

TWENTY-EIGHTH DAY

St. Paul, Minnesota, Wednesday, March 20, 2013

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

CALL OF THE SENATE

Senator Rest 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. Bill Helker.

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:

Anderson	Dziedzic	Jensen	Ortman	Senjem
Bakk	Eaton	Johnson	Osmek	Sheran
Benson	Eken	Kent	Pappas	Sieben
Bonoff	Fischbach	Kiffmeyer	Pederson, J.	Skoe
Brown	Franzen	Koenen	Petersen, B.	Sparks
Carlson	Gazelka	Latz	Pratt	Stumpf
Chamberlain	Goodwin	Limmer	Reinert	Thompson
Champion	Hall	Lourey	Rest	Tomassoni
Clausen	Hann	Marty	Rosen	Torres Ray
Cohen	Hawj	Miller	Ruud	Weber
Dahle	Hoffman	Nelson	Saxhaug	Westrom
Dahms	Housley	Newman	Scalze	Wiger
Dibble	Ingebrigtsen	Nienow	Schmit	Wiklund

The President declared a quorum present.

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

REPORTS OF COMMITTEES

Senator Bakk moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 248, 810 and 60. The motion prevailed.

Senator Torres Ray from the Committee on Education, to which was referred

S.F. No. 978: A bill for an act relating to education; modifying policies for early childhood through grade 12 education, including general education, education excellence, special programs, libraries, and early childhood education; authorizing rulemaking; amending Minnesota Statutes 2012, sections 15.059, subdivision 5b; 120A.41; 120B.02; 120B.021, subdivision 1; 120B.023; 120B.024; 120B.15; 120B.30, subdivision 1; 120B.31, subdivision 1; 123B.88, subdivision 22;

124D.10; 124D.122; 124D.79, subdivision 1, by adding a subdivision; 125A.27, subdivisions 8, 11, 14; 125A.28; 125A.29; 125A.30; 125A.32; 125A.33; 125A.35, subdivision 1; 125A.36; 125A.43; 126C.10, subdivision 14; 260A.02, subdivision 3; 260A.03; 260A.05, subdivision 1; 260A.07, subdivision 1; Laws 2011, First Special Session chapter 11, article 7, section 2, subdivision 8, as amended; proposing coding for new law in Minnesota Statutes, chapters 120B; 124D; repealing Minnesota Statutes 2012, section 125A.35, subdivisions 4, 5; Minnesota Rules, parts 3501.0505; 3501.0510; 3501.0515; 3501.0520; 3501.0525; 3501.0530; 3501.0535; 3501.0540; 3501.0545; 3501.0550.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

GENERAL EDUCATION

Section 1. Minnesota Statutes 2012, section 120A.41, is amended to read:

120A.41 LENGTH OF SCHOOL YEAR; HOURS OF INSTRUCTION.

A school board's annual school calendar must include at least 425 hours of instruction for a kindergarten student without a disability, 935 hours of instruction for a student in grades 1 through 6, and 1,020 hours of instruction for a student in grades 7 through 12, not including summer school. ~~Nothing in this section permits a school district to adopt~~ A school board's annual calendar must include at least 165 days of instruction for a student in grades 1 through 11 unless a four-day week schedule ~~unless has been~~ approved by the commissioner under section 124D.126.

Sec. 2. Minnesota Statutes 2012, section 123B.88, subdivision 22, is amended to read:

Subd. 22. **Postsecondary enrollment options pupils.** Districts may provide bus transportation along school bus routes when space is available, for pupils attending programs at a postsecondary institution under the postsecondary enrollment options program. ~~The transportation is permitted only if it does not increase the district's expenditures for transportation.~~ Fees collected for this service under section 123B.36, subdivision 1, paragraph (13), shall be subtracted from the authorized cost for nonregular transportation for the purpose of section 123B.92. A school district may provide transportation for a pupil participating in an articulated program operated under an agreement between the school district and the postsecondary institution.

Sec. 3. Minnesota Statutes 2012, section 123B.92, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of this section and section 125A.76, the terms defined in this subdivision have the meanings given to them.

(a) "Actual expenditure per pupil transported in the regular and excess transportation categories" means the quotient obtained by dividing:

(1) the sum of:

(i) all expenditures for transportation in the regular category, as defined in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause (2), plus

(ii) an amount equal to one year's depreciation on the district's school bus fleet and mobile units computed on a straight line basis at the rate of 15 percent per year for districts operating a program under section 124D.128 for grades 1 to 12 for all students in the district and 12-1/2 percent per year for other districts of the cost of the fleet, plus

(iii) an amount equal to one year's depreciation on the district's type III vehicles, as defined in section 169.011, subdivision 71, which must be used a majority of the time for pupil transportation purposes, computed on a straight line basis at the rate of 20 percent per year of the cost of the type three school buses by:

(2) the number of pupils eligible for transportation in the regular category, as defined in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause (2).

(b) "Transportation category" means a category of transportation service provided to pupils as follows:

(1) Regular transportation is:

(i) transportation to and from school during the regular school year for resident elementary pupils residing one mile or more from the public or nonpublic school they attend, and resident secondary pupils residing two miles or more from the public or nonpublic school they attend, excluding desegregation transportation and noon kindergarten transportation; but with respect to transportation of pupils to and from nonpublic schools, only to the extent permitted by sections 123B.84 to 123B.87;

(ii) transportation of resident pupils to and from language immersion programs;

(iii) transportation of a pupil who is a custodial parent and that pupil's child between the pupil's home and the child care provider and between the provider and the school, if the home and provider are within the attendance area of the school;

(iv) transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; and

(v) transportation to and from school during the regular school year required under subdivision 3 for nonresident elementary pupils when the distance from the attendance area border to the public school is one mile or more, and for nonresident secondary pupils when the distance from the attendance area border to the public school is two miles or more, excluding desegregation transportation and noon kindergarten transportation.

For the purposes of this paragraph, a district may designate a licensed day care facility, school day care facility, respite care facility, the residence of a relative, or the residence of a person or other location chosen by the pupil's parent or guardian, or an after-school program for children operated by a political subdivision of the state, as the home of a pupil for part or all of the day, if requested by the pupil's parent or guardian, and if that facility, residence, or program is within the attendance area of the school the pupil attends.

(2) Excess transportation is:

(i) transportation to and from school during the regular school year for resident secondary pupils residing at least one mile but less than two miles from the public or nonpublic school they attend, and transportation to and from school for resident pupils residing less than one mile from school who

are transported because of full-service school zones, extraordinary traffic, drug, or crime hazards; and

(ii) transportation to and from school during the regular school year required under subdivision 3 for nonresident secondary pupils when the distance from the attendance area border to the school is at least one mile but less than two miles from the public school they attend, and for nonresident pupils when the distance from the attendance area border to the school is less than one mile from the school and who are transported because of full-service school zones, extraordinary traffic, drug, or crime hazards.

(3) Desegregation transportation is transportation within and outside of the district during the regular school year of pupils to and from schools located outside their normal attendance areas under a plan for desegregation mandated by the commissioner or under court order.

(4) "Transportation services for pupils with disabilities" is:

(i) transportation of pupils with disabilities who cannot be transported on a regular school bus between home or a respite care facility and school;

(ii) necessary transportation of pupils with disabilities from home or from school to other buildings, including centers such as developmental achievement centers, hospitals, and treatment centers where special instruction or services required by sections 125A.03 to 125A.24, 125A.26 to 125A.48, and 125A.65 are provided, within or outside the district where services are provided;

(iii) necessary transportation for resident pupils with disabilities required by sections 125A.12, and 125A.26 to 125A.48;

(iv) board and lodging for pupils with disabilities in a district maintaining special classes;

(v) transportation from one educational facility to another within the district for resident pupils enrolled on a shared-time basis in educational programs, and necessary transportation required by sections 125A.18, and 125A.26 to 125A.48, for resident pupils with disabilities who are provided special instruction and services on a shared-time basis or if resident pupils are not transported, the costs of necessary travel between public and private schools or neutral instructional sites by essential personnel employed by the district's program for children with a disability;

(vi) transportation for resident pupils with disabilities to and from board and lodging facilities when the pupil is boarded and lodged for educational purposes;

(vii) transportation of pupils for a curricular field trip activity on a school bus equipped with a power lift when the power lift is required by a student's disability or section 504 plan; and

(viii) services described in clauses (i) to (vii), when provided for pupils with disabilities in conjunction with a summer instructional program that relates to the pupil's individualized education program or in conjunction with a learning year program established under section 124D.128.

For purposes of computing special education initial aid under section 125A.76, subdivision 2, the cost of providing transportation for children with disabilities includes (A) the additional cost of transporting a homeless student from a temporary nonshelter home in another district to the school of origin, or a formerly homeless student from a permanent home in another district to the school of origin but only through the end of the academic year; and (B) depreciation on district-owned school buses purchased after July 1, 2005, and used primarily for transportation of pupils with

disabilities, calculated according to paragraph (a), clauses (ii) and (iii). Depreciation costs included in the disabled transportation category must be excluded in calculating the actual expenditure per pupil transported in the regular and excess transportation categories according to paragraph (a). For purposes of subitem (A), a school district may transport a child who does not have a school of origin to the same school attended by that child's sibling, if the siblings are homeless.

(5) "Nonpublic nonregular transportation" is:

(i) transportation from one educational facility to another within the district for resident pupils enrolled on a shared-time basis in educational programs, excluding transportation for nonpublic pupils with disabilities under clause (4);

(ii) transportation within district boundaries between a nonpublic school and a public school or a neutral site for nonpublic school pupils who are provided pupil support services pursuant to section 123B.44; and

(iii) late transportation home from school or between schools within a district for nonpublic school pupils involved in after-school activities.

(c) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational programs and services, including diagnostic testing, guidance and counseling services, and health services. A mobile unit located off nonpublic school premises is a neutral site as defined in section 123B.41, subdivision 13.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 4. [124D.695] APPROVED RECOVERY PROGRAM FUNDING.

An approved recovery program, as defined in section 126C.01, subdivision 12, is eligible for recovery program support staff aid under this section. Recovery support staff means licensed alcohol and chemical dependency counselors, licensed school counselors, licensed school psychologists, licensed school nurses, and licensed school social workers. Recovery program support staff aid for each approved recovery program equals 20 percent of the salary of each recovery support staff person, prorated for the portion of the school day that the support staff person spends in the approved recovery program.

EFFECTIVE DATE. This section is effective for revenue for fiscal years 2014 and later.

Sec. 5. Minnesota Statutes 2012, section 126C.01, is amended by adding a subdivision to read:

Subd. 12. Approved recovery program. "Approved recovery program" means a course of instruction offered by a recovery school that provides academic services, assistance with recovery, and continuing care to students recovering from substance abuse or dependency. A recovery program may be offered in a transitional academic setting designed to meet graduation requirements. A recovery program must be approved by the commissioner of education. The commissioner may specify the manner and form of the application for the approval of a recovery school or recovery program.

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

Sec. 6. Minnesota Statutes 2012, section 126C.05, subdivision 8, is amended to read:

Subd. 8. **Average daily membership.** (a) Membership for pupils in grades kindergarten through 12 and for prekindergarten pupils with disabilities shall mean the number of pupils on the current roll of the school, counted from the date of entry until withdrawal. The date of withdrawal shall mean the day the pupil permanently leaves the school or the date it is officially known that the pupil has left or has been legally excused. However, a pupil, regardless of age, who has been absent from school for 15 consecutive school days during the regular school year or for five consecutive school days during summer school or intersession classes of flexible school year programs without receiving instruction in the home or hospital shall be dropped from the roll and classified as withdrawn. Nothing in this section shall be construed as waiving the compulsory attendance provisions cited in section 120A.22. Average daily membership equals the sum for all pupils of the number of days of the school year each pupil is enrolled in the district's schools divided by the number of days the schools are in session. Days of summer school or intersession classes of flexible school year programs are only included in the computation of membership for pupils with a disability not appropriately served primarily in the regular classroom.

(b) A student, other than a pupil in an approved recovery program, must not be counted as more than 1.2 pupils in average daily membership under this section. When the initial total average daily membership exceeds 1.2 for a pupil enrolled in more than one school district during the fiscal year, each district's average daily membership must be reduced proportionately.

