ONE HUNDRED FOURTH DAY

St. Paul, Minnesota, Thursday, May 13, 2010

The Senate met at 1:00 p.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Pastor Mike Haseltine.

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

Anderson	Erickson Ropes	Koch
Bakk	Fischbach	Koering
Berglin	Fobbe	Kubly
Betzold	Foley	Langseth
Bonoff	Frederickson	Latz
Carlson	Gerlach	Limmer
Chaudhary	Gimse	Lourey
Clark	Hann	Lynch
Cohen	Higgins	Marty
Dahle	Ingebrigtsen	Metzen
Dibble	Johnson	Michel
Dille	Jungbauer	Moua
Dille	Jungbauer	Moua
Doll	Kelash	Murphy

Olseen Olson, M. Ortman Pappas Parry Pogemiller Prettner Solon Rest Robling Rosen Rummel Saltzman Saxhaug

Senjem Sheran Sieben Skogen Sparks Stumpf Tomassoni Torres Ray Vandeveer Vickerman Wiger

Scheid

The President declared a quorum present.

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

MESSAGES FROM THE HOUSE

Mr. President:

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

S.F. No. 2879: A bill for an act relating to insurance; modifying provisions related to the Minnesota Comprehensive Health Association; amending Minnesota Statutes 2008, sections 62E.11, subdivision 11; 62E.12.

Senate File No. 2879 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 12, 2010

CONCURRENCE AND REPASSAGE

Senator Sparks moved that the Senate concur in the amendments by the House to S.F. No. 2879 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2879 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 2725: A bill for an act relating to public safety; establishing a certification process for multijurisdictional gang and drug task forces; regulating law enforcement criminal gang investigative databases; classifying data received from law enforcement agencies in other states; changing membership of a council; delineating uses of data in the comprehensive incident-based reporting system; restricting the acquisition of cell phone tracking devices; amending Minnesota Statutes 2008, sections 13.82, by adding a subdivision; 299A.641; 299C.091, subdivision 4; 299C.40, subdivision 2; 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 13; 626; 626A.

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

Paymar, Hilstrom, Lesch, Champion and Holberg.

Senate File No. 2725 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 12, 2010

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

S.F. No. 3361: A bill for an act relating to real property transfers; prohibiting private transfer fees; proposing coding for new law in Minnesota Statutes, chapter 513.

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

Jackson, Hilstrom and Kiffmeyer.

Senate File No. 3361 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 12, 2010

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 3275, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 3275: A bill for an act relating to state government; appropriating money from constitutionally dedicated funds; modifying certain statutory provisions and laws for environment, natural resources, outdoor heritage, and energy; modifying fees, accounts, disposition of certain receipts, and audit requirements; providing for certain registration, training, and licensing exemptions; modifying outdoor recreation and recreational vehicle provisions; modifying the Water Law; regulating public utilities; modifying and establishing programs; requiring studies and reports; modifying and requiring the transfer of appropriations; appropriating money; amending Minnesota Statutes 2008, sections 3.8851, subdivision 7; 3.9741, by adding a subdivision; 84.025, subdivision 9; 84.027, subdivision 15; 84.0856; 84.0857; 84.415, by adding a subdivision; 84.777, subdivision 2; 84.788, subdivision 2; 84.798, subdivision 2; 84.82, subdivisions 3, 6, by adding a subdivision; 84.8205, subdivision 1; 84.92, subdivisions 9, 10; 84.922, subdivision 5, by adding a subdivision; 84.925, subdivision 1; 84.9256, subdivision 1; 84.928, subdivision 5; 84D.10, by adding a subdivision; 84D.13, subdivision 5; 85.015, subdivision 14; 85.052, subdivision 4; 85.22, subdivision 5; 85.32, subdivision 1; 85.41, subdivision 3; 85.42; 85.43; 85.46, as amended; 86B.301, subdivision 2; 86B.501, by adding a subdivision; 88.17, subdivisions 1, 3; 88.79, subdivision 2; 89.17; 90.041, by adding a subdivision; 90.121; 90.14; 97A.056, subdivision 5, by adding subdivisions; 97B.665, subdivision 2; 103A.305; 103B.702, by adding a subdivision;

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103G.271, subdivision 3; 103G.285, subdivision 5; 103G.301, subdivision 6; 103G.305, subdivision 2; 103G.315, subdivision 11; 103G.515, subdivision 5; 103G.615, subdivision 2; 115.55, by adding a subdivision; 116.07, subdivisions 4, 4h; 116C.779, subdivision 1; 116D.04, subdivision 2a, by adding a subdivision; 116J.437, subdivision 1; 216B.16, subdivisions 14, 15; 216B.2401; 216B.62, by adding a subdivision; 290.431; 290.432; 326B.106, subdivision 12; 473.1565, subdivision 2; Minnesota Statutes 2009 Supplement, sections 84.415, subdivision 6; 84.793, subdivision 1; 84.922, subdivision 1a; 84.9275, subdivision 1; 84.928, subdivision 1; 85.015, subdivision 13; 85.053, subdivision 10; 85.53, subdivision 2, by adding a subdivision; 86A.09, subdivision 1; 97A.056, subdivision 3; 103G.201; 114D.50, by adding a subdivision; 129D.17, subdivision 2; Laws 1981, chapter 222, sections 1; 2; 3; 4, subdivision 2; Laws 2009, chapter 37, article 2, section 13; Laws 2009, chapter 138, article 2, section 4; Laws 2009, chapter 172, article 2, section 4; article 5, sections 8; 10; Laws 2010, chapter 215, article 3, section 4, subdivision 10; proposing coding for new law in Minnesota Statutes, chapters 103A; 103G; 116C; 216B; 383B; repealing Minnesota Statutes 2008, sections 90.172; 97B.665, subdivision 1; 103G.295; 103G.650; Minnesota Statutes 2009 Supplement, sections 3.3006; 84.02, subdivisions 4a, 6a, 6b; 88.795; Laws 1981, chapter 222, section 7; Laws 2009, chapter 172, article 5, section 9.

Senate File No. 3275 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 12, 2010

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 2227.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted May 12, 2010

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 2227: A bill for an act relating to local government; establishing Minnesota Innovation and Research Council; imposing powers and duties of council; appropriating money; amending Minnesota Statutes 2008, section 3.971, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 465; repealing Minnesota Statutes 2008, section 6.80.

Senator Pogemiller moved that H.F. No. 2227 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

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

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

H.F. No. 3834 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL	ORDERS	CONSENT (CALENDAR	CALE	NDAR
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3834	3409				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 3834 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 3834; and insert the language after the enacting clause of S.F. No. 3409, the first engrossment; further, delete the title of H.F. No. 3834; and insert the title of S.F. No. 3409, the first engrossment.

And when so amended H.F. No. 3834 will be identical to S.F. No. 3409, and further recommends that H.F. No. 3834 be given its second reading and substituted for S.F. No. 3409, and that the Senate File be indefinitely postponed.

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

SECOND READING OF HOUSE BILLS

H.F. No. 3834 was read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Olseen introduced-

S.F. No. 3417: A bill for an act relating to municipal water services; establishing powers, requirements, and procedures for residential water service by municipal utilities; amending Minnesota Statutes 2008, sections 116A.22; 435.193; 444.075, subdivision 3e; 456.33; 504B.215, subdivision 3; proposing coding for new law as Minnesota Statutes, chapter 444A.

Referred to the Committee on Environment and Natural Resources.

Senators Dibble, Pappas, Latz, Lourey and Marty introduced-

S.F. No. 3418: A bill for an act relating to human services; establishing a proposal to provide grants to organizations providing care coordination services to medical assistance recipients with HIV or who are at risk of contracting HIV; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256B.

Referred to the Committee on Finance.

MOTIONS AND RESOLUTIONS

Senator Saxhaug moved that the name of Senator Ingebrigtsen be added as a co-author to S.F. No. 2785. The motion prevailed.

Senator Wiger moved that the name of Senator Vandeveer be added as a co-author to S.F. No. 3412. The motion prevailed.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Senator Pogemiller moved that the Senate take up the Calendar and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

CALENDAR

S.F. No. 3063: A bill for an act relating to education finance; permitting fund transfers for certain school districts; limiting a levy; adjusting the alternative facilities bonding and levy program to eliminate aid for certain districts; allowing Independent School District No. 284, Wayzata, and Independent School District No. 2134, United South Central, to participate in alternative facilities bonding and levy program in fiscal year 2013 and later; amending Minnesota Statutes 2008, section 126C.40, subdivision 1; Laws 1999, chapter 241, article 4, section 25.

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 60 and nays 5, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2598: A bill for an act relating to education; clarifying legislative intent; modifying

provisions related to nonpublic schools, home schools, and charter schools; adding language to the collaborative urban educator appropriation; requiring reports; appropriating money; amending Minnesota Statutes 2008, sections 120A.22, subdivision 11; 120A.24; 121A.15, subdivision 8; 123B.42, subdivision 1; 123B.44, subdivision 1; 127A.45, by adding a subdivision; 171.05, subdivision 2; 171.17, subdivision 1; 171.22, subdivision 1; 181A.05, subdivision 1; Laws 2009, chapter 96, article 2, section 67, subdivision 14; repealing Minnesota Statutes 2008, section 120A.26, subdivisions 1, 2.

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:

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

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 3046 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 3046

A bill for an act relating to energy; providing for large solar energy electric generation demonstration conservation improvement project; amending Minnesota Statutes 2008, section 216B.241, by adding a subdivision.

May 12, 2010

The Honorable James P. Metzen President of the Senate

The Honorable Margaret Anderson Kelliher Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 3046 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 3046 be further amended as follows:

11634

Delete everything after the enacting clause and insert:

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

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

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

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

(b) A cooperative electric association may elect to count all of its purchases of electric energy from a project toward only one of the following:

(1) its energy-savings goal under subdivision 1c; or

(2) its energy objective or standard under section 216B.1691.

(c) A cooperative electric association may include in its conservation plan purchases of electric energy from a project. The cost-effectiveness of project purchases may be determined by a different standard than for other energy conservation improvements under this section if the commissioner determines that doing so is in the public interest in order to encourage solar energy. The kilowatt hours of solar energy purchased by a cooperative electric association from a project may count for up to 33 percent of its one percent savings goal under subdivision 1c or up to 22 percent of its 1.5 percent savings goal under that section. Expenditures made by a cooperative association for the purchase of energy from a project may not be used to meet the revenue expenditure requirements of subdivisions 1a and 1b.

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

Delete the title and insert:

"A bill for an act relating to energy; providing for large solar energy electric generation demonstration conservation improvement project; amending Minnesota Statutes 2008, section 216B.241, by adding a subdivision."

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

Senate Conferees: Dan Sparks, Yvonne Prettner Solon, David Senjem

House Conferees: Andy Welti, Bill Hilty, Randy Demmer

Senator Sparks moved that the foregoing recommendations and Conference Committee Report on S.F. No. 3046 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 3046 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 863 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 863

A bill for an act relating to data practices; classifying government data; modifying provisions governing temporary classifications and personnel data; amending business screening services provisions; amending Minnesota Statutes 2008, sections 13.05, subdivision 4, by adding a subdivision; 13.06, subdivisions 1, 3, 4, 5, 7, by adding subdivisions; 13.43, subdivisions 1, 2, by adding subdivisions; 13.64; 13.643, by adding a subdivision; 13.7931, by adding a subdivision; 13.87, by adding a subdivision; 13.871, by adding a subdivision; 13D.05, subdivision 3; 16B.97, by adding a subdivision; 125A.21, subdivision 5; 270B.14, subdivision 16; 299C.156, subdivision 5; 332.70, subdivisions 1, 2, 3, 4; proposing coding for new law in Minnesota Statutes, chapters 13; 84; repealing Minnesota Statutes 2008, section 13.06, subdivision 2; Minnesota Rules, part 1205.1800.

May 12, 2010

The Honorable James P. Metzen President of the Senate

The Honorable Margaret Anderson Kelliher Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 863 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 863 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

GENERAL PROVISIONS

Section 1. Minnesota Statutes 2008, section 13.05, subdivision 4, is amended to read:

Subd. 4. **Limitations on collection and use of data.** Private or confidential data on an individual shall not be collected, stored, used, or disseminated by government entities for any purposes other than those stated to the individual at the time of collection in accordance with section 13.04, except as provided in this subdivision.

(a) Data collected prior to August 1, 1975, and which have not been treated as public data, may be used, stored, and disseminated for the purposes for which the data was originally collected or for purposes which are specifically approved by the commissioner as necessary to public health, safety, or welfare.

(b) Private or confidential data may be used and disseminated to individuals or entities specifically authorized access to that data by state, local, or federal law enacted or promulgated after the collection of the data.

(c) Private or confidential data may be used and disseminated to individuals or entities subsequent to the collection of the data when the responsible authority maintaining the data has requested approval for a new or different use or dissemination of the data and that request has been specifically approved by the commissioner as necessary to carry out a function assigned by law.

(d) Private data may be used by and disseminated to any person or entity if the individual subject or subjects of the data have given their informed consent. Whether a data subject has given informed consent shall be determined by rules of the commissioner. The format for informed consent is as follows, unless otherwise prescribed by the HIPAA, Standards for Privacy of Individually Identifiable Health Information, 65 Fed. Reg. 82, 461 (2000) (to be codified as Code of Federal Regulations, title 45, section 164): informed consent shall not be deemed to have been given by an individual subject of the data by the signing of any statement authorizing any person or entity to disclose information about the individual to an insurer or its authorized representative, unless the statement is:

(1) in plain language;

(2) dated;

(3) specific in designating the particular persons or agencies the data subject is authorizing to disclose information about the data subject;

(4) specific as to the nature of the information the subject is authorizing to be disclosed;

(5) specific as to the persons or entities to whom the subject is authorizing information to be disclosed;

(6) specific as to the purpose or purposes for which the information may be used by any of the parties named in clause (5), both at the time of the disclosure and at any time in the future;

(7) specific as to its expiration date which should be within a reasonable period of time, not to exceed one year except in the case of authorizations given in connection with applications for (i)

life insurance or noncancelable or guaranteed renewable health insurance and identified as such, two years after the date of the policy or (ii) medical assistance under chapter 256B or MinnesotaCare under chapter 256L, which shall be ongoing during all terms of eligibility, for individual education plan health-related services provided by a school district under section 125A.21, subdivision 2.

The responsible authority may require a person requesting copies of data under this paragraph to pay the actual costs of making, and certifying, and compiling the copies.

(e) Private or confidential data on an individual may be discussed at a meeting open to the public to the extent provided in section 13D.05.

Sec. 2. Minnesota Statutes 2008, section 13.05, is amended by adding a subdivision to read:

Subd. 4a. **Informed consent for insurance purposes.** Informed consent for insurance purposes must comply with this subdivision, unless otherwise prescribed by the HIPAA Standards for Privacy of Individually Identifiable Health Information, Code of Federal Regulations, title 45, section 164. Informed consent for insurance purposes is not considered to have been given by an individual subject of data by the signing of a statement authorizing a government entity to disclose information about the individual to an insurer or its authorized representative, unless the statement is:

(1) in plain language;

(2) dated;

(3) specific in designating the government entity the data subject is authorizing to disclose information about the data subject;

(4) specific as to the nature of the information the data subject is authorizing to be disclosed;

(5) specific as to the persons to whom the data subject is authorizing information to be disclosed;

(6) specific as to the purpose or purposes for which the information may be used by any of the persons named in clause (5), both at the time of the disclosure and at any time in the future; and

(7) specific as to its expiration date, which must be within a reasonable period of time, not to exceed one year.

Notwithstanding clause (7), in the case of authorizations given in connection with applications for life insurance or noncancelable or guaranteed renewable health insurance that is so identified, the expiration date must not exceed two years after the date of the policy. An authorization in connection with medical assistance under chapter 256B or MinnesotaCare under chapter 256L or for individual education plan health-related services provided by a school district under section 125A.21, subdivision 2, is valid during all terms of eligibility.

