1, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 84D; 86B; repealing Minnesota Statutes 2010, section 84D.02, subdivision 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 2010, section 84D.01, is amended by adding a subdivision to read:

Subd. 3a. **Decontaminate.** "Decontaminate" means to wash, drain, dry, or thermally or otherwise treat water-related equipment in order to remove or destroy aquatic invasive species as prescribed by the commissioner.

Sec. 2. Minnesota Statutes 2010, section 84D.01, subdivision 8a, is amended to read:

Subd. 8a. **Introduce.** "Introduce" means to place, release, or allow the escape of a nonnative species into a free-living state. Introduce does not include:

(1) the immediate return of a nonnative species to waters of the state from which the nonnative species was removed; or

(2) the seasonal return of nonnative species attached to water-related equipment, such as a dock

or boat lift, that has been stored on riparian property and directly returned to the same waters of the state from which the water-related equipment was removed.

Sec. 3. Minnesota Statutes 2010, section 84D.01, is amended by adding a subdivision to read:

Subd. 8b. **Inspect.** "Inspect" means to examine water-related equipment to determine whether aquatic invasive species, aquatic macrophytes, or water is present and includes removal, drainage, decontamination, or treatment to prevent the transportation and spread of aquatic invasive species, aquatic macrophytes, and water.

Sec. 4. Minnesota Statutes 2010, section 84D.01, is amended by adding a subdivision to read:

Subd. 8c. **Inspector.** "Inspector" means: (1) an individual trained and authorized by the commissioner to inspect water-related equipment under section 84D.105, subdivision 2, paragraph (a); or (2) a conservation officer or a licensed peace officer.

Sec. 5. Minnesota Statutes 2010, section 84D.01, is amended by adding a subdivision to read:

Subd. 15a. **Service provider.** "Service provider" means an individual who installs or removes water-related equipment or structures from waters of the state for hire. "Service provider" does not include a person working under the supervision of an individual with a valid service provider permit issued under section 84D.108.

Sec. 6. Minnesota Statutes 2010, section 84D.01, subdivision 16, is amended to read:

Subd. 16. **Transport.** "Transport" means to cause or attempt to cause a species to be carried or moved into or within the state, and includes accepting or receiving the species for transportation or shipment. Transport does not include:

(1) the ~~transport~~ movement of infested water or a nonnative species within a water of the state or to a connected water of the state where the species being transported is already present; or

(2) the movement of a nonnative species attached to water-related equipment or other water-related structures from a water of the state to the shore of riparian property on that water or the return of water-related equipment or structures from the shore into the same water of the state.

Sec. 7. Minnesota Statutes 2010, section 84D.01, is amended by adding a subdivision to read:

Subd. 18a. **Water-related equipment.** "Water-related equipment" means a motor vehicle, boat, watercraft, dock, boat lift, raft, vessel, trailer, tool, implement, device, or any other associated equipment or container, including but not limited to portable bait containers, live wells, ballast tanks except for those vessels permitted under the Pollution Control Agency vessel discharge program, bilge areas, and water-hauling equipment that is capable of containing or transporting aquatic invasive species, aquatic macrophytes, or water.

Sec. 8. Minnesota Statutes 2010, section 84D.01, subdivision 21, is amended to read:

Subd. 21. **Wild animal.** "Wild animal" means ~~a living creature, not human, wild by nature, endowed with sensation and power of voluntary motion~~ has the meaning given under section 97A.015, subdivision 55.

Sec. 9. Minnesota Statutes 2010, section 84D.02, subdivision 6, is amended to read:

Subd. 6. **Annual report.** By January 15 each year, the commissioner shall submit a report on invasive species of aquatic plants and wild animals to the legislative committees having jurisdiction over environmental and natural resource issues. The report must include:

- (1) detailed information on expenditures for administration, education, management, inspections, and research;
- (2) an analysis of the effectiveness of management activities conducted in the state, including chemical control, harvesting, educational efforts, and inspections;
- (3) information on the participation of other state agencies, local government units, and interest groups in control efforts;
- (4) information on the progress made in the management of each species; and
- (5) an assessment of future management needs and additional measures to protect the state's water resources from human transport and introduction of invasive species.

Sec. 10. Minnesota Statutes 2010, section 84D.03, subdivision 3, is amended to read:

Subd. 3. **Bait harvest from infested waters.** (a) ~~The Taking of~~ wild animals from infested waters for bait or aquatic farm purposes is prohibited, except as provided in paragraph (b) and section 97C.341.

(b) In waters that are designated as infested waters, except those designated because they contain prohibited invasive species of fish or certifiable diseases of fish, as defined under section 17.4982, subdivision 6, ~~the taking of~~ wild animals may be permitted for:

- (1) commercial taking of wild animals for bait and aquatic farm purposes according to a permit issued under section 84D.11, subject to rules adopted by the commissioner; and
- (2) bait purposes for noncommercial personal use in waters that contain Eurasian water milfoil, when the infested waters are designated solely because they contain Eurasian water milfoil and if the equipment for taking is limited to cylindrical minnow traps not exceeding 16 inches in diameter and 32 inches in length.

(c) Equipment authorized for minnow harvest in a designated infested water by permit issued under paragraph (b) may not be transported to, or used in, any waters other than waters specified in the permit.

Sec. 11. Minnesota Statutes 2010, section 84D.03, subdivision 4, is amended to read:

Subd. 4. **Commercial fishing and turtle, frog, and crayfish harvesting restrictions in infested and noninfested waters.** (a) All nets, traps, buoys, anchors, stakes, and lines used for commercial fishing or turtle, frog, or crayfish harvesting in an infested water that is designated because it contains invasive fish, invertebrates, or certifiable diseases, as defined in section 17.4982, may not be used in any other waters. If a commercial licensee operates in ~~both~~ an infested water designated because it contains invasive fish, invertebrates, or certifiable diseases, as defined in section 17.4982, ~~and other waters,~~ all nets, traps, buoys, anchors, stakes, and lines used for commercial fishing or turtle, frog, or crayfish harvesting in waters ~~not~~ designated as infested with invasive fish, invertebrates, or certifiable diseases, as defined in section 17.4982, must be tagged with tags provided by the commissioner, as specified in the commercial licensee's license or permit, ~~and may not be used~~

in infested waters designated because the waters contain invasive fish, invertebrates, or certifiable diseases, as defined in section 17.4982. This tagging requirement does not apply to commercial fishing equipment used in Lake Superior.

(b) All nets, traps, buoys, anchors, stakes, and lines used for commercial fishing or turtle, frog, or crayfish harvesting in an infested water that is designated solely because it contains Eurasian water milfoil must be dried for a minimum of ten days or frozen for a minimum of two days before they are used in any other waters, except as provided in this paragraph. Commercial licensees must notify the department's regional or area fisheries office or a conservation officer before removing nets or equipment from an infested water designated solely because it contains Eurasian water milfoil and before resetting those nets or equipment in any other waters. Upon notification, the commissioner may authorize a commercial licensee to move nets or equipment to another water without freezing or drying, if that water is designated as infested solely because it contains Eurasian water milfoil.

(c) A commercial licensee must remove all aquatic macrophytes from nets and other equipment when the nets and equipment are removed from waters of the state.

(d) The commissioner shall provide a commercial licensee with a current listing of designated infested waters at the time that a license or permit is issued.

(e) A person harvesting aquatic life from waters of the state for the purpose of transporting and stocking shall transport the aquatic life to a holding facility. The aquatic life shall remain in the holding facility for at least ten hours and be examined for the presence of invasive species.

(f) This subdivision applies to the state and its departments and agencies.

Sec. 12. Minnesota Statutes 2010, section 84D.08, is amended to read:

**84D.08 ESCAPE OF NONNATIVE AND INVASIVE SPECIES; NOTIFICATION.**

**Subdivision 1. Introduction of nonnative and invasive species; notification.** (a) A person that allows or causes the introduction of an animal that is a prohibited invasive, regulated invasive, or unlisted nonnative species shall, within 24 hours after learning of the introduction, notify the commissioner, a conservation officer, or another person designated by the commissioner. The person shall make every reasonable attempt to recapture or destroy the introduced animal. If the animal is a prohibited invasive species, the person is liable for the actual costs incurred by the department in capturing or controlling, or attempting to capture or control, the animal and its progeny. If the animal is a regulated invasive species, the person is liable for these costs if the introduction was in violation of the person's permit issued under section 84D.11.

(b) A person that complies with this section (b) is not subject to criminal penalties under section 84D.13 for the introduction.

**Subd. 2. Aquatic invasive species; notification.** (a) Identification of an aquatic invasive species through sampling and monitoring procedures at a location where that species has not been known to exist shall be reported immediately to the commissioner or an inspector.

(b) Any person that becomes aware of or suspects an aquatic invasive species being present at a location where that species has not been known to exist shall report the aquatic invasive species presence within 48 hours to the commissioner or an inspector.

(c) An aquatic invasive species report under this subdivision shall include the date and time of the detection of the aquatic invasive species, the exact location of sighting, the suspected species, and the name and contact information of the reporter. Any samples collected of suspected aquatic invasive species shall be submitted to the commissioner or an inspector designated by the commissioner within 48 hours.

Sec. 13. Minnesota Statutes 2010, section 84D.09, is amended to read:

**84D.09 AQUATIC MACROPHYTES.**

Subdivision 1. **Transportation prohibited.** A person may not transport aquatic macrophytes ~~on any state forest road as defined by section 89.001, subdivision 14, any road or highway as defined in section 160.02, subdivision 26, or any other public road,~~ except as provided in this section.

Subd. 2. **Exceptions.** Unless otherwise prohibited by law, a person may transport aquatic macrophytes:

- (1) that are duckweeds in the family Lemnaceae;
- (2) for disposal as part of a harvest or control activity conducted under an aquatic plant management permit pursuant to section 103G.615, under permit pursuant to section 84D.11, or as specified by the commissioner;
- (3) for purposes of constructing shooting or observation blinds in amounts sufficient for that purpose, provided that the aquatic macrophytes are emergent and cut above the waterline;
- (4) when legally purchased or traded by or from commercial or hobbyist sources for aquarium, wetland or lakeshore restoration, or ornamental purposes;
- (5) when harvested for personal or commercial use if in a motor vehicle;
- (6) to the department, or another destination as the commissioner may direct, in a sealed container for purposes of identifying a species or reporting the presence of a species;
- (7) when transporting commercial aquatic plant harvesting or control equipment to a suitable location for purposes of cleaning any remaining aquatic macrophytes;
- (8) that are wild rice harvested under section 84.091; ~~or~~
- (9) in the form of fragments of emergent aquatic macrophytes incidentally transported in or on watercraft or decoys used for waterfowl hunting during the waterfowl season; or
- (10) when removing water-related equipment from waters of the state for purposes of cleaning off aquatic macrophytes before leaving a water access site.

Sec. 14. Minnesota Statutes 2010, section 84D.10, subdivision 1, is amended to read:

Subdivision 1. **Launching prohibited.** A person may not place or attempt to place into waters of the state a watercraft, a trailer, or aquatic plant harvesting or control equipment that has aquatic macrophytes, zebra mussels, or prohibited invasive species attached except as provided in this section.

Sec. 15. Minnesota Statutes 2010, section 84D.10, subdivision 3, is amended to read:

Subd. 3. **Removal and confinement.** (a) A conservation officer or other licensed peace officer may order:

(1) the removal of aquatic macrophytes or prohibited invasive species from ~~a trailer or watercraft~~ water-related equipment before it is placed into waters of the state;

(2) confinement of the ~~watercraft~~ water-related equipment at a mooring, dock, or other location until the ~~watercraft~~ water-related equipment is removed from the water; and

(3) removal of ~~a watercraft~~ water-related equipment from waters of the state to remove prohibited invasive species if the water has not been designated by the commissioner as being infested with that species; and

(4) a prohibition on placing water-related equipment into waters of the state when the water-related equipment has aquatic macrophytes or prohibited invasive species attached in violation of subdivision 1 or when water has not been drained or the drain plug has not been removed in violation of subdivision 4.

(b) An inspector who is not a licensed peace officer may issue orders under paragraph (a), clauses (1), (3), and (4).

Sec. 16. Minnesota Statutes 2010, section 84D.10, subdivision 4, is amended to read:

Subd. 4. **Persons leaving public waters; report transporting water-related equipment.** (a) A person When leaving waters of the state a person must drain boating-related water-related equipment holding water and live wells and bilges by removing the drain plug before transporting the watercraft and associated water-related equipment on public roads off the water access site or riparian property.

(b) Drain plugs, bailers, valves, or other devices used to control the draining of water from ballast tanks, bilges, and live wells must be removed or opened while transporting ~~watercraft on a public road~~ water-related equipment.

(c) Marine sanitary systems and portable bait containers used by licensed aquatic farms are excluded exempt from this requirement subdivision.

(d) A person must not dispose of bait in waters of the state.

~~(b) The commissioner shall report, by January 15 of each odd-numbered year, to the chairs and ranking minority members of the house of representatives and senate committees and divisions having jurisdiction over water resources policy and finance. The report shall advise the legislature on additional measures to protect state water resources from human transport of invasive species.~~

(e) Emergency response vehicles and equipment that are being used in responding to an emergency may be transported on a public road with the drain plug or other similar device replaced only after all water has been drained from the equipment upon leaving the water body.

Sec. 17. **[84D.105] INSPECTION OF WATER-RELATED EQUIPMENT.**

Subdivision 1. **Compliance inspections.** Compliance with aquatic invasive species inspection requirements is an express condition of operating or transporting water-related equipment. An inspector may prohibit an individual from placing or operating water-related equipment in waters of the state if the individual refuses to allow an inspection of the individual's water-related equipment

or refuses to remove and dispose of aquatic invasive species, aquatic macrophytes, and water.

Subd. 2. **Inspector authority.** (a) The commissioner shall train and authorize individuals to inspect water-related equipment for aquatic macrophytes, aquatic invasive species, and water.

(b) Inspectors may visually and tactilely inspect watercraft and water-related equipment to determine whether aquatic invasive species, aquatic macrophytes, or water is present. If a person transporting watercraft or water-related equipment refuses to take required corrective actions or fails to comply with an order under section 84D.10, subdivision 3, an inspector who is not a licensed peace officer shall refer the violation to a conservation officer or other licensed peace officer.

(c) In addition to paragraph (b), a conservation officer or other licensed peace officer may inspect any watercraft or water-related equipment that is stopped at a water access site or stopped at any other location in the state if the officer determines there is reason to believe that aquatic invasive species, aquatic macrophytes, or water is present on the watercraft or water-related equipment.

(d) Conservation officers or other licensed peace officers may utilize check stations in locations, or in proximity to locations, where watercraft or other water-related equipment is placed into or removed from waters of the state. Any check stations shall be operated in a manner that minimizes delays to vehicles, equipment, and their occupants.

**Sec. 18. [84D.108] SERVICE PROVIDER PERMIT.**

Subdivision 1. **Service provider permit required.** (a) Service providers must apply for and obtain a permit from the commissioner before providing any services described in section 84D.01, subdivision 15a.

(b) Service providers must have a valid permit in possession while providing services described in section 84D.01, subdivision 15a.

Subd. 2. **Permit requirements.** (a) Service providers must complete invasive species training provided by the commissioner and pass an examination to qualify for a permit. Service provider permits are valid for three calendar years.

(b) A \$50 application and testing fee is required for service provider permit applications.

(c) Persons working for a permittee must satisfactorily complete aquatic invasive species-related training provided by the commissioner.

Subd. 3. **Standard for issuing.** The commissioner may issue, deny, modify, or revoke a permit as provided in section 84D.11, subdivision 3.

Subd. 4. **Appeal of permit decision.** Permit decisions may be appealed as provided in section 84D.11, subdivision 4.

Sec. 19. Minnesota Statutes 2010, section 84D.11, subdivision 2a, is amended to read:

Subd. 2a. **Harvest of bait from infested waters.** (a) The commissioner may issue a permit to allow the harvest of bait from waters that are designated as infested waters, except those designated because they contain prohibited invasive species of fish. The permit shall include conditions necessary to avoid spreading aquatic invasive species.



(b) Before receiving a permit, or working for a permittee, a person annually must satisfactorily complete aquatic invasive species-related training provided by the commissioner.

Sec. 20. Minnesota Statutes 2010, section 84D.13, subdivision 3, is amended to read:

Subd. 3. **Criminal penalties.** (a) A person who violates a provision of ~~section~~ sections 84D.03 or 84D.06, ~~84D.07, 84D.08, or 84D.10~~ to 84D.11, or a rule adopted under section 84D.12, is guilty of a misdemeanor.

(b) A person who possesses, transports, or introduces a prohibited invasive species in violation of section 84D.05 is guilty of a misdemeanor. A person who imports, purchases, sells, or propagates a prohibited invasive species in violation of section 84D.05 is guilty of a gross misdemeanor.