(c) A student in an approved recovery program must not be counted as more than 1.7 pupils in average daily membership under this section. When the initial total average daily membership exceeds 1.7 for a pupil enrolled in more than one school district during the fiscal year, each district's average daily membership must be reduced proportionately.

~~(b)~~ (d) A student must not be counted as more than one pupil in average daily membership except for purposes of section 126C.10, subdivision subdivisions 2a and 2d.

EFFECTIVE DATE. This section is effective for revenue for fiscal years 2014 and later.

Sec. 7. Minnesota Statutes 2012, section 126C.10, subdivision 1, is amended to read:

Subdivision 1. **General education revenue.** The general education revenue for each district equals the sum of the district's basic revenue, extended time revenue, gifted and talented revenue, small schools revenue, recovery program revenue, basic skills revenue, training and experience revenue, secondary sparsity revenue, elementary sparsity revenue, transportation sparsity revenue, total operating capital revenue, equity revenue, alternative teacher compensation revenue, and transition revenue.

EFFECTIVE DATE. This section is effective for revenue for fiscal years 2014 and later.

Sec. 8. Minnesota Statutes 2012, section 126C.10, is amended by adding a subdivision to read:

Subd. 2d. **Recovery program revenue.** A school district's recovery program revenue equals the basic formula allowance for that year times the sum of the adjusted marginal cost pupil units of the district for each pupil in average daily membership in excess of 1.2 and less than 1.7 according to section 126C.05, subdivision 8, paragraph (c).

EFFECTIVE DATE. This section is effective for revenue for fiscal years 2014 and later.

Sec. 9. Minnesota Statutes 2012, section 126C.10, subdivision 14, is amended to read:

Subd. 14. **Uses of total operating capital revenue.** Total operating capital revenue may be used only for the following purposes:

- (1) to acquire land for school purposes;
- (2) to acquire or construct buildings for school purposes;
- (3) to rent or lease buildings, including the costs of building repair or improvement that are part of a lease agreement;
- (4) to improve and repair school sites and buildings, and equip or reequip school buildings with permanent attached fixtures, including library media centers;
- (5) for a surplus school building that is used substantially for a public nonschool purpose;
- (6) to eliminate barriers or increase access to school buildings by individuals with a disability;
- (7) to bring school buildings into compliance with the State Fire Code adopted according to chapter 299F;
- (8) to remove asbestos from school buildings, encapsulate asbestos, or make asbestos-related repairs;
- (9) to clean up and dispose of polychlorinated biphenyls found in school buildings;
- (10) to clean up, remove, dispose of, and make repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296A.01;
- (11) for energy audits for school buildings and to modify buildings if the audit indicates the cost of the modification can be recovered within ten years;
- (12) to improve buildings that are leased according to section 123B.51, subdivision 4;
- (13) to pay special assessments levied against school property but not to pay assessments for service charges;
- (14) to pay principal and interest on state loans for energy conservation according to section 216C.37 or loans made under the Douglas J. Johnson Economic Protection Trust Fund Act according to sections 298.292 to 298.298;
- (15) to purchase or lease interactive telecommunications equipment;
- (16) by board resolution, to transfer money into the debt redemption fund to: (i) pay the amounts needed to meet, when due, principal and interest payments on certain obligations issued according to chapter 475; or (ii) pay principal and interest on debt service loans or capital loans according to section 126C.70;
- (17) to pay operating capital-related assessments of any entity formed under a cooperative agreement between two or more districts;
- (18) to purchase or lease computers and related ~~materials~~ hardware, initial purchase of related software, but not annual licensing fees, copying machines, telecommunications equipment, and other noninstructional equipment;

- (19) to purchase or lease assistive technology or equipment for instructional programs;
- (20) to purchase textbooks as defined in section 123B.41, subdivision 2;
- (21) to purchase new and replacement library media resources or technology;
- (22) to lease or purchase vehicles;
- (23) to purchase or lease telecommunications equipment, computers, and related equipment for integrated information management systems for:
 - (i) managing and reporting learner outcome information for all students under a results-oriented graduation rule;
 - (ii) managing student assessment, services, and achievement information required for students with individualized education programs; and
 - (iii) other classroom information management needs;
- (24) to pay personnel costs directly related to the acquisition, operation, and maintenance of telecommunications systems, computers, related equipment, and network and applications software; and
- (25) to pay the costs directly associated with closing a school facility, including moving and storage costs.

Sec. 10. Minnesota Statutes 2012, section 126C.15, subdivision 1, is amended to read:

Subdivision 1. **Use of revenue.** The basic skills revenue under section 126C.10, subdivision 4, must be reserved and used to meet the educational needs of pupils who enroll under-prepared to learn and whose progress toward meeting state or local content or performance standards is below the level that is appropriate for learners of their age. Basic skills revenue may also be used for programs designed to prepare children and their families for kindergarten, provided such programming is cost-effective, research-based, and includes an evaluation component to measure, record, and publicly report its level of effectiveness. Any of the following may be provided to meet these learners' needs:

- (1) direct instructional services under the assurance of mastery program according to section 124D.66;
- (2) remedial instruction in reading, language arts, mathematics, other content areas, or study skills to improve the achievement level of these learners;
- (3) additional teachers and teacher aides to provide more individualized instruction to these learners through individual tutoring, lower instructor-to-learner ratios, or team teaching;
- (4) a longer school day or week during the regular school year or through a summer program that may be offered directly by the site or under a performance-based contract with a community-based organization;
- (5) comprehensive and ongoing staff development consistent with district and site plans according to section 122A.60, for teachers, teacher aides, principals, and other personnel to improve their ability to identify the needs of these learners and provide appropriate remediation, intervention, accommodations, or modifications;

(6) instructional materials, digital learning, and technology appropriate for meeting the individual needs of these learners;

(7) programs to reduce truancy, encourage completion of high school, enhance self-concept, provide health services, provide nutrition services, provide a safe and secure learning environment, provide coordination for pupils receiving services from other governmental agencies, provide psychological services to determine the level of social, emotional, cognitive, and intellectual development, and provide counseling services, guidance services, and social work services;

(8) bilingual programs, bicultural programs, and programs for English learners;

(9) all day kindergarten;

(10) early education programs, parent-training programs, school readiness programs, kindergarten programs for four-year-olds, and other outreach efforts designed to prepare children for kindergarten;

(11) extended school day and extended school year programs; and

(H) (12) substantial parent involvement in developing and implementing remedial education or intervention plans for a learner, including learning contracts between the school, the learner, and the parent that establish achievement goals and responsibilities of the learner and the learner's parent or guardian.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2014 and later.

Sec. 11. Minnesota Statutes 2012, section 126C.15, subdivision 2, is amended to read:

Subd. 2. **Building allocation.** (a) A district or cooperative must allocate its compensatory revenue to each school building in the district or cooperative where the children who have generated the revenue are served unless the school district or cooperative has received permission under Laws 2005, First Special Session chapter 5, article 1, section 50, to allocate compensatory revenue according to student performance measures developed by the school board.

(b) Notwithstanding paragraph (a), a district or cooperative may allocate up to five percent of the amount of compensatory revenue that the district receives to school sites according to a plan adopted by the school board, and a district or cooperative may allocate up to an additional five percent of its compensatory revenue for activities under subdivision 1, clause (10), according to a plan adopted by the school board. The money reallocated under this paragraph must be spent for the purposes listed in subdivision 1, but may be spent on students in any grade, including students attending school readiness or other prekindergarten programs.

(c) For the purposes of this section and section 126C.05, subdivision 3, "building" means education site as defined in section 123B.04, subdivision 1.

(d) Notwithstanding section 123A.26, subdivision 1, compensatory revenue generated by students served at a cooperative unit shall be paid to the cooperative unit.

(e) A district or cooperative with school building openings, school building closings, changes in attendance area boundaries, or other changes in programs or student demographics between the prior year and the current year may reallocate compensatory revenue among sites to reflect these changes. A district or cooperative must report to the department any adjustments it makes according to this

paragraph and the department must use the adjusted compensatory revenue allocations in preparing the report required under section 123B.76, subdivision 3, paragraph (c).

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2014 and later.

Sec. 12. Minnesota Statutes 2012, section 126C.44, is amended to read:

126C.44 SAFE SCHOOLS LEVY.

(a) Each district may make a levy on all taxable property located within the district for the purposes specified in this section. The maximum amount which may be levied for all costs under this section shall be equal to ~~\$30~~ \$45 multiplied by the district's adjusted marginal cost pupil units for the school year. The proceeds of the levy must be reserved and used for directly funding the following purposes or for reimbursing the cities and counties who contract with the district for the following purposes: (1) to pay the costs incurred for the salaries, benefits, and transportation costs of peace officers and sheriffs for liaison in services in the district's schools; (2) to pay the costs for a drug abuse prevention program as defined in section 609.101, subdivision 3, paragraph (e), in the elementary schools; (3) to pay the costs for a gang resistance education training curriculum in the district's schools; (4) to pay the costs for security in the district's schools and on school property; (5) to pay the costs for other crime prevention, drug abuse, student and staff safety, voluntary opt-in suicide prevention tools, and violence prevention measures taken by the school district; ~~or~~ (6) to pay costs for licensed school counselors, licensed school nurses, licensed school social workers, licensed school psychologists, and licensed alcohol and chemical dependency counselors to help provide early responses to problems; or (7) to pay the costs for colocating and collaborating with mental health professionals who are not district employees or contractors. For expenditures under clause (1), the district must initially attempt to contract for services to be provided by peace officers or sheriffs with the police department of each city or the sheriff's department of the county within the district containing the school receiving the services. If a local police department or a county sheriff's department does not wish to provide the necessary services, the district may contract for these services with any other police or sheriff's department located entirely or partially within the school district's boundaries.

(b) A school district that is a member of an intermediate school district may include in its authority under this section the costs associated with safe schools activities authorized under paragraph (a) for intermediate school district programs. This authority must not exceed ~~\$10~~ \$15 times the adjusted marginal cost pupil units of the member districts. This authority is in addition to any other authority authorized under this section. Revenue raised under this paragraph must be transferred to the intermediate school district.

EFFECTIVE DATE. This section is effective for taxes payable in 2013 and later.

Sec. 13. Minnesota Statutes 2012, section 260A.02, subdivision 3, is amended to read:

Subd. 3. **Continuing truant.** "Continuing truant" means a child who is subject to the compulsory instruction requirements of section 120A.22 and is absent from instruction in a school, as defined in section 120A.05, without valid excuse within a single school year for:

(1) three days if the child is in elementary school; or

(2) three or more class periods on three days if the child is in middle school, junior high school, or high school.

Nothing in this section shall prevent a school district or charter school from notifying a truant child's parent or legal guardian of the child's truancy or otherwise addressing a child's attendance problems prior to the child becoming a continuing truant.

Sec. 14. Minnesota Statutes 2012, section 260A.03, is amended to read:

260A.03 NOTICE TO PARENT OR GUARDIAN WHEN CHILD IS A CONTINUING TRUANT.

Upon a child's initial classification as a continuing truant, the school attendance officer or other designated school official shall notify the child's parent or legal guardian, by first-class mail or other reasonable means, of the following:

- (1) that the child is truant;
- (2) that the parent or guardian should notify the school if there is a valid excuse for the child's absences;
- (3) that the parent or guardian is obligated to compel the attendance of the child at school pursuant to section 120A.22 and parents or guardians who fail to meet this obligation may be subject to prosecution under section 120A.34;
- (4) that this notification serves as the notification required by section 120A.34;
- (5) that alternative educational programs and services may be available in the child's enrolling or resident district;
- (6) that the parent or guardian has the right to meet with appropriate school personnel to discuss solutions to the child's truancy;
- (7) that if the child continues to be truant, the parent and child may be subject to juvenile court proceedings under chapter 260C;
- (8) that if the child is subject to juvenile court proceedings, the child may be subject to suspension, restriction, or delay of the child's driving privilege pursuant to section 260C.201; and
- (9) that it is recommended that the parent or guardian accompany the child to school and attend classes with the child for one day.