Sec. 3. Minnesota Statutes 2008, section 13.43, subdivision 1, is amended to read:

Subdivision 1. **Definition.** As used in this section, "personnel data" means <u>government</u> data on individuals <u>collected</u> <u>maintained</u> because the individual is or was an employee of or an applicant for employment by, performs services on a voluntary basis for, or acts as an independent contractor with a government entity. Personnel data includes data submitted by an employee to a government entity as part of an organized self-evaluation effort by the government entity to request suggestions from all employees on ways to cut costs, make government more efficient, or improve the operation of government. An employee who is identified in a suggestion shall have access to all data in the suggestion except the identity of the employee making the suggestion.

Sec. 4. Minnesota Statutes 2008, section 13.43, subdivision 2, is amended to read:

Subd. 2. **Public data.** (a) Except for employees described in subdivision 5 and subject to the limitations described in subdivision 5a, the following personnel data on current and former employees, volunteers, and independent contractors of a government entity is public:

(1) name; employee identification number, which must not be the employee's Social Security number; actual gross salary; salary range; terms and conditions of employment relationship; contract fees; actual gross pension; the value and nature of employer paid fringe benefits; and the basis for and the amount of any added remuneration, including expense reimbursement, in addition to salary;

(2) job title and bargaining unit; job description; education and training background; and previous work experience;

(3) date of first and last employment;

(4) the existence and status of any complaints or charges against the employee, regardless of whether the complaint or charge resulted in a disciplinary action;

(5) the final disposition of any disciplinary action together with the specific reasons for the action and data documenting the basis of the action, excluding data that would identify confidential sources who are employees of the public body;

(6) the terms of any agreement settling any dispute arising out of an employment relationship, including a buyout agreement as defined in section 123B.143, subdivision 2, paragraph (a); except that the agreement must include specific reasons for the agreement if it involves the payment of more than \$10,000 of public money;

(7) work location; a work telephone number; badge number; work-related continuing education; and honors and awards received; and

(8) payroll time sheets or other comparable data that are only used to account for employee's work time for payroll purposes, except to the extent that release of time sheet data would reveal the employee's reasons for the use of sick or other medical leave or other not public data.

(b) For purposes of this subdivision, a final disposition occurs when the government entity makes its final decision about the disciplinary action, regardless of the possibility of any later proceedings or court proceedings. In the case of arbitration proceedings arising under collective bargaining agreements, a final disposition occurs at the conclusion of the arbitration proceedings, or upon the failure of the employee to elect arbitration within the time provided by the collective bargaining agreement. Final disposition includes a resignation by an individual when the resignation occurs after the final decision of the government entity, or arbitrator. In the case of arbitration proceedings arising under collective bargaining agreements, a final disposition occurs at the conclusion of the arbitration proceedings, or upon the failure of the employee to elect arbitration within the time provided by the collective bargaining agreement. A disciplinary action does not become public data if an arbitrator sustains a grievance and reverses all aspects of any disciplinary action.

(c) The government entity may display a photograph of a current or former employee to a

prospective witness as part of the government entity's investigation of any complaint or charge against the employee.

(d) A complainant has access to a statement provided by the complainant to a government entity in connection with a complaint or charge against an employee.

(e) Notwithstanding paragraph (a), clause (5), upon completion of an investigation of a complaint or charge against a public official, or if a public official resigns or is terminated from employment while the complaint or charge is pending, all data relating to the complaint or charge are public, unless access to the data would jeopardize an active investigation or reveal confidential sources. For purposes of this paragraph, "public official" means:

(1) the head of a state agency and deputy and assistant state agency heads;

(2) members of boards or commissions required by law to be appointed by the governor or other elective officers; and

(3) executive or administrative heads of departments, bureaus, divisions, or institutions within state government.

Sec. 5. Minnesota Statutes 2009 Supplement, section 13.64, is amended to read:

13.64 **DEPARTMENT OF ADMINISTRATION;** MANAGEMENT AND BUDGET DATA.

Subdivision 1. **Department of Management and Budget.** (a) Notes and preliminary drafts of reports created, collected, or maintained by the Management Analysis Division, Department of Management and Budget, and prepared during management studies, audits, reviews, consultations, or investigations are classified as confidential or protected nonpublic data until the final report has been published or preparation of the report is no longer being actively pursued.

(b) Data that support the conclusions of the report and that the commissioner of management and budget reasonably believes will result in litigation are confidential or protected nonpublic until the litigation has been completed or until the litigation is no longer being actively pursued.

(c) Data on individuals that could reasonably be used to determine the identity of an individual supplying data for a report are private if:

(1) the data supplied by the individual were needed for a report; and

(2) the data would not have been provided to the Management Analysis Division without an assurance to the individual that the individual's identity would remain private, or the Management Analysis Division reasonably believes that the individual would not have provided the data.

Subd. 2. **Department of Administration.** Security features of building plans, building specifications, and building drawings of state-owned facilities and nonstate-owned facilities leased by the state are classified as nonpublic data when maintained by the Department of Administration and may be shared with anyone as needed to perform duties of the commissioner.

Sec. 6. Minnesota Statutes 2008, section 13.792, is amended to read:

13.792 PRIVATE DONOR GIFT DATA.

The following data maintained by the Minnesota Zoological Garden, the University of Minnesota, the Minnesota State Colleges and Universities, the Regional Parks Foundation of the Twin Cities, State Services for the Blind, and any related entity subject to chapter 13 are classified as private or nonpublic:

(1) research information about prospects and donors gathered to aid in determining appropriateness of solicitation and level of gift request;

(2) specific data in prospect lists that would identify prospects to be solicited, dollar amounts to be requested, and name of solicitor;

(3) portions of solicitation letters and proposals that identify the prospect being solicited and the dollar amount being requested;

(4) letters, pledge cards, and other responses received from donors regarding prospective gifts in response to solicitations;

(5) portions of thank-you letters and other gift acknowledgment communications that would identify the name of the donor and the specific amount of the gift, pledge, or pledge payment;

(6) donor financial or estate planning information, or portions of memoranda, letters, or other documents commenting on any donor's financial circumstances; and

(7) data detailing dates of gifts, payment schedule of gifts, form of gifts, and specific gift amounts made by donors.

Names of donors and gift ranges are public data.

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

Sec. 7. Minnesota Statutes 2008, section 13.87, is amended by adding a subdivision to read:

Subd. 5. Parole and probation authority access to records. Parole and county probation authorities may access data identified in subdivision 2 on an applicant or permit holder who is subject to the supervision of that parole or county probation authority.

Sec. 8. Minnesota Statutes 2008, section 13D.05, subdivision 3, is amended to read:

Subd. 3. What meetings may be closed. (a) A public body may close a meeting to evaluate the performance of an individual who is subject to its authority. The public body shall identify the individual to be evaluated prior to closing a meeting. At its next open meeting, the public body shall summarize its conclusions regarding the evaluation. A meeting must be open at the request of the individual who is the subject of the meeting.

(b) Meetings may be closed if the closure is expressly authorized by statute or permitted by the attorney-client privilege.

(c) A public body may close a meeting:

(1) to determine the asking price for real or personal property to be sold by the government entity;

(2) to review confidential or protected nonpublic appraisal data under section 13.44, subdivision

3; and

(3) to develop or consider offers or counteroffers for the purchase or sale of real or personal property.

Before holding a closed meeting under this paragraph, the public body must identify on the record the particular real or personal property that is the subject of the closed meeting. The proceedings of a meeting closed under this paragraph must be tape recorded at the expense of the public body. The recording must be preserved for eight years after the date of the meeting and made available to the public after all real or personal property discussed at the meeting has been purchased or sold or the governing body has abandoned the purchase or sale. The real or personal property that is the subject of the closed meeting must be specifically identified on the tape. A list of members and all other persons present at the closed meeting must be made available to the public after the closed meeting. If an action is brought claiming that public business other than discussions allowed under this paragraph was transacted at a closed meeting held under this paragraph during the time when the tape is not available to the public, section 13D.03, subdivision 3, applies.

An agreement reached that is based on an offer considered at a closed meeting is contingent on approval of the public body at an open meeting. The actual purchase or sale must be approved at an open meeting after the notice period required by statute or the governing body's internal procedures, and the purchase price or sale price is public data.

(d) Meetings may be closed to receive security briefings and reports, to discuss issues related to security systems, to discuss emergency response procedures and to discuss security deficiencies in or recommendations regarding public services, infrastructure and facilities, if disclosure of the information discussed would pose a danger to public safety or compromise security procedures or responses. Financial issues related to security matters must be discussed and all related financial decisions must be made at an open meeting. Before closing a meeting under this paragraph, the public body, in describing the subject to be discussed, must refer to the facilities, systems, procedures, services, or infrastructures to be considered during the closed meeting. A closed meeting must be tape recorded at the expense of the governing body, and the recording must be preserved for at least four years.

Sec. 9. Minnesota Statutes 2008, section 16B.97, is amended by adding a subdivision to read:

Subd. 5. **Data classification.** Data maintained by the commissioner that identify a person providing comments to the commissioner under subdivision 4, paragraph (a), clauses (6) and (7), are private and nonpublic data but may be shared with the executive agency that is the subject of the comments.

Sec. 10. Minnesota Statutes 2008, section 125A.21, subdivision 5, is amended to read:

Subd. 5. **Informed consent.** When obtaining informed consent, consistent with sections 13.05, subdivision 4, paragraph (d) 4a; and 256B.77, subdivision 2, paragraph (p), to bill health plans for covered services, the school district must notify the legal representative (1) that the cost of the person's private health insurance premium may increase due to providing the covered service in the school setting, (2) that the school district may pay certain enrollee health plan costs, including but not limited to, co-payments, coinsurance, deductibles, premium increases or other enrollee cost-sharing amounts for health and related services required by an individual service plan, or individual family service plan, and (3) that the school's billing for each type of covered service may affect service

limits and prior authorization thresholds. The informed consent may be revoked in writing at any time by the person authorizing the billing of the health plan.

Sec. 11. Minnesota Statutes 2008, section 179A.04, subdivision 3, is amended to read:

Subd. 3. Other duties. (a) The commissioner shall:

(1) provide mediation services as requested by the parties until the parties reach agreement, and may continue to assist parties after they have submitted their final positions for interest arbitration;

(2) issue notices, subpoenas, and orders required by law to carry out duties under sections 179A.01 to 179A.25;

(3) assist the parties in formulating petitions, notices, and other papers required to be filed with the commissioner;

(4) conduct elections;

(5) certify the final results of any election or other voting procedure conducted under sections 179A.01 to 179A.25;

(6) adopt rules relating to the administration of this chapter and the conduct of hearings and elections;

(7) receive, catalogue, file, and make available to the public all decisions of arbitrators and panels authorized by sections 179A.01 to 179A.25, all grievance arbitration decisions to the extent the decision is public under section 13.43, subdivision 2, paragraph (b), and the commissioner's orders and decisions;

(8) adopt, subject to chapter 14, a grievance procedure that fulfills the purposes of section 179A.20, subdivision 4, that is available to any employee in a unit not covered by a contractual grievance procedure;

(9) maintain a schedule of state employee classifications or positions assigned to each unit established in section 179A.10, subdivision 2;

(10) collect fees established by rule for empanelment of persons on the labor arbitrator roster maintained by the commissioner or in conjunction with fair share fee challenges. Arbitrator application fees will be \$100 per year for initial applications and renewals effective July 1, 2007;

(11) provide technical support and assistance to voluntary joint labor-management committees established for the purpose of improving relationships between exclusive representatives and employers, at the discretion of the commissioner;

(12) provide to the parties a list of arbitrators as required by section 179A.16, subdivision 4; and

(13) maintain a list of up to 60 arbitrators for referral to employers and exclusive representatives for the resolution of grievance or interest disputes. Each person on the list must be knowledgeable about collective bargaining and labor relations in the public sector, well versed in state and federal labor law, and experienced in and knowledgeable about labor arbitration. To the extent practicable, the commissioner shall appoint members to the list so that the list is gender and racially diverse.

(b) From the names provided by representative organizations, the commissioner shall maintain a

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list of arbitrators to conduct teacher discharge or termination hearings according to section 122A.40 or 122A.41. The persons on the list must meet at least one of the following requirements:

(1) be a former or retired judge;

- (2) be a qualified arbitrator on the list maintained by the bureau;
- (3) be a present, former, or retired administrative law judge; or

(4) be a neutral individual who is learned in the law and admitted to practice in Minnesota, who is qualified by experience to conduct these hearings, and who is without bias to either party.

Each year, education Minnesota shall provide a list of up to 14 names and the Minnesota School Boards Association a list of up to 14 names of persons to be on the list. The commissioner may adopt rules about maintaining and updating the list.

on or after that date. <u>EFFECTIVE DATE.</u> This section is effective August 1, 2010, and applies to decisions issued

Sec. 12. REPEALER.

(a) Minnesota Statutes 2008, section 13.06, subdivision 2, is repealed.

(b) Minnesota Rules, part 1205.1800, is repealed.

ARTICLE 2

TEMPORARY CLASSIFICATIONS

Section 1. Minnesota Statutes 2008, section 13.06, subdivision 1, is amended to read:

Subdivision 1. **Application to commissioner.** (a) Notwithstanding the provisions of section 13.03, the responsible authority of a government entity may apply to the commissioner for permission to classify data or types of data on individuals as private or confidential, or data not on individuals as nonpublic or protected nonpublic, for its own use and for the use of other similar government entities on a temporary basis until a proposed statute can be acted upon by the legislature. The application for temporary classification is public.

(b) Upon the filing receipt by the commissioner of an application for temporary classification, the data which is the subject of the application shall be deemed to be classified as set forth in the application for a period of 45 days, or until the application is disapproved, rejected, or granted by the commissioner, whichever is earlier.

(c) If the commissioner determines that an application has been submitted for purposes not consistent with this section, the commissioner may immediately reject the application, give notice of that rejection to the applicant, and return the application. When the applicant receives the notice of rejection from the commissioner, the data which was the subject of the application shall have the classification it had before the application was submitted to the commissioner.

Sec. 2. Minnesota Statutes 2008, section 13.06, subdivision 3, is amended to read:

Subd. 3. **Contents of application for nonpublic or nonpublic protected data. An application for temporary classification of government data not on individuals shall include and the applicant**

shall have the burden of clearly establishing that no statute currently exists which either allows or forbids classification as <u>nonpublic or protected nonpublic</u> not public; and <u>either</u> one or more of the following:

(1) that data similar to that for which the temporary classification is sought has have been treated classified as nonpublic or protected nonpublic not public by other government entities, and by the public; or

(2) public access to the data would render unworkable a program authorized by law; or.

(3) The applicant must also clearly establish that a compelling need exists for immediate temporary classification, which if not granted could adversely affect the health, safety or welfare of the public, or the data subject's well-being or reputation.

Sec. 3. Minnesota Statutes 2008, section 13.06, subdivision 4, is amended to read:

Subd. 4. Procedure when classification affects others. If the commissioner determines that an application for temporary classification involves data which would reasonably be classified in the same manner by all government entities similar to the one which made the application, the commissioner may approve or disapprove the classification for data of the kind which is the subject of the application for the use of all government entities similar to the applicant. If requested in the application, the commissioner may also determine that the data classification affects similar government entities. On deeming this approach advisable, the commissioner shall provide notice of the proposed action by publication in the State Register within ten 15 days of receiving the application. Within 30 days after publication in the State Register an affected government entity or the public may submit comments on the commissioner's proposal application. The commissioner shall consider any comments received when granting or denying a classification for data of the kind which is the subject of the application, for the use of all government entities similar to the applicant. Within 45 days after the close of the period for submitting comment, the commissioner shall grant or disapprove the application. Applications processed under this subdivision shall be either approved or disapproved by the commissioner within 90 days of the receipt of the application. For purposes of subdivision 1, the data which is the subject of the classification shall be deemed to be classified as set forth in the application for a period of 90 days, or until the application is disapproved or granted by the commissioner, whichever is earlier. If requested in the application, or determined to be necessary by the commissioner, the data in the application shall be so classified for all government entities similar to the applicant until the application is disapproved or granted by the commissioner, whichever is earlier. Proceedings after the grant or disapproval shall be governed by the provisions of subdivision 5.

