

EIGHTIETH DAY

St. Paul, Minnesota, Thursday, March 1, 2012

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

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Joseph Johnson.

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	Fischbach	Jungbauer	Michel	Rosen
Benson	Gazelka	Kelash	Miller	Saxhaug
Bonoff	Gerlach	Koch	Nelson	Senjem
Brown	Gimse	Kruse	Newman	Sheran
Carlson	Goodwin	Langseth	Nienow	Sieben
Chamberlain	Hall	Latz	Olson	Skoe
Cohen	Hann	Lillie	Ortman	Stumpf
Dahms	Harrington	Limmer	Pappas	Thompson
Daley	Hayden	Lourey	Parry	Tomassoni
DeKruif	Higgins	Magnus	Pederson	Torres Ray
Dibble	Hoffman	Marty	Reinert	Vanderveer
Dziedzic	Howe	McGuire	Rest	Wiger
Eaton	Ingebrigtsen	Metzen	Robling	Wolf

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 communication was received.

March 1, 2012

The Honorable Michelle L. Fischbach
President of the Senate

Dear Senator Fischbach:

Pursuant to Senate Rule 8.2, the following appointments have been withdrawn from the following committees and placed on the Confirmation Calendar:

From the Committee on Jobs and Economic Growth, to which was referred the following appointment as reported in the Journal for February 24, 2011:

COMMISSIONER OF THE BUREAU OF MEDIATION SERVICES
Josh Tilsen

From the Committee on State Government Innovation and Veterans, to which was referred the following appointment as reported in the Journal for February 24, 2011:

CHIEF INFORMATION OFFICER OF THE DEPARTMENT OF ENTERPRISE TECHNOLOGY
Carolyn Parnell

Sincerely,
Cal R. Ludeman
Secretary of the Senate

MESSAGES FROM THE HOUSE

Madam President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S.F. No. 1371.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned February 29, 2012

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. 1240: A bill for an act relating to public safety; making changes to the DWI, off-highway vehicle, drive-by shooting, designated offense, and controlled substance forfeiture laws to provide more uniformity; raising the monetary cap on the value of certain property forfeitures that may be adjudicated in conciliation court; prohibiting forfeited property from being sold to prosecuting authorities or persons related to prosecuting authorities; clarifying the general criminal code forfeiture law, necessity of conviction, and burden of proof; amending Minnesota Statutes 2010, sections 84.7741, subdivisions 2, 3, 4, 8, 9, 10, by adding a subdivision; 169A.63, subdivisions 2, 3, 4, 8, 9, 10, by adding a subdivision; 491A.01, subdivision 3; 609.531, subdivisions 1, 6a; 609.5314, subdivision 2; 609.5315, subdivisions 1, 5, 5a, 5b; 609.5318, subdivisions 2, 3; Minnesota Statutes 2011 Supplement, section 609.5314, subdivision 3.

Senate File No. 1240 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned February 29, 2012

Senator Thompson moved that S.F. No. 1240 be laid on the table. The motion prevailed.

Madam President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1043, 2046, 1835, 1829, 1879 and 2246.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted February 29, 2012

FIRST READING OF HOUSE BILLS

The following bills were read the first time.

H.F. No. 1043: A bill for an act relating to public safety; proposing new penalties for repeat violators of certain motor vehicle property crimes; amending Minnesota Statutes 2010, section 609.546.

Referred to the Committee on Judiciary and Public Safety.

H.F. No. 2046: A bill for an act relating to public safety; permitting law enforcement access to Department of Human Services electronic civil commitment data for a background check on an applicant for a permit to possess explosives; amending Minnesota Statutes 2010, section 245.041.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1958, now on General Orders.

H.F. No. 1835: A bill for an act relating to public safety; expanding the list of colors that vehicles operated by sheriffs may be painted; amending Minnesota Statutes 2010, section 169.98, subdivisions 1, 3.

Referred to the Committee on Judiciary and Public Safety.

H.F. No. 1829: A bill for an act relating to public safety; authorizing county attorneys and assistant county attorneys to carry firearms on duty under the terms of a permit to carry; amending Minnesota Statutes 2010, section 388.051, by adding a subdivision.

Referred to the Committee on Judiciary and Public Safety.

H.F. No. 1879: A bill for an act relating to public safety; providing enhanced penalties for causing the death of or assaulting a prosecuting attorney; amending Minnesota Statutes 2010, sections 609.185; 609.221, subdivision 2; 609.2231, subdivision 3.

Referred to the Committee on Judiciary and Public Safety.

H.F. No. 2246: A bill for an act relating to public safety; allowing convictions under the original criminal vehicular operation law to enhance certain DWI offenses; correcting a legislative oversight; amending Minnesota Statutes 2010, sections 169A.03, subdivisions 20, 21; 169A.24, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1825, now on the Consent Calendar.

REPORTS OF COMMITTEES

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

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

S.F. No. 1918: A bill for an act relating to public administration; modifying provisions governing energy forward pricing mechanisms for government agencies; amending Minnesota Statutes 2010, section 16C.143; repealing Minnesota Statutes 2010, section 383B.1588.

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 16C.143, is amended to read:

16C.143 ENERGY FORWARD PRICING MECHANISMS.

Subdivision 1. **Definitions.** The following definitions apply in this section:

(1) "energy" means natural gas, heating oil, propane, diesel fuel, unleaded fuel, and any other energy source ~~except electricity used in state operations; and~~

(2) "forward pricing mechanism" means either: (i) a contract or financial instrument that obligates a state government agency to buy or sell a specified quantity of energy at a future date at a set price; or (ii) an option to buy or sell the contract or financial instrument; and

(3) "government agency" means the state, the Minnesota State Colleges and Universities, the University of Minnesota, a statutory or home rule charter city, a county, a town, a school district, a charter school, a regional agency, or another political subdivision.

Subd. 2. **Authority.** Notwithstanding any other law to the contrary, ~~the commissioner~~ a government agency may use forward pricing mechanisms for budget risk reduction.

Subd. 3. **Conditions.** ~~Forward pricing mechanism transactions must be made only under the following conditions:~~

~~(1) The quantity of energy affected by the forward pricing mechanism must not exceed 90 percent of the estimated energy use for the state government agency for the same period, which shall not exceed 24 48 months from the trade date of the transaction; and~~

~~(2) a separate account must be established for each state agency using a forward pricing~~

~~mechanism.~~

Subd. 4. **Written policies and procedures.** Before exercising the authority under this section, ~~the commissioner~~ government agency must develop written policies and procedures governing the use of forward pricing mechanisms.

Subd. 5. **Oversight process.** Before exercising authority under subdivision 2, the government agency must establish an oversight process that provides for review of the government agency's use of forward pricing mechanisms. The oversight process must include: internal or external audit reviews in a manner prescribed by the state auditor; annual reports to, and review by, an internal investment committee; and internal management control.

EFFECTIVE DATE. This section is effective July 1, 2012, and applies to forward pricing transactions entered into on or after that date.

Sec. 2. **REPEALER.**

Minnesota Statutes 2010, sections 383B.1588; and 473.1293, are repealed.

EFFECTIVE DATE. This section is effective July 1, 2012. The authority previously granted by Minnesota Statutes, sections 383B.1588 and 473.1293, is granted under Minnesota Statutes, section 16C.143, and the repeal of Minnesota Statutes, sections 383B.1588 and 473.1293, does not affect any forward pricing transaction entered into before the effective date of this section."

Amend the title numbers accordingly

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

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

S.F. No. 1719: A bill for an act relating to public safety; traffic regulations; establishing a motorcycle road guard certificate; providing criminal penalties; amending Minnesota Statutes 2010, section 169.06, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 171.

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

Page 2, after line 20, insert:

"(h) A person representing a motorcycle group ride in any city of the first class may no later than seven days before the ride request of the city's police chief that traffic and traffic signals be controlled or modified to allow the ride to proceed through a specified route at a specified time without stopping. The police chief shall no later than three days before the ride notify the organizer as to whether the city will control traffic as requested at no cost to the organizer. If the city chooses not to control traffic as requested at no cost to the organizer, traffic may be controlled by persons authorized under paragraph (g) within the limits of that authority."

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

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

H.F. No. 1766: A bill for an act relating to human services; modifying child care assistance payment of funds; amending Minnesota Statutes 2010, section 119B.09, subdivision 10, as amended.

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. 1922: A bill for an act relating to state government; providing methods for certain review and reporting on agency rules; amending Minnesota Statutes 2010, sections 3.842, subdivision 4a; 14.02, by adding a subdivision; 14.05, subdivision 1, by adding a subdivision; 14.116; 14.131; 14.19; 14.388, subdivision 2; 14.389, subdivision 2; Minnesota Statutes 2011 Supplement, sections 3D.06; 3D.10; 3D.11; repealing Minnesota Statutes 2010, section 14.127.

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 3.842, subdivision 4a, is amended to read:

Subd. 4a. **Objections to rules or proposed rules.** (a) For purposes of this subdivision, "committee" means the house of representatives policy committee or senate policy committee with primary jurisdiction over state governmental operations. The commission or a committee may object to a rule or proposed rule as provided in this subdivision. ~~If the commission or a committee objects to all or some portion of a rule because the commission or committee considers it to be on the grounds that the rule or proposed rule: (1) is beyond the procedural or substantive authority delegated to the agency, including a proposed rule submitted under section 14.15, subdivision 4, or 14.26, subdivision 3, paragraph (c); (2) is inconsistent with the enabling statute; (3) is unnecessary or redundant; or (4) fails to meet the requirements of section 14.131. If the commission or a committee objects to all or some portion of a rule or proposed rule, the commission or committee may shall file that objection in the Office of the Secretary of State. The filed objection must contain a concise statement of the commission's or committee's reasons for its action. An objection to a proposed rule submitted by the commission or a committee under section 14.15, subdivision 4, or 14.26, subdivision 3, paragraph (c), may not be filed before the rule is adopted For a proposed rule, the objection must be filed within 30 days of receipt of the notice under section 14.116, 14.388, or 14.389.~~

(b) The secretary of state shall affix to each objection a certification of the date and time of its filing and as soon after the objection is filed as practicable shall electronically transmit a certified copy of it to the agency issuing the rule in question and to the revisor of statutes. The secretary of state shall also maintain a permanent register open to public inspection of all objections by the commission or committee.

(c) The commission or committee shall publish and index an objection filed under this section in the next issue of the State Register. The revisor of statutes shall indicate the existence of the objection adjacent to the rule in question when that rule is published in Minnesota Rules.

(d) Within 14 days after the filing of an objection by the commission or committee to a rule or proposed rule, the issuing agency shall respond in writing to the objecting entity. After receipt of the response, the commission or committee may withdraw or modify its objection. After the filing of an objection that is not subsequently withdrawn, the agency may not adopt the rule until the legislature adjourns the annual legislative session that began after the vote of the commission or committee. The commission or committee that files an objection that is not subsequently withdrawn must, as soon as practical, make a recommendation on a bill that approves the proposed rule, prohibits adoption of the proposed rule, or amends or repeals the law governing a previously adopted rule for which an objection was filed.

(e) After the filing of an objection by the commission or committee that is not subsequently withdrawn, the burden is upon the agency in any proceeding for judicial review or for enforcement of the rule to establish by clear and convincing evidence that the whole or portion of the rule objected to is valid and demonstrates that the objection raised under paragraph (a) is not justified, based on the criteria for objecting to a rule under paragraph (a).

(f) The failure of the commission or a committee to object to a rule is not an implied legislative authorization of its validity.

(g) In accordance with sections 14.44 and 14.45, the commission or a committee may petition for a declaratory judgment to determine the validity of a rule objected to by the commission or committee. The action must be started within two years after an objection is filed in the Office of the Secretary of State.

(h) The commission or a committee may intervene in litigation arising from agency action. For purposes of this paragraph, agency action means the whole or part of a rule, or the failure to issue a rule.

Sec. 2. Minnesota Statutes 2011 Supplement, section 3D.06, is amended to read:

3D.06 AGENCY REPORT TO COMMISSION.

Before September 1 of the odd-numbered year before the year in which a state agency is subject to sunset review, the agency commissioner shall report to the commission:

- (1) information regarding the application to the agency of the criteria in section 3D.10;
 - (2) a priority-based budget for the agency;
 - (3) an inventory of all boards, commissions, committees, and other entities related to the agency;
- and
- (4) a list of all rules promulgated by the state agency; and the following information for each rule:
 - (i) the statutory authority;
 - (ii) the statement of need and reasonableness of the rule;
 - (iii) whether there has been any change in circumstance requiring the rule to be amended or repealed;

(iv) an assessment of the cumulative effect of the rule with all other federal and state regulations and local ordinances or regulations related to the specific purpose of the rule being proposed;

(v) an assessment of any differences between the proposed rule and existing federal regulations and a specific analysis of the need and reasonableness of each difference; and

(vi) a summary of the means to better coordinate rulemaking between state agencies and other local, state, and federal agencies and a strategy and schedule to repeal or amend agency rules so as to achieve intended outcomes of the rules more effectively and efficiently; and

(5) any other information that the agency commissioner considers appropriate or that is requested by the commission.

~~The September 1 deadline in this section does not apply in 2011.~~

Sec. 3. Minnesota Statutes 2011 Supplement, section 3D.10, is amended to read:

3D.10 CRITERIA FOR REVIEW.

The commission and its staff shall consider the following criteria in determining whether a public need exists for the continuation of a state agency or its advisory committees or for the performance of the functions of the agency or its advisory committees:

(1) the efficiency and effectiveness with which the agency or the advisory committee operates;

(2) an identification of the mission, goals, and objectives intended for the agency or advisory committee and of the problem or need that the agency or advisory committee was intended to address and the extent to which the mission, goals, and objectives have been achieved and the problem or need has been addressed;

(3) an identification of any activities of the agency in addition to those granted by statute and of the authority for those activities and the extent to which those activities are needed;

(4) an assessment of authority of the agency relating to fees, inspections, enforcement, and penalties;

(5) whether less restrictive or alternative methods of performing any function that the agency performs could adequately protect or provide service to the public;

(6) the extent to which the jurisdiction of the agency and the programs administered by the agency overlap or duplicate those of other agencies, the extent to which the agency coordinates with those agencies, and the extent to which the programs administered by the agency can be consolidated with the programs of other state agencies;

(7) the promptness and effectiveness with which the agency addresses complaints concerning entities or other persons affected by the agency, including an assessment of the agency's administrative hearings process;

(8) an assessment of the agency's rules and rulemaking process and the extent to which the agency has encouraged participation by the public in making its rules and decisions and the extent to which the public participation has resulted in rules that benefit the public;

(9) an assessment of whether any of the agency's rules:

(i) are beyond the procedural or substantive authority delegated to the agency;

(ii) are inconsistent with the enabling statute;

(iii) are unnecessary or redundant; or

(iv) fail to meet the requirements of section 14.131;

(10) the extent to which the agency has complied with federal and state laws and applicable rules regarding equality of employment opportunity and the rights and privacy of individuals, and state law and applicable rules of any state agency regarding purchasing guidelines and programs for historically underutilized businesses;

~~(10)~~ (11) the extent to which the agency issues and enforces rules relating to potential conflicts of interest of its employees;

~~(11)~~ (12) the extent to which the agency complies with chapter 13 and follows records management practices that enable the agency to respond efficiently to requests for public information; and

~~(12)~~ (13) the effect of federal intervention or loss of federal funds if the agency is abolished.

Sec. 4. Minnesota Statutes 2011 Supplement, section 3D.11, is amended to read:

3D.11 RECOMMENDATIONS.

(a) In its report on a state agency, the commission shall:

(1) make recommendations on the abolition, continuation, or reorganization of each affected state agency and its advisory committees and on the need for the performance of the functions of the agency and its advisory committees;

(2) make recommendations on the consolidation, transfer, or reorganization of programs within state agencies not under review when the programs duplicate functions performed in agencies under review; ~~and~~

(3) make recommendations to improve the operations of the agency, its policy body, and its advisory committees, including management recommendations that do not require a change in the agency's enabling statute; and

(4) make recommendations for the repeal, consolidation, transfer, or amendment of the rules promulgated by the affected state agency.

(b) The commission shall include the estimated fiscal impact of its recommendations and may recommend appropriation levels for certain programs to improve the operations of the state agency.

(c) The commission shall have drafts of legislation prepared to carry out the commission's recommendations under this section, including legislation necessary to continue the existence of agencies that would otherwise sunset if the commission recommends continuation of an agency.

(d) After the legislature acts on the report under section 3D.09, the commission shall present to the legislative auditor the commission's recommendations that do not require a statutory change to be put into effect. Subject to the legislative audit commission's approval, the legislative auditor

may examine the recommendations and include as part of the next audit of the agency a report on whether the agency has implemented the recommendations and, if so, in what manner.

Sec. 5. Minnesota Statutes 2010, section 14.05, subdivision 1, is amended to read:

Subdivision 1. **Authority to adopt original rules restricted.** (a) Each agency shall adopt, amend, suspend, or repeal its rules:

(1) in accordance with the procedures specified in sections 14.001 to 14.69, ~~and~~;

(2) only pursuant to authority expressly delegated by state or federal law;

(3) only that are necessary to serve the public interest; and

(4) in full compliance with its duties and obligations.

(b) If a law authorizing rules is repealed, the rules adopted pursuant to that law are automatically repealed on the effective date of the law's repeal unless there is another law authorizing the rules.

(c) Except as provided in section 14.06, sections 14.001 to 14.69 shall not be authority for an agency to adopt, amend, suspend, or repeal rules.

Sec. 6. Minnesota Statutes 2010, section 14.05, is amended by adding a subdivision to read:

Subd. 1a. **Limitation regarding certain policies, guidelines, and other nonbinding interpretive statements.** An agency shall not seek to implement or enforce against any person a policy, guideline, or other nonbinding interpretive statement that meets the definition of a rule if the policy, guideline, or other nonbinding interpretive statement has not been adopted as a rule in accordance with this chapter.

Sec. 7. Minnesota Statutes 2010, section 14.116, is amended to read:

14.116 NOTICE TO LEGISLATURE.

When an agency mails notice of intent to adopt rules under section 14.14 or 14.22, the agency must send a copy of the same notice and a copy of the statement of need and reasonableness to the chairs and ranking minority party members of the legislative policy and budget committees with jurisdiction over the subject matter of the proposed rules and to the Legislative Coordinating Commission.

In addition, if the mailing of the notice is within two years of the effective date of the law granting the agency authority to adopt the proposed rules, the agency shall make reasonable efforts to send a copy of the notice and the statement to all sitting legislators who were chief house of representatives and senate authors of the bill granting the rulemaking authority. If the bill was amended to include this rulemaking authority, the agency shall make reasonable efforts to send the notice and the statement to the chief house of representatives and senate authors of the amendment granting rulemaking authority, rather than to the chief authors of the bill.

Sec. 8. Minnesota Statutes 2010, section 14.131, is amended to read:

14.131 STATEMENT OF NEED AND REASONABLENESS.

By the date of the section 14.14, subdivision 1a, notice, the agency must prepare, review,

and make available for public review a statement of the need for and reasonableness of the rule. The statement of need and reasonableness must be prepared under rules adopted by the chief administrative law judge and must include the following to the extent the agency, through reasonable effort, can ascertain this information:

(1) a description of the classes of persons who probably will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule;

(2) the probable costs to the agency and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues;

(3) a determination of whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule;

(4) a description of any alternative methods for achieving the purpose of the proposed rule that were seriously considered by the agency and the reasons why they were rejected in favor of the proposed rule;

(5) the probable costs of complying with the proposed rule, including the portion of the total costs that will be borne by identifiable categories of affected parties, such as separate classes of governmental units, businesses, or individuals;

(6) the probable costs or consequences of not adopting the proposed rule, including those costs or consequences borne by identifiable categories of affected parties, such as separate classes of government units, businesses, or individuals; ~~and~~

(7) an assessment of any differences between the proposed rule and existing federal regulations and a specific analysis of the need for and reasonableness of each difference; and

(8) an assessment of the cumulative effect of the rule with other federal and state regulations and local ordinances or regulations, related to the specific purpose of the rule.

The statement must describe how the agency, in developing the rules, considered and implemented the legislative policy supporting performance-based regulatory systems set forth in section 14.002.

The statement must describe, with reasonable particularity, the scientific, technical, and economic information that supports the proposed rule.

The statement must also describe the agency's efforts to provide additional notification under section 14.14, subdivision 1a, to persons or classes of persons who may be affected by the proposed rule or must explain why these efforts were not made.

The agency must consult with the commissioner of management and budget to help evaluate the fiscal impact and fiscal benefits of the proposed rule on units of local government. The agency must send a copy of the statement of need and reasonableness to the Legislative Reference Library when the notice of hearing is mailed under section 14.14, subdivision 1a.

Sec. 9. Minnesota Statutes 2010, section 14.388, subdivision 2, is amended to read:

Subd. 2. **Notice.** An agency proposing to adopt, amend, or repeal a rule under this section

must give notice to the chairs and ranking minority members of the legislative policy and budget committees with jurisdiction over the subject matter of the proposed rules and to the Legislative Coordinating Commission, must give electronic notice of its intent in accordance with section 16E.07, subdivision 3, and must give notice by United States mail or electronic mail to persons who have registered their names with the agency under section 14.14, subdivision 1a. The notice must be given no later than the date the agency submits the proposed rule to the Office of Administrative Hearings for review of its legality and must include:

- (1) the proposed rule, amendment, or repeal;
- (2) an explanation of why the rule meets the requirements of the good cause exemption under subdivision 1; and
- (3) a statement that interested parties have five business days after the date of the notice to submit comments to the Office of Administrative Hearings.

Sec. 10. Minnesota Statutes 2010, section 14.389, subdivision 2, is amended to read:

Subd. 2. **Notice and comment.** The agency must publish notice of the proposed rule in the State Register ~~and~~, must mail the notice by United States mail or electronic mail to persons who have registered with the agency to receive mailed notices, and must give notice to the chairs and ranking minority members of the legislative policy and budget committees with jurisdiction over the subject matter of the proposed rules and to the Legislative Coordinating Commission. The mailed notice and the notice to legislators must include either a copy of the proposed rule or a description of the nature and effect of the proposed rule and a statement that a free copy is available from the agency upon request. The notice in the State Register must include the proposed rule or the amended rule in the form required by the revisor under section 14.07, an easily readable and understandable summary of the overall nature and effect of the proposed rule, and a citation to the most specific statutory authority for the rule, including authority for the rule to be adopted under the process in this section. The agency must allow 30 days after publication in the State Register for comment on the rule.

Sec. 11. **REVIEW OF CERTAIN RULES; REPORT.**

Subdivision 1. **Report.** By January 15, 2013, the Pollution Control Agency, Department of Natural Resources, Board of Water and Soil Resources, Environmental Quality Board, and Department of Agriculture must each submit to the governor, the Legislative Coordinating Commission, and the legislative policy and funding committees and divisions with jurisdiction over the agency, a list of all rules promulgated by the agency. The submission must include for each rule:

- (1) the statutory authority;
- (2) the statement of need and reasonableness of the rule;
- (3) whether there has been any change in circumstance regarding the rule to be amended or repealed;
- (4) an assessment of the cumulative effect of the rule with all other federal and state regulations and local ordinances or regulations related to the specific purpose of the rule being proposed;
- (5) an assessment of any differences between the proposed rule and existing federal regulations

and a specific analysis of the need and reasonableness of each difference; and

(6) a summary of the means to better coordinate rulemaking between state agencies and other local, state, and federal agencies and a strategy and schedule to repeal or amend agency rules so as to achieve intended outcomes of the rules more effectively and efficiently.

A report submitted under this subdivision must be signed by the person in the agency who is responsible for identifying and initiating rules and the commissioner of the agency.

Subd. 2. **Legislative action.** By March 1, 2013, the legislature shall refer the agency submissions required under subdivision 1 to the respective policy and funding committees and divisions with jurisdiction over each agency. Each committee shall prepare a report by April 1, 2013, to the legislature, with draft legislation to sunset every rule that is obsolete, unnecessary, or duplicative of other state or federal statutes or rules."

Amend the title numbers accordingly

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

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

S.F. No. 1741: A bill for an act relating to local governments; requiring counties and certain cities to report additional budgetary information; amending Minnesota Statutes 2010, section 275.065, subdivisions 1, 3; proposing coding for new law in Minnesota Statutes, chapter 471.

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 275.065, subdivision 1, is amended to read:

Subdivision 1. **Proposed levy.** (a) Notwithstanding any law or charter to the contrary, on or before September 15, each taxing authority, other than a school district, shall adopt a proposed budget and shall certify to the county auditor the proposed or, in the case of a town, the final property tax levy for taxes payable in the following year. All counties, home rule charter or statutory cities with a population of more than 2,500, and towns with a population of more than 2,500, shall also provide to the county auditor the county, city, or town Web site, if there is one, where the public is able to access the budget information required to be reported under section 471.703.

(b) On or before September 30, each school district that has not mutually agreed with its home county to extend this date shall certify to the county auditor the proposed property tax levy for taxes payable in the following year. Each school district that has agreed with its home county to delay the certification of its proposed property tax levy must certify its proposed property tax levy for the following year no later than October 7. The school district shall certify the proposed levy as:

(1) a specific dollar amount by school district fund, broken down between voter-approved and non-voter-approved levies and between referendum market value and tax capacity levies; or

(2) the maximum levy limitation certified by the commissioner of education according to section

126C.48, subdivision 1.

(c) If the board of estimate and taxation or any similar board that establishes maximum tax levies for taxing jurisdictions within a first class city certifies the maximum property tax levies for funds under its jurisdiction by charter to the county auditor by September 15, the city shall be deemed to have certified its levies for those taxing jurisdictions.

(d) For purposes of this section, "taxing authority" includes all home rule and statutory cities, towns, counties, school districts, and special taxing districts as defined in section 275.066. Intermediate school districts that levy a tax under chapter 124 or 136D, joint powers boards established under sections 123A.44 to 123A.446, and Common School Districts No. 323, Franconia, and No. 815, Prinsburg, are also special taxing districts for purposes of this section.

(e) At the meeting at which the taxing authority, other than a town, adopts its proposed tax levy under paragraph (a) or (b), the taxing authority shall announce the time and place of its subsequent regularly scheduled meetings at which the budget and levy will be discussed and at which the public will be allowed to speak. ~~The time and place of those meetings~~ The following information must be included in the proceedings or summary of proceedings published in the official newspaper of the taxing authority under section 123B.09, 375.12, or 412.191:

(1) the time and place of the meetings described in this paragraph; and

(2) a statement that the budget information required to be reported under section 471.703 is available on the county, city, or town Web site, if there is one.

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 2. Minnesota Statutes 2010, section 275.065, subdivision 3, is amended to read:

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

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

(c) The notice must inform taxpayers that it contains the amount of property taxes each taxing authority proposes to collect for taxes payable the following year. In the case of a town, or in the case of the state general tax, the final tax amount will be its proposed tax. The notice must clearly state for each city that has a population over 500, county, school district, regional library authority established under section 134.201, and metropolitan taxing districts as defined in paragraph (i), the time and place of a meeting for each taxing authority in which the budget and levy will be discussed and public input allowed, prior to the final budget and levy determination. The notice must clearly state for each county, each city with a population of more than 2,500, and for each town with a population of 2,500, that the budget information required to be reported under section 471.703 is available on the county, city, or town Web site, if there is one. The taxing authorities must provide the county auditor with the information to be included in the notice on or before the time it certifies its proposed levy under subdivision 1. The public must be allowed to speak at that meeting, which must occur after November 24 and must not be held before 6:00 p.m. It must provide a telephone number for the taxing authority that taxpayers may call if they have questions related to the notice

and an address where comments will be received by mail, except that no notice required under this section shall be interpreted as requiring the printing of a personal telephone number or address as the contact information for a taxing authority. If a taxing authority does not maintain public offices where telephone calls can be received by the authority, the authority may inform the county of the lack of a public telephone number and the county shall not list a telephone number for that taxing authority.

(d) The notice must state for each parcel:

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

(2) the items listed below, shown separately by county, city or town, and state general tax, net of the residential and agricultural homestead credit under section 273.1384, voter approved school levy, other local school levy, and the sum of the special taxing districts, and as a total of all taxing authorities:

(i) the actual tax for taxes payable in the current year; and

(ii) the proposed tax amount.

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

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

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

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

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

- (1) special assessments;
 - (2) levies approved by the voters after the date the proposed taxes are certified, including bond referenda and school district levy referenda;
 - (3) a levy limit increase approved by the voters by the first Tuesday after the first Monday in November of the levy year as provided under section 275.73;
 - (4) amounts necessary to pay cleanup or other costs due to a natural disaster occurring after the date the proposed taxes are certified;
 - (5) amounts necessary to pay tort judgments against the taxing authority that become final after the date the proposed taxes are certified; and
 - (6) the contamination tax imposed on properties which received market value reductions for contamination.
- (f) Except as provided in subdivision 7, failure of the county auditor to prepare or the county treasurer to deliver the notice as required in this section does not invalidate the proposed or final tax levy or the taxes payable pursuant to the tax levy.
- (g) If the notice the taxpayer receives under this section lists the property as nonhomestead, and satisfactory documentation is provided to the county assessor by the applicable deadline, and the property qualifies for the homestead classification in that assessment year, the assessor shall reclassify the property to homestead for taxes payable in the following year.
- (h) In the case of class 4 residential property used as a residence for lease or rental periods of 30 days or more, the taxpayer must either:
- (1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter, or lessee; or
 - (2) post a copy of the notice in a conspicuous place on the premises of the property.
- The notice must be mailed or posted by the taxpayer by November 27 or within three days of receipt of the notice, whichever is later. A taxpayer may notify the county treasurer of the address of the taxpayer, agent, caretaker, or manager of the premises to which the notice must be mailed in order to fulfill the requirements of this paragraph.
- (i) For purposes of this subdivision and subdivision 6, "metropolitan special taxing districts" means the following taxing districts in the seven-county metropolitan area that levy a property tax for any of the specified purposes listed below:
- (1) Metropolitan Council under section 473.132, 473.167, 473.249, 473.325, 473.446, 473.521, 473.547, or 473.834;
 - (2) Metropolitan Airports Commission under section 473.667, 473.671, or 473.672; and
 - (3) Metropolitan Mosquito Control Commission under section 473.711.