Sec. 15. Minnesota Statutes 2012, section 260A.05, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** A school district or charter school may establish one or more school attendance review boards to exercise the powers and duties in this section. The school district or charter school board shall appoint the members of the school attendance review board and designate the schools within the board's jurisdiction. Members of a school attendance review board may include:

- (1) the superintendent of the school district or the superintendent's designee or charter director or the director's designee;
- (2) a principal and one or more other school officials from within the district or charter school;
- (3) parent representatives;

(4) representatives from community agencies that provide services for truant students and their families;

(5) a juvenile probation officer;

(6) school counselors and attendance officers; and

(7) law enforcement officers.

Sec. 16. Minnesota Statutes 2012, section 260A.07, subdivision 1, is amended to read:

Subdivision 1. **Establishment; referrals.** A county attorney may establish a truancy mediation program for the purpose of resolving truancy problems without court action. If a student is in a school district or charter school that has established a school attendance review board, the student may be referred to the county attorney under section 260A.06, subdivision 3. If the student's school district or charter school has not established a board, the student may be referred to the county attorney by the school district or charter school if the student continues to be truant after the parent or guardian has been sent or conveyed the notice under section 260A.03.

Sec. 17. **APPROPRIATIONS.**

Subdivision 1. **Department of Education.** The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated.

Subd. 2. **General education aid; approved recovery schools.** For additional general education aid for approved recovery programs under Minnesota Statutes, section 126C.10, subdivision 2d:

\$	.....	.....	<u>2014</u>
\$	.....	.....	<u>2015</u>

Subd. 3. **Approved recovery program support staff aid.** For recovery program support staff aid under Minnesota Statutes, section 124D.695:

\$	.....	.....	<u>2014</u>
\$	.....	.....	<u>2015</u>

Subd. 4. **Positive behavioral interventions and supports.** For training on schoolwide positive behavioral interventions and supports:

\$	<u>2014</u>
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ARTICLE 2

EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2012, section 120A.22, subdivision 5, is amended to read:

Subd. 5. **Ages and terms.** (a) Every child between seven and ~~16~~ 17 years of age must receive instruction unless the child has graduated. Every child under the age of seven who is enrolled in a half-day kindergarten, or a full-day kindergarten program on alternate days, or other kindergarten

programs shall receive instruction. Except as provided in subdivision 6, a parent may withdraw a child under the age of seven from enrollment at any time.

(b) A school district by annual board action may require children subject to this subdivision to receive instruction in summer school. A district that acts to require children to receive instruction in summer school shall establish at the time of its action the criteria for determining which children must receive instruction.

(c) A pupil 16 years of age or older who meets the criteria of section 124D.68, subdivision 2, may be assigned to an area learning center. Such assignment may be made only after consultation with the principal, area learning center director, and parent or guardian.

EFFECTIVE DATE. This section is effective for the 2014-2015 school year and later.

Sec. 2. Minnesota Statutes 2012, section 120A.22, subdivision 8, is amended to read:

Subd. 8. **Withdrawal from school.** Any student ~~between 16 and 18~~ who is 17 years old who seeks to withdraw from school, and the student's parent or guardian must:

(1) attend a meeting with school personnel to discuss the educational opportunities available to the student, including alternative educational opportunities; and

(2) sign a written election to withdraw from school.

EFFECTIVE DATE. This section is effective for the 2014-2015 school year and later.

Sec. 3. Minnesota Statutes 2012, section 120A.22, subdivision 11, is amended to read:

Subd. 11. **Assessment of performance.** (a) Each year the performance of every child ages seven through 16 and every child ages 16 through 17 for which an initial report was filed pursuant to section 120A.24, subdivision 1, after the child is 16 and who is not enrolled in a public school must be assessed using a nationally norm-referenced standardized achievement examination. The superintendent of the district in which the child receives instruction and the person in charge of the child's instruction must agree about the specific examination to be used and the administration and location of the examination.

(b) To the extent the examination in paragraph (a) does not provide assessment in all of the subject areas in subdivision 9, the parent must assess the child's performance in the applicable subject area. This requirement applies only to a parent who provides instruction and does not meet the requirements of subdivision 10, clause (1), (2), or (3).

(c) If the results of the assessments in paragraphs (a) and (b) indicate that the child's performance on the total battery score is at or below the 30th percentile or one grade level below the performance level for children of the same age, the parent must obtain additional evaluation of the child's abilities and performance for the purpose of determining whether the child has learning problems.

(d) A child receiving instruction from a nonpublic school, person, or institution that is accredited by an accrediting agency, recognized according to section 123B.445, or recognized by the commissioner, is exempt from the requirements of this subdivision.

EFFECTIVE DATE. This section is effective for the 2014-2015 school year and later.

Sec. 4. Minnesota Statutes 2012, section 120A.24, subdivision 1, is amended to read:

Subdivision 1. **Reports to superintendent.** (a) The person or nonpublic school in charge of providing instruction to a child must submit to the superintendent of the district in which the child resides the name, birth date, and address of the child; the annual tests intended to be used under section 120A.22, subdivision 11, if required; the name of each instructor; and evidence of compliance with one of the requirements specified in section 120A.22, subdivision 10:

(1) by October 1 of the first school year the child receives instruction after reaching the age of seven;

(2) within 15 days of when a parent withdraws a child from public school after age seven to provide instruction in a nonpublic school that is not accredited by a state-recognized accredited agency;

(3) within 15 days of moving out of a district; and

(4) by October 1 after a new resident district is established.

(b) The person or nonpublic school in charge of providing instruction to a child between the ages of seven and 16 and every child ages 16 through 17 for which an initial report was filed pursuant to this subdivision after the child is 16 must submit, by October 1 of each school year, a letter of intent to continue to provide instruction under this section for all students under the person's or school's supervision and any changes to the information required in paragraph (a) for each student.

(c) The superintendent may collect the required information under this section through an electronic or Web-based format, but must not require electronic submission of information under this section from the person in charge of reporting under this subdivision.

EFFECTIVE DATE. This section is effective for the 2014-2015 school year and later.

Sec. 5. **[120B.018] DEFINITIONS.**

Subdivision 1. **Scope.** The definitions in this section apply to this chapter.

Subd. 2. **Academic standard.** "Academic standard" means a summary description of student learning in a required content area under section 120B.021 or elective content area under section 120B.022.

Subd. 3. **Benchmark.** "Benchmark" means specific knowledge or skill that a student must master to complete part of an academic standard by the end of the grade level or grade band.

Subd. 4. **Credit.** "Credit" means the determination by the local school district that a student has successfully completed an academic year of study or mastered the applicable subject matter.

Subd. 5. **Elective standard.** "Elective standard" means a locally adopted expectation for student learning in career and technical education and world languages.

Subd. 6. **Required standard.** "Required standard" means (1) a statewide adopted expectation for student learning in the content areas of language arts, mathematics, science, social studies, physical education, and the arts or (2) a locally adopted expectation for student learning in health and the arts.

Subd. 7. **School site.** "School site" means a separate facility, or a separate program within a facility that a local school board recognizes as a school site for funding purposes.

Sec. 6. Minnesota Statutes 2012, section 120B.02, is amended to read:

120B.02 EDUCATIONAL EXPECTATIONS AND GRADUATION REQUIREMENTS FOR MINNESOTA'S STUDENTS.

Subdivision 1. Educational expectations. (a) The legislature is committed to establishing rigorous academic standards for Minnesota's public school students. To that end, the commissioner shall adopt in rule statewide academic standards. The commissioner shall not prescribe in rule or otherwise the delivery system, classroom assessments, or form of instruction that school sites must use. ~~For purposes of this chapter, a school site is a separate facility, or a separate program within a facility that a local school board recognizes as a school site for funding purposes.~~

(b) All commissioner actions regarding the rule must be premised on the following:

(1) the rule is intended to raise academic expectations for students, teachers, and schools;

(2) any state action regarding the rule must evidence consideration of school district autonomy;
and

(3) the Department of Education, with the assistance of school districts, must make available information about all state initiatives related to the rule to students and parents, teachers, and the general public in a timely format that is appropriate, comprehensive, and readily understandable.

~~(c) When fully implemented, the requirements for high school graduation in Minnesota must require students to satisfactorily complete, as determined by the school district, the course credit requirements under section 120B.024, all state academic standards or local academic standards where state standards do not apply, and successfully pass graduation examinations as required under section 120B.30.~~

~~(c)~~ (c) The commissioner shall periodically review and report on the state's assessment process.

~~(e)~~ (d) School districts are not required to adopt specific provisions of the federal School-to-Work programs.

Subd. 2. Graduation requirements. The state minimum requirements for high school graduation are satisfactorily completing the credit and academic standards requirements under section 120B.024, as determined by the school district, and successfully passing the graduation examinations under section 120B.30. A school district must adopt graduation requirements that meet or exceed state graduation requirements established in law or rule.

EFFECTIVE DATE. This section is effective August 1, 2013, and applies to students entering 9th grade in the 2013-2014 school year and later.

Sec. 7. Minnesota Statutes 2012, section 120B.021, subdivision 1, is amended to read:

Subdivision 1. **Required academic standards.** (a) The following subject areas are required for statewide accountability:

(1) language arts;

(2) mathematics;

(3) science;

(4) social studies, ~~including history, geography, economics, and government and citizenship;~~

(5) physical education;

(6) health, for which locally developed academic standards apply; and

(7) the arts, for which statewide or locally developed academic standards apply, as determined by the school district. Public elementary and middle schools must offer at least three and require at least two of the following four arts areas: dance; music; theater; and visual arts. Public high schools must offer at least three and require at least one of the following five arts areas: media arts; dance; music; theater; and visual arts.

~~The commissioner must submit proposed standards in science and social studies to the legislature by February 1, 2004.~~

(b) For purposes of applicable federal law, the academic standards for language arts, mathematics, and science apply to all public school students, except the very few students with extreme cognitive or physical impairments for whom an individualized education program team has determined that the required academic standards are inappropriate. An individualized education program team that makes this determination must establish alternative standards.

~~A school district, no later than the 2007-2008 school year, must adopt graduation requirements that meet or exceed state graduation requirements established in law or rule. A school district that incorporates these state graduation requirements before the 2007-2008 school year must provide students who enter the 9th grade in or before the 2003-2004 school year the opportunity to earn a diploma based on existing locally established graduation requirements in effect when the students entered the 9th grade.~~ (c) District efforts to develop, implement, or improve instruction or curriculum as a result of the provisions of this section must be consistent with sections 120B.10, 120B.11, and 120B.20.

~~The commissioner must include the contributions of Minnesota American Indian tribes and communities as they relate to the academic standards during the review and revision of the required academic standards.~~

Sec. 8. Minnesota Statutes 2012, section 120B.023, is amended to read:

120B.023 BENCHMARKS.

Subdivision 1. **Benchmarks implement, supplement statewide academic standards.** (a) The commissioner must supplement required state academic standards with grade-level benchmarks. High school benchmarks may cover more than one grade. ~~The benchmarks must implement statewide academic standards by specifying the academic knowledge and skills that Schools must offer and students must achieve all benchmarks for an academic standard to satisfactorily complete a that state standard. The commissioner must publish benchmarks to inform and guide parents, teachers, school districts, and other interested persons and to use in developing tests consistent with the benchmarks.~~

(b) The commissioner shall publish benchmarks in the State Register to inform and guide parents, teachers, school districts, and other interested persons and transmit the benchmarks in any other manner that makes them accessible to the general public. The commissioner must use benchmarks in developing tests under section 120B.30. The commissioner may charge a reasonable fee for publications.

(c) Once established, the commissioner may change the benchmarks only with specific legislative authorization and after completing a review under subdivision 2.

~~(d) The commissioner must develop and implement a system for reviewing each of the required academic standards and related benchmarks and elective standards on a periodic cycle, consistent with subdivision 2.~~

~~(e)~~ (d) The benchmarks are not subject to chapter 14 and section 14.386 does not apply.

Subd. 2. Revisions and reviews required. (a) The commissioner of education must revise and appropriately embed technology and information literacy standards consistent with recommendations from school media specialists into the state's academic standards and graduation requirements and implement a review cycle for state academic standards and related benchmarks, consistent with this subdivision. During each review cycle, the commissioner also must examine the alignment of each required academic standard and related benchmark with the knowledge and skills students need for college readiness and advanced work in the particular subject area. The commissioner must include the contributions of Minnesota American Indian tribes and communities as they relate to the academic standards during the review and revision of the required academic standards.