Sec. 4. Minnesota Statutes 2008, section 13.06, is amended by adding a subdivision to read:

Subd. 4a. **Withdrawal of application.** Except when an application is processed under subdivision 4, an application may be withdrawn by the responsible authority prior to the commissioner granting or disapproving the temporary classification. The responsible authority shall notify the commissioner in writing of the entity's intent to withdraw the application. The written withdrawal must state the reason the temporary classification is no longer necessary and must be signed by the responsible authority.

Sec. 5. Minnesota Statutes 2008, section 13.06, subdivision 5, is amended to read:

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Subd. 5. Determination. (a) The commissioner shall either grant or disapprove the application for temporary classification within 45 days after it is filed received by the commissioner. On disapproving an application, the commissioner shall set forth in detail reasons for the disapproval, and shall include a statement of belief as to what classification is appropriate for the data which is the subject of the application. Twenty days after the date of the responsible authority receives the commissioner's disapproval of an application, the data which is the subject of the application shall become public data, unless the responsible authority submits an amended application for temporary classification which requests the classification deemed appropriate by the commissioner in the statement of disapproval or which sets forth additional information relating to the original proposed classification. Upon the filing of an amended application, the data which is the subject of the amended application shall be deemed to be classified as set forth in the amended application for a period of 20 days or until the amended application is granted or disapproved by the commissioner, whichever is earlier. The commissioner shall either grant or disapprove the amended application within 20 days after it is filed. Five working days after the date of the responsible authority receives the commissioner's disapproval of the amended application, the data which is the subject of the application shall become public data. No more than one amended application may be submitted for any single file or system.

(b) If the commissioner grants an application for temporary classification <u>under this section</u>, it shall become effective immediately, and the complete record relating to the application shall be submitted to the attorney general, who shall review the classification as to form and legality. Within 25 days after receipt of the record, the attorney general shall approve the classification, disapprove a classification as confidential or protected nonpublic but approve a classification as private or nonpublic, or disapprove the classification. If the attorney general disapproves a classification, the data which is the subject of the classification shall become public data five working days after the date of the attorney general's disapproval.

Sec. 6. Minnesota Statutes 2008, section 13.06, is amended by adding a subdivision to read:

Subd. 6a. **Data use and dissemination.** During the period of the temporary classification, a responsible authority may request approval from the commissioner for a new or different use or dissemination of the data as provided in section 13.05, subdivision 4, for any data temporarily classified under this section.

Sec. 7. Minnesota Statutes 2008, section 13.06, subdivision 7, is amended to read:

Subd. 7. Legislative consideration of temporary classifications; expiration. On or before January 15 of each year, the commissioner shall submit all temporary classifications in effect on January 1 in bill form to the legislature. The temporary classification expires June August 1 of the year following its submission to the legislature."

Delete the title and insert:

"A bill for an act relating to data practices; classifying government data; requiring informed consent; amending definitions; allowing disclosure of certain data; authorizing access to certain records; making technical changes; modifying provisions governing temporary classifications and personnel data; amending Minnesota Statutes 2008, sections 13.05, subdivision 4, by adding a subdivision; 13.06, subdivisions 1, 3, 4, 5, 7, by adding subdivisions; 13.43, subdivisions 1, 2; 13.792; 13.87, by adding a subdivision; 13D.05, subdivision 3; 16B.97, by adding a subdivision; 125A.21, subdivision 5; 179A.04, subdivision 3; Minnesota Statutes 2009 Supplement, section

13.64; repealing Minnesota Statutes 2008, section 13.06, subdivision 2; Minnesota Rules, part 1205.1800."

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

Senate Conferees: Mary Olson, Warren Limmer, Mee Moua

House Conferees: Joe Mullery, Sheldon Johnson, Mary Liz Holberg

Senator Olson, M. moved that the foregoing recommendations and Conference Committee Report on S.F. No. 863 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 863 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

Olson, M.

Pogemiller

Prettner Solon

Ortman

Pappas

Parry

Rest Robling

Rosen

Rummel

Saltzman

Saxhaug Scheid Senjem

Sheran

Sieben

Skogen

Sparks

Stumpf

Tomassoni

Torres Ray

Vandeveer

Vickerman Wiger

Skoe

The roll was called, and there were yeas 64 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Koering
Bakk	Fischbach	Kubly
Berglin	Fobbe	Langseth
Betzold	Foley	Latz
Bonoff	Frederickson	Limmer
Carlson	Gerlach	Lourey
Chaudhary	Gimse	Lynch
Clark	Hann	Marty
Cohen	Ingebrigtsen	Metzen
Dahle	Johnson	Michel
Dibble	Jungbauer	Moua
Dille	Kelash	Murphy
Doll	Koch	Olseen

Those who voted in the negative were:

Higgins

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 184 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 184

A bill for an act relating to higher education; authorizing data matching; modifying institution eligibility; establishing award procedures; establishing scholarship priorities; establishing powers and duties; modifying security requirements; regulating the use of certain revenues; providing for refunds; defining terms; making technical corrections; amending Minnesota Statutes 2008, sections 136A.101, subdivision 10; 136A.126, subdivision 1, by adding a subdivision; 136A.127, subdivision 6, by adding subdivisions; 136A.15, subdivision 6; 136A.16, subdivision 14; 136A.62, subdivision

3; 136A.645; 136A.646; 136A.65, by adding a subdivision; 136F.581, by adding a subdivision; 141.25, subdivisions 7, 13, by adding a subdivision; 141.251, subdivision 2; 141.28, subdivision 2; Minnesota Statutes 2009 Supplement, sections 136A.01, subdivision 2; 136A.101, subdivision 4; 136A.127, subdivisions 2, 4; 299A.45, subdivision 1; 340A.404, subdivision 4a; Laws 2009, chapter 95, article 2, section 40; Laws 2010, chapter 215, article 2, sections 4, subdivision 3; 6; proposing coding for new law in Minnesota Statutes, chapters 136A; 137.

May 12, 2010

The Honorable James P. Metzen President of the Senate

The Honorable Margaret Anderson Kelliher Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 184 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 184 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 135A.15, subdivision 1, is amended to read:

Subdivision 1. **Policy required.** The Board of Trustees of the Minnesota State Colleges and Universities shall, and the University of Minnesota is requested to, adopt a clear, understandable written policy on sexual harassment and sexual violence that informs victims of their rights under the crime victims bill of rights, including the right to assistance from the Crime Victims Reparations Board and the commissioner of public safety. The policy must apply to students and employees and must provide information about their rights and duties. The policy must apply to criminal incidents occurring on property owned by the postsecondary system or institution in which the victim is a student or employee of that system or institution. It must include procedures for reporting incidents of sexual harassment or sexual violence and for disciplinary actions against violators. During student registration, each technical college, community college, or state university shall, and the University of Minnesota is requested to, provide each student with information regarding its policy. A copy of the policy also shall be posted at appropriate locations on campus at all times. Each private postsecondary institution that is an eligible institution as defined in section 136A.101, subdivision 4 136A.155, must adopt a policy that meets the requirements of this section.

Sec. 2. Minnesota Statutes 2008, section 135A.155, is amended to read:

135A.155 HAZING POLICY.

The Board of Trustees of the Minnesota State Colleges and Universities shall, and the University of Minnesota is requested to, adopt a clear, understandable written policy on student conduct, including hazing. The policy must include procedures for reporting incidents of inappropriate hazing and for disciplinary actions against individual violators and organizations. The policy shall be made available to students by appropriate means as determined by each institution, which may include publication in a student handbook or other institutional publication, or posting by electronic display on the Internet, and shall be posted at appropriate locations on campus. A private postsecondary institution that is an eligible institution as defined in section 136A.101, subdivision

4 136A.155, must adopt a policy that meets the requirements of this section.

Sec. 3. Minnesota Statutes 2008, section 135A.51, subdivision 2, is amended to read:

Subd. 2. **Senior citizen.** "Senior citizen" means a person who has reached 62 <u>66</u> years of age before the beginning of any term, semester or quarter, in which a course of study is pursued, or a person receiving a railroad retirement annuity who has reached 60 years of age before the beginning of the term.

Sec. 4. Minnesota Statutes 2009 Supplement, section 136A.01, subdivision 2, is amended to read:

Subd. 2. Responsibilities. (a) The Minnesota Office of Higher Education is responsible for:

(1) necessary state level administration of financial aid programs, including accounting, auditing, and disbursing state and federal financial aid funds, and reporting on financial aid programs to the governor and the legislature;

(2) approval, registration, licensing, and financial aid eligibility of private collegiate and career schools, under sections 136A.61 to 136A.71 and chapter 141;

(3) negotiating and administering reciprocity agreements;

(4) publishing and distributing financial aid information and materials, and other information and materials under section 136A.87, to students and parents;

(5) collecting and maintaining student enrollment and financial aid data and reporting data on students and postsecondary institutions to develop and implement a process to measure and report on the effectiveness of postsecondary institutions;

(6) administering the federal programs that affect students and institutions on a statewide basis; and

(7) prescribing policies, procedures, and rules under chapter 14 necessary to administer the programs under its supervision.

(b) The office may match individual student data from the student record enrollment database with individual student financial aid data collected and maintained by the office in order to audit or evaluate federal or state supported education programs as permitted by United States Code, title 20, section 1232g(b)(3), and Code of Federal Regulations, title 34, section 99.35. The office shall not release data that personally identifies parents or students other than to employees and contractors of the office.

Sec. 5. Minnesota Statutes 2009 Supplement, section 136A.101, subdivision 4, is amended to read:

Subd. 4. Eligible institution. "Eligible institution" means a postsecondary educational institution located in this state or in a state with which the office has entered into a higher education reciprocity agreement on state student aid programs that (1) is operated by this state or the Board of Regents of the University of Minnesota, or (2) is operated privately and, as determined by the office, meets all of the following: (i) maintains academic standards substantially equivalent to those of comparable institutions operated in this state; (ii) is licensed or registered as a postsecondary

institution by the office or another state agency; and (iii) by July 1, 2013, is participating in the federal Pell-Grant program under Title IV of the Higher Education Act of 1965, as amended an institution that meets the eligibility requirements under section 136A.103.

Sec. 6. Minnesota Statutes 2008, section 136A.101, subdivision 10, is amended to read:

Subd. 10. **Satisfactory academic progress.** "Satisfactory academic progress" means that: satisfactory academic progress as defined under Code of Federal Regulations, title 34, sections 668.16(e), 668.32(f), and 668.34.

(1) by the end of a student's second academic year of attendance at an institution, the student has at least a cumulative grade point average of C or its equivalent, or academic standing consistent with the institution's graduation requirements; and

(2) by the end of the first term of the third and fourth academic year of attendance, the student has a cumulative grade point average of at least a C or its equivalent.

Sec. 7. [136A.103] INSTITUTION ELIGIBILITY REQUIREMENTS.

(a) A postsecondary institution is eligible for state student aid under chapter 136A and sections 197.791 and 299A.45, if the institution is located in this state and:

(1) is operated by this state or the Board of Regents of the University of Minnesota; or

(2) is operated privately and, as determined by the office, meets the requirements of paragraph (b).

(b) A private institution must:

(1) maintain academic standards substantially equivalent to those of comparable institutions operated in this state;

(2) be licensed or registered as a postsecondary institution by the office; and

(3)(i) by July 1, 2010, participate in the federal Pell Grant program under Title IV of the Higher Education Act of 1965, Public Law 89-329, as amended; or

(ii) if an institution was participating in state student aid programs as of June 30, 2010, and the institution did not participate in the federal Pell Grant program by June 30, 2010, the institution must require every student who enrolls to sign a disclosure form, provided by the office, stating that the institution is not participating in the federal Pell Grant program.

(c) An institution that offers only graduate-level degrees or graduate-level nondegree programs, or that offers only degrees or programs that do not meet the required minimum program length to participate in the federal Pell Grant program, is an eligible institution if the institution is licensed or registered as a postsecondary institution by the office.

(d) An eligible institution under paragraph (b), clause (3), item (ii), that changes ownership as defined in section 136A.63, subdivision 2, must participate in the federal Pell Grant program within four calendar years of the first ownership change to continue eligibility.

(e) An institution that loses its eligibility for the federal Pell Grant program is not an eligible institution.

Sec. 8. Minnesota Statutes 2008, section 136A.126, subdivision 1, is amended to read:

Subdivision 1. **Student eligibility.** The director of the Office of Higher Education shall establish procedures for the distribution of scholarships to a Minnesota resident student as defined under section 136A.101, subdivision 8, who:

(1) is of one-fourth or more Indian ancestry;

(2) has applied for other existing state and federal scholarship and grant programs;

(3) is meeting satisfactory academic progress as defined under section 136A.101, subdivision 10;

(4) is not in default, as defined by the office, of a federal or state student educational loan;

(5) if enrolled in an undergraduate program, is eligible or would be eligible to receive a federal Pell Grant or a state grant based on the federal needs analysis and is enrolled for nine semester credits per term or more, or the equivalent;

(4) (6) if enrolled in a graduate program, demonstrates a remaining financial need in the award amount calculation and is enrolled, per term, on a half-time basis or more as defined by the postsecondary institution; and

(5) (7) in the opinion of the director of the Office of Higher Education, based upon postsecondary institution recommendations, has the capabilities to benefit from further education.

Sec. 9. Minnesota Statutes 2008, section 136A.126, is amended by adding a subdivision to read:

Subd. 5. Awarding procedure. (a) Awards must be made on a first-come, first-served basis in the order complete applications are received. If there are multiple applications with identical completion dates, those applications are further sorted by application receipt date.

(b) Awards are made to eligible students until the appropriation is expended.

(c) Applicants not receiving a grant and for whom the office has received a completed application are placed on a waiting list in order of application completion date.

Sec. 10. Minnesota Statutes 2009 Supplement, section 136A.127, subdivision 2, is amended to read:

Subd. 2. **Definition; qualifying program.** For the purposes of this section, a "qualifying program" means a rigorous secondary school program of study defined for Minnesota high school graduates recognized by the Department of Education under agreement with the Secretary of Education for the purposes of determining eligibility for the federal Academic Competitiveness Grant Program under Title IV of the Higher Education Act of 1965, as amended on August 14, 2008. If a qualifying program includes a foreign language requirement, the foreign language requirement is waived for a student whose first language is not English and who attains English language proficiency.

Sec. 11. Minnesota Statutes 2009 Supplement, section 136A.127, subdivision 4, is amended to read:

Subd. 4. Student eligibility. To be eligible to receive a scholarship under this section, in addition

to the requirements listed under section 136A.121, a student must:

(1) submit a Free Application for Federal Student Aid (FAFSA);

(2) complete a qualifying program in a high school or in a home-school setting under section 120A.22, graduate from a Minnesota high school, and graduate with an unweighted grade point average of 2.5 or higher;

(3) qualify for a federal Pell Grant or state grant under section 136A.121;

(4) be a United States citizen or eligible noncitizen, as defined in section 484 of the Higher Education Act, United States Code, title 20, sections 1091 et seq., as amended, and Code of Federal Regulations, title 34, section 668.33;

(5) meet satisfactory academic progress as defined under section 136A.101, subdivision 10;

(6) be a Minnesota resident, as defined in section 136A.101, subdivision 8; and

(6) (7) enroll full-time in a degree, diploma, or certificate program during the academic year immediately following high school graduation at an eligible institution as defined under section 136A.101, subdivision 4.

Sec. 12. Minnesota Statutes 2008, section 136A.15, subdivision 6, is amended to read:

Subd. 6. Eligible institution. "Eligible institution" means a postsecondary educational institution that (1) is operated or regulated by this state or the Board of Regents of the University of Minnesota; (2) is operated publicly or privately in another state, is approved by the United States Secretary of Education, and, as determined by the office, maintains academic standards substantially equal to those of comparable institutions operated in this state; (3) is licensed or registered as a postsecondary institution by the office or another state agency; and (4) by July 1, 2011, is participating in the federal Pell Grant program under Title IV of the Higher Education Act of 1965, as amended. It also includes any institution chartered in a province an institution that meets the eligibility requirements under section 136A.155.

