TWENTY-FIFTH DAY

St. Paul, Minnesota, Tuesday, March 7, 2017

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Phil Shaw.

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

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

| Abeler Anderson, B. Anderson, P. |
|--|
| Bakk |
| Benson Chamberlain |
| Champion |
| Clausen |
| Cohen |
| Cwodzinski |
| Dahms |
| Dibble |
| Draheim |
| |

Dziedzic Eaton Eichorn Eken Fischbach Franzen Frentz Gazelka Goggin Hall Hayden Hoffman Housley Ingebrigtsen Isaacson Jasinski Jensen Johnson Kent Kiffmeyer Klein Koran Laine Lang Limmer Little Lourey Marty Mathews Miller Newman Newton Osmek Pappas Pratt Relph Rest Rosen

Ruud

Schoen Senjem Simonson Sparks Tomassoni Torres Ray Utke Weber Westrom Wiger Wiklund

The President declared a quorum present.

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

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

March 7, 2017

The Honorable Michelle L. Fischbach President of the Senate

Dear Senator Fischbach:

As the Senate Minority Leader, I hereby make the following appointments:

Pursuant to Minnesota Statutes 2016

124D.957: Minnesota Youth Council Committee - Senator Cwodzinski to serve at the pleasure of the appointing authority.

Sincerely, Thomas M. Bakk Senate DFL Leader State Senate - District 3

March 7, 2017

The Honorable Michelle L. Fischbach President of the Senate

Dear Senator Fischbach:

As the Senate Minority Leader, I hereby make the following appointments:

Pursuant to Minnesota Statutes 2016

62V.11: MNSure Legislative Oversight Committee - Senator Franzen and Senator Lourey to serve at the pleasure of the appointing authority.

Sincerely, Thomas M. Bakk Senate DFL Leader State Senate - District 3

MESSAGES FROM THE HOUSE

Madam President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 778.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted March 6, 2017

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 778: A bill for an act relating to the Minnesota Sports Facilities Authority; providing for classification of certain data; modifying appointments to the authority board; modifying duties;

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restricting the use of stadium suites; amending Minnesota Statutes 2016, sections 13.55, subdivision 2; 473J.07, subdivisions 2, 3, 4, 8, by adding a subdivision; 473J.09, subdivisions 6, 13, by adding subdivisions; 473J.13, by adding a subdivision; repealing Minnesota Statutes 2016, section 473J.09, subdivision 14.

Referred to the Committee on Judiciary and Public Safety Finance and Policy.

REPORTS OF COMMITTEES

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

Senator Benson from the Committee on Health and Human Services Finance and Policy, to which was referred

S.F. No. 751: A bill for an act relating to health; requiring that additional information be provided with dispensed prescriptions; proposing coding for new law in Minnesota Statutes, chapter 263.

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

Delete everything after the enacting clause and insert:

"Section 1. [152.121] REQUIRED DISCLOSURES FOR PRESCRIPTION OPIATES.

Subdivision 1. **Required information.** (a) When dispensing a prescription for opiates, a dispenser must provide to a patient, the patient's agent, or the patient's caregiver, clear and conspicuous written information, in plain language, about:

(1) the addictive nature of opiates and the risks of opioid abuse; and

(2) safe disposal of unused prescription opiates. This information must be consistent with the requirements of section 152.105.

(b) For purposes of this section, "dispenser" has the meaning provided in section 152.126, subdivision 1.

Subd. 2. **Board of Pharmacy development of materials.** The Board of Pharmacy shall develop concise written text in plain language that a dispenser may use to comply with the requirements of subdivision 1. The board shall make this text available to dispensers in the state by posting it on the board's Web site in a format that allows dispensers to download and print it for distribution.

EFFECTIVE DATE. This section is effective January 1, 2018."

Delete the title and insert:

"A bill for an act relating to health; requiring that additional information be provided with dispensed prescriptions; proposing coding for new law in Minnesota Statutes, chapter 152."

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

Senator Benson from the Committee on Health and Human Services Finance and Policy, to which was referred

S.F. No. 1708: A bill for an act relating to health occupations; establishing a registry system for spoken language health care interpreters; appropriating money; amending Minnesota Statutes 2016, section 256B.0625, subdivision 18a; proposing coding for new law as Minnesota Statutes, chapter 146C; repealing Minnesota Statutes 2016, section 144.058.

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

Senator Weber from the Committee on Agriculture, Rural Development, and Housing Policy, to which was referred

S.F. No. 104: A bill for an act relating to agriculture; modifying provisions for allowed commercial and industrial operations on agricultural preserves; providing for early termination of an agricultural preserve under certain conditions; amending Minnesota Statutes 2016, sections 40A.18, subdivision 2; 473H.09; 473H.17, subdivision 1a.

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

Page 2, line 9, delete "180" and insert "365"

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

Senator Weber from the Committee on Agriculture, Rural Development, and Housing Policy, to which was referred

S.F. No. 1311: A bill for an act relating to housing; modifying housing trust fund and family homeless prevention and assistance program requirements; establishing a rental assistance program for homeless and highly mobile students; appropriating money; amending Minnesota Statutes 2016, sections 462A.201, subdivision 2; 462A.204, subdivision 8.

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

Page 1, line 16, delete "projects" and insert "rental assistance" and after "children" insert "or unaccompanied homeless youth"

Page 3, lines 19 and 20, delete the new language

Page 3, line 30, after "(4)" insert ", and groups working in collaboration with the organizations"

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

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

H.F. No. 212 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

| GENERAL ORDERS | | CONSENT CALENDAR | | CALENDAR | |
|----------------|----------|------------------|----------|----------|----------|
| H.F. No. | S.F. No. | H.F. No. | S.F. No. | H.F. No. | S.F. No. |
| 212 | 1106 | | | | |

and that the above 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. Report adopted.