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

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

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

(2) population growth and decline;

(3) state or federal government action; and

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

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

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 3. [471.703] EXPENDITURE TYPE REPORTING.

Subdivision 1. **Purpose.** In order to facilitate involvement of the public in local government budgeting, municipalities shall provide the following budgetary information on a municipal Web site, except as provided in subdivision 4, and publicize the availability of this information as part of the property tax and budget notices required in section 275.065.

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

(b) "Municipality" means a county, a statutory or home rule charter city with a population of more than 2,500.

(c) "Population" means the population of the municipality as established by the last federal census, by a special census conducted under contract with the United States Bureau of the Census, by a population estimate made by the Metropolitan Council pursuant to section 473.24, or by a population estimate of the state demographer made pursuant to section 4A.02, whichever is the most recent as to the stated date of the count or estimate for the preceding calendar year, and which has been certified to the commissioner of revenue on or before July 15 of the year in which the information is required to be reported.

Subd. 3. **Electronic budgetary information.** (a) By September 30 of each year, a municipality shall publish on its Web site, except as provided in subdivision 4, four years of budget information on both revenues and expenditures organized by function and by expenditure type. The four years shall include actual data from the two most recently concluded budget years, estimated data for the current budget year, and projected data for the proposed budget adopted on or before September 15 as required under section 275.065, subdivision 1. The projected data for the proposed budget adopted on September 15 as required under section 275.065, subdivision 1, shall include at a minimum

the overall projected budget increase, and where possible an estimated breakdown of the projected revenues and expenditures by function as specified in paragraph (c), and where possible an estimated breakdown of the projected expenditures by expenditure type as specified in paragraph (d).

(b) In addition to publications required by paragraph (a), the municipality must publish the adopted final budget on the municipal Web site within 14 days of adoption of the final budget. The published final budget must include information on both revenues and expenditures organized by function and by expenditure type. The final budget must remain on the municipal Web site for one year, or until replaced by the next final budget.

(c) The governmental funds included in the budget information required under this section shall include the municipality's general fund, debt service fund, and special revenue funds, except for special revenue funds specifically used for the acquisition and construction of major capital facilities. The reported information shall also exclude enterprise funds and fiduciary funds.

(d) The forms and reporting requirements for revenues and expenditures by function shall be established by the state auditor's office and shall be based on the revenue and expenditure breakdowns used by that office in the five-year summary tables for annual revenue, expenditure, and debt reports for counties and cities with a population over 2,500, under section 6.75.

(e) The forms and reporting requirements for expenditures by expenditure type shall be established by the state auditor's office and at minimum shall include the following line items: employee costs, purchased services, supplies, central services, capital items, debt service, transfer to other funds, and miscellaneous; with employee costs further subdivided into the following items: wages and salaries, pensions, Social Security, health care, and other benefits. The state auditor shall consult with the commissioner of management and budget, city and county representatives, and members of the governmental accounting community in developing the definition of expenditure types for reporting purposes.

Subd. 4. **Alternative publication of budgetary information.** A municipality that does not maintain an official Web site must either (1) set up a separate Web site to make accessible the budgetary information as required in subdivision 3, or (2) publish the same information required in subdivision 3 by October 30 of each year in one issue of the official newspaper of the municipality. If a county publishes the information in its official newspaper it must also publish the same information in one other newspaper, if one of general circulation is located in a different city in the county than the official newspaper. The state auditor must prescribe the form for the newspaper notice.

Subd. 5. **Penalties.** Failure of a municipality to provide the information required in this section shall result in the withholding of aids payable the following calendar year under sections 162.01 to 162.14, 423A.02, and 477A.011 to 477A.014.

EFFECTIVE DATE. This section is effective July 1, 2012."

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

S.F. No. 1737: A bill for an act relating to local government finance; authorizing certain

investments; providing for designated depositories; amending Minnesota Statutes 2010, sections 118A.04, subdivision 5; 123B.14, subdivision 3; 366.01, subdivision 4; 385.07; 427.06.

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 123B.14, subdivision 3, is amended to read:

Subd. 3. **Official depository.** (a) The treasurer shall deposit the funds of the district in the official depository.

(b) In addition to the authority for deposit of district money pursuant to paragraph (a) or other provisions of this chapter, the treasurer may deposit district money in the official depository in accordance with the following conditions:

(1) The official depository is authorized by the treasurer to (i) arrange for the redeposit of the money into deposit accounts in one or more banks or savings and loan associations that are located in the United States, and (ii) serve as custodian for the district with respect to the money redeposited into such accounts.

(2) The full amount of the redeposited district funds, plus accrued interest, if any, must be insured by the Federal Deposit Insurance Corporation. Any entity serving as subcustodian for the official depository shall have had at least five years of general custodial experience.

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

Sec. 2. Minnesota Statutes 2010, section 366.01, subdivision 4, is amended to read:

Subd. 4. **Depository; terms; liability; interest.** (a) They may designate a bank as the depository of town money for a time not extending beyond their official term, after the execution by the bank of a sufficient bond to the town to be approved by the board and filed in the office of the town clerk. They may then require the treasurer to deposit all or part of the town money in that bank. The designation shall be in writing, and set forth all the terms upon which the deposits are made. It shall be signed by the chair and clerk and filed with the clerk. The town treasurer shall not be liable for the loss of money while deposited in the bank. All interest on the money shall belong to the town.

(b) In addition to the authority for deposit of town money pursuant to paragraph (a) or other provisions of this chapter, the town treasurer may deposit town money in a designated depository in accordance with the following conditions:

(1) The designated depository is authorized by the town treasurer to (i) arrange for the redeposit of the money into deposit accounts in one or more banks or savings and loan associations that are located in the United States, and (ii) serve as custodian for the town with respect to the money redeposited into such accounts.

(2) The full amount of the redeposited town funds, plus accrued interest, if any, must be insured by the Federal Deposit Insurance Corporation. Any entity serving as subcustodian for the designated depository shall have had at least five years of general custodial experience.

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

Sec. 3. Minnesota Statutes 2010, section 385.07, is amended to read:

385.07 FUNDS, WHERE DEPOSITED OR INVESTED.

(a) All county funds shall be deposited promptly and intact by the county treasurer in the name of the county or invested as provided in section 118A.04. Interest and profits which accrue from such investment shall, when collected, be credited to the general revenue fund of the county.

(b) In addition to the authority for deposit of county funds pursuant to paragraph (a), the county treasurer may deposit county funds in a designated depository in accordance with the following conditions:

(1) The designated depository is authorized by the county treasurer to (i) arrange for the redeposit of the funds into deposit accounts in one or more banks or savings and loan associations that are located in the United States, and (ii) serve as custodian for the county with respect to the funds redeposited into such accounts.

(2) The full amount of the redeposited county funds, plus accrued interest, if any, must be insured by the Federal Deposit Insurance Corporation. Any entity serving as subcustodian for the designated depository shall have had at least five years of general custodial experience.

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

Sec. 4. Minnesota Statutes 2010, section 427.06, is amended to read:

427.06 MONEY, HOW DEPOSITED; CHECKS, HOW DRAWN.

(a) All money of any city kept in accordance with sections 427.02 to 427.07 in any depository designated by the council of the city shall be kept and deposited in the name of the city and the depository shall have no authority to pay out this money except upon checks drawn upon the depository signed by the city treasurer and countersigned by the city comptroller or recording officer of the city.

(b) In addition to the authority for deposit of city money pursuant to paragraph (a) or other provisions of this chapter, the city treasurer may deposit city money in a designated depository in accordance with the following conditions:

(1) The designated depository is authorized by the city treasurer to (i) arrange for the redeposit of the money into deposit accounts in one or more banks or savings and loan associations that are located in the United States, and (ii) serve as custodian for the city with respect to the money redeposited into such accounts.

(2) The full amount of the redeposited city funds, plus accrued interest, if any, must be insured by the Federal Deposit Insurance Corporation. Any entity serving as subcustodian for the designated depository shall have had at least five years' experience serving in that capacity.

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

Amend the title accordingly

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

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

S.F. No. 1761: A bill for an act relating to local government; authorizing the city of Sandstone and its economic development authority to sell a housing development.

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. 1912: A bill for an act relating to health; requiring a prescribing physician be physically present when certain abortion-inducing drugs are administered; providing for criminal penalty; proposing coding for new law in Minnesota Statutes, chapter 145.

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. 1921: A bill for an act relating to health; requiring licensure of certain facilities that perform abortions; proposing coding for new law in Minnesota Statutes, chapter 145.

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

Page 1, after line 24, insert:

"Subd. 4. **Fees.** (a) The license fee for a facility is \$....."

(b) Fees shall be collected and deposited according to section 144.122."

Page 2, line 1, delete "4" and insert "5"

Amend the title 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 Olson from the Committee on Education, to which was referred

S.F. No. 1917: A bill for an act relating to education; extending for one additional year school districts' ability to use prone restraints under some conditions; requiring data collection and reporting; amending Minnesota Statutes 2011 Supplement, section 125A.0942, subdivision 3.

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

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 2010, section 125A.0941, is amended to read:

125A.0941 DEFINITIONS.

(a) The following terms have the meanings given them.

(b) "Emergency" means a situation where immediate intervention is needed to protect a child or other individual from physical injury or to prevent serious property damage.

(c) "Physical holding" means physical intervention intended to hold a child immobile or limit a child's movement ~~and~~, where body contact is the only source of physical restraint, and where immobilization is used to effectively gain control of a child in order to protect the child or other person from injury. The term physical holding does not mean physical contact that:

- (1) helps a child respond or complete a task;
- (2) assists a child without restricting the child's movement;
- (3) is needed to administer an authorized health-related service or procedure; or
- (4) is needed to physically escort a child when the child does not resist or the child's resistance is minimal.

(d) "Positive behavioral interventions and supports" means interventions and strategies to improve the school environment and teach children the skills to behave appropriately.

(e) "Prone restraint" means placing a child in a facedown position.

(f) "Restrictive procedures" means the use of physical holding or seclusion in an emergency.

~~(f)~~ (g) "Seclusion" means confining a child alone in a room from which egress is barred. Removing a child from an activity to a location where the child cannot participate in or observe the activity is not seclusion.

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

Page 2, line 16, after "restraints" insert "with children age five or older"

Page 2, line 24, strike everything after "department"

Page 2, line 25, strike everything before the semicolon

Page 2, after line 33, insert:

"Sec. 3. Minnesota Statutes 2010, section 125A.0942, subdivision 4, is amended to read:

Subd. 4. **Prohibitions.** The following actions or procedures are prohibited:

- (1) engaging in conduct prohibited under section 121A.58;
- (2) requiring a child to assume and maintain a specified physical position, activity, or posture that induces physical pain;
- (3) totally or partially restricting a child's senses as punishment;
- (4) presenting an intense sound, light, or other sensory stimuli using smell, taste, substance, or spray as punishment;
- (5) denying or restricting a child's access to equipment and devices such as walkers, wheelchairs, hearing aids, and communication boards that facilitate the child's functioning, except when temporarily removing the equipment or device is needed to prevent injury to the child or

others or serious damage to the equipment or device, in which case the equipment or device shall be returned to the child as soon as possible;

(6) interacting with a child in a manner that constitutes sexual abuse, neglect, or physical abuse under section 626.556;

(7) withholding regularly scheduled meals or water;

(8) denying access to bathroom facilities; and

(9) physical holding that restricts or impairs a child's ability to breathe, restricts or impairs a child's ability to communicate distress, places pressure or weight on a child's head, throat, neck, chest, lungs, sternum, diaphragm, back, or abdomen, or results in straddling a child's torso.

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

Renumber 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 re-referred

S.F. No. 1524: A bill for an act relating to occupations and professions; modifying licensing provisions and fees for architecture, engineering, land surveying, landscape architecture, geoscience, and interior design professions; amending Minnesota Statutes 2010, sections 326.02, subdivision 3; 326.04; 326.10, subdivisions 1, 2a, 7, 9; 326.105; 326.107, subdivisions 1, 2, 7; 326.12, subdivision 2.

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

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

S.F. No. 1717: A bill for an act relating to labor and industry; making changes to the State Building Code; amending Minnesota Statutes 2010, sections 178.01; 178.03, subdivisions 3, 4; 178.05, subdivisions 1, 2; 178.06; 178.07; 178.08; 178.09, subdivisions 1, 2; 326B.092, subdivisions 2, 7; 326B.103, subdivision 3; Minnesota Statutes 2011 Supplement, sections 326B.46, subdivision 1a; 326B.49, subdivision 1; repealing Minnesota Rules, parts 1300.0230, subpart 4; 1301.1201; 1302.0600; 3801.3640; 3801.3650; 3801.3660; 3801.3670; 3801.3680; 3801.3690; 3801.3700; 3801.3710; 3801.3720; 3801.3730; 3801.3740; 3801.3760; 3801.3790; 3801.3800.

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

Page 2, line 30, strike "journeymen" and insert "journeyworkers"

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. 1567: A bill for an act relating to environment; providing for permitting efficiency;

modifying environmental review requirements; eliminating conservation rate structure requirement; modifying terms for certain permits; appropriating money; amending Minnesota Statutes 2010, sections 41A.10, subdivision 1; 84.027, by adding a subdivision; 103G.291, subdivision 3; 115.03, by adding a subdivision; 116.07, subdivision 4a; 116D.04, by adding a subdivision; 116J.03, by adding subdivisions; 116J.035, by adding a subdivision; Minnesota Statutes 2011 Supplement, sections 84.027, subdivision 14a; 116.03, subdivision 2b; 116D.04, subdivision 2a; repealing Minnesota Statutes 2010, section 103G.291, subdivision 4.

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

Page 1, line 19, strike "substantially completed"

Page 1, line 24, strike ", steps that will be taken to complete action"

Page 1, line 25, strike "on the application, and the expected timeline"

Page 4, line 5, strike "substantially completed"

Page 4, line 10, strike ", steps that will be taken to complete action"

Page 4, line 11, strike "on the application, and the expected timeline"

Page 5, line 3, delete "All" and insert "Upon the agency's request," and delete "upon the agency's"

Page 5, line 4, delete "request"

Page 5, line 10, delete "and"

Page 5, after line 11, insert:

"(iv) other information related to the project requested by the agency; and"

Page 5, delete lines 31 to 33

Page 5, line 34, delete "(j)" and insert "(i)"

Page 6, line 2, delete "(k)" and insert "(j)"

Page 9, line 15, after "(c)" insert "Notwithstanding section 16A.1283," and after "shall" insert "establish a fee schedule to"

Page 9, line 16, delete "a state agency" and insert "the department"

Page 9, line 20, delete "affected state agency" and insert "commissioner" and delete "state agency" and insert "department"

Page 13, delete line 28 and insert "to the governor and the chairs and ranking minority members of the house of"

Page 13, line 30, delete "; and the revisor of statutes"

Page 13, line 35, after the semicolon, insert "and"

Page 14, line 1, delete everything after "(3)" and insert "an explanation of what information provided in the mandatory worksheet or statement within each category is not included in or"

provided for in an existing permit or other federal, state, or local law."

Page 14, delete lines 2 to 5

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. 1515: A bill for an act relating to real property; landlord and tenant; modifying certain late fee provisions; clarifying certain provisions related to eviction from property subject to foreclosure; amending Minnesota Statutes 2010, sections 504B.177; 504B.285, subdivisions 1b, 1c; Minnesota Statutes 2011 Supplement, section 504B.285, subdivision 1a.

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. 1934: A bill for an act relating to insurance; regulating township mutual fire insurance company combination policies; amending Minnesota Statutes 2010, section 67A.191.

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. 1793: A bill for an act relating to insurance; modifying the definition of a health plan company; proposing coding for new law in Minnesota Statutes, chapter 645.

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. 1910: A bill for an act relating to insurance; the Minnesota Comprehensive Health Association; permitting flexibility in premium rate-setting process; permitting closing enrollment in two plans; permitting flexibility in benefits; amending Minnesota Statutes 2010, sections 62E.08, subdivisions 1, 3; 62E.091; 62E.12.

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

Page 6, delete lines 30 to 32

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. 1875: A bill for an act relating to insurance; property and casualty; permitting a written disclosure of guaranty association coverage when a policy is delivered; expanding access to accident reports to include all parties involved; amending Minnesota Statutes 2010, section 169.09, subdivision 13; Minnesota Statutes 2011 Supplement, section 60C.21, subdivision 1.

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

Page 1, after line 17 insert:

"Sec. 2. Minnesota Statutes 2010, section 65B.482, subdivision 1, is amended to read:

Subdivision 1. **Issuance of card.** Every obligor transacting business in this state shall provide an insurance identification card for each vehicle covered at the time of initiating each policy of automobile insurance, as defined in section 65B.14, subdivision 2, and at the time of policy renewal. The insurance identification card may be provided in an electronic format if the insured agrees. When an insured has five or more vehicles registered in this state, the obligor may use the designation "all owned vehicles" on each identification card in lieu of a specified description. The card must state:

- (1) the insured's name;
- (2) the policy number;
- (3) the policy dates of coverage;
- (4) the make, model, and year of the vehicle being covered;
- (5) the vehicle identification number or at least the last three digits of that number; and
- (6) the name of the obligor providing coverage."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "permitting an insurance identification card to be provided in an electronic format;"

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

S.F. No. 1888: A bill for an act relating to debt collectors; amending procedures for licensure of debt collection agencies and registration of individual debt collectors; amending Minnesota Statutes 2010, sections 332.33, subdivisions 4, 7, 8; 332.35; 332.40, subdivision 1.

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

Page 1, delete section 1

Page 2, line 20, delete "of" and reinstate the stricken "in" and reinstate the stricken "court of

fraud or any"

Page 3, line 14, delete "any provision of" and insert "section 332.33, subdivision 7 or 8, 332.385, or 332.42,"

Page 3, line 15, delete everything before "or"

Page 3, line 17, delete everything after the period

Page 3, delete line 18 and insert "A licensee or individual registered collector shall have 30 days from the date of written notification of alleged violations to come into compliance with Minnesota law or administrative rule without financial obligation or penalty."

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 Gimse from the Committee on Transportation, to which was referred

S.F. No. 1791: A bill for an act relating to public safety; vehicle titles; clarifying requirements pertaining to bonds and issuance of title; amending Minnesota Statutes 2010, sections 168A.07, by adding a subdivision; 168A.20, subdivision 5.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 168.27, subdivision 28, is amended to read:

Subd. 28. **Distribution of plates and stickers.** The commissioner may distribute registration plates and stickers to be held and issued by new and used motor vehicle dealers. A dealer may issue registration plates and stickers only in conjunction with ~~and at the time~~ of the sale of a vehicle by the dealer. A dealer permitted to hold and issue registration plates and stickers must be equipped with electronic transmission technology and trained in its use. Before receiving registration plates and stickers under this subdivision, a dealer must adopt and implement security and record-keeping requirements satisfactory to the commissioner. The commissioner may revoke the authority granted under this subdivision for any violation of law or rule governing the issuance of registration plates and stickers, any violation of the dealer's security and record-keeping plan, or any other action that in the commissioner's opinion adversely affects the registration system. The dealer is financially responsible for the cost and tax value of any unaccounted inventory.

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

Sec. 2. Minnesota Statutes 2010, section 168A.07, subdivision 1, is amended to read:

Subdivision 1. **Ownership at issue; certificate withheld or bond filed.** In the event application is made in this state for a certificate of title on a vehicle and the department is not satisfied as to the ownership of the vehicle or the existence of security interests therein, the vehicle may be registered but the department, subject to subdivision 1a, shall either:

(1) withhold issuance of a certificate of title until the applicant shall present documents reasonably sufficient to satisfy the department of the applicant's ownership of the vehicle and as to any security interest therein; or

(2) as a condition to issuing a certificate of title, require the applicant to file a bond in the form prescribed by the department and executed by the applicant, and either accompanied by the deposit of cash or executed by a surety company authorized to do business in this state, in an amount equal to 1-1/2 times the value of the vehicle as determined by the department. The bond shall be conditioned to indemnify any prior owner and secured party and any subsequent purchaser of the vehicle or person acquiring any security interest therein, or the successor in interest of any said person, against any expense, loss, or damage, including reasonable attorneys' fees, by reason of the issuance of the certificate of title to the vehicle or on account of any defect in or undisclosed security interest upon the right, title and interest of the applicant in and to the vehicle. Any such interested person shall have a right of action to recover on such bond for any breach of its conditions, but the aggregate liability of the surety to all such persons shall in no event exceed the amount of the bond. Unless the department has been notified of the pendency of an action to recover on the bond and if all questions as to ownership and outstanding security interests have been resolved to the satisfaction of the department, such bond, and any deposit accompanying it, shall be returned at the end of three years or prior thereto in the event the vehicle is no longer registered in this state and the currently valid certificate of title is surrendered and amount provided in subdivision 1b.

Sec. 3. Minnesota Statutes 2010, section 168A.07, is amended by adding a subdivision to read:

Subd. 1a. **Ownership at issue; requirements for certificate issuance.** (a) In the event application is made in this state for a certificate of title on a vehicle with a model year designated by the manufacturer of more than five years prior to the year in which application is made, and the applicant is unable to establish sole ownership of the vehicle because one or more owners, prior owners, or lienholders cannot be found, the department shall issue a certificate of title to the applicant if the applicant submits:

- (1) the application;
 - (2) a bond in the form and amount provided in subdivision 1b;
 - (3) an affidavit that identifies the make, model year, and vehicle identification number of the vehicle, and includes a statement that:
 - (i) the applicant is an owner of the vehicle;
 - (ii) the applicant has physical possession of the vehicle; and
 - (iii) in attempting to transfer interest in the vehicle or obtain a certificate of title or lien release, the applicant was unable after using due diligence to: (A) determine the names or locations of one or more owners, prior owners, or lienholders; or (B) successfully contact one or more owners, prior owners, or lienholders known to the applicant; and
 - (4) payment for required taxes and fees.
- (b) Unless the department has been notified of the pendency of an action to recover on the bond under paragraph (a), clause (2), the department shall allow it to expire at the end of three years.

Sec. 4. Minnesota Statutes 2010, section 168A.07, is amended by adding a subdivision to read:

Subd. 1b. **Bond requirements.** A bond filed under this section must be in the form prescribed by the department and executed by the applicant, and either accompanied by the deposit of cash or executed by a surety company authorized to do business in this state, in an amount equal to one and one-half times the value of the vehicle as determined by the department. The bond shall be conditioned to indemnify any prior owner and secured party and any subsequent purchaser of the vehicle or person acquiring any security interest therein, or the successor in interest of any said person, against any expense, loss, or damage, including reasonable attorney fees, by reason of the issuance of the certificate of title to the vehicle or on account of any defect in or undisclosed security interest upon the right, title and interest of the applicant in and to the vehicle. Any such interested person shall have a right of action to recover on such bond for any breach of its conditions, but the aggregate liability of the surety to all such persons shall in no event exceed the amount of the bond. Unless the department has been notified of the pendency of an action to recover on the bond and if all questions as to ownership and outstanding security interests have been resolved to the satisfaction of the department, such bond, and any deposit accompanying it, shall be returned at the end of three years or prior thereto in the event the vehicle is no longer registered in this state and the currently valid certificate of title is surrendered.

Sec. 5. Minnesota Statutes 2010, section 168A.20, subdivision 5, is amended to read:

Subd. 5. **Satisfaction of automobile lien seven years old; release.** A security interest perfected under this chapter may be canceled seven years from the perfection date for a passenger automobile, as defined in section 168.002, subdivision 24, upon the request of the owner of the passenger automobile, if the owner has paid the lien in full and is unable to locate the lienholder to obtain a lien release. At a minimum, the owner must send a letter to the lienholder by certified mail, return receipt requested, requesting a lien release. If the owner is unable to obtain a lien release by sending a letter by certified mail, then the owner must present to the department or its agent the returned letter as evidence of the attempted contact. This subdivision applies only to: (1) vehicle owners who are individuals; or (2) dealers licensed under section 168.27, subdivision 2 or 3, who are purchasing a vehicle from an individual owner for resale.

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 Gimse from the Committee on Transportation, to which was referred

S.F. No. 1960: A bill for an act relating to transportation; directing commissioners of transportation and employment and economic development to study and report to the legislature about economic development related to freight railroad operation; amending Minnesota Statutes 2010, section 174.03, by adding a subdivision.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 174.03, is amended by adding a subdivision to read:

Subd. 1d. **Statewide freight plan.** (a) The commissioner of transportation, in cooperation with the commissioner of the Department of Employment and Economic Development, shall conduct a freight rail economic development study. The study will assess the economic impact of freight railroads in the state and identify opportunities to expand business development and enhance economic competitiveness through improved utilization of freight rail options. Findings from the study shall be incorporated as an amendment to the statewide freight and passenger rail plan.

(b) The commissioner of transportation shall provide an interim progress report on the study by January 15, 2013, and a final report on September 1, 2013, to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance and over employment and economic development. The reports shall include any recommended legislative initiatives.

(c) The commissioner of transportation may expend money under section 222.50, subdivision 7, to pay the costs of this study and report.

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

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

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

S.F. No. 752: A bill for an act relating to insurance; providing for the establishment of an online motor vehicle insurance verification system; amending Minnesota Statutes 2010, sections 65B.482; 169.09, subdivision 13; proposing coding for new law in Minnesota Statutes, chapter 169; repealing Minnesota Statutes 2010, section 65B.482.

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

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

S.F. No. 1613: A bill for an act relating to public safety; expanding the list of colors that vehicles operated by sheriffs may be painted; amending Minnesota Statutes 2010, section 169.98, subdivision 1.

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

Page 2, after line 2, insert:

"Sec. 2. Minnesota Statutes 2010, section 169.98, subdivision 3, is amended to read:

Subd. 3. **Security guard vehicle.** (a) All motor vehicles which are used by security guards in the course of their employment may have any color other than those specified in subdivision 1 for law enforcement vehicles. The identity of the security service shall be displayed on the motor vehicle as required for law enforcement vehicles.

(b) Notwithstanding subdivision 1, paragraph (a), clause (1), a security guard may continue to use a motor vehicle that is predominantly black in the course of the guard's employment if the vehicle was being used in this manner before August 1, 2002.

(c) Notwithstanding subdivision 1, paragraph (a), clause (3), a security guard may continue to use a motor vehicle that is predominantly gold in the course of the guard's employment if the vehicle was being used in this manner before August 1, 2012."

Amend the title as follows:

Page 1, line 3, before the semicolon, insert "; clarifying status of gold security guard vehicles"

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 Rosen from the Committee on Energy, Utilities and Telecommunications, to which was re-referred

S.F. No. 1534: A bill for an act relating to agriculture; delaying the effective date to eliminate certain limitations on wind easements; amending Laws 2008, chapter 296, article 1, section 25, as amended.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

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

S.F. No. 1957: A bill for an act relating to job creation; providing for permit management and coordination; requiring centralized electronic accessibility to permit applications and documentation; proposing coding for new law in Minnesota Statutes, chapter 116J.

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

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

S.F. No. 1421: A bill for an act relating to economic development; creating performance rewards on fast investment today program; providing tax benefits; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 469.

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

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

S.F. No. 1964: A bill for an act relating to labor and industry; implementing window cleaning safety measures; amending Minnesota Statutes 2010, section 326B.106, subdivision 4.

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

Page 3, line 10, delete "where any" and insert "only on those areas undergoing"

Page 3, line 11, after "repair" insert "that"

Page 3, after line 11, insert:

"The commissioner may waive all or a portion of the requirements of this paragraph related to reconstruction, alteration, or repair, if the installation of dedicated anchorages would not result in significant safety improvements due to limits on the size of the project, or other factors as determined by the commissioner.

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

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. 1551: A bill for an act relating to electrical inspections; depositing fees collected into account within the construction code fund; annually appropriating funds to the commissioner; amending Minnesota Statutes 2010, section 326B.36, subdivision 1; Minnesota Statutes 2011 Supplement, section 326B.04, subdivision 2.

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

Delete everything after the enacting clause and insert:

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

Subdivision 1. **Construction code fund.** (a) 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.

(b) 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.

(c) Electrical inspections shall be continued, regardless of whether all or any part of the biennial appropriation law for the department has been enacted. The amount necessary to conduct electrical inspections when the biennial appropriation law has not been enacted is appropriated from the construction code fund. If, by July 1 of an odd-numbered year, legislation has not been enacted to appropriate money to the commissioner of management and budget for central accounting, procurement, payroll, and human resources functions, amounts necessary to operate those functions for the purpose of this paragraph are appropriated from the general fund to the commissioner of management and budget. As necessary, the commissioner may transfer a portion of this appropriation to other state agencies to support carrying out these functions. Any subsequent appropriation to the commissioner of management and budget for a biennium in which this paragraph has been applied supersedes and replaces the funding authorized in this paragraph."