~~(b) The commissioner in the 2006-2007 school year must revise and align the state's academic standards and high school graduation requirements in mathematics to require that students satisfactorily complete the revised mathematics standards, beginning in the 2010-2011 school year. Under the revised standards:~~

~~(1) students must satisfactorily complete an algebra I credit by the end of eighth grade; and~~

~~(2) students scheduled to graduate in the 2014-2015 school year or later must satisfactorily complete an algebra II credit or its equivalent.~~

~~(b)~~ The commissioner also must ensure that the statewide mathematics assessments administered to students in grades 3 through 8 and 11 are aligned with the state academic standards in mathematics, consistent with section 120B.30, subdivision 1, paragraph (b). The commissioner must implement a review of the academic standards and related benchmarks in mathematics beginning in the 2015-2016 school year.

~~(c) The commissioner in the 2007-2008 school year must revise and align the state's academic standards and high school graduation requirements in the arts to require that students satisfactorily complete the revised arts standards beginning in the 2010-2011 school year. The commissioner must implement a review of the academic standards and related benchmarks in arts beginning in the 2016-2017 school year.~~

~~(d) The commissioner in the 2008-2009 school year must revise and align the state's academic standards and high school graduation requirements in science to require that students satisfactorily complete the revised science standards, beginning in the 2011-2012 school year. Under the revised standards, students scheduled to graduate in the 2014-2015 school year or later must satisfactorily complete a chemistry or physics credit or a career and technical education credit that meets standards underlying the chemistry, physics, or biology credit or a combination of those standards approved by the district. The commissioner must implement a review of the academic standards and related benchmarks in science beginning in the 2017-2018 school year.~~

(e) ~~The commissioner in the 2009-2010 school year must revise and align the state's academic standards and high school graduation requirements in language arts to require that students satisfactorily complete the revised language arts standards beginning in the 2012-2013 school year. The commissioner must implement a review of the academic standards and related benchmarks in language arts beginning in the 2018-2019 school year.~~

(f) The commissioner in the 2010-2011 school year must revise and align the state's academic standards and high school graduation requirements in social studies to require that students satisfactorily complete the revised social studies standards beginning in the 2013-2014 school year. The commissioner must implement a review of the academic standards and related benchmarks in social studies beginning in the 2019-2020 school year.

(g) School districts and charter schools must revise and align local academic standards and high school graduation requirements in health, world languages, and career and technical education to require students to complete the revised standards beginning in a school year determined by the school district or charter school. School districts and charter schools must formally establish a periodic review cycle for the academic standards and related benchmarks in health, world languages, and career and technical education.

Sec. 9. Minnesota Statutes 2012, section 120B.024, is amended to read:

120B.024 GRADUATION REQUIREMENTS; COURSE CREDITS.

Subdivision 1. Graduation requirements. (a) Students beginning 9th grade in the 2011-2012 school year and later must successfully complete the following high school level ~~course~~ credits for graduation:

(1) four credits of language arts sufficient to satisfy all of the academic standards in English language arts;

(2) three credits of mathematics, ~~encompassing at least algebra, geometry, statistics, and probability including an algebra II credit or its equivalent,~~ sufficient to satisfy all of the academic standard standards in mathematics;

(3) an algebra I credit by the end of 8th grade sufficient to satisfy all of the 8th grade standards in mathematics;

~~(3) (4) three credits of science, including at least: (i) one credit in of biology; and (ii) one chemistry or physics credit or a career and technical education credit that meets standards underlying the chemistry, physics, or biology credit or a combination of those standards approved by the district, but meeting biology standards under this item does not meet the biology requirement under item (i), one credit of chemistry or physics, and one elective credit of science. The combination of credits under this clause must be sufficient to satisfy (i) all of the academic standards in either chemistry or physics and (ii) all other academic standards in science;~~

~~(4) (5) three and one-half credits of social studies, encompassing at least United States history, geography, government and citizenship, world history, and economics or three credits of social studies encompassing at least United States history, geography, government and citizenship, and world history, and one-half credit of economics taught in a school's social studies, agriculture education, or business department sufficient to satisfy all of the academic standards in social studies;~~

~~(5)~~ (6) one credit ~~in~~ of the arts sufficient to satisfy all of the state or local academic standards in the arts; and

~~(6)~~ (7) a minimum of seven elective ~~course~~ credits.

~~A course credit is equivalent to a student successfully completing an academic year of study or a student mastering the applicable subject matter, as determined by the local school district.~~

Subd. 2. Credit equivalencies. (a) A one-half credit of economics taught in a school's agriculture education or business department may fulfill a one-half credit in social studies under subdivision 1, clause (5), if the credit is sufficient to satisfy all of the academic standards in economics.

(b) An agriculture science ~~course~~ or career and technical education credit may fulfill a the elective science credit requirement other than the specified science credit in biology under paragraph (a), clause (3); subdivision 1, clause (4), if the course meets academic standards in science as approved by the district. An agriculture science or career and technical education credit may fulfill the credit in chemistry or physics required under subdivision 1, clause (4), if (1) the credit meets a combination of the chemistry, physics, and biology academic standards as approved by the district and (2) the student satisfies either all of the chemistry academic standards or all of the physics academic standards prior to graduation. An agriculture science or career and technical education credit may not fulfill the biology credit required under subdivision 1, clause (4).

(c) A career and technical education ~~course~~ credit may fulfill a mathematics or arts credit requirement or a science credit requirement other than the specified science credit in biology under paragraph (a) subdivision 1, clause (2), (3), or (5) (6).

EFFECTIVE DATE. This section is effective August 1, 2013, and applies to students entering 9th grade in the 2013-2014 school year and later.

Sec. 10. Minnesota Statutes 2012, section 120B.125, is amended to read:

120B.125 PLANNING FOR STUDENTS' SUCCESSFUL TRANSITION TO POSTSECONDARY EDUCATION AND EMPLOYMENT; INVOLUNTARY CAREER TRACKING PROHIBITED.

(a) Consistent with sections 120B.128, 120B.13, 120B.131, 120B.132, 120B.14, 120B.15, 120B.30, subdivision 1, paragraph (c), 125A.08, and other related sections, school districts are strongly encouraged to, beginning in the 2013-2014 school year, must assist all students by no later than grade 9 to explore their college and career interests and aspirations and develop a plan for a smooth and successful transition to postsecondary education or employment. All students' plans must be designed to:

(1) provide a comprehensive academic plan for completing a college and career-ready curriculum premised on meeting state and local academic standards and developing 21st century skills such as team work, collaboration, and good work habits;

(2) emphasize academic rigor and high expectations;

(3) help students identify personal learning styles that may affect their postsecondary education and employment choices;

(4) help students ~~succeed at~~ gaining access to postsecondary education and career options;

(5) integrate strong academic content into career-focused courses and integrate relevant career-focused courses into strong academic content;

(6) help students and families identify and gain access to appropriate counseling and other supports and assistance that enable students to complete required coursework, prepare for postsecondary education and careers, and obtain information about postsecondary education costs and eligibility for financial aid and scholarship;

(7) help students and families identify collaborative partnerships of kindergarten through grade 12 schools, postsecondary institutions, economic development agencies, and employers that support students' transition to postsecondary education and employment and provide students with experiential learning opportunities; and

(8) be reviewed and revised at least annually by the student, the student's parent or guardian, and the school or district to ensure that the student's course-taking schedule keeps the student "~~on track~~" making adequate progress to meet state and local high school graduation requirements and with a reasonable chance to succeed with employment or postsecondary education without the need to first complete remedial course work.

(b) A school district may develop grade-level curricula or provide instruction that introduces students to various careers, but must not require any curriculum, instruction, or employment-related activity that obligates an elementary or secondary student to involuntarily select a career, career interest, employment goals, or related job training.

(c) School districts are encouraged to seek and use revenue and in-kind contributions from nonstate sources and to seek administrative cost savings through innovative local funding arrangements, such as the Collaboration Among Rochester Educators (CARE) model for funding postsecondary enrollment options, among other sources, for purposes of implementing this section.

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

Sec. 11. Minnesota Statutes 2012, section 120B.128, is amended to read:

120B.128 EDUCATIONAL PLANNING AND ASSESSMENT SYSTEM (EPAS) PROGRAM.

(a) School districts and charter schools may elect to participate in the Educational Planning and Assessment System (EPAS) program offered by ACT, Inc. to provide a longitudinal, systematic approach to student educational and career planning, assessment, instructional support, and evaluation. The EPAS achievement tests include English, reading, mathematics, science, and components on planning for high school and postsecondary education, interest inventory, needs assessments, and student education plans. These tests are linked to the ACT assessment for college admission and allow students, parents, teachers, and schools to determine the student's college readiness before grades 11 and 12.

(b) The commissioner of education shall provide ACT Explore tests for students in grade 8 or grade 9 but not in grade 8 and grade 9 and the ACT Plan test for students in grade 10 to assess individual student academic strengths and weaknesses, academic achievement and progress, higher order thinking skills, and college readiness.

(c) Students entering grade 9 before the 2013-2014 school year who have not yet demonstrated proficiency on the Minnesota comprehensive assessments, the graduation-required assessments

for diploma, or the basic skills testing requirements may satisfy state high school graduation requirements for assessments in reading, math, and writing by taking the ACT assessment for college admission in their senior year of high school.

(d) The state shall pay the test costs for school districts and charter schools ~~that choose to participate in the EPAS program~~ to participate in the assessments under this section. The commissioner shall establish an application procedure and a process for state payment of costs.

EFFECTIVE DATE. This section is effective the day following final enactment and applies through the 2015-2016 school year.

Sec. 12. Minnesota Statutes 2012, section 120B.15, is amended to read:

120B.15 GIFTED AND TALENTED STUDENTS PROGRAMS.

(a) School districts may identify students, locally develop programs addressing instructional and affective needs, provide staff development, and evaluate programs to provide gifted and talented students with challenging and appropriate educational programs.

(b) School districts ~~may~~ must adopt guidelines for assessing and identifying students for participation in gifted and talented programs. The guidelines should include the use of:

(1) multiple and objective criteria; and

(2) assessments and procedures that are valid and reliable, fair, and based on current theory and research. Assessments and procedures should be sensitive to underrepresented groups, including, but not limited to, low-income, minority, twice-exceptional, and English learners.

(c) School districts must adopt procedures for the academic acceleration of gifted and talented students. These procedures must include how the district will:

(1) assess a student's readiness and motivation for acceleration; and

(2) match the level, complexity, and pace of the curriculum to a student to achieve the best type of academic acceleration for that student.

(d) School districts must adopt procedures for early admission to kindergarten or first grade of gifted and talented learners. The procedures must be sensitive to underrepresented groups and must address how the district or charter school will:

(1) assess a child's readiness and motivation for accelerations;

(2) assess a child's cognitive abilities, achievement, and performance; and

(3) monitor the child's adjustment postacceleration.

The school district shall admit a gifted and talented child to kindergarten or first grade who fails to meet the age requirement under section 120A.20, subdivision 1, paragraph (b), provided the child completes the procedures and meets the criteria for early entrance adopted by the school board under this subdivision.

Sec. 13. **[120B.21] MENTAL HEALTH EDUCATION.**

School districts and charter schools must provide mental health instruction for students in grades 6 through 12 aligned with local health and physical education standards and integrated into

existing programs, curriculum, or the general school environment of a district or charter school. The commissioner, in consultation with the commissioner of human services and mental health organizations, shall provide districts and charter schools with:

(1) age-appropriate model learning activities for grades 6 through 12 that encompass the mental health components of the National Health Education Standards and the benchmarks developed by the department's quality teaching network in health and physical education, and best practices in mental health education; and

(2) a directory of resources for planning and implementing age-appropriate mental health curriculum and instruction in grades 6 through 12.