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

H.F. No. 330 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

| GENERAL ORDERS | | CONSENT CALENDAR | | CALENDAR | |
|----------------|----------|------------------|----------|----------|----------|
| H.F. No. | S.F. No. | H.F. No. | S.F. No. | H.F. No. | S.F. No. |
| 330 | 201 | | | | |

and that the above 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. Report adopted.

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

H.F. No. 600 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 | | CALENDAR | |
|----------------|----------|------------------|----------|----------|----------|
| H.F. No. | S.F. No. | H.F. No. | S.F. No. | H.F. No. | S.F. No. |
| 600 | 580 | | | | |

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 600 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 600, the second engrossment; and insert the language after the enacting clause of S.F. No. 580; further, delete the title of H.F. No. 600, the second engrossment; and insert the title of S.F. No. 580.

And when so amended H.F. No. 600 will be identical to S.F. No. 580, and further recommends that H.F. No. 600 be given its second reading and substituted for S.F. No. 580, 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.

Senator Miller from the Committee on Jobs and Economic Growth Finance and Policy, to which was referred

S.F. No. 5: A bill for an act relating to workforce development; providing funding for adult workforce development initiatives in greater Minnesota; appropriating money.

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

Senator Miller from the Committee on Jobs and Economic Growth Finance and Policy, to which was referred

S.F. No. 1456: A bill for an act relating to economic development; temporarily modifying the restrictions on use of Minnesota investment fund local government loan repayment funds.

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

Senator Miller from the Committee on Jobs and Economic Growth Finance and Policy, to which was referred

S.F. No. 1293: A bill for an act relating to workers' compensation; adopting recommendations of the Workers' Compensation Advisory Council; adopting department proposals; allowing a forbearance of amounts owed to the special compensation fund; modifying intervention procedures; authorizing rulemaking; amending Minnesota Statutes 2016, sections 176.275, subdivision 1; 176.285; 176.361, subdivisions 2, 3; 176.521, by adding a subdivision; 176.541, subdivisions 1, 8, by adding a subdivision; 176.611, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 176; repealing Minnesota Statutes 2016, section 176.541, subdivision 7.

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

Page 1, after line 12, insert:

"Section 1. Minnesota Statutes 2016, section 176.1362, subdivision 1, is amended to read:

Subdivision 1. **Payment based on Medicare MS-DRG system.** (a) Except as provided in subdivisions 2 and 3, the maximum reimbursement for inpatient hospital services, articles, and supplies is 200 percent of the amount calculated for each hospital under the federal Inpatient Prospective Payment System developed for Medicare, using the inpatient Medicare PC-Pricer program for the applicable MS-DRG as provided in paragraph (b) this subdivision. All adjustments

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included in the PC-Pricer program are included in the amount calculated, including but not limited to any outlier payments.

(b) Payment under this section is effective for services, articles, and supplies provided to patients discharged from the hospital on or after January 1, 2016. Payment for services, articles, and supplies provided to patients discharged on January 1, 2016, through December 31, 2016, must be based on the Medicare PC-Pricer program in effect on January 1, 2016.

(c) For patients discharged on or after the effective date of this section, payment for inpatient services, articles, and supplies for patients discharged in each calendar year thereafter must be based on calculated according to the PC-Pricer program in effect on January 1 of the year of discharge identified on Medicare's Web site as FY 2016.1, updated on January 19, 2016.

(d) For patients discharged on or after October 1, 2017, payment for inpatient services, articles, and supplies must be calculated according to the PC-Pricer program posted on the Department of Labor and Industry's Web site as follows:

(1) No later than October 1, 2017, and October 1 of each subsequent year, the commissioner must post on the department's Web site the version of the PC-Pricer program that is most recently available on Medicare's Web site as of the preceding July 1. If no PC-Pricer program is available on the Medicare Web site on any July 1, the PC-Pricer program most recently posted on the department's Web site remains in effect.

(2) The commissioner must publish notice of the applicable PC-Pricer program in the State Register no later than October 1 of each year.

(e) The MS-DRG grouper software or program that corresponds to the applicable version of the PC-Pricer program must be used to determine payment under this subdivision.

(e) (f) Hospitals must bill workers' compensation insurers using the same codes, formats, and details that are required for billing for hospital inpatient services by the Medicare program. The bill must be submitted to the insurer within the time period required by section 62Q.75, subdivision 3. For purposes of this section, "insurer" includes both workers' compensation insurers and self-insured employers.

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

Sec. 2. Minnesota Statutes 2016, section 176.1362, subdivision 2, is amended to read:

Subd. 2. **Payment for catastrophic, high-cost injuries.** (a) If the hospital's total usual and customary charges for services, articles, and supplies for a patient's hospitalization exceed a threshold of \$175,000, annually adjusted as provided in paragraph (b), reimbursement must not be based on the MS-DRG system, but must instead be paid at 75 percent of the hospital's usual and customary charges. The threshold amount in effect on the date of discharge determines the applicability of this paragraph.