Delete the title and insert:

"A bill for an act relating to electrical inspections; providing for continued electrical inspections when biennial appropriations have not been enacted; appropriating money; amending Minnesota

Statutes 2010, section 326B.04, subdivision 1."

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

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

S.F. No. 1804: A bill for an act relating to state government; making changes to health and human services policy provisions; modifying provisions related to continuing care, the telephone equipment program, chemical and mental health, and health care; reforming comprehensive assessment and case management services; amending Minnesota Statutes 2010, sections 237.50; 237.51; 237.52; 237.53; 237.54; 237.55; 237.56; 245.461, by adding a subdivision; 245.462, subdivision 20; 245.487, by adding a subdivision; 245.4871, subdivision 15; 245.4932, subdivision 1; 245A.11, subdivision 2a; 246.53, by adding a subdivision; 256.9657, subdivision 1; 256B.04, subdivision 14; 256B.056, subdivision 3c; 256B.0595, subdivision 2; 256B.0625, subdivisions 13, 13d, 42; 256B.0659, subdivisions 1, 2, 3a, 4; 256B.0911, subdivisions 1, 2b, 2c, 3, 3b, 4c, 6; 256B.0913, subdivisions 7, 8; 256B.0915, subdivisions 1a, 1b, 3c, 6; 256B.092, subdivisions 1, 1a, 1b, 1e, 1g, 2, 3, 5, 7, 8, 8a, 9, 11; 256B.19, subdivision 1c; 256B.441, subdivisions 13, 31, 53; 256B.49, subdivision 13; 256B.69, subdivision 5; 256F.13, subdivision 1; 256G.02, subdivision 6; 256L.05, subdivision 3; 514.982, subdivision 1; Minnesota Statutes 2011 Supplement, sections 125A.21, subdivision 7; 144A.071, subdivisions 3, 4a; 254B.04, subdivision 2a; 256B.056, subdivision 3; 256B.057, subdivision 9; 256B.0625, subdivisions 13e, 13h, 14; 256B.0631, subdivisions 1, 2; 256B.0911, subdivisions 1a, 3a, 4a; 256B.0915, subdivision 10; 256B.49, subdivisions 14, 15; 256B.69, subdivisions 5a, 28; 256L.15, subdivision 1; 626.557, subdivision 9; repealing Minnesota Statutes 2010, sections 256.01, subdivision 18b; 256B.431, subdivisions 2c, 2g, 2i, 2j, 2k, 2l, 2o, 3c, 11, 14, 17b, 17f, 19, 20, 25, 27, 29; 256B.434, subdivisions 4a, 4b, 4c, 4d, 4e, 4g, 4h, 7, 8; 256B.435; 256B.436; Minnesota Statutes 2011 Supplement, section 256B.431, subdivision 26; Minnesota Rules, part 9555.7700.

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

Page 11, after line 28, insert:

"Sec. 3. Minnesota Statutes 2011 Supplement, section 245A.03, subdivision 7, is amended to read:

Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an initial license for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, or adult foster care licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, under this chapter for a physical location that will not be the primary residence of the license holder for the entire period of licensure. If a license is issued during this moratorium, and the license holder changes the license holder's primary residence away from the physical location of the foster care license, the commissioner shall revoke the license according to section 245A.07. Exceptions to the moratorium include:

- (1) foster care settings that are required to be registered under chapter 144D;
- (2) foster care licenses replacing foster care licenses in existence on May 15, 2009, and determined to be needed by the commissioner under paragraph (b);
- (3) new foster care licenses determined to be needed by the commissioner under paragraph

(b) for the closure of a nursing facility, ICF/MR, or regional treatment center, or restructuring of state-operated services that limits the capacity of state-operated facilities;

(4) new foster care licenses determined to be needed by the commissioner under paragraph (b) for persons requiring hospital level care; or

(5) new foster care licenses determined to be needed by the commissioner for the transition of people from personal care assistance to the home and community-based services.

(b) The commissioner shall determine the need for newly licensed foster care homes as defined under this subdivision. As part of the determination, the commissioner shall consider the availability of foster care capacity in the area in which the licensee seeks to operate, and the recommendation of the local county board. The determination by the commissioner must be final. A determination of need is not required for a change in ownership at the same address.

~~(c) Residential settings that would otherwise be subject to the moratorium established in paragraph (a), that are in the process of receiving an adult or child foster care license as of July 1, 2009, shall be allowed to continue to complete the process of receiving an adult or child foster care license. For this paragraph, all of the following conditions must be met to be considered in the process of receiving an adult or child foster care license:~~

~~(1) participants have made decisions to move into the residential setting, including documentation in each participant's care plan;~~

~~(2) the provider has purchased housing or has made a financial investment in the property;~~

~~(3) the lead agency has approved the plans, including costs for the residential setting for each individual;~~

~~(4) the completion of the licensing process, including all necessary inspections, is the only remaining component prior to being able to provide services; and~~

~~(5) the needs of the individuals cannot be met within the existing capacity in that county.~~

~~To qualify for the process under this paragraph, the lead agency must submit documentation to the commissioner by August 1, 2009, that all of the above criteria are met.~~

~~(c)~~ (c) The commissioner shall study the effects of the license moratorium under this subdivision and shall report back to the legislature by January 15, 2011. This study shall include, but is not limited to the following:

(1) the overall capacity and utilization of foster care beds where the physical location is not the primary residence of the license holder prior to and after implementation of the moratorium;

(2) the overall capacity and utilization of foster care beds where the physical location is the primary residence of the license holder prior to and after implementation of the moratorium; and

(3) the number of licensed and occupied ICF/MR beds prior to and after implementation of the moratorium.

~~(d)~~ (d) When a foster care recipient moves out of a foster home that is not the primary residence of the license holder according to section 256B.49, subdivision 15, paragraph (f), the county shall

immediately inform the Department of Human Services Licensing Division, and the department shall immediately decrease the licensed capacity for the home. A decreased licensed capacity according to this paragraph is not subject to appeal under this chapter.

(e) At the time of application and reapplication for licensure, the applicant and the license holder that are subject to the moratorium or an exclusion established in paragraph (a) are required to inform the commissioner whether the physical location where the foster care will be provided is or will be the primary residence of the license holder for the entire period of licensure. If the primary residence of the applicant or license holder changes, the applicant or license holder must notify the commissioner immediately. The commissioner shall print on the foster care license certificate whether or not the physical location is the primary residence of the license holder.

(f) License holders of foster care homes identified under paragraph (e) that are not the primary residence of the license holder and that also provide services in the foster care home that are covered by a federally approved home and community-based services waiver, as authorized under section 256B.0915, 256B.092, or 256B.49 must inform the human services licensing division that the license holder provides or intends to provide these waiver-funded services. These license holders must be considered registered under section 256B.092, subdivision 11, paragraph (c), and this registration status must be identified on their license certificates."

Page 13, after line 2, insert:

"Sec. 5. Minnesota Statutes 2010, section 245A.11, subdivision 8, is amended to read:

Subd. 8. **Community residential setting license.** (a) The commissioner shall establish provider standards for residential support services that integrate service standards and the residential setting under one license. The commissioner shall propose statutory language and an implementation plan for licensing requirements for residential support services to the legislature by January 15, ~~2011~~ 2012, as a component of the quality outcome standards recommendations required by Laws 2010, chapter 352, article 1, section 24.

(b) Providers licensed under chapter 245B, and providing, contracting, or arranging for services in settings licensed as adult foster care under Minnesota Rules, parts 9555.5105 to 9555.6265, or child foster care under Minnesota Rules, parts 2960.3000 to 2960.3340; and meeting the provisions of section 256B.092, subdivision 11, paragraph (b), must be required to obtain a community residential setting license.

Sec. 6. Minnesota Statutes 2010, section 252.32, subdivision 1a, is amended to read:

Subd. 1a. **Support grants.** (a) Provision of support grants must be limited to families who require support and whose dependents are under the age of 21 and who have been certified disabled under section 256B.055, subdivision 12, paragraphs (a), (b), (c), (d), and (e). Families who are receiving: home and community-based waived services for persons with ~~developmental~~ disabilities authorized under section 256B.092 or 256B.49; personal care assistance under section 256B.0652; or a consumer support grant under section 256.476 are not eligible for support grants.

Families whose annual adjusted gross income is \$60,000 or more are not eligible for support grants except in cases where extreme hardship is demonstrated. Beginning in state fiscal year 1994, the commissioner shall adjust the income ceiling annually to reflect the projected change in the average value in the United States Department of Labor Bureau of Labor Statistics Consumer Price

Index (all urban) for that year.

(b) Support grants may be made available as monthly subsidy grants and lump-sum grants.

(c) Support grants may be issued in the form of cash, voucher, and direct county payment to a vendor.

(d) Applications for the support grant shall be made by the legal guardian to the county social service agency. The application shall specify the needs of the families, the form of the grant requested by the families, and the items and services to be reimbursed.

Sec. 7. [252.34] REPORT BY COMMISSIONER OF HUMAN SERVICES.

Beginning January 1, 2013, the commissioner of human services shall provide a biennial report to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and funding. The report must provide a summary of overarching goals and priorities for persons with disabilities, including the status of how each of the following programs administered by the commissioner is supporting the overarching goals and priorities:

(1) home and community-based services waivers for persons with disabilities under sections 256B.092 and 256B.49;

(2) home care services under section 256B.0652; and

(3) other relevant programs and services as determined by the commissioner.

Sec. 8. Minnesota Statutes 2010, section 252A.21, subdivision 2, is amended to read:

Subd. 2. **Rules.** The commissioner shall adopt rules to implement this chapter. The rules must include standards for performance of guardianship or conservatorship duties including, but not limited to: twice a year visits with the ward; ~~quarterly reviews of records from day, residential, and support services;~~ a requirement that the duties of guardianship or conservatorship and case management not be performed by the same person; specific standards for action on "do not resuscitate" orders, sterilization requests, and the use of psychotropic medication and aversive procedures.

Sec. 9. Minnesota Statutes 2010, section 256.476, subdivision 11, is amended to read:

Subd. 11. **Consumer support grant program after July 1, 2001.** Effective July 1, 2001, the commissioner shall allocate consumer support grant resources to serve additional individuals based on a review of Medicaid authorization and payment information of persons eligible for a consumer support grant from the most recent fiscal year. The commissioner shall use the following methodology to calculate maximum allowable monthly consumer support grant levels:

(1) For individuals whose program of origination is medical assistance home care under sections 256B.0651 and 256B.0653 to 256B.0656, the maximum allowable monthly grant levels are calculated by:

(i) determining 50 percent of the average the service authorization for each individual based on the individual's home care rating assessment;

(ii) calculating the overall ratio of actual payments to service authorizations by program;

(iii) applying the overall ratio to ~~the average~~ 50 percent of the service authorization level of each home care rating; and

(iv) adjusting the result for any authorized rate ~~increases~~ changes provided by the legislature; and

~~(v) adjusting the result for the average monthly utilization per recipient.~~

(2) The commissioner ~~may review and evaluate~~ shall ensure the methodology ~~to reflect changes in~~ is consistent with the home care programs."

Page 14, after line 2, insert:

"Sec. 11. Minnesota Statutes 2010, section 256B.0625, subdivision 19c, is amended to read:

Subd. 19c. **Personal care.** Medical assistance covers personal care assistance services provided by an individual who is qualified to provide the services according to subdivision 19a and sections 256B.0651 to 256B.0656, provided in accordance with a plan, and supervised by a qualified professional.

"Qualified professional" means a mental health professional as defined in section 245.462, subdivision 18, clauses (1) to (6), or 245.4871, subdivision 27, clauses (1) to (6); or a registered nurse as defined in sections 148.171 to 148.285, a licensed social worker as defined in sections 148D.010 and 148D.055, or a qualified developmental disabilities specialist under section 245B.07, subdivision 4. The qualified professional shall perform the duties required in section 256B.0659.

Sec. 12. Minnesota Statutes 2010, section 256B.0659, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in paragraphs (b) to (r) have the meanings given unless otherwise provided in text.

(b) "Activities of daily living" means grooming, dressing, bathing, transferring, mobility, positioning, eating, and toileting.

(c) "Behavior," effective January 1, 2010, means a category to determine the home care rating and is based on the criteria found in this section. "Level I behavior" means physical aggression towards self, others, or destruction of property that requires the immediate response of another person.

(d) "Complex health-related needs," effective January 1, 2010, means a category to determine the home care rating and is based on the criteria found in this section.

(e) "Critical activities of daily living," effective January 1, 2010, means transferring, mobility, eating, and toileting.

(f) "Dependency in activities of daily living" means a person requires assistance to begin and complete one or more of the activities of daily living.

(g) "Extended personal care assistance service" means personal care assistance services included in a service plan under one of the home and community-based services waivers authorized under sections 256B.0915, 256B.092, subdivision 5, and 256B.49, which exceed the amount, duration, and frequency of the state plan personal care assistance services for participants who:

(1) need assistance provided periodically during a week, but less than daily will not be able to remain in their homes without the assistance, and other replacement services are more expensive or are not available when personal care assistance services are to be ~~terminated~~ reduced; or

(2) need additional personal care assistance services beyond the amount authorized by the state plan personal care assistance assessment in order to ensure that their safety, health, and welfare are provided for in their homes.

(h) "Health-related procedures and tasks" means procedures and tasks that can be delegated or assigned by a licensed health care professional under state law to be performed by a personal care assistant.

(i) "Instrumental activities of daily living" means activities to include meal planning and preparation; basic assistance with paying bills; shopping for food, clothing, and other essential items; performing household tasks integral to the personal care assistance services; communication by telephone and other media; and traveling, including to medical appointments and to participate in the community.

(j) "Managing employee" has the same definition as Code of Federal Regulations, title 42, section 455.

(k) "Qualified professional" means a professional providing supervision of personal care assistance services and staff as defined in section 256B.0625, subdivision 19c.

(l) "Personal care assistance provider agency" means a medical assistance enrolled provider that provides or assists with providing personal care assistance services and includes a personal care assistance provider organization, personal care assistance choice agency, class A licensed nursing agency, and Medicare-certified home health agency.

(m) "Personal care assistant" or "PCA" means an individual employed by a personal care assistance agency who provides personal care assistance services.

(n) "Personal care assistance care plan" means a written description of personal care assistance services developed by the personal care assistance provider according to the service plan.

(o) "Responsible party" means an individual who is capable of providing the support necessary to assist the recipient to live in the community.

(p) "Self-administered medication" means medication taken orally, by injection or insertion, or applied topically without the need for assistance.

(q) "Service plan" means a written summary of the assessment and description of the services needed by the recipient.

(r) "Wages and benefits" means wages and salaries, the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, workers' compensation, mileage reimbursement, health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and contributions to employee retirement accounts.

Sec. 13. Minnesota Statutes 2010, section 256B.0659, subdivision 3, is amended to read:

Subd. 3. **Noncovered personal care assistance services.** (a) Personal care assistance services

are not eligible for medical assistance payment under this section when provided:

(1) by the recipient's spouse, parent of a recipient under the age of 18, paid legal guardian, licensed foster provider, except as allowed under section 256B.0652, subdivision 10, or responsible party;

(2) ~~in lieu of other staffing options~~ order to meet staffing or license requirements in a residential or child care setting;

(3) solely as a child care or babysitting service; or

(4) without authorization by the commissioner or the commissioner's designee.

(b) The following personal care services are not eligible for medical assistance payment under this section when provided in residential settings:

(1) ~~effective January 1, 2010,~~ when the provider of home care services who is not related by blood, marriage, or adoption owns or otherwise controls the living arrangement, including licensed or unlicensed services; or

(2) when personal care assistance services are the responsibility of a residential or program license holder under the terms of a service agreement and administrative rules.

(c) Other specific tasks not covered under paragraph (a) or (b) that are not eligible for medical assistance reimbursement for personal care assistance services under this section include:

(1) sterile procedures;

(2) injections of fluids and medications into veins, muscles, or skin;

(3) home maintenance or chore services;

(4) homemaker services not an integral part of assessed personal care assistance services needed by a recipient;

(5) application of restraints or implementation of procedures under section 245.825;

(6) instrumental activities of daily living for children under the age of 18, except when immediate attention is needed for health or hygiene reasons integral to the personal care services and the need is listed in the service plan by the assessor; and

(7) assessments for personal care assistance services by personal care assistance provider agencies or by independently enrolled registered nurses.

Sec. 14. Minnesota Statutes 2010, section 256B.0659, subdivision 9, is amended to read:

Subd. 9. **Responsible party; generally.** (a) "Responsible party" means an individual who is capable of providing the support necessary to assist the recipient to live in the community.

(b) A responsible party must be 18 years of age, actively participate in planning and directing of personal care assistance services, and attend all assessments for the recipient.

(c) A responsible party must not be the:

- (1) personal care assistant;
- (2) qualified professional;
- (3) home care provider agency owner or ~~staff manager~~; ~~or~~
- (4) home care provider agency staff unless staff who are not listed in clauses (1) to (3) are related to the recipient by blood, marriage, or adoption; or
- ~~(3)~~ (5) county staff acting as part of employment.

(d) A licensed family foster parent who lives with the recipient may be the responsible party as long as the family foster parent meets the other responsible party requirements.

(e) A responsible party is required when:

- (1) the person is a minor according to section 524.5-102, subdivision 10;
- (2) the person is an incapacitated adult according to section 524.5-102, subdivision 6, resulting in a court-appointed guardian; or
- (3) the assessment according to subdivision 3a determines that the recipient is in need of a responsible party to direct the recipient's care.

(f) There may be two persons designated as the responsible party for reasons such as divided households and court-ordered custodies. Each person named as responsible party must meet the program criteria and responsibilities.

(g) The recipient or the recipient's legal representative shall appoint a responsible party if necessary to direct and supervise the care provided to the recipient. The responsible party must be identified at the time of assessment and listed on the recipient's service agreement and personal care assistance care plan.

Sec. 15. Minnesota Statutes 2011 Supplement, section 256B.0659, subdivision 11, is amended to read:

Subd. 11. **Personal care assistant; requirements.** (a) A personal care assistant must meet the following requirements:

(1) be at least 18 years of age with the exception of persons who are 16 or 17 years of age with these additional requirements:

- (i) supervision by a qualified professional every 60 days; and
- (ii) employment by only one personal care assistance provider agency responsible for compliance with current labor laws;

(2) be employed by a personal care assistance provider agency;

(3) enroll with the department as a personal care assistant after clearing a background study. Except as provided in subdivision 11a, before a personal care assistant provides services, the personal care assistance provider agency must initiate a background study on the personal care assistant under chapter 245C, and the personal care assistance provider agency must have received a notice from the commissioner that the personal care assistant is:

- (i) not disqualified under section 245C.14; or
- (ii) is disqualified, but the personal care assistant has received a set aside of the disqualification under section 245C.22;
- (4) be able to effectively communicate with the recipient and personal care assistance provider agency;
- (5) be able to provide covered personal care assistance services according to the recipient's personal care assistance care plan, respond appropriately to recipient needs, and report changes in the recipient's condition to the supervising qualified professional or physician;
- (6) not be a consumer of personal care assistance services;
- (7) maintain daily written records including, but not limited to, time sheets under subdivision 12;
- (8) effective January 1, 2010, complete standardized training as determined by the commissioner before completing enrollment. The training must be available in languages other than English and to those who need accommodations due to disabilities. Personal care assistant training must include successful completion of the following training components: basic first aid, vulnerable adult, child maltreatment, OSHA universal precautions, basic roles and responsibilities of personal care assistants including information about assistance with lifting and transfers for recipients, emergency preparedness, orientation to positive behavioral practices, fraud issues, and completion of time sheets. Upon completion of the training components, the personal care assistant must demonstrate the competency to provide assistance to recipients;
- (9) complete training and orientation on the needs of the recipient ~~within the first seven days after the services begin~~; and
- (10) be limited to providing and being paid for up to 275 hours per month, ~~except that this limit shall be 275 hours per month for the period July 1, 2009, through June 30, 2011~~, of personal care assistance services regardless of the number of recipients being served or the number of personal care assistance provider agencies enrolled with. The number of hours worked per day shall not be disallowed by the department unless in violation of the law.

(b) A legal guardian may be a personal care assistant if the guardian is not being paid for the guardian services and meets the criteria for personal care assistants in paragraph (a).

(c) Persons who do not qualify as a personal care assistant include parents and stepparents, and legal guardians of minors; spouses; paid legal guardians of adults; family foster care providers, except as otherwise allowed in section 256B.0625, subdivision 19a, or; and staff of a residential setting. When the personal care assistant is a relative of the recipient, the commissioner shall pay 80 percent of the provider rate. For purposes of this section, relative means the parent or adoptive parent of an adult child, a sibling aged 16 years or older, an adult child, a grandparent, or a grandchild.

Sec. 16. Minnesota Statutes 2010, section 256B.0659, subdivision 13, is amended to read:

Subd. 13. **Qualified professional; qualifications.** (a) The qualified professional must work for a personal care assistance provider agency and meet the definition under section 256B.0625, subdivision 19c. Before a qualified professional provides services, the personal care assistance

provider agency must initiate a background study on the qualified professional under chapter 245C, and the personal care assistance provider agency must have received a notice from the commissioner that the qualified professional:

(1) is not disqualified under section 245C.14; or

(2) is disqualified, but the qualified professional has received a set aside of the disqualification under section 245C.22.

(b) The qualified professional shall perform the duties of training, supervision, and evaluation of the personal care assistance staff and evaluation of the effectiveness of personal care assistance services. The qualified professional shall:

(1) develop and monitor with the recipient a personal care assistance care plan based on the service plan and individualized needs of the recipient;

(2) develop and monitor with the recipient a monthly plan for the use of personal care assistance services;

(3) review documentation of personal care assistance services provided;

(4) provide training and ensure competency for the personal care assistant in the individual needs of the recipient; and

(5) document all training, communication, evaluations, and needed actions to improve performance of the personal care assistants.

(c) Effective July 1, ~~2010~~ 2011, the qualified professional shall complete the provider training with basic information about the personal care assistance program approved by the commissioner. Newly hired qualified professionals must complete the training within six months of the date hired by a personal care assistance provider agency. Qualified professionals who have completed the required training as a worker from a personal care assistance provider agency do not need to repeat the required training if they are hired by another agency, if they have completed the training within the last three years. The required training ~~shall~~ must be available in languages other than English and to those who need accommodations due to disabilities, with meaningful access according to title VI of the Civil Rights Act and federal regulations adopted under that law or any guidance from the United States Health and Human Services Department. The required training must be available online, or by electronic remote connection, ~~and~~. The required training must provide for competency testing to demonstrate an understanding of the content without attending in-person training. A qualified professional is allowed to be employed and is not subject to the training requirement until the training is offered online or through remote electronic connection. A qualified professional employed by a personal care assistance provider agency certified for participation in Medicare as a home health agency is exempt from the training required in this subdivision. When available, the qualified professional working for a Medicare-certified home health agency must successfully complete the competency test. The commissioner shall ensure there is a mechanism in place to verify the identity of persons completing the competency testing electronically.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2011.

Sec. 17. Minnesota Statutes 2010, section 256B.0659, subdivision 14, is amended to read:

Subd. 14. **Qualified professional; duties.** (a) Effective January 1, 2010, all personal care assistants must be supervised by a qualified professional.

(b) Through direct training, observation, return demonstrations, and consultation with the staff and the recipient, the qualified professional must ensure and document that the personal care assistant is:

- (1) capable of providing the required personal care assistance services;
- (2) knowledgeable about the plan of personal care assistance services before services are performed; and
- (3) able to identify conditions that should be immediately brought to the attention of the qualified professional.

(c) The qualified professional shall evaluate the personal care assistant within the first 14 days of starting to provide regularly scheduled services for a recipient, or sooner as determined by the qualified professional, except for the personal care assistance choice option under subdivision 19, paragraph (a), clause (4). For the initial evaluation, the qualified professional shall evaluate the personal care assistance services for a recipient through direct observation of a personal care assistant's work. The qualified professional may conduct additional training and evaluation visits, based upon the needs of the recipient and the personal care assistant's ability to meet those needs. Subsequent visits to evaluate the personal care assistance services provided to a recipient do not require direct observation of each personal care assistant's work and shall occur:

- (1) at least every 90 days thereafter for the first year of a recipient's services;
- (2) every 120 days after the first year of a recipient's service or whenever needed for response to a recipient's request for increased supervision of the personal care assistance staff; and
- (3) after the first 180 days of a recipient's service, supervisory visits may alternate between unscheduled phone or Internet technology and in-person visits, unless the in-person visits are needed according to the care plan.

(d) Communication with the recipient is a part of the evaluation process of the personal care assistance staff.

(e) At each supervisory visit, the qualified professional shall evaluate personal care assistance services including the following information:

- (1) satisfaction level of the recipient with personal care assistance services;
- (2) review of the month-to-month plan for use of personal care assistance services;
- (3) review of documentation of personal care assistance services provided;
- (4) whether the personal care assistance services are meeting the goals of the service as stated in the personal care assistance care plan and service plan;
- (5) a written record of the results of the evaluation and actions taken to correct any deficiencies in the work of a personal care assistant; and
- (6) revision of the personal care assistance care plan as necessary in consultation with the

recipient or responsible party, to meet the needs of the recipient.

(f) The qualified professional shall complete the required documentation in the agency recipient and employee files and the recipient's home, including the following documentation:

(1) the personal care assistance care plan based on the service plan and individualized needs of the recipient;

(2) a month-to-month plan for use of personal care assistance services;

(3) changes in need of the recipient requiring a change to the level of service and the personal care assistance care plan;

(4) evaluation results of supervision visits and identified issues with personal care assistance staff with actions taken;

(5) all communication with the recipient and personal care assistance staff; and

(6) hands-on training or individualized training for the care of the recipient.

(g) The documentation in paragraph (f) must be done on agency ~~forms~~ templates.

(h) The services that are not eligible for payment as qualified professional services include:

(1) direct professional nursing tasks that could be assessed and authorized as skilled nursing tasks;

~~(2) supervision of personal care assistance completed by telephone;~~

~~(3) (2) agency administrative activities;~~

~~(4) (3) training other than the individualized training required to provide care for a recipient; and~~

~~(5) (4) any other activity that is not described in this section.~~

Sec. 18. Minnesota Statutes 2010, section 256B.0659, subdivision 19, is amended to read:

Subd. 19. **Personal care assistance choice option; qualifications; duties.** (a) Under personal care assistance choice, the recipient or responsible party shall:

(1) recruit, hire, schedule, and terminate personal care assistants according to the terms of the written agreement required under subdivision 20, paragraph (a);

(2) develop a personal care assistance care plan based on the assessed needs and addressing the health and safety of the recipient with the assistance of a qualified professional as needed;

(3) orient and train the personal care assistant with assistance as needed from the qualified professional;

(4) effective January 1, 2010, supervise and evaluate the personal care assistant with the qualified professional, who is required to visit the recipient at least every 180 days;

(5) monitor and verify in writing and report to the personal care assistance choice agency the number of hours worked by the personal care assistant and the qualified professional;

(6) engage in an annual face-to-face reassessment to determine continuing eligibility and service authorization; and

(7) use the same personal care assistance choice provider agency if shared personal assistance care is being used.

(b) The personal care assistance choice provider agency shall:

(1) meet all personal care assistance provider agency standards;

(2) enter into a written agreement with the recipient, responsible party, and personal care assistants;

(3) not be related as a parent, child, sibling, or spouse to the recipient, ~~qualified professional~~, or the personal care assistant; and

(4) ensure arm's-length transactions without undue influence or coercion with the recipient and personal care assistant.

(c) The duties of the personal care assistance choice provider agency are to:

(1) be the employer of the personal care assistant and the qualified professional for employment law and related regulations including, but not limited to, purchasing and maintaining workers' compensation, unemployment insurance, surety and fidelity bonds, and liability insurance, and submit any or all necessary documentation including, but not limited to, workers' compensation and unemployment insurance;

(2) bill the medical assistance program for personal care assistance services and qualified professional services;

(3) request and complete background studies that comply with the requirements for personal care assistants and qualified professionals;

(4) pay the personal care assistant and qualified professional based on actual hours of services provided;

(5) withhold and pay all applicable federal and state taxes;

(6) verify and keep records of hours worked by the personal care assistant and qualified professional;

(7) make the arrangements and pay taxes and other benefits, if any, and comply with any legal requirements for a Minnesota employer;

(8) enroll in the medical assistance program as a personal care assistance choice agency; and

(9) enter into a written agreement as specified in subdivision 20 before services are provided.

Sec. 19. Minnesota Statutes 2010, section 256B.0659, subdivision 20, is amended to read:

Subd. 20. **Personal care assistance choice option; administration.** (a) Before services commence under the personal care assistance choice option, and annually thereafter, the personal care assistance choice provider agency and the recipient or responsible party shall enter into a written agreement. The annual agreement must be provided to the recipient or responsible party,

each personal care assistant, and the qualified professional when completed, and include at a minimum:

(1) duties of the recipient, qualified professional, personal care assistant, and personal care assistance choice provider agency;

(2) salary and benefits for the personal care assistant and the qualified professional;

(3) administrative fee of the personal care assistance choice provider agency and services paid for with that fee, including background study fees;

(4) grievance procedures to respond to complaints;

(5) procedures for hiring and terminating the personal care assistant; and

(6) documentation requirements including, but not limited to, time sheets, activity records, and the personal care assistance care plan.