Sec. 13. [136A.155] ADDITIONAL INSTITUTION ELIGIBILITY REQUIREMENTS.

A postsecondary institution is an eligible institution for purposes of sections 136A.15 to 136A.1702, if the institution:

(1) meets the eligibility requirements under section 136A.103; or

(2) is operated publicly or privately in another state, is approved by the United States Secretary of Education, and, as determined by the office, maintains academic standards substantially equal to those of comparable institutions operated in this state.

Sec. 14. Minnesota Statutes 2008, section 136A.16, subdivision 14, is amended to read:

Subd. 14. **Notes.** The office may sell at public or private sale, at the price or prices determined by the office, any note or other instrument or obligation evidencing or securing a loan made by the office or its predecessor, <u>including</u> the Minnesota Higher Education Coordinating Board and the Minnesota Higher Education Services Office.

Sec. 15. Minnesota Statutes 2008, section 136A.62, subdivision 3, is amended to read:

Subd. 3. School. "School" means:

(1) any partnership, company, firm, society, trust, association, corporation, or any combination thereof, which (i) is, owns, or operates a private, nonprofit postsecondary education institution; (ii) is, owns, or operates a private, for-profit postsecondary education institution; or (iii) provides a postsecondary instructional program or course leading to a degree whether or not for profit;

(2) any public or private postsecondary educational institution located in another state or country which offers or makes available to a Minnesota resident any course, program or educational activity which does not require the leaving of the state for its completion; or

(3) any individual, entity, or postsecondary institution located in another state that contracts with any school located within the state of Minnesota for the purpose of providing educational programs, training programs, or awarding postsecondary credits or continuing education credits to Minnesota residents that may be applied to a degree program.

Sec. 16. Minnesota Statutes 2008, section 136A.645, is amended to read:

136A.645 SCHOOL CLOSURE.

(a) When a school decides to cease postsecondary education operations, it must cooperate with the office in assisting students to find alternative means to complete their studies with a minimum of disruption, and inform the office of the following:

(1) the planned date for termination of postsecondary education operations;

(2) the planned date for the transfer of the student records;

(3) confirmation of the name and address of the organization to receive and hold the student records; and

(4) the official at the organization receiving the student records who is designated to provide official copies of records or transcripts upon request.

(b) Upon notice from a school of its intention to cease operations, the office shall notify the school of the date on which it must cease the enrollment of students and all postsecondary educational operations.

Without limitation as to other circumstance, a school shall be deemed to have ceased operations when the school:

(1) has an unscheduled nonemergency closure or cancellation of classes for more than 24 hours without prior notice to the office;

(2) announces it is closed or closing; or

(3) files for bankruptcy.

Sec. 17. Minnesota Statutes 2008, section 136A.646, is amended to read:

136A.646 ADDITIONAL SECURITY.

(a) In the event any registered institution is notified by the United States Department of Education that it has fallen below minimum financial standards and that its continued participation in Title IV

will be conditioned upon its satisfying either the Zone Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (f), or a Letter of Credit Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (c), the institution shall provide a surety bond conditioned upon the faithful performance of all contracts and agreements with students in a sum equal to the "letter of credit" required by the United States Department of Education in the Letter of Credit Alternative, but in no event shall such bond be less than \$10,000 nor more than \$250,000.

(b) In lieu of a bond, the applicant may deposit with the commissioner of management and budget:

(1) a sum equal to the amount of the required surety bond in cash; or

(2) securities, as may be legally purchased by savings banks or for trust funds, in an aggregate market value equal to the amount of the required surety bond.

Sec. 18. Minnesota Statutes 2008, section 136F.581, is amended by adding a subdivision to read:

Subd. 5. Food products grown in state. Colleges and universities must make a reasonable attempt to identify and purchase food products that are grown within the state.

Sec. 19. Minnesota Statutes 2008, section 141.25, is amended by adding a subdivision to read:

Subd. 2a. **Refunds.** If a contract is deemed unenforceable under subdivision 2, a school must refund tuition, fees, and other charges received from a student or on behalf of a student within 30 days of receiving written notification and demand for refund from the Minnesota Office of Higher Education.

Sec. 20. Minnesota Statutes 2008, section 141.25, subdivision 7, is amended to read:

Subd. 7. Minimum standards. A license shall be issued if the office first determines:

(1) that the applicant has a sound financial condition with sufficient resources available to:

(i) meet the school's financial obligations;

(ii) refund all tuition and other charges, within a reasonable period of time, in the event of dissolution of the school or in the event of any justifiable claims for refund against the school by the student body;

(iii) provide adequate service to its students and prospective students; and

(iv) maintain and support the school;

(2) that the applicant has satisfactory facilities with sufficient tools and equipment and the necessary number of work stations to prepare adequately the students currently enrolled, and those proposed to be enrolled;

(3) that the applicant employs a sufficient number of qualified teaching personnel to provide the educational programs contemplated;

(4) that the school has an organizational framework with administrative and instructional personnel to provide the programs and services it intends to offer;

(5) that the premises and conditions under which the students work and study are sanitary,

healthful, and safe, according to modern standards;

(6) that the quality and content of each occupational course or program of study provides education and adequate preparation to enrolled students for entry level positions in the occupation for which prepared;

(7) that the living quarters which are owned, maintained, recommended, or approved by the applicant for students are sanitary and safe;

(8) that the contract or enrollment agreement used by the school complies with the provisions in section 141.265;

(9) that contracts and agreements do not contain a wage assignment provision or a confession of judgment clause; and

(10) that there has been no adjudication of fraud or misrepresentation in any criminal, civil, or administrative proceeding in any jurisdiction against the school or its owner, officers, agents, or sponsoring organization.

Sec. 21. Minnesota Statutes 2008, section 141.25, subdivision 13, is amended to read:

Subd. 13. Schools licensed by another state agency or board. A school required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in its name or licensed for the purpose of participating in state financial aid under chapter 136A, and which is also licensed by another state agency or board shall be required to satisfy only the requirements of subdivisions 3, clauses (1), (2), (3), (5), (7), and (10); 4; 5, paragraph (b), clause (2); 7, clauses (1) and (10); 8; 9, clause (13); and 12.

Sec. 22. Minnesota Statutes 2008, section 141.251, subdivision 2, is amended to read:

Subd. 2. **Conditions.** The office shall adopt rules establishing the conditions for renewal of a license. The conditions shall permit two levels of renewal based on the record of the school. A school that has demonstrated the quality of its program and operation through longevity and performance in the state may renew its license based on a relaxed standard of scrutiny. A school that has been in operation in Minnesota for a limited period of time or that has not performed adequately on performance indicators shall renew its license based on a strict standard of scrutiny. The office shall specify minimum longevity standards and performance indicators that must be met before a school may be permitted to operate under the relaxed standard of scrutiny. The performance indicators used in this determination shall include, but not be limited to: degree granting status, regional or national accreditation, loan default rates, placement rate of graduates, student withdrawal rates, audit results, student complaints, and school status with the United States Department of Education. Schools that meet the requirements established in rule shall be required to submit a full relicensure report once every four years, and in the interim years will be exempt from the requirements of section 141.25, subdivision 3, clauses (4), (5), and (8), and Minnesota Rules, parts 4880.1700, subpart 6; and 4880.2100, subpart 4.

Sec. 23. Minnesota Statutes 2008, section 141.28, subdivision 2, is amended to read:

Subd. 2. Unlawful designation. No school organized after November 15, 1969, shall apply to itself either as a part of its name or in any other manner the designation of "college" or "university" unless such school applies for and receives certification from the office that it meets appropriate

standards and is entitled to such designation. Operating schools now using such designation may continue use thereof.

Sec. 24. Minnesota Statutes 2008, section 474A.04, subdivision 6, is amended to read:

Subd. 6. Entitlement transfers. An entitlement issuer may enter into an agreement with another entitlement issuer whereby the recipient entitlement issuer issues obligations pursuant to bonding authority allocated to the original entitlement issuer under this section. An entitlement issuer may enter into an agreement with an issuer which is not an entitlement issuer whereby the recipient issuer issues qualified mortgage bonds, up to \$100,000 of which are issued pursuant to bonding authority allocated to the original entitlement issuer under this section. The agreement may be approved and executed by the mayor of the entitlement issuer with or without approval or review by the city council. Notwithstanding section 474A.091, subdivision 4, prior to December 1, the Minnesota Housing Finance Agency, Minnesota Office of Higher Education, and Minnesota Rural Finance Authority may transfer allocated bonding authority made available under this chapter to one another under an agreement by each agency and the commissioner.

Sec. 25. Minnesota Statutes 2008, section 474A.091, subdivision 3, is amended to read:

Subd. 3. Allocation procedure. (a) The commissioner shall allocate available bonding authority under this section on the Monday of every other week beginning with the first Monday in August through and on the last Monday in November. Applications for allocations must be received by the department by 4:30 p.m. on the Monday preceding the Monday on which allocations are to be made. If a Monday falls on a holiday, the allocation will be made or the applications must be received by the next business day after the holiday.

(b) Prior to October 1, only the following applications shall be awarded allocations from the unified pool. Allocations shall be awarded in the following order of priority:

(1) applications for residential rental project bonds;

(2) applications for small issue bonds for manufacturing projects; and

(3) applications for small issue bonds for agricultural development bond loan projects.

(c) On the first Monday in October through the last Monday in November, allocations shall be awarded from the unified pool in the following order of priority:

(1) applications for student loan bonds issued by or on behalf of the Minnesota Office of Higher Education;

(2) applications for mortgage bonds;

(3) applications for public facility projects funded by public facility bonds;

- (4) applications for small issue bonds for manufacturing projects;
- (5) applications for small issue bonds for agricultural development bond loan projects;
- (6) applications for residential rental project bonds;
- (7) applications for enterprise zone facility bonds;

(8) applications for governmental bonds; and

(9) applications for redevelopment bonds.

(d) If there are two or more applications for manufacturing projects from the unified pool and there is insufficient bonding authority to provide allocations for all manufacturing projects in any one allocation period, the available bonding authority shall be awarded based on the number of points awarded a project under section 474A.045 with those projects receiving the greatest number of points receiving allocation first. If two or more applications for manufacturing projects receive an equal amount of points, available bonding authority shall be awarded by lot unless otherwise agreed to by the respective issuers.

(e) If there are two or more applications for enterprise zone facility projects from the unified pool and there is insufficient bonding authority to provide allocations for all enterprise zone facility projects in any one allocation period, the available bonding authority shall be awarded based on the number of points awarded a project under section 474A.045 with those projects receiving the greatest number of points receiving allocation first. If two or more applications for enterprise zone facility projects receive an equal amount of points, available bonding authority shall be awarded by lot unless otherwise agreed to by the respective issuers.

(f) If there are two or more applications for residential rental projects from the unified pool and there is insufficient bonding authority to provide allocations for all residential rental projects in any one allocation period, the available bonding authority shall be awarded in the following order of priority: (1) projects that preserve existing federally subsidized housing; (2) projects that are not restricted to persons who are 55 years of age or older; and (3) other residential rental projects.

(g) From the first Monday in August through the last Monday in November, \$20,000,000 of bonding authority or an amount equal to the total annual amount of bonding authority allocated to the small issue pool under section 474A.03, subdivision 1, less the amount allocated to issuers from the small issue pool for that year, whichever is less, is reserved within the unified pool for small issue bonds to the extent such amounts are available within the unified pool.

(h) The total amount of allocations for mortgage bonds from the housing pool and the unified pool may not exceed:

(1) \$10,000,000 for any one city; or

(2) \$20,000,000 for any number of cities in any one county.

(i) The total amount of allocations for student loan bonds from the unified pool may not exceed \$10,000,000 \$25,000,000 per year.

(j) If there is insufficient bonding authority to fund all projects within any qualified bond category other than enterprise zone facility projects, manufacturing projects, and residential rental projects, allocations shall be awarded by lot unless otherwise agreed to by the respective issuers.

(k) If an application is rejected, the commissioner must notify the applicant and return the application deposit to the applicant within 30 days unless the applicant requests in writing that the application be resubmitted.

(1) The granting of an allocation of bonding authority under this section must be evidenced by

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issuance of a certificate of allocation.

Sec. 26. Laws 2009, chapter 95, article 2, section 40, is amended to read:

Sec. 40. TEACHER EDUCATION REPORT.

The Minnesota Office of Higher Education and Minnesota Department of Education must report to the committees of the legislature with jurisdiction over teacher education on best practices in innovative teacher education programs and teacher education research. The report must include, at a minimum, information on:

(1) teacher education preparation program curricula that will prepare prospective teachers to teach an increasingly diverse student population;

(2) opportunities for mid-career professionals employed in professions in which there is a shortage of teachers to pursue a teaching career; and

(3) enhancing the ability of teachers to use technology in the classroom.

The report must be submitted by June August 15, 2010.

Sec. 27. Laws 2010, chapter 215, article 2, section 4, subdivision 3, is amended to read:

Subd. 3. Operations and Maintenance -0-

For fiscal years 2012 and 2013, the base for operations and maintenance is \$592,792,000 \$580,802,000 each year.

Sec. 28. Laws 2010, chapter 215, article 2, section 6, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective the day following final enactment for grants made on and after July 1, 2010.

Sec. 29. STUDY OF CERTIFICATES AND DIPLOMAS; EDUCATIONAL CAREER PATH.

The Board of Trustees of Minnesota State Colleges and Universities, in conjunction with the Minnesota Chamber of Commerce, representatives of industry groups, and labor unions, shall study the program requirements for certificates and diplomas awarded by the Minnesota State Colleges and Universities to determine the feasibility of designing technical education programs to allow students to have more opportunities to earn credentials with lower credit requirements that could be combined into higher level certificates or diplomas. The study must consult with business and industry representatives as well as labor unions and faculty on the types of credentials that would be recognized for employment purposes. In addition, the study must address the feasibility of increasing the capacity to accumulate credentials in related programs into an educational career path leading to a diploma or degree. The study must also address the need for workers in other fields and take into account other job training programs provided by labor unions and business.

The board must report the study findings to the committees of the legislature with responsibility for postsecondary education finance by February 15, 2011.

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Sec. 30. STREAMLINED MINNESOTA STATE COLLEGES AND UNIVERSITIES SYSTEM OFFICE.

Notwithstanding any law or policy to the contrary, the Board of Trustees of Minnesota State Colleges and Universities shall streamline services provided through the system's central service office to reduce expenditures, better target the use of state resources, and provide services at the most appropriate and efficient level so as not to duplicate any services provided at the institutional level. These actions must be implemented so as to achieve budgetary savings and efficiencies in delivery of services and the accomplishment of the academic mission. The board must revise any board policies in a way that is consistent with the requirements of this section.

Sec. 31. POSTRETIREMENT HEALTH INSURANCE PREMIUM REIMBURSEMENT.

The Minnesota State Colleges and Universities system shall waive premium reimbursement payments including any late payment charges, fees, penalties, or interest payments imposed on overdue health insurance premium reimbursements owed by a college retiree to the college under a contractual or collective bargaining agreement providing for postretirement health insurance benefits arising from employment under a contract or collective bargaining agreement with a school district or technical college prior to July 1, 1995, and who became an employee of Minnesota State Colleges and Universities on July 1, 1995. This section applies only if the college has failed to bill the retiree for the premium reimbursement payments as required under the applicable collective bargaining or contractual agreement, or if not otherwise established, within 90 days following the date on which the premium was due.

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

Sec. 32. SURGICAL TECHNOLOGISTS PILOT PROJECT.

Subdivision 1. Surgical technologists; training and employment pilot project. The Board of Trustees of Minnesota State Colleges and Universities shall establish a pilot project to develop partnerships and training and employment opportunities for surgical technologists. The pilot project must develop partnerships between a health care facility located within 25 miles of an accredited surgical technologist program offered by a Minnesota State Colleges and Universities institution and the institution. The partnerships must promote the employment and retention of surgical technologists, working in accordance with law, regulations, including Code of Federal Regulations, title 42, section 482.51, and contract provisions, who have successfully completed an accredited educational program and who hold and maintain a certified surgical technology credential from a nationally recognized and accredited surgical technologist certifying body.

This subdivision expires June 30, 2014.