(b) <u>Beginning On</u> January 1, 2017, and each January 1 thereafter, the commissioner must adjust the previous year's threshold by the percent change in average total charges per inpatient case, using

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data available as of October 1 for non-Critical Access Hospitals from the Health Care Cost Information System maintained by the Department of Health pursuant to chapter 144. <u>Beginning</u> October 1, 2017, and each October 1 thereafter, the commissioner must adjust the previous threshold using the data available as of the preceding July 1. The commissioner must annually publish notice of the updated threshold in the State Register.

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

Renumber the sections in sequence

Amend the title numbers accordingly

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

Senator Ruud from the Committee on Environment and Natural Resources Policy and Legacy Finance, to which was referred

S.F. No. 1652: A bill for an act relating to taxation; sales and use; Sustainable Forest Incentive Act; modifying collection and refund provisions; allowing for disclosure of certain information and a collection agreement between the commissioner of revenue and the commissioner of the natural resources; modifying requirements for land enrolled in the Sustainable Forest Incentive Act; amending Minnesota Statutes 2016, sections 84.82, subdivision 10; 84.922, subdivision 11; 86B.401, subdivision 12; 115A.1314, subdivision 1; 270B.14, by adding a subdivision; 290C.03; proposing coding for new law in Minnesota Statutes, chapters 290C; 297A; repealing Minnesota Statutes 2016, sections 290C.02, subdivisions 5, 9; 290C.06.

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

Senator Limmer from the Committee on Judiciary and Public Safety Finance and Policy, to which was re-referred

S.F. No. 187: A bill for an act relating to motor vehicles; amending titling process for manufactured homes; regulating transfers of manufactured homes when ownership is at issue; amending Minnesota Statutes 2016, sections 168A.141; 168A.142; proposing coding for new law in Minnesota Statutes, chapter 168A.

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

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

S.F. No. 1407: A bill for an act relating to human rights; amending notice provisions for actions involving architectural barriers; amending Minnesota Statutes 2016, section 363A.331, subdivisions 2, 5.

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

Page 1, line 11, after "subdivision 3," insert "clause (4) or (5),"

Page 2, line 2, after "notice" insert "under paragraph (a)"

Page 2, line 4, after "subdivision 3" insert ", clause (4) or (5)"

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

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

S.F. No. 1167: A bill for an act relating to civil actions; providing immunity for animal cruelty reporting; proposing coding for new law in Minnesota Statutes, chapter 604A.

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

Delete everything after the enacting clause and insert:

"Section 1. [604A.41] ANIMAL CRUELTY REPORTING.

A Minnesota licensed veterinarian acting in good faith is immune from civil liability for reporting to peace officers, humane agents, or animal control officers known or suspected inhumane treatment of animals, including but not limited to neglect, cruelty, or abuse as defined in section 343.20 or 346.36."

And when so amended the bill do pass and be re-referred to the Committee on Agriculture, Rural Development, and Housing Policy. Amendments adopted. Report adopted.

Senator Westrom from the Committee on Agriculture, Rural Development, and Housing Finance, to which was referred

S.F. No. 1497: A bill for an act relating to housing; appropriating money for the workforce and affordable housing program; amending Minnesota Statutes 2016, section 462A.38.

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

Senator Kiffmeyer from the Committee on State Government Finance and Policy and Elections, to which was re-referred

S.F. No. 695: A bill for an act relating to environment; providing for review of agency actions; prohibiting use of unadopted rules; amending Minnesota Statutes 2016, sections 115.05; 116.07, by adding a subdivision.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2016, section 115.05, is amended by adding a subdivision to read:

Subd. 12. <u>Review of actions concerning water quality.</u> (a) This subdivision applies to final decisions of the commissioner of the Pollution Control Agency that pertain to:

(1) issuing, amending, or denying a total maximum daily load (TMDL) allocation, watershed restoration and protection strategy (WRAPS), permit, license, or certification;

(2) issuing, amending, or modifying a water-quality standard according to section 115.44;

(3) identifying or listing impaired waters according to section 114D.25;

(4) granting or denying a variance or a site-specific water-quality standard;

(5) issuing an administrative order, except for an administrative penalty order issued according to section 116.072;

(6) denying a contested case hearing on any of the matters listed in clauses (1) to (5); or

(7) denying a request for reconsideration in any action identified in clauses (1) to (6).

(b) In any proceeding to review a final decision of the commissioner under chapter 14, the administrative law judge must examine the administrative record and, without deference to the commissioner, must independently determine from the record whether:

(1) the commissioner's action is based on reliable, scientific data and analyses, as confirmed by available peer-reviewed literature that the commissioner made publicly available for review before any applicable public comment period;

(2) the commissioner explained the action and substantively answered relevant and significant public comments in writing before taking the action;

(3) any test, measurement, or model the commissioner relied on in support of the action was used by the commissioner for the purpose for which the test, measurement, or model was designed, consistent with generally accepted and peer-reviewed scientific practice;

(4) the action is consistent with the findings of any external peer review panel the commissioner convened according to section 115.035; and

(5) the action is based on a demonstrated, significant causal relationship between the parameters of concern and the water-quality objective at issue, not correlation alone. When a causal relationship may be confounded by other factors, the reviewing authority must determine whether the relevance and effect of those factors were assessed to ensure the predicted causal relationship is valid.

(c) Upon determining that a challenged action does not meet one or more of the requirements of this subdivision, the administrative law judge must invalidate the action and, if appropriate, remand the matter to the commissioner for further proceedings consistent with this section.