(b) Effective January 1, 2010, except for the administrative fee of the personal care assistance choice provider agency as reported on the written agreement, the remainder of the rates paid to the personal care assistance choice provider agency must be used to pay for the salary and benefits for the personal care assistant or the qualified professional. The provider agency must use a minimum of 72.5 percent of the revenue generated by the medical assistance rate for personal care assistance services for employee personal care assistant wages and benefits. The revenue generated by the qualified professional and the reasonable costs associated with the qualified professional shall not be used in making this calculation.

(c) The commissioner shall deny, revoke, or suspend the authorization to use the personal care assistance choice option if:

(1) it has been determined by the qualified professional or public health nurse that the use of this option jeopardizes the recipient's health and safety;

(2) the parties have failed to comply with the written agreement specified in this subdivision;

(3) the use of the option has led to abusive or fraudulent billing for personal care assistance services; or

(4) the department terminates the personal care assistance choice option.

(d) The recipient or responsible party may appeal the commissioner's decision in paragraph (c) according to section 256.045. The denial, revocation, or suspension to use the personal care assistance choice option must not affect the recipient's authorized level of personal care assistance services.

Sec. 20. Minnesota Statutes 2010, section 256B.0659, subdivision 21, is amended to read:

Subd. 21. Requirements for initial enrollment of personal care assistance provider agencies.

(a) All personal care assistance provider agencies must provide, at the time of enrollment as a personal care assistance provider agency in a format determined by the commissioner, information and documentation that includes, but is not limited to, the following:

(1) the personal care assistance provider agency's current contact information including address,

telephone number, and e-mail address;

(2) proof of surety bond coverage in the amount of \$50,000 or ten percent of the provider's payments from Medicaid in the previous year, whichever is less;

(3) proof of fidelity bond coverage in the amount of \$20,000;

(4) proof of workers' compensation insurance coverage;

(5) proof of liability insurance;

(6) a description of the personal care assistance provider agency's organization identifying the names of all owners, managing employees, staff, board of directors, and the affiliations of the directors, owners, or staff to other service providers;

(7) a copy of the personal care assistance provider agency's written policies and procedures including: hiring of employees; training requirements; service delivery; and employee and consumer safety including process for notification and resolution of consumer grievances, identification and prevention of communicable diseases, and employee misconduct;

(8) copies of all other forms the personal care assistance provider agency uses in the course of daily business including, but not limited to:

(i) a copy of the personal care assistance provider agency's time sheet if the time sheet varies from the standard time sheet for personal care assistance services approved by the commissioner, and a letter requesting approval of the personal care assistance provider agency's nonstandard time sheet;

(ii) the personal care assistance provider agency's template for the personal care assistance care plan; and

(iii) the personal care assistance provider agency's template for the written agreement in subdivision 20 for recipients using the personal care assistance choice option, if applicable;

(9) a list of all training and classes that the personal care assistance provider agency requires of its staff providing personal care assistance services;

(10) documentation that the personal care assistance provider agency and staff have successfully completed all the training required by this section;

(11) documentation of the agency's marketing practices;

(12) disclosure of ownership, leasing, or management of all residential properties that is used or could be used for providing home care services;

(13) documentation that the agency will use the following percentages of revenue generated from the medical assistance rate paid for personal care assistance services for employee personal care assistant wages and benefits: 72.5 percent of revenue in the personal care assistance choice option and 72.5 percent of revenue from other personal care assistance providers. The revenue generated by the qualified professional and the reasonable costs associated with the qualified professional shall not be used in making this calculation; and

(14) effective May 15, 2010, documentation that the agency does not burden recipients' free

exercise of their right to choose service providers by requiring personal care assistants to sign an agreement not to work with any particular personal care assistance recipient or for another personal care assistance provider agency after leaving the agency and that the agency is not taking action on any such agreements or requirements regardless of the date signed.

(b) Personal care assistance provider agencies shall provide the information specified in paragraph (a) to the commissioner at the time the personal care assistance provider agency enrolls as a vendor or upon request from the commissioner. The commissioner shall collect the information specified in paragraph (a) from all personal care assistance providers beginning July 1, 2009.

(c) All personal care assistance provider agencies shall require all employees in management and supervisory positions and owners of the agency who are active in the day-to-day management and operations of the agency to complete mandatory training as determined by the commissioner before enrollment of the agency as a provider. Employees in management and supervisory positions and owners who are active in the day-to-day operations of an agency who have completed the required training as an employee with a personal care assistance provider agency do not need to repeat the required training if they are hired by another agency, if they have completed the training within the past three years. By September 1, 2010, the required training must be available in languages other than English and to those who need accommodations due to disabilities, with meaningful access according to title VI of the Civil Rights Act and federal regulations adopted under that law or any guidance from the United States Health and Human Services Department. The required training must be available online, or by electronic remote connection, and. The required training must provide for competency testing. Personal care assistance provider agency billing staff shall complete training about personal care assistance program financial management. This training is effective July 1, 2009. Any personal care assistance provider agency enrolled before that date shall, if it has not already, complete the provider training within 18 months of July 1, 2009. Any new owners or employees in management and supervisory positions involved in the day-to-day operations are required to complete mandatory training as a requisite of working for the agency. Personal care assistance provider agencies certified for participation in Medicare as home health agencies are exempt from the training required in this subdivision. When available, Medicare-certified home health agency owners, supervisors, or managers must successfully complete the competency test.

Sec. 21. Minnesota Statutes 2010, section 256B.0659, subdivision 24, is amended to read:

Subd. 24. **Personal care assistance provider agency; general duties.** A personal care assistance provider agency shall:

(1) enroll as a Medicaid provider meeting all provider standards, including completion of the required provider training;

(2) comply with general medical assistance coverage requirements;

(3) demonstrate compliance with law and policies of the personal care assistance program to be determined by the commissioner;

(4) comply with background study requirements;

(5) verify and keep records of hours worked by the personal care assistant and qualified professional;

(6) not engage in any agency-initiated direct contact or marketing in person, by phone, or other

electronic means to potential recipients, guardians, or family members;

(7) pay the personal care assistant and qualified professional based on actual hours of services provided;

(8) withhold and pay all applicable federal and state taxes;

(9) effective January 1, 2010, document that the agency uses a minimum of 72.5 percent of the revenue generated by the medical assistance rate for personal care assistance services for employee personal care assistant wages and benefits. The revenue generated by the qualified professional and the reasonable costs associated with the qualified professional shall not be used in making this calculation;

(10) make the arrangements and pay unemployment insurance, taxes, workers' compensation, liability insurance, and other benefits, if any;

(11) enter into a written agreement under subdivision 20 before services are provided;

(12) report suspected neglect and abuse to the common entry point according to section 256B.0651;

(13) provide the recipient with a copy of the home care bill of rights at start of service; and

(14) request reassessments at least 60 days prior to the end of the current authorization for personal care assistance services, on forms provided by the commissioner.

Sec. 22. Minnesota Statutes 2010, section 256B.0659, subdivision 30, is amended to read:

Subd. 30. **Notice of service changes to recipients.** The commissioner must provide:

(1) by October 31, 2009, information to recipients likely to be affected that (i) describes the changes to the personal care assistance program that may result in the loss of access to personal care assistance services, and (ii) includes resources to obtain further information; and

~~(2) notice of changes in medical assistance personal care assistance services to each affected recipient at least 30 days before the effective date of the change.~~

~~The notice shall include how to get further information on the changes, how to get help to obtain other services, a list of community resources, and appeal rights. Notwithstanding section 256.045, a recipient may request continued services pending appeal within the time period allowed to request an appeal; and~~

~~(3)~~(2) a service agreement authorizing personal care assistance hours of service at the previously authorized level, throughout the appeal process period, when a recipient requests services pending an appeal.

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 23. Minnesota Statutes 2010, section 256B.0916, subdivision 7, is amended to read:

Subd. 7. **Annual report by commissioner.** (a) Beginning November 1, 2001, and each November 1 thereafter, the commissioner shall issue an annual report on county and state use of available resources for the home and community-based waiver for persons with developmental

disabilities. For each county or county partnership, the report shall include:

- (1) the amount of funds allocated but not used;
- (2) the county specific allowed reserve amount approved and used;
- (3) the number, ages, and living situations of individuals screened and waiting for services;
- (4) the urgency of need for services to begin within one, two, or more than two years for each individual;
- (5) the services needed;
- (6) the number of additional persons served by approval of increased capacity within existing allocations;
- (7) results of action by the commissioner to streamline administrative requirements and improve county resource management; and
- (8) additional action that would decrease the number of those eligible and waiting for waived services.

The commissioner shall specify intended outcomes for the program and the degree to which these specified outcomes are attained.

(b) This subdivision expires January 1, 2013.

Sec. 24. Minnesota Statutes 2010, section 256B.092, subdivision 11, is amended to read:

Subd. 11. **Residential support services.** (a) Upon federal approval, there is established a new service called residential support that is available on the community alternative care, community alternatives for disabled individuals, developmental disabilities, and traumatic brain injury waivers. Existing waiver service descriptions must be modified to the extent necessary to ensure there is no duplication between other services. Residential support services must be provided by vendors licensed as a community residential setting as defined in section 245A.11, subdivision 8.

(b) Residential support services must meet the following criteria:

- (1) providers of residential support services must own or control the residential site;
- (2) the residential site must not be the primary residence of the license holder;
- (3) the residential site must have a designated program supervisor responsible for program oversight, development, and implementation of policies and procedures;
- (4) the provider of residential support services must provide supervision, training, and assistance as described in the person's community support plan; and
- (5) the provider of residential support services must meet the requirements of licensure and additional requirements of the person's community support plan.

(c) Providers of residential support services that meet the definition in paragraph (a) must be registered using a process determined by the commissioner beginning July 1, 2009. Providers licensed to provide child foster care under Minnesota Rules, parts 2960.3000 to 2960.3340, or

adult foster care licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, and that meet the requirements in section 245A.03, subdivision 7, paragraph (e), are considered registered under this section.

Sec. 25. Minnesota Statutes 2010, section 256B.096, subdivision 5, is amended to read:

Subd. 5. **Biennial report.** (a) The commissioner shall provide a biennial report to the chairs of the legislative committees with jurisdiction over health and human services policy and funding beginning January 15, 2009, on the development and activities of the quality management, assurance, and improvement system designed to meet the federal requirements under the home and community-based services waiver programs for persons with disabilities. By January 15, 2008, the commissioner shall provide a preliminary report on priorities for meeting the federal requirements, progress on development and field testing of the annual survey, appropriations necessary to implement an annual survey of service recipients once field testing is completed, recommendations for improvements in the incident reporting system, and a plan for incorporating quality assurance efforts under section 256B.095 and other regional efforts into the statewide system.

(b) This subdivision expires January 1, 2013."

Page 15, after line 18, insert:

"Sec. 29. Minnesota Statutes 2010, section 256B.49, subdivision 21, is amended to read:

Subd. 21. **Report.** (a) The commissioner shall expand on the annual report required under section 256B.0916, subdivision 7, to include information on the county of residence and financial responsibility, age, and major diagnoses for persons eligible for the home and community-based waivers authorized under subdivision 11 who are:

- (1) receiving those services;
- (2) screened and waiting for waiver services; and
- (3) residing in nursing facilities and are under age 65.

(b) This subdivision expires January 1, 2013."

Page 16, after line 22, insert:

"Sec. 31. Laws 2009, chapter 79, article 8, section 81, as amended by Laws 2010, chapter 352, article 1, section 24, is amended to read:

Sec. 81. ESTABLISHING A SINGLE SET OF STANDARDS.

(a) The commissioner of human services shall consult with disability service providers, advocates, counties, and consumer families to develop a single set of standards, to be referred to as "quality outcome standards," governing services for people with disabilities receiving services under the home and community-based waiver services program, with the exception of customized living services because the service license is under the jurisdiction of the Department of Health, to replace all or portions of existing laws and rules including, but not limited to, data practices, licensure of facilities and providers, background studies, reporting of maltreatment of minors, reporting of maltreatment of vulnerable adults, and the psychotropic medication checklist. The standards must:

- (1) enable optimum consumer choice;
 - (2) be consumer driven;
 - (3) link services to individual needs and life goals;
 - (4) be based on quality assurance and individual outcomes;
 - (5) utilize the people closest to the recipient, who may include family, friends, and health and service providers, in conjunction with the recipient's risk management plan to assist the recipient or the recipient's guardian in making decisions that meet the recipient's needs in a cost-effective manner and assure the recipient's health and safety;
 - (6) utilize person-centered planning; and
 - (7) maximize federal financial participation.
- (b) The commissioner may consult with existing stakeholder groups convened under the commissioner's authority, including the home and community-based expert services panel established by the commissioner in 2008, to meet all or some of the requirements of this section.
- (c) The commissioner shall provide the reports and plans required by this section to the legislative committees and budget divisions with jurisdiction over health and human services policy and finance by January 15, 2012."

Page 24, after line 24, insert:

"Section 1. Minnesota Statutes 2011 Supplement, section 256B.0625, subdivision 56, is amended to read:

Subd. 56. **Medical service coordination.** (a) Medical assistance covers in-reach community-based service coordination that is performed ~~in~~ through a hospital emergency department as an eligible procedure under a state healthcare program ~~or private insurance~~ for a frequent user. A frequent user is defined as an individual who has frequented the hospital emergency department for services three or more times in the previous four consecutive months. In-reach community-based service coordination includes navigating services to address a client's mental health, chemical health, social, economic, and housing needs, or any other activity targeted at reducing the incidence of emergency room and other nonmedically necessary health care utilization.

(b) Reimbursement must be made in 15-minute increments ~~under current Medicaid mental health social work reimbursement methodology~~ and allowed for up to 60 days posthospital discharge based upon the specific identified emergency department visit or inpatient admitting event. ~~A frequent user who is participating in care coordination within a health care home framework is ineligible for reimbursement under this subdivision.~~ In-reach community-based service coordination shall seek to connect frequent users with existing covered services available to them, including but not limited to targeted case management, waiver case management, or care coordination in a health care home. Eligible in-reach service coordinators must hold a minimum of a bachelor's degree in social work, public health, corrections, or a related field. The commissioner shall submit any necessary application for waivers to the Centers for Medicare and Medicaid Services to implement this subdivision.

(c) For the purposes of this subdivision, "in-reach community-based service coordination" means the practice of a community-based worker with training, knowledge, skills, and ability to access a continuum of services, including housing, transportation, chemical and mental health treatment, employment, and peer support services, by working with an organization's staff to transition an individual back into the individual's living environment. In-reach community-based service coordination includes working with the individual during their discharge and for up to a defined amount of time in the individual's living environment, reducing the individual's need for readmittance."

Page 29, line 6, delete the new language and reinstate the stricken language

Page 29, line 7, delete the new language

Page 32, line 9, strike "and"

Page 32, line 11, strike the period and insert "; and"

Page 32, after line 11, insert:

"(10) providing information about competitive employment, with or without supports, for school-age youth and working-age adults and referrals to the Disability Linkage Line and Disability Benefits 101 to ensure that an informed choice about competitive employment can be made. For the purposes of this subdivision, "competitive employment" means work in the competitive labor market that is performed on a full-time or part-time basis in an integrated setting, and for which an individual is compensated at or above the minimum wage, but not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by individuals without disabilities."

Page 34, line 5, strike "Each"

Page 34, strike line 6

Page 34, line 7, strike "health nurse from their respective county agencies."

Page 34, line 25, delete "(.....)" and insert "an administrative contact for communication purposes."

Page 36, line 5, delete everything after "eligible"

Page 36, delete lines 6 to 7

Page 36, line 8, delete "determined eligible"

Page 42, line 2, strike "3" and insert "3a"

Page 46, line 4, delete "and"

Page 46, line 5, after the semicolon, insert "and"

Page 46, after line 5, insert:

"(9) includes the authorized annual and monthly amounts for the services."

Page 49, line 13, before the semicolon, insert ", including the person's choices made on

self-directed options and on services and supports to achieve employment goals"

Page 49, line 33, strike "and"

Page 49, line 35, strike the period and insert "; and"

Page 49, after line 35, insert:

"(13) includes the authorized annual and monthly amounts for the services."

Page 54, line 33, before the semicolon, insert "including self-directed service options"

Page 57, after line 19, insert:

"Sec. 36. Minnesota Statutes 2010, section 256B.15, subdivision 1c, is amended to read:

Subd. 1c. **Notice of potential claim.** (a) A state agency with a claim or potential claim under this section may file a notice of potential claim under this subdivision anytime before or within one year after a medical assistance recipient dies. The claimant shall be the state agency. A notice filed prior to the recipient's death shall not take effect and shall not be effective as notice until the recipient dies. A notice filed after a recipient dies shall be effective from the time of filing.

(b) The notice of claim shall be filed or recorded in the real estate records in the office of the county recorder or registrar of titles for each county in which any part of the property is located. The recorder shall accept the notice for recording or filing. The registrar of titles shall accept the notice for filing if the recipient has a recorded interest in the property. The registrar of titles shall not carry forward to a new certificate of title any notice filed more than one year from the date of the recipient's death.

(c) The notice must be dated, state the name of the claimant, the medical assistance recipient's name and last four digits of the Social Security number if filed before their death and their date of death if filed after they die, the name and date of death of any predeceased spouse of the medical assistance recipient for whom a claim may exist, a statement that the claimant may have a claim arising under this section, generally identify the recipient's interest in the property, contain a legal description for the property and whether it is abstract or registered property, a statement of when the notice becomes effective and the effect of the notice, be signed by an authorized representative of the state agency, and may include such other contents as the state agency may deem appropriate.

Sec. 37. Minnesota Statutes 2010, section 256B.15, subdivision 1f, is amended to read:

Subd. 1f. **Agency lien.** (a) The notice shall constitute a lien in favor of the Department of Human Services against the recipient's interests in the real estate it describes for a period of 20 years from the date of filing or the date of the recipient's death, whichever is later. Notwithstanding any law or rule to the contrary, a recipient's life estate and joint tenancy interests shall not end upon the recipient's death but shall continue according to subdivisions 1h, 1i, and 1j. The amount of the lien shall be equal to the total amount of the claims that could be presented in the recipient's estate under this section.

(b) If no estate has been opened for the deceased recipient, any holder of an interest in the property may apply to the lienholder for a statement of the amount of the lien or for a full or partial release of the lien. The application shall include the applicant's name, current mailing address, current home and work telephone numbers, and a description of their interest in the property, a

legal description of the recipient's interest in the property, and the deceased recipient's name, date of birth, and last four digits of the Social Security number. The lienholder shall send the applicant by certified mail, return receipt requested, a written statement showing the amount of the lien, whether the lienholder is willing to release the lien and under what conditions, and inform them of the right to a hearing under section 256.045. The lienholder shall have the discretion to compromise and settle the lien upon any terms and conditions the lienholder deems appropriate.

(c) Any holder of an interest in property subject to the lien has a right to request a hearing under section 256.045 to determine the validity, extent, or amount of the lien. The request must be in writing, and must include the names, current addresses, and home and business telephone numbers for all other parties holding an interest in the property. A request for a hearing by any holder of an interest in the property shall be deemed to be a request for a hearing by all parties owning interests in the property. Notice of the hearing shall be given to the lienholder, the party filing the appeal, and all of the other holders of interests in the property at the addresses listed in the appeal by certified mail, return receipt requested, or by ordinary mail. Any owner of an interest in the property to whom notice of the hearing is mailed shall be deemed to have waived any and all claims or defenses in respect to the lien unless they appear and assert any claims or defenses at the hearing.

(d) If the claim the lien secures could be filed under subdivision 1h, the lienholder may collect, compromise, settle, or release the lien upon any terms and conditions it deems appropriate. If the claim the lien secures could be filed under subdivision 1i or 1j, the lien may be adjusted or enforced to the same extent had it been filed under subdivisions 1i and 1j, and the provisions of subdivisions 1i, clause (f), and 1j, clause (d), shall apply to voluntary payment, settlement, or satisfaction of the lien.

(e) If no probate proceedings have been commenced for the recipient as of the date the lien holder executes a release of the lien on a recipient's life estate or joint tenancy interest, created for purposes of this section, the release shall terminate the life estate or joint tenancy interest created under this section as of the date it is recorded or filed to the extent of the release. If the claimant executes a release for purposes of extinguishing a life estate or a joint tenancy interest created under this section to remove a cloud on title to real property, the release shall have the effect of extinguishing any life estate or joint tenancy interests in the property it describes which may have been continued by reason of this section retroactive to the date of death of the deceased life tenant or joint tenant except as provided for in section 514.981, subdivision 6.

(f) If the deceased recipient's estate is probated, a claim shall be filed under this section. The amount of the lien shall be limited to the amount of the claim as finally allowed. If the claim the lien secures is filed under subdivision 1h, the lien may be released in full after any allowance of the claim becomes final or according to any agreement to settle and satisfy the claim. The release shall release the lien but shall not extinguish or terminate the interest being released. If the claim the lien secures is filed under subdivision 1i or 1j, the lien shall be released after the lien under subdivision 1i or 1j is filed or recorded, or settled according to any agreement to settle and satisfy the claim. The release shall not extinguish or terminate the interest being released. If the claim is finally disallowed in full, the claimant shall release the claimant's lien at the claimant's expense."

Page 59, line 26, strike "Individualized service" and insert "Coordinated service and support"

Page 62, line 17, after "REDESIGN" insert "AND STUDY OF COUNTY AND TRIBAL ADMINISTRATIVE FUNCTIONS"

Page 62, line 18, before "By" insert "(a)" and delete "2012" and insert "2013"

Page 62, line 19, delete "to be effective"

Page 62, line 20, delete "July 1, 2012,"

Page 62, after line 30, insert:

"(b) The commissioner of human services shall evaluate county and tribal administrative functions, processes, and reimbursement methodologies for the purposes of administration of home and community-based services, and compliance and oversight functions. The commissioner shall work with county, tribal, and stakeholder representatives in the evaluation process and develop a plan for the delegation of commissioner duties to county and tribal entities after the elimination of county contracts under Minnesota Statutes, section 256B.4912, for waiver service provision and the creation of quality outcome standards under Laws 2009, chapter 79, article 8, section 81, and residential support services under Minnesota Statutes, sections 256B.092, subdivision 11, and 245A.11, subdivision 8. The commissioner shall present findings and recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services finance and policy by February 1, 2013, with any specific recommendations and language for proposed legislation to be effective July 1, 2013."

Page 63, lines 1, 9, 10, and 18, delete "manual" and insert "list"

Page 63, line 2, delete "manual" and insert "list" and delete "be used in definition"

Page 63, line 3, delete "of emotional disturbance and mental illness" and insert "define the range of child and adult mental illnesses"

Page 63, line 4, delete "Internal" and insert "International"

Page 63, line 6, delete "manual" and insert "list" and delete "a time-limited" and insert "an"

Page 64, lines 16, 21, 24, 25, and 34, delete "manual" and insert "list"

Page 64, line 17, delete "manual" and insert "list" and delete "be used in definition"

Page 64, line 18, delete "of emotional disturbance and mental illness" and insert "define the range of child and adult mental illnesses"

Page 64, line 19, delete "Internal" and insert "International"

Page 65, line 4, delete "manual" and insert "list"

Page 68, after line 30, insert:

"Sec. 10. **TERMINOLOGY AUDIT.**

The commissioner of human services shall collaborate with individuals with disabilities, families, advocates, and other governmental agencies to solicit feedback and identify inappropriate and insensitive terminology relating to individuals with disabilities, conduct a comprehensive audit of the placement of this terminology in Minnesota Statutes and Minnesota Rules, and make recommendations for changes to the 2013 legislature on the repeal and replacement of this terminology with more appropriate and sensitive terminology."

Page 91, line 5, after "and" insert "current and former"

Page 91, line 21, strike "subdivision" and insert "section"

Page 93, delete section 21

Page 94, after line 10, insert:

**"ARTICLE 6
TECHNICAL**

Section 1. Minnesota Statutes 2010, section 144A.071, subdivision 5a, is amended to read:

Subd. 5a. **Cost estimate of a moratorium exception project.** (a) For the purposes of this section and section 144A.073, the cost estimate of a moratorium exception project shall include the effects of the proposed project on the costs of the state subsidy for community-based services, nursing services, and housing in institutional and noninstitutional settings. The commissioner of health, in cooperation with the commissioner of human services, shall define the method for estimating these costs in the permanent rule implementing section 144A.073. The commissioner of human services shall prepare an estimate of the total state annual long-term costs of each moratorium exception proposal.

(b) The interest rate to be used for estimating the cost of each moratorium exception project proposal shall be the lesser of either the prime rate plus two percentage points, or the posted yield for standard conventional fixed rate mortgages of the Federal Home Loan Mortgage Corporation plus two percentage points as published in the Wall Street Journal and in effect 56 days prior to the application deadline. If the applicant's proposal uses this interest rate, the commissioner of human services, in determining the facility's actual property-related payment rate to be established upon completion of the project must use the actual interest rate obtained by the facility for the project's permanent financing up to the maximum permitted under ~~subdivision 6~~ Minnesota Rules, part 9549.0060, subpart 6.

The applicant may choose an alternate interest rate for estimating the project's cost. If the applicant makes this election, the commissioner of human services, in determining the facility's actual property-related payment rate to be established upon completion of the project, must use the lesser of the actual interest rate obtained for the project's permanent financing or the interest rate which was used to estimate the proposal's project cost. For succeeding rate years, the applicant is at risk for financing costs in excess of the interest rate selected.

Sec. 2. **REVISOR'S INSTRUCTION.**

(a) In Minnesota Statutes, sections 256B.038, 256B.0911, 256B.0918, 256B.092, 256B.097, 256B.49, and 256B.765, the revisor of statutes shall delete the word "traumatic" when it comes before the word "brain."

(b) In Minnesota Statutes, section 256B.093, subdivision 1, clauses (4) and (5), and subdivision 3, clause (2), the revisor of statutes shall delete the word "traumatic" when it comes before the word "brain."

(c) In Minnesota Statutes, sections 144.0724 and 144G.05, the revisor of statutes shall delete "TBI" and replace it with "BI."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, before the semicolon, insert "; requiring reports"

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

S.F. No. 1679: A bill for an act relating to human services; modifying advisory council provisions; amending Minnesota Statutes 2010, sections 254A.035, subdivision 2; 254A.04; 256B.093, subdivision 1; 260.835, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 254A.035, subdivision 2, is amended to read:

Subd. 2. **Membership terms, compensation, removal and expiration.** The membership of this council shall be composed of 17 persons who are American Indians and who are appointed by the commissioner. The commissioner shall appoint one representative from each of the following groups: Red Lake Band of Chippewa Indians; Fond du Lac Band, Minnesota Chippewa Tribe; Grand Portage Band, Minnesota Chippewa Tribe; Leech Lake Band, Minnesota Chippewa Tribe; Mille Lacs Band, Minnesota Chippewa Tribe; Bois Forte Band, Minnesota Chippewa Tribe; White Earth Band, Minnesota Chippewa Tribe; Lower Sioux Indian Reservation; Prairie Island Sioux Indian Reservation; Shakopee Mdewakanton Sioux Indian Reservation; Upper Sioux Indian Reservation; International Falls Northern Range; Duluth Urban Indian Community; and two representatives from the Minneapolis Urban Indian Community and two from the St. Paul Urban Indian Community. The terms, compensation, and removal of American Indian Advisory Council members shall be as provided in section 15.059. The council expires June 30, ~~2012~~ 2014, or in accordance with section 3D.21, whichever is later.

Sec. 2. Minnesota Statutes 2010, section 254A.04, is amended to read:

254A.04 CITIZENS ADVISORY COUNCIL.

There is hereby created an Alcohol and Other Drug Abuse Advisory Council to advise the Department of Human Services concerning the problems of alcohol and other drug dependency and abuse, composed of ten members. Five members shall be individuals whose interests or training are in the field of alcohol dependency and abuse; and five members whose interests or training are in the field of dependency and abuse of drugs other than alcohol. The terms, compensation and removal of members shall be as provided in section 15.059. The council expires June 30, ~~2012~~ 2014, or in accordance with section 3D.21, whichever is later. The commissioner of human services shall appoint members whose terms end in even-numbered years. The commissioner of health shall appoint members whose terms end in odd-numbered years.

Sec. 3. Minnesota Statutes 2010, section 256B.093, subdivision 1, is amended to read:

Subdivision 1. **State traumatic brain injury program.** The commissioner of human services shall:

- (1) maintain a statewide traumatic brain injury program;
- (2) supervise and coordinate services and policies for persons with traumatic brain injuries;
- (3) contract with qualified agencies or employ staff to provide statewide administrative case management and consultation;
- (4) maintain an advisory committee to provide recommendations in reports to the commissioner regarding program and service needs of persons with traumatic brain injuries;
- (5) investigate the need for the development of rules or statutes for the traumatic brain injury home and community-based services waiver;
- (6) investigate present and potential models of service coordination which can be delivered at the local level; and
- (7) the advisory committee required by clause (4) must consist of no fewer than ten members and no more than 30 members. The commissioner shall appoint all advisory committee members to one- or two-year terms and appoint one member as chair. Notwithstanding section 15.059, subdivision 5, the advisory committee does not terminate until June 30, ~~2012~~ 2014, or in accordance with section 3D.21, whichever is later.

Sec. 4. Minnesota Statutes 2010, section 260.835, subdivision 2, is amended to read:

Subd. 2. **Expiration.** Notwithstanding section 15.059, subdivision 5, the American Indian Child Welfare Advisory Council expires June 30, ~~2012~~ 2014, or in accordance with section 3D.21, whichever is later."