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

Sec. 14. Minnesota Statutes 2012, section 120B.30, subdivision 1, is amended to read:

Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts with appropriate technical qualifications and experience and stakeholders, consistent with subdivision 1a, shall include in the comprehensive assessment system, for each grade level to be tested, state-constructed tests developed from and as computer-adaptive reading and mathematics assessments for students that are aligned with the state's required academic standards under section 120B.021, include multiple choice questions, and be administered annually to all students in grades 3 through 8. State-developed high school tests aligned with the state's required academic standards under section 120B.021 and administered to all high school students in a subject other than writing must include multiple choice questions. The commissioner shall establish one or more months during which schools shall administer the tests to students each school year. For students enrolled in grade 8 before the 2005-2006 school year, Minnesota basic skills tests in reading, mathematics, and writing shall fulfill students' basic skills testing requirements for a passing state notation. The passing scores of basic skills tests in reading and mathematics are the equivalent of 75 percent correct for students entering grade 9 based on the first uniform test administered in February 1998. Students who have not successfully passed a Minnesota basic skills test by the end of the 2011-2012 school year must pass and students in their senior year who have not yet demonstrated proficiency on the graduation-required assessments for diploma under paragraph (c), except that for the 2012-2013 and 2013-2014 school years only, these students may satisfy the state's graduation test requirement for math by complying with paragraph (d), clauses (1) and (3) by the end of the 2012-2013 school year must take a college admission assessment under paragraph (c) and consistent with section 120B.128, paragraph (c), that supports career and college readiness for all students.

(b) The state assessment system must be aligned to the most recent revision of academic standards as described in section 120B.023 in the following manner:

(1) mathematics;

(i) grades 3 through 8 beginning in the 2010-2011 school year; and

(ii) high school level beginning in the 2013-2014 school year;

(2) science; grades 5 and 8 and at the high school level beginning in the 2011-2012 school year; and

(3) language arts and reading; grades 3 through 8 and high school level beginning in the 2012-2013 school year.

(c) For students enrolled in grade 8 in the ~~2005-2006~~ 2012-2013 school year and later, only the following options shall fulfill students' state graduation test requirements, based on a longitudinal, systematic approach to student education and career planning, assessment, instructional support, and evaluation, include the following:

(1) for reading and mathematics:

(i) ~~obtaining an achievement level equivalent to or greater than proficient as determined through a standard setting process on the Minnesota comprehensive assessments in grade 10 for reading and grade 11 for mathematics or achieving a passing score as determined through a standard setting process on the graduation-required assessment for diploma in grade 10 for reading and grade 11 for mathematics or subsequent retests;~~

(ii) ~~achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in reading and the mathematics test for English learners or the graduation-required assessment for diploma equivalent of those assessments for students designated as English learners;~~

(iii) ~~achieving an individual passing score on the graduation-required assessment for diploma as determined by appropriate state guidelines for students with an individualized education program or 504 plan;~~

(iv) ~~obtaining achievement level equivalent to or greater than proficient as determined through a standard setting process on the state-identified alternate assessment or assessments in grade 10 for reading and grade 11 for mathematics for students with an individualized education program; or~~

(v) ~~achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an individualized education program; and~~

(2) for writing:

(i) ~~achieving a passing score on the graduation-required assessment for diploma;~~

(ii) ~~achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in writing for students designated as English learners;~~

(iii) ~~achieving an individual passing score on the graduation-required assessment for diploma as determined by appropriate state guidelines for students with an individualized education program or 504 plan; or~~

(iv) ~~achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an individualized education program.~~

(1) attainment of required academic standards and career and college readiness benchmarks under section 120B.023 as demonstrated on a nationally normed college entrance exam;

(2) achievement and career and college readiness tests in mathematics, reading, and writing, consistent with paragraph (e), to monitor students' continuous development of and growth in

requisite knowledge and skills; analyze students' progress and performance levels, identifying students' academic strengths and diagnosing areas where students require curriculum or instructional adjustments, targeted interventions, or remediation; and based on analysis of students' progress and performance data, determine students' learning and instructional needs and the instructional tools and best practices that support academic rigor for the student; and

(3) consistent with this paragraph and section 120B.125, age-appropriate exploration and planning activities and career assessments to encourage students to identify personally relevant career interests and aptitudes and help students and their families develop a regularly reexamined transition plan for postsecondary education or employment without need for postsecondary remediation.

Expectations of schools, districts, and the state for career or college readiness under this subdivision must be comparable in rigor, clarity of purpose, and rates of student completion. A student under clause (2) must receive targeted, relevant, academically rigorous, and resourced instruction, which may include a targeted instruction and intervention plan focused on improving the student's knowledge and skills in core subjects so that the student has a reasonable chance to succeed in a career or college without need for postsecondary remediation. Consistent with sections 120B.13, 124D.09, 124D.091, 124D.49, and related sections, an enrolling school or district must actively encourage a student in grade 11 or 12 who is identified as academically ready for a career or college to participate in courses and programs awarding college credit to high school students. Students are not required to achieve a specified score or level of proficiency on an assessment under this subdivision to graduate from high school.

~~(d) Students enrolled in grade 8 in any school year from the 2005-2006 school year to the 2009-2010 school year who do not pass the mathematics graduation-required assessment for diploma under paragraph (c) are eligible to receive a high school diploma if they:~~

~~(1) complete with a passing score or grade all state and local coursework and credits required for graduation by the school board granting the students their diploma;~~

~~(2) participate in district-prescribed academic remediation in mathematics; and~~

~~(3) fully participate in at least two retests of the mathematics GRAD test or until they pass the mathematics GRAD test, whichever comes first. To improve the secondary and postsecondary outcomes of all students, the alignment between secondary and postsecondary education programs and Minnesota's workforce needs, and the efficiency and cost-effectiveness of secondary and postsecondary programs, the commissioner, after consulting with the Minnesota State Colleges and Universities chancellor and using a request for proposal process, shall contract for a series of assessments that are consistent with this subdivision, aligned with state academic standards, and include career and college readiness benchmarks. Mathematics, reading, and writing assessments for students in grades 8 and 10 must be predictive of and aligned with a nationally normed assessment for career and college readiness. This nationally recognized assessment must be a college entrance exam and given to students in grade 11 or 12. The series of assessments must include a college placement diagnostic exam and contain career exploration elements. The commissioner and the Minnesota State Colleges and Universities chancellor must collaborate in aligning instruction and assessments for adult basic education students to provide the students with diagnostic information about any targeted interventions they need so that they may seek postsecondary education or employment without need for postsecondary remediation.~~

(1) Districts and schools, on an annual basis, must use the career exploration elements in these assessments to help students, beginning no later than grade 9, and their families explore and plan for postsecondary education or careers based on the students' interests, aptitudes, and aspirations. Districts and schools must use timely regional labor market information and partnerships, among other resources, to help students and their families successfully develop, pursue, review, and revise an individualized plan for postsecondary education or a career. This process must help increase students' engagement in and connection to school, improve students' knowledge and skills, and deepen students' understanding of career pathways as a sequence of academic and career courses that lead to an industry-recognized credential, an associate's degree, or a bachelor's degree and are available to all students, whatever their interests and career goals.

(2) Students who, based on their growth in academic achievement between grades 8 and 10, show adequate progress toward meeting state career and college readiness benchmarks must be given the college entrance exam part of these assessments in grade 11. A student under this clause who demonstrates attainment of required state academic standards, which include career and college readiness benchmarks, on these assessments is academically ready for a career or college and is encouraged to participate in courses and programs awarding college credit to high school students. Such courses and programs may include sequential courses of study within broad career areas and technical skill assessments that extend beyond course grades.

(3) All students in grade 11 not subject to clause (2) must be given the college placement diagnostic exam so that the students, their families, the school, and the district can use the results to diagnose areas for targeted instruction, intervention, or remediation and improve students' knowledge and skills in core subjects sufficient for the student to graduate and have a reasonable chance to succeed in a career or college without remediation. These students must be given the college entrance exam part of these assessments in grade 12.

(4) A student in clause (3) who demonstrates (i) attainment of required state academic standards, which include career and college readiness benchmarks, on these assessments, (ii) attainment of career and college readiness benchmarks on the college placement diagnostic part of these assessments, and, where applicable, (iii) successfully completes targeted instruction, intervention, or remediation approved by the commissioner and the Minnesota State Colleges and Universities chancellor after consulting with local school officials and educators, is academically ready for a career or college and is encouraged to participate in courses and programs awarding college credit to high school students. Such courses and programs may include sequential courses of study within broad career areas and technical skill assessments that extend beyond course grades.

(5) The commissioner and the assessments vendor must conduct a study to determine the alignment between these assessments and state academic standards under this chapter. Where alignment exists, the commissioner must seek federal approval to, and immediately upon receiving approval replace the federally required assessments referenced under subdivision 1a and section 120B.35, subdivision 2, with assessments under this paragraph. The commissioner shall require the assessment vendor to provide an individual student item analysis of exam results and a summary of specific diagnostic strand areas targeted for instruction, intervention, and remediation.

(e) In developing, supporting, and improving students' academic readiness for a career or college, schools, districts, and the state must have a continuum of empirically derived, clearly defined benchmarks focused on students' attainment of knowledge and skills so that students, their parents, and teachers know how well students must perform to have a reasonable chance to

succeed in a career or college without need for postsecondary remediation. The commissioner and Minnesota's public postsecondary institutions must ensure that the foundational knowledge and skills for students' successful performance in postsecondary employment or education and an articulated series of possible targeted interventions are clearly identified and satisfy Minnesota's postsecondary admissions requirements.

(f) A school, district, or charter school must place record on the high school transcript a student's current pass status for each subject that has a required graduation assessment progress toward career and college readiness.

~~In addition, (g)~~ The school board granting the students their diplomas may formally decide to include a notation of high achievement on the high school diplomas of those graduating seniors who, according to established school board criteria, demonstrate exemplary academic achievement during high school.

~~(e)~~ (h) The 3rd through 8th grade computer-adaptive assessment results and high school test results shall be available to districts for diagnostic purposes affecting student learning and district instruction and curriculum, and for establishing educational accountability. The commissioner must establish empirically derived benchmarks on adaptive assessments in grades 3 through 8 that reveal a trajectory toward career and college readiness. The commissioner must disseminate to the public the computer-adaptive assessments and high school test results upon receiving those results.

~~(f)~~ (i) The 3rd through 8th grade computer-adaptive assessments and high school tests must be aligned with state academic standards. The commissioner shall determine the testing process and the order of administration. The statewide results shall be aggregated at the site and district level, consistent with subdivision 1a.

~~(g) In addition to the testing and reporting requirements under this section, (j)~~ The commissioner shall include the following components in the statewide public reporting system:

(1) uniform statewide testing computer-adaptive assessments of all students in grades 3 through 8 and testing at the high school level that provides appropriate, technically sound accommodations or alternate assessments;

(2) educational indicators that can be aggregated and compared across school districts and across time on a statewide basis, including average daily attendance, high school graduation rates, and high school drop-out rates by age and grade level;

(3) state results on the American College Test; and

(4) state results from participation in the National Assessment of Educational Progress so that the state can benchmark its performance against the nation and other states, and, where possible, against other countries, and contribute to the national effort to monitor achievement.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to the 2013-2014 school year and later except that paragraph (a) applies the day following final enactment and the requirements for using computer-adaptive mathematics and reading assessments for grades 3 through 8 apply in the 2015-2016 school year and later.

Sec. 15. Minnesota Statutes 2012, section 120B.30, subdivision 1a, is amended to read:

Subd. 1a. **Statewide and local assessments; results.** (a) For purposes of this section, the following definitions have the meanings given them.

(1) "Computer-adaptive assessments" means fully adaptive assessments.

(2) "Fully adaptive assessments" include test items that are on-grade level and items that may be above or below a student's grade level.

(3) "On-grade level" test items contain subject area content that is aligned to state academic standards for the grade level of the student taking the assessment.

(4) "Above-grade level" test items contain subject area content that is above the grade level of the student taking the assessment and is considered aligned with state academic standards to the extent it is aligned with content represented in state academic standards above the grade level of the student taking the assessment. Notwithstanding the student's grade level, administering above-grade level test items to a student does not violate the requirement that state assessments must be aligned with state standards.