Sec. 2. Minnesota Statutes 2016, section 115.05, is amended by adding a subdivision to read:

Subd. 13. Independent review of proposed rulemakings concerning water quality. (a) The Office of Administrative Hearings must convene an expert review panel to review the scientific basis of a proposed rule of the Pollution Control Agency if it receives petitions from five or more local government units within 30 days after the issuance of a notice of intention to adopt a proposed rule related to one or more of the following:

(1) water quality standards under section 115.44;

(2) impairment designations, total maximum daily load (TMDL) allocations, watershed restoration and protection strategies (WRAPS), or water-related permits, licenses, or certifications;

(3) identification or listing of impaired waters under section 114D.25; or

(4) the granting or denial of site-specific water quality standards or variances to water quality standards.

(b) A petition submitted pursuant to paragraph (a) must be submitted in writing to the Office of Administrative Hearings and must describe the need for the independent review. The petition may include supporting expert opinion.

(c) Upon receipt of a petition complying with paragraph (b), the Office of Administrative Hearings must convene an expert review panel regardless of whether an external peer review was conducted under section 115.035. The office must establish by order an expert review panel of three independent experts with qualifications in the subject matter of the scientific dispute who are employed neither by the Pollution Control Agency nor by any of the petitioners to the proceeding and who are not directly or indirectly involved with the work conducted or contracted by the agency. The composition of the panel must be determined as follows:

(1) the commissioner of the Pollution Control Agency must select one expert satisfying the requirements of this paragraph;

(2) the petitioners must jointly select one expert satisfying the requirements of this paragraph;

(3) the two experts selected under clauses (1) and (2) must mutually agree to a third expert satisfying the requirements of this paragraph; and

(4) if the two experts selected under clauses (1) and (2) are unable to mutually agree on a third expert, the Office of Administrative Hearings must make the appointment.

(d) In its order establishing the expert review panel, the Office of Administrative Hearings must include a statement of the specific scientific issues or questions in dispute to be submitted for review. The commissioner and petitioners must mutually agree to the issues or questions, except that if the

parties cannot agree on one or more issues or questions, the Office of Administrative Hearings must determine the issue or question to be submitted. If the Office of Administrative Hearings determines the issue or question to be submitted, the office must hold a public hearing on the issue or question.

(e) The expert review panel established by the Office of Administrative Hearings must review the scientific evidence relevant to the issues or questions listed in the order of the Administrative Office of the Court, including the results of any external peer review conducted according to section 115.035, in general accordance with the guidance in the United States Environmental Protection Agency's Peer Review Handbook. The panel must submit a written opinion on the scientific validity of the commissioner's approach at issue. If the panel finds deficiencies, the panel must recommend how the deficiencies can be corrected. The written opinion must be submitted to the Office of Administrative Hearings, which shall send a written copy of the opinion to the commissioner of the Pollution Control Agency, the petitioners, and the chairs of the house of representatives and senate committees having jurisdiction over environment and natural resources policy and finance.

(f) Once the Office of Administrative Hearings has received petitions from five or more local government units pursuant to paragraph (a), it must notify the Pollution Control Agency of this fact and the Pollution Control Agency shall not proceed to adopt the proposed rule until the agency holds a hearing pursuant to section 14.14 at least 30 days after the agency receives the written opinion required to be sent to it under paragraph (e). All of the requirements that govern an initial hearing under section 14.14 shall apply to a hearing under this paragraph.

(g) The Office of Administrative Hearings must convene an expert review panel that complies with this subdivision if a petitioner in a contested case asserts in a petition to the Office of Administrative Hearings that there is a dispute in the contested case as to any of the items set forth in paragraph (a), clauses (1) to (4), and the office finds that such a dispute exists. The contested case shall not proceed until the written opinion of the expert panel is issued and considered by the Pollution Control Agency.

Sec. 3. Minnesota Statutes 2016, section 115.05, is amended by adding a subdivision to read:

<u>Subd. 14.</u> **Definition of local government unit.** For purposes of subdivision 13, "local government unit" includes a statutory or home rule charter city, town, county, local public utilities commission, sanitary district, soil and water conservation district, watershed district, watershed management organization, an organization formed for the joint exercise of powers under section 471.59, or other special purpose district or authority exercising authority in water and related land resources management at the local level.

Sec. 4. Minnesota Statutes 2016, section 116.07, is amended by adding a subdivision to read:

Subd. 13. Unadopted rules. (a) The commissioner of the Pollution Control Agency must not enforce or attempt to enforce an unadopted rule. For the purposes of this subdivision, "unadopted rule" means a guideline, bulletin, criterion, manual standard, interpretive statement, or similar pronouncement, if the guideline, bulletin, criterion, manual standard, interpretive statement, or similar pronouncement meets the definition of a rule as defined under section 14.02, subdivision 4, but has not been adopted according to the rulemaking process provided under chapter 14. If an unadopted rule is challenged under section 14.381, the commissioner must demonstrate the following to overcome a presumption against the unadopted rule:

(1) the challenged unadopted rule is an agency interpretation of a statute or agency rule properly adopted under chapter 14 that is consistent with the plain meaning of the statute or rule the agency seeks to interpret; or

(2) the challenged unadopted rule is a long-standing interpretation of an ambiguous statute or agency rule properly adopted under chapter 14.

(b) If the commissioner incorporates by reference an internal guideline, bulletin, criterion, manual standard, interpretive statement, or similar pronouncement into a statute, rule, or standard, the commissioner must follow the rulemaking process provided under chapter 14 to amend or revise any such guideline, bulletin, criterion, manual standard, interpretive statement, or similar pronouncement.

Sec. 5. SUSPENSION OF CERTAIN WATER QUALITY RULES.