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. 1839: A bill for an act relating to natural resources; authorizing certain agency prepayments; providing for apprentice riders; modifying aquatic invasive species provisions; modifying local government trail authority; modifying enforcement provisions; modifying certain bait provisions; modifying prior appropriations; eliminating certain reporting, plan, and meeting requirements; eliminating loan program; modifying La Salle Lake State Recreation Area administration; adding to and deleting from state parks, state recreation areas, and state forests; authorizing private sale of certain state lands; modifying certain easements; modifying lands withdrawn from sale; modifying certain lease provisions; providing civil penalties; amending Minnesota Statutes 2010, sections 16A.065; 84.631; 84.67; 84.91, subdivision 1; 85.018, subdivision 2; 85.20, subdivision 1; 85.46, subdivision 1; 86B.331, subdivision 1; 92.45; 92.50, subdivision 1; 97A.421, subdivision 4a; Minnesota Statutes 2011 Supplement, sections 84D.10, subdivision 4; 84D.105, subdivision 2; 84D.13, subdivision 5; 97C.341; Laws 2007, chapter 57,

article 1, section 4, subdivision 2, as amended; Laws 2010, chapter 362, section 2, subdivision 7; Laws 2011, First Special Session chapter 2, article 1, section 4, subdivision 7; Laws 2011, First Special Session chapter 6, article 3, section 8, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 84; 86B; repealing Minnesota Statutes 2010, sections 84.946, subdivision 3; 86A.12, subdivision 5; 89.06; 90.042; 97A.4742, subdivision 4; 103G.705.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

NATURAL RESOURCE POLICY

Section 1. Minnesota Statutes 2010, section 16A.065, is amended to read:

16A.065 PREPAY SOFTWARE, SUBSCRIPTIONS, UNITED STATES DOCUMENTS.

Notwithstanding section 16A.41, subdivision 1, the commissioner may allow an agency to make advance deposits or payments for software or software maintenance services for state-owned or leased electronic data processing equipment, for sole source maintenance agreements where it is not cost-effective to pay in arrears, for exhibit booth space or boat slip rental when required by the renter to guarantee the availability of space, for short-term cash flow advances under executed grants or contracts associated with land acquisitions, for registration fees where advance payment is required or advance payment discount is provided, and for newspaper, magazine, and other subscription fees customarily paid for in advance. The commissioner may also allow advance deposits by any department with the Library of Congress and federal Supervisor of Documents for items to be purchased from those federal agencies.

Sec. 2. Minnesota Statutes 2010, section 84.67, is amended to read:

84.67 FORESTS FOR THE FUTURE REVOLVING ACCOUNT.

A forests for the future revolving account is created in the natural resources fund. Money in the account is appropriated to the commissioner of natural resources for the acquisition of forest lands that meet the eligibility criteria in section 84.66, subdivision 4. The commissioner shall sell the lands acquired under this section, subject to an easement as provided in section 84.66. Money received from the sale of forest lands acquired under this section and interest earned on the account shall be deposited into the account. ~~The commissioner must file a report to the house of representatives Ways and Means and the senate Finance Committees and the environment and natural resources finance committees or divisions of the senate and house of representatives by October 1 of each year indicating all purchases of forest land using money from this account and sales of forest land for which revenue is deposited into this account.~~

Sec. 3. [84.76] APPRENTICE RIDER VALIDATION.

Subdivision 1. **Definition.** For the purpose of this section, "accompanied by" means within a distance of another person that permits uninterrupted visual contact and verbal communication.

Subd. 2. **Apprentice rider requirements.** Notwithstanding sections 84.793, 84.862, 84.925, and 84.9256, a person who is age 12 or over and who does not possess a required safety certificate may participate in up to two trail-riding events sponsored by the commissioner in state parks, state

trails, state recreation areas, and state forests that are designed to involve apprentice riders. The person must be accompanied by an adult with a valid safety certificate. All vehicles must be properly registered for use in Minnesota.

Sec. 4. Minnesota Statutes 2010, section 84.91, subdivision 1, is amended to read:

Subdivision 1. **Acts prohibited.** (a) No owner or other person having charge or control of any snowmobile or all-terrain vehicle shall authorize or permit any individual the person knows or has reason to believe is under the influence of alcohol or a controlled substance or other substance to operate the snowmobile or all-terrain vehicle anywhere in this state or on the ice of any boundary water of this state.

(b) No owner or other person having charge or control of any snowmobile or all-terrain vehicle shall knowingly authorize or permit any person, who by reason of any physical or mental disability is incapable of operating the vehicle, to operate the snowmobile or all-terrain vehicle anywhere in this state or on the ice of any boundary water of this state.

(c) A person who operates or is in physical control of a snowmobile or all-terrain vehicle anywhere in this state or on the ice of any boundary water of this state is subject to chapter 169A. In addition to the applicable sanctions under chapter 169A, a person who is convicted of violating section 169A.20 or an ordinance in conformity with it while operating a snowmobile or all-terrain vehicle, or who refuses to comply with a lawful request to submit to testing under sections 169A.50 to 169A.53 or an ordinance in conformity with it, shall be prohibited from operating ~~the~~ a snowmobile or all-terrain vehicle for a period of one year. The commissioner shall notify the person of the time period during which the person is prohibited from operating a snowmobile or all-terrain vehicle.

(d) Administrative and judicial review of the operating privileges prohibition is governed by section 97B.066, subdivisions 7 to 9, if the person does not have a prior impaired driving conviction or prior license revocation, as defined in section 169A.03. Otherwise, administrative and judicial review of the prohibition is governed by section 169A.53.

(e) The court shall promptly forward to the commissioner and the Department of Public Safety copies of all convictions and criminal and civil sanctions imposed under this section and chapters 169 and 169A relating to snowmobiles and all-terrain vehicles.

(f) A person who violates paragraph (a) or (b), or an ordinance in conformity with either of them, is guilty of a misdemeanor. A person who operates a snowmobile or all-terrain vehicle during the time period the person is prohibited from operating a vehicle under paragraph (c) is guilty of a misdemeanor.

Sec. 5. Minnesota Statutes 2011 Supplement, section 84D.01, subdivision 15a, is amended to read:

Subd. 15a. **Service provider.** "Service provider" means an individual who or entity that installs or removes water-related equipment or structures from waters of the state for hire or as a service provided as a benefit of membership in a yacht club, boat club, marina, or similar organization. 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.05, subdivision 1, is amended to read:

Subdivision 1. **Prohibited activities.** A person may not possess, import, purchase, sell, propagate, transport, or introduce a prohibited invasive species, except:

- (1) under a permit issued by the commissioner under section 84D.11;
- (2) in the case of purple loosestrife, as provided by sections 18.75 to 18.88;
- (3) under a restricted species permit issued under section 17.457;
- (4) when being transported to the department, or another destination as the commissioner may direct, in a sealed container for purposes of identifying the species or reporting the presence of the species;
- (5) when being transported for disposal as part of a harvest or control activity when specifically authorized under a permit issued by the commissioner according to section 103G.615, when being transported for disposal as specified under a commercial fishing license issued by the commissioner according to section 97A.418, 97C.801, 97C.811, 97C.825, 97C.831, or 97C.835, or when being transported as specified by the commissioner;
- (6) when the specimen has been lawfully acquired dead and, in the case of plant species, all seeds are removed or are otherwise secured in a sealed container;
- (7) in the form of herbaria or other preserved specimens;
- (8) when being removed from watercraft and equipment, or caught while angling, and immediately returned to the water from which they came; or
- (9) as the commissioner may otherwise prescribe by rule.

Sec. 7. Minnesota Statutes 2011 Supplement, section 84D.09, subdivision 2, is amended to read:

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~~ when specifically authorized 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;

(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. 8. Minnesota Statutes 2011 Supplement, 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~~ water-related equipment, including aquatic plant harvesting or control equipment that has aquatic macrophytes, zebra mussels, or prohibited invasive species attached except as provided in this section.

Sec. 9. Minnesota Statutes 2011 Supplement, section 84D.10, subdivision 4, is amended to read:

Subd. 4. **Persons transporting water-related equipment.** (a) When leaving waters of the state a person must drain water-related equipment holding water and live wells and bilges by removing the drain plug before transporting the water-related equipment 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 water-related equipment.

(c) Emergency response vehicles and equipment 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.

(d) Portable bait containers used by licensed aquatic farms, portable bait containers when fishing through the ice except on waters designated infested for viral hemorrhagic septicemia, and marine sanitary systems are exempt from this subdivision.

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

(f) A boat lift, dock, swim raft, or associated equipment that has been removed from waters of the state infested with zebra mussels may not be placed in another water body until a minimum of 21 days have passed.

Sec. 10. Minnesota Statutes 2011 Supplement, section 84D.105, subdivision 2, is amended to read:

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. The commissioner may enter into a delegation agreement with a tribal or local government where inspection authority as provided under paragraphs (b), (g), and (h) is delegated to tribal and local governments that assume all legal, financial, and administrative responsibilities for inspection programs on some or all public waters within their jurisdiction.

(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, any other public location in the state, or a private location where the watercraft or water-related equipment is in plain view, 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.

(e) Conservation officers or other licensed peace officers may order water-related equipment to be removed from a water body if the commissioner determines such action is needed to implement aquatic invasive species control measures.

(f) The commissioner may require mandatory inspections of water-related equipment before a person places or removes water-related equipment into or out of a water body. Inspection stations may be located at or near public water accesses or in locations that allow for servicing multiple water bodies. The commissioner shall ensure that inspection stations:

- (1) have adequate staffing to minimize delays to vehicles and their occupants;
- (2) allow for reasonable travel times between public accesses and inspection stations if inspection is required before placing water-related equipment into a water body;
- (3) are located so as not to create traffic delays or public safety issues;
- (4) have decontamination equipment available to bring water-related equipment into compliance; and
- (5) do not reduce the capacity or hours of operation of public water accesses.

(g) The commissioner may authorize tribal and local governments that enter into a delegation agreement with the commissioner to conduct mandatory inspections of water-related equipment at specified locations within a defined area before a person places or removes water-related equipment into or out of a water body. Tribal and local governments that are authorized to conduct inspections under this paragraph must:

- (1) assume all legal, financial, and administrative responsibilities for implementing the mandatory inspections, alone or in agreement with other tribal or local governments;
- (2) employ inspectors that have been trained and authorized by the commissioner;
- (3) conduct inspections and decontamination measures in accordance with guidelines approved by the commissioner;
- (4) have decontamination equipment available at inspection stations or identify alternative decontamination equipment locations within a reasonable distance of the inspection station that can bring water-related equipment into compliance;

(5) provide for inspection station locations that do not create traffic delays or public safety issues; and

(6) submit a plan approved by the commissioner according to paragraph (h).

(h) Plans required under paragraph (g) must address:

(1) no reduction in capacity or hours of operation of public accesses and fees that do not discourage or limit use;

(2) reasonable travel times between public accesses and inspection stations;

(3) adequate staffing to minimize wait times and provide adequate hours of operation at inspection stations and public accesses;

(4) adequate enforcement capacity;

(5) measures to address inspections of water-related equipment at public water accesses for commercial entities and private riparian land owners; and

(6) other elements as required by the commissioner to ensure statewide consistency, appropriate inspection and decontamination protocols, and protection of the state's resources, public safety, and access to public waters.

(i) A government unit authorized to conduct inspections under this subdivision must submit an annual report to the commissioner summarizing the results and issues related to implementing the inspection program.

(j) The commissioner may waive the plan requirement in paragraph (g) for inspection programs where authorized inspectors are placed directly at one or more water access sites, with no requirement for a person to travel from the water access for inspection or decontamination, and no local ordinance or other regulation requiring a mandatory inspection before placing watercraft or water-related equipment into a water body or after watercraft or water-related equipment are removed from a water body.

Sec. 11. Minnesota Statutes 2011 Supplement, 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 in violation of section 84D.09, ~~\$50~~ \$100;

(2) for placing or attempting to place into waters of the state 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 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 have drain plugs or similar devices removed or opened while transporting water-related equipment or for failing to remove plugs, open valves, and drain water from water-related equipment, other than marine sanitary systems, before leaving waters of the state, ~~\$50~~ \$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. 12. Minnesota Statutes 2010, section 85.018, subdivision 2, is amended to read:

Subd. 2. **Authority of local government.** (a) A local government unit that receives state grants-in-aid for any trail, with the concurrence of the commissioner, and the landowner or land lessee, may:

(1) designate the trail for use by snowmobiles or for nonmotorized use from December 1 to April 1 of any year; and

(2) issue any permit required under subdivisions 3 to 5.

(b) A local government unit that receives state grants-in-aid under section 84.794, subdivision 2, 84.803, subdivision 2, or 84.927, subdivision 2, for any trail, with the concurrence of the commissioner, and landowner or land lessee, may:

(1) designate the trail specifically for use at various times of the year by all-terrain or off-road vehicles or off-highway motorcycles, for nonmotorized use such as ski touring, snowshoeing, and hiking, and for multiple use, ~~but not for motorized and nonmotorized use at the same time;~~ and

(2) issue any permit required under subdivisions 3 to 5.

(c) A local unit of government that receives state grants-in-aid for any trail, with the concurrence of the commissioner and landowner or land lessee, may designate certain trails for joint use by snowmobiles, off-highway motorcycles, all-terrain and off-road vehicles.

Sec. 13. Minnesota Statutes 2010, section 85.20, subdivision 1, is amended to read:

Subdivision 1. **Violation of rules.** (a) Any person who, within the limits of any ~~state park, state monument, state recreation area, state wayside, or area of state land reserved from sale, as provided by Laws 1923, chapter 430~~ outdoor recreation unit established in chapter 86A, shall willfully cut, injure, or destroy any live tree, shrub, timber, evergreen, or ornamental plant of any kind, or who shall willfully injure, remove, destroy, deface, or mutilate any guideboard, guidepost, furniture, fixture, improvement, monument, tablet, or other property of the state of any kind, or who shall willfully violate, or fail to comply with, any rule of the commissioner adopted ~~and promulgated in accordance with the provisions of Laws 1923, chapter 430,~~ shall be according to section 86A.06, is guilty of a petty misdemeanor.

(b) Violations under paragraph (a) adopted for wildlife management areas described in section

86A.05, subdivision 8, are misdemeanors, consistent with game and fish law penalties defined in section 97A.301, subdivision 1, clause (6).

(c) If a different penalty is provided in another section of law for the violation and the person is charged under that section of law, the penalty specified for the violation will control over the penalty specified in paragraphs (a) and (b). Violations relating to the taking of wild animals are subject to the penalties as specified in the game and fish laws described in section 97A.011.

Sec. 14. Minnesota Statutes 2010, section 85.46, subdivision 1, is amended to read:

Subdivision 1. **Pass in possession.** (a) Except as provided in paragraph (b), while riding, leading, or driving a horse on lands administered by the commissioner, except forest roads and forest roads rights-of-way, a person 16 years of age or over shall carry in immediate possession a valid horse pass. The pass must be available for inspection by a peace officer, a conservation officer, or an employee designated under section 84.0835. A person who violates any provision of this subdivision is guilty of a petty misdemeanor.

(b) A valid horse pass is not required under this section for a person riding, leading, or driving a horse on property that is owned by the person or the person's spouse, child, parent, or guardian.

Sec. 15. **[86B.13] AQUATIC INVASIVE SPECIES PREVENTION PROGRAM.**

Subdivision 1. **Establishment.** The commissioner shall establish a statewide course in preventing the spread of aquatic invasive species. The commissioner must develop an educational course and testing program that address identification of aquatic invasive species and best practices to prevent the spread of aquatic invasive species when moving water-related equipment, as defined under section 84D.01, subdivision 18a.

Subd. 2. **Aquatic invasive species trailer decal.** The commissioner shall issue an aquatic invasive species trailer decal for each trailer owned by a person that satisfactorily completes the required course of instruction.

Subd. 3. **Contracting for services.** The commissioner may contract for services to provide training and testing services under this section.

Subd. 4. **Aquatic invasive species trailer decal display required.** (a) A person may not transport watercraft or water-related equipment, as defined under section 84D.01, subdivision 18a, with a trailer unless the person has an aquatic invasive species trailer decal issued under this section. Temporary authorizations valid for seven days can be requested by persons that have not completed the required course of instruction.

(b) Aquatic invasive species trailer decals are valid for three years.

(c) The aquatic invasive species trailer decal must be adhered to the side of the trailer frame tongue near the hitch in a manner that it is readily visible and does not interfere with the display of any registration requirements under section 169.79.

(d) Aquatic invasive species trailer decals are not transferable.

EFFECTIVE DATE. This section is effective July 1, 2015.

Sec. 16. Minnesota Statutes 2010, section 86B.331, subdivision 1, is amended to read:

Subdivision 1. **Acts prohibited.** (a) An owner or other person having charge or control of a motorboat may not authorize or allow an individual the person knows or has reason to believe is under the influence of alcohol or a controlled or other substance to operate the motorboat in operation on the waters of this state.

(b) An owner or other person having charge or control of a motorboat may not knowingly authorize or allow a person, who by reason of a physical or mental disability is incapable of operating the motorboat, to operate the motorboat in operation on the waters of this state.

(c) A person who operates or is in physical control of a motorboat on the waters of this state is subject to chapter 169A. In addition to the applicable sanctions under chapter 169A, a person who is convicted of violating section 169A.20 or an ordinance in conformity with it while operating a motorboat, shall be prohibited from operating ~~the~~ a motorboat on the waters of this state for a period of 90 days between May 1 and October 31, extending over two consecutive years if necessary. If the person operating the motorboat refuses to comply with a lawful demand to submit to testing under sections 169A.50 to 169A.53 or an ordinance in conformity with it, the person shall be prohibited from operating ~~the~~ a motorboat for a period of one year. The commissioner shall notify the person of the period during which the person is prohibited from operating a motorboat.

(d) Administrative and judicial review of the operating privileges prohibition is governed by section 97B.066, subdivisions 7 to 9, if the person does not have a prior impaired driving conviction or prior license revocation, as defined in section 169A.03. Otherwise, administrative and judicial review of the prohibition is governed by section 169A.53.

(e) The court shall promptly forward to the commissioner and the Department of Public Safety copies of all convictions and criminal and civil sanctions imposed under this section and chapters 169 and 169A relating to motorboats.

(f) A person who violates paragraph (a) or (b), or an ordinance in conformity with either of them, is guilty of a misdemeanor.

(g) For purposes of this subdivision, a motorboat "in operation" does not include a motorboat that is anchored, beached, or securely fastened to a dock or other permanent mooring, or a motorboat that is being rowed or propelled by other than mechanical means.

Sec. 17. Minnesota Statutes 2010, section 97A.421, subdivision 4a, is amended to read:

Subd. 4a. **Suspension for failure to appear in court or pay a fine or surcharge.** When a court reports to the commissioner that a person: (1) has failed to appear in court ~~under the summons issued~~ in response to a notice to appear or fails to comply with other orders of the court regarding the appearance or proceedings for a violation of the game and fish laws; or (2) has been convicted of violating a provision of the game and fish laws, has been sentenced to the payment of a fine or had a surcharge levied against them, and refused or failed to comply with that sentence or to pay the fine or surcharge, the commissioner shall suspend the game and fish license and permit privileges of the person until notified by the court that the person has appeared in court under clause (1) or that any fine or surcharge due the court has been paid under clause (2).

Sec. 18. Minnesota Statutes 2011 Supplement, section 97C.341, is amended to read:

97C.341 CERTAIN AQUATIC LIFE PROHIBITED FOR BAIT.

(a) A person may not use live minnows imported from outside of the state, game fish, goldfish, or carp for bait. The commissioner may, by written order published in the State Register, authorize use of game fish eggs as bait and prescribe restrictions on their use. The order is exempt from the rulemaking provisions of chapter 14 and section 14.386 does not apply.

(b) A person may not import or possess live, frozen, or processed bait from known waters where viral hemorrhagic septicemia has been identified as being present; (1) unless the bait has been processed to inactivate viral hemorrhagic septicemia in a manner prescribed by rules adopted by the commissioner; or (2) except as provided in paragraph (c). For purposes of this paragraph, "bait" includes fish, aquatic worms, amphibians, invertebrates, and insects used for taking wild animals in waters of the state.

(c) Cisco and rainbow smelt taken under rules adopted by the commissioner may be used as:

(1) fresh or frozen bait only on Lake Superior; or

(2) bait that has been processed to inactivate viral hemorrhagic septicemia in a manner prescribed by rules adopted by the commissioner.

(d) To ensure that frozen or dead fish being brought into the state are not in violation of paragraph (b), the following paperwork must accompany the shipment. Documents must be open for inspection by the commissioner at any reasonable time. All documents must be available to purchasers of these bait items. Each container or package of frozen or dead fish must have the following information:

(1) water body source;

(2) lot number;

(3) company contact including name, phone, and address;

(4) date of packaging and labeling; and

(5) valid negative fish health certification from the source water body.

Sec. 19. Laws 2007, chapter 57, article 1, section 4, subdivision 2, as amended by Laws 2009, chapter 37, article 1, section 60, is amended to read:

Subd. 2. **Land and Mineral Resources Management** 11,747,000 11,272,000

Appropriations by Fund

General	6,633,000	6,230,000
Natural Resources	3,551,000	3,447,000
Game and Fish	1,363,000	1,395,000
Permanent School	200,000	200,000

\$475,000 the first year and \$475,000 the second year are for iron ore cooperative research. Of this amount, \$200,000 each year is from the minerals management account in the natural resources fund and \$275,000 each

year is from the general fund. \$237,500 the first year and \$237,500 the second year are available only as matched by \$1 of nonstate money for each \$1 of state money. The match may be cash or in-kind.

\$86,000 the first year and \$86,000 the second year are for minerals cooperative environmental research, of which \$43,000 the first year and \$43,000 the second year are available only as matched by \$1 of nonstate money for each \$1 of state money. The match may be cash or in-kind.

\$2,800,000 the first year and \$2,696,000 the second year are from the minerals management account in the natural resources fund for use as provided in Minnesota Statutes, section 93.2236, paragraph (c).

\$200,000 the first year and \$200,000 the second year are from the state forest suspense account in the permanent school fund to accelerate land exchanges, land sales, and commercial leasing of school trust lands and to identify, evaluate, and lease construction aggregate located on school trust lands. This appropriation is to be used for securing maximum long-term economic return from the school trust lands consistent with fiduciary responsibilities and sound natural resources conservation and management principles.

\$15,000 the first year is for a report by February 1, 2008, to the house and senate committees with jurisdiction over environment and natural resources on proposed minimum legal and conservation standards that could be applied to conservation easements acquired with public money.

\$1,201,000 the first year and \$701,000 the second year are to support the land records management system. Of this amount, \$326,000 the first year and \$326,000 the second year are from the game and fish fund and \$375,000 the first year and \$375,000 the second year are from the natural resources

fund. The unexpended balances are available until June 30, 2011. ~~The commissioner must report to the legislative chairs on environmental finance on the outcomes of the land records management support.~~

\$500,000 the first year and \$500,000 the second year are for land asset management. This is a onetime appropriation.

Sec. 20. Laws 2010, chapter 362, section 2, subdivision 7, is amended to read:

Subd. 7. Renewable Energy	-0-	3,364,000
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(a) Algae for Fuels Pilot Project

\$900,000 is from the trust fund to the Board of Regents of the University of Minnesota to demonstrate an innovative microalgae production system utilizing and treating sanitary wastewater to produce biofuels from algae. This appropriation is available until June 30, 2013, by which time the project must be completed and final products delivered.

(b) Sustainable Biofuels

\$221,000 is from the trust fund to the Board of Regents of the University of Minnesota to determine how fertilization and irrigation impact yields of grass monoculture and high diversity prairie biofuel crops, their storage of soil carbon, and susceptibility to invasion by exotic species. This appropriation is available until June 30, 2013, by which time the project must be completed and final products delivered.

(c) Linking Habitat Restoration to Bioenergy and Local Economies

\$600,000 is from the trust fund to the commissioner of natural resources to restore high quality native habitats and expand market opportunities for ~~utilizing postharvest restoration as a~~ using the woody by-product material for bioenergy ~~source~~ or other products. The commissioner may provide grants or otherwise transfer some or all

of this money to other public or private entities to accomplish these purposes. The commissioner may sell the material from public or private property to any viable market, provided that all of the proceeds are spent to further the purposes of this appropriation. This appropriation is available until June 30, 2013, by which time the project must be completed and final products delivered.

(d) Demonstrating Sustainable Energy Practices at Residential Environmental Learning Centers (RELCs)

\$1,500,000 is from the trust fund to the commissioner of natural resources for agreements as follows: \$206,000 with Audubon Center of the North Woods; \$212,000 with Deep Portage Learning Center; \$350,000 with Eagle Bluff Environmental Learning Center; \$258,000 with Laurentian Environmental Learning Center; \$240,000 with Long Lake Conservation Center; and \$234,000 with Wolf Ridge Environmental Learning Center to implement renewable energy, energy efficiency, and energy conservation practices at the facilities. Efforts will include dissemination of related energy education.

Sec. 21. Laws 2011, First Special Session chapter 6, article 3, section 8, subdivision 3, is amended to read:

Subd. 3. **Administration.** The commissioner of natural resources shall administer the area according to Minnesota Statutes, section 86A.05, subdivision 3, subject to existing rules and regulations for state recreation areas, except the following is permitted: hunting, fishing, and trapping of protected species during designated seasons and dogs under control for hunting purposes during regular hunting seasons. La Salle Lake State Recreation Area shall be administered as a satellite unit of Itasca State Park.

Sec. 22. ENVIRONMENT AND NATURAL RESOURCES TRUST FUND; APPROPRIATION EXTENSION.

(a) The availability of the appropriation is extended to June 30, 2013, for:

(1) Laws 2009, chapter 143, section 2, subdivision 5, paragraph (c), cooperative habitat research in deep lakes; and

(2) Laws 2009, chapter 143, section 2, subdivision 6, paragraph (d), controlling the movement

of invasive fish species.

(b) The availability of the appropriation is extended to June 30, 2014, for Laws 2009, chapter 143, section 2, subdivision 4, paragraph (c), metropolitan regional park system acquisition.

(c) The availability of the appropriation is extended to June 30, 2015, for Laws 2011, First Special Session chapter 2, article 3, section 2, subdivision 9, paragraph (a), Minnesota Conservation Apprenticeship Academy.

Sec. 23. **REPEALER.**

Minnesota Statutes 2010, sections 84.946, subdivision 3; 86A.12, subdivision 5; 89.06; 90.042; 97A.4742, subdivision 4; and 103G.705, are repealed.

ARTICLE 2

STATE LANDS

Section 1. Minnesota Statutes 2010, section 84.631, is amended to read:

84.631 ROAD EASEMENTS ACROSS STATE LANDS.

(a) Except as provided in section 85.015, subdivision 1b, the commissioner of natural resources, on behalf of the state, may convey a road easement across state land under the commissioner's jurisdiction ~~other than school trust land~~, to a private person requesting an easement for access to property owned by the person only if the following requirements are met: (1) there are no reasonable alternatives to obtain access to the property; and (2) the exercise of the easement will not cause significant adverse environmental or natural resource management impacts.

(b) The commissioner shall:

(1) require the applicant to pay the market value of the easement;

(2) limit the easement term to 50 years if the road easement is across school trust land;

~~(2)~~ (3) provide that the easement reverts to the state in the event of nonuse; and

~~(3)~~ (4) impose other terms and conditions of use as necessary and appropriate under the circumstances.

(c) An applicant shall submit an application fee of \$2,000 with each application for a road easement across state land. The application fee is nonrefundable, even if the application is withdrawn or denied.

(d) In addition to the payment for the market value of the easement and the application fee, the commissioner of natural resources shall assess the applicant a monitoring fee to cover the projected reasonable costs for monitoring the construction of the road and preparing special terms and conditions for the easement. The commissioner must give the applicant an estimate of the monitoring fee before the applicant submits the fee. The applicant shall pay the application and monitoring fees to the commissioner of natural resources. The commissioner shall not issue the easement until the applicant has paid in full the application fee, the monitoring fee, and the market value payment for the easement.

(e) Upon completion of construction of the road, the commissioner shall refund the unobligated balance from the monitoring fee revenue.

(f) Fees collected under paragraphs (c) and (d) must be credited to the land management account in the natural resources fund and are appropriated to the commissioner of natural resources to cover the reasonable costs incurred under this section.

Sec. 2. Minnesota Statutes 2010, section 92.50, subdivision 1, is amended to read:

Subdivision 1. **Lease terms.** (a) The commissioner of natural resources may lease land under the commissioner's jurisdiction and control:

- (1) to remove sand, gravel, clay, rock, marl, peat, and black dirt;
- (2) to store ore, waste materials from mines, or rock and tailings from ore milling plants;
- (3) for roads or railroads; or
- (4) for other uses consistent with the interests of the state.

(b) The commissioner shall offer the lease at public or private sale for an amount and under terms and conditions prescribed by the commissioner. Commercial leases for more than ten years and leases for removal of peat that cover 320 or more acres must be approved by the Executive Council.

(c) The lease term may not exceed ~~ten~~ 21 years except:

(1) leases of lands for storage sites for ore, waste materials from mines, or rock and tailings from ore milling plants, or for the removal of peat for nonagricultural purposes may not exceed a term of 25 years; and

~~(2) leases for the use of peat lands for agricultural purposes may not exceed 21 years; and~~

~~(3)~~ (2) leases for commercial purposes, including major resort, convention center, or recreational area purposes, may not exceed a term of 40 years.