(c) A person who refuses to obey an order of a peace officer or conservation officer to remove prohibited invasive species or aquatic macrophytes from any ~~watercraft, trailer, or plant harvesting water-related~~ equipment is guilty of a gross misdemeanor.

Sec. 21. Minnesota Statutes 2010, section 84D.13, subdivision 4, is amended to read:

Subd. 4. **Warnings; civil citations.** After appropriate training, conservation officers, other licensed peace officers, and other department personnel designated by the commissioner may issue warnings or citations to a person who:

(1) unlawfully transports prohibited invasive species or aquatic macrophytes;

(2) unlawfully places or attempts to place into waters of the state ~~a trailer, a watercraft, or plant harvesting~~ water-related equipment that has aquatic macrophytes or prohibited invasive species attached;

(3) intentionally damages, moves, removes, or sinks a buoy marking, as prescribed by rule, Eurasian water milfoil;

(4) fails to remove plugs, open valves, and drain water, as required by rule, from watercraft and water-related equipment before leaving ~~designated zebra mussel, spiny water flea, or other invasive plankton infested~~ waters of the state or when transporting water-related equipment as provided in section 84D.10, subdivision 4; or

(5) transports infested water, in violation of rule, off riparian property.

Sec. 22. Minnesota Statutes 2010, section 84D.13, subdivision 5, is amended to read:

Subd. 5. **Civil penalties.** (a) A civil citation issued under this section must impose the following penalty amounts:

(1) for transporting aquatic macrophytes ~~on a forest road as defined by section 89.001, subdivision 14, road or highway as defined by section 160.02, subdivision 26, or any other public road, \$50~~ in violation of section 84D.09, \$100;

(2) for placing or attempting to place into waters of the state ~~a watercraft, a trailer, or aquatic plant harvesting~~ water-related equipment that has aquatic macrophytes attached, ~~\$100~~ \$200;

(3) for unlawfully possessing or transporting a prohibited invasive species other than an aquatic macrophyte, ~~\$250~~ \$500;

(4) for placing or attempting to place into waters of the state ~~a watercraft, a trailer, or aquatic plant harvesting~~ water-related equipment that has prohibited invasive species attached when the waters are not designated by the commissioner as being infested with that invasive species, \$500 ~~for the first offense and \$1,000 for each subsequent offense;~~

(5) for intentionally damaging, moving, removing, or sinking a buoy marking, as prescribed by rule, Eurasian water milfoil, \$100;

(6) for failing to remove plugs, open valves, and drain water, as required by rule, for infested waters and from watercraft and water-related equipment, other than marine sanitary systems ~~and portable bait containers~~, before leaving waters of the state, ~~\$50~~ or when transporting water-related equipment as provided in section 84D.10, subdivision 4, \$100; and

(7) for transporting infested water off riparian property without a permit as required by rule, \$200.

(b) A civil citation that is issued to a person who has one or more prior convictions or final orders for violations of this chapter is subject to twice the penalty amounts listed in paragraph (a).

Sec. 23. Minnesota Statutes 2010, section 84D.13, subdivision 6, is amended to read:

Subd. 6. **Watercraft license suspension.** A civil citation may be issued to suspend, for up to a year, the watercraft license of an owner or person in control of a watercraft or trailer who refuses to submit to an inspection under section ~~84D.02, subdivision 4, 84D.105~~ or who refuses to comply with a removal order given under this section 84D.13.

Sec. 24. Minnesota Statutes 2010, section 84D.13, subdivision 7, is amended to read:

Subd. 7. **Satisfaction of civil penalties.** A civil penalty is due and a watercraft license suspension is effective 30 days after issuance of the civil citation. A civil penalty collected under this section ~~is payable to~~ must be paid to either: (1) the commissioner if the citation was issued by a conservation officer and must be credited to the invasive species account; or (2) the treasury of the unit of government employing the officer who issued the civil citation.

Sec. 25. Minnesota Statutes 2010, section 84D.15, subdivision 2, is amended to read:

Subd. 2. **Receipts.** Money received from surcharges on watercraft licenses under section 86B.415, subdivision 7, ~~and civil penalties under section 84D.13, and service provider permits under section 84D.108,~~ shall be deposited in the invasive species account. Each year, the commissioner of management and budget shall transfer from the game and fish fund to the invasive species account, the annual surcharge collected on nonresident fishing licenses under section 97A.475, subdivision 7, paragraph (b). In fiscal years 2010 and 2011, the commissioner of management and budget shall transfer \$725,000 from the water recreation account under section 86B.706 to the invasive species account.

Sec. 26. **[86B.508] AQUATIC INVASIVE SPECIES RULES DECAL.**

(a) A watercraft owner or operator must obtain and display an aquatic invasive species rules decal issued by the commissioner on the owner or operator's watercraft prior to launching on, entering into, or operating on any waters of the state.

(b) The aquatic invasive species rules decal must be attached to the watercraft so as to be in full

view of the operator.

Sec. 27. Minnesota Statutes 2010, section 103G.311, subdivision 5, is amended to read:

Subd. 5. **Demand for hearing.** (a) If a hearing is waived and an order is made issuing or denying the permit, the applicant, the managers of the watershed district, the board of supervisors of the soil and water conservation district, or the ~~mayor~~ governing body of the municipality may file a demand for hearing on the application. The demand for a hearing must be filed within 30 days after mailed notice of the order with the bond required by subdivision 6.

(b) The commissioner must give notice as provided in subdivision 2, hold a hearing on the application, and make a determination on issuing or denying the permit as though the previous order had not been made.

(c) The order issuing or denying the permit becomes final at the end of 30 days after mailed notice of the order to the applicant, the managers of the watershed district, the board of supervisors of the soil and water conservation district, or the ~~mayor~~ governing body of the municipality, and an appeal of the order may not be taken if:

- (1) the commissioner waives a hearing and a demand for a hearing is not made; or
- (2) a hearing is demanded but a bond is not filed as required by subdivision 6.

Sec. 28. Minnesota Statutes 2010, section 103G.615, subdivision 1, is amended to read:

Subdivision 1. ~~Authorization~~ **Issuance; validity.** (a) The commissioner may issue permits, with or without a fee, to:

- (1) gather or harvest aquatic plants, or plant parts, other than wild rice from public waters;
- (2) transplant aquatic plants into public waters;
- (3) destroy harmful or undesirable aquatic vegetation or organisms in public waters under prescribed conditions to protect the waters, desirable species of fish, vegetation, other forms of aquatic life, and the public.

(b) Application for a permit must be accompanied by a permit fee, if required.

(c) An aquatic plant management permit is valid for one growing season and expires on December 31 of the year it is issued unless the commissioner stipulates a different expiration date in rule or in the permit.

Sec. 29. Minnesota Statutes 2010, section 103G.615, is amended by adding a subdivision to read:

Subd. 3a. **Invasive aquatic plant management permit.** (a) "Invasive aquatic plant management permit" means an aquatic plant management permit as defined in rules of the Department of Natural Resources that authorizes the selective control of invasive aquatic plants at a scale to cause a significant lakewide or baywide reduction in the abundance of the invasive aquatic plant.

(b) The commissioner may waive the dated signature of approval requirement in rules of the Department of Natural Resources for invasive aquatic plant management permits if obtaining signatures would create an undue burden on the permittee or if the commissioner determines that

aquatic plant control is necessary to protect natural resources.

(c) If the signature requirement is waived under paragraph (b) because obtaining signatures would create an undue burden on the permittee, the commissioner shall require an alternate form of landowner notification, including news releases or public notices in a local newspaper, a public meeting, or a mailing to the most recent permanent address of affected landowners. The notification must be given annually and must include: the proposed date of treatment, the target species, the method of control or product being used, and instructions on how the landowner may request that control not occur adjacent to the landowner's property.

(d) The commissioner may allow dated signatures of approval obtained for an invasive aquatic plant management permit to satisfy rules of the Department of Natural Resources to remain valid for three years if property ownership remains unchanged.

**Sec. 30. TEMPORARY WARNING REQUIREMENTS; AQUATIC INVASIVE SPECIES RULES DECAL.**

A violation of Minnesota Statutes, section 86B.508, prior to August 1, 2013, shall not result in a penalty, but is punishable only by a warning.

**Sec. 31. AQUATIC INVASIVE SPECIES MANAGEMENT IMPLEMENTATION COSTS; REPORT.**

By January 15, 2012, the commissioner of natural resources shall report to the house of representatives and senate committees with jurisdiction over environment and natural resources policy and finance on the long-term funding needed to implement and enforce Minnesota Statutes, chapter 84D, including recommendations on the appropriate amount of the watercraft surcharge.

**Sec. 32. REPEALER.**

Minnesota Statutes 2010, section 84D.02, subdivision 4, is repealed.

**Sec. 33. EFFECTIVE DATE.**

Sections 1 to 17, 19 to 25, and 27 to 32 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 2, after the second semicolon, insert "modifying certain requirements for public waters work permits;"

Amend the title numbers accordingly

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

**Senator Ingebrigtsen from the Committee on Environment and Natural Resources, to which was referred**

**S.F. No. 943:** A bill for an act relating to game and fish; modifying aquaculture provisions; modifying compensation and assistance provisions for crop damage by elk; modifying requirements for fish and wildlife management plans; modifying provisions for taking, possessing, and

transporting wild animals; modifying certain acquisition procedures; modifying penalty and license provisions; modifying invasive species control provisions; limiting landowner liability for state walk-in access program; requiring rulemaking; providing criminal penalties; amending Minnesota Statutes 2010, sections 3.7371, subdivisions 1, 3; 17.4982, subdivisions 8, 12, 13, by adding a subdivision; 17.4991, subdivision 3; 17.4994; 84.942, subdivision 1; 84.95, subdivision 2; 84D.08; 84D.11, subdivision 2a; 84D.14; 97A.015, subdivisions 24, 49, 52, 55; 97A.028, subdivision 3; 97A.101, subdivision 3; 97A.145, subdivision 2; 97A.311, subdivision 5; 97A.321, subdivision 1; 97A.331, by adding a subdivision; 97A.405, subdivision 2; 97A.415, subdivision 2; 97A.425, subdivision 3; 97A.433, by adding a subdivision; 97A.435, subdivision 1; 97A.445, subdivision 1a; 97A.475, subdivisions 2, 3, 7; 97A.505, subdivision 2; 97A.545, subdivision 5; 97B.022, subdivision 2; 97B.031, subdivision 5; 97B.041; 97B.055, subdivision 3; 97B.075; 97B.106, subdivision 1; 97B.325; 97B.405; 97B.515, by adding a subdivision; 97B.711, by adding a subdivision; 97B.803; 97C.005, subdivision 3; 97C.081, subdivision 3, by adding a subdivision; 97C.087, subdivision 2; 97C.205; 97C.311, subdivision 1; 97C.341; 604A.21, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 17; 97B; repealing Minnesota Statutes 2010, sections 84.942, subdivisions 2, 3, 4; 97A.015, subdivisions 26b, 27b, 27c; 97A.435, subdivision 5; 97B.511; 97B.515, subdivision 3; 97C.081, subdivision 2.

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

Page 2, after line 14, insert:

"Sec. 3. Minnesota Statutes 2010, section 16C.055, subdivision 2, is amended to read:

Subd. 2. **Restriction.** After July 1, 2002, an agency may not enter into a contract or otherwise agree with a nongovernmental entity to receive total nonmonetary consideration valued at more than \$100,000 annually in exchange for the agency providing nonmonetary consideration, unless such an agreement is specifically authorized by law. This subdivision does not apply to the State Lottery or private aquaculture businesses involved in state stocking contracts."

Page 5, after line 28, insert:

"Sec. 10. Minnesota Statutes 2010, section 17.4992, subdivision 4, is amended to read:

Subd. 4. **Sale of eggs by the state.** The commissioner may offer for sale or barter as eggs or fry ~~up to two percent of~~ from the department's annual game fish egg harvest. ~~Additional eggs or fry may be sold if they are surplus to this state's program needs."~~

Page 7, delete sections 12 and 14

Page 8, delete section 16 and insert:

"Sec. 16. Minnesota Statutes 2010, section 97A.015, subdivision 45, is amended to read:

Subd. 45. **Small game.** "Small game" means game birds, gray squirrel, fox squirrel, cottontail rabbit, snowshoe hare, jack rabbit, raccoon, lynx, bobcat, gray wolf, red fox and gray fox, fisher, pine marten, opossum, badger, cougar, wolverine, muskrat, mink, otter, and beaver.

Sec. 17. Minnesota Statutes 2010, section 97A.015, subdivision 49, is amended to read:

Subd. 49. **Undressed bird.** "Undressed bird" means:

(1) a bird, excluding ~~migratory waterfowl, pheasant, Hungarian partridge, turkey, or grouse ducks~~, with ~~feet and~~ a fully feathered head wing intact;

(2) a ~~migratory waterfowl, excluding geese, duck~~ with a fully feathered wing and head attached;  
or

(3) a pheasant, Hungarian partridge, or wild turkey, ~~or grouse~~ with one leg and foot ~~or the fully feathered head or wing~~ intact; ~~or~~

~~(4) a goose with a fully feathered wing attached."~~

Page 8, after line 27, insert:

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

Page 9, after line 32, insert:

"Sec. 21. Minnesota Statutes 2010, section 97A.075, subdivision 6, is amended to read:

Subd. 6. **Walleye stamp.** ~~(a)~~ Revenue from walleye stamps must be credited to the walleye stamp account. Money in the account must be used only for stocking walleye walleyes purchased from the private sector in waters of the state ~~and related activities.~~

~~(b) Money in the account may not be used for costs unless they are directly related to a specific body of water under paragraph (a), or for costs associated with supplies and equipment to implement walleye stocking activities under paragraph (a)."~~

Page 10, delete section 21

Page 13, delete section 31

Page 14, delete section 32

Page 16, delete section 38

Page 17, delete section 39 and insert:

"Sec. 37. Minnesota Statutes 2010, section 97B.041, is amended to read:

**97B.041 POSSESSION OF FIREARMS AND AMMUNITION RESTRICTED IN DEER ZONES.**

(a) A person may not possess a firearm or ammunition outdoors during the period beginning the fifth day before the open firearms season and ending the second day after the close of the season within an area where deer may be taken by a firearm, except:

(1) during the open season and in an area where big game may be taken, a firearm and ammunition authorized for taking big game in that area may be used to take big game in that area if the person has a valid big game license in possession;

(2) an unloaded firearm that is in a case or in a closed trunk of a motor vehicle;

(3) a shotgun and shells containing No. 4 buckshot or smaller diameter lead shot or steel shot;

(4) a handgun or rifle capable of firing only rimfire cartridges of .17 and .22 caliber, including

.22 magnum caliber cartridges;

(5) handguns possessed by a person authorized to carry a handgun under sections 624.714 and 624.715 for the purpose authorized; and

(6) on a target range operated under a permit from the commissioner.

(b) This section does not apply during an open firearms season in an area where deer may be taken only by muzzleloader, except that muzzleloading firearms lawful for the taking of deer may be possessed only by persons with a valid license to take deer by muzzleloader during ~~that~~ the muzzleloader season. A person with a valid license to take deer by hunting during the muzzleloader season may not possess a firearm other than:

(1) a muzzleloader that is legal for taking deer under section 97B.031, subdivision 1; and

(2) a handgun, as provided in paragraph (a), clause (4) or (5)."

Page 19, delete section 43 and insert:

"Sec. 41. Minnesota Statutes 2010, section 97B.211, subdivision 1, is amended to read:

Subdivision 1. **Possession of firearms prohibited.** (a) A person may not take deer by archery while in possession of a firearm.

(b) Paragraph (a) does not apply to a person carrying a handgun in compliance with section 624.714."

Page 20, delete section 44 and insert:

"Sec. 42. Minnesota Statutes 2010, section 97B.425, is amended to read:

**97B.425 BAITING BEARS.**

Notwithstanding section 609.68, a person may place bait to take bear and must display a tag at each site where bait is placed and register the sites. The commissioner shall prescribe the method of tagging and registering the sites. The tag displayed at each site where bait is placed must contain ~~identification information~~: (1) the licensee's name and address; (2) the licensee's driver's license number; or (3) the "MDNR#" license identification number issued to the licensee for a licensed bear hunter or a licensed bear outfitter. A person must have the license identification number of the person with the bear license in their possession or be a licensed bear outfitter while attending a bear bait station. To attract bear a person may not use a bait with:

(1) a carcass from a mammal, if the carcass contains more than 25 percent of the intact carcass;

(2) meat from mammals, if the meat contains bones;

(3) bones of mammals;

(4) solid waste containing bottles, cans, plastic, paper, or metal;

(5) materials that are not readily biodegradable; or

(6) any part of a swine, except cured pork."