Until July 1, 2019, the water quality standards or other water quality rule changes adopted on or after July 2, 2014, that require a local unit of government to upgrade or update its wastewater treatment facility or to construct a new wastewater treatment facility, are suspended. Water quality standards and other water quality rules in effect on July 1, 2014, are in effect until July 1, 2019. Any actions brought by the commissioner of the Pollution Control Agency before, or contested cases under Minnesota Statutes, chapter 14, that are pending on the effective date of this section, to enforce water quality standards or other water quality rules adopted on or after July 2, 2014, are suspended until July 1, 2019.

EFFECTIVE DATE. This section is effective the day following final enactment and expires July 1, 2019.

Sec. 6. APPROPRIATION.

<u>\$100,000 in fiscal year 2018 is appropriated from the general fund to the Office of Administrative</u> Hearings to convene expert review panels according to Minnesota Statutes, section 115.05, subdivision 13. The appropriation is available until expended."

Delete the title and insert:

"A bill for an act relating to environment; changing the review process for certain water quality decisions of the Pollution Control Agency; requiring an independent scientific review of certain proposed rulemakings of the Pollution Control Agency and contested cases before the agency; prohibiting the Pollution Control Agency from enforcing unadopted rules; suspending enforcement of certain water quality rules; appropriating money to cover costs of independent scientific reviews; amending Minnesota Statutes 2016, sections 115.05, by adding subdivisions; 116.07, by adding a subdivision."

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

Senator Kiffmeyer from the Committee on State Government Finance and Policy and Elections, to which was re-referred

S.F. No. 4: A bill for an act relating to education; establishing the Professional Educator Licensing and Standards Board; transferring all teacher licensing and support personnel licensing and credentialing authority to the Professional Educator Licensing and Standards Board; requiring a report; amending Minnesota Statutes 2016, sections 120B.363, subdivision 1; 122A.06, subdivisions 2, 3; 122A.07; 122A.08; 122A.09, subdivisions 1, 2, 3, 4, 4a, 6, 7, 9, 10; 122A.17; 122A.18, subdivisions 1, 2, 2b, 3, 3a, 7a, 7c, 8; 122A.19; 122A.20, subdivisions 1, 2; 122A.21, subdivision 2; 122A.22; 122A.23, subdivision 3; 122A.26, subdivision 2; 122A.28; 122A.29; 122A.30; 124D.13, subdivision 11; 124D.454, subdivision 12; 124D.75, subdivisions 1, 6; 125A.67, subdivision 2; 127A.05, subdivision 6; 136A.1791, subdivision 1; 214.04, subdivisions 1, 3; 214.045; proposing coding for new law in Minnesota Statutes, chapter 122A; repealing Minnesota Statutes 2016, sections 122A.162; 122A.163; 122A.18, subdivisions 4, 4a, 7; 122A.23, subdivisions 1, 2; 122A.245; 122A.25.

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

Page 2, line 21, after the comma, insert "<u>one of whom must be from a related service category</u> licensed by the board,"

Page 2, line 22, delete "or" and insert "at a school district or school"

Page 2, line 23, delete everything before "as"

Page 3, line 19, after the first comma, insert "except as provided in subdivision 2a,"

Page 3, line 22, delete everything after "(a)"

Page 3, delete lines 23 to 26

Page 3, line 27, delete "(b)"

Page 3, line 31, delete "(c) The Department of Administration" and insert "(b) The commissioner of administration"

Page 4, line 1, delete "(d) The Department of Education" and insert "(c) The commissioner of education"

Page 4, line 3, delete "Department" and insert "commissioner" and delete "Department" and insert "commissioner"

Page 4, line 20, after the period, insert "<u>The board must review the performance of the executive</u> director and set the salary of the executive director, not to exceed the limit for a position listed in section 15A.0815, subdivision 2."

Page 16, after line 28, insert:

The governor shall make appointments to the Professional Educator Licensing and Standards Board by September 1, 2017, for terms that begin January 1, 2018. The governor shall designate one member of the board to convene the first meeting by February 1, 2018, and to act as chair until the board elects a chair at its first meeting."

Renumber the sections in sequence

And when so amended the bill do pass and be re-referred to the Committee on E-12 Finance. Amendments adopted. Report adopted.

Senator Kiffmeyer from the Committee on State Government Finance and Policy and Elections, to which was re-referred

S.F. No. 1338: A bill for an act relating to education; special education teacher licensing; proposing coding for new law in Minnesota Statutes, chapter 122A.

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

Page 1, delete lines 18 and 19

Page 1, after line 20, insert:

"Sec. 2. Minnesota Rule, part 8710.5050, subpart 4, is amended to read:

Subd. 4. **Continuing licensure.** A continuing license shall be issued and renewed according to rules of the Board of Teaching governing continuing licenses and upon demonstration of holding or being recommended for licensure in one of the following licensure fields: autism spectrum disorders, developmental disabilities, emotional or behavioral disorders, or learning disorders."

Renumber the sections in sequence

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on E-12 Policy. Amendments adopted. Report adopted.

Senator Kiffmeyer from the Committee on State Government Finance and Policy and Elections, to which was re-referred

S.F. No. 120: A bill for an act relating to human services; extending the Alzheimer's disease working group; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Delete everything after the enacting clause and insert:

"Section 1. ALZHEIMER'S DISEASE WORKING GROUP.