(d) Leases must be subject to sale and leasing of the land for mineral purposes and contain a provision for cancellation for just cause at any time by the commissioner upon six months' written notice. A longer notice period, not exceeding three years, may be provided in leases for storing ore, waste materials from mines or rock or tailings from ore milling plants. The commissioner may determine the terms and conditions, including the notice period, for cancellation of a lease for the removal of peat and commercial leases.

(e) Money received from leases under this section must be credited to the fund to which the land belongs.

Sec. 3. **DELETIONS FROM STATE PARKS.**

Subdivision 1. **[85.012] [Subd. 28] Interstate State Park, Chisago County.** The following area is deleted from Interstate State Park: that part of Lots 8, 9, and 10 of Block 35 of the Plat of the Town of Taylor's Falls, on file and of record in the Chisago County Recorder's Office, described as follows: beginning at the northwest corner of said Lot 10; thence on an assumed bearing of South 08 degrees 05 minutes 41 seconds West 151.46 feet along the west line of said Lots 10, 9, and 8 to

the southwest corner of said Lot 8; thence South 89 degrees 51 minutes 29 seconds East 160.00 feet along the south line of said Lot 8; thence North 00 degrees 30 minutes 25 seconds East 150.00 feet to a point which is 140.00 feet east of the northwest corner of said Lot 10 as measured along the north line thereof; thence North 89 degrees 51 minutes 29 seconds West 140.00 feet to the point of beginning.

Subd. 2. [85.012] [Subd. 40] McCarthy Beach State Park, St. Louis County. The following area is deleted from McCarthy Beach State Park: that part of Government Lot 1, Section 20, Township 60 North, Range 21 West, St. Louis County, Minnesota, described as follows: commencing at meander corner #6 on the north line of said section; thence North 89 degrees 49 minutes 20 seconds East, assumed bearing, along the north line of said section 100.00 feet to the point of beginning; thence South 31 degrees 35 minutes 24 seconds East 409.70 feet to the centerline of McCarthy Beach Road; thence North 20 degrees 47 minutes 12 seconds East along said centerline 374.52 feet to the north line of said section; thence South 89 degrees 49 minutes 20 seconds West along the north line of said section 347.53 feet to the point of beginning.

Sec. 4. ADDITIONS TO STATE RECREATION AREAS.

Subdivision 1. [85.013] [Subd. 11b] Greenleaf Lake State Recreation Area, Meeker County. The following area is added to the Greenleaf Lake State Recreation Area, Meeker County: the Southwest Quarter of the Northwest Quarter and Government Lots 5, 6, 7, and 8, all in Section 20, Township 118 North, Range 30 West, Meeker County, Minnesota, LESS AND EXCEPT the following two tracts:

(1) that part of Government Lot 8, Section 20, Township 118 North, Range 30 West, lying North of the south line of said Section 20 and East of a line at right angles to and beginning at a point on said line 734.6 feet East of its intersection with the centerline of County Road No. 169; and

(2) all that part of Government Lots 7 and 8 of Section 20, Township 118 North, Range 30 West, lying West of County Road No. 169.

Subd. 2. [85.013] [Subd. 12a] Iron Range Off-Highway Vehicle Recreation Area, St. Louis County. The following areas are added to the Iron Range Off-Highway Vehicle Recreation Area:

(1) that part of the Northwest Quarter of the Southwest Quarter, Section 25, Township 58 North, Range 17 West, St. Louis County, Minnesota, lying southeasterly of the DM & IR Railroad; and

(2) the East 100 feet of the Southeast Quarter of Section 26, Township 58 North, Range 17 West, St. Louis County, Minnesota.

Sec. 5. DELETION FROM STATE RECREATION AREA.

[85.013] [Subd. 12a] Iron Range Off-Highway Vehicle Recreation Area, St. Louis County. The following areas are deleted from the Iron Range Off-Highway Vehicle Recreation Area:

(1) that part of the Northeast Quarter of the Southeast Quarter, the Northwest Quarter of the Southeast Quarter, and the Southwest Quarter of the Southeast Quarter, all in Section 26, Township 58 North, Range 17 West, St. Louis County, Minnesota, lying northwesterly of the Gilbert mine pit in said section;

(2) that part of the Southwest Quarter of the Northeast Quarter, Section 35, Township 58 North,

Range 17 West, St. Louis County, Minnesota, lying northwesterly of Deep Lake in said section; and

(3) the South Half of Section 36, except the Southeast Quarter of the Southwest Quarter, all in Township 58 North, Range 17 West, St. Louis County, Minnesota.

Sec. 6. DELETION FROM STATE FOREST.

[89.021] [Subd. 18] Fond du Lac State Forest. The following areas are deleted from the Fond du Lac State Forest:

(1) that part of Section 7 lying east of State Highway 23 and Sections 18, 19, and 30 of Township 48 North, Range 15 West; and

(2) that part of Sections 13 and 24 lying east of State Highway 23 and Section 25 of Township 48 North, Range 16 West.

Sec. 7. ADDITION TO STATE FOREST.

[89.021] [Subd. 35] Nemadji State Forest. The following areas are added to the Nemadji State Forest:

(1) that part of Section 7 lying east of State Highway 23 and Sections 18, 19, and 30 of Township 48 North, Range 15 West; and

(2) that part of Sections 13 and 24 lying east of State Highway 23 and Section 25 of Township 48 North, Range 16 West.

Sec. 8. PRIVATE SALE OF SURPLUS STATE LAND; DAKOTA COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale the surplus land that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The commissioner may sell to the United States for less than the value of the land, as determined by the commissioner, but the conveyance must provide that the land be managed for conservation purposes and reverts to the state if the United States fails to manage the land for conservation purposes.

(c) The land that may be sold is located in Dakota County and is described as: that part of the West Half of the Northeast Quarter of Section 34, Township 27 North, Range 24 West, lying northwesterly of the Chicago and North Western Transportation Company Railroad, and that part of the East Half of the Northwest Quarter of Section 34, Township 27 North, Range 24 West, described as follows: beginning at the northeast corner of said East Half of the Northwest Quarter; thence on an assumed bearing of South 89 degrees 49 minutes 47 seconds West along the north line of said East Half of the Northwest Quarter, a distance of 127.6 feet; thence South 24 degrees 20 minutes 13 seconds West, a distance of 437.59 feet; thence South 47 degrees 28 minutes 32 seconds West, a distance of 522.97 feet; thence South 1/2 degree 31 minutes 28 seconds East, a distance of 866.39 feet to the northwesterly line of the Chicago and North Western Transportation Company Railroad; thence North 44 degrees 39 minutes 07 seconds East, along said northwesterly line, a distance of 130.52 feet to the east line of said East Half of the Northwest Quarter; thence North 00 degrees 42 minutes 27 seconds East, along the east line of said East Half of the Northwest Quarter, a distance of 1,487.79 feet to the point of beginning; containing 30.72 acres, more or less.

(d) The Department of Natural Resources has determined that the state's land management interests would best be served if the land was conveyed to the United States. The land was part of the Black Dog Preserve Scientific and Natural Area, which was de-designated by the commissioner, effective November 21, 2011. The United States, acting by and through the United States Fish and Wildlife Service, wishes to acquire the land for inclusion in the Minnesota Valley National Wildlife Refuge.

**Sec. 9. PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER;
ST. LOUIS COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by private sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The conveyance must be subject to the perpetual easement described in paragraph (d).

(c) The land that may be sold is located in St. Louis County and is described as: that part of Government Lot 1, Section 20, Township 60 North, Range 21 West, St. Louis County, Minnesota, described as follows: commencing at meander corner #6 on the north line of said section; thence North 89 degrees 49 minutes 20 seconds East, assumed bearing, along the north line of said section 100.00 feet to the point of beginning; thence South 31 degrees 35 minutes 24 seconds East 409.70 feet to the centerline of McCarthy Beach Road; thence North 20 degrees 47 minutes 12 seconds East along said centerline 374.52 feet to the north line of said section; thence South 89 degrees 49 minutes 20 seconds West along the north line of said section 347.53 feet to the point of beginning, containing 1.4 acres, more or less. Subject to existing easements of record.

(d) Prior to the sale of the land described in paragraph (c), the commissioner shall convey a perpetual easement according to Minnesota Statutes, section 84.631, for the benefit of Lots 50, 51, and 52 of the Plat of McCarthy's Beach over and across an existing driveway being a strip of land 16.5 feet in width, lying 8.25 feet on each side of the following described centerline: commencing at meander corner #6 on the north line of Section 20; thence North 89 degrees 49 minutes 20 seconds East, assumed bearing, along the north line of said section 196.98 feet to the centerline of an existing driveway and the point of beginning; thence South 20 degrees 14 minutes 17 seconds East 54.79 feet; thence South 17 degrees 53 minutes 29 seconds East 47.03 feet; thence South 04 degrees 05 minutes 31 seconds East 44.44 feet; thence South 06 degrees 18 minutes 21 seconds West 61.38 feet; thence South 04 degrees 27 minutes 18 seconds West 53.03 feet; thence South 01 degree 47 minutes 03 seconds East 90.46 feet, more or less, to the centerline of McCarthy Beach Road and there terminating, containing 0.13 acres, more or less.

(e) The land to be sold is part of a parcel that borders Big Sturgeon Lake. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would be best served if the land were conveyed to an adjacent landowner to resolve an inadvertent trespass."

Amend the title as follows:

Page 1, line 9, delete "modifying lands withdrawn"

Page 1, line 10, delete "from sale;"

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. 2042: A bill for an act relating to natural resources; modifying Wetland Conservation Act; amending Minnesota Statutes 2010, sections 103G.2241, subdivision 9; 103G.2242, subdivision 3; Minnesota Statutes 2011 Supplement, section 103G.222, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 103G.

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

Page 5, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 2010, section 103G.2241, subdivision 9, is amended to read:

Subd. 9. **De minimis.** (a) Except as provided in paragraphs ~~(b)~~ (d), (e), (f), (g), and ~~(e)~~ (h), a replacement plan for wetlands is not required for draining or filling the following amounts of wetlands as part of a project outside of the shoreland wetland protection zone:

(1) 10,000 square feet of type 1, 2, 6, or 7 wetland, excluding white cedar and tamarack wetlands, outside of the shoreland wetland protection zone in a greater than 80 percent area;

(2) 5,000 square feet of type 1, 2, 6, or 7 wetland, excluding white cedar and tamarack wetlands, outside of the shoreland wetland protection zone in a 50 to 80 percent area, ~~except within the 11-county metropolitan area;~~

(3) 2,000 square feet of type 1, 2, ~~or 6,~~ or 7 wetland, outside of the shoreland wetland protection zone excluding white cedar and tamarack wetlands, in a less than 50 percent area, ~~except within the 11-county metropolitan area;~~ or

(4) ~~100~~ 200 square feet of type 3, 4, 5, or 8 wetland or white cedar and tamarack wetland ~~types not listed in clauses (1) to (3) outside of the building setback zone of the shoreland wetland protection zones in all counties;~~

(b) Except as provided in paragraphs (d), (e), (f), (g), and (h), a replacement plan for wetlands is not required for draining or filling the following amounts of wetlands as part of a project within the shoreland wetland protection zone beyond the shoreland building setback zone:

~~(5)~~ (1) 400 square feet of type 1, 2, 6, or 7 wetland ~~types listed in clauses (1) to (3), beyond the building setback zone, as defined in the local shoreland management ordinance, but within the shoreland wetland protection zone;~~ or

(2) 100 square feet of type 3, 4, 5, or 8 wetland or white cedar and tamarack wetland.

In a greater than 80 percent area, the local government unit may increase the de minimis amount allowed under this paragraph up to 1,000 square feet if the wetland is isolated and is determined to

have no direct surficial connection to the public water.

(c) Except as provided in paragraphs (d), (e), (f), (g), and (h), a replacement plan for wetlands is not required for draining or filling up to 100 square feet of wetland as part of a project within the shoreland building setback zone, as defined in the local shoreland management ordinance.

~~To the extent that a local shoreland management ordinance is more restrictive than this provision, the local shoreland ordinance applies;~~

~~(6) up to 20 square feet of wetland, regardless of type or location;~~

~~(7) 2,500 square feet of type 1, 2, 6, or 7 wetland, excluding white cedar and tamarack wetlands, outside of the shoreland wetland protection zone in a 50 to 80 percent area within the 11-county metropolitan area; or~~

~~(8) 1,000 square feet of type 1, 2, or 6 wetland, outside of the shoreland wetland protection zone in a less than 50 percent area within the 11-county metropolitan area.~~

~~For purposes of this paragraph, the 11-county metropolitan area consists of the counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, and Wright.~~

~~(b) (d) The amounts listed in paragraph paragraphs (a), clauses (1) to (8), (b), and (c) may not be combined on a project.~~

~~(e) (e) This exemption no longer applies to a landowner's portion of a wetland when the cumulative area drained or filled of the landowner's portion since January 1, 1992, is the greatest of:~~

~~(1) the applicable area listed in paragraph (a), (b), or (c), if the landowner owns the entire wetland;~~

~~(2) five percent of the landowner's portion of the wetland; or~~

~~(3) 400 square feet.~~

~~(d) (f) This exemption may not be combined with another exemption in this section on a project.~~

~~(e) (g) Property may not be divided to increase the amounts listed in paragraph (a).~~

(h) If a local ordinance or similar local control is more restrictive than this subdivision, the local standard applies."

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

S.F. No. 2084: A bill for an act relating to public safety; permitting victim notification regarding offenders by Department of Corrections to include electronic notification in addition to written notification; amending Minnesota Statutes 2010, sections 253B.18, subdivision 5a; 253B.185, subdivision 10; 611A.06, subdivisions 1, 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 241.016, subdivision 1, is amended to read:

Subdivision 1. **Biennial report.** (a) The Department of Corrections shall submit a performance report to the chairs and ranking minority members of the senate and house of representatives committees and divisions having jurisdiction over criminal justice funding by January 15 of each odd-numbered year. The issuance and content of the report must include the following:

- (1) department strategic mission, goals, and objectives;
- (2) the department-wide per diem, adult facility-specific per diems, and an average per diem, reported in a standard calculated method as outlined in the departmental policies and procedures;
- (3) department annual statistics as outlined in the departmental policies and procedures; and
- (4) information about prison-based mental health programs, including, but not limited to, the availability of these programs, participation rates, and completion rates.

(b) The department shall maintain recidivism rates for adult facilities on an annual basis. In addition, each year the department shall, on an alternating basis, complete a recidivism analysis of adult facilities, juvenile services, and the community services divisions and include a three-year recidivism analysis in the report described in paragraph (a). The recidivism analysis must: (1) assess education programs, vocational programs, treatment programs, including mental health programs, industry, and employment; and (2) assess statewide re-entry policies and funding, including postrelease treatment, education, training, and supervision. In addition, when reporting recidivism for the department's adult and juvenile facilities, the department shall report on the extent to which offenders it has assessed as chemically dependent commit new offenses, with separate recidivism rates reported for persons completing and not completing the department's treatment programs.

~~(c) By August 31 of each odd-numbered year, the commissioner must present to the individuals identified in paragraph (a) a report that lists and describes the performance measures and targets the department will include in the biennial performance report. The measures and targets must include a budget target for the next two years and a history of the department's performance for the previous five years. At a minimum, the report must include measures and targets for the data and information identified in paragraphs (a) and (b) regarding per diem, statistics, inmate programming, and recidivism, and the following:~~

- ~~(1) average statutory per diem for adult offenders, female offenders, and juvenile offenders;~~
- ~~(2) the Department of Corrections field services;~~
- ~~(3) staffing and salaries for both department divisions and institutions;~~
- ~~(4) the use of private and local institutions to house persons committed to the commissioner;~~
- ~~(5) the cost of inmate health and dental care;~~
- ~~(6) implementation and use of corrections best practices; and~~

~~(7) the challenge incarceration program-~~

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

Sec. 2. Minnesota Statutes 2010, section 241.025, subdivision 2, is amended to read:

Subd. 2. **Limitations.** The initial processing of a person arrested by the fugitive apprehension unit for an offense within the agency's jurisdiction is the responsibility of the fugitive apprehension unit unless otherwise directed by the law enforcement agency with primary jurisdiction. A subsequent investigation is the responsibility of the law enforcement agency of the jurisdiction in which a new crime is committed. ~~The fugitive apprehension unit members are not authorized to apply for a search warrant as prescribed in section 626.05-~~

Sec. 3. Minnesota Statutes 2010, section 244.17, subdivision 1, is amended to read:

Subdivision 1. **Generally.** (a) ~~The commissioner shall~~ may select offenders who meet the eligibility requirements of subdivisions 2 and 3 to participate in a challenge incarceration program described in sections 244.171 and 244.172 for all or part of the offender's sentence if the offender agrees to participate in the program and signs a written contract with the commissioner agreeing to comply with the program's requirements.

(b) The commissioner shall strive to select sufficient numbers of eligible offenders to ensure that the program operates as close to capacity as possible. The commissioner shall include specific information on how close to capacity the program is operating in the department's performance report described in section 241.016.

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

Sec. 4. Minnesota Statutes 2010, section 244.17, subdivision 2, is amended to read:

Subd. 2. **Eligibility.** (a) ~~Unless a person is ineligible under subdivision 3,~~ The commissioner must ~~offer a bed in~~ limit the challenge incarceration program to the following persons:

(1) offenders who are committed to the commissioner's custody following revocation of a stayed sentence; and

(2) offenders who are committed to the commissioner's custody, who have 48 months or less in or remaining in their term of imprisonment, and who did not receive a dispositional departure under the Sentencing Guidelines.

(b) If there is insufficient space for an eligible person, the commissioner ~~shall~~ may place the person's name on a waiting list and offer the person the chance to participate when space becomes available if the person is still eligible under this section.

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

Sec. 5. Minnesota Statutes 2010, section 253B.18, subdivision 5a, is amended to read:

Subd. 5a. **Victim notification of petition and release; right to submit statement.** (a) As used in this subdivision:

(1) "crime" has the meaning given to "violent crime" in section 609.1095, and includes criminal sexual conduct in the fifth degree and offenses within the definition of "crime against the person" in

section 253B.02, subdivision 4a, and also includes offenses listed in section 253B.02, subdivision 7a, paragraph (b), regardless of whether they are sexually motivated;

(2) "victim" means a person who has incurred loss or harm as a result of a crime the behavior for which forms the basis for a commitment under this section or section 253B.185; and

(3) "convicted" and "conviction" have the meanings given in section 609.02, subdivision 5, and also include juvenile court adjudications, findings under Minnesota Rules of Criminal Procedure, rule 20.02, that the elements of a crime have been proved, and findings in commitment cases under this section or section 253B.185 that an act or acts constituting a crime occurred.

(b) A county attorney who files a petition to commit a person under this section or section 253B.185 shall make a reasonable effort to provide prompt notice of filing the petition to any victim of a crime for which the person was convicted. In addition, the county attorney shall make a reasonable effort to promptly notify the victim of the resolution of the petition.

(c) Before provisionally discharging, discharging, granting pass-eligible status, approving a pass plan, or otherwise permanently or temporarily releasing a person committed under this section from a treatment facility, the head of the treatment facility shall make a reasonable effort to notify any victim of a crime for which the person was convicted that the person may be discharged or released and that the victim has a right to submit a written statement regarding decisions of the medical director, special review board, or commissioner with respect to the person. To the extent possible, the notice must be provided at least 14 days before any special review board hearing or before a determination on a pass plan. Notwithstanding section 611A.06, subdivision 4, the commissioner shall provide the judicial appeal panel with victim information in order to comply with the provisions of this section. The judicial appeal panel shall ensure that the data on victims remains private as provided for in section 611A.06, subdivision 4.

(d) This subdivision applies only to victims who have requested notification through the Department of Corrections electronic victim notification system, or by contacting, in writing, the county attorney in the county where the conviction for the crime occurred. A request for notice under this subdivision received by the commissioner of corrections through the Department of Corrections electronic victim notification system shall be promptly forwarded to the prosecutorial authority with jurisdiction over the offense to which the notice relates or, following commitment, the head of the treatment facility. A county attorney who receives a request for notification under this paragraph following commitment shall promptly forward the request to the commissioner of human services.

(e) The rights under this subdivision are in addition to rights available to a victim under chapter 611A. This provision does not give a victim all the rights of a "notified person" or a person "entitled to statutory notice" under subdivision 4a, 4b, or 5 or section 253B.185, subdivision 10.

Sec. 6. Minnesota Statutes 2010, section 253B.185, subdivision 10, is amended to read:

Subd. 10. **Victim notification of petition and release; right to submit statement.** (a) As used in this subdivision:

(1) "crime" has the meaning given to "violent crime" in section 609.1095, and includes criminal sexual conduct in the fifth degree and offenses within the definition of "crime against the person" in section 253B.02, subdivision 4a, and also includes offenses listed in section 253B.02, subdivision

7a, paragraph (b), regardless of whether they are sexually motivated;

(2) "victim" means a person who has incurred loss or harm as a result of a crime, the behavior for which forms the basis for a commitment under this section or section 253B.18; and

(3) "convicted" and "conviction" have the meanings given in section 609.02, subdivision 5, and also include juvenile court adjudications, findings under Minnesota Rules of Criminal Procedure, rule 20.02, that the elements of a crime have been proved, and findings in commitment cases under this section or section 253B.18, that an act or acts constituting a crime occurred.

(b) A county attorney who files a petition to commit a person under this section shall make a reasonable effort to provide prompt notice of filing the petition to any victim of a crime for which the person was convicted. In addition, the county attorney shall make a reasonable effort to promptly notify the victim of the resolution of the petition.

(c) Before provisionally discharging, discharging, granting pass-eligible status, approving a pass plan, or otherwise permanently or temporarily releasing a person committed under this section from a treatment facility, the head of the treatment facility shall make a reasonable effort to notify any victim of a crime for which the person was convicted that the person may be discharged or released and that the victim has a right to submit a written statement regarding decisions of the head of the treatment facility or designee, or special review board, with respect to the person. To the extent possible, the notice must be provided at least 14 days before any special review board hearing or before a determination on a pass plan. Notwithstanding section 611A.06, subdivision 4, the commissioner shall provide the judicial appeal panel with victim information in order to comply with the provisions of this section. The judicial appeal panel shall ensure that the data on victims remains private as provided for in section 611A.06, subdivision 4.

(d) This subdivision applies only to victims who have requested notification through the Department of Corrections electronic victim notification system, or by contacting, in writing, the county attorney in the county where the conviction for the crime occurred or where the civil commitment was filed or, following commitment, the head of the treatment facility. A request for notice under this subdivision received by the commissioner of corrections through the Department of Corrections electronic victim notification system shall be promptly forwarded to the prosecutorial authority with jurisdiction over the offense to which the notice relates or, following commitment, the head of the treatment facility. A county attorney who receives a request for notification under this paragraph following commitment shall promptly forward the request to the commissioner of human services.

(e) Rights under this subdivision are in addition to rights available to a victim under chapter 611A. This provision does not give a victim all the rights of a "notified person" or a person "entitled to statutory notice" under subdivision 12 or 13 or section 253B.18, subdivision 4a, 4b, or 5.

Sec. 7. Minnesota Statutes 2010, section 611A.06, subdivision 1, is amended to read:

Subdivision 1. **Notice of release required.** The commissioner of corrections or other custodial authority shall make a good faith effort to notify the victim that the offender is to be released from imprisonment or incarceration, including release on extended furlough and for work release; released from a juvenile correctional facility; released from a facility in which the offender was confined due to incompetency, mental illness, or mental deficiency, or commitment under section 253B.18 or 253B.185; or if the offender's custody status is reduced, if the victim has mailed to the

commissioner of corrections or to the head of the facility in which the offender is confined a written request for this notice, or the victim has made a request for this notice to the commissioner of corrections through the Department of Corrections electronic victim notification system. The good faith effort to notify the victim must occur prior to the offender's release or when the offender's custody status is reduced. For a victim of a felony crime against the person for which the offender was sentenced to imprisonment for more than 18 months, the good faith effort to notify the victim must occur 60 days before the offender's release.

Sec. 8. Minnesota Statutes 2010, section 611A.06, subdivision 2, is amended to read:

Subd. 2. **Contents of notice.** The notice given to a victim of a crime against a person must include the conditions governing the offender's release, and either the identity of the corrections agent who will be supervising the offender's release or a means to identify the court services agency that will be supervising the offender's release. The commissioner or other custodial authority complies with this section upon mailing the notice of impending release to the victim at the address which the victim has most recently provided to the commissioner or authority in writing, or by providing electronic notice to the victim who requested this notice through the Department of Corrections electronic victim notification system.

Sec. 9. Minnesota Statutes 2010, section 626.05, subdivision 2, is amended to read:

Subd. 2. **Peace officer.** The term "peace officer," as used in sections 626.04 to 626.17, means a person who is licensed as a peace officer in accordance with section 626.84, subdivision 1, and who serves as a sheriff, deputy sheriff, police officer, conservation officer, agent of the Bureau of Criminal Apprehension, agent of the Division of Alcohol and Gambling Enforcement, University of Minnesota peace officer, Metropolitan Transit police officer, Minnesota Department of Corrections Fugitive Apprehension Unit member, or State Patrol trooper as authorized by section 299D.03."

Delete the title and insert:

"A bill for an act relating to public safety; eliminating a Department of Corrections report on performance measures and targets; authorizing the fugitive apprehension unit to apply for search warrants; restoring the commissioner of corrections' discretion in selecting inmates to participate in the challenge incarceration program and requiring the commissioner to report to the legislature on how close to capacity the program is being operated; permitting victim notification regarding offenders by Department of Corrections to include electronic notification in addition to written notification; amending Minnesota Statutes 2010, sections 241.016, subdivision 1; 241.025, subdivision 2; 244.17, subdivisions 1, 2; 253B.18, subdivision 5a; 253B.185, subdivision 10; 611A.06, subdivisions 1, 2; 626.05, subdivision 2."

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

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

S.F. No. 1861: A bill for an act relating to human services; allowing out-of-state residential mental health treatment for certain children; amending Minnesota Statutes 2010, section 256B.0945, subdivision 1.

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. 1721: A bill for an act relating to health licensing; changing licensing provisions for alcohol and drug counselors and licensed counselors; providing penalties; setting licensing fees; amending Minnesota Statutes 2010, sections 148B.5301, subdivisions 1, 4, by adding a subdivision; 148B.54, subdivisions 2, 3; proposing coding for new law as Minnesota Statutes, chapter 148F; repealing Minnesota Statutes 2010, sections 148C.01, subdivisions 1, 1a, 2, 2a, 2b, 2c, 2d, 2e, 2f, 2g, 4, 4a, 5, 7, 9, 10, 11, 11a, 12, 12a, 13, 14, 15, 16, 17, 18; 148C.015; 148C.03, subdivisions 1, 4; 148C.0351, subdivisions 1, 3, 4; 148C.0355; 148C.04, subdivisions 1, 2, 3, 4, 5a, 6, 7; 148C.044; 148C.045; 148C.05, subdivisions 1, 1a, 5, 6; 148C.055; 148C.07; 148C.075; 148C.08; 148C.09, subdivisions 1, 1a, 2, 4; 148C.091; 148C.093; 148C.095; 148C.099; 148C.10, subdivisions 1, 2, 3; 148C.11; 148C.12, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15; Minnesota Rules, parts 4747.0010; 4747.0020; 4747.0030; 4747.0040; 4747.0050; 4747.0060; 4747.0070, subparts 1, 2, 3, 6; 4747.0200; 4747.0400, subpart 1; 4747.0700; 4747.0800; 4747.0900; 4747.1100, subparts 1, 2, 4, 5, 6, 7, 8, 9; 4747.1400; 4747.1500; 6310.3100, subpart 2; 6310.3600; 6310.3700, subpart 1.

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

Page 7, line 22, delete the second "by the board" and insert "under section 148F.115"

Page 25, line 14, after "individuals" insert "defined in section 256B.0623, subdivision 5, clauses (1) and (2),"

Page 42, after line 22, insert:

"Sec. 43. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall consult with the Board of Behavioral Health and Therapy to make any necessary cross-reference changes that are needed as a result of the passage of this act."

Page 43, delete line 4 and insert "This article is effective August 1, 2012."

Page 46, delete line 32 and insert "Sections 1 to 5 are effective August 1, 2012, unless a different effective date is specified."

Renumber the sections in sequence

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

S.F. No. 753: A bill for an act relating to health occupations; modifying provisions for licensure of social workers; amending Minnesota Statutes 2010, sections 148E.055, subdivision 1; 148E.060, subdivisions 1, 2, 3, 5, by adding a subdivision; 148E.065, subdivisions 2, 4, 5; 148E.120; 148E.195, subdivision 2; 148E.280; proposing coding for new law in Minnesota Statutes, chapter 148E; repealing Minnesota Statutes 2010, section 148E.065, subdivision 3.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 148E.055, subdivision 1, is amended to read:

Subdivision 1. **License required.** (a) In order to practice social work, an individual must have a social work license under this section or section 148E.060, except when the individual is exempt from licensure according to section 148E.065.

(b) Individuals who teach professional social work knowledge, skills, and values to students and who have a social work degree from a program accredited by the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar ~~accreditation~~ accrediting body designated by the board must have a social work license under this section or section 148E.060, except when the individual is exempt from licensure according to section 148E.065.