Subd. 2. **Report.** The board of trustees shall report on the pilot project under this section to the appropriate legislative chairs by January 1, 2013, with recommendations to enhance surgical technologist training and to ensure an adequate supply of surgical technologist graduates to meet the needs of facilities.

Sec. 33. PILOT PROJECT; LOCAL DEPOSIT OF RESERVES OF MINNESOTA STATE COLLEGES AND UNIVERSITIES.

Subdivision 1. Establishment. To increase the distribution of potential economic benefit of deposits of reserve funds of the institutions of Minnesota State Colleges and Universities, a

pilot project is established to transfer certain reserve deposits of selected institutions from the state treasury to a community financial institution. Notwithstanding Minnesota Statutes, section 16A.27, by January 2, 2011, the commissioner of management and budget shall transfer the specified amount of board-required reserve funds of colleges and universities selected by the board of trustees under subdivision 2, to a community financial institution designated for each of the participating colleges and universities.

Subd. 2. **Participating colleges and universities.** By August 15, 2010, colleges and universities may apply to the Board of Trustees of Minnesota State Colleges and Universities for participation in the pilot project. Each applicant must designate one or more community financial institutions for the deposit of a specified amount of board-required reserves, with the terms of the deposit for each designated community financial institution. The designated community financial institution must be located in the geographic area of a participating campus. From the applicants, the board shall select up to eight postsecondary institutions to participate in the local deposit pilot project. In making its selection, the board must consider the size of the institution's reserves and the terms offered by the designated community financial institutions. Unless there are not sufficient applicants, two-year and four-year institutions must be selected to participate in the pilot project and the majority of the selected in stitutions must be located in greater Minnesota.

By December 1, 2010, the board must notify the commissioner of management and budget of the participating colleges and universities, the deposit amount for each institution and the associated community financial institutions. The pilot project shall provide for the transfer of deposits for no more than the period January 2, 2011, to December 31, 2012.

Subd. 3. **Community financial institution.** As used in this section, "community financial institution" means a federally insured bank or credit union, chartered as a bank or credit union by the state of Minnesota or the United States, that is headquartered in Minnesota and that has no more than \$2,500,000,000 in assets.

Subd. 4. **Evaluation and report.** The commissioner of management and budget and the board of trustees shall independently evaluate the effectiveness or harm of the local deposit pilot project in increasing the use of community financial institutions and providing wider distribution of the economic benefit of the deposit of postsecondary reserves. Each evaluation must include the participating colleges, universities, and community financial institutions. The commissioner of management and budget and the board shall report on the pilot project evaluation to the appropriate committees of the legislature by February 1, 2013, with recommendations on the future implementation of the pilot project.

Sec. 34. NANOTECHNOLOGY REPORT.

By February 1, 2011, the Board of Regents of the University of Minnesota are requested to, and the Board of Trustees of the Minnesota State Colleges and Universities shall, study nanotechnology research and education and report to the committees of the legislature with responsibility for higher education, economic development, environment, and public health on the ethical issues and the principles for nanotechnology research and development and education they utilize in their institutions and nanotechnology initiatives. The report must assess ways they ensure that nanotechnology is used responsibly through standards and guidelines that protect public health and the environment and provide for occupational health and safety.

Sec. 35. FEDERAL HEALTH CARE REFORM.

The regents of the University of Minnesota are requested to direct the area health education centers to conduct public education related to the provisions of federal health care reform legislation, as enacted under the Patient Protection and Affordable Care Act, Public Law 111-148, and the Health Care and Education Reconciliation Act, Public Law 111-152, and the potential impacts of federal health care reform to Minnesota citizens, employers, and health care providers.

Sec. 36. MONITORING OF FEDERAL POSTSECONDARY TEXTBOOK DISCLOSURE LAW.

The Office of Higher Education shall monitor the implementation of the Higher Education Opportunity Act, Public Law 110-315, as it relates to disclosure of textbook pricing and other information to students. The monitoring shall be done in a manner that the office determines will allow it to determine whether students are receiving information required or encouraged to be disclosed to students under the act. The office shall report the results of its monitoring along with any recommendations for legislation to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education finance and policy by February 1, 2011.

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

Sec. 37. REDUCTION IN GRANTS FOR INSUFFICIENT APPROPRIATIONS.

In fiscal year 2011, the dollar amount reductions in state grants under Minnesota Statutes, section 136A.121, subdivision 7, may be approximately equal for the surcharge on family responsibility and the percentage increase on the assigned student responsibility. The Minnesota Office of Higher Education may reserve up to five percent of the projected demand for grant awards in fiscal year 2011 to manage uncertainty of demand based on enrollment or income changes of applicants. After reduced grant awards are made for fiscal year 2011, the office must distribute any remaining funds to increase the living and miscellaneous expenses allowance consistent with the office's distribution of surplus appropriations under Minnesota Statutes, section 136A.121, subdivision 7a; provided that if the office determines that the remaining funds are less than \$1,500,000 the office may, in lieu of increasing the allowance, transfer all of the remaining funds to the state work-study program.

Sec. 38. CREDIT TRANSFER; MINNESOTA STATE COLLEGES AND UNIVERSITIES.

(a) The Board of Trustees of the Minnesota State Colleges and Universities must develop and implement a plan to improve credit transfers within the system. At a minimum, the board must:

(1) enhance information on transferring and tracking credits;

(2) improve training for all staff involved with credit transfer;

(3) identify discrepancies in transferring and accepting credits by institutions within the system and devise methods to improve the uniform treatment of credit transfers; and

(4) require, to the extent feasible, institutional rather than student obligation to provide prompt required documentation for course equivalency determinations.

(b) The board may convene working groups of affected faculty, staff, students, and administrators representing institutions and academic and technical disciplines in the system to work on issues and barriers to credit transfer.

(c) The board must provide systemwide transfer information on the Internet that is easily accessible and maintained in a current and accurate status. Each system college and university shall post information necessary to determine the transferability of course credits on their institutional Web sites. The working groups must develop a template to be used by the colleges and universities to ensure consistency in the information available to students. The links to each institution's informational Web site shall be submitted to the office of the chancellor for publication on the MinnesotaTransfer.org Web site.

(d) The board shall report on February 15, 2011, and annually thereafter through 2014, on its activities to achieve the credit transfer goals in this section and the results of those activities. The report shall be made to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education policy and finance. The goals of this section should be fully achieved as soon as possible, but no later than the start of the 2015-2016 academic year."

Delete the title and insert:

"A bill for an act relating to higher education; authorizing data matching; modifying institution eligibility; establishing award procedures; establishing scholarship priorities; establishing powers and duties; providing for school closures; modifying security requirements; regulating the use of certain revenues; providing for refunds; modifying licensure provisions related to certain schools; providing for certain bond transfers and allocations; reducing appropriation base for MNSCU operations and maintenance; requiring MNSCU to streamline services; allowing certain postretirement health insurance premium reimbursement; allowing reserve of grant funds; establishing pilot projects; defining terms; making technical corrections; requiring studies, reports, monitoring, and public education; governing reductions in grants; providing for credit transfer improvements; amending Minnesota Statutes 2008, sections 135A.15, subdivision 1; 135A.155; 135A.51, subdivision 2: 136A.101, subdivision 10: 136A.126, subdivision 1, by adding a subdivision; 136A.15, subdivision 6; 136A.16, subdivision 14; 136A.62, subdivision 3; 136A.645; 136A.646; 136F.581, by adding a subdivision; 141.25, subdivisions 7, 13, by adding a subdivision; 141.251, subdivision 2; 141.28, subdivision 2; 474A.04, subdivision 6; 474A.091, subdivision 3; Minnesota Statutes 2009 Supplement, sections 136A.01, subdivision 2; 136A.101, subdivision 4; 136A.127, subdivisions 2, 4; Laws 2009, chapter 95, article 2, section 40; Laws 2010, chapter 215, article 2, sections 4, subdivision 3; 6; proposing coding for new law in Minnesota Statutes, chapter 136A."

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

Senate Conferees: Sandra Pappas, Claire Robling, Ron Latz

House Conferees: Tom Rukavina, Roger Reinert, Carol McFarlane

Senator Pappas moved that the foregoing recommendations and Conference Committee Report on SF. No. 184 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 184 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 62 and nays 2, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Dille Parry

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

MOTIONS AND RESOLUTIONS - CONTINUED

SUSPENSION OF RULES

Senator Pogemiller moved that the 12-hour requirement of Joint Rule 2.06 be suspended as it relates to the Conference Committee Report on S.F. No 1905. The motion prevailed.

S.F. No. 1905 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 1905

A bill for an act relating to insurance; establishing a small group market working group; requiring a report.

May 12, 2010

The Honorable James P. Metzen President of the Senate

The Honorable Margaret Anderson Kelliher Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1905 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 1905 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. SMALL GROUP HEALTH INSURANCE MARKET WORKING GROUP.
Subdivision 1. Establishment. (a) The commissioner of commerce shall convene a working group to study and report on the options available to increase rate predictability and stability for groups of 100 or fewer employees. Members of the working group shall include:

(1) two representatives from the Minnesota Council of Health Plans;

(2) two representatives from the Minnesota Association of Health Underwriters;

(3) one representative from the Insurance Federation of Minnesota;

(4) one representative from the Minnesota Chamber of Commerce;

(5) one representative from the National Federation of Independent Businesses - Minnesota;

(6) two representatives from employers whose businesses employ 50 employees or fewer;

(7) two representatives from employers whose businesses employ between 51 and 75 full-time employees;

(8) two representatives from employers whose businesses employ between 76 and 100 full-time employees;

(9) one representative from employees of businesses that employ 50 employees or fewer;

(10) one representative from employees of businesses that employ between 51 and 100 full-time employees;

(11) two senators, including one member from the majority party and one member from the minority party, appointed by the Subcommittee on Committees of the Committee on Rules and Administration of the senate;

(12) two members of the house of representatives, including one member appointed by the speaker of the house and one member appointed by the minority leader; and

(13) the commissioner of commerce or the commissioner's designee.

(b) The organizations listed in paragraph (a), clauses (1) through (5), must name their representatives to the commissioner of commerce no later than July 1, 2010. The commissioner of commerce must appoint individuals as listed in paragraph (a), clauses (6) through (10), no later than July 15, 2010. The legislative appointing authorities must appoint individuals as listed in paragraph (a), clauses (11) and (12), no later than July 15, 2010.

Subd. 2. Duties; report. (a) The working group shall conduct a study analyzing the implications of expanding the small employer market to 100 employees. Topics to be addressed in the study include, but are not limited to:

(1) analyzing implementation options in expanding the small group definition to 100 employees;

(2) underwriting concerns and rating requirements and the implications of change in small group market size on the entire health insurance market, and limitations on renewal, enrollment methodologies, and processes;

(3) costs for employers, employees, brokers, and health plans;

(4) how to assist employers in understanding the implications of employers migrating from fully insured to self-insured and associated risks;

(5) a uniform application form;

(6) education and compliance issues related to the offering of Section 125 plans under Minnesota Statutes, section 62U.07; and

(7) assuring compliance with federal law, including expeditious implementation of federal health care reform requirements.

(b) By November 15, 2010, the working group shall submit a report on its findings, including proposed legislation, if any, to the Health Care Access Commission.

Subd. 3. Administration. (a) The commissioner of commerce or the commissioner's designee shall convene the first meeting of the working group no later than August 1, 2010.

(b) The commissioner shall provide assistance with research or background information and administrative support for the working group within the existing agency budget.

(c) The working group expires June 30, 2011."

Delete the title and insert:

"A bill for an act relating to insurance; establishing a small group market working group; requiring a report."

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

Senate Conferees: Linda Scheid, Dan Sparks, Amy Koch

House Conferees: Diane Loeffler, Patti Fritz, Gregory Davids

Senator Scheid moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1905 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1905 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 64 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Hann
Bakk	Dille	Higgins
Berglin	Doll	Ingebrigtsen
Betzold	Erickson Ropes	Johnson
Bonoff	Fischbach	Jungbauer
Carlson	Fobbe	Kelash
Chaudhary	Foley	Koch
Clark	Frederickson	Koering
Cohen	Gerlach	Kubly
Dahle	Gimse	Langseth

Latz Limmer Lourey Lynch Marty Metzen Michel Moua Murphy Olseen Olson, M. Ortman Pappas Parry Pogemiller Prettner Solon Rest Robling Rosen Rummel

THURSDAY, MAY 13, 2010

SaltzmanSenjemSkoeSaxhaugSheranSkogenScheidSiebenSparks

Stumpf Tomassoni Torres Ray Vickerman Wiger

Those who voted in the negative were:

Vandeveer

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

MOTIONS AND RESOLUTIONS - CONTINUED

SUSPENSION OF RULES

Senator Pogemiller moved that the 12-hour requirement of Joint Rule 2.06 be suspended as it relates to the Conference Committee Report on S.F. No 3361. The motion prevailed.

S.F. No. 3361 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 3361

A bill for an act relating to real property transfers; prohibiting private transfer fees; proposing coding for new law in Minnesota Statutes, chapter 513.

May 13, 2010

The Honorable James P. Metzen President of the Senate

The Honorable Margaret Anderson Kelliher Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 3361 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 3361 be further amended as follows:

Page 5, after line 12, insert:

"Sec. 5. Laws 2010, chapter 238, section 7, is amended to read:

Sec. 7. EFFECTIVE DATE; APPLICATION.

Sections 2 to 6 and 3 are effective January 1, 2011. Sections 4 to 6 are effective July 1, 2011, and apply retroactively to child support judgments, including judgments by operation of law, that have not expired before January July 1, 2011."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "real property transfers" and insert "civil law" and after "fees;" insert

"modifying effective date of certain child support provisions;"

Correct the title numbers accordingly

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

Senate Conferees: Linda Scheid, Don Betzold, Warren Limmer

House Conferees: Gail Kulick Jackson, Debra Hilstrom

Senator Scheid moved that the foregoing recommendations and Conference Committee Report on S.F. No. 3361 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 3361 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Pogemiller moved that H.F. No. 2227 be taken from the table. The motion prevailed.

H.F. No. 2227: A bill for an act relating to local government; establishing Minnesota Innovation and Research Council; imposing powers and duties of council; appropriating money; amending Minnesota Statutes 2008, section 3.971, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 465; repealing Minnesota Statutes 2008, section 6.80.

SUSPENSION OF RULES

Senator Pogemiller moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 2227 and that the rules of the Senate be so far suspended as to give H.F. No. 2227 its second and third reading and place it on its final

passage. The motion prevailed.

H.F. No. 2227 was read the second time.

Senator Pogemiller moved that H.F. No. 2227 be laid on the table. The motion prevailed.

RECESS

Senator Pogemiller moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

CALL OF THE SENATE

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

MOTIONS AND RESOLUTIONS - CONTINUED

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

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

May 13, 2010

The Honorable James P. Metzen President of the Senate

Dear President Metzen:

I have vetoed and am returning Chapter 335, Senate File 2790.

The bill relaxes the current permanent disqualification standards for persons with violent criminal histories who want to work in DHS-licensed positions. In 2005, new protections were part of significant public safety legislation regarding sex offender management.

Changing those provisions takes the state backwards, by permitting people with the most serious criminal histories to work directly with children and vulnerable adults in licensed settings and unlicensed personal care attendant situations. The extensive list of crimes involved includes: first, second and third degree murder; first and second degree manslaughter; criminal sexual predatory conduct; criminal sexual conduct in the first, second, third, fourth and fifth degree; aggravated robbery; drive-by shootings; first and second degree assault; kidnapping; and first degree arson.

The bill also unwisely relaxes current expungement law. Expungements should remain an extraordinary remedy. The bill permits the sealing of not merely a conviction record but "any type

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of delinquency or criminal record relating to a juvenile matter" and allows for sealing of all records relating to an arrest, indictment or information, trial, or verdict if the petitioner has successfully completed the terms of a diversion program or stay of adjudication and has not been charged with a new crime for at least one year since completion of the diversion or stay. The bill waives the filing fee in a great number of situations and excludes the public from hearings on petitions to expunge "any type" of record relating to a juvenile matter.