Subdivision 1. Members. (a) The Minnesota Board on Aging must appoint 16 members to an Alzheimer's disease working group, as follows:

(1) a caregiver of a person who has been diagnosed with Alzheimer's disease;

(2) a person who has been diagnosed with Alzheimer's disease;

(3) two representatives from the nursing facility or senior housing profession;

(4) a representative of the home care or adult day services profession;

(5) two geriatricians, one of whom serves a diverse or underserved community;

(6) a psychologist who specializes in dementia care;

(7) an Alzheimer's researcher;

(8) a representative of the Alzheimer's Association;

(9) two members from community-based organizations serving one or more diverse or underserved communities;

(10) the commissioner of human services or a designee;

(11) the commissioner of health or a designee;

(12) the ombudsman for long-term care or a designee; and

(13) one member of the Minnesota Board on Aging, selected by the board.

(b) The executive director of the Minnesota Board on Aging serves on the working group as a nonvoting member.

(c) The appointing authorities under this subdivision must complete their appointments no later than December 15, 2017.

(d) To the extent practicable, the membership of the working group must reflect the diversity in Minnesota, and must include representatives from rural and metropolitan areas and representatives of different ethnicities, races, genders, ages, cultural groups, and abilities.

Subd. 2. **Duties; recommendations.** The Alzheimer's disease working group must review and revise the 2011 report, Preparing Minnesota for Alzheimer's: the Budgetary, Social and Personal Impacts. The working group shall consider and make recommendations and findings on the following issues as related to Alzheimer's disease or other dementias:

(1) trends and disparities in the state's Alzheimer's population;

(2) public awareness, knowledge, and attitudes, including knowledge gaps, stigma, availability of information, and supportive community environments;

(3) risk reduction, including health education and health promotion on risk factors, safety, and potentially avoidable hospitalizations;

(4) diagnosis and treatment, including early detection, access to diagnosis, quality of dementia care, and cost of treatment;

(5) professional education and training, including geriatric education for licensed health care professionals and dementia-specific training for direct care workers, first responders, and other professionals in communities;

(6) residential services, including cost to families as well as regulation and licensing gaps;

(7) research and data collection, including public health surveillance; and

(8) cultural competence and responsiveness to reduce health disparities and improve access to high-quality dementia care.

Subd. 3. Meetings. The Board on Aging must convene the first meeting of the working group no later than January 15, 2018. Before the first meeting, the Board on Aging must designate one member to serve as chair. The working group is subject to Minnesota Statutes, chapter 13D. To the extent practicable, technological means, such as Web casts, shall be used to reach the greatest number of people throughout the state. The working group may not meet more than five times.

Subd. 4. **Compensation.** Members of the working group serve without compensation, but may be reimbursed for allowed actual and necessary expenses incurred in the performance of the member's duties for the working group in the same manner and amount as authorized by the commissioner's plan adopted under Minnesota Statutes, section 43A.08, subdivision 2.

Subd. 5. Administrative support. The Minnesota Board on Aging will provide administrative support and arrange meeting space for the working group.

Subd. 6. **Report.** The Board on Aging must submit a report providing the findings and recommendations of the working group, including any draft legislation necessary to implement the recommendations, to the governor and chairs and ranking minority members of the legislative committees with jurisdiction over health care by January 15, 2019.

Subd. 7. Expiration. The working group shall expire on June 30, 2019, or the day after the working group submits the report required in subdivision 7, whichever is earlier.

Sec. 2. APPROPRIATION.

\$..... is appropriated in fiscal year 2018 from the general fund to the Minnesota Board on Aging for the Alzheimer's disease working group. This appropriation is onetime and is available until June 30, 2019."

Amend the title numbers accordingly

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

Senator Kiffmeyer from the Committee on State Government Finance and Policy and Elections, to which was re-referred

S.F. No. 480: A bill for an act relating to local government; providing long-term equity investment authority; proposing coding for new law in Minnesota Statutes, chapter 118A.

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

Page 1, line 18, delete everything after "to" and insert "a broad market United States equity index"

Page 1, line 19, delete "Market Index"

Page 2, line 1, delete "cash and investments" and insert "funds"

Page 2, line 5, delete "<u>pension liabilities</u>," and delete "<u>and</u>" and before the period, insert "<u>, and</u> other long-term obligations etablished by applicable accounting standards"

Page 2, line 25, delete "and"

Page 2, line 27, delete the period and insert "; and"

Page 2, after line 27, insert:

"(3) the governing body certifies that all funds designated for investment through the State Board of Investment meet the requirements of this section and the policies and procedures established by the State Board of Investment."

Page 3, line 21, before the period, insert ", subject to the policies and procedures established by the State Board of Investment"

Page 3, line 25, before the period, insert ", subject to the policies and procedures established by the State Board of Investment"

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

SECOND READING OF SENATE BILLS

S.F. Nos. 1456, 187, and 1407 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 212, 330, and 600 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senators Fischbach and Anderson, B. introduced--

S.F. No. 1862: A bill for an act relating to veterans; requiring the Department of Veterans Affairs to develop a policy to grant free or reduced-cost burials in state veterans cemeteries to eligible dependents of veterans who are low income; amending Minnesota Statutes 2016, sections 190.19, subdivision 2a; 197.236, subdivision 9.

Referred to the Committee on Veterans and Military Affairs Finance and Policy.

Senator Simonson introduced--

S.F. No. 1863: A bill for an act relating to taxation; income; providing a credit for the purchase and installation of solar energy systems; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes.

Senator Simonson introduced--

S.F. No. 1864: A bill for an act relating to retirement; statewide and major local public retirement plans; modifying provisions for purchasing salary or service credit for periods during which the member receives workers' compensation; amending Minnesota Statutes 2016, sections 352.017; 353.0162; 354.72; 354A.096; repealing Minnesota Statutes 2016, section 352.01, subdivision 13a.