Page 20, after line 20, insert:

"Sec. 44. Minnesota Statutes 2010, section 97B.645, subdivision 9, is amended to read:

Subd. 9. **Open season.** There shall be no open season for gray wolves ~~for five years~~ until after the gray wolf is delisted under the federal Endangered Species Act of 1973. After that time, the commissioner may prescribe open seasons and restrictions for taking gray wolves but must provide opportunity for public comment."

Page 20, line 26, delete "and the vehicle's engine is shut off"

Page 20, delete section 47

Page 22, after line 23, insert:

"Sec. 50. Minnesota Statutes 2010, section 97C.081, subdivision 4, is amended to read:

Subd. 4. **Restrictions.** (a) The commissioner may by rule establish restrictions on fishing contests to protect fish and fish habitat, to restrict activities during high use periods, to restrict activities that affect research or management work, to restrict the number of boats, and for the safety of contest participants.

(b) By March 1, 2011, the commissioner shall develop a best practices certification program for fishing contest organizers to ensure the proper handling and release of fish.

(c) Fishing tournament organizers shall take preventive measures to reduce the spread of invasive species, as defined in section 84D.01, subdivision 9a."

Page 23, after line 36, insert:

"Sec. 53. Minnesota Statutes 2010, section 97C.211, subdivision 5, is amended to read:

Subd. 5. **Price of walleye game fish fry and eggs.** (a) The commissioner may not sell walleye game fish fry or eggs for less than fair market value, defined as the average price charged by private walleye fry wholesalers located in Minnesota the cost associated with the production of eggs or fry.

(b) For every 86 pounds of walleye fingerlings contracted to sell to the state, one quart of eggs or fry equivalent may be offered to purchase or barter with private aquaculture vendors."

Page 24, delete section 54

Page 24, delete section 56 and insert:

"Sec. 55. Minnesota Statutes 2010, section 103B.101, subdivision 9, is amended to read:

Subd. 9. **Powers and duties.** In addition to the powers and duties prescribed elsewhere, the board shall:

(1) coordinate the water and soil resources planning and implementation activities of counties, soil and water conservation districts, watershed districts, watershed management organizations, and any other local units of government through its various authorities for approval of local plans, administration of state grants, contracts and easements, and by other means as may be appropriate;

(2) facilitate communication and coordination among state agencies in cooperation with the



Environmental Quality Board, and between state and local units of government, in order to make the expertise and resources of state agencies involved in water and soil resources management available to the local units of government to the greatest extent possible;

(3) coordinate state and local interests with respect to the study in southwestern Minnesota under United States Code, title 16, section 1009;

(4) develop information and education programs designed to increase awareness of local water and soil resources problems and awareness of opportunities for local government involvement in preventing or solving them;

(5) provide a forum for the discussion of local issues and opportunities relating to water and soil resources management;

(6) adopt an annual budget and work program that integrate the various functions and responsibilities assigned to it by law; and

(7) report to the governor and the legislature by October 15 of each even-numbered year with an assessment of board programs and recommendations for any program changes and board membership changes necessary to improve state and local efforts in water and soil resources management.

The board may accept grants, gifts, donations, or contributions in money, services, materials, or otherwise from the United States, a state agency, or other source to achieve an authorized or delegated purpose. The board may enter into a contract or agreement necessary or appropriate to accomplish the transfer. The board may conduct or participate in local, state, or federal programs or projects that have as one purpose or effect the preservation or enhancement of water and soil resources and may enter into and administer agreements with local governments or landowners or their designated agents as part of those programs or projects. The board may receive and expend money to acquire conservation easements, as defined in chapter 84C, on behalf of the state and federal government consistent with the Camp Ripley's Army Compatible Use Buffer Project.

Any money received is hereby deposited in an account in a fund other than the general fund and appropriated and dedicated for the purpose for which it is granted.

**Sec. 56. [348.125] COYOTE CONFLICT MANAGEMENT OPTION.**

A county or town board may, by resolution, offer a bounty for the taking of coyotes (Canis latrans) by all legal methods. The resolution may be made applicable to the whole or any part of the county or town. The bounty must apply during the months specified in the resolution and be in an amount determined by the board.

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

Sec. 57. Minnesota Statutes 2010, section 604A.24, is amended to read:

**604A.24 LIABILITY; LEASED LAND, WATER-FILLED MINE PITS; MUNICIPAL POWER AGENCY LAND.**

Unless otherwise agreed in writing, sections 604A.22 and 604A.23 also apply to the duties and liability of an owner of the following land:

- (1) land leased to the state or any political subdivision for recreational purpose; or
- (2) idled or abandoned, water-filled mine pits whose pit walls may slump or cave, and to which water the public has access from a water access site operated by a public entity; or
- (3) land of which a municipal power agency is an owner and that is used for recreational trail purposes, and other land of a municipal power agency which is within 300 feet of such land if the entry onto such land was from land that is dedicated for recreational purposes or recreational trail use; or
- (4) land leased to the state or otherwise subject to an agreement or contract for purposes of a state-sponsored walk-in access program."

Page 25, line 3, delete "13" and insert "1"

Page 25, line 11, delete everything after "subdivision 5;"

Renumber the sections in sequence

Amend the title accordingly

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

**Senator Ingebrigtsen from the Committee on Environment and Natural Resources, to which was referred**

**S.F. No. 1106:** A bill for an act relating to natural resources; modifying operating provisions for certain recreational vehicles; providing for dual registration of certain motorcycles; modifying special vehicle use on roadways; amending Minnesota Statutes 2010, sections 84.777, subdivision 2; 84.788, by adding a subdivision; 84.9257; 168.002, subdivision 18; 168A.085; 169.045, subdivisions 1, 2, 3, 5, 6, 7, 8.

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

Page 2, after line 15, insert:

"Sec. 3. Minnesota Statutes 2010, section 84.92, subdivision 8, is amended to read:

Subd. 8. **All-terrain vehicle or vehicle.** "All-terrain vehicle" or "vehicle" means a motorized ~~flotation-tired vehicle of not less than three low pressure tires, but not more than six tires, that is limited in engine displacement of less than 960 cubic centimeters equipped with three to six nonhighway tires,~~ and includes a class 1 all-terrain vehicle and class 2 all-terrain vehicle. "All-terrain vehicle" or "vehicle" does not include a golf cart, mini truck, dune buggy, go cart, or vehicle designed specifically for lawn maintenance, agriculture, logging, or mining purposes.

Sec. 4. Minnesota Statutes 2010, section 84.92, subdivision 9, is amended to read:

Subd. 9. **Class 1 all-terrain vehicle.** "Class 1 all-terrain vehicle" means an all-terrain vehicle that has a total dry weight of less than 1,000 pounds and: (1) has a manufacturer's published width of 50 inches or less; or (2) has a straddled seat.

Sec. 5. Minnesota Statutes 2010, section 84.92, subdivision 10, is amended to read:

Subd. 10. **Class 2 all-terrain vehicle.** "Class 2 all-terrain vehicle" means an all-terrain vehicle that is not a class 1 all-terrain vehicle, has a total dry weight of 1,000 to 1,800 pounds or less, and a manufacturer's published width of 68 inches or less."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, before "providing" insert "modifying definitions;"

Amend the title numbers accordingly

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

**Senator Vandever from the Committee on Local Government and Elections, to which was referred**

**H.F. No. 52:** A bill for an act relating to local government; providing for variances from city, county, and town zoning controls and ordinances; amending Minnesota Statutes 2010, sections 394.27, subdivision 7; 462.357, subdivision 6.

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

Page 1, line 8, strike "terms" and insert "requirements"

Page 1, line 12, strike "the terms of" and strike "variance" and insert "variances"

Page 2, line 6, strike everything after "variances" and insert ". A condition must be directly related to and must bear a rough proportionality to the impact created by the variance."

Page 2, line 7, strike everything before the period

Page 2, line 25, delete "terms" and insert "requirements"

Page 2, line 27, delete "the terms of"

Page 2, line 28, delete "variance" and insert "variances"

Page 3, line 10, strike everything after "variances" and insert ". A condition must be directly related to and must bear a rough proportionality to the impact created by the variance."

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

**Senator Gerlach from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 589:** A bill for an act relating to insurance; no-fault auto; modifying the limitation on damages for noneconomic detriment; amending Minnesota Statutes 2010, section 65B.51, subdivision 3.

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

**Senator Gerlach from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 387:** A bill for an act relating to commerce; regulating building and construction contracts and indemnification agreements; amending Minnesota Statutes 2010, sections 337.01; 337.02; 337.05, subdivision 1; 337.10.

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

Page 2, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 2010, section 337.05, subdivision 1, is amended to read:

Subdivision 1. **Agreements valid.** Sections 337.01 to 337.05 do not affect the validity of agreements building and construction contracts and professional services contracts whereby a promisor agrees to provide specific insurance coverage for the benefit of others, except that a promise to provide professional liability insurance for the benefit of others shall not be enforceable."

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

**Senator Gerlach from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 955:** A bill for an act relating to commerce; regulating return of pledged goods and location restrictions of pawnbrokers; amending Minnesota Statutes 2010, sections 325J.08; 325J.10; 325J.13.

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

Page 2, line 13, delete "the pledged"

Page 2, line 14, delete "goods" and delete "22" and insert "31"

Page 2, line 23, after the comma, insert "clauses (7) and (10),"

Page 2, delete section 2

Page 2, after line 25, insert:

"Sec. 3. **REPEALER.**

Minnesota Statutes 2010, section 325J.10, is repealed."

Renumber the sections in sequence

Amend the title accordingly

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

**Senator Gerlach from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 877:** A bill for an act relating to insurance; regulating annuity products; enacting a model regulation adopted by the National Association of Insurance Commissioners relating to suitability in annuity transactions; amending Minnesota Statutes 2010, sections 60K.46, subdivision 4; 72A.20, subdivision 34; proposing coding for new law in Minnesota Statutes, chapter 72A.

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

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 2010, section 60A.06, subdivision 3, is amended to read:

**Subd. 3. Limitation on combination policies.** (a) Unless specifically authorized by subdivision 1, clause (4), it is unlawful to combine in one policy coverage permitted by subdivision 1, clauses (4) and (5)(a). This subdivision does not prohibit the simultaneous sale of these products, but the sale must involve two separate and distinct policies.

(b) This subdivision does not apply to group policies.

(c) This subdivision does not apply to policies permitted by subdivision 1, clause (4), that contain benefits providing acceleration of life, endowment, or annuity benefits in advance of the time they would otherwise be payable, or to long-term care policies as defined in section 62A.46, subdivision 2, or chapter 62S.

(d) This subdivision does not prohibit combining life coverage with one or more of the following coverages:

- (1) specified disease or illness coverage;
- (2) other limited benefit health coverage;
- (3) hospital indemnity coverage; or
- (4) other fixed indemnity products,

provided that the prescribed minimum standards applicable to those categories of coverage are met."

Page 3, delete lines 17 to 28 and insert:

"Subd. 9. Replacement. "Replacement" has the meaning given in section 61A.53, subdivision 2."

Page 7, line 34, delete "Department of Commerce" and insert "commissioner" and delete "Department of Commerce-approved" and insert "continuing"

Page 7, line 35, before the period, insert "approved by the commissioner"

Page 8, line 3, delete "within" and insert "no later than" and delete everything after "after" and insert "January 1, 2012."

Page 8, line 4, delete everything before "Individuals"

Page 8, line 5, delete everything before "may" and insert "January 1, 2012,"

Page 8, line 6, after the period, insert "Producers licensed on or after January 1, 2012, have until

June 30, 2012, to complete the course."

Page 8, line 7, delete "minimum"

Page 8, delete line 8 and insert "four continuing education hours."

Page 8, line 20, delete everything after the period

Page 8, delete line 21

Page 8, line 23, delete "shall register as a CE" and insert "must be an approved continuing education"

Page 8, line 26, after the period, insert "In order to assist compliance with this section, all courses approved by the commissioner for the purposes of this section shall be given the course title, "Annuity Suitability and Disclosure." Only courses satisfying the requirements of this section shall use this course title after the effective date of this section."

Page 8, line 27, after "the" insert "course completion" and delete "and"

Page 8, line 28, delete "shall issue certificates of completion in accordance with" and insert "of"

Page 8, line 31, before the period, insert ", but does not satisfy any of the continuing education requirements of chapter 60K unless the training requirements of the other state are satisfied through one or more continuing education courses approved by the commissioner"

Page 9, delete section 7

Page 9, delete section 9

Page 9, line 2, after the period, insert "If such data collection and reporting arrangements are not in place, an insurer must maintain records verifying that the producer has completed the annuity training course required under this subdivision and make the records available to the commissioner upon request."

Page 9, line 19, delete ", general agents, independent agencies,"

Page 9, line 22, delete "three" and insert "ten"

Renumber the sections in sequence

Amend the title numbers accordingly

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

**Senator Gerlach from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 1045:** A bill for an act relating to commerce; regulating continuing education requirements, pharmacy benefit managers, insurance coverages, adjusters, and appraisers; amending Minnesota Statutes 2010, sections 45.011, subdivision 1; 45.25, by adding subdivisions; 60A.23, subdivision 8; 62A.095, subdivision 1; 62A.318, subdivision 17; 62E.14, subdivision 3, by adding a subdivision; 62L.03, subdivision 3; 72B.041, subdivision 5; 82.641, subdivision 1;

82B.11, subdivision 6; 82B.13, by adding a subdivision; 82B.14; 82C.08, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 45; 72B; repealing Minnesota Statutes 2010, section 45.25, subdivision 3.

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

Page 2, delete sections 5 and 6 and insert:

"Sec. 5. Minnesota Statutes 2010, section 45.30, is amended by adding a subdivision to read:

Subd. 6a. **Professional designation coursework.** Approved courses leading to the achievement or maintenance of a professional designation listed in section 60K.36, subdivision 4a, qualify for continuing education.

Sec. 6. Minnesota Statutes 2010, section 45.30, subdivision 7, is amended to read:

**Subd. 7. Courses open to all.** (a) All course offerings must be open to any interested individuals. Access may be restricted by the education provider based on class size only, except that access to a course offering sponsored by, offered by, or affiliated with an insurance company or agency may be restricted to agents of the company or agency. Courses must not be approved if attendance is restricted to any particular group of people, except for company-sponsored courses allowed by statute.

(b) Notwithstanding paragraph (a), attendance at approved courses leading to the achievement or maintenance of a professional designation listed in section 60K.36, subdivision 4a, may be limited to those producers seeking the professional designation or those producers who have met prerequisite coursework for the course offering. Courses leading to the achievement or maintenance of a professional designation listed in section 60K.36, subdivision 4a, may require a prerequisite such as candidacy for the designation or sequential coursework relating to the attainment or maintenance of the designation. A course leading to the achievement or maintenance of a professional designation listed in section 60K.36, subdivision 4a, is not considered to be company sponsored unless it is provided by an insurance company.

Sec. 7. **[45.304] VERIFICATION REQUIREMENTS.**

A self-study course must not be approved unless it is objectively verifiable that:

- (1) it includes a closed-book, end-of-course examination; and
- (2) successful completion of the end-of-course examination can be objectively documented.

Sec. 8. Minnesota Statutes 2010, section 45.35, is amended to read:

**45.35 FACILITIES.**

Each course of study, except self-study courses, must be conducted in a classroom or other facility that is adequate to comfortably accommodate the faculty and the number of students enrolled. The education provider may limit the number of students enrolled in a course. Approved courses must not be held on the premises of a company doing business in the regulated area, except for company-sponsored courses allowed by statute or noncompany sponsored courses offered by a bona fide trade association. A bona fide trade association may offer noncompany sponsored courses on the premises of an insurance company or agency so long as the course is not restricted

to employees or appointed agents of the insurance company or agency.

Sec. 9. Minnesota Statutes 2010, section 60K.56, subdivision 6, is amended to read:

Subd. 6. **Minimum education requirement.** Each person subject to this section shall complete a minimum of 24 credit hours of courses accredited by the commissioner during each licensing period. No more than one-half of the credit hours per licensing period required under this section may be credited to a person for attending courses either sponsored by, offered by, or affiliated with an insurance company or its agents. For the purposes of this subdivision, a course provided by a bona fide insurance trade association is not considered to be sponsored by, offered by, or affiliated with an insurance company or its agents regardless of the location of the course offering. A licensee must obtain three hours of the credit hours per licensing period from a class or classes in the area of ethics. Courses sponsored by, offered by, or affiliated with an insurance company or agent may restrict its students to agents of the company or agency. Courses not sponsored by an insurance company must be open to all unless an exception listed in section 45.30 applies."