These changes to the expungement law would allow persons to receive expungements for very serious crimes (such as crimes requiring registration under the predatory offender registration statute). Current law does not allow such expungements.

Furthermore, in cases involving stays of adjudication or diversions, this bill would direct the courts to seal the record without even requiring the filing of a petition. In many situations, this bill would place the burden of proof for expungement on prosecutors rather than offenders - where it should be. Also, individuals currently pay a filing fee when seeking an expungement of criminal records, and in most cases make their cases in open court. This bill would change those practices.

This legislation is dangerous and misguided. The bill would potentially expose children and vulnerable adults to violent, dangerous sex offenders and it represents a serious step backwards for public safety in Minnesota. The bill is vetoed as a result.

Sincerely, Tim Pawlenty, Governor

Senator Pogemiller moved that S.F. No. 2790 and the veto message thereon be laid on the table. The motion prevailed.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 3106, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 3106 is herewith transmitted to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted May 13, 2010

CONFERENCE COMMITTEE REPORT ON H. F. NO. 3106

A bill for an act relating to public safety; amending first-degree driving while impaired crime to include prior felony convictions from other states; modifying implied consent, driving while impaired, and ignition interlock provisions; amending Minnesota Statutes 2008, sections 169A.24, subdivision 1; 169A.52, subdivisions 3, 4; 169A.54, subdivisions 2, 5; 169A.55, by adding a subdivision; 169A.60, subdivision 1; 171.09; 171.30, subdivisions 1, 2a, 4; 171.306, as amended;

609.131, subdivision 2; Minnesota Statutes 2009 Supplement, sections 169A.275, subdivision 7; 169A.54, subdivision 1; repealing Minnesota Statutes 2008, sections 169A.54, subdivision 11; 169A.55, subdivision 1; 171.30, subdivision 2c; 171.305, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10, 11.

May 12, 2010

The Honorable Margaret Anderson Kelliher Speaker of the House of Representatives

The Honorable James P. Metzen President of the Senate

We, the undersigned conferees for H. F. No. 3106 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 3106 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 169A.03, is amended by adding a subdivision to read:

Subd. 24a. **Twice the legal limit.** "Twice the legal limit" means an alcohol concentration of two times the limit specified in section 169A.20, subdivision 1, clause (5).

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

Sec. 2. Minnesota Statutes 2009 Supplement, section 169A.275, subdivision 7, is amended to read:

Subd. 7. **Exception.** (a) A judge is not required to sentence a person as provided in this section subdivisions 1 to 4 if the judge requires the person as a condition of probation to drive only motor vehicles equipped with an ignition interlock device meeting the standards described in section 171.306.

(b) This subdivision expires July 1, 2011.

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

Sec. 3. Minnesota Statutes 2008, section 169A.52, subdivision 3, is amended to read:

Subd. 3. **Test refusal; license revocation.** (a) Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a motor vehicle in violation of section 169A.20 (driving while impaired), and that the person refused to submit to a test, the commissioner shall revoke the person's license or permit to drive, or nonresident operating privilege, for a period of one year even if a test was obtained pursuant to this section after the person refused to submit to testing. The commissioner shall revoke the license, permit, or nonresident operating privilege:

(1) for a person with no qualified prior impaired driving incidents within the past ten years, for a period of not less than one year;

(2) for a person under the age of 21 years and with no qualified prior impaired driving incidents within the past ten years, for a period of not less than one year;

(3) for a person with one qualified prior impaired driving incident within the past ten years, or two qualified prior impaired driving incidents, for a period of not less than two years;

(4) for a person with two qualified prior impaired driving incidents within the past ten years, or three qualified prior impaired driving incidents, for a period of not less than three years;

(5) for a person with three qualified prior impaired driving incidents within the past ten years, for a period of not less than four years; or

(6) for a person with four or more qualified prior impaired driving incidents, for a period of not less than six years.

(b) Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a commercial motor vehicle with the presence of any alcohol in violation of section 169A.20 (driving while impaired), and that the person refused to submit to a test, the commissioner shall disqualify the person from operating a commercial motor vehicle and shall revoke the person's license or permit to drive or nonresident operating privilege according to the federal regulations adopted by reference in section 171.165, subdivision 2.

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

Sec. 4. Minnesota Statutes 2008, section 169A.52, subdivision 4, is amended to read:

Subd. 4. **Test failure; license revocation.** (a) Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a motor vehicle in violation of section 169A.20 (driving while impaired) and that the person submitted to a test and the test results indicate an alcohol concentration of 0.08 or more or the presence of a controlled substance listed in schedule I or II or its metabolite, other than marijuana or tetrahydrocannabinols, then the commissioner shall revoke the person's license or permit to drive, or nonresident operating privilege:

(1) for a period of 90 days, or, if the test results indicate an alcohol concentration of twice the legal limit or more, not less than one year;

(2) if the person is under the age of 21 years, for a period of six months not less than 180 days or, if the test results indicate an alcohol concentration of twice the legal limit or more, not less than one year;

(3) for a person with <u>a one</u> qualified prior impaired driving incident within the past ten years, <u>or</u> two qualified prior impaired driving incidents, for a period of <u>180 days</u> not less than one year, or <u>if</u> the test results indicate an alcohol concentration of twice the legal limit or more, not less than two years; or

(4) if the test results indicate an alcohol concentration of 0.20 or more, for twice the applicable period in clauses (1) to (3). for a person with two qualified prior impaired driving incidents within the past ten years, or three qualified prior impaired driving incidents, for a period of not less than three years;

(5) for a person with three qualified prior impaired driving incidents within the past ten years,

for a period of not less than four years; or

(6) for a person with four or more qualified prior impaired driving incidents, for a period of not less than six years.

(b) On certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a commercial motor vehicle with any presence of alcohol and that the person submitted to a test and the test results indicated an alcohol concentration of 0.04 or more, the commissioner shall disqualify the person from operating a commercial motor vehicle under section 171.165 (commercial driver's license disqualification).

(c) If the test is of a person's blood or urine by a laboratory operated by the Bureau of Criminal Apprehension, or authorized by the bureau to conduct the analysis of a blood or urine sample, the laboratory may directly certify to the commissioner the test results, and the peace officer shall certify to the commissioner that there existed probable cause to believe the person had been driving, operating, or in physical control of a motor vehicle in violation of section 169A.20 and that the person submitted to a test. Upon receipt of both certifications, the commissioner shall undertake the license actions described in paragraphs (a) and (b).

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

Sec. 5. Minnesota Statutes 2009 Supplement, section 169A.54, subdivision 1, is amended to read:

Subdivision 1. **Revocation periods for DWI convictions.** Except as provided in subdivision 7, the commissioner shall revoke the driver's license of a person convicted of violating section 169A.20 (driving while impaired) or an ordinance in conformity with it, as follows:

(1) for an offense under section 169A.20, subdivision 1 (driving while impaired crime):, not less than 30 days;

(2) for an offense under section 169A.20, subdivision 2 (refusal to submit to chemical test crime);, not less than 90 days;

(3) for an offense occurring within ten years of a qualified prior impaired driving incident;, or occurring after two qualified prior impaired driving incidents,

(i) if the current conviction is for a violation of section 169A.20, subdivision 1, 1a, 1b, or 1c, not less than 180 days one year, or if the test results indicate an alcohol concentration of twice the legal limit or more, not less than two years and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169A.70 (chemical use assessments); or

(ii) if the current conviction is for a violation of section 169A.20, subdivision 2, not less than one year and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169A.70;

(4) for an offense occurring within ten years of the first of two qualified prior impaired driving incidents: or occurring after three qualified prior impaired driving incidents, not less than one year three years, together with denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established in accordance with according to standards established by the commissioner; or

(5) for an offense occurring within ten years of the first of three or more qualified prior impaired driving incidents; not less than two four years, together with denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established in accordance with according to standards established by the commissioner; or

(6) for an offense occurring after four or more qualified prior impaired driving incidents, not less than six years, together with denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established according to standards established by the commissioner.

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

Sec. 6. Minnesota Statutes 2008, section 169A.54, subdivision 2, is amended to read:

Subd. 2. Driving while impaired by person under age 21. If the person convicted of violating section 169A.20 (driving while impaired) is under the age of 21 years at the time of the violation, the commissioner shall revoke the offender's driver's license or operating privileges for a period of six months not less than 180 days or for the appropriate period of time under subdivision 1, clauses (1) to (5) (6), for the offense committed, whichever is the greatest longer period.

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

Sec. 7. Minnesota Statutes 2008, section 169A.54, subdivision 5, is amended to read:

Subd. 5. Violations involving alcohol concentration of 0.20 twice the legal limit or more. If the person has no qualified prior impaired driving incidents within the past ten years and is convicted of violating section 169A.20 (driving while impaired) while having an alcohol concentration of 0.20twice the legal limit or more as measured at the time, or within two hours of the time, of the offense, the commissioner shall revoke the person's driver's license for twice the period of time otherwise provided for in this section not less than one year.

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

Sec. 8. Minnesota Statutes 2008, section 169A.55, is amended by adding a subdivision to read:

Subd. 4. **Reinstatement of driving privileges; multiple incidents.** (a) A person whose driver's license has been canceled or denied as a result of three or more qualified impaired driving incidents shall not be eligible for reinstatement of driving privileges without an ignition interlock restriction until the person:

(1) has completed rehabilitation according to rules adopted by the commissioner or been granted a variance from the rules by the commissioner; and

(2) has submitted verification of abstinence from alcohol and controlled substances, as evidenced by the person's use of an ignition interlock device or other chemical monitoring device approved by the commissioner.

(b) The verification of abstinence must show that the person has abstained from the use of alcohol and controlled substances for a period of not less than:

(1) three years, for a person whose driver's license was canceled or denied for an offense occurring within ten years of the first of two qualified prior impaired driving incidents, or occurring after three qualified prior impaired driving incidents;

(2) four years, for a person whose driver's license was canceled or denied for an offense occurring within ten years of the first of three qualified prior impaired driving incidents; or

(3) six years, for a person whose driver's license was canceled or denied for an offense occurring after four or more qualified prior impaired driving incidents.

(c) The commissioner shall establish performance standards and a process for certifying chemical monitoring devices. The standards and procedures are not rules and are exempt from chapter 14, including section 14.386.

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

Sec. 9. Minnesota Statutes 2008, section 169A.60, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given in this subdivision.

(b) "Family or household member" has the meaning given in section 169A.63, subdivision 1.

(c) "Motor vehicle" means a self-propelled motor vehicle other than a motorboat in operation or an off-road recreational vehicle.

(d) "Plate impoundment violation" includes:

(1) a violation of section 169A.20 (driving while impaired) or 169A.52 (license revocation for test failure or refusal), or a conforming an ordinance from this state or a conforming statute or ordinance from another state in conformity with either of those sections, that results in the revocation of a person's driver's license or driving privileges, within ten years of a qualified prior impaired driving incident;

(2) a license disqualification under section 171.165 (commercial driver's license disqualification) resulting from a violation of section 169A.52 within ten years of a qualified prior impaired driving incident;

(3) a violation of section 169A.20 or 169A.52 while having an alcohol concentration of 0.20 twice the legal limit or more as measured at the time, or within two hours of the time, of the offense;

(4) a violation of section 169A.20 or 169A.52 while having a child under the age of 16 in the vehicle if the child is more than 36 months younger than the offender; and or

(5) a violation of section 171.24 (driving without valid license) by a person whose driver's license or driving privileges have been canceled or denied under section 171.04, subdivision 1, clause (10) (persons not eligible for driver's license, inimical to public safety).

(e) "Violator" means a person who was driving, operating, or in physical control of the motor vehicle when the plate impoundment violation occurred.

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

Sec. 10. Minnesota Statutes 2008, section 171.09, is amended to read:

171.09 DRIVING RESTRICTIONS; AUTHORITY, VIOLATIONS.

Subdivision 1. Authority; violations. (a) The commissioner, when good cause appears, may

impose restrictions suitable to the licensee's driving ability or other restrictions applicable to the licensee as the commissioner may determine to be appropriate to assure the safe operation of a motor vehicle by the licensee.

(b) Pursuant to Code of Federal Regulations, title 49, section 383.95, if an applicant for a commercial driver's license either does not successfully complete the air brake component of the knowledge test, or does not successfully complete the skills test in a vehicle equipped with air brakes as such tests are prescribed in Code of Federal Regulations, title 49, part 384, the department shall indicate on the class C, class B, or class A commercial driver's license, if issued, that the individual is restricted from operating a commercial motor vehicle equipped with air brakes.

(c) Upon receiving satisfactory evidence of any violation of the restrictions on the license, the commissioner may suspend or revoke the license. A license suspension under this section is subject to section 171.18, subdivisions 2 and 3.

(d) A person who drives, operates, or is in physical control of a motor vehicle while in violation of the restrictions imposed in a restricted driver's license issued to that person under this section is guilty of a crime as follows:

(1) if the restriction relates to the possession or consumption of alcohol or controlled substances, the person is guilty of a gross misdemeanor; or

(2) if the restriction relates to another matter, the person is guilty of a misdemeanor.

(e) It is a misdemeanor for a person who holds a restricted license issued under section 171.306 to drive, operate, or be in physical control of any motor vehicle that is not equipped with a functioning ignition interlock device certified by the commissioner.

Subd. 3. No-alcohol restriction. (a) As used in this subdivision, "impaired driving incident" has the meaning given in section 169A.03, subdivision 22.

(b) Upon proper application by a person having a valid driver's license containing the restriction that the person must not consume alcohol or controlled substances, who has not been documented as having consumed alcohol or having possessed or used a controlled substance within the past ten years, and whose driving record contains no impaired driving incident within the past ten years, the commissioner must remove the no-alcohol/controlled substance restriction on the person's driving record and issue to the person a duplicate driver's license that does not show that restriction.

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

Sec. 11. Minnesota Statutes 2008, section 171.30, subdivision 1, is amended to read:

Subdivision 1. **Conditions of issuance.** (a) In any case where a person's license has been suspended under section 171.18, 171.173, or 171.186, or; revoked under section 169.792; 169.797; 169A.52, 169A.54, subdivision 3, paragraph (a), clause (1), (2), (4), (5), or (6), or subdivision 4, paragraph (a), clause (1) if the test results indicate an alcohol concentration of less than twice the legal limit, (2) if the test results indicate an alcohol concentration of less than twice the legal limit, (4), (5), or (6); 171.17; or 171.172; or revoked, canceled, or denied under section 169A.54, subdivision 1, clause (1), (2), (4), (5), or (6), or subdivision 2 if the person does not have a qualified prior impaired driving incident as defined in section 169A.03, subdivision 22, on the person's record, the commissioner may issue a limited license to the driver including under the

following conditions:

(1) if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of the driver's license;

(2) if the use of a driver's license by a homemaker is necessary to prevent the substantial disruption of the education, medical, or nutritional needs of the family of the homemaker; or

(3) if attendance at a postsecondary institution of education by an enrolled student of that institution depends upon the use of the driver's license.

(b) The commissioner in issuing a limited license may impose such conditions and limitations as in the commissioner's judgment are necessary to the interests of the public safety and welfare including reexamination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation, and to particular conditions of traffic. The commissioner may require that an applicant for a limited license affirmatively demonstrate that use of public transportation or carpooling as an alternative to a limited license would be a significant hardship.

(c) For purposes of this subdivision; (1) "homemaker" refers to the person primarily performing the domestic tasks in a household of residents consisting of at least the person and the person's dependent child or other dependents; and (2) "twice the legal limit" means an alcohol concentration of two times the limit specified in section 169A.20, subdivision 1, clause (5).

(d) The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in possession at all times when operating as a driver.

(e) In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually.

(f) If the person's driver's license or permit to drive has been revoked under section 169.792 or 169.797, the commissioner may only issue a limited license to the person after the person has presented an insurance identification card, policy, or written statement indicating that the driver or owner has insurance coverage satisfactory to the commissioner of public safety. The commissioner of public safety may require the insurance identification card provided to satisfy this subdivision be certified by the insurance company to be noncancelable for a period not to exceed 12 months.