Referred to the Committee on State Government Finance and Policy and Elections.

Senator Osmek introduced--

S.F. No. 1865: A bill for an act relating to transit; establishing a farebox recovery objective for certain Twin Cities metropolitan area transit; amending Minnesota Statutes 2016, section 473.146, subdivision 3.

Referred to the Committee on Transportation Finance and Policy.

Senator Goggin introduced--

S.F. No. 1866: A bill for an act relating to transportation; establishing various requirements governing passenger rail; making technical changes; amending Minnesota Statutes 2016, sections 174.634; 174.636, subdivision 4, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 174.

Referred to the Committee on Transportation Finance and Policy.

Senators Utke, Weber, Goggin, and Draheim introduced--

S.F. No. 1867: A bill for an act relating to taxation; property; allowing land classified as agricultural homestead and farmed by a beginning farmer to continue to qualify for homestead classification; amending Minnesota Statutes 2016, section 273.124, subdivision 14.

Referred to the Committee on Agriculture, Rural Development, and Housing Policy.

Senators Utke and Benson introduced--

S.F. No. 1868: A bill for an act relating to health; placing limits on the quantity of opiates that may be prescribed for acute dental and ophthalmic pain; amending Minnesota Statutes 2016, section 152.11, by adding a subdivision.

Referred to the Committee on Health and Human Services Finance and Policy.

Senator Eaton introduced--

S.F. No. 1869: A bill for an act relating to human services; expanding participation in the opioid prescribing improvement program; amending Minnesota Statutes 2016, section 256B.0638, subdivisions 2, 4, 5.

Referred to the Committee on Health and Human Services Finance and Policy.

Senator Westrom introduced---

S.F. No. 1870: A bill for an act relating to transportation; requiring MnDOT to build a turn lane or install traffic lights on Highway 55 at County Road 19.

Referred to the Committee on Transportation Finance and Policy.

Senators Housley and Utke introduced--

S.F. No. 1871: A bill for an act relating to public safety; providing enhanced criminal penalties for assaulting firefighters and medical personnel; amending Minnesota Statutes 2016, section 609.2231, subdivision 2.

Referred to the Committee on Judiciary and Public Safety Finance and Policy.

Senators Ruud and Newman introduced--

S.F. No. 1872: A bill for an act relating to public safety; modifying the disaster assistance account; amending Minnesota Statutes 2016, section 12.221, subdivision 6.

Referred to the Committee on Judiciary and Public Safety Finance and Policy.

Senators Marty, Wiger, Kent, and Clausen introduced--

S.F. No. 1873: A bill for an act relating to education; integrating service-learning into Minnesota's education system; establishing an evidence-based service-learning grant program; appropriating money; amending Minnesota Statutes 2016, section 124D.50, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 124D.

Referred to the Committee on E-12 Finance.

Senators Anderson, B. and Abeler introduced--

S.F. No. 1874: A bill for an act relating to health records; adding adult children of a deceased patient to the definition of patient; amending Minnesota Statutes 2016, section 144.291, subdivision 2.

Referred to the Committee on Aging and Long-term Care Policy.

Senators Senjem and Weber introduced--

S.F. No. 1875: A bill for an act relating to taxation; sales and use; allowing cities to impose a local sales tax if certain criteria are met; amending Minnesota Statutes 2016, sections 297A.99, subdivisions 1, 3; 477A.016; proposing coding for new law in Minnesota Statutes, chapter 297A.

Referred to the Committee on Taxes.

Senator Frentz introduced--

S.F. No. 1876: A bill for an act relating to human services; appropriating money for the Minnesota Security Hospital.

Referred to the Committee on Human Services Reform Finance and Policy.

Senator Torres Ray introduced--

S.F. No. 1877: A bill for an act relating to the Metropolitan Council; modifying the sewer availability charge; amending Minnesota Statutes 2016, section 473.517, subdivision 3.

Referred to the Committee on Local Government.

Senator Torres Ray introduced--

S.F. No. 1878: A bill for an act relating to arts and cultural heritage; appropriating money for Dakota and Ojibwe language preservation.

Referred to the Committee on Environment and Natural Resources Policy and Legacy Finance.

Senator Jasinski introduced--

S.F. No. 1879: A bill for an act relating to transportation; modifying sales tax deposits and accounts for transportation purposes; amending Minnesota Statutes 2016, sections 297A.815, subdivision 3; 297A.94.

Referred to the Committee on Transportation Finance and Policy.

Senator Clausen introduced--

S.F. No. 1880: A bill for an act relating to higher education; appropriating money for mental health education; requiring a report.

Referred to the Committee on Higher Education Finance and Policy.

Senators Hoffman and Isaacson introduced--

S.F. No. 1881: A bill for an act relating to workforce development; appropriating money for an advanced digital technology center for orthotics and prosthetics.

Referred to the Committee on Jobs and Economic Growth Finance and Policy.

Senator Relph introduced--

S.F. No. 1882: A bill for an act relating to judiciary; prohibiting use of state funds to expand audio and video coverage in criminal proceedings.

Referred to the Committee on Judiciary and Public Safety Finance and Policy.

Senator Relph introduced--

S.F. No. 1883: A bill for an act relating to taxation; allowing the city of St. Cloud to increase the rate of certain local taxes; amending Laws 1998, chapter 389, article 8, section 44, subdivisions 3, 4.