Page 8, after line 4, insert:

"Sec. 17. Minnesota Statutes 2010, section 79A.06, subdivision 5, is amended to read:

Subd. 5. **Private employers who have ceased to be self-insured.** (a) Private employers who have ceased to be private self-insurers shall discharge their continuing obligations to secure the payment of compensation which is accrued during the period of self-insurance, for purposes of Laws 1988, chapter 674, sections 1 to 21, by compliance with all of the following obligations of current certificate holders:

(1) Filing reports with the commissioner to carry out the requirements of this chapter;

(2) Depositing and maintaining a security deposit for accrued liability for the payment of any compensation which may become due, pursuant to chapter 176. However, if a private employer who has ceased to be a private self-insurer purchases an insurance policy from an insurer authorized to transact workers' compensation insurance in this state which provides coverage of all claims for compensation arising out of injuries occurring during the entire period the employer was self-insured, whether or not reported during that period, the policy will:

(i) discharge the obligation of the employer to maintain a security deposit for the payment of the claims covered under the policy;

(ii) discharge any obligation which the self-insurers' security fund has or may have for payment of all claims for compensation arising out of injuries occurring during the period the employer was self-insured, whether or not reported during that period; and

(iii) discharge the obligations of the employer to pay any future assessments to the self-insurers' security fund; provided, however, that a member that terminates its self-insurance authority on or after August 1, 2010, shall be liable for an assessment under paragraph (b). The actuarial opinion shall not take into consideration any transfer of the member's liabilities to an insurance policy if the member obtains a replacement policy as described in this subdivision within one year of the date of terminating its self-insurance.

A private employer who has ceased to be a private self-insurer may instead buy an insurance policy described above, except that it covers only a portion of the period of time during which



the private employer was self-insured; purchase of such a policy discharges any obligation that the self-insurers' security fund has or may have for payment of all claims for compensation arising out of injuries occurring during the period for which the policy provides coverage, whether or not reported during that period.

A policy described in this clause may not be issued by an insurer unless it has previously been approved as to the insurer, form, and substance by the commissioner; and

(3) Paying within 30 days all assessments of which notice is sent by the security fund, for a period of seven years from the last day its certificate of self-insurance was in effect. Thereafter, the private employer who has ceased to be a private self-insurer may either: (i) continue to pay within 30 days all assessments of which notice is sent by the security fund until it has no incurred liabilities for the payment of compensation arising out of injuries during the period of self-insurance; or (ii) pay the security fund a cash payment equal to four percent of the net present value of all remaining incurred liabilities for the payment of compensation under sections 176.101 and 176.111 as certified by a member of the casualty actuarial society. Assessments shall be based on the benefits paid by the employer during the calendar year immediately preceding the calendar year in which the employer's right to self-insure is terminated or withdrawn.

(b) With respect to a self-insurer who terminates its self-insurance authority after April 1, 1998, that member shall obtain and file with the commissioner an actuarial opinion of its outstanding liabilities as determined by an associate or fellow of the Casualty Actuarial Society within 120 days of the date of its termination. If the actuarial opinion is not timely filed, the self-insurers' security fund may, at its discretion, engage the services of an actuary for this purpose. The expense of this actuarial opinion must be assessed against and be the obligation of the self-insurer. The commissioner may issue a certificate of default against the self-insurer for failure to pay this assessment to the self-insurers' security fund as provided by section 79A.04, subdivision 9. The opinion may discount liabilities up to four percent per annum to net present value. Within 60 days after notification of approval of the actuarial opinion by the commissioner, the exiting member shall pay to the security fund an amount determined as follows: a percentage will be determined by dividing the security fund's members' deficit as determined by the most recent audited financial statement of the security fund by the total actuarial liability of all members of the security fund as calculated by the commissioner within 30 days of the exit date of the member. This quotient will then be multiplied by that exiting member's total future liability as contained in the exiting member's actuarial opinion. If the payment is not made within 30 days of the notification, interest on it at the rate prescribed by section 549.09 must be paid by the former member to the security fund until the principal amount is paid in full.

(c) A former member who terminated its self-insurance authority before April 1, 1998, who has paid assessments to the self-insurers' security fund for seven years, and whose annualized assessment is \$15,000 or less, may buy out of its outstanding liabilities to the self-insurers' security fund by an amount calculated as follows: 1.35 multiplied by the indemnity case reserves at the time of the calculation, multiplied by the then current self-insurers' security fund annualized assessment rate.

(d) A former member who terminated its self-insurance authority before April 1, 1998, and who is paying assessments within the first seven years after ceasing to be self-insured under paragraph (a), clause (3), may elect to buy out its outstanding liabilities to the self-insurers' security fund by obtaining and filing with the commissioner an actuarial opinion of its outstanding liabilities as

determined by an associate or fellow of the Casualty Actuarial Society. The opinion must separate liability for indemnity benefits from liability for medical benefits, and must discount each up to four percent per annum to net present value. Within 30 days after notification of approval of the actuarial opinion by the commissioner, the member shall pay to the security fund an amount equal to 120 percent of that discounted outstanding indemnity liability, multiplied by the greater of the average annualized assessment rate since inception of the security fund or the annual rate at the time of the most recent assessment.

(e) A former member who has paid the security fund according to paragraphs (b) to (d) and subsequently receives authority from the commissioner to again self-insure shall be assessed under section 79A.12, subdivision 2, only on indemnity benefits paid on injuries that occurred after the former member received authority to self-insure again; provided that the member furnishes verified data regarding those benefits to the security fund.

(f) In addition to proceedings to establish liabilities and penalties otherwise provided, a failure to comply may be the subject of a proceeding before the commissioner. An appeal from the commissioner's determination may be taken pursuant to the contested case procedures of chapter 14 within 30 days of the commissioner's written determination.

Any current or past member of the self-insurers' security fund is subject to service of process on any claim arising out of chapter 176 or this chapter in the manner provided by section 5.25, or as otherwise provided by law. The issuance of a certificate to self-insure to the private self-insured employer shall be deemed to be the agreement that any process which is served in accordance with this section shall be of the same legal force and effect as if served personally within this state.

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

Sec. 18. Minnesota Statutes 2010, section 79A.24, is amended by adding a subdivision to read:

Subd. 5. **Purchase of insurance policy from an authorized insurer.** A commercial self-insurance group may purchase an insurance policy from an insurer authorized to transact workers' compensation insurance in this state which provides coverage of all claims for compensation arising out of injuries occurring during the entire period or during a portion of the period of time in which the commercial self-insurance group has been in existence. While the insurance policy remains in effect, it discharges the obligation of the commercial self-insurance group to maintain a security deposit for the claims covered under the policy. A policy described in this subdivision may not be issued by an insurer unless it has previously been approved as to the insurer, form, and substance by the commissioner.

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

Sec. 19. Minnesota Statutes 2010, section 79A.24, is amended by adding a subdivision to read:

Subd. 6. **Insolvency of a commercial self-insurance group insurer.** In the event of the insolvency of the insurer that issued a policy under subdivision 5 to a commercial self-insurance group, eligibility for chapter 60C coverage under the policy is determined by applying the requirements of section 60C.09, subdivision 2, clause (3), to each commercial self-insurance group member separately, rather than to the net worth of the commercial self-insurance group entity or aggregate net worth of all members of the commercial self-insurance group.

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

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "pharmacy"

Page 1, line 3, delete "benefit managers,"

Amend the title numbers accordingly

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

**Senator Michel from the Committee on Jobs and Economic Growth, to which was referred**

**S.F. No. 1159:** A bill for an act relating to workers' compensation; adopting recommendations of the Workers' Compensation Advisory Council; requiring rulemaking; amending Minnesota Statutes 2010, sections 14.48, subdivisions 2, 3; 14.49; 14.50; 176.106, subdivisions 1, 3, 5, 6, 7, 8, 9; 176.238, subdivision 6; 176.305, subdivisions 1, 1a; 176.307; 176.341, subdivision 4.

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

Page 6, after line 6, insert:

"Sec. 12. Minnesota Statutes 2010, section 176.137, subdivision 2, is amended to read:

Subd. 2. **Cost.** The pecuniary liability of an employer for remodeling or alteration required by this section is limited to prevailing costs in the community for remodeling or alteration of that type. The costs of obtaining the architectural certification and supervision required by this section are included in the \$75,000 limit in subdivision 5.

Sec. 13. Minnesota Statutes 2010, section 176.137, subdivision 4, is amended to read:

Subd. 4. **Certification.** (a) Except as provided in paragraph (b), no award may be made except upon the certification of a licensed architect to the division or Workers' Compensation Court of Appeals that the proposed alteration or remodeling of an existing residence or the building or purchase of a new or different residence is reasonably required for the purposes specified in subdivision 1. The Council on Disability shall advise the division or Workers' Compensation Court of Appeals as provided in section 256.482, subdivision 5, clause (7). The alteration or remodeling of an existing residence, or the building or purchase of a new home must be done under the supervision of a licensed architect relative to the specific needs to accommodate the disability.

(b) Remodeling or alteration projects do not require an architect's certification and supervision if the project is:

(1) approved by the Council on Disability;

(2) performed by a residential building contractor or residential remodeler licensed under section 326B.805, subdivision 1; and

(3) approved by a certified building official or certified accessibility specialist under section 326B.133, subdivision 3a, paragraphs (b) and (d), who states in writing that the proposed remodeling or alterations are reasonably required to enable the employee to move freely into and throughout the residence and to otherwise accommodate the disability.

Sec. 14. Minnesota Statutes 2010, section 176.137, subdivision 5, is amended to read:

Subd. 5. **Limitation.** An employee is limited to ~~\$60,000~~ \$75,000 under this section for each personal injury."

Page 9, after line 31, insert:

"Sec. 21. **APPROPRIATION.**

A sum, not to exceed \$600,000, shall be appropriated from the special compensation fund for the purposes of implementing a case management system and electronic filing system at the Office of Administrative Hearings. This is a onetime appropriation. Authority to disburse these funds is granted to the Chief Administrative Law Judge of the Office of Administrative Hearings."

Page 10, delete section 19 and insert:

"Sec. 23. **EFFECTIVE DATE.**

(a) Sections 1 to 11 and 15 to 21 are effective August 1, 2011.

(b) Sections 12 to 14 are effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, before "requiring" insert "increasing amount available for remodeling or alteration projects;" and after "rulemaking" insert "; appropriating money"

Amend the title numbers accordingly

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

**Senator Michel from the Committee on Jobs and Economic Growth, to which was referred**

**H.F. No. 664:** A bill for an act relating to elevators; modifying certain compliance provisions; amending Minnesota Statutes 2010, section 326B.175; proposing coding for new law in Minnesota Statutes, chapter 326B.

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

**Senator Michel from the Committee on Jobs and Economic Growth, to which was referred**

**S.F. No. 852:** A bill for an act relating to employment; modifying worker classification regulation, penalties, and fees; authorizing rulemaking; amending Minnesota Statutes 2010, sections 181.723; 326B.081, subdivision 3; repealing Minnesota Statutes 2010, section 181.723, subdivision 17; Minnesota Rules, parts 5202.0100; 5202.0110; 5202.0120; 5202.0130; 5202.0140; 5202.0150; 5202.0160.

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

Page 4, line 16, delete "\$....." and insert "\$600"

Page 11, line 33, delete everything after "the" and insert "construction code fund under section 326B.04."

Page 15, after line 22, insert:

"Sec. 2. Minnesota Statutes 2010, section 326B.04, subdivision 1, is amended to read:

Subdivision 1. **Construction code fund.** There is created in the state treasury a construction code fund as a special revenue fund for the purpose of administering this chapter, sections 327.31 to 327.36, and chapter 327B. All money collected under those sections, except penalties, is credited to the construction code fund unless otherwise specifically designated by law. Any interest or profit accruing from investment of these sums is credited to the construction code fund. All money collected in the construction code fund is appropriated to the commissioner of labor and industry to administer and enforce the provisions of the laws identified in this section.

Unless otherwise provided by law, all penalties assessed under ~~this chapter~~, section 327.35, and chapter 327B are credited to the assigned risk safety account established by section 79.253. Unless otherwise provided by law, all penalties assessed under this chapter are credited to the construction code fund."

Page 15, after line 33, insert:

"Sec. 4. Minnesota Statutes 2010, section 326B.805, subdivision 6, is amended to read:

Subd. 6. **Exemptions.** The license requirement does not apply to:

- (1) an employee of a licensee performing work for the licensee;
- (2) a material person, manufacturer, or retailer furnishing finished products, materials, or articles of merchandise who does not install or attach the items;
- (3) an owner of residential real estate who builds or improves any structure on residential real estate, if the building or improving is performed by the owner's bona fide employees or by individual owners personally. This exemption does not apply to an owner who constructs or improves property for purposes of speculation if the building or improving is performed by the owner's bona fide employees or by individual owners personally. A residential building contractor or residential remodeler will be presumed to be building or improving for purposes of speculation if the contractor or remodeler constructs or improves more than one property within any 24-month period;
- (4) an architect or professional engineer engaging in professional practice as defined by section 326.02, subdivisions 2 and 3;
- ~~(5) a person whose total gross annual receipts for performing specialty skills for which licensure would be required under this section do not exceed \$15,000;~~
- ~~(6)~~ (5) a mechanical contractor;
- ~~(7)~~ (6) a plumber, electrician, or other person whose profession is otherwise subject to statewide licensing, when engaged in the activity which is the subject of that licensure;
- ~~(8)~~ (7) specialty contractors who provide only one special skill as defined in section 326B.802;

~~(9)~~ (8) a school district, or a technical college governed under chapter 136F; and

~~(10)~~ (9) Habitat for Humanity and Builders Outreach Foundation, and their individual volunteers when engaged in activities on their behalf.

~~To qualify for the exemption in clause (5), a person must obtain a certificate of exemption from licensure from the commissioner. A certificate of exemption will be issued upon the applicant's filing with the commissioner, an affidavit stating that the applicant does not expect to exceed \$15,000 in gross annual receipts derived from performing services which require licensure under this section during the calendar year in which the affidavit is received. For the purposes of calculating fees under section 326B.092, a certificate of exemption is an entry level license. To renew the exemption in clause (5), the applicant must file an affidavit stating that the applicant did not exceed \$15,000 in gross annual receipts during the past calendar year. If a person, operating under the exemption in clause (5), exceeds \$15,000 in gross receipts during any calendar year, the person must immediately surrender the certificate of exemption and apply for the appropriate license. The person must remain licensed until such time as the person's gross annual receipts during a calendar year fall below \$15,000. The person may then apply for an exemption for the next calendar year."~~

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 Judiciary and Public Safety. Amendments adopted. Report adopted.

**Senator Parry from the Committee on State Government Innovation and Veterans, to which was re-referred**

**S.F. No. 509:** A bill for an act relating to elections; requiring voters to provide picture identification before receiving a ballot in most situations; providing for the issuance of voter identification cards at no charge; establishing a procedure for provisional balloting; creating challenged voter eligibility list; specifying other election administration procedures; allowing use of electronic polling place rosters; setting standards for use of electronic polling place rosters; creating legislative task force on electronic roster implementation; enacting procedures related to recounts; appropriating money; amending Minnesota Statutes 2010, sections 5B.06; 13.69, subdivision 1; 135A.17, subdivision 2; 171.01, by adding a subdivision; 171.06, subdivisions 1, 2, 3, by adding a subdivision; 171.061, subdivisions 1, 3, 4; 171.07, subdivisions 1a, 4, 9, 14, by adding a subdivision; 171.071; 171.11; 171.14; 200.02, by adding a subdivision; 201.021; 201.022, subdivision 1; 201.061, subdivisions 3, 4, 7; 201.071, subdivision 3; 201.081; 201.121, subdivisions 1, 3; 201.171; 201.221, subdivision 3; 203B.04, subdivisions 1, 2; 203B.06, subdivision 5; 203B.121, subdivision 1; 204B.14, subdivision 2; 204B.40; 204C.10; 204C.12, subdivisions 3, 4; 204C.14; 204C.20, subdivisions 1, 2, 4, by adding a subdivision; 204C.23; 204C.24, subdivision 1; 204C.32; 204C.33, subdivision 1; 204C.37; 204C.38; 204D.24, subdivision 2; 205.065, subdivision 5; 205.185, subdivision 3; 205A.03, subdivision 4; 205A.10, subdivision 3; 206.86, subdivisions 1, 2; 209.021, subdivision 1; 209.06, subdivision 1; 211B.11, subdivision 1; 611A.32, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 200; 201; 204C; 299A; proposing coding for new law as Minnesota Statutes, chapters 204E; 206A; repealing Minnesota Statutes 2010, sections 203B.04, subdivision 3; 204C.34; 204C.35; 204C.36; 204C.361.

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

Page 15, line 6, after "(a)" insert "In precincts using paper rosters,"

Page 15, line 16, after "both."" insert "In precincts using electronic rosters, an individual seeking to vote shall sign a printed voter's receipt generated from an electronic roster that meets the standards provided in section 201.225, subdivision 2."