(c) Effective July 1, 2016, an individual who is newly employed by a city or state agency or a private nonprofit nontribal agency previously exempt from licensure under Minnesota Statutes 2010, section 148D.065, subdivision 5, and section 148E.065, subdivision 5, must be licensed if:

(1) the individual is presented to the public by any title incorporating the words "social work" or "social worker"; or

(2) the individual has a baccalaureate or graduate degree in social work from a program accredited by the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar accrediting body designated by the board, and the individual provides social work services, including clinical social work services, as those services are defined in section 148E.010, subdivisions 6 and 11.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 2. [148E.0555] LICENSE REQUIREMENTS; GRANDFATHERING.

Subdivision 1. **Grandfathering period.** (a) The board shall issue a license to an applicant who meets all the requirements in this section and has submitted a completed, signed application and the required fee between January 1, 2013, and December 31, 2014.

(b) If the applicant does not provide all of the information requested by the board by December 31, 2015, the applicant is considered ineligible and the application for licensure is closed.

Subd. 2. **Eligible agency personnel.** When submitting the application for licensure, the applicant must provide evidence satisfactory to the board that the applicant is currently employed by a:

(1) Minnesota city or state agency, and:

(i) at any time within three years of the date of submitting an application for licensure was presented to the public by any title incorporating the words "social work" or "social worker," while employed by that agency for a minimum of six months; or

(ii) at any time within three years of the date of submitting an application for licensure was engaged in the practice of social work, including clinical social work, as described in section 148E.010, subdivisions 6 and 11, while employed by that agency for a minimum of six months; or

(2) private nonprofit, nontribal agency whose primary service focus addresses ethnic minority populations, and the applicant is a member of an ethnic minority population within the agency, previously exempt from licensure under Minnesota Statutes 2010, section 148D.065, subdivision 5,

and section 148E.065, subdivision 5, and:

(i) at any time within three years of the date of submitting an application for licensure was presented to the public by any title incorporating the words "social work" or "social worker," while employed by that agency for a minimum of six months; or

(ii) at any time within three years of the date of submitting an application for licensure was engaged in the practice of social work, including clinical social work, as described under section 148E.010, subdivisions 6 and 11, while employed by that agency for a minimum of six months.

Subd. 3. **Qualifications during grandfathering for licensure as LSW.** (a) To be licensed as a licensed social worker, an applicant for licensure under this section must provide evidence satisfactory to the board that the individual has completed a baccalaureate degree:

(1) in social work from a program accredited by the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar accrediting body designated by the board; or

(2) in psychology, sociology, human services, or social and behavioral sciences from an accredited college or university; or

(3) with a major in any field from an accredited college or university, and one year of experience in the practice of social work as described in section 148E.010, subdivision 11.

(b) To be licensed as a licensed social worker, an applicant for licensure under this section must provide evidence satisfactory to the board that the individual has:

(1) submitted a completed, signed application and the license fee in section 148E.180;

(2) for applications submitted electronically, provided an attestation as specified by the board;

(3) submitted the criminal background check fee and a form provided by the board authorizing a criminal background check;

(4) paid the applicable license fee in section 148E.180; and

(5) not engaged in conduct that was or would be in violation of the standards of practice specified in Minnesota Statutes 2010, sections 148D.195 to 148D.240, and sections 148E.195 to 148E.240. If the applicant has engaged in conduct that was or would be in violation of the standards of practice, the board may take action according to sections 148E.255 to 148E.270.

(c) An application that is not completed and signed, or that is not accompanied by the correct license fee, must be returned to the applicant, along with any fee submitted, and is void.

(d) By submitting an application for licensure, an applicant authorizes the board to investigate any information provided or requested in the application. The board may request that the applicant provide additional information, verification, or documentation.

(e) Within one year of the time the board receives an application for licensure, the applicant must meet all the requirements and provide all of the information requested by the board according to paragraphs (a) and (b).

(f) Prelicensure supervised practice hours may be applied to meet the requirements of this

section. Hours obtained prior to August 1, 2011, must meet the supervised practice requirements in Minnesota Statutes 2010, sections 148D.100 to 148D.125, and hours obtained on or after August 1, 2011, must meet the supervised practice requirements in sections 148E.100 to 148E.125.

(g) In addition to the required supervisors listed in Minnesota Statutes 2010, section 148D.120 and section 148E.120, an alternate supervisor may include a qualified professional who has a bachelor's or graduate degree, and the authority to direct the practice of the applicant, including, but not limited to, an agency director, or agency or consulting supervisor, as determined appropriate by the board.

(h) Unless completed at the time of application for licensure, a licensee granted a license by the board under this section must meet the supervised practice requirements in sections 148E.100 to 148E.125. If a licensee does not meet the supervised practice requirements, the board may take action according to sections 148E.255 to 148E.270.

Subd. 4. Qualifications during grandfathering for licensure as LGSW. (a) To be licensed as a licensed graduate social worker, an applicant for licensure under this section must provide evidence satisfactory to the board that the individual has completed a graduate degree:

(1) in social work from a program accredited by the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar accrediting body designated by the board; or

(2) in psychology, sociology, marriage and family therapy, human services, or social and behavioral sciences from an accredited college or university; or

(3) with a major in any field from an accredited college or university, and one year of experience in the practice of social work as described in section 148E.010, subdivisions 6 and 11.

(b) To be licensed as a licensed graduate social worker, an applicant for licensure under this section must provide evidence satisfactory to the board that the individual has:

(1) submitted a completed, signed application and the license fee in section 148E.180;

(2) for applications submitted electronically, provided an attestation as specified by the board;

(3) submitted the criminal background check fee and a form provided by the board authorizing a criminal background check;

(4) paid the applicable license fee in section 148E.180; and

(5) not engaged in conduct that was or would be in violation of the standards of practice specified in Minnesota Statutes 2010, sections 148D.195 to 148D.240, and sections 148E.195 to 148E.240. If the applicant has engaged in conduct that was or would be in violation of the standards of practice, the board may take action according to sections 148E.255 to 148E.270.

(c) An application that is not completed and signed, or that is not accompanied by the correct license fee, must be returned to the applicant, along with any fee submitted, and is void.

(d) By submitting an application for licensure, an applicant authorizes the board to investigate any information provided or requested in the application. The board may request that the applicant provide additional information, verification, or documentation.

(e) Within one year of the time the board receives an application for licensure, the applicant must meet all the requirements and provide all of the information requested by the board according to paragraphs (a) and (b).

(f) Prelicensure supervised practice hours may be applied to meet the requirements of this section. Hours obtained prior to August 1, 2011, must meet the supervised practice requirements in Minnesota Statutes 2010, sections 148D.100 to 148D.125, and hours obtained on or after August 1, 2011, must meet the supervised practice requirements in sections 148E.100 to 148E.125.

(g) In addition to the required supervisors listed in Minnesota Statutes 2010, section 148D.120, and section 148E.120, an alternate supervisor of nonclinical practice may include a qualified professional who has a bachelor's or graduate degree, and the authority to direct the practice of the applicant, including, but not limited to, an agency director, or agency or consulting supervisor, as determined appropriate by the board.

(h) Unless completed at the time of application for licensure, a licensee granted a license by the board under this section must meet the supervised practice requirements specified in sections 148E.100 to 148E.125. If a licensee does not meet the supervised practice requirements, the board may take action according to sections 148E.255 to 148E.270.

Subd. 5. Qualifications during grandfathering for licensure as LISW. (a) To be licensed as a licensed independent social worker, an applicant for licensure under this section must provide evidence satisfactory to the board that the individual has completed a graduate degree:

(1) in social work from a program accredited by the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar accrediting body designated by the board; or

(2) in psychology, sociology, marriage and family therapy, human services, or social and behavioral sciences from an accredited college or university; or

(3) with a major in any field from an accredited college or university, and one year of experience in the practice of social work according to section 148E.010, subdivision 11.

(b) To be licensed as a licensed independent social worker, an applicant for licensure under this section must provide evidence satisfactory to the board that the individual has:

(1) practiced social work as defined in section 148E.010, subdivision 11, and has met the supervised practice requirements as follows: (i) for hours obtained prior to August 1, 2011, has met the requirements in Minnesota Statutes 2010, sections 148D.100 to 148D.125; (ii) for hours obtained after August 1, 2011, has met the requirements in sections 148E.100 to 148E.125; and (iii) in addition to the supervisors listed in Minnesota Statutes 2010, section 148D.120, or section 148E.120, an alternate supervisor of nonclinical practice may include a qualified professional who has a bachelor's or graduate degree and the authority to direct the practice of the applicant, including but not limited to an agency director, or agency or consulting supervisor as determined by the board.

(2) submitted a completed, signed application and the license fee in section 148E.180;

(3) for applications submitted electronically, provided an attestation as specified by the board;

(4) submitted the criminal background check fee and a form provided by the board authorizing a criminal background check;

(5) paid the applicable license fee specified in section 148E.180; and

(6) not engaged in conduct that was or would be in violation of the standards of practice specified in Minnesota Statutes 2010, sections 148D.195 to 148D.240, and sections 148E.195 to 148E.240. If the applicant has engaged in conduct that was or would be in violation of the standards of practice, the board may take action according to sections 148E.255 to 148E.270.

(c) An application that is not completed, signed, and accompanied by the correct license fee must be returned to the applicant, along with any fee submitted, and is void.

(d) By submitting an application for licensure, an applicant authorizes the board to investigate any information provided or requested in the application. The board may request that the applicant provide additional information, verification, or documentation.

(e) Within one year of the time the board receives an application for licensure, the applicant must meet all the requirements and provide all of the information requested by the board according to paragraphs (a) and (b).

(f) Upon licensure, a licensed independent social worker who practices clinical social work must meet the supervised practice requirements specified in sections 148E.100 to 148E.125. If a licensee does not meet the supervised practice requirements, the board may take action according to sections 148E.255 to 148E.270.

Subd. 6. Qualifications during grandfathering for licensure as LICSW. (a) To be licensed as a licensed independent clinical social worker, an applicant for licensure under this section must provide evidence satisfactory to the board that the individual has:

(1) completed a graduate degree in social work from a program accredited by the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar accrediting body designated by the board; or

(2) completed a graduate degree and is a mental health professional according to section 245.462, subdivision 18, clauses (1) to (6).

(b) To be licensed as a licensed independent clinical social worker, an applicant for licensure under this section must provide evidence satisfactory to the board that the individual has:

(1) practiced clinical social work as defined in section 148E.010, subdivision 6, including both diagnosis and treatment, and has met the supervised practice requirements specified in sections 148E.100 to 148E.125, excluding the 1,800 hours of direct clinical client contact specified in section 148E.115, subdivision 1, except that supervised practice hours obtained prior to August 1, 2011, must meet the requirements in Minnesota Statutes 2010, sections 148D.100 to 148D.125;

(2) submitted a completed, signed application and the license fee in section 148E.180;

(3) for applications submitted electronically, provided an attestation as specified by the board;

(4) submitted the criminal background check fee and a form provided by the board authorizing a criminal background check;

(5) paid the license fee in section 148E.180; and

(6) not engaged in conduct that was or would be in violation of the standards of practice specified in Minnesota Statutes 2010, sections 148D.195 to 148D.240, and sections 148E.195 to 148E.240. If the applicant has engaged in conduct that was or would be in violation of the standards of practice, the board may take action according to sections 148E.255 to 148E.270.

(c) An application which is not completed, signed, and accompanied by the correct license fee must be returned to the applicant, along with any fee submitted, and is void.

(d) By submitting an application for licensure, an applicant authorizes the board to investigate any information provided or requested in the application. The board may request that the applicant provide additional information, verification, or documentation.

(e) Within one year of the time the board receives an application for licensure, the applicant must meet all the requirements and provide all of the information requested by the board.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 3. [148E.0556] LISW TRANSITION PERIOD EXCEPTION.

At any time on or after January 1, 2013, until December 31, 2017, to qualify for a licensed independent social worker license, an applicant must submit an application to the board for a licensed independent social worker license and:

(1) hold a current licensed graduate social worker license issued through grandfathering under section 148E.0555, subdivision 4, and:

(i) meet all requirements in effect at the time of application according to section 148E.055, subdivision 4, paragraph (a), excluding clause (1); and

(ii) meet the supervised practice requirements according to section 148E.055, subdivision 4, paragraph (a), clause (2); or

(2) hold a current licensed graduate social worker license issued through grandfathering prior to July 1, 1996, and:

(i) meet all requirements in effect at the time of application according to section 148E.055, subdivision 4, paragraph (a), excluding clause (1); and

(ii) meet the supervised practice requirements according to section 148E.055, subdivision 4, paragraph (a), clause (2).

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 4. [148E.0557] LICSW TRANSITION PERIOD EXCEPTION.

At any time on or after January 1, 2013, until December 31, 2017, to qualify for a licensed independent clinical social worker license, an applicant must submit an application to the board for a licensed independent clinical social worker license and:

(1) hold a current licensed graduate social worker or licensed independent social worker license issued through grandfathering under section 148E.0555, subdivision 4 or 5, and:

(i) meet all requirements in effect at the time of application according to section 148E.055, subdivision 5, paragraph (a), excluding clause (1); and

(ii) meet the supervised practice requirements according to section 148E.055, subdivision 5, paragraph (a), clause (3); or

(2) hold a current licensed graduate social worker or licensed independent social worker license issued through grandfathering prior to July 1, 1996, and:

(i) meet all requirements in effect at the time of application according to section 148E.055, subdivision 5, paragraph (a), excluding clause (1); and

(ii) meet the supervised practice requirements according to section 148E.055, subdivision 5, paragraph (a), clause (3).

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 5. Minnesota Statutes 2010, section 148E.060, subdivision 1, is amended to read:

Subdivision 1. **Students and other persons not currently licensed in another jurisdiction.** (a) The board may issue a temporary license to practice social work to an applicant who is not licensed or credentialed to practice social work in any jurisdiction but has:

(1) applied for a license under section 148E.055;

(2) applied for a temporary license on a form provided by the board;

(3) submitted a form provided by the board authorizing the board to complete a criminal background check;

(4) passed the applicable licensure examination provided for in section 148E.055;

(5) attested on a form provided by the board that the applicant has completed the requirements for a baccalaureate or graduate degree in social work from a program accredited by the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar ~~accreditation~~ accrediting body designated by the board, or a doctorate in social work from an accredited university; and

(6) not engaged in conduct that was or would be in violation of the standards of practice specified in sections 148E.195 to 148E.240. If the applicant has engaged in conduct that was or would be in violation of the standards of practice, the board may take action according to sections 148E.255 to 148E.270.

(b) A temporary license issued under this subdivision expires after six months.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 6. Minnesota Statutes 2010, section 148E.060, subdivision 2, is amended to read:

Subd. 2. **Emergency situations and persons currently licensed in another jurisdiction.** (a) The board may issue a temporary license to practice social work to an applicant who is licensed or credentialed to practice social work in another jurisdiction, may or may not have applied for a license under section 148E.055, and has:

- (1) applied for a temporary license on a form provided by the board;
- (2) submitted a form provided by the board authorizing the board to complete a criminal background check;
- (3) submitted evidence satisfactory to the board that the applicant is currently licensed or credentialed to practice social work in another jurisdiction;
- (4) attested on a form provided by the board that the applicant has completed the requirements for a baccalaureate or graduate degree in social work from a program accredited by the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar ~~accreditation~~ accrediting body designated by the board, or a doctorate in social work from an accredited university; and
- (5) not engaged in conduct that was or would be in violation of the standards of practice specified in sections 148E.195 to 148E.240. If the applicant has engaged in conduct that was or would be in violation of the standards of practice, the board may take action according to sections 148E.255 to 148E.270.

(b) A temporary license issued under this subdivision expires after six months.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 7. Minnesota Statutes 2010, section 148E.060, is amended by adding a subdivision to read:

Subd. 2a. **Programs in candidacy status.** (a) The board may issue a temporary license to practice social work to an applicant who has completed the requirements for a baccalaureate or graduate degree in social work from a program in candidacy status with the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar accrediting body designated by the board, and has:

- (1) applied for a license under section 148E.055;
- (2) applied for a temporary license on a form provided by the board;
- (3) submitted a form provided by the board authorizing the board to complete a criminal background check;
- (4) passed the applicable licensure examination provided for in section 148E.055; and
- (5) not engaged in conduct that is in violation of the standards of practice specified in sections 148E.195 to 148E.240. If the applicant has engaged in conduct that is in violation of the standards of practice, the board may take action according to sections 148E.255 to 148E.270.

(b) A temporary license issued under this subdivision expires after 12 months but may be extended at the board's discretion upon a showing that the social work program remains in good standing with the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar accrediting body designated by the board. If the board receives notice from the Council on Social Work Education, the Canadian Association of Schools of Social Work, or a similar accrediting body designated by the board that the social work program is not in good standing, or that the accreditation will not be granted to the social work program, the temporary license is immediately revoked.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 8. Minnesota Statutes 2010, section 148E.060, subdivision 3, is amended to read:

Subd. 3. **Teachers.** (a) The board may issue a temporary license to practice social work to an applicant whose permanent residence is outside the United States, who is teaching social work at an academic institution in Minnesota for a period not to exceed 12 months, who may or may not have applied for a license under section 148E.055, and who has:

- (1) applied for a temporary license on a form provided by the board;
- (2) submitted a form provided by the board authorizing the board to complete a criminal background check;
- (3) attested on a form provided by the board that the applicant has completed the requirements for a baccalaureate or graduate degree in social work; and
- (4) has not engaged in conduct that was or would be in violation of the standards of practice specified in sections 148E.195 to 148E.240. If the applicant has engaged in conduct that was or would be in violation of the standards of practice, the board may take action according to sections 148E.255 to 148E.270.

(b) A temporary license issued under this subdivision expires after 12 months.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 9. Minnesota Statutes 2010, section 148E.060, subdivision 5, is amended to read:

Subd. 5. **Temporary license term.** ~~(a)~~ A temporary license is valid until expiration, or until the board issues or denies the license according to section 148E.055, or until the board revokes the temporary license, whichever comes first. A temporary license is nonrenewable.

~~(b) A temporary license issued according to subdivision 1 or 2 expires after six months.~~

~~(c) A temporary license issued according to subdivision 3 expires after 12 months.~~

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 10. Minnesota Statutes 2010, section 148E.065, subdivision 2, is amended to read:

Subd. 2. **Students.** An internship, externship, or any other social work experience that is required for the completion of an accredited program of social work does not constitute the practice of social work under this chapter. Students exempted under this section may use the title "social work intern."

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 11. Minnesota Statutes 2010, section 148E.065, subdivision 4, is amended to read:

Subd. 4. **City, county, and state agency social workers.** (a) The licensure of city, county, and state agency social workers is voluntary, except an individual who is newly employed by a city or state agency on or after July 1, 2016, must be licensed if the individual who provides social work services, as those services are defined in section 148E.010, subdivision 11, paragraph (b), is presented to the public by any title incorporating the words "social work" or "social worker."

(b) City, county, and state agencies employing social workers are not required to employ licensed social workers.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 12. Minnesota Statutes 2010, section 148E.065, subdivision 5, is amended to read:

Subd. 5. **Tribes and private nonprofit agencies; voluntary licensure.** (a) The licensure of social workers who are employed by federally recognized tribes, or by private nonprofit agencies is voluntary.

(b) The licensure of private, nonprofit, nontribal agency social workers whose primary service focus addresses ethnic minority populations, and who are themselves members of ethnic minority populations within those agencies, is voluntary until July 1, 2016, when newly employed individuals who practice social work must be licensed as required under section 148E.055, subdivision 1.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 13. Minnesota Statutes 2010, section 148E.120, is amended to read:

148E.120 REQUIREMENTS OF SUPERVISORS.

Subdivision 1. **Supervisors licensed as social workers.** (a) ~~Except as provided in paragraph (d) subdivision 2,~~ to be eligible to provide supervision under this section, a social worker must:

(1) have completed 30 hours of training in supervision through coursework from an accredited college or university, or through continuing education in compliance with sections 148E.130 to 148E.170;

(2) be competent in the activities being supervised; and

(3) attest, on a form provided by the board, that the social worker has met the applicable requirements specified in this section and sections 148E.100 to 148E.115. The board may audit the information provided to determine compliance with the requirements of this section.

(b) A licensed independent clinical social worker providing clinical licensing supervision to a licensed graduate social worker or a licensed independent social worker must have at least 2,000 hours of experience in authorized social work practice, including 1,000 hours of experience in clinical practice after obtaining a licensed independent clinical social worker license.

(c) A licensed social worker, licensed graduate social worker, licensed independent social worker, or licensed independent clinical social worker providing nonclinical licensing supervision must have completed the supervised practice requirements specified in section 148E.100, 148E.105, 148E.106, 148E.110, or 148E.115, as applicable.

~~(d) If the board determines that supervision is not obtainable from an individual meeting the requirements specified in paragraph (a), the board may approve an alternate supervisor according to subdivision 2.~~

Subd. 2. **Alternate supervisors.** (a) ~~The board may approve an alternate supervisor if:~~ The board may approve an alternate supervisor as determined in this subdivision. The board shall approve up to 25 percent of the required supervision hours by a licensed mental health professional who

is competent and qualified to provide supervision according to the mental health professional's respective licensing board, as established by section 245.462, subdivision 18, clauses (1) to (6), or 245.4871, subdivision 27, clauses (1) to (6).

~~(1) the board determines that supervision is not obtainable according to paragraph (b);~~

~~(2) the licensee requests in the supervision plan submitted according to section 148E.125, subdivision 1, that an alternate supervisor conduct the supervision;~~

~~(3) the licensee describes the proposed supervision and the name and qualifications of the proposed alternate supervisor; and~~

~~(4) the requirements of paragraph (d) are met.~~

~~(b) The board may determine that supervision is not obtainable if:~~

~~(1) the licensee provides documentation as an attachment to the supervision plan submitted according to section 148E.125, subdivision 1, that the licensee has conducted a thorough search for a supervisor meeting the applicable licensure requirements specified in sections 148E.100 to 148E.115;~~

~~(2) the licensee demonstrates to the board's satisfaction that the search was unsuccessful; and~~

~~(3) the licensee describes the extent of the search and the names and locations of the persons and organizations contacted.~~

~~(c) The requirements specified in paragraph (b) do not apply to obtaining licensing supervision for social work practice if the board determines that there are five or fewer supervisors meeting the applicable licensure requirements in sections 148E.100 to 148E.115 in the county where the licensee practices social work.~~

~~(d) An alternate supervisor must:~~

~~(1) be an unlicensed social worker who is employed in, and provides the supervision in, a setting exempt from licensure by section 148E.065, and who has qualifications equivalent to the applicable requirements specified in sections 148E.100 to 148E.115;~~

~~(2) be a social worker engaged in authorized practice in Iowa, Manitoba, North Dakota, Ontario, South Dakota, or Wisconsin, and has the qualifications equivalent to the applicable requirements specified in sections 148E.100 to 148E.115; or~~

~~(3) be a licensed marriage and family therapist or a mental health professional as established by section 245.462, subdivision 18, or 245.4871, subdivision 27, or an equivalent mental health professional, as determined by the board, who is licensed or credentialed by a state, territorial, provincial, or foreign licensing agency.~~

~~(e) In order to qualify to provide clinical supervision of a licensed graduate social worker or licensed independent social worker engaged in clinical practice, the alternate supervisor must be a mental health professional as established by section 245.462, subdivision 18, or 245.4871, subdivision 27, or an equivalent mental health professional, as determined by the board, who is licensed or credentialed by a state, territorial, provincial, or foreign licensing agency.~~

(b) The board shall approve up to 100 percent of the required supervision hours by an alternate supervisor if the board determines that:

(1) there are five or fewer supervisors in the county where the licensee practices social work who meet the applicable licensure requirements in subdivision 1;

(2) the supervisor is an unlicensed social worker who is employed in, and provides the supervision in, a setting exempt from licensure by section 148E.065, and who has qualifications equivalent to the applicable requirements specified in sections 148E.100 to 148E.115;

(3) the supervisor is a social worker engaged in authorized social work practice in Iowa, Manitoba, North Dakota, Ontario, South Dakota, or Wisconsin, and has the qualifications equivalent to the applicable requirements in sections 148E.100 to 148E.115; or

(4) the applicant or licensee is engaged in nonclinical authorized social work practice outside of Minnesota and the supervisor meets the qualifications equivalent to the applicable requirements in sections 148E.100 to 148E.115, or the supervisor is an equivalent mental health professional, as determined by the board, who is credentialed by a state, territorial, provincial, or foreign licensing agency; or

(5) the applicant or licensee is engaged in clinical authorized social work practice outside of Minnesota and the supervisor meets qualifications equivalent to the applicable requirements in section 148E.115, or the supervisor is an equivalent mental health professional as determined by the board, who is credentialed by a state, territorial, provincial, or foreign licensing agency.

(c) In order for the board to consider an alternate supervisor under this section, the licensee must:

(1) request in the supervision plan and verification submitted according to section 148E.125, that an alternate supervisor conduct the supervision; and

(2) describe the proposed supervision and the name and qualifications of the proposed alternate supervisor. The board may audit the information provided to determine compliance with the requirements of this section.

EFFECTIVE DATE. This section is effective August 1, 2012.

Sec. 14. Minnesota Statutes 2010, section 148E.195, subdivision 2, is amended to read:

Subd. 2. **Representations.** (a) No applicant or other individual may be represented to the public by any title incorporating the words "social work" or "social worker" unless the individual is employed by a county or holds a license according to sections 148E.055 and 148E.060 or practices in a setting exempt from licensure according to section 148E.065 this chapter.

(b) In all professional use of a social worker's name, the social worker must use the license designation "LSW" or "licensed social worker" for a licensed social worker, "LGSW" or "licensed graduate social worker" for a licensed graduate social worker, "LISW" or "licensed independent social worker" for a licensed independent social worker, or "LICSW" or "licensed independent clinical social worker" for a licensed independent clinical social worker.

(c) Public statements or advertisements must not be untruthful, misleading, false, fraudulent, deceptive, or potentially exploitative of clients, former clients, interns, students, supervisees, or the public.

(d) A social worker must not:

- (1) use licensure status as a claim, promise, or guarantee of successful service;
- (2) obtain a license by cheating or employing fraud or deception;
- (3) make false statements or misrepresentations to the board or in materials submitted to the board; or
- (4) engage in conduct that has the potential to deceive or defraud a social work client, intern, student, supervisee, or the public.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 15. Minnesota Statutes 2010, section 148E.280, is amended to read:

148E.280 USE OF TITLES.

No individual may be presented to the public by any title incorporating the words "social work" or "social worker" or in the titles in section 148E.195, unless that individual is employed by a county or holds a license under sections 148E.055 and 148E.060, or practices in a setting exempt from licensure under section 148E.065 this chapter.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 16. **REPEALER.**

Minnesota Statutes 2010, section 148E.065, subdivision 3, is repealed August 1, 2012."

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.

SECOND READING OF SENATE BILLS

S.F. Nos. 1761, 1917, 1524, 1717, 1567, 1934, 1793, 1910, 1534, 1964 and 1861 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1766 and 1515 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Hann introduced—

S.F. No. 2139: A bill for an act relating to insurance; shifting regulatory authority over health

maintenance organizations from the commissioner of health to the commissioner of commerce; amending Minnesota Statutes 2010, sections 62D.02, subdivision 3; 62D.05, subdivision 6; 62D.12, subdivision 1.

Referred to the Committee on Commerce and Consumer Protection.

Senator Hann introduced—

S.F. No. 2140: A bill for an act relating to human services; establishing new payment rate-setting methodologies for home and community-based waiver services; providing rulemaking authority; amending Minnesota Statutes 2010, sections 245A.11, subdivision 8; 256B.0911, by adding a subdivision; 256B.0916, subdivision 2; 256B.092, subdivision 4; 256B.49, subdivision 17; 256B.4912; proposing coding for new law in Minnesota Statutes, chapter 256B.

Referred to the Committee on Health and Human Services.

Senators Chamberlain, Kruse, Gerlach and Sparks introduced—

S.F. No. 2141: A bill for an act relating to commerce; changing laws relating to debt settlement services agreements; amending Minnesota Statutes 2010, sections 332B.06, subdivisions 2, 5, 8; 332B.07, subdivisions 1, 4; 332B.09, subdivision 1; 332B.10; 332B.13, subdivision 3; repealing Minnesota Statutes 2010, section 332B.09, subdivisions 2, 3.

Referred to the Committee on Commerce and Consumer Protection.

Senator Newman introduced—

S.F. No. 2142: A bill for an act relating to insurance; permitting accelerated benefits available under a life insurance policy to include long-term care coverage; permitting use of life insurance cash value to pay premiums on long-term care insurance; amending Minnesota Statutes 2010, section 61A.072, subdivisions 1, 5; proposing coding for new law in Minnesota Statutes, chapter 61A.

Referred to the Committee on Commerce and Consumer Protection.

Senators Nelson, Senjem, Ingebrigtsen and Bonoff introduced—

S.F. No. 2143: A bill for an act relating to human services; expanding dental services for the disabled; amending Minnesota Statutes 2010, section 256B.0625, subdivision 9.

Referred to the Committee on Health and Human Services.

Senators DeKruif, Sheran, Robling and Gazelka introduced—

S.F. No. 2144: A bill for an act relating to natural resources; clarifying the removal of debris from public waters and shoreland; amending Minnesota Statutes 2010, sections 103F.211, by adding a subdivision; 103F.321, by adding a subdivision; 103G.245, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

Senators Tomassoni, Saxhaug and Bakk introduced—

S.F. No. 2145: A bill for an act relating to health; requiring MinnesotaCare coverage of private duty nursing, nursing home or intermediate care facilities, and personal care attendant services; requiring the commissioner of health to coordinate federal home health aides certification in underserved areas; amending Minnesota Statutes 2010, section 256L.03, subdivision 1.