Referred to the Committee on Taxes.

Senator Johnson introduced--

S.F. No. 1884: A bill for an act relating to economic development; providing a sales tax exemption for the sales tax paid during construction of an eligible wholesale electronic component distribution center; providing a forgivable loan for constructing an eligible wholesale electronic component distribution center; providing a grant from the business development public infrastructure program for the city of Thief River Falls; appropriating money.

Referred to the Committee on Jobs and Economic Growth Finance and Policy.

Senator Nelson introduced--

S.F. No. 1885: A bill for an act relating to education; establishing foundation and incentive revenue for school districts; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124D.

Referred to the Committee on E-12 Finance.

Senator Lourey introduced--

S.F. No. 1886: A bill for an act relating to public safety; including certain sexual conduct in a secure treatment facility as criminal sexual conduct in the fifth degree crime; amending Minnesota Statutes 2016, section 609.3451.

Referred to the Committee on Judiciary and Public Safety Finance and Policy.

Senator Latz introduced--

S.F. No. 1887: A bill for an act relating to insurance; requiring underinsured and uninsured motorist coverage for motorcycles; amending Minnesota Statutes 2016, section 65B.48, subdivision 5.

Referred to the Committee on Commerce and Consumer Protection Finance and Policy.

Senators Limmer, Kiffmeyer, and Benson introduced--

S.F. No. 1888: A bill for an act relating to health; requiring a patient's affirmative consent or nonconsent for each item when requested to release health records; amending Minnesota Statutes 2016, section 144.293, subdivision 2.

Referred to the Committee on Health and Human Services Finance and Policy.

Senator Gazelka introduced--

S.F. No. 1889: A bill for an act relating to health; requiring the commissioner of health to establish opioid abuse prevention pilot projects; appropriating money.

Referred to the Committee on Health and Human Services Finance and Policy.

Senator Rest introduced--

S.F. No. 1890: A bill for an act relating to elections; modifying certain procedures related to vacancies in nomination; amending Minnesota Statutes 2016, section 204B.13, subdivision 2.

Referred to the Committee on State Government Finance and Policy and Elections.

Senator Dibble introduced--

S.F. No. 1891: A bill for an act relating to public safety; providing for qualifications and training of school resource officers; requiring a report; proposing coding for new law in Minnesota Statutes, chapter 626.

Referred to the Committee on Judiciary and Public Safety Finance and Policy.

Senator Osmek introduced--

S.F. No. 1892: A bill for an act relating to mass transit; modifying the amount of financial assistance provided to replacement transit service providers; amending Minnesota Statutes 2016, section 473.388, subdivision 4.

Referred to the Committee on Transportation Finance and Policy.

Senators Abeler, Hoffman, and Newton introduced--

S.F. No. 1893: A bill for an act relating to education; allowing Minnesota Transitions Charter School to qualify for certain grants and programs.

Referred to the Committee on Human Services Reform Finance and Policy.

Senators Abeler and Hoffman introduced--

S.F. No. 1894: A bill for an act relating to health; requiring the commissioner of health to study and report on disparities in accessing prenatal care; appropriating money.

Referred to the Committee on Health and Human Services Finance and Policy.

MOTIONS AND RESOLUTIONS

Senator Rosen moved that the name of Senator Housley be added as a co-author to S.F. No. 636. The motion prevailed.

Senator Kiffmeyer moved that her name be stricken as chief author, shown as a co-author, and the name of Senator Newman be added as chief author to S.F. No. 769. The motion prevailed.

Senator Mathews moved that the name of Senator Weber be added as a co-author to S.F. No. 1290. The motion prevailed.

Senator Pratt moved that the name of Senator Cwodzinski be added as a co-author to S.F. No. 1305. The motion prevailed.

Senator Jensen moved that the name of Senator Wiklund be added as a co-author to S.F. No. 1421. The motion prevailed.

Senator Clausen moved that the names of Senators Little and Isaacson be added as co-authors to S.F. No. 1443. The motion prevailed.

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Senator Lourey moved that the names of Senators Rest and Senjem be added as co-authors to S.F. No. 1459. The motion prevailed.

Senator Hoffman moved that the name of Senator Schoen be added as a co-author to S.F. No. 1721. The motion prevailed.

Senator Jensen moved that the name of Senator Pappas be added as a co-author to S.F. No. 1737. The motion prevailed.

Senator Nelson moved that the name of Senator Wiger be added as a co-author to S.F. No. 1820. The motion prevailed.

Senator Nelson moved that the name of Senator Wiger be added as a co-author to S.F. No. 1845. The motion prevailed.

Senator Carlson moved that the name of Senator Kent be added as a co-author to S.F. No. 1852. The motion prevailed.

Senator Johnson moved that S.F. No. 1168 be withdrawn from the Committee on Jobs and Economic Growth Finance and Policy and re-referred to the Committee on Taxes. The motion prevailed.

Senator Dziedzic moved that S.F. No. 1192 be withdrawn from the Committee on Taxes and re-referred to the Committee on Judiciary and Public Safety Finance and Policy. The motion prevailed.

Senator Laine introduced --

Senate Resolution No. 55: A Senate resolution in appreciation of Springbrook Nature Center.

Referred to the Committee on Rules and Administration.

MEMBERS EXCUSED

Senators Hawj and Latz were excused from the Session of today.

ADJOURNMENT

Senator Gazelka moved that the Senate do now adjourn until 12:00 noon, Wednesday, March 8, 2017. The motion prevailed.

Cal R. Ludeman, Secretary of the Senate