Page 15, line 17, after "roster" insert "or a printed voter's receipt generated from an electronic roster"

Page 15, line 22, after "(c)" insert "In precincts using paper rosters,"

Page 15, line 23, after the period, insert "In all precincts,"

Page 15, line 28, after the comma, insert "paragraph (b),"

Page 16, line 9, after "(4)" insert "(i)" and delete everything after "a" and insert "residential facility"

Page 16, line 10, delete everything before the second comma

Page 16, line 12, delete "shelter" and insert "residential"

Page 16, line 14, delete the period and insert "; and"

Page 16, after line 14, insert:

"(ii) a "residential facility" means transitional housing as defined in section 256E.33, subdivision 1; a supervised living facility licensed by the commissioner of health under section 144.50, subdivision 6; a nursing home as defined in section 144A.01, subdivision 5; a residence registered with the commissioner of health as a housing with services establishment as defined in section 144D.01, subdivision 4; a veterans home operated by the commissioner of veterans affairs under chapter 198; a residence licensed by the commissioner of human services to provide a residential program as defined in section 245A.02, subdivision 14; a residential facility for persons with a developmental disability licensed by the commissioner of human services under section 252.28; group residential housing as defined in section 256I.03, subdivision 3; a shelter for battered women as defined in section 611A.37, subdivision 4; or a supervised publicly or privately operated shelter or dwelling designed to provide temporary living accommodations for the homeless."

Page 18, line 16, delete "to be counted"

Page 23, delete section 1

Page 24, line 10, delete "the Minnesota Election Law" and insert "Minnesota election laws" and delete "promulgated" and insert "adopted"

Page 25, line 10, after the comma, insert "voter identification card number,"

Page 25, line 24, after the second comma, insert "voter identification card numbers,"

Page 26, line 6, after the period, insert "If an individual is on the challenged eligibility list maintained by the secretary of state, the elections official shall comply with section 201.197."

Page 26, line 27, strike the first "or" and insert a comma and after the second "number" insert ", or voter identification card number"

Page 26, line 28, strike "or" and insert "number," and after "number" insert ", or voter identification card number"

Page 28, line 13, after the comma, insert "voter identification card number,"

Page 30, line 5, after the comma, insert "voter identification card number,"

Page 31, line 16, delete "or" and insert a comma

Page 31, line 17, after "number" insert ", or voter identification card number"

Page 31, line 30, delete "or" and insert "number," and after the second "number" insert ", or voter identification card number"

Page 32, line 4, strike "or" and insert "number,"

Page 32, line 5, after the comma, insert "voter identification card number,"

Page 37, line 13, strike "ballot cards" and insert "ballots"

Page 38, line 19, after "ballots" insert "and other election materials"

Page 39, delete section 31

Page 40, line 18, delete everything after "(a)"

Page 40, line 20, delete everything after "state" and insert "to transmit voter history and registration data. A precinct that uses an electronic roster must comply with this section and chapter 206A."

Page 40, delete line 21

Page 40, line 23, delete everything after the first "the" and insert "electronic roster system meets the minimum requirements in subdivision 2."

Page 40, delete lines 24 to 30

Page 42, line 4, reinstate the stricken language and delete the new language and after "roster" insert "or electronic roster"

Page 43, line 17, after "applies" insert "only to precincts that use electronic rosters. In these precincts, it applies"

Page 43, line 23, delete "or municipal clerk"

Page 44, line 28, delete "twice" and insert "more than once in an election by a single voter"

Page 47, line 7, after "Counties" insert "shall allocate a minimum of two computers to each precinct" and delete everything after "books" and insert a period

Page 47, delete lines 8 and 9



Page 47, line 10, delete everything before "The"

Page 47, delete line 11

Page 47, delete section 16 and insert:

**"Sec. 16. LEGISLATIVE TASK FORCE ON ELECTRONIC ROSTER IMPLEMENTATION.**

Subdivision 1. **Creation.** The Legislative Task Force on Electronic Roster Implementation consists of the following 17 members:

- (1) one member of the house of representatives appointed by the speaker of the house;
- (2) one member who served as a head election judge affiliated with the speaker's political party at the 2010 state general election appointed by the speaker of the house;
- (3) one member of the house of representatives appointed by the minority leader of the house of representatives;
- (4) one member who served as head election judge affiliated with the minority leader's political party at the 2010 state general election appointed by the minority leader of the house of representatives;
- (5) one member of the senate appointed by the majority leader of the senate;
- (6) one member who served as a head election judge affiliated with the majority leader's political party at the 2010 state general election appointed by the majority leader of the senate;
- (7) one member of the senate appointed by the minority leader of the senate;
- (8) one member who served as a head election judge affiliated with the minority leader's political party at the 2010 state general election appointed by the minority leader of the senate;
- (9) three members who are county head election judges appointed by the Minnesota Association of County Auditors, one of whom shall be from a representative county with a large population, one of whom shall be from a representative county with an average-sized population, and one of whom shall be from a representative county with a small population, as defined by the association;
- (10) one member who is a township head elections administrator appointed by the Minnesota Association of Townships;
- (11) one member who is a municipal head elections administrator appointed by the League of Minnesota Cities;
- (12) one member who is experienced in election administration, appointed by the Minnesota School Boards Association;
- (13) the secretary of state, or the secretary's designee;
- (14) the director of information and technology in the Office of the Secretary of State; and
- (15) the Chief Information Officer of the state of Minnesota, or the chief's designee.

Subd. 2. **Duties.** (a) The Legislative Task Force on Electronic Roster Implementation shall facilitate development and implementation of electronic rosters for use in elections, as required by this article.

(b) The task force shall:

(1) study and recommend options for hardware that meets the standards for use in a precinct as provided in Minnesota Statutes, chapter 206A;

(2) study and facilitate implementation of software updates, add-ons, or other changes to the statewide voter registration system that may be necessary to allow the system to function as a networked database within or between precincts as required by Minnesota Statutes, chapter 206A; and

(3) recommend to the legislature any additional changes to law that may be necessary to implement the requirements of this article.

(c) Factors that must be considered by the task force in carrying out its duties include, but are not limited to:

(1) ease of equipment use by election administrators, election judges, and voters;

(2) cost-effectiveness;

(3) feasibility of available technologies within precincts;

(4) the security, integrity, and reliability of the electronic roster system and its impact on the security, integrity, and reliability of the election; and

(5) minimum standards for equipment and software functionality as provided by law.

(d) The task force shall submit a report to the legislature on its activities and recommendations no later than December 1, 2011.

Subd. 3. **Administrative provisions.** (a) The director of the Legislative Coordinating Commission shall convene the first meeting of the task force no later than July 1, 2011, or within 30 days of enactment of this section, whichever is later, and shall provide staff as necessary to support the work of the task force.

(b) The member of the house of representatives appointed by the speaker of the house shall serve as the chair of the task force.

(c) Meetings of the task force are subject to Minnesota Statutes, chapter 13D, except that a meeting may be closed to discuss proprietary data or other data that is protected by law.

Subd. 4. **Deadline for appointments.** Appointments required by this section shall be made within 21 days of enactment of this article.

Subd. 5. **Expiration.** The task force expires after the submission of the report required under subdivision 2.

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

Page 49, delete lines 14 to 18 and insert:

"(a) The following amounts are appropriated from the funds and in the fiscal years indicated to the secretary of state for the purposes of paragraph (b):

(1) \$2,500,000 in fiscal year 2012 is from the Help America Vote Act account; and

(2) \$750,000 in fiscal year 2012 and \$750,000 in fiscal year 2013 are from the general fund.

Money appropriated under this section in fiscal year 2012 is available in fiscal year 2013. The base general fund budget appropriation for the purposes of paragraph (b) is \$750,000 in fiscal year 2014 and \$750,000 in fiscal year 2015.

(b) Money appropriated under this section is for:

(1) equipment and upgrades for the statewide voter registration system to serve as the electronic roster system required by this article, including the development and programming of an additional module within the system, if necessary; and

(2) voter education efforts related to the implementation of photo identification requirements contained in article 1."

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 Judiciary and Public Safety. Amendments adopted. Report adopted.

### **REPORT OF VOTE IN COMMITTEE**

Pursuant to Rule 12.10, upon the request of three members, a roll call was taken on the motion that S.F. No. 509 be recommended to pass.

There were yeas 8 and nays 5, as follows:

Those who voted in the affirmative were:

Senators Carlson, Daley, Gazelka, Lillie, Olson, Ortman, Parry and Thompson.

Those who voted in the negative were:

Senators Cohen, Dibble, Goodwin, Torres Ray and Wiger.

The bill was recommended to pass.

**Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred**

**S.F. No. 51:** A bill for an act relating to veterans; authorizing female-veteran designation for special veteran's license plates or Gold Star license plates; amending Minnesota Statutes 2010, section 168.123, by adding a subdivision.

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

**SECOND READING OF SENATE BILLS**

S.F. Nos. 756, 230, 195, 1130, 508, 930, 712, 593, 301, 395, 955, 877 and 1045 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 299, 529, 569, 954, 57, 460, 52 and 664 were read the second time.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time.

**Senator Olson introduced—**

**S.F. No. 1167:** A bill for an act relating to education; providing for policy for prekindergarten through grade 12 education, including general education, education excellence, special programs, facilities and technology, early childhood education, and student transportation; amending Minnesota Statutes 2010, sections 11A.16, subdivision 5; 119A.50, subdivision 3; 120B.15; 120B.30, subdivisions 1, 3, 4; 120B.31, subdivision 4; 120B.36, subdivisions 1, 2; 122A.16, as amended; 122A.60, subdivision 4; 123B.41, subdivisions 2, 5; 123B.57; 123B.63, subdivision 3; 123B.71, subdivision 5; 123B.72, subdivision 3; 123B.75, subdivision 5; 123B.92, subdivision 5; 124D.091, subdivision 2; 124D.10, subdivisions 3, 4, 6, 6a, 23; 124D.11, subdivision 9; 124D.86, subdivisions 1, 3; 124D.871; 125A.02, subdivision 1; 125A.51; 125A.79, subdivision 1; 126C.10, subdivision 8a; 126C.15, subdivision 2; 126C.41, subdivision 2; 126C.44; 127A.42, subdivision 2; 127A.43; 127A.45, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 124D; repealing Minnesota Statutes 2010, sections 125A.54; 126C.457.

Referred to the Committee on Education.

**Senators Hoffman and Wolf introduced—**

**S.F. No. 1168:** A bill for an act relating to family law; changing certain custody and parenting time provisions; amending Minnesota Statutes 2010, sections 257.541; 518.003, subdivision 3; 518.091; 518.131, subdivisions 1, 7; 518.155; 518.156; 518.167, subdivision 2; 518.17, subdivisions 1, 3; 518.1705, subdivisions 3, 5, 9; 518.175, subdivision 1; 518.179, subdivision 1; 518.18; proposing coding for new law in Minnesota Statutes, chapter 518; repealing Minnesota Statutes 2010, section 518.17, subdivision 2.

Referred to the Committee on Judiciary and Public Safety.

**Senator Hann introduced—**

**S.F. No. 1169:** A bill for an act relating to human services; providing a requirement for special family day care homes; amending Minnesota Statutes 2010, section 245A.14, subdivision 4.

Referred to the Committee on Health and Human Services.

**Senator Hann introduced—**

**S.F. No. 1170:** A bill for an act relating to human services; requiring a conference in case management and personal care assistance appeals; amending Minnesota Statutes 2010, section 256.045, subdivision 4a.

Referred to the Committee on Health and Human Services.

**Senator Newman introduced—**

**S.F. No. 1171:** A bill for an act relating to elections; modifying who may provide assistance to voters in marking ballots; providing criminal penalties; amending Minnesota Statutes 2010, sections 203B.11, subdivision 1, by adding a subdivision; 204C.15, subdivision 1; 204C.16.

Referred to the Committee on Local Government and Elections.

**Senators Dibble, Berglin, Kelash and Torres Ray introduced—**

**S.F. No. 1172:** A bill for an act relating to capital investment; appropriating money for the Lake Street Transit Station; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

**Senator Benson introduced—**

**S.F. No. 1173:** A bill for an act relating to human services; providing for child safety and permanency reform, including adoptions of children under guardianship of the commissioner; providing for criminal penalties; amending Minnesota Statutes 2010, sections 257.01; 259.22, subdivision 2; 259.23, subdivision 1; 259.24, subdivisions 1, 3, 5, 6a, 7, by adding a subdivision; 259.69; 259.73; 260.012; 260C.001; 260C.007, subdivision 4, by adding subdivisions; 260C.101, subdivision 2; 260C.150, subdivision 1; 260C.151, by adding a subdivision; 260C.152, subdivision 5; 260C.157, subdivision 1; 260C.163, subdivisions 1, 4, 8, by adding a subdivision; 260C.171, subdivisions 2, 3, by adding a subdivision; 260C.178, subdivisions 1, 7; 260C.193, subdivisions 3, 6; 260C.201, subdivisions 2, 10; 260C.212, subdivisions 5, 7; 260C.215, subdivisions 4, 6; 260C.301, subdivisions 1, 8; 260C.317, subdivisions 3, 4; 260C.325; 260C.328; 260C.451; 260D.08; 626.556, subdivisions 2, 10, 10e, 10f, 10i, 10k; proposing coding for new law in Minnesota Statutes, chapters 260C; 611; proposing coding for new law as Minnesota Statutes, chapter 259A; repealing Minnesota Statutes 2010, sections 256.022; 259.67; 259.71; 260C.201, subdivision 11; 260C.215, subdivision 2; 260C.456; Minnesota Rules, parts 9560.0071; 9560.0082; 9560.0083; 9560.0091; 9560.0093, subparts 1, 3, 4; 9560.0101; 9560.0102.

Referred to the Committee on Health and Human Services.

**Senator Benson introduced—**

**S.F. No. 1174:** A bill for an act relating to human services; making technical and policy changes to children and family services provisions; making changes to the Minnesota family investment program and child care assistance program; simplifying the Minnesota family investment program and diversionary work program; changing a child support provision; amending Minnesota Statutes

2010, sections 119B.09, subdivision 7; 119B.12, subdivisions 1, 2; 119B.125, subdivisions 1a, 2, 6; 119B.13, subdivisions 1, 3a, 6; 119B.19, subdivision 7; 119B.21, subdivision 5; 256J.08, subdivision 11; 256J.24, subdivisions 2, 6; 256J.32, subdivision 6; 256J.621; 256J.68, subdivision 7; 256J.95, subdivision 3; 518C.205.

Referred to the Committee on Health and Human Services.

**Senators Thompson and Sheran introduced–**

**S.F. No. 1175:** A bill for an act relating to families; updating the Uniform Interstate Family Support Act; amending Minnesota Statutes 2010, sections 518C.101; 518C.102; 518C.103; 518C.201; 518C.202; 518C.203; 518C.204; 518C.205; 518C.206; 518C.207; 518C.208; 518C.209; 518C.301; 518C.303; 518C.304; 518C.305; 518C.306; 518C.307; 518C.308; 518C.310; 518C.311; 518C.312; 518C.313; 518C.314; 518C.316; 518C.317; 518C.318; 518C.319; 518C.401; 518C.501; 518C.503; 518C.504; 518C.505; 518C.506; 518C.508; 518C.601; 518C.602; 518C.603; 518C.604; 518C.605; 518C.606; 518C.607; 518C.608; 518C.609; 518C.610; 518C.611; 518C.612; 518C.613; 518C.701; 518C.801; 518C.902; proposing coding for new law in Minnesota Statutes, chapter 518C; repealing Minnesota Statutes 2010, section 518C.502.

Referred to the Committee on Judiciary and Public Safety.

**Senator Langseth introduced–**

**S.F. No. 1176:** A bill for an act relating to health; modifying certain fees for special event recreational camping areas; amending Minnesota Statutes 2010, section 327.15, subdivision 4.

Referred to the Committee on Health and Human Services.

**Senator Newman introduced–**

**S.F. No. 1177:** A bill for an act relating to community property; adopting the Uniform Community Property Rights at Death Act; proposing coding for new law as Minnesota Statutes, chapter 519A.

Referred to the Committee on Judiciary and Public Safety.

**Senator Newman introduced–**

**S.F. No. 1178:** A bill for an act relating to human rights; providing for access to certain information by a respondent; requiring an award of attorney fees and other expenses in certain cases; amending Minnesota Statutes 2010, sections 363A.28, subdivision 9; 363A.29, subdivision 11; 363A.33, subdivision 7.

Referred to the Committee on Judiciary and Public Safety.

**Senators Hall and Higgins introduced–**

**S.F. No. 1179:** A bill for an act relating to human services; authorizing supplemental contracts; amending Minnesota Statutes 2010, section 256.0112, by adding a subdivision.

Referred to the Committee on Health and Human Services.

**Senator Parry, by request, introduced—**

**S.F. No. 1180:** A bill for an act relating to the arts; appropriating money for the Waseca Art Center.

Referred to the Committee on Environment and Natural Resources.

**Senator Rosen, by request, introduced—**

**S.F. No. 1181:** A bill for an act relating to retirement; Public Employees Retirement Association privatizations; decreasing augmentation rates applicable to new privatizations; amending Minnesota Statutes 2010, section 353F.04, subdivision 1.