(5) "Below-grade level" test items contain subject area content that is below the grade level of the student taking the test and is considered aligned with state academic standards to the extent it is aligned with content represented in state academic standards below the student's current grade level. Notwithstanding the student's grade level, administering below-grade level test items to a student does not violate the requirement that state assessments must be aligned with state standards.

(b) The commissioner must use fully adaptive mathematics and reading assessments for grades 3 through 8 beginning in the 2015-2016 school year and later.

(c) For purposes of conforming with existing federal educational accountability requirements, the commissioner must develop and implement computer-adaptive reading and mathematics assessments for grades 3 through 8, state-developed high school reading and mathematics tests aligned with state academic standards, and science assessments under clause (2) that districts and sites must use to monitor student growth toward achieving those standards. The commissioner must not develop statewide assessments for academic standards in social studies, health and physical education, and the arts. The commissioner must require:

(1) annual computer-adaptive reading and mathematics assessments in grades 3 through 8, and high school reading and mathematics tests; and

(2) annual science assessments in one grade in the grades 3 through 5 span, the grades 6 through 8 span, and a life sciences assessment in the grades 9 through 12 span, and the commissioner must not require students to achieve a passing score on high school science assessments as a condition of receiving a high school diploma.

(d) The commissioner must ensure that for annual computer-adaptive assessments:

(1) individual student performance data and achievement reports are available within three school days of when students take an assessment;

(2) growth information is available for each student from the student's first assessment to each proximate assessment using a constant measurement scale;

(3) parents, teachers, and school administrators are able to use elementary and middle school student performance data to project students' secondary and postsecondary achievement; and

(4) useful diagnostic information about areas of students' academic strengths and weaknesses is available to teachers and school administrators for improving student instruction and indicating the specific skills and concepts that should be introduced and developed for students at given performance levels, organized by strands within subject areas, and aligned to state academic standards.

~~(b)~~ (e) The commissioner must ensure that all statewide tests administered to elementary and secondary students measure students' academic knowledge and skills and not students' values, attitudes, and beliefs.

~~(c)~~ (f) Reporting of assessment results must:

(1) provide timely, useful, and understandable information on the performance of individual students, schools, school districts, and the state;

(2) include a ~~value-added~~ growth indicator of student achievement under section 120B.35, subdivision 3, paragraph (b); and

~~(3)(i) for students enrolled in grade 8 before the 2005-2006 school year, determine whether students have met the state's basic skills requirements; and~~

~~(ii) for students enrolled in grade 8 in the 2005-2006 school year and later, determine whether students have met the state's academic standards.~~

~~(d)~~ (g) Consistent with applicable federal law and ~~subdivision 1, paragraph (d), clause (1),~~ the commissioner must include appropriate, technically sound accommodations or alternative assessments for the very few students with disabilities for whom statewide assessments are inappropriate and for English learners.

~~(e)~~ (h) A school, school district, and charter school must administer statewide assessments under this section, as the assessments become available, to evaluate student proficiency progress toward career and college readiness in the context of the state's grade level academic standards. ~~If a state assessment is not available, a school, school district, and charter school must determine locally if a student has met the required academic standards.~~ A school, school district, or charter school may use a student's performance on a statewide assessment as one of multiple criteria to determine grade promotion or retention. A school, school district, or charter school may use a high school student's performance on a statewide assessment as a percentage of the student's final grade in a course, or place a student's assessment score on the student's transcript.

EFFECTIVE DATE. This section is effective for the 2013-2014 school year and later except the requirements for using computer-adaptive mathematics and reading assessments for grades 3 through 8 apply in the 2015-2016 school year and later.

Sec. 16. Minnesota Statutes 2012, section 120B.31, subdivision 1, is amended to read:

Subdivision 1. **Educational accountability and public reporting.** Consistent with the direction to adopt statewide academic standards under section 120B.02, the department, in consultation with education and other system stakeholders, must establish a coordinated and comprehensive system of educational accountability and public reporting that promotes greater academic achievement, preparation for higher academic education, preparation for the world of work, citizenship ~~under~~ sections 120B.021, subdivision 1, clause (4), and 120B.024, paragraph (a), clause (4), and the arts.

Sec. 17. Minnesota Statutes 2012, section 120B.36, subdivision 1, is amended to read:

Subdivision 1. **School performance ~~report cards~~ reports.** (a) The commissioner shall report student academic performance under section 120B.35, subdivision 2; the percentages of students showing low, medium, and high growth under section 120B.35, subdivision 3, paragraph (b); school safety and student engagement and connection under section 120B.35, subdivision 3, paragraph (d); rigorous coursework under section 120B.35, subdivision 3, paragraph (c), the percentage of students whose progress and performance levels are meeting career and college readiness benchmarks under section 120B.30, subdivision 1; two separate student-to-teacher ratios that clearly indicate the definition of teacher consistent with sections 122A.06 and 122A.15 for purposes of determining these ratios; staff characteristics excluding salaries; student enrollment demographics; district mobility; and extracurricular activities. The report also must indicate a school's adequate yearly progress status under applicable federal law, and must not set any designations applicable to high- and low-performing schools due solely to adequate yearly progress status.

(b) The commissioner shall develop, annually update, and post on the department Web site school performance ~~report cards~~ reports.

(c) The commissioner must make available performance ~~report cards~~ reports by the beginning of each school year.

(d) A school or district may appeal its adequate yearly progress status in writing to the commissioner within 30 days of receiving the notice of its status. The commissioner's decision to uphold or deny an appeal is final.

(e) School performance ~~report card~~ reports data are nonpublic data under section 13.02, subdivision 9, until the commissioner publicly releases the data. The commissioner shall annually post school performance ~~report cards~~ reports to the department's public Web site no later than September 1, except that in years when the ~~report card reflects~~ reports reflect new performance standards, the commissioner shall post the school performance ~~report cards~~ reports no later than October 1.

EFFECTIVE DATE. This section is effective for the 2013-2014 school year and later.

Sec. 18. Minnesota Statutes 2012, section 122A.09, subdivision 4, is amended to read:

Subd. 4. **License and rules.** (a) The board must adopt rules to license public school teachers and interns subject to chapter 14.

(b) The board must adopt rules requiring a person to pass a skills examination in reading, writing, and mathematics as a requirement for initial teacher licensure. Such rules must require college and universities offering a board-approved teacher preparation program to provide remedial assistance to persons who did not achieve a qualifying score on the skills examination, including those for whom English is a second language.

(c) The board must adopt rules to approve teacher preparation programs. The board, upon the request of a postsecondary student preparing for teacher licensure or a licensed graduate of a teacher preparation program, shall assist in resolving a dispute between the person and a postsecondary institution providing a teacher preparation program when the dispute involves an

institution's recommendation for licensure affecting the person or the person's credentials. At the board's discretion, assistance may include the application of chapter 14.

(d) The board must provide the leadership and adopt rules for the redesign of teacher education programs to implement a research based, results-oriented curriculum that focuses on the skills teachers need in order to be effective. The board shall implement new systems of teacher preparation program evaluation to assure program effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes. Teacher preparation programs including alternative teacher preparation programs under section 122A.245, among other programs, must include a content-specific, board-approved, performance-based assessment that measures teacher candidates in three areas: planning for instruction and assessment; engaging students and supporting learning; and assessing student learning.

(e) The board must adopt rules requiring candidates for initial licenses to pass an examination of general pedagogical knowledge and examinations of licensure-specific teaching skills. The rules shall be effective by September 1, 2001. The rules under this paragraph also must require candidates for initial licenses to teach prekindergarten or elementary students to pass, as part of the examination of licensure-specific teaching skills, test items assessing the candidates' knowledge, skill, and ability in comprehensive, scientifically based reading instruction under section 122A.06, subdivision 4, and their knowledge and understanding of the foundations of reading development, the development of reading comprehension, and reading assessment and instruction, and their ability to integrate that knowledge and understanding.

(f) The board must adopt rules requiring teacher educators to work directly with elementary or secondary school teachers in elementary or secondary schools to obtain periodic exposure to the elementary or secondary teaching environment.

(g) The board must grant licenses to interns and to candidates for initial licenses based on appropriate professional competencies that are aligned with the board's licensing system and students' diverse learning needs. The board must include these licenses in a statewide differentiated licensing system that creates new leadership roles for successful experienced teachers premised on a collaborative professional culture dedicated to meeting students' diverse learning needs in the 21st century and formalizes mentoring and induction for newly licensed teachers that is provided through a teacher support framework.

(h) The board must design and implement an assessment system which requires a candidate for an initial license and first continuing license to demonstrate the abilities necessary to perform selected, representative teaching tasks at appropriate levels.

(i) The board must receive recommendations from local committees as established by the board for the renewal of teaching licenses.

(j) The board must grant life licenses to those who qualify according to requirements established by the board, and suspend or revoke licenses pursuant to sections 122A.20 and 214.10. The board must not establish any expiration date for application for life licenses.

(k) The board must adopt rules that require all licensed teachers who are renewing their continuing license to include in their renewal requirements further preparation in the areas of using positive behavior interventions and in accommodating, modifying, and adapting curricula, materials, and strategies to appropriately meet the needs of individual students and ensure adequate progress toward the state's graduation rule.

(l) In adopting rules to license public school teachers who provide health-related services for disabled children, the board shall adopt rules consistent with license or registration requirements of the commissioner of health and the health-related boards who license personnel who perform similar services outside of the school.

(m) The board must adopt rules that require all licensed teachers who are renewing their continuing license to include in their renewal requirements further reading preparation, consistent with section 122A.06, subdivision 4. The rules do not take effect until they are approved by law. Teachers who do not provide direct instruction including, at least, counselors, school psychologists, school nurses, school social workers, audiovisual directors and coordinators, and recreation personnel are exempt from this section.

(n) The board must adopt rules that require all licensed teachers who are renewing their continuing license to include in their renewal requirements further preparation, first, in understanding the key warning signs of early-onset mental illness in children and adolescents and then, during subsequent licensure renewal periods, preparation may include providing a more in-depth understanding of students' mental illness, trauma, accommodations for students' mental illness, parents' role in addressing students' mental illness, Fetal Alcohol Spectrum Disorders, autism, the requirements of section 125A.0942 governing restrictive procedures, and de-escalation methods, among other similar topics.

EFFECTIVE DATE. This section is effective August 1, 2014.

Sec. 19. Minnesota Statutes 2012, section 124D.10, is amended to read:

124D.10 CHARTER SCHOOLS.

Subdivision 1. **Purposes.** (a) The primary purpose of this section is to:

(1) improve pupil learning and student achievement; Additional purposes include to:

(2) (1) increase learning opportunities for pupils;

(3) (2) encourage the use of different and innovative teaching methods;

(4) (3) measure learning outcomes and create different and innovative forms of measuring outcomes;

(5) (4) establish new forms of accountability for schools; and or

(6) (5) create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site.

(b) This section does not provide a means to keep open a school that a school board decides to close. However, a school board may endorse or authorize the establishing of a charter school to replace the school the board decided to close. Applicants seeking a charter under this circumstance must demonstrate to the authorizer that the charter sought is substantially different in purpose and program from the school the board closed and that the proposed charter satisfies the requirements of this subdivision. If the school board that closed the school authorizes the charter, it must document in its affidavit to the commissioner that the charter is substantially different in program and purpose from the school it closed.

An authorizer shall not approve an application submitted by a charter school developer under subdivision 4, paragraph (a), if the application does not comply with this subdivision. The commissioner shall not approve an affidavit submitted by an authorizer under subdivision 4, paragraph (b), if the affidavit does not comply with this subdivision.

Subd. 2. **Applicability.** This section applies only to charter schools formed and operated under this section.

Subd. 3. **Authorizer.** (a) For purposes of this section, the terms defined in this subdivision have the meanings given them.

"Application" to receive approval as an authorizer means the proposal an eligible authorizer submits to the commissioner under paragraph (c) before that authorizer is able to submit any affidavit to charter to a school.

"Application" under subdivision 4 means the charter school business plan a school developer submits to an authorizer for approval to establish a charter school that documents the school developer's mission statement, school purposes, program design, financial plan, governance and management structure, and background and experience, plus any other information the authorizer requests. The application also shall include a "statement of assurances" of legal compliance prescribed by the commissioner.