(g) The limited license issued by the commissioner to a person under section 171.186, subdivision 4, must expire 90 days after the date it is issued. The commissioner must not issue a limited license to a person who previously has been issued a limited license under section 171.186, subdivision 4.

(h) The commissioner shall not issue a limited driver's license to any person described in section 171.04, subdivision 1, clause (6), (7), (8), (10), (11), or (14).

(i) The commissioner shall not issue a class A, class B, or class C limited license.

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

Sec. 12. Minnesota Statutes 2008, section 171.30, subdivision 2a, is amended to read:

Subd. 2a. **Other waiting periods.** Notwithstanding subdivision 2, a limited license shall not be issued for a period of:

(1) 15 days, to a person whose license or privilege has been revoked or suspended for a first violation of section 169A.20, sections 169A.50 to 169A.53, or a statute or ordinance from another state in conformity with either of those sections; or

(2) 90 days, to a person who submitted to testing under sections 169A.50 to 169A.53 if the person's license or privilege has been revoked or suspended for a second violation within ten years or a third or subsequent violation of section 169A.20, sections 169A.50 to 169A.53, or a statute or ordinance from another state in conformity with either of those sections;

(3) 180 days, to a person who refused testing under sections 169A.50 to 169A.53 if the person's license or privilege has been revoked or suspended for a second violation within ten years or a third or subsequent violation of sections 169A.20, 169A.50 to 169A.53, or a statute or ordinance from another state in conformity with either of those sections; or

(4) (2) one year, to a person whose license or privilege has been revoked or suspended for committing manslaughter resulting from the operation of a motor vehicle, committing criminal vehicular homicide or injury under section 609.21, or violating a statute or ordinance from another state in conformity with either of those offenses.

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

Sec. 13. Minnesota Statutes 2008, section 171.30, subdivision 4, is amended to read:

Subd. 4. **Penalty.** A person who violates a condition or limitation of a limited license issued under subdivision 1 or fails to have the license in immediate possession at all times when operating a motor vehicle is guilty of a misdemeanor. In addition, except as otherwise provided in the ignition interlock program under section 171.306, a person who violates a condition or limitation of a limited license may not operate a motor vehicle for the remainder of the period of suspension or revocation, or 30 days, whichever is longer.

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

Sec. 14. Minnesota Statutes 2008, section 171.306, as amended by Laws 2009, chapter 29, sections 2 and 3, is amended to read:

171.306 IGNITION INTERLOCK DEVICE PILOT PROJECT PROGRAM.

Subdivision 1. **Pilot project established; reports Definitions.** The commissioner shall conduct a statewide two year ignition interlock device pilot project as provided in this section. The pilot project must begin on July 1, 2009, and continue until June 30, 2011. The commissioner shall submit a preliminary report by September 30, 2010, and a final report by September 30, 2011, to the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over criminal justice policy and funding. The reports must evaluate the successes and failures of the pilot project, provide information on participation rates, and make recommendations on continuing the project. (a) As used in this section, the terms in this subdivision have the meanings given them.

(b) "Ignition interlock device" or "device" means equipment that is designed to measure breath

alcohol concentration and to prevent a motor vehicle's ignition from being started by a person whose breath alcohol concentration measures 0.02 or higher on the equipment.

(c) "Program participant" means a person whose driver's license has been revoked, canceled, or denied under section 169A.52, 169A.54, or 171.04, subdivision 1, clause (10), and who has qualified to take part in the ignition interlock program under this section.

(d) "Qualified prior impaired driving incident" has the meaning given in section 169A.03, subdivision 22.

Subd. 2. **Performance standards; certification; manufacturer requirements.** The commissioner shall determine appropriate establish performance standards and a certification process for ignition interlock certifying devices for used in the pilot project. Only devices certified by the commissioner as meeting the performance standards may be used in the pilot project. ignition interlock program. The manufacturer of a device must apply annually for certification of the device by submitting the form prescribed by the commissioner. The commissioner shall require manufacturers of certified devices to:

(1) provide device installation, servicing, and monitoring to indigent program participants at a discounted rate, according to the standards established by the commissioner; and

(2) include in an ignition interlock device contract a provision that a program participant who voluntarily terminates participation in the program is only liable for servicing and monitoring costs incurred during the time the device is installed on the motor vehicle, regardless of whether the term of the contract has expired.

Subd. 3. **Pilot project components Program requirements.** (a) Under the pilot project, the commissioner shall issue a driver's license to an individual whose driver's license has been revoked under chapter 169A for an impaired driving incident if the person qualifies under this section and agrees to all of the conditions of the project. The commissioner shall establish guidelines for participation in the ignition interlock program. A person who seeks to participate in the program shall sign a written acknowledgment that the person has received, reviewed, and agreed to abide by the program guidelines.

(b) The commissioner must denote the person's driver's license enter a notation on a person's driving record to indicate that the person's participation in the person is a program participant. The license must authorize the person to drive only vehicles having functioning ignition interlock devices conforming with the requirements of subdivision 2.

(c) Notwithstanding any statute or rule to the contrary, the commissioner has authority to and shall determine the appropriate period for which a person participating in the ignition interlock pilot program shall be subject to this program, and when the person is eligible to be issued: A person under the age of 18 years is not eligible to be a program participant.

(1) a limited driver's license subject to the ignition interlock restriction;

(2) full driving privileges subject to the ignition interlock restriction; and

(3) a driver's license without an ignition interlock restriction.

(d) A program participant shall pay costs associated with an ignition interlock device on every

motor vehicle that the participant operates or intends to operate.

(e) A person participating in this pilot project program participant shall agree to participate in any treatment recommended by in a chemical use assessment report.

(e) The commissioner shall determine guidelines for participation in the project. A person participating in the project shall sign a written agreement accepting these guidelines and agreeing to comply with them.

(f) It is a misdemeanor for a person who is licensed under this section for driving a vehicle equipped with an ignition interlock device to drive, operate, or be in physical control of a motor vehicle other than a vehicle properly equipped with an <u>A</u> program participant shall bring the device-equipped motor vehicle or vehicles operated by the program participant to an approved service provider for device calibration and servicing according to the schedule established by the commissioner and as indicated by the ignition interlock device.

Subd. 4. Issuance of restricted license. (a) The commissioner shall issue a class D driver's license, subject to the applicable limitations and restrictions of this section, to a program participant who meets the requirements of this section and the program guidelines. The commissioner shall not issue a license unless the program participant has provided satisfactory proof that: (1) a certified ignition interlock device has been installed on the participant's motor vehicle at an installation service center designated by the device's manufacturer; and (2) the participant has insurance coverage on the vehicle equipped with the ignition interlock device. The commissioner shall require the participant to present an insurance identification card, policy, or written statement as proof of insurance coverage, and may require the insurance identification card provided be certified by the insurance company to be noncancelable for a period not to exceed 12 months. A license issued under authority of this section must contain a restriction prohibiting the program participant from driving, operating, or being in physical control of any motor vehicle not equipped with a functioning ignition interlock device certified by the commissioner. A participant may drive an employer-owned vehicle not equipped with an interlock device while in the normal course and scope of employment duties pursuant to the program guidelines established by the commissioner and with the employer's written consent.

(b) A program participant whose driver's license has been revoked under section 169A.52, subdivision 3, paragraph (a), clause (1), (2), or (3), or subdivision 4, paragraph (a), clause (1), (2), or (3), or section 169A.54, subdivision 1, clause (1), (2), or (3), may apply for conditional reinstatement of the driver's license, subject to the ignition interlock restriction.

(c) A program participant whose driver's license has been revoked, canceled, or denied under section 169A.52, subdivision 3, paragraph (a), clause (4), (5), or (6), or subdivision 4, paragraph (a), clause (4), (5), or (6), or subdivision 4, paragraph (a), clause (4), (5), or (6), or (6), or section 169A.54, subdivision 1, clause (4), (5), or (6), may apply for a limited license, subject to the ignition interlock restriction, if the program participant is enrolled in a licensed chemical dependency treatment or rehabilitation program as recommended in a chemical use assessment, and if the participant meets the other applicable requirements of section 171.30. After completing a licensed chemical dependency treatment or rehabilitation program and one year of limited license use without violating the ignition interlock restriction, the conditions of limited license use, or program guidelines, the participant may apply for conditional reinstatement of the driver's license, subject to the ignition interlock restriction. If the program participant's ignition interlock device subsequently registers a positive breath alcohol concentration of 0.02 or higher, the

commissioner shall cancel the driver's license, and the program participant may apply for another limited license according to this paragraph.

(d) Notwithstanding any statute or rule to the contrary, the commissioner has authority to determine when a program participant is eligible for restoration of full driving privileges, except that the commissioner shall not reinstate full driving privileges until the program participant has met all applicable prerequisites for reinstatement under section 169A.55 and until the program participant's device has registered no positive breath alcohol concentrations of 0.02 or higher during the preceding 90 days.

Subd. 5. Penalties; program violations. (a) If a program participant tampers with, circumvents, or bypasses a device; drives, operates, or exercises physical control over a motor vehicle not equipped with a device certified by the commissioner; violates a condition of a limited license issued under subdivision 4 and section 171.30; or violates the program guidelines of subdivision 2, the commissioner shall extend the person's revocation period under section 169A.52 or 169A.54 by:

(1) 180 days for a first violation;

(2) one year for a second violation; or

(3) 545 days for a third and each subsequent violation.

(b) Notwithstanding paragraph (a), the commissioner may terminate participation in the program by any person when, in the commissioner's judgment, termination is necessary to the interests of public safety and welfare. In the event of termination, the commissioner shall not reduce the applicable revocation period under section 169A.52 or 169A.54 by the amount of time during which the person possessed a limited or restricted driver's license issued under the authority of subdivision 4.

Subd. 6. **Penalties; tampering.** (a) A person who lends, rents, or leases a motor vehicle that is not equipped with a functioning ignition interlock device certified by the commissioner to a person with a license issued under this section knowing that the person is subject to the ignition interlock restriction is guilty of a misdemeanor.

(b) A person who tampers with, circumvents, or bypasses the ignition interlock device, or assists another to tamper with, circumvent, or bypass the device, is guilty of a misdemeanor except when the action was taken for emergency purposes or for mechanical repair, and the person limited to the use of an ignition interlock device does not operate the motor vehicle while the device is disengaged.

Subd. 7. Venue. In addition to the provisions of Rule 24 of the Rules of Criminal Procedure and section 627.01, a violation of subdivision 6 or section 171.09, subdivision 1, paragraph (e), may be prosecuted in:

(1) the county in which the vehicle involved in the offense is found;

(2) the county in which the accused resides;

(3) any county through which the vehicle traveled in the course of the trip during or after which the offense was committed; or

(4) the county in which the impaired driving incident occurred, which resulted in the accused

being issued a driver's license with an ignition interlock restriction.

Subd. 8. **Rulemaking.** In establishing the performance standards and certification process of subdivision 2 and the program guidelines of subdivision 3, the commissioner is exempt from chapter 14, including section 14.386. If rules are otherwise necessary to implement this section, the commissioner may adopt, amend, and repeal rules using the exempt procedures of section 14.386, except that paragraph (b) shall not apply.

EFFECTIVE DATE. Subdivisions 1 to 7 are effective July 1, 2011. Subdivision 8 is effective August 1, 2010.

Sec. 15. Minnesota Statutes 2008, section 609.131, subdivision 2, is amended to read:

Subd. 2. **Certain violations excepted.** Subdivision 1 does not apply to a misdemeanor violation of section 169A.20; <u>171.09</u>, subdivision 1, paragraph (e); <u>171.306</u>, subdivision 6; 609.224; 609.2242; 609.226; 609.324, subdivision 3; 609.52; or 617.23, or an ordinance that conforms in substantial part to any of those sections. A violation described in this subdivision must be treated as a misdemeanor unless the defendant consents to the certification of the violation as a petty misdemeanor.

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

Sec. 16. RULEMAKING.

The commissioner may adopt, amend, or repeal rules as needed to administer Minnesota Statutes, section 169A.55, subdivision 4, paragraph (a), using the exempt procedures of Minnesota Statutes, section 14.386, except that paragraph (b) shall not apply.

EFFECTIVE DATE. This section is effective August 1, 2010.

Sec. 17. REPEALER.

Minnesota Statutes 2008, sections 169A.54, subdivision 11; 169A.55, subdivision 1; 171.30, subdivision 2c; and 171.305, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10, and 11, are repealed effective July 1, 2011."

Delete the title and insert:

"A bill for an act relating to public safety; modifying implied consent, driving while impaired, and ignition interlock provisions; amending Minnesota Statutes 2008, sections 169A.03, by adding a subdivision; 169A.52, subdivisions 3, 4; 169A.54, subdivisions 2, 5; 169A.55, by adding a subdivision; 169A.60, subdivision 1; 171.09; 171.30, subdivisions 1, 2a, 4; 171.306, as amended; 609.131, subdivision 2; Minnesota Statutes 2009 Supplement, sections 169A.275, subdivision 7; 169A.54, subdivision 1; repealing Minnesota Statutes 2008, sections 169A.54, subdivision 11; 169A.55, subdivision 1; 171.30, subdivision 2c; 171.305, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10, 11."

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

House Conferees: Karla Bigham, Debra Hilstrom, Kim Norton, Tony Cornish, Steve Drazkowski

Senate Conferees: Steve Murphy, Mee Moua, Julie Rosen, John Doll, Jim Carlson

Senator Murphy moved that the foregoing recommendations and Conference Committee Report on H.F. No. 3106 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 3106 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 60 and nays 1, as follows:

Koch

Kubly

Latz

Koering

Langseth

Limmer

Lynch

Marty

Metzen

Michel

Murphy

Moua

Those who voted in the affirmative were:

Anderson Bakk Berglin Betzold Bonoff Carlson Chaudhary Clark Cohen Dahle Dibble Doll

Erickson Ropes Fobbe Foley Frederickson Gerlach Gimse Hann Higgins Ingebrigtsen Johnson Jungbauer Kelash Olseen Olson, M. Ortman Pappas Parry Pogemiller Prettner Solon Rest Robling Rosen Rummel Saltzman Saxhaug Senjem Sheran Sieben Skoe Skogen Sparks Stumpf Torres Ray Vandeveer Vickerman Wiger

Those who voted in the negative were:

Tomassoni

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 2634: A bill for an act relating to public safety; making numerous changes to the controlled substance forfeiture law; expanding the reporting requirements related to forfeiture; requiring model policies on forfeiture; addressing the disposition of forfeiture proceeds; providing for a probable cause determination for certain forfeitures; amending Minnesota Statutes 2008, sections 97A.221, by adding a subdivision; 97A.223, by adding a subdivision; 97A.225, by adding a subdivision; 169A.63, by adding a subdivision; 491A.01, subdivision 3; 609.531, subdivisions 1a, 5, 5a, by adding a subdivision; 609.5311, subdivision 3; 609.5313; 609.5314; 609.5315, subdivisions 5, 6, by adding a subdivision; 609.5318, subdivision 3; 609.762, by adding a subdivision; 609.905, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 84.7741, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 388; 626.

Senate File No. 2634 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 13, 2010

Senator Moua moved that the Senate do not concur in the amendments by the House to S.F. No. 2634, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Pogemiller moved that H.F. No. 2227 be taken from the table. The motion prevailed.

H.F. No. 2227: A bill for an act relating to local government; establishing Minnesota Innovation and Research Council; imposing powers and duties of council; appropriating money; amending Minnesota Statutes 2008, section 3.971, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 465; repealing Minnesota Statutes 2008, section 6.80.

Senator Metzen moved to amend H.F. No. 2227 as follows:

Page 1, delete article 1 and insert:

"ARTICLE 1

COMMISSION ON SERVICE INNOVATION

Section 1. [3.928] COMMISSION ON SERVICE INNOVATION.

Subdivision 1. Establishment. The Commission on Service Innovation is established to provide the legislature and the Minnovation Council with a strategic plan to reengineer the delivery of state and local government services, including the realignment of service delivery by region and proximity, the use of new technologies, shared facilities, centralized information technologies, and other means of improving efficiency.