Referred to the Committee on State Government Innovation and Veterans.

**Senator Rosen introduced—**

**S.F. No. 1182:** A bill for an act relating to retirement; Public Employees Retirement Association privatizations; adding Cedarview Care Center and Traverse Care Center to covered privatization list; amending Minnesota Statutes 2010, section 353F.02, subdivision 4.

Referred to the Committee on State Government Innovation and Veterans.

**Senators Ortman, Thompson and Saxhaug introduced—**

**S.F. No. 1183:** A bill for an act relating to civil law; restoring state and local government tort liability limits to pre-2008 levels; prohibiting state and local government contracts that require contractors to provide liability insurance or other security in excess of those limits; amending Minnesota Statutes 2010, sections 3.736, subdivision 4; 466.04, subdivision 1.

Referred to the Committee on Judiciary and Public Safety.

**Senators Tomassoni, Bakk, Sparks, Koch and Parry introduced—**

**S.F. No. 1184:** A bill for an act relating to natural resources; providing for resident hunting licenses for military personnel on leave; amending Minnesota Statutes 2010, section 97A.465, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

**Senator Torres Ray introduced—**

**S.F. No. 1185:** A bill for an act relating to education finance; creating an option for a school district-sponsored collaborative charter school designed to enhance student achievement; proposing coding for new law in Minnesota Statutes, chapter 124D.

Referred to the Committee on Education.

**Senator Marty introduced–**

**S.F. No. 1186:** A bill for an act relating to human services; modifying medical assistance coverage to include consultations with psychologists; increasing medical assistance reimbursement rate for critical access mental health services; amending Minnesota Statutes 2010, sections 256B.0625, subdivision 48; 256B.763.

Referred to the Committee on Health and Human Services.

**Senator Brown introduced–**

**S.F. No. 1187:** A bill for an act relating to natural resources; prohibiting expenditure of funds for Lake Ogechie wild rice project until legal analysis is completed.

Referred to the Committee on Environment and Natural Resources.

**Senator Ingebrigtsen introduced–**

**S.F. No. 1188:** A bill for an act relating to cultural heritage; appropriating money to preserve the Todd County Historic Court House; amending Minnesota Statutes 2010, section 297A.71, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

**Senators Sparks, Scheid and Pederson introduced–**

**S.F. No. 1189:** A bill for an act relating to commerce; regulating auto body repairs; imposing a registration requirement; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 325F.

Referred to the Committee on Commerce and Consumer Protection.

**Senators Chamberlain and Vandever introduced–**

**S.F. No. 1190:** A bill for an act relating to local government; zoning; providing for residential property used as vacation rental; amending Minnesota Statutes 2010, sections 394.25, subdivision 3, by adding a subdivision; 462.357, subdivision 1, by adding a subdivision.

Referred to the Committee on Local Government and Elections.

**Senators Olson, Rosen, Stumpf, Ingebrigtsen and Metzen introduced–**

**S.F. No. 1191:** A bill for an act relating to energy; providing for exception to municipal approval for hydroelectric facility; amending Minnesota Statutes 2010, section 103G.535, subdivision 4.

Referred to the Committee on Energy, Utilities and Telecommunications.

**Senators Wolf, Chamberlain, Thompson and Daley introduced–**

**S.F. No. 1192:** A bill for an act relating to education; limiting dues check off for probationary



teachers; amending Minnesota Statutes 2010, section 179A.06, subdivision 6.

Referred to the Committee on Education.

**Senator Sieben introduced–**

**S.F. No. 1193:** A bill for an act relating to education; creating a new tiered teacher licensing system; amending Minnesota Statutes 2010, section 122A.09, subdivision 4.

Referred to the Committee on Education.

**Senators Rosen, Sparks and Jungbauer introduced–**

**S.F. No. 1194:** A bill for an act relating to energy; establishing Energy Reliability and Intervention Office within Department of Commerce to replace Energy Issues Intervention Office and energy reliability administrator; making conforming changes; amending Minnesota Statutes 2010, sections 216B.62, subdivisions 2, 3; 216C.052; repealing Minnesota Statutes 2010, section 216A.085.

Referred to the Committee on Energy, Utilities and Telecommunications.

**Senators Rosen, Sparks and Jungbauer introduced–**

**S.F. No. 1195:** A bill for an act relating to energy; relieving Energy Conservation Information Center from certain data-gathering responsibilities; amending Minnesota Statutes 2010, section 216C.11.

Referred to the Committee on Energy, Utilities and Telecommunications.

**Senators Rosen, Sparks and Jungbauer introduced–**

**S.F. No. 1196:** A bill for an act relating to utilities; modifying provision relating to transmission projects reports; amending Minnesota Statutes 2010, section 216B.2425, subdivision 2.

Referred to the Committee on Energy, Utilities and Telecommunications.

**Senators Rosen, Sparks and Jungbauer introduced–**

**S.F. No. 1197:** A bill for an act relating to energy; making technical changes and modifying provisions related to utility report filings, weatherization programs, and public utility commission assessments; removing obsolete and redundant language; providing for certain reporting requirements; amending Minnesota Statutes 2010, sections 16E.15, subdivision 2; 216B.241, subdivision 2; 216C.264; 216E.18, subdivision 3.

Referred to the Committee on Energy, Utilities and Telecommunications.

**Senator Jungbauer introduced–**

**S.F. No. 1198:** A bill for an act relating to utilities; making technical and clarifying changes relating to charitable contributions and securities issuance by utilities; amending Minnesota Statutes

2010, sections 216B.16, subdivision 9; 216B.49, subdivision 3.

Referred to the Committee on Energy, Utilities and Telecommunications.

**Senators Pederson, Rosen, Gimse and Gazelka introduced—**

**S.F. No. 1199:** A bill for an act relating to labor and employment; modifying prevailing wage provisions; amending Minnesota Statutes 2010, section 177.42, subdivisions 4, 6.

Referred to the Committee on Jobs and Economic Growth.

**Senators Nelson, Senjem and Olson introduced—**

**S.F. No. 1200:** A bill for an act relating to the Capitol building; establishing a State Capitol Preservation Commission; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 15B.

Referred to the Committee on State Government Innovation and Veterans.

**Senators Senjem, Miller, Sparks, Nelson and Fischbach introduced—**

**S.F. No. 1201:** A bill for an act relating to health; changing provisions in dental practice; amending Minnesota Statutes 2010, sections 150A.05, subdivision 1b; 150A.105, subdivisions 2, 8; 150A.106.

Referred to the Committee on Health and Human Services.

**Senator Gazelka introduced—**

**S.F. No. 1202:** A bill for an act relating to natural resources; modifying personal watercraft operational requirements; amending Minnesota Statutes 2010, section 86B.313, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

**Senator Dibble introduced—**

**S.F. No. 1203:** A bill for an act relating to railroads; modifying provisions relating to duties of commissioner of transportation regarding passenger railroads; amending Minnesota Statutes 2010, section 174.632.

Referred to the Committee on Transportation.

**Senators Nelson, Pederson and Torres Ray introduced—**

**S.F. No. 1204:** A bill for an act relating to workforce development; providing for a public library representative to the Governor's Workforce Development Council; amending Minnesota Statutes 2010, section 116L.665, subdivision 2.

Referred to the Committee on Jobs and Economic Growth.

**Senators Rosen, Metzen and Koch introduced–**

**S.F. No. 1205:** A bill for an act relating to energy; eliminating certain allocations and temporarily prohibiting approval of certain expenditures from renewable development account; amending Minnesota Statutes 2010, section 116C.779, subdivisions 1, 3.

Referred to the Committee on Energy, Utilities and Telecommunications.

**MOTIONS AND RESOLUTIONS**

Senator Jungbauer moved that the name of Senator Pederson be added as a co-author to S.F. No. 64. The motion prevailed.

Senator Senjem moved that the name of Senator Wiger be added as a co-author to S.F. No. 527. The motion prevailed.

Senator Senjem moved that the name of Senator Wiger be added as a co-author to S.F. No. 543. The motion prevailed.

Senator Pederson moved that the name of Senator Kelash be added as a co-author to S.F. No. 852. The motion prevailed.

Senator Higgins moved that the name of Senator Senjem be added as a co-author to S.F. No. 1020. The motion prevailed.

Senator Reinert moved that the name of Senator Bakk be added as a co-author to S.F. No. 1114. The motion prevailed.

Senator Dibble moved that the name of Senator Higgins be added as a co-author to S.F. No. 1127. The motion prevailed.

Senator Senjem moved that the name of Senator Stumpf be added as a co-author to S.F. No. 1155. The motion prevailed.

Senator Hall moved that the name of Senator Latz be added as a co-author to S.F. No. 1166. The motion prevailed.

Senator Ortman moved that S.F. No. 505 be withdrawn from the Committee on Judiciary and Public Safety and returned to its author. The motion prevailed.

**Senator Benson introduced –**

**Senate Resolution No. 71:** A Senate resolution congratulating Ben Petersen of Anoka, Minnesota, for receiving the Eagle Award.

Referred to the Committee on Rules and Administration.

**Senator Benson introduced –**

**Senate Resolution No. 72:** A Senate resolution congratulating Harley Hutchinson of Andover, Minnesota, for receiving the Eagle Award.

Referred to the Committee on Rules and Administration.

**Senator Benson introduced –**

**Senate Resolution No. 73:** A Senate resolution congratulating Simeon Toronto of Andover, Minnesota, for receiving the Eagle Award.

Referred to the Committee on Rules and Administration.

**Senator Benson introduced –**

**Senate Resolution No. 74:** A Senate resolution congratulating Mark Wills of Andover, Minnesota, for receiving the Eagle Award.

Referred to the Committee on Rules and Administration.

**Senators Nelson and Senjem introduced –**

**Senate Resolution No. 75:** A Senate resolution congratulating IBM on its 100th anniversary.

Referred to the Committee on Rules and Administration.

S.F. No. 1016 and the Conference Committee Report thereon were reported to the Senate.

**CONFERENCE COMMITTEE REPORT ON S.F. NO. 1016**

A bill for an act relating to state government; appropriating money for agriculture, the Board of Animal Health, and the Agricultural Utilization Research Institute; modifying certain fees; modifying certain restrictions on farm disposal; clarifying the authority of certain entities; amending Minnesota Statutes 2010, sections 17.135; 18B.03, subdivision 1; 18C.005, by adding a subdivision; 18C.111, by adding a subdivision; 18C.131; 18C.425, by adding a subdivision; 18D.201, subdivision 5, by adding a subdivision; 18E.03, subdivision 4; 27.041, by adding a subdivision; 38.01; 373.01, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115A.

April 12, 2011

The Honorable Michelle L. Fischbach  
President of the Senate

The Honorable Kurt Zellers  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1016 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 1016 be further amended as follows:

Delete everything after the enacting clause and insert:

**"Section 1. SUMMARY OF APPROPRIATIONS.**

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2012</u>	<u>2013</u>	<u>Total</u>
<u>General</u>	\$ 45,406,000	\$ 31,195,000	\$ 76,601,000
<u>Agricultural</u>	\$ 800,000	\$ 800,000	\$ 1,600,000
<u>Remediation</u>	\$ 388,000	\$ 388,000	\$ 776,000
<b><u>Total</u></b>	<b>\$ 46,594,000</b>	<b>\$ 32,383,000</b>	<b>\$ 78,977,000</b>

**Sec. 2. AGRICULTURE APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this act. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2012" and "2013" used in this act mean that the appropriations listed under them are available for the fiscal year ending June 30, 2012, or June 30, 2013, respectively. "The first year" is fiscal year 2012. "The second year" is fiscal year 2013. "The biennium" is fiscal years 2012 and 2013.

**APPROPRIATIONS**  
**Available for the Year**  
**Ending June 30**  
2012                      2013

**Sec. 3. DEPARTMENT OF AGRICULTURE**

Subdivision 1. Total Appropriation                      \$      39,110,000      \$      24,899,000

Appropriations by Fund

	<u>2012</u>	<u>2013</u>
<u>General</u>	<u>37,922,000</u>	<u>23,711,000</u>
<u>Remediation</u>	<u>388,000</u>	<u>388,000</u>
<u>Agricultural</u>	<u>800,000</u>	<u>800,000</u>

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. Protection Services    12,473,000                      12,193,000

Appropriations by Fund

<u>General</u>	<u>12,085,000</u>	<u>11,805,000</u>
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<u>Remediation</u>	<u>388,000</u>	<u>388,000</u>
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\$388,000 the first year and \$388,000 the second year are from the remediation fund for administrative funding for the voluntary cleanup program.

\$75,000 the first year and \$75,000 the second year are for compensation for destroyed or crippled animals under Minnesota Statutes, section 3.737. If the amount in the first year is insufficient, the amount in the second year is available in the first year.

\$75,000 the first year and \$75,000 the second year are for compensation for crop damage under Minnesota Statutes, section 3.7371. If the amount in the first year is insufficient, the amount in the second year is available in the first year.

If the commissioner determines that claims made under Minnesota Statutes, section 3.737 or 3.7371, are unusually high, amounts appropriated for either program may be transferred to the appropriation for the other program.

\$245,000 the first year and \$245,000 the second year are for an increase in retail food handler inspections. This is a onetime appropriation. No later than February 1, 2013, the commissioner shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture finance regarding the commissioner's progress in addressing the department's shortfall of necessary inspections and recommendations for fee changes to eliminate the shortfall.

\$280,000 the first year is for an increase in anhydrous ammonia oversight. No later than February 1, 2013, the commissioner shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture finance regarding the commissioner's progress in addressing the department's shortfall of necessary

inspections and recommendations for fee changes to eliminate the shortfall.

**Subd. 3. Agricultural Marketing and Development**

3,062,000

3,062,000

\$186,000 the first year and \$186,000 the second year are for transfer to the Minnesota grown account and may be used as grants for Minnesota grown promotion under Minnesota Statutes, section 17.102. Grants may be made for one year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2013, for Minnesota grown grants in this paragraph are available until June 30, 2015. \$50,000 of the appropriation in each year is for efforts that identify and promote Minnesota grown products in retail food establishments including but not limited to restaurants, grocery stores, and convenience stores.

\$100,000 the first year and \$100,000 the second year are to provide training and technical assistance to county and town officials relating to livestock siting issues and local zoning and land use planning, including maintenance of the checklist template clarifying the federal, state, and local government requirements for consideration of an animal agriculture modernization or expansion project. For the training and technical assistance program, the commissioner shall continue to seek guidance, advice, and support of livestock producer organizations, general agricultural organizations, local government associations, academic institutions, other government agencies, and others with expertise in land use and agriculture.

Up to \$100,000 each year of this appropriation may be used for grants to farmers for demonstration projects involving sustainable agriculture as authorized in Minnesota Statutes, section 17.116. Of the amount for grants, up to \$20,000 may be used for dissemination of information about

the demonstration projects. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2013, for sustainable agriculture grants in this paragraph are available until June 30, 2015.

\$10,000 the first year and \$10,000 the second year are for annual cost-share payments to resident farmers or persons who sell, process, or package agricultural products in this state for the costs of organic certification. Annual cost-share payments per farmer must be two-thirds of the cost of the certification or \$350, whichever is less. In any year that a resident farmer or person who sells, processes, or packages agricultural products in this state receives a federal organic certification cost-share payment, that resident farmer or person is not eligible for state cost-share payments. A certified farmer is eligible to receive annual certification cost-share payments for up to five years. The commissioner may allocate any excess appropriation in either fiscal year for organic market and program development including organic producer education efforts, assistance for persons transitioning from conventional to organic agriculture, or sustainable agriculture demonstration grants authorized under Minnesota Statutes, section 17.116, and pertaining to organic research or demonstration. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

\$100,000 each year is for a licensed education professional for the Agriculture in the Classroom program to develop and disseminate curriculum, provide teacher training opportunities, and work with schools to enhance agricultural literacy by incorporating agriculture into classroom curriculum.

Subd. 4. **Bioenergy and Value-Added Agriculture**

16,332,000

2,301,000

\$13,732,000 the first year is for ethanol



producer payments under Minnesota Statutes, section 41A.09. If the total amount for which all producers are eligible in a quarter exceeds the amount available for payments, the commissioner shall make payments on a pro rata basis. If the appropriation exceeds the total amount for which all producers are eligible, the balance in the appropriation is available to the commissioner for the agricultural growth, research, and innovation program under Minnesota Statutes, section 41A.12. The appropriation remains available until spent.