Referred to the Committee on Health and Human Services.

Senators Cohen, Ingebrigtsen, Jungbauer, Koch and Sparks introduced—

S.F. No. 2146: A bill for an act relating to capital investment; appropriating money for asset preservation, exhibit renewal, and master plan design and implementation at the Minnesota Zoo; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Benson introduced—

S.F. No. 2147: A bill for an act relating to human services; modifying chemical use assessment requirements for civil commitments; providing rulemaking authority; amending Minnesota Statutes 2010, section 254A.19, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Senator Fischbach introduced—

S.F. No. 2148: A bill for an act relating to public safety; imposing a temporary moratorium on the establishment of new fire departments; requiring a report from the state fire marshal; proposing coding for new law in Minnesota Statutes, chapter 299F.

Referred to the Committee on Judiciary and Public Safety.

Senators Kubly and Dahms introduced—

S.F. No. 2149: A bill for an act relating to the city of Canby; allowing creation of a special tax increment financing district.

Referred to the Committee on Taxes.

Senators Ingebrigtsen, Kruse, Carlson, Saxhaug and Hall introduced—

S.F. No. 2150: A bill for an act relating to capital improvements; appropriating money for an invasive species research center at the University of Minnesota; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senators Langseth, Ingebrigtsen and Hoffman introduced—

S.F. No. 2151: A bill for an act relating to capital investment; appropriating for flood hazard mitigation grants; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senators Benson and Gazelka introduced—

S.F. No. 2152: A bill for an act relating to liquor; clarifying an exemption from dram shop insurance requirements for certain farm wineries; amending Minnesota Statutes 2010, section 340A.409, subdivision 4.

Referred to the Committee on Commerce and Consumer Protection.

Senators Benson, Hall, Limmer and Gerlach introduced—

S.F. No. 2153: A bill for an act relating to state government; providing for revenue-producing programs in the event of a government shutdown; proposing coding for new law in Minnesota Statutes, chapter 16A.

Referred to the Committee on Finance.

Senator Pederson introduced—

S.F. No. 2154: A bill for an act relating to environment; requiring local approval before issuance of state disposal facility permit; amending Minnesota Statutes 2010, section 116.07, subdivision 4j.

Referred to the Committee on Environment and Natural Resources.

Senators Koch and Brown introduced—

S.F. No. 2155: A bill for an act relating to taxation; modifying the use of local sales tax revenues for the city of Clearwater; amending Laws 2008, chapter 366, article 7, section 19, subdivision 3, as amended.

Referred to the Committee on Taxes.

Senators Langseth, Senjem, Skoe, Stumpf and Rosen introduced—

S.F. No. 2156: A bill for an act relating to capital investment; appropriating money for flood hazard mitigation grants; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senators Rosen, Hann, Lourey and Sheran introduced—

S.F. No. 2157: A bill for an act relating to human services; providing an exception to the absent days limit for certain children; amending Minnesota Statutes 2011 Supplement, section 119B.13, subdivision 7.

Referred to the Committee on Health and Human Services.

Senator Dahms introduced—

S.F. No. 2158: A bill for an act relating to education finance; permitting a onetime fund transfer for Independent School District No. 88, New Ulm.

Referred to the Committee on Education.

Senator Hayden introduced—

S.F. No. 2159: A resolution supporting the Somali-American community's ability to continue remittances to the Horn of Africa.

Referred to the Committee on Commerce and Consumer Protection.

Senator Latz introduced—

S.F. No. 2160: A bill for an act relating to public defenders; extending right of representation by public defenders to persons appealing misdemeanor convictions and postconviction proceedings; appropriating money; amending Minnesota Statutes 2010, section 611.14.

Referred to the Committee on Judiciary and Public Safety.

Senator Kelash introduced—

S.F. No. 2161: A bill for an act relating to capital improvements; appropriating money for grant to city of Richfield to construct new arterial street; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Metzen introduced—

S.F. No. 2162: A bill for an act relating to game and fish; modifying method of distributing turkey licenses; amending Minnesota Statutes 2010, section 97A.435, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

Senators Reinert and Latz introduced—

S.F. No. 2163: A bill for an act relating to judiciary; allowing reimbursement of housing and mileage expenses for judges of the Court of Appeals living more than 50 miles from their permanent chambers; amending Minnesota Statutes 2010, section 480A.02, subdivision 7.

Referred to the Committee on Judiciary and Public Safety.

Senators Hoffman, Rosen and Sheran introduced—

S.F. No. 2164: A bill for an act relating to taxation; sales and use; exempting most purchases by certain nursing homes and boarding care homes; amending Minnesota Statutes 2010, section

297A.70, by adding a subdivision.

Referred to the Committee on Taxes.

Senators Hoffman and Gazelka introduced—

S.F. No. 2165: A bill for an act relating to capital investment; appropriating money for street and utility improvements in Wadena including infrastructure damaged by the 2010 tornado; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Wolf introduced—

S.F. No. 2166: A bill for an act relating to public safety; modifying provisions relating to school bus safety and standards; abolishing standards for type III vehicles used for transporting students; amending Minnesota Statutes 2010, sections 169.4501, subdivisions 1, 2; 169.4503, subdivisions 5, 20, by adding subdivisions; repealing Minnesota Statutes 2010, section 169.454, subdivision 10.

Referred to the Committee on Transportation.

Senator Newman introduced—

S.F. No. 2167: A bill for an act relating to state government; providing for legislative review of certain rules; providing for sunset and legislative approval of existing rules; proposing coding for new law as Minnesota Statutes, chapter 14A.

Referred to the Committee on State Government Innovation and Veterans.

Senator Sieben introduced—

S.F. No. 2168: A bill for an act relating to transportation; motor vehicles; adding service branch designs to special veterans' plates; amending Minnesota Statutes 2010, section 168.123, subdivision 2; Minnesota Statutes 2011 Supplement, section 168.123, subdivision 1.

Referred to the Committee on Transportation.

Senator Carlson introduced—

S.F. No. 2169: A bill for an act relating to capital investment; appropriating money for Bemidji State University; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Wiger introduced—

S.F. No. 2170: A bill for an act relating to natural resources; expanding state park fee discounts for disabled individuals; amending Minnesota Statutes 2010, sections 85.052, subdivision 3; 85.053, subdivision 7.

Referred to the Committee on Environment and Natural Resources.

Senator Ortman introduced—

S.F. No. 2171: A bill for an act relating to capital improvements; appropriating money for State Capitol restoration; authorizing the sale and issuance of state bonds; amending Minnesota Statutes 2010, section 129D.17, by adding a subdivision.

Referred to the Committee on Capital Investment.

Senators Howe and Gimse introduced—

S.F. No. 2172: A bill for an act relating to transportation; providing contingent appropriations for county state-aid highways and municipal state-aid streets, construction support, and finance operations; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 162.

Referred to the Committee on Transportation.

Senator Kruse introduced—

S.F. No. 2173: A bill for an act relating to health; authorizing automated drug distribution systems; proposing coding for new law in Minnesota Statutes, chapter 151.

Referred to the Committee on Health and Human Services.

Senator Howe introduced—

S.F. No. 2174: A bill for an act relating to the Rochester local sales tax; modifying the list of cities that share some of the revenue; amending Laws 1998, chapter 389, article 8, section 43, subdivision 3, as amended.

Referred to the Committee on Taxes.

Senator Howe introduced—

S.F. No. 2175: A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water.

Referred to the Committee on Environment and Natural Resources.

Senators Kubly and Magnus introduced—

S.F. No. 2176: A bill for an act relating to education finance; modifying sparsity revenue for a school district that has ended an academic pairing agreement; amending Minnesota Statutes 2011 Supplement, section 126C.10, subdivision 8a.

Referred to the Committee on Education.

Senators Ortman, Latz, Harrington and Higgins introduced—

S.F. No. 2177: A bill for an act relating to public safety; authorizing the expungement of criminal records for certain individuals who have received stays of adjudication or diversion; authorizing expungements without petitions in certain cases where charges were dismissed against a person upon prosecutorial approval and with victim notification; requiring persons petitioning for an expungement to provide a copy of the criminal complaint or police report; authorizing the opening of certain expunged records without a court hearing; amending Minnesota Statutes 2010, sections 609A.02, subdivision 3; 609A.03, subdivisions 2, 7; proposing coding for new law in Minnesota Statutes, chapter 609A.

Referred to the Committee on Judiciary and Public Safety.

Senators Ortman, Newman and Vandeverer introduced—

S.F. No. 2178: A bill for an act relating to metropolitan government; modifying definition of metropolitan area; amending Minnesota Statutes 2010, section 473.121, subdivision 2.

Referred to the Committee on Local Government and Elections.

Senator Kruse introduced—

S.F. No. 2179: A bill for an act relating to metropolitan government; adding duties to the Legislative Commission on Metropolitan Government; providing for fiscal year starting July 1 for the Metropolitan Council; requiring legislative approval of the council's budgets; amending Minnesota Statutes 2010, sections 3.8841, subdivisions 7, 8; 473.13, subdivision 1; 473.535.

Referred to the Committee on Local Government and Elections.

Senators Dzedzic, Eaton, Dibble, Higgins and McGuire introduced—

S.F. No. 2180: A bill for an act relating to real estate; specifying certain protections for persons entering into a contract for deed or a lease with option to buy involving residential real estate; proposing coding for new law in Minnesota Statutes, chapter 559.

Referred to the Committee on Judiciary and Public Safety.

Senators Rosen, Howe and Metzen introduced—

S.F. No. 2181: A bill for an act relating to energy; regulating the renewable development account; amending Minnesota Statutes 2010, section 116C.779, subdivision 2; Minnesota Statutes 2011 Supplement, section 116C.779, subdivision 1; repealing Laws 2003, First Special Session chapter 11, article 2, section 17.

Referred to the Committee on Energy, Utilities and Telecommunications.

Senators Hayden, Marty, Bakk, Eaton and Higgins introduced—

S.F. No. 2182: A bill for an act relating to health; requiring hospitals to develop staffing levels for direct care registered nurses; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health and Human Services.

Senator Thompson introduced—

S.F. No. 2183: A bill for an act relating to education; prohibiting the commissioner of education from enforcing unadopted rules; amending Minnesota Statutes 2010, section 127A.05, subdivision 4.

Referred to the Committee on Education.

Senators Limmer and Ortman introduced—

S.F. No. 2184: A bill for an act relating to real property; registered land; providing for registration for time share interests; amending Minnesota Statutes 2010, sections 508.58, subdivision 2, by adding subdivisions; 508.71, by adding a subdivision.

Referred to the Committee on Judiciary and Public Safety.

Senator Brown introduced—

S.F. No. 2185: A bill for an act relating to commerce; regulating industrial loan and thrift companies; amending Minnesota Statutes 2010, sections 53.01; 53.015; 53.02; 53.03; 53.04, subdivisions 1, 3a; 53.06; 53.08; 53.09, subdivision 1.

Referred to the Committee on Commerce and Consumer Protection.

Senator Gerlach introduced—

S.F. No. 2186: A bill for an act relating to liquor; authorizing purchase in special circumstances; amending Minnesota Statutes 2010, section 340A.301, subdivision 6a.

Referred to the Committee on Commerce and Consumer Protection.

Senators Koch, Brown, Benson, Howe and Rosen introduced—

S.F. No. 2187: A resolution memorializing the President and Congress to enact legislation and take other federal government action related to interim storage of used nuclear fuel.

Referred to the Committee on Energy, Utilities and Telecommunications.

Senator Rosen introduced—

S.F. No. 2188: A bill for an act relating to human services; creating a chemical health navigation program; limiting residential chemical dependency treatment; requiring a report; amending Minnesota Statutes 2010, sections 254B.03, subdivision 1; 254B.04, subdivision 1; 256B.69, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 254B.

Referred to the Committee on Health and Human Services.

Senators Nelson, Miller, Senjem and Sieben introduced—

S.F. No. 2189: A bill for an act relating to education finance; expanding permissible fund transfers; amending Minnesota Statutes 2010, section 123B.79, subdivision 1; repealing Minnesota Statutes 2010, section 123B.79, subdivision 8.

Referred to the Committee on Education.

Senator Chamberlain introduced—

S.F. No. 2190: A bill for an act relating to state government; changing provisions for data practices; amending Minnesota Statutes 2010, sections 13.02, subdivisions 6, 8, 10, 16, 19; 13.03, subdivisions 2, 3, 4; 13.04, subdivision 4; 13.05, subdivision 7, by adding subdivisions; 13.09; 13.32, subdivision 6; 13.37, subdivision 1; 13.3805, subdivision 1; 13.3806, subdivisions 1a, 5; 13.384, subdivision 2; 13.386, subdivision 1; 13.39, by adding a subdivision; 13.43, subdivisions 1, 2, 3, 5a, 8, 9, 11, 14, 15, 16, 17; 13.46, subdivisions 1, 2, 3, 4, 7; 13.587; 13.591, subdivision 4; 13.601, subdivision 3; 13.69, subdivision 1; 13.719, subdivision 1; 13.7932; 13.82, subdivisions 2, 7, 17, 26, 27, by adding a subdivision; 13.822, subdivision 1; 13.89, subdivisions 1, 2; 13D.015, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 2010, section 13.05, subdivisions 1, 2, 8; Minnesota Rules, part 1205.0700.

Referred to the Committee on Judiciary and Public Safety.

Senator Chamberlain introduced—

S.F. No. 2191: A bill for an act relating to unemployment insurance; local government; limiting eligibility for unemployment benefits for certain seasonal municipal workers; amending Minnesota Statutes 2010, section 268.085, by adding a subdivision.

Referred to the Committee on Jobs and Economic Growth.

Senators Chamberlain and Daley introduced—

S.F. No. 2192: A bill for an act relating to governmental financial reporting; requiring the Minnesota Management and Budget Department to report on the adequacy of budgeted and forecasted defined benefit retirement plan contributions; proposing coding for new law in Minnesota Statutes, chapter 16A.

Referred to the Committee on Finance.

Senator Chamberlain introduced—

S.F. No. 2193: A bill for an act relating to retirement; statewide and major local Minnesota defined benefit retirement plans; limiting contribution rate reductions or benefit improvements in certain instances; requiring funding recommendations from plan administrators in certain instances; amending Minnesota Statutes 2010, sections 352.03, by adding a subdivision; 352.04, subdivisions 2, 3; 352.045, subdivision 3; 352.85, subdivision 3; 352.86, subdivision 7; 352.87, subdivision 7; 352.92, subdivisions 1, 2; 352B.02, subdivisions 1a, 1c; 352B.03, by adding a subdivision; 353.03, by adding a subdivision; 353.27, subdivisions 2, 3, 3a, 3b; 353E.03; 354.06,

by adding a subdivision; 354.42, subdivisions 2, 3, 4b; 354A.021, by adding a subdivision; 354A.12, subdivisions 1, 2a; 490.122, by adding a subdivision; 490.123, subdivisions 1a, 1b; Minnesota Statutes 2011 Supplement, section 353.65, subdivisions 2, 3; proposing coding for new law in Minnesota Statutes, chapter 356.

Referred to the Committee on State Government Innovation and Veterans.

Senators Saxhaug and Skoe introduced—

S.F. No. 2194: A bill for an act relating to capital investment; appropriating money for the Wheeler's Point community sanitary sewer collection and treatment system; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senators Saxhaug, Rosen and Bakk introduced—

S.F. No. 2195: A bill for an act relating to health; authorizing the licensure of physicians to dispense drugs in pharmacies located in health professional shortage areas; amending Minnesota Statutes 2010, section 151.01, by adding subdivisions; Minnesota Statutes 2011 Supplement, section 151.19, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Senators Saxhaug, Cohen and Kelash introduced—

S.F. No. 2196: A bill for an act relating to capital investment; appropriating money for electric fish barriers; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Robling introduced—

S.F. No. 2197: A bill for an act relating to public safety; creating advisory task force to study fire protection and first responder services.

Referred to the Committee on State Government Innovation and Veterans.

Senators Howe and Pappas introduced—

S.F. No. 2198: A bill for an act relating to liquor; permitting certain purchase and use of bulk wine; amending Minnesota Statutes 2010, section 340A.315, by adding a subdivision.

Referred to the Committee on Commerce and Consumer Protection.

Senators Howe and Pappas introduced—

S.F. No. 2199: A bill for an act relating to liquor; authorizing wine festivals to offer limited off-sales of wine by the bottle; amending Minnesota Statutes 2011 Supplement, section 340A.404, subdivision 5a.

Referred to the Committee on Commerce and Consumer Protection.

Senators Robling, Ortman, DeKruif, Hall and Gimse introduced—

S.F. No. 2200: A bill for an act relating to transportation; appropriating money for local bridge; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senators Olson, Stumpf, Bonoff and Chamberlain introduced—

S.F. No. 2201: A bill for an act relating to education; providing for the creation of individualized learning schools; modifying certain site-governed school, postsecondary enrollment options, and charter school provisions; amending Minnesota Statutes 2010, sections 120B.024; 123B.045, subdivision 3; 124D.09, subdivisions 9, 12, 13, 24, 25; 135A.101, subdivision 1; Minnesota Statutes 2011 Supplement, sections 124D.09, subdivision 5; 124D.10, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 124D; repealing Minnesota Statutes 2010, section 124D.09, subdivision 23.

Referred to the Committee on Education.

Senators Nelson and Gimse introduced—

S.F. No. 2202: A bill for an act relating to motor vehicles; amending and clarifying requirements governing titling and license plates for pioneer vehicles; amending Minnesota Statutes 2010, sections 168.10, subdivision 1a; 168A.01, subdivision 16, by adding a subdivision; 168A.04, subdivision 5, by adding a subdivision; 168A.05, subdivision 3; 168A.09, by adding a subdivision; 168A.15, subdivision 2.

Referred to the Committee on Transportation.

Senators Rosen and Hann introduced—

S.F. No. 2203: A bill for an act relating to human services; modifying nursing facility Medicare certification; amending Minnesota Statutes 2010, sections 256B.434, subdivision 10; 256B.48, by adding a subdivision; repealing Minnesota Statutes 2010, section 256B.48, subdivision 6.

Referred to the Committee on Health and Human Services.

Senators Rosen and Hann introduced—

S.F. No. 2204: A bill for an act relating to human services; creating critical access nursing facility designation; appropriating money; amending Minnesota Statutes 2010, section 256B.441, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Senator Jungbauer introduced—

S.F. No. 2205: A bill for an act relating to judiciary; amending certain provisions regarding the Board on Judicial Standards; creating a code of judicial conduct; amending Minnesota Statutes 2010, sections 490A.01; 490A.02; proposing coding for new law in Minnesota Statutes, chapter 490A.

Referred to the Committee on Judiciary and Public Safety.

MOTIONS AND RESOLUTIONS

Senator Magnus moved that his name be stricken as chief author and the name of Senator Koch be added as chief author to S.F. No. 396. The motion prevailed.

Senator Bakk moved that the name of Senator Scheid be stricken as chief author and the name of Senator Dziejczak be added as chief author to S.F. No. 1361. The motion prevailed.

Senator Rosen moved that the name of Senator Ingebrigtsen be added as a co-author to S.F. No. 1441. The motion prevailed.

Senator Sparks moved that the name of Senator Sheran be added as a co-author to S.F. No. 1452. The motion prevailed.

Senator DeKruif moved that the name of Senator Reinert be added as a co-author to S.F. No. 1698. The motion prevailed.

Senator Gimse moved that the name of Senator Reinert be added as a co-author to S.F. No. 1762. The motion prevailed.

Senator DeKruif moved that the name of Senator Sheran be added as a co-author to S.F. No. 1791. The motion prevailed.

Senator Benson moved that the name of Senator Carlson be added as a co-author to S.F. No. 1906. The motion prevailed.

Senator Dahms moved that the name of Senator Newman be added as a co-author to S.F. No. 1934. The motion prevailed.

Senator Rosen moved that the name of Senator Sheran be added as a co-author to S.F. No. 1952. The motion prevailed.

Senator Hoffman moved that her name be stricken as a co-author to S.F. No. 1966. The motion prevailed.

Senator Michel moved that the name of Senator Pederson be added as a co-author to S.F. No. 2082. The motion prevailed.

Senator Chamberlain moved that the name of Senator Hall be added as a co-author to S.F. No. 2127. The motion prevailed.

Senator Senjem moved that the name of Senator Howe be added as a co-author to S.F. No. 2129. The motion prevailed.

Senator Howe moved that S.F. No. 962 be withdrawn from the Committee on Taxes and re-referred to the Committee on Energy, Utilities and Telecommunications. The motion prevailed.

Senator Howe moved that S.F. No. 2039 be withdrawn from the Committee on Environment and Natural Resources and returned to its author. The motion prevailed.

Senator Saxhaug moved that S.F. No. 2077 be withdrawn from the Committee on Local Government and Elections and re-referred to the Committee on Taxes. The motion prevailed.

Senator Sparks introduced –

Senate Resolution No. 131: A Senate resolution honoring Curt Broughten and Tom Johnson for emergency response.

Referred to the Committee on Rules and Administration.

SPECIAL ORDERS

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

S.F. Nos. 1599 and 1656.

SPECIAL ORDER

S.F. No. 1599: A bill for an act relating to veterans affairs; permitting a preference for private employers to hire and promote veterans; permitting a preference for private employers to hire and promote the spouse of a disabled or deceased veteran; proposing coding for new law in Minnesota Statutes, chapter 197.

Senator Wiger moved to amend S.F. No. 1599 as follows:

Page 1, line 7, delete "PERMISSIVE"

Page 1, line 9, delete "permitted" and insert "required" and delete "may" and insert "must"

Page 1, line 12, delete "may" and insert "must"

Amend the title as follows:

Page 1, lines 2 and 3, delete "permitting" and insert "requiring"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 45, as follows:

Those who voted in the affirmative were:

Bakk	Eaton	Higgins	Pappas	Stumpf
Cohen	Goodwin	Kelash	Saxhaug	Tomassoni
Dibble	Harrington	Langseth	Sheran	Torres Ray
Dziedzic	Hayden	Metzen	Skoe	Wiger

Those who voted in the negative were:

Benson	Gazelka	Koch	Michel	Reinert
Bonoff	Gerlach	Kruse	Miller	Rest
Brown	Gimse	Latz	Nelson	Robling
Carlson	Hall	Lillie	Newman	Rosen
Chamberlain	Hann	Limmer	Nienow	Senjem
Dahms	Hoffman	Lourey	Olson	Sieben
Daley	Howe	Magnus	Ortman	Thompson
DeKruif	Ingebrigtsen	Marty	Parry	Vanderveer
Fischbach	Jungbauer	McGuire	Pederson	Wolf

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

Senator Dibble moved to amend S.F. No. 1599 as follows:

Page 1, before line 7, insert:

"Section 1. [181.646] DISCRIMINATION AGAINST UNEMPLOYED INDIVIDUALS PROHIBITED.

Subdivision 1. **Definition.** As used in this section, "employer" means a person who employs another to perform a service for hire. Employer includes any agent, representative, or designee of an employer who, for money or other valuable consideration paid or promised to be paid, performs any recruiting.

Subd. 2. **General prohibition.** It shall be unlawful for an employer to discriminate against an individual based on unemployment status by:

- (1) refusing to consider or refusing to offer employment based on that status; or
- (2) directing or requesting an employment agency to take into account unemployment status when screening or referring applicants for employment.

Subd. 3. **Advertisements.** It shall be unlawful for an employer to publish in print or post electronically an employment advertisement that includes any of the following:

- (1) a provision stating or suggesting that current employment is a job qualification;
- (2) a provision stating or suggesting that an application from a job applicant who is currently unemployed will not be reviewed and the applicant will not be considered for an interview or be hired; or
- (3) a provision stating or suggesting that only applications for employment from applicants who are currently employed will be considered or reviewed.

Subd. 4. **Exceptions.** This section does not prohibit:

- (1) granting a preference in employment decisions to current employees of the employer; or
- (2) requiring previous experience that is relevant to the employment.

Subd. 5. **Penalty.** An employer that violates this section is subject to a civil penalty of not more than \$5,000 for the first violation and not more than \$10,000 for each subsequent violation."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Limmer questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Senator Dibble appealed the decision of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 37 and nays 28, as follows:

Those who voted in the affirmative were:

Benson	Gazelka	Jungbauer	Nelson	Rosen
Brown	Gerlach	Koch	Newman	Senjem
Carlson	Gimse	Kruse	Nienow	Thompson
Chamberlain	Hall	Lillie	Olson	Vandever
Dahms	Hann	Limmer	Ortman	Wolf
Daley	Hoffman	Magnus	Parry	
DeKruif	Howe	Michel	Pederson	
Fischbach	Ingebrigtsen	Miller	Robling	

Those who voted in the negative were:

Bakk	Goodwin	Latz	Reinert	Stumpf
Bonoff	Harrington	Lourey	Rest	Tomassoni
Cohen	Hayden	Marty	Saxhaug	Torres Ray
Dibble	Higgins	McGuire	Sheran	Wiger
Dziedzic	Kelash	Metzen	Sieben	
Eaton	Langseth	Pappas	Skoe	

So the decision of the President was sustained.

S.F. No. 1599 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 65 and nays 0, 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	Langseth	Nienow	Sieben
Chamberlain	Hall	Latz	Olson	Skoe
Cohen	Hann	Lillie	Ortman	Stumpf
Dahms	Harrington	Limmer	Pappas	Thompson
Daley	Hayden	Lourey	Parry	Tomassoni
DeKruif	Higgins	Magnus	Pederson	Torres Ray
Dibble	Hoffman	Marty	Reinert	Vandever
Dziedzic	Howe	McGuire	Rest	Wiger
Eaton	Ingebrigtsen	Metzen	Robling	Wolf

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1656: A bill for an act relating to education; requiring the legislature to authorize

any cyclical revisions of academic standards and high school graduation requirements; amending Minnesota Statutes 2011 Supplement, section 120B.023, subdivision 2.

S.F. No. 1656 was read the third time.

RECONSIDERATION

Senator Higgins moved that third reading of S.F. No. 1656 be now reconsidered. The motion prevailed.

Senator Higgins moved to amend S.F. No. 1656 as follows:

Page 1, line 15, delete "only"

Page 1, line 16, after "rule" insert "only"

The motion prevailed. So the amendment was adopted.

S.F. No. 1656 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 39 and nays 26, as follows:

Those who voted in the affirmative were:

Benson	Gazelka	Ingebrigtsen	Miller	Robling
Brown	Gerlach	Jungbauer	Nelson	Rosen
Carlson	Gimse	Koch	Newman	Senjem
Chamberlain	Hall	Kruse	Nienow	Thompson
Dahms	Hann	Lillie	Olson	Vanderveer
Daley	Harrington	Limmer	Ortman	Wiger
DeKruif	Hoffman	Magnus	Parry	Wolf
Fischbach	Howe	Michel	Pederson	

Those who voted in the negative were:

Bakk	Goodwin	Lourey	Rest	Tomassoni
Bonoff	Hayden	Marty	Saxhaug	Torres Ray
Cohen	Higgins	McGuire	Sheran	
Dibble	Kelash	Metzen	Sieben	
Dziedzic	Langseth	Pappas	Skoe	
Eaton	Latz	Reinert	Stumpf	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Thompson moved that S.F. No. 1240 be taken from the table. The motion prevailed.

S.F. No. 1240: A bill for an act relating to public safety; making changes to the DWI, off-highway vehicle, drive-by shooting, designated offense, and controlled substance forfeiture laws to provide more uniformity; raising the monetary cap on the value of certain property forfeitures that may be adjudicated in conciliation court; prohibiting forfeited property from being sold to prosecuting authorities or persons related to prosecuting authorities; clarifying the

general criminal code forfeiture law, necessity of conviction, and burden of proof; amending Minnesota Statutes 2010, sections 84.7741, subdivisions 2, 3, 4, 8, 9, 10, by adding a subdivision; 169A.63, subdivisions 2, 3, 4, 8, 9, 10, by adding a subdivision; 491A.01, subdivision 3; 609.531, subdivisions 1, 6a; 609.5314, subdivision 2; 609.5315, subdivisions 1, 5, 5a, 5b; 609.5318, subdivisions 2, 3; Minnesota Statutes 2011 Supplement, section 609.5314, subdivision 3.

CONCURRENCE AND REPASSAGE

Senator Thompson moved that the Senate concur in the amendments by the House to S.F. No. 1240 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1240 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 65 and nays 0, 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	Langseth	Nienow	Sieben
Chamberlain	Hall	Latz	Olson	Skoe
Cohen	Hann	Lillie	Ortman	Stumpf
Dahms	Harrington	Limmer	Pappas	Thompson
Daley	Hayden	Lourey	Parry	Tomassoni
DeKruif	Higgins	Magnus	Pederson	Torres Ray
Dibble	Hoffman	Marty	Reinert	Vandev eer
Dziedzic	Howe	McGuire	Rest	Wiger
Eaton	Ingebrigtsen	Metzen	Robling	Wolf

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

MEMBERS EXCUSED

Senators Kubly and Sparks were excused from the Session of today.

ADJOURNMENT

Senator Senjem moved that the Senate do now adjourn until 12:00 noon, Monday, March 5, 2012. The motion prevailed.

Cal R. Ludeman, Secretary of the Senate