"Affidavit" means a written statement the authorizer submits to the commissioner for approval to establish a charter school under subdivision 4 attesting to its review and approval process before chartering a school.

(b) The following organizations may authorize one or more charter schools:

(1) a school board, intermediate school district school board, or education district organized under sections 123A.15 to 123A.19;

(2) a charitable organization under section 501(c)(3) of the Internal Revenue Code of 1986, excluding a nonpublic sectarian or religious institution; any person other than a natural person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the nonpublic sectarian or religious institution; and any other charitable organization under this clause that in the federal IRS Form 1023, Part IV, describes activities indicating a religious purpose, that:

(i) is a member of the Minnesota Council of Nonprofits or the Minnesota Council on Foundations;

(ii) is registered with the attorney general's office; and

(iii) is incorporated in the state of Minnesota and has been operating continuously for at least five years but does not operate a charter school;

(3) a Minnesota private college, notwithstanding clause (2), that grants two- or four-year degrees and is registered with the Minnesota Office of Higher Education under chapter 136A; community college, state university, or technical college governed by the Board of Trustees of the Minnesota State Colleges and Universities; or the University of Minnesota;

(4) a nonprofit corporation subject to chapter 317A, described in section 317A.905, and exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code of 1986, may

authorize one or more charter schools if the charter school has operated for at least three years under a different authorizer and if the nonprofit corporation has existed for at least 25 years; or

(5) single-purpose authorizers that are charitable, nonsectarian organizations formed under section 501(c)(3) of the Internal Revenue Code of 1986 and incorporated in the state of Minnesota whose sole purpose is to charter schools. Eligible organizations interested in being approved as an authorizer under this paragraph must submit a proposal to the commissioner that includes the provisions of paragraph (c) and a five-year financial plan. Such authorizers shall consider and approve charter school applications using the criteria provided in subdivision 4 and shall not limit the applications it solicits, considers, or approves to any single curriculum, learning program, or method.

(c) An eligible authorizer under this subdivision must apply to the commissioner for approval as an authorizer before submitting any affidavit to the commissioner to charter a school. The application for approval as a charter school authorizer must demonstrate the applicant's ability to implement the procedures and satisfy the criteria for chartering a school under this section. The commissioner must approve or disapprove an application within 45 business days of the application deadline. If the commissioner disapproves the application, the commissioner must notify the applicant of the specific deficiencies in writing and the applicant then has 20 business days to address the deficiencies to the commissioner's satisfaction. After the 20 business days expire, the commissioner has 15 business days to make a final decision to approve or disapprove the application. Failing to address the deficiencies to the commissioner's satisfaction makes an applicant ineligible to be an authorizer. The commissioner, in establishing criteria for approval, must consider the applicant's:

- (1) capacity and infrastructure;
- (2) application criteria and process;
- (3) contracting process;
- (4) ongoing oversight and evaluation processes; and
- (5) renewal criteria and processes.

(d) An applicant must include in its application to the commissioner to be an approved authorizer at least the following:

- (1) how chartering schools is a way for the organization to carry out its mission;
- (2) a description of the capacity of the organization to serve as an authorizer, including the personnel who will perform the authorizing duties, their qualifications, the amount of time they will be assigned to this responsibility, and the financial resources allocated by the organization to this responsibility;
- (3) a description of the application and review process the authorizer will use to make decisions regarding the granting of charters;
- (4) a description of the type of contract it will arrange with the schools it charters that meets the provisions of subdivision 6;
- (5) the process to be used for providing ongoing oversight of the school consistent with the contract expectations specified in clause (4) that assures that the schools chartered are complying with both the provisions of applicable law and rules, and with the contract;

(6) a description of the criteria and process the authorizer will use to grant expanded applications under subdivision 4, paragraph (j);

(7) the process for making decisions regarding the renewal or termination of the school's charter based on evidence that demonstrates the academic, organizational, and financial competency of the school, including its success in increasing student achievement and meeting the goals of the charter school agreement; and

(8) an assurance specifying that the organization is committed to serving as an authorizer for the full five-year term.

(e) A disapproved applicant under this section may resubmit an application during a future application period.

(f) If the governing board of an approved authorizer votes to withdraw as an approved authorizer for a reason unrelated to any cause under subdivision 23, the authorizer must notify all its chartered schools and the commissioner in writing by July 15 of its intent to withdraw as an authorizer on June 30 in the next calendar year. The commissioner may approve the transfer of a charter school to a new authorizer under this paragraph after the new authorizer submits an affidavit to the commissioner.

(g) The authorizer must participate in department-approved training.

~~(h) An authorizer that chartered a school before August 1, 2009, must apply by June 30, 2012, to the commissioner for approval, under paragraph (c), to continue as an authorizer under this section. For purposes of this paragraph, an authorizer that fails to submit a timely application is ineligible to charter a school.~~

~~(i)~~ (h) The commissioner shall review an authorizer's performance every five years in a manner and form determined by the commissioner and may review an authorizer's performance more frequently at the commissioner's own initiative or at the request of a charter school operator, charter school board member, or other interested party. The commissioner, after completing the review, shall transmit a report with findings to the authorizer. If, consistent with this section, the commissioner finds that an authorizer has not fulfilled the requirements of this section, the commissioner may subject the authorizer to corrective action, which may include terminating the contract with the charter school board of directors of a school it chartered. The commissioner must notify the authorizer in writing of any findings that may subject the authorizer to corrective action and the authorizer then has 15 business days to request an informal hearing before the commissioner takes corrective action. If the commissioner terminates a contract between an authorizer and a charter school under this paragraph, the commissioner may assist the charter school in acquiring a new authorizer.

~~(j)~~ (i) The commissioner may at any time take corrective action against an authorizer, including terminating an authorizer's ability to charter a school for:

(1) failing to demonstrate the criteria under paragraph (c) under which the commissioner approved the authorizer;

(2) violating a term of the chartering contract between the authorizer and the charter school board of directors;

(3) unsatisfactory performance as an approved authorizer; or

(4) any good cause shown that provides the commissioner a legally sufficient reason to take corrective action against an authorizer.

Subd. 4. Formation of school. (a) An authorizer, after receiving an application from a school developer, may charter a licensed teacher under section 122A.18, subdivision 1, or a group of individuals that includes one or more licensed teachers under section 122A.18, subdivision 1, to operate a school subject to the commissioner's approval of the authorizer's affidavit under paragraph (b). The school must be organized and operated as a nonprofit corporation under chapter 317A and the provisions under the applicable chapter shall apply to the school except as provided in this section.

Notwithstanding sections 465.717 and 465.719, a school district, subject to this section and section 124D.11, may create a corporation for the purpose of establishing a charter school.

(b) Before the operators may establish and operate a school, the authorizer must file an affidavit with the commissioner stating its intent to charter a school. An authorizer must file a separate affidavit for each school it intends to charter. The affidavit must state the terms and conditions under which the authorizer would charter a school and how the authorizer intends to oversee the fiscal and student performance of the charter school and to comply with the terms of the written contract between the authorizer and the charter school board of directors under subdivision 6. The commissioner must approve or disapprove the authorizer's affidavit within 60 business days of receipt of the affidavit. If the commissioner disapproves the affidavit, the commissioner shall notify the authorizer of the deficiencies in the affidavit and the authorizer then has 20 business days to address the deficiencies. If the authorizer does not address deficiencies to the commissioner's satisfaction, the commissioner's disapproval is final. Failure to obtain commissioner approval precludes an authorizer from chartering the school that is the subject of this affidavit.

(c) The authorizer may prevent an approved charter school from opening for operation if, among other grounds, the charter school violates this section or does not meet the ready-to-open standards that are part of the authorizer's oversight and evaluation process or are stipulated in the charter school contract.

(d) The operators authorized to organize and operate a school, before entering into a contract or other agreement for professional or other services, goods, or facilities, must incorporate as a nonprofit corporation under chapter 317A and must establish a board of directors composed of at least five members who are not related parties until a timely election for members of the ongoing charter school board of directors is held according to the school's articles and bylaws under paragraph (f). A charter school board of directors must be composed of at least five members who are not related parties. Staff members employed at the school, including teachers providing instruction under a contract with a cooperative, and all parents or legal guardians of children enrolled in the school are the voters eligible to elect the members of the school's board of directors. A charter school must notify eligible voters of the school board election dates at least 30 days before the election. Board of director meetings must comply with chapter 13D.

(e) A charter school shall publish and maintain on the school's official Web site: (1) the minutes of meetings of the board of directors, and of members and committees having any board-delegated authority, for at least one calendar year from the date of publication; (2) directory information for members of the board of directors and committees having board-delegated authority; and (3) identifying and contact information for the school's authorizer. Identifying and contact information for the school's authorizer must be included in other school materials made available to the public.

Upon request of an individual, the charter school must also make available in a timely fashion financial statements showing all operations and transactions affecting income, surplus, and deficit during the school's last annual accounting period; and a balance sheet summarizing assets and liabilities on the closing date of the accounting period. A charter school also must ~~post on its official Web site information identifying its authorizer and indicate how to contact that authorizer~~ and include that same information about its authorizer in other school materials that it makes available to the public.

(f) Every charter school board member shall attend ongoing training throughout the member's term on board governance, including training on the board's role and responsibilities, employment policies and practices, and financial management. A board member who does not begin the required initial training within six months after being seated and complete that training within 12 months of being seated on the board is ineligible to continue to serve as a board member. The school shall include in its annual report the training attended by each board member during the previous year.

(g) The ongoing board must be elected before the school completes its third year of operation. Board elections must be held during the school year but may not be conducted on days when the school is closed for holidays, breaks, or vacations. The charter school board of directors shall be composed of at least five nonrelated members and include: (i) at least one licensed teacher employed as a teacher at the school or a licensed teacher providing instruction under contract between the charter school and a cooperative; (ii) the parent or legal guardian of a student enrolled in the charter school who is not an employee of the charter school; and (iii) an interested community member who is not employed by the charter school and does not have a child enrolled in the school. The board may be a teacher majority board composed of teachers described in this paragraph. The chief financial officer and the chief administrator may only serve as ex-officio nonvoting board members and may not serve as a voting member of the board. Charter school employees shall not serve on the board unless item (i) applies. Contractors providing facilities, goods, or services to a charter school shall not serve on the board of directors of the charter school. Board bylaws shall outline the process and procedures for changing the board's governance model, consistent with chapter 317A. A board may change its governance model only:

(1) by a majority vote of the board of directors and the licensed teachers employed by the school, including licensed teachers providing instruction under a contract between the school and a cooperative; and

(2) with the authorizer's approval.

Any change in board governance must conform with the board structure established under this paragraph.

(h) The granting or renewal of a charter by an authorizer must not be conditioned upon the bargaining unit status of the employees of the school.

(i) The granting or renewal of a charter school by an authorizer must not be contingent on the charter school being required to contract, lease, or purchase services from the authorizer. Any potential contract, lease, or purchase of service from an authorizer must be disclosed to the commissioner, accepted through an open bidding process, and be a separate contract from the charter contract. The school must document the open bidding process. An authorizer must not enter into a contract to provide management and financial services for a school that it authorizes, unless the school documents that it received at least two competitive bids.

(j) An authorizer may permit the board of directors of a charter school to expand the operation of the charter school to additional sites or to ~~add additional grades~~ at the school beyond those described in the authorizer's original affidavit as approved by the commissioner only after submitting a supplemental affidavit for approval to the commissioner in a form and manner prescribed by the commissioner. The supplemental affidavit must document that:

- (1) the proposed expansion plan demonstrates need and projected enrollment;
- (2) the expansion is warranted, at a minimum, by longitudinal data demonstrating students' improved academic performance and growth on statewide assessments under chapter 120B;
- (3) the charter school is financially sound and the financing it needs to implement the proposed expansion exists; and
- (4) the charter school has the governance structure and management capacity to carry out its expansion.

(k) The commissioner shall have 30 business days to review and comment on the supplemental affidavit. The commissioner shall notify the authorizer of any deficiencies in the supplemental affidavit and the authorizer then has 20 business days to address, to the commissioner's satisfaction, any deficiencies in the supplemental affidavit. The school may not expand grades or add sites until the commissioner has approved the supplemental affidavit. The commissioner's approval or disapproval of a supplemental affidavit is final.