Subd. 2. Membership. (a) The commission consists of 19 members, appointed as follows:

(1) one representative of the Minnesota Chamber of Commerce;

(2) one representative of the Minnesota Business Partnership;

(3) one representative of the McKnight Foundation;

(4) one representative of the Wilder Foundation;

(5) one representative of the Bush Foundation;

(6) one representative of the Minnesota Council of Nonprofits;

(7) one representative of the Citizens League;

(8) one representative of the Minnesota Association of Townships;

(9) one representative of the Association of Minnesota Counties;

(10) one representative of the League of Minnesota Cities;

(11) one representative of the University of Minnesota;

(12) one representative of the Minnesota State Colleges and Universities;

(13) one representative of the Minnesota Association of School Administrators;

(14) two representatives of the American Federation of State, County, and Municipal Employees, including one from council 5 and one from council 65;

(15) one representative of the Minnesota Association of Professional Employees;

(16) one representative of the Service Employees International Union;

(17) one representative of the Minnesota High Tech Association; and

(18) the state chief information officer.

(b) The appointments required by this section must be completed by June 30, 2010. Appointing authorities shall notify the state chief information officer when making their appointments. The members of the commission shall serve at the pleasure of the appointing authorities.

Subd. 3. Organization. (a) Within two weeks after completion of the appointments under subdivision 2, the state chief information officer shall convene the first meeting of the commission. The state chief information officer shall provide meeting space for the commission. The commission shall select co-chairpersons from its appointed membership at the first meeting. Members of the legislature may attend the meetings of the commission and participate as nonvoting members of the commission.

(b) The commission shall provide notice of its meetings to the public and to interested members of the legislature. Meetings of the commission are subject to chapter 13D. The commission shall post all reports required under this section on the Legislative Coordinating Commission Web site.

(c) The commission may solicit and receive private contributions. Money received under this paragraph is deposited in a special revenue account and appropriated to the commission for the purposes of this section. The commission may provide per diem payments to voting members as determined by the commission from the appropriation in this paragraph. No public money may be used to provide payment of per diems or expenses for members of the commission. The commission may hire staff to assist the commission in its work.

(d) The commission shall solicit and coordinate public input. The commission must use its best efforts to maximize public involvement in the work of the commission, including the use of best practices in social media. The commission may retain an expert in the use of social media to assist in public outreach and involvement.

Subd. 4. **Reporting.** (a) Beginning August 1, 2010, the commission shall publish electronic monthly reports on its progress, including a description of upcoming agenda items.

(b) By January 15 of each year, beginning in 2011, the commission shall report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over state government policy and finance regarding its work under this section and to the Board of Innovation

established under section 465.7902, with a strategic plan containing findings and recommendations to improve state and local government delivery of public services. The strategic plan must address:

(1) how to enhance the public involvement and input as the public uses state and local government services and public schools;

(2) how technology can be leveraged to reduce costs and enhance quality;

(3) how service innovation will conserve substantial financial resources;

(4) a transition plan and governance structure that will facilitate high-quality innovation and change in the future;

(5) how service innovation will increase value or results per dollar spent;

(6) the design for a platform that will facilitate high-quality innovation and evaluate state and local government structural redesign in the future;

(7) how to improve public sector employee productivity;

(8) the security of individual data and government programs;

(9) data transparency and accountability;

(10) centralized and shared services; and

(11) data interoperability across jurisdictions.

The strategic plan shall also provide a process to review and modify recommendations at regular intervals in the future based on specific results measured at regular intervals.

The strategic plan shall also include any proposed legislation necessary to implement the commission's recommendations.

Subd. 5. Expiration. This section expires June 30, 2012.

ARTICLE 2

HOME RULE CHARTER FOR CONTIGUOUS COUNTIES

Section 1. [372A.01] HOME RULE CHARTER FOR CONTIGUOUS COUNTIES.

Any two or more contiguous counties in the state may propose a county home rule charter commission as provided in this chapter.

The county board of each contiguous county shall adopt a resolution to establish a home rule charter commission for the counties. The resolution must name the contiguous counties proposing to establish the charter commission.

Sec. 2. [372A.02] CHARTER COMMISSION; NOMINATIONS AND APPOINTMENTS.

Subdivision 1. **Publication.** Within 30 days after the date of the resolution in section 372A.01, the county board of each county shall publish the resolution and a notice inviting interested persons to apply to the county board of commissioners for consideration by the county board and the joint legislative delegation for nomination to the charter commission. The resolution and notice must

be published at least once a week for two successive weeks in a qualified newspaper of general circulation within each county. If one newspaper is a qualified newspaper of general circulation for more than one county, those counties may publish jointly. The county boards shall furnish copies of the applications to the members of the joint legislative delegation.

Subd. 2. Nomination. (a) Within 60 days after the date of the resolution in section 372A.01, the county board of each county shall nominate 15 persons as candidates for appointment to a charter commission to propose a charter to provide for the form of county government for the counties. Three persons who reside in the district must be nominated for each of the county commissioner districts in each county. Immediately following selection of the nominees, the county board of each county shall submit the nominations, together with the county board resolution, to the chief judge of the district court with jurisdiction in the county.

(b) Within 75 days after the date of the resolution in section 372A.01, the joint legislative delegation of each county shall nominate six persons who reside in the county as candidates for appointment to a charter commission to propose a charter to provide for the form of county government for the counties. The six persons must be nominated without regard to county commissioner districts. Immediately following selection of the nominees, the delegation shall submit the nominations to the chief judge of the district court with jurisdiction in the county. For purposes of this section, "joint legislative delegation" means all elected members of the house of representatives and senate whose legislative district includes a portion of a county proposing a home rule charter commission under section 372A.01.

Subd. 3. Appointment. Within 30 days after the last submission of nominations, the chief judge shall appoint to the charter commission seven members for each county, one appointee for each county commissioner district in each county, selected from those who were nominated by county commissioner district, and two appointees from each county who were nominated to serve from the county without regard to county commissioner districts. The commission members must be qualified voters in the county from which they are appointed. A person is not disqualified from serving on the charter commission because the person holds an elective or appointive office. The appointing authority shall fill any vacancies. Appointments must be filed with the board of county commissioners of the county in which the appointee resides. An appointee must file an acceptance with the board within ten days after notification of the appointment or be considered to have declined the appointment.

Sec. 3. [372A.03] CHARTER COMMISSION; TERMS; ADMINISTRATION.

Subdivision 1. Chair; rules. The charter commission shall meet within 30 days after the initial appointment, elect a chair from among the members, and establish rules, including quorum requirements, for its operation and procedures.

Subd. 2. Expenses and administration. The members of the charter commission receive no compensation except reimbursement for expenses actually incurred in the course of their duties. The board of county commissioners of each county may make appropriations to the charter commission to be used to employ research and clerical assistance, for supplies, and to meet expenses considered necessary by the charter commission. The charter commission may request and receive assistance from any county official. If requested, a personnel director shall assist the charter commission to test and hire employees. If requested, a county attorney shall provide legal services.

Subd. 3. Terms. Members of the charter commission hold office until a final report has been

made under section 372A.04.

Sec. 4. [372A.04] CHARTER COMMISSION; POWERS AND DUTIES.

Subdivision 1. Report to county boards. The charter commission shall deliver to the board of county commissioners of each contiguous county either (1) its report determining that the present form of county government is adequate for the county and that a charter is not necessary or desirable, or (2) a draft of a proposed charter. The report must be signed by a majority of the members of the charter commission.

Subd. 2. Contents of report. The proposed charter may provide for any form of government consistent with the Constitution of the state of Minnesota. It may provide for the establishment and administration of all departments of a county government and for the regulation of all local county functions. It may abolish or consolidate any department or agency. It must provide for present functions to be assumed by new elective or appointive officers as provided in the charter and may provide for other powers consistent with other law. It must provide methods of procedure in respect to the operation of the government created and the duties of all officers. It must provide for a home rule charter commission consistent with article XII, section 5, of the Constitution of the state of Minnesota and may provide for alternative methods for amending or abandoning the charter consistent with the Constitution. A county may be authorized to acquire by gift, devise, purchase, or condemnation or sell or lease any property needed for the full discharge of its duties and powers.

Subd. 3. Public hearings. The charter commission must hold at least one public hearing on the report in each of the county commissioner districts. Based upon the public hearings, the charter commission may revise the report. The revised report must be signed by a majority of the members of the charter commission, and delivered to the county boards.

Sec. 5. [372A.05] ELECTION; BALLOT.

Subdivision 1. Procedure; notice. Upon delivery of the final proposed charter to the board of county commissioners in each county, each board shall submit it to the voters in that county at a general election. The notice of election must contain the complete charter and must be published once a week for two successive weeks in a qualified newspaper of general circulation within each county.

Subd. 2. Ballot form. The ballot must at least contain the following question with additional descriptive language, approved by the secretary of state, that the charter commission may include:

"Shall the proposed county charter be adopted?

Yes No"

The voter shall place an "X" after one of the last two words to express the voter's choice.

Sec. 6. [372A.06] ADOPTION OF CHARTER.

If a majority of the votes cast in a county on the proposition are in favor of the proposed charter, it must be considered adopted for that county. The charter takes effect two years after the election.

Sec. 7. [372A.07] HOME RULE CHARTER COUNTY POWERS AND DUTIES.

Subdivision 1. General rule. Unless specifically provided otherwise in general laws or statutes, the term "county" when used in Minnesota Statutes or any general legislative act includes home rule charter counties organized under this chapter. In addition to powers and duties granted or imposed under its charter, a home rule charter county has all the powers granted a county by law and all of the duties imposed upon it by law. If a charter provision conflicts with a general law, the requirements of the law prevail.

Subd. 2. County bonds and indebtedness. All general and special laws authorizing a county to incur indebtedness or issue bonds are subject to the charter if the charter provisions are not in conflict with general laws relating to indebtedness.

Subd. 3. **Personnel exception.** A home rule charter does not apply to personnel matters relating to employees of a county, which continue to be governed by law."

Page 2, line 4, delete "MINNESOTA INNOVATION AND RESEARCH" and insert "MINNOVATION"

Page 2, lines 7, 16, and 29, delete "Minnesota Innovation and Research" and insert "Minnovation"

Page 2, line 8, delete "Minnesota Innovation and"

Page 2, line 9, delete "Research" and insert "Minnovation"

Page 2, line 26, delete "465.7907 and 465.805 to 465.808" and insert "465.7909"

Page 2, line 30, delete "15" and insert "16"

Page 3, line 17, delete "and"

Page 3, line 19, delete the period and insert "; and"

Page 3, after line 19, insert:

"(13) one member representing the public sector redesign community appointed by the Citizens League."

Page 4, line 31, delete "<u>on a ten-year cycle, review all</u>" and insert "<u>upon request of the legislature,</u> review individual"

Page 5, delete line 4

Page 5, line 5, delete everything before "Each"

Page 5, after line 27, insert:

"Subd. 6. Available resources. The duties imposed under sections 465.7902 to 465.7907 must be performed to the extent possible given existing resources."

Page 5, line 30, delete "Minnesota Innovation and"

Page 5, line 31, delete "Research" and insert "Minnovation"

Page 11, line 6, delete "Minnesota Innovation and Research" and insert "Minnovation"

Page 13, delete section 9

Page 14, lines 28, 32, and 35, delete "465.808" and insert "465.7908"

Page 15, line 1, delete "465.809" and insert "465.7909" and before "GUARANTEEING" insert "ANNUAL COUNCIL REPORT ON INNOVATION AND"

Page 15, line 3, delete "(a)"

Page 15, delete lines 10 to 15

Page 16, line 1, delete "465.8091" and insert "465.7910"

Page 16, line 2, delete everything after "465.7901" and insert "to 465.7909 expire June 30, 2018."

Page 16, delete line 3

Page 16, delete section 13 and insert:

"Sec. 12. APPOINTMENTS; FIRST MEETING.

The appointing authorities under section 3 must complete their initial appointments to the Minnovation Council no later than August 1, 2010. The state auditor must convene the first meeting of the council by September 1, 2010."

Page 16, after line 15, insert:

"Sec. 14. EFFECTIVE DATE.

Sections 1 to 13 are effective July 1, 2010.

ARTICLE 4

TASK FORCE FOR POLICY INNOVATION

Section 1. TASK FORCE FOR POLICY INNOVATION AND RESEARCH.

Subdivision 1. Membership. The Task Force for Policy Innovation and Research includes the following 15 members:

(1) four members of the senate appointed by the Subcommittee on Committees of the Committee on Rules and Administration, including two members of the minority;

(2) two members of the house of representatives appointed by the speaker of the house;

(3) two members of the house of representatives appointed by the minority leader of the house of representatives;

(4) one member appointed by and serving at the pleasure of each of the following:

(i) the Wilder Foundation;

(ii) the Blandin Foundation;

(iii) the Minneapolis Foundation;

(iv) the McKnight Foundation; and

(v) the Bush Foundation;

(5) the director of the Center for the Study of Politics and Governance at the Humphrey Institute at the University of Minnesota; and

(6) one member from the office of the president of the University of Minnesota, selected by the president.

The appointing authorities under this subdivision shall complete their appointments no later than July 1, 2010.

The responsible appointing authority shall fill a vacancy on the task force within 30 days after the vacancy is created.

The director of the Center for the Study of Politics and Governance at the Humphrey Institute shall convene the first meeting of the task force no later than September 1, 2010. The task force shall select a chair from its membership at the first meeting. The members shall serve without compensation from the task force but legislative members may be reimbursed for their reasonable expenses as members of the legislature. The director of the Center for the Study of Politics and Governance at the Humphrey Institute shall assist the task force in administrative matters.

Subd. 2. **Report.** The task force shall consider methods and procedures to best provide the legislature with high quality, rigorous public policy research regarding issues and topics of concern to the legislature. By February 1, 2011, the task force shall report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over state government policy and finance regarding:

(1) a process for the selection of topics for public policy research of interest to the legislature;

(2) recommended methods and procedures for conducting and reporting the research; and

(3) a method to provide funding for the policy innovation and research initiative proposed by the task force.

The report shall also include any draft legislation necessary to implement the recommendations.

Subd. 3. Expiration. The task force expires after the submission of the report required under subdivision 2.

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

Renumber the articles and sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Parry moved to amend H.F. No. 2227 as follows:

Page 11, lines 10 and 15, delete "25" and insert "50"

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

H.F. No. 2227 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 51 and nays 10, as follows:

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Latz	Pogemiller	Skoe
Berglin	Fischbach	Lourey	Prettner Solon	Skogen
Betzold	Fobbe	Lynch	Rest	Sparks
Bonoff	Foley	Marty	Robling	Stumpf
Carlson	Frederickson	Metzen	Rosen	Tomassoni
Chaudhary	Gimse	Michel	Rummel	Torres Ray
Clark	Higgins	Moua	Saltzman	Wiger
Cohen	Ingebrigtsen	Murphy	Saxhaug	0
Dahle	Kelash	Olseen	Senjem	
Dibble	Koering	Pappas	Sheran	
Doll	Kubly	Parry	Sieben	
	-			
TTI 1				

Those who voted in the negative were:

Bakk	Hann	Jungbauer	Limmer	Ortman
Gerlach	Johnson	Koch	Olson, M.	Vandeveer

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

RECESS

Senator Pogemiller moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Senator Pogemiller from the Subcommittee on Conference Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 2634: Senators Moua, Higgins and Latz.

Senator Pogemiller moved that the foregoing appointments be approved. The motion prevailed.

MEMBERS EXCUSED

Senators Olson, G. and Pariseau were excused from the Session of today. Senator Jungbauer was excused from the Session of today from 1:00 to 1:35 p.m. Senator Erickson Ropes was excused from the Session of today from 1:45 to 2:00 p.m. Senators Dille and Scheid were excused from the Session of today at 4:00 p.m. Senators Fischbach and Lourey were excused from the Session of today at 4:30 p.m. Senator Vickerman was excused from the Session of today at 4:30 p.m.

ADJOURNMENT

Senator Pogemiller moved that the Senate do now adjourn until 12:00 noon, Friday, May 14, 2010. The motion prevailed.

Peter S. Wattson, Secretary of the Senate (Legislative)