\$2,500,000 the first year is for bioenergy grants. The NextGen Energy Board, established in Minnesota Statutes, section 41A.105, shall make recommendations to the commissioner on grants for owners of Minnesota facilities producing bioenergy, organizations that provide for on-station, on-farm field scale research and outreach to develop and test the agronomic and economic requirements of diverse stands of prairie plants and other perennials for bioenergy systems, or certain nongovernmental entities. For the purposes of this paragraph, "bioenergy" includes transportation fuels derived from cellulosic material, as well as the generation of energy for commercial heat, industrial process heat, or electrical power from cellulosic material via gasification or other processes. Grants are limited to 50 percent of the cost of research, technical assistance, or equipment related to bioenergy production or \$500,000, whichever is less. Grants to nongovernmental entities for the development of business plans and structures related to community ownership of eligible bioenergy facilities together may not exceed \$150,000. The board shall make a good-faith effort to select projects that have merit, and, when taken together, represent a variety of bioenergy technologies, biomass feedstocks, and geographic regions of the state. Projects must have a qualified engineer provide certification on the technology and fuel

source. Grantees must provide reports at the request of the commissioner. No later than February 1, 2013, the commissioner shall report on the projects funded under this appropriation to the legislative committees with jurisdiction over agriculture finance. The commissioner's costs in administering the program may be paid from the appropriation. This is a onetime appropriation and is available until June 30, 2013.

\$2,301,000 the second year is for the agricultural growth, research, and innovation program in Minnesota Statutes, section 41A.12. The commissioner may use up to 4.5 percent of this appropriation for costs incurred to administer the program. Any unencumbered balance does not cancel at the end of the first year and is available in the second year. The base budget for fiscal year 2014 and later is \$10,247,000 each year.

\$100,000 the first year is to provide a grant for a feasibility study, site identification, and site acquisition for a proposed biomass plant in Lake of the Woods County.

**Subd. 5. Administration and Financial Assistance 7,243,000 7,343,000**

	<u>Appropriations by Fund</u>	
<u>General</u>	<u>6,443,000</u>	<u>6,543,000</u>
<u>Agricultural</u>	<u>800,000</u>	<u>800,000</u>

\$634,000 the first year and \$634,000 the second year are for continuation of the dairy development and profitability enhancement and dairy business planning grant programs established under Laws 1997, chapter 216, section 7, subdivision 2, and Laws 2001, First Special Session chapter 2, section 9, subdivision 2. The commissioner may allocate the available sums among permissible activities, including efforts to improve the quality of milk produced in the state in the proportions that the commissioner deems most beneficial to Minnesota's dairy farmers. The commissioner

must submit a detailed accomplishment report and a work plan detailing future plans for, and anticipated accomplishments from, expenditures under this program to the chairs and ranking minority members of the legislative committees with jurisdiction over agricultural policy and finance on or before the start of each fiscal year. If significant changes are made to the plans in the course of the year, the commissioner must notify the chairs and ranking minority members.

\$47,000 the first year and \$47,000 the second year are for the Northern Crops Institute. These appropriations may be spent to purchase equipment.

\$18,000 the first year and \$18,000 the second year are for a grant to the Minnesota Livestock Breeders Association.

\$235,000 the first year and \$235,000 the second year are for grants to the Minnesota Agricultural Education and Leadership Council for programs of the council under Minnesota Statutes, chapter 41D.

\$474,000 the first year and \$474,000 the second year are for payments to county and district agricultural societies and associations under Minnesota Statutes, section 38.02, subdivision 1. Aid payments to county and district agricultural societies and associations shall be disbursed no later than July 15 of each year. These payments are the amount of aid from the state for an annual fair held in the previous calendar year.

\$1,000 the first year and \$1,000 the second year are for grants to the Minnesota State Poultry Association.

\$108,000 the first year and \$108,000 the second year are for annual grants to the Minnesota Turf Seed Council for basic and applied research on: (1) the improved production of forage and turf seed related to new and improved varieties; and (2) native plants, including plant breeding, nutrient

management, pest management, disease management, yield, and viability. The grant recipient may subcontract with a qualified third party for some or all of the basic or applied research.

\$500,000 the first year and \$500,000 the second year are for grants to Second Harvest Heartland on behalf of Minnesota's six Second Harvest food banks for the purchase of milk for distribution to Minnesota's food shelves and other charitable organizations that are eligible to receive food from the food banks. Milk purchased under the grants must be acquired from Minnesota milk processors and based on low-cost bids. The milk must be allocated to each Second Harvest food bank serving Minnesota according to the formula used in the distribution of United States Department of Agriculture commodities under The Emergency Food Assistance Program (TEFAP). Second Harvest Heartland must submit quarterly reports to the commissioner on forms prescribed by the commissioner. The reports must include, but are not limited to, information on the expenditure of funds, the amount of milk purchased, and the organizations to which the milk was distributed. Second Harvest Heartland may enter into contracts or agreements with food banks for shared funding or reimbursement of the direct purchase of milk. Each food bank receiving money from this appropriation may use up to two percent of the grant for administrative expenses.

\$94,000 the first year and \$94,000 the second year are for transfer to the Board of Trustees of the Minnesota State Colleges and Universities for statewide mental health counseling support to farm families and business operators through farm business management programs at Central Lakes College and Ridgewater College.

\$17,000 the first year and \$17,000 the second year are for grants to the Minnesota



Items in clauses (1) and (2) must be buried in a nuisance-free, pollution-free, and aesthetic manner on the land used for farming. ~~This~~ The exception in clause (1) does not apply if regularly scheduled pickup of solid waste is reasonably available at the person's farm, as determined by resolution of the county board of the county where the person's farm is located.

(b) ~~This~~ The exemption in paragraph (a), clause (1), does not apply to burning tires or plastics, except plastic baling twine, or to burning or burial of the following materials:

- (1) household hazardous waste as defined in section 115A.96, subdivision 1;
- (2) appliances, including but not limited to, major appliances as defined in section 115A.03, subdivision 17a;
- (3) household batteries;
- (4) used motor oil; and
- (5) lead acid batteries from motor vehicles.

(c) Within 90 days after completion of the burial, an owner of land used for farming who buries material under the authority of paragraph (a), clause (2), shall record, with the county recorder or registrar of titles of the county in which the land is located, an affidavit containing a legal description of the property and a map drawn from available information showing the boundary of the property and the location of concrete or reinforcing bar buried on the property. The county recorder or registrar of titles must record an affidavit presented under this paragraph in a manner that ensures its disclosure in the ordinary course of a title search of the subject property.

Sec. 7. Minnesota Statutes 2010, section 18B.03, subdivision 1, is amended to read:

Subdivision 1. **Administration by commissioner.** The commissioner shall administer, implement, and enforce this chapter and the Department of Agriculture is the lead state agency for the regulation of pesticides. The commissioner has the sole regulatory authority over the terrestrial application of pesticides, including, but not limited to, the application of pesticides to agricultural crops, structures, and other nonaquatic environments.

Sec. 8. Minnesota Statutes 2010, section 18C.005, is amended by adding a subdivision to read:

Subd. 1b. **Ammonia and anhydrous ammonia.** "Ammonia" and "anhydrous ammonia" are used interchangeably and mean a compound formed by the chemical combinations of the elements nitrogen and hydrogen in the molar proportion of one part nitrogen to three parts hydrogen. This relationship is shown by the chemical formula, NH<sub>3</sub>. On a weight basis, the ratio is 14 parts nitrogen to three parts hydrogen or approximately 82 percent nitrogen to 18 percent hydrogen. Ammonia may exist in either a gaseous or a liquid state. Ammonia or anhydrous ammonia does not include aqua ammonia or ammonium hydroxide, which are solutions of ammonia in water and are sometimes called ammonia.

Sec. 9. Minnesota Statutes 2010, section 18C.111, is amended by adding a subdivision to read:

Subd. 4. **Certification of regulatory compliance.** (a) The commissioner may, under rules adopted under section 18C.121, subdivision 1, certify a person to offer or perform a regulatory compliance inspection of any person or site that stores, handles, or distributes ammonia or anhydrous ammonia fertilizer.

(b) Pursuant to those rules, a person certified under paragraph (a) may issue a certification of compliance to an inspected person or site if the certified person documents in writing full compliance with the provisions of this chapter and rules adopted under this chapter.

(c) A person or site issued a certification of compliance must provide a copy of the certification to the commissioner immediately upon request or within 90 days following certification.

(d) Certifications of compliance are valid for a period of three years. The commissioner may determine a different time period in the interest of public safety or for other reasonable cause.

Sec. 10. Minnesota Statutes 2010, section 18D.201, is amended by adding a subdivision to read:

Subd. 7. **Compliance and inspection frequency.** (a) The commissioner may implement policies and procedures that provide for a decrease in the frequency of regulatory inspection for a person or site issued a certification of compliance pursuant to section 18C.111, subdivision 4.

(b) The commissioner must consider the compliance history, enforcement record, and other public safety or environmental risk factors in determining the eligibility of a person or site for the reduced frequency of inspection described in paragraph (a). If the commissioner determines that a person or site is ineligible, the commissioner must notify the person or site of that ineligibility and the reasons for that determination.

(c) The compliance findings of the commissioner's inspection of a person or site that stores, handles, or distributes ammonia and anhydrous ammonia fertilizer may be used as a basis for decreased frequency of regulatory inspection, as described in paragraphs (a) and (b).

Sec. 11. Minnesota Statutes 2010, section 18E.03, subdivision 4, is amended to read:

Subd. 4. **Fee.** (a) The response and reimbursement fee consists of the surcharges and any adjustments made by the commissioner in this subdivision and shall be collected by the commissioner. The amount of the response and reimbursement fee shall be determined and imposed annually by the commissioner as required to satisfy the requirements in subdivision 3. The commissioner shall adjust the amount of the surcharges imposed in proportion to the amount of the surcharges listed in this subdivision. License application categories under paragraph (d) must be charged in proportion to the amount of surcharges imposed up to a maximum of 50 percent of the license fees set under chapters 18B and 18C.

(b) The commissioner shall impose a surcharge on pesticides registered under chapter 18B to be collected as a surcharge on the gross sales under section 18B.26, subdivision 3, that is equal to 0.1 percent of sales of the pesticide in the state and sales of pesticides for use in the state during the previous calendar year, except the surcharge may not be imposed on pesticides that are sanitizers or disinfectants as determined by the commissioner. No surcharge is required if the surcharge amount based on percent of annual gross sales of a nonagricultural pesticide is less than \$10. Sales of pesticides in the state for use outside of the state are exempt from the surcharge in this paragraph if the registrant, agricultural pesticide dealer, or pesticide dealer properly documents the sale location and the distributors.

(c) The commissioner shall impose a ten cents per ton surcharge on the inspection fee under section 18C.425, subdivision 6, for fertilizers, soil amendments, and plant amendments.

(d) The commissioner shall impose a surcharge on the license application of persons licensed

under chapters 18B and 18C consisting of:

(1) a \$75 surcharge for each site where pesticides are stored or distributed, to be imposed as a surcharge on pesticide dealer application fees under section 18B.31, subdivision 5, and the agricultural pesticide dealer application fee under section 18B.316, subdivision 10;

(2) a \$75 surcharge for each site where a fertilizer, plant amendment, or soil amendment is distributed, to be imposed on persons licensed under sections 18C.415 and 18C.425;

(3) a \$50 surcharge to be imposed on a structural pest control applicator license application under section 18B.32, subdivision 6, for business license applications only;

(4) a \$20 surcharge to be imposed on commercial applicator license application fees under section 18B.33, subdivision 7; and

(5) a \$20 surcharge to be imposed on noncommercial applicator license application fees under section 18B.34, subdivision 5, except a surcharge may not be imposed on a noncommercial applicator that is a state agency, political subdivision of the state, the federal government, or an agency of the federal government.

(e) A \$1,000 fee shall be imposed on each site where pesticides are stored and sold for use outside of the state unless:

(1) the distributor properly documents that it has less than \$2,000,000 per year in wholesale value of pesticides stored and transferred through the site; or

(2) the registrant pays the surcharge under paragraph (b) and the registration fee under section 18B.26, subdivision 3, for all of the pesticides stored at the site and sold for use outside of the state.

(f) Paragraphs (c) to (e) apply to sales, licenses issued, applications received for licenses, and inspection fees imposed on or after July 1, 1990.

Sec. 12. Minnesota Statutes 2010, section 27.041, is amended by adding a subdivision to read:

Subd. 3. **Account; appropriation.** A wholesale produce dealers account is created in the agricultural fund. All fees, charges, and penalties collected under sections 27.01 to 27.069 and 27.11 to 27.19, including interest attributable to that money, must be deposited in the wholesale produce dealers account. Money in the account is appropriated to the commissioner for the purposes of sections 27.01 to 27.069 and 27.11 to 27.19.

Sec. 13. **[35.815] LIVESTOCK MORTALITIES.**

(a) Notwithstanding any other law, the executive director of the Board of Animal Health is responsible for the regulation and oversight of the disposal of livestock mortalities due to animal disease.

(b) Notwithstanding any other law, the executive director of the Board of Animal Health is responsible for the regulation and oversight of livestock mortality disposal due to nondisease causes to protect animal health and the environment. The board shall, in cases where the disposal may adversely affect ground or surface water, seek the input of the Pollution Control Agency.

Sec. 14. Minnesota Statutes 2010, section 38.01, is amended to read:



**38.01 COUNTY AGRICULTURAL SOCIETIES; FORMATION, POWERS.**

(a) An agricultural society or association may be incorporated by citizens of any county, or two or more counties jointly, but only one agricultural society shall be organized in any county. An agricultural society may sue and be sued in its corporate name; may adopt bylaws, rules, and regulations, alter and amend the same; may purchase and hold, lease and control any real or personal property deemed to promote the objects of the society, and may rent, lease, sell, exchange, and convey the same. Any income from the rental or lease of the property may be used for any or all of the following purposes: (1) Acquisition of additional real property; (2) Construction of additional buildings; or (3) Maintenance and care of the society's property. This section shall not be construed to preclude the continuance of any agricultural society now existing or the granting of aid to the society.

(b) An agricultural society shall have jurisdiction and control of the grounds upon which its fairs are held and of the streets and adjacent grounds during the fair, so far as may be necessary for fair purposes, and are exempt from local zoning ordinances throughout the year as provided in section 38.16.

(c) The society may contract with the sheriff, local municipality, or security guard as defined in section 626.88 to provide the society with police service. A person providing police service pursuant to a contract is not, by reason of the contract, classified as an employee of the agricultural society for any purpose other than the discharge of powers and duties under the contract.

(d) Any person who shall willfully violate any rule or regulation made by agricultural societies during the days of a fair shall be guilty of a misdemeanor.

The provisions of this section supersede all special laws on the same subject.

Sec. 15. Minnesota Statutes 2010, section 373.01, subdivision 1, is amended to read:

Subdivision 1. **Public corporation; listed powers.** (a) Each county is a body politic and corporate and may:

(1) Sue and be sued.

(2) Acquire and hold real and personal property for the use of the county, and lands sold for taxes as provided by law.

(3) Purchase and hold for the benefit of the county real estate sold by virtue of judicial proceedings, to which the county is a party.

(4) Sell, lease, and convey real or personal estate owned by the county, and give contracts or options to sell, lease, or convey it, and make orders respecting it as deemed conducive to the interests of the county's inhabitants.

(5) Make all contracts and do all other acts in relation to the property and concerns of the county necessary to the exercise of its corporate powers.

(b) No sale, lease, or conveyance of real estate owned by the county, except the lease of a residence acquired for the furtherance of an approved capital improvement project, nor any contract or option for it, shall be valid, without first advertising for bids or proposals in the official newspaper of the county for three consecutive weeks and once in a newspaper of general circulation in the area

where the property is located. The notice shall state the time and place of considering the proposals, contain a legal description of any real estate, and a brief description of any personal property. Leases that do not exceed \$15,000 for any one year may be negotiated and are not subject to the competitive bid procedures of this section. All proposals estimated to exceed \$15,000 in any one year shall be considered at the time set for the bid opening, and the one most favorable to the county accepted, but the county board may, in the interest of the county, reject any or all proposals.

(c) Sales of personal property the value of which is estimated to be \$15,000 or more shall be made only after advertising for bids or proposals in the county's official newspaper, on the county's Web site, or in a recognized industry trade journal. At the same time it posts on its Web site or publishes in a trade journal, the county must publish in the official newspaper, either as part of the minutes of a regular meeting of the county board or in a separate notice, a summary of all requests for bids or proposals that the county advertises on its Web site or in a trade journal. After publication in the official newspaper, on the Web site, or in a trade journal, bids or proposals may be solicited and accepted by the electronic selling process authorized in section 471.345, subdivision 17. Sales of personal property the value of which is estimated to be less than \$15,000 may be made either on competitive bids or in the open market, in the discretion of the county board. "Web site" means a specific, addressable location provided on a server connected to the Internet and hosting World Wide Web pages and other files that are generally accessible on the Internet all or most of a day.

(d) Notwithstanding anything to the contrary herein, the county may, when acquiring real property for county highway right-of-way, exchange parcels of real property of substantially similar or equal value without advertising for bids. The estimated values for these parcels shall be determined by the county assessor.

(e) Notwithstanding anything in this section to the contrary, the county may, when acquiring real property for purposes other than county highway right-of-way, exchange parcels of real property of substantially similar or equal value without advertising for bids. The estimated values for these parcels must be determined by the county assessor or a private appraisal performed by a licensed Minnesota real estate appraiser. Before giving final approval to any exchange of land, the county board shall hold a public hearing on the exchange. At least two weeks before the hearing, the county auditor shall post a notice in the auditor's office and the official newspaper of the county of the hearing that contains a description of the lands affected.

~~(e)~~ (f) If real estate or personal property remains unsold after advertising for and consideration of bids or proposals the county may employ a broker to sell the property. The broker may sell the property for not less than 90 percent of its appraised market value as determined by the county. The broker's fee shall be set by agreement with the county but may not exceed ten percent of the sale price and must be paid from the proceeds of the sale.

~~(f)~~ (g) A county or its agent may rent a county-owned residence acquired for the furtherance of an approved capital improvement project subject to the conditions set by the county board and not subject to the conditions for lease otherwise provided by paragraph (a), clause (4), and paragraphs (b), (c), (d), ~~(e)~~, and ~~(g)~~ (f), and (h).

~~(g)~~ (h) In no case shall lands be disposed of without there being reserved to the county all iron ore and other valuable minerals in and upon the lands, with right to explore for, mine and remove the iron ore and other valuable minerals, nor shall the minerals and mineral rights be disposed of, either before or after disposition of the surface rights, otherwise than by mining lease, in similar

general form to that provided by section 93.20 for mining leases affecting state lands. The lease shall be for a term not exceeding 50 years, and be issued on a royalty basis, the royalty to be not less than 25 cents per ton of 2,240 pounds, and fix a minimum amount of royalty payable during each year, whether mineral is removed or not. Prospecting options for mining leases may be granted for periods not exceeding one year. The options shall require, among other things, periodical showings to the county board of the results of exploration work done.

~~(h)~~ (i) Notwithstanding anything in this subdivision to the contrary, the county may, when selling real property owned in fee simple that cannot be improved because of noncompliance with local ordinances regarding minimum area, shape, frontage, or access, proceed to sell the nonconforming parcel without advertising for bid. At the county's discretion, the real property may be restricted to sale to adjoining landowners or may be sold to any other interested party. The property shall be sold to the highest bidder, but in no case shall the property be sold for less than 90 percent of its fair market value as determined by the county assessor. All owners of land adjoining the land to be sold shall be given a written notice at least 30 days before the sale. This paragraph shall be liberally construed to encourage the sale of nonconforming real property and promote its return to the tax roles.

Sec. 16. **REPEALER.**

Minnesota Statutes 2010, section 41A.09, subdivisions 1a, 2a, 3a, 4, and 10, are repealed.

**EFFECTIVE DATE.** This section is effective June 30, 2013."

Delete the title and insert:

"A bill for an act relating to agriculture; appropriating money for agriculture, the Board of Animal Health, and the Agricultural Utilization Research Institute; changing certain agriculture-related provisions, requirements, and programs; amending Minnesota Statutes 2010, sections 17.135; 18B.03, subdivision 1; 18C.005, by adding a subdivision; 18C.111, by adding a subdivision; 18D.201, by adding a subdivision; 18E.03, subdivision 4; 27.041, by adding a subdivision; 38.01; 373.01, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 35; repealing Minnesota Statutes 2010, section 41A.09, subdivisions 1a, 2a, 3a, 4, 10."

We request the adoption of this report and repassage of the bill.

Senate Conferees: Doug Magnus, Gary W. Kubly, Gary H. Dahms, Sean Nienow, Jeremy R. Miller

House Conferees: Rod Hamilton, Paul Anderson, Ron Shimanski, Mike LeMieur, Kent Eken

Senator Magnus moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1016 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1016 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 52 and nays 9, as follows:

Those who voted in the affirmative were:

Benson	Gerlach	Koch	Newman	Senjem
Bonoff	Gimse	Kruse	Nienow	Sheran
Brown	Goodwin	Kubly	Olson	Sieben
Carlson	Hall	Langseth	Ortman	Skoe
Chamberlain	Hann	Lillie	Parry	Sparks
Cohen	Harrington	Limmer	Pederson	Thompson
Dahms	Hoffman	Lourey	Pogemiller	Vanderveer
Daley	Howe	Magnus	Rest	Wolf
DeKruif	Ingebrigtsen	Michel	Robling	
Fischbach	Jungbauer	Miller	Rosen	
Gazelka	Kelash	Nelson	Saxhaug	

Those who voted in the negative were:

Bakk	Dibble	Latz	Pappas	Wiger
Berglin	Higgins	Marty	Torres Ray	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 26, Senator Koch, Chair of the Committee on Rules and Administration, designated S.F. No. 86 a Special Order to be heard immediately.

### SPECIAL ORDER

**S.F. No. 86:** A bill for an act relating to energy; removing ban on increased carbon dioxide emissions by utilities; amending Minnesota Statutes 2010, section 216H.02, subdivision 4; repealing Minnesota Statutes 2010, section 216H.03.

Senator Dibble moved to amend S.F. No. 86 as follows:

Page 2, after line 2, insert:

"Sec. 2. **EXPORTED COAL REVENUES ECONOMIC IMPACT STUDY.**

By January 15, 2012, the Division of Energy Resources of the Department of Commerce and the Department of Employment and Economic Development shall submit a report to the chairs and ranking minority members of the senate and house committees with primary responsibility for energy policy that contains the results of a study jointly conducted by those state agencies that estimates:

(1) the amount of revenue exported from Minnesota to purchase and transport coal for coal-fired electric generating plants located in Minnesota and other states that generate electricity sold at retail in Minnesota;

(2) the amount of electricity that would be conserved and generated by renewable energy technology if the amount of revenue estimated in clause (1) were invested in cost-effective electricity conservation measures and in renewable energy technologies; and

(3) the economic impact that would be created in this state as a result of the investments made under clause (2), including the number of direct, indirect, and induced jobs created.

The study must, under clause (2), analyze different combinations of expenditures on conservation investments and renewable energy technologies.

For the purposes of this section, "renewable energy technology" has the same meaning given "eligible energy technology" in Minnesota Statutes, section 216B.1691, subdivision 1."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 36, as follows:

Those who voted in the affirmative were:

Bakk	Goodwin	Kubly	Pogemiller	Skoe
Berglin	Harrington	Langseth	Rest	Sparks
Bonoff	Higgins	Lourey	Saxhaug	Torres Ray
Cohen	Howe	Marty	Sheran	Wiger
Dibble	Kelash	Pappas	Sieben	

Those who voted in the negative were:

Benson	Gazelka	Koch	Newman	Senjem
Brown	Gerlach	Kruse	Nienow	Thompson
Carlson	Gimse	Lillie	Olson	Vanderveer
Chamberlain	Hall	Limmer	Ortman	Wolf
Dahms	Hann	Magnus	Parry	
Daley	Hoffman	Michel	Pederson	
DeKruif	Ingebrigtsen	Miller	Robling	
Fischbach	Jungbauer	Nelson	Rosen	

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

Senator Torres Ray moved to amend S.F. No. 86 as follows:

Page 2, line 4, before the period, insert "when no more than ten percent of Minnesota lakes, rivers, and streams whose fish have been tested by the Department of Health have been found to contain mercury"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 42, as follows:

Those who voted in the affirmative were:

Bakk	Dibble	Kelash	Pogemiller	Torres Ray
Berglin	Goodwin	Lourey	Rest	Wiger
Bonoff	Harrington	Marty	Sheran	
Cohen	Higgins	Pappas	Sieben	

Those who voted in the negative were:

Benson	Gazelka	Jungbauer	Michel	Pederson
Brown	Gerlach	Koch	Miller	Robling
Carlson	Gimse	Kruse	Nelson	Rosen
Chamberlain	Hall	Kubly	Newman	Saxhaug
Dahms	Hann	Langseth	Nienow	Senjem
Daley	Hoffman	Lillie	Olson	Skoe
DeKruif	Howe	Limmer	Ortman	Sparks
Fischbach	Ingebrigtsen	Magnus	Parry	Thompson

Vandev eer

Wolf

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

Senator Marty moved to amend S.F. No. 86 as follows:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2010, section 216B.243, is amended by adding a subdivision to read:

Subd. 3c. **Environmental data; coal plant.** The environmental information prepared as part of a certificate of need application for a coal-burning electric generating plant must include an analysis of health impacts associated with the projected air emissions from the plant, including, but not limited to, estimated increases in rates of asthma, reduced lung function, and premature death."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 37, as follows:

Those who voted in the affirmative were:

Bakk	Goodwin	Langseth	Rest	Sparks
Berglin	Harrington	Lourey	Saxhaug	Torres Ray
Bonoff	Higgins	Marty	Sheran	Wiger
Cohen	Kelash	Pappas	Sieben	
Dibble	Kubly	Pogemiller	Skoe	

Those who voted in the negative were:

Benson	Gazelka	Jungbauer	Nelson	Rosen
Brown	Gerlach	Koch	Newman	Senjem
Carlson	Gimse	Kruse	Nienow	Thompson
Chamberlain	Hall	Lillie	Olson	Vandev eer
Dahms	Hann	Limmer	Ortman	Wolf
Daley	Hoffman	Magnus	Parry	
DeKruif	Howe	Michel	Pederson	
Fischbach	Ingebrigtsen	Miller	Robling	

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

Senator Dibble moved to amend S.F. No. 86 as follows:

Page 2, line 4, before "Minnesota" insert "(a)"

Page 2, after line 4, insert:

"(b) Minnesota Statutes 2010, section 216H.03, is revived and shall become effective immediately upon receipt of a notice from the United States Environmental Protection Agency by the Minnesota Pollution Control Agency that Minnesota, or any portion of it, no longer complies with one or more National Ambient Air Quality Standards, and shall remain in effect until the United States Environmental Protection Agency notifies the Minnesota Pollution Control Agency that the state has returned to compliance with all National Ambient Air Quality Standards."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 16 and nays 44, as follows:

Those who voted in the affirmative were:

Bakk	Goodwin	Latz	Pogemiller
Berglin	Harrington	Lourey	Rest
Cohen	Higgins	Marty	Sieben
Dibble	Kelash	Pappas	Wiger

Those who voted in the negative were:

Benson	Gazelka	Koch	Nelson	Saxhaug
Bonoff	Gerlach	Kruse	Newman	Senjem
Brown	Gimse	Kubly	Nienow	Sheran
Carlson	Hall	Langseth	Olson	Skoe
Chamberlain	Hann	Lillie	Ortman	Sparks
Dahms	Hoffman	Limmer	Parry	Thompson
Daley	Howe	Magnus	Pederson	Vandever
DeKruif	Ingebrigtsen	Michel	Robling	Wolf
Fischbach	Jungbauer	Miller	Rosen	

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

S.F. No. 86 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 42 and nays 18, as follows:

Those who voted in the affirmative were:

Bakk	Fischbach	Jungbauer	Nelson	Saxhaug
Benson	Gazelka	Koch	Newman	Senjem
Bonoff	Gerlach	Kruse	Nienow	Skoe
Brown	Gimse	Langseth	Olson	Thompson
Carlson	Hall	Lillie	Ortman	Vandever
Chamberlain	Hann	Limmer	Parry	Wolf
Dahms	Hoffman	Magnus	Pederson	
Daley	Howe	Michel	Robling	
DeKruif	Ingebrigtsen	Miller	Rosen	

Those who voted in the negative were:

Berglin	Harrington	Latz	Pogemiller	Sparks
Cohen	Higgins	Lourey	Rest	Wiger
Dibble	Kelash	Marty	Sheran	
Goodwin	Kubly	Pappas	Sieben	

So the bill passed and its title was agreed to.

### RECESS

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

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

### APPOINTMENTS

Senator Koch from the Subcommittee on Conference Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 887: Senators Michel, Lillie, Daley, Miller and Pederson.

Senator Koch moved that the foregoing appointments be approved. The motion prevailed.

### CALENDAR

**H.F. No. 323:** A bill for an act relating to real estate professionals; regulating the provision of broker price opinions on residential real estate; amending Minnesota Statutes 2010, sections 82.55, by adding subdivisions; 82.81, subdivision 9; 82B.021, subdivision 19; 82B.035, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 82.

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 55 and nays 1, as follows:

Those who voted in the affirmative were:

Bakk	Fischbach	Jungbauer	Michel	Rosen
Benson	Gazelka	Kelash	Miller	Saxhaug
Bonoff	Gerlach	Koch	Nelson	Senjem
Brown	Gimse	Kruse	Newman	Sheran
Carlson	Goodwin	Kubly	Nienow	Sieben
Chamberlain	Hall	Langseth	Olson	Skoe
Cohen	Hann	Latz	Ortman	Sparks
Dahms	Harrington	Lillie	Parry	Thompson
Daley	Hoffman	Limmer	Pederson	Torres Ray
DeKruif	Howe	Lourey	Pogemiller	Wiger
Dibble	Ingebrigtsen	Magnus	Robling	Wolf

Those who voted in the negative were:

Vandev eer

So the bill passed and its title was agreed to.

**S.F. No. 548:** A bill for an act relating to energy; authorizing the Public Utilities Commission to approve a multiyear rate plan for certain utilities; providing for cost recovery for certain pollution control products; amending Minnesota Statutes 2010, section 216B.16, subdivision 7, by adding a subdivision.

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 57 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Benson	Bonoff	Brown	Carlson
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Chamberlain	Hall	Langseth	Nienow	Sieben
Cohen	Hann	Latz	Olson	Skoe
Dahms	Harrington	Lillie	Ortman	Sparks
Daley	Hoffman	Limmer	Parry	Thompson
DeKruif	Howe	Lourey	Pederson	Torres Ray
Dibble	Ingebrigtsen	Magnus	Pogemiller	Vandever
Fischbach	Jungbauer	Marty	Robling	Wiger
Gazelka	Kelash	Michel	Rosen	Wolf
Gerlach	Koch	Miller	Saxhaug	
Gimse	Kruse	Nelson	Senjem	
Goodwin	Kubly	Newman	Sheran	

So the bill passed and its title was agreed to.

**S.F. No. 67:** A bill for an act relating to transportation; authorizing annual special permits for transporting waterfront structures on trunk highways; amending Minnesota Statutes 2010, section 169.86, subdivision 5.

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 57 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Gazelka	Koch	Nelson	Sheran
Benson	Gerlach	Kruse	Newman	Sieben
Bonoff	Gimse	Kubly	Nienow	Skoe
Brown	Goodwin	Langseth	Olson	Sparks
Carlson	Hall	Latz	Ortman	Thompson
Chamberlain	Hann	Lillie	Parry	Torres Ray
Cohen	Harrington	Limmer	Pederson	Vandever
Dahms	Hoffman	Lourey	Pogemiller	Wiger
Daley	Howe	Magnus	Robling	Wolf
DeKruif	Ingebrigtsen	Marty	Rosen	
Dibble	Jungbauer	Michel	Saxhaug	
Fischbach	Kelash	Miller	Senjem	

So the bill passed and its title was agreed to.

### CONSENT CALENDAR

**S.F. No. 882:** A bill for an act relating to crime; clarifying targeted misdemeanors to include no contact order misdemeanor violations for the purpose of requiring fingerprinting; amending Minnesota Statutes 2010, section 299C.10, subdivision 1.

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 54 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Chamberlain	Gazelka	Hann	Kelash
Benson	Dahms	Gerlach	Hoffman	Koch
Bonoff	Daley	Gimse	Howe	Kruse
Brown	DeKruif	Goodwin	Ingebrigtsen	Kubly
Carlson	Fischbach	Hall	Jungbauer	Langseth

Latz  
Lillie  
Limmer  
Lourey  
Magnus  
Michel

Miller  
Nelson  
Newman  
Nienow  
Olson  
Ortman

Pappas  
Parry  
Pederson  
Pogemiller  
Rest  
Robling

Rosen  
Saxhaug  
Senjem  
Sheran  
Skoe  
Sparks

Thompson  
Torres Ray  
Vandever  
Wiger  
Wolf

So the bill passed and its title was agreed to.

#### **MEMBERS EXCUSED**

Senators Metzen, Reinert, Scheid, Stumpf and Tomassoni were excused from the Session of today. Senator Cohen was excused from the Session of today from 11:00 to 11:25 a.m. Senator Latz was excused from the Session of today from 11:40 a.m. to 12:25 p.m. Senator Torres Ray was excused from the Session of today from 12:20 to 12:30 p.m. Senators Berglin and Higgins were excused from the Session of today at 12:35 p.m. Senator Pappas was excused from the Session of today from 12:35 to 12:40 p.m. Senator Rest was excused from the Session of today from 12:35 to 12:45 p.m.

#### **ADJOURNMENT**

Senator Koch moved that the Senate do now adjourn until 12:00 noon, Monday, April 18, 2011. The motion prevailed.

Cal R. Ludeman, Secretary of the Senate