Subd. 4a. **Conflict of interest.** (a) An individual is prohibited from serving as a member of the charter school board of directors if the individual, an immediate family member, or the individual's partner is an owner, employee or agent of, or a contractor with a for-profit or nonprofit entity or individual with whom the charter school contracts, directly or indirectly, for professional services, goods, or facilities. A violation of this prohibition renders a contract voidable at the option of the commissioner or the charter school board of directors. A member of a charter school board of directors who violates this prohibition is individually liable to the charter school for any damage caused by the violation.

(b) No member of the board of directors, employee, officer, or agent of a charter school shall participate in selecting, awarding, or administering a contract if a conflict of interest exists. A conflict exists when:

- (1) the board member, employee, officer, or agent;
- (2) the immediate family of the board member, employee, officer, or agent;
- (3) the partner of the board member, employee, officer, or agent; or
- (4) an organization that employs, or is about to employ any individual in clauses (1) to (3),

has a financial or other interest in the entity with which the charter school is contracting. A violation of this prohibition renders the contract void.

(c) Any employee, agent, or board member of the authorizer who participates in the initial review, approval, ongoing oversight, evaluation, or the charter renewal or nonrenewal process or decision is ineligible to serve on the board of directors of a school chartered by that authorizer.

(d) An individual may serve as a member of the board of directors if no conflict of interest under paragraph (a) exists.

(e) The conflict of interest provisions under this subdivision do not apply to compensation paid to a teacher employed as a teacher by the charter school who or a teacher who provides instructional services to the charter school through a cooperative formed under chapter 308A when the teacher also serves as a member of on the charter school board of directors.

~~(f) The conflict of interest provisions under this subdivision do not apply to a teacher who provides services to a charter school through a cooperative formed under chapter 308A when the teacher also serves on the charter school board of directors.~~

Subd. 5. **Conversion of existing schools.** A board of an independent or special school district may convert one or more of its existing schools to charter schools under this section if 60 percent of the full-time teachers at the school sign a petition seeking conversion. The conversion must occur at the beginning of an academic year.

Subd. 6. **Charter contract.** The authorization for a charter school must be in the form of a written contract signed by the authorizer and the board of directors of the charter school. The contract must be completed within 45 business days of the commissioner's approval of the authorizer's affidavit. The authorizer shall submit to the commissioner a copy of the signed charter contract within ten business days of its execution. The contract for a charter school must be in writing and contain at least the following:

(1) a declaration that the charter school will carry out the primary purpose in subdivision 1 and how the school will report its implementation of the primary purpose;

~~(1)~~ (2) a declaration of the any additional purposes in subdivision 1 that the school intends to carry out and how the school will report its implementation of those purposes;

~~(2)~~ (3) a description of the school program and the specific academic and nonacademic outcomes that pupils must achieve;

~~(3)~~ (4) a statement of admission policies and procedures;

~~(4)~~ (5) a governance, management, and administration plan for the school;

~~(5)~~ (6) signed agreements from charter school board members to comply with all federal and state laws governing organizational, programmatic, and financial requirements applicable to charter schools;

~~(6)~~ (7) the criteria, processes, and procedures that the authorizer will use for ongoing oversight of operational, financial, and academic performance to monitor and evaluate the fiscal, operational, and academic performance consistent with subdivision 15, paragraphs (a) and (b);

~~(7)~~ (8) for contract renewal, the formal written performance evaluation of the school that is a prerequisite for reviewing a charter contract under subdivision 15;

~~(8)~~ (9) types and amounts of insurance liability coverage to be obtained by the charter school, consistent with subdivision 8, paragraph (k);

~~(9)~~ (10) consistent with subdivision 25, paragraph (d), a provision to indemnify and hold harmless the authorizer and its officers, agents, and employees from any suit, claim, or liability

arising from any operation of the charter school, and the commissioner and department officers, agents, and employees notwithstanding section 3.736;

~~(10)~~ (11) the term of the initial contract, which may be up to five years plus an additional preoperational planning year, and up to five years for a renewed contract or a contract with a new authorizer after a transfer of authorizers, if warranted by the school's academic, financial, and operational performance;

~~(11)~~ (12) how the board of directors or the operators of the charter school will provide special instruction and services for children with a disability under sections 125A.03 to 125A.24, and 125A.65, a description of the financial parameters within which the charter school will operate to provide the special instruction and services to children with a disability;

~~(12)~~ the process and criteria the authorizer intends to use to monitor and evaluate the fiscal and student performance of the charter school, consistent with subdivision 15; and

~~(13)~~ the specific conditions for contract renewal, which identify performance under the primary purpose of subdivision 1 as the most important factor in determining contract renewal; and

~~(14)~~ (14) the plan for an orderly closing of the school under chapter 317A, if whether the closure is a termination for cause, a voluntary termination, or a nonrenewal of the contract, and that includes establishing the responsibilities of the school board of directors and the authorizer and notifying the commissioner, authorizer, school district in which the charter school is located, and parents of enrolled students about the closure, the transfer of student records to students' resident districts, and procedures for closing financial operations.

Subd. 6a. **Audit report.** (a) The charter school must submit an audit report to the commissioner and its authorizer by December 31 each year.

(b) The charter school, with the assistance of the auditor conducting the audit, must include with the report, as supplemental information, a copy of all charter school agreements for corporate management services, including parent company or other administrative, financial, and staffing services. If the entity that provides the professional services to the charter school is exempt from taxation under section 501 of the Internal Revenue Code of 1986, that entity must file with the commissioner by February 15 a copy of the annual return required under section 6033 of the Internal Revenue Code of 1986.

(c) A charter school independent audit report shall include audited financial data of an affiliated building corporation or other component unit.

~~(e)~~ (d) If the audit report finds that a material weakness exists in the financial reporting systems of a charter school, the charter school must submit a written report to the commissioner explaining how the material weakness will be resolved. An auditor, as a condition of providing financial services to a charter school, must agree to make available information about a charter school's financial audit to the commissioner and authorizer upon request.

Subd. 7. **Public status; exemption from statutes and rules.** A charter school is a public school and is part of the state's system of public education. A charter school is exempt from all statutes and rules applicable to a school, school board, or school district unless a statute or rule is made specifically applicable to a charter school or is included in this section.

Subd. 8. **Federal, state, and local requirements.** (a) A charter school shall meet all federal, state, and local health and safety requirements applicable to school districts.

(b) A school must comply with statewide accountability requirements governing standards and assessments in chapter 120B.

(c) A school authorized by a school board may be located in any district, unless the school board of the district of the proposed location disapproves by written resolution.

(d) A charter school must be nonsectarian in its programs, admission policies, employment practices, and all other operations. An authorizer may not authorize a charter school or program that is affiliated with a nonpublic sectarian school or a religious institution. A charter school student must be released for religious instruction, consistent with section 120A.22, subdivision 12, clause (3).

(e) Charter schools must not be used as a method of providing education or generating revenue for students who are being home-schooled. This paragraph does not apply to shared time aid under section 126C.19.

(f) The primary focus of a charter school must be to provide a comprehensive program of instruction for at least one grade or age group from five through 18 years of age. Instruction may be provided to people younger than five years and older than 18 years of age.

(g) A charter school may not charge tuition.

(h) A charter school is subject to and must comply with chapter 363A and section 121A.04.

(i) A charter school is subject to and must comply with the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56, and the Minnesota Public School Fee Law, sections 123B.34 to 123B.39.

(j) A charter school is subject to the same financial audits, audit procedures, and audit requirements as a district, except as required under subdivision 6a. Audits must be conducted in compliance with generally accepted governmental auditing standards, the federal Single Audit Act, if applicable, and section 6.65. A charter school is subject to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06; 471.38; 471.391; 471.392; and 471.425. The audit must comply with the requirements of sections 123B.75 to 123B.83, except to the extent deviations are necessary because of the program at the school. Deviations must be approved by the commissioner and authorizer. The Department of Education, state auditor, legislative auditor, or authorizer may conduct financial, program, or compliance audits. A charter school determined to be in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

(k) A charter school is a district for the purposes of tort liability under chapter 466.

(l) A charter school must comply with chapters 13 and 13D; and sections 120A.22, subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

(m) A charter school is subject to the Pledge of Allegiance requirement under section 121A.11, subdivision 3.

(n) A charter school offering online courses or programs must comply with section 124D.095.

(o) A charter school and charter school board of directors are subject to chapter 181.

(p) A charter school must comply with section 120A.22, subdivision 7, governing the transfer of students' educational records and sections 138.163 and 138.17 governing the management of local records.

(q) A charter school that provides early childhood health and developmental screening must comply with sections 121A.16 to 121A.19.

(r) A charter school that provides school-sponsored youth athletic activities must comply with section 121A.38.

(s) A charter school is subject to and must comply with continuing truant notification under section 260A.03.

Subd. 8a. **Aid reduction.** The commissioner may reduce a charter school's state aid under section 127A.42 or 127A.43 if the charter school board fails to correct a violation under this section.

Subd. 8b. **Aid reduction for violations.** The commissioner may reduce a charter school's state aid by an amount not to exceed 60 percent of the charter school's basic revenue for the period of time that a violation of law occurs.

Subd. 9. **Admission requirements.** (a) A charter school may limit admission to:

(1) pupils within an age group or grade level;

(2) pupils who are eligible to participate in the graduation incentives program under section 124D.68; or

(3) residents of a specific geographic area in which the school is located when the majority of students served by the school are members of underserved populations.

(b) A charter school shall enroll an eligible pupil who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level, or building. In this case, pupils must be accepted by lot. The charter school must develop and publish, including on its Web site, a lottery policy and process that it must use when accepting pupils by lot.

(c) A charter school shall give enrollment preference to a sibling of an enrolled pupil and to a foster child of that pupil's parents and may give preference for enrolling children of the school's staff before accepting other pupils by lot.

(d) A person shall not be admitted to a charter school (1) as a kindergarten pupil, unless the pupil is at least five years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences; or (2) as a first grade student, unless the pupil is at least six years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences or has completed kindergarten; except that a charter school may establish and publish on its Web site a policy for admission of selected pupils at an earlier age, consistent with the enrollment process in paragraphs (b) and (c).

(e) Except as permitted in paragraph (d), a charter school may not limit admission to pupils on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability and may not establish any criteria or requirements for admission that are inconsistent with this subdivision.

(f) The charter school shall not distribute any services or goods of value to students, parents, or guardians as an inducement, term, or condition of enrolling a student in a charter school.

Subd. 10. **Pupil performance.** A charter school must design its programs to at least meet the outcomes adopted by the commissioner for public school students. In the absence of the commissioner's requirements, the school must meet the outcomes contained in the contract with the authorizer. The achievement levels of the outcomes contained in the contract may exceed the achievement levels of any outcomes adopted by the commissioner for public school students.

Subd. 11. **Employment and other operating matters.** (a) A charter school must employ or contract with necessary teachers, as defined by section 122A.15, subdivision 1, who hold valid licenses to perform the particular service for which they are employed in the school. The charter school's state aid may be reduced under section 127A.43 if the school employs a teacher who is not appropriately licensed or approved by the board of teaching. The school may employ necessary employees who are not required to hold teaching licenses to perform duties other than teaching and may contract for other services. The school may discharge teachers and nonlicensed employees. The charter school board is subject to section 181.932. When offering employment to a prospective employee, a charter school must give that employee a written description of the terms and conditions of employment and the school's personnel policies.

(b) A person, without holding a valid administrator's license, may perform administrative, supervisory, or instructional leadership duties. The board of directors shall establish qualifications for persons that hold administrative, supervisory, or instructional leadership roles. The qualifications shall include at least the following areas: instruction and assessment; human resource and personnel management; financial management; legal and compliance management; effective communication; and board, authorizer, and community relationships. The board of directors shall use those qualifications as the basis for job descriptions, hiring, and performance evaluations of those who hold administrative, supervisory, or instructional leadership roles. The board of directors and an individual who does not hold a valid administrative license and who serves in an administrative, supervisory, or instructional leadership position shall develop a professional development plan. Documentation of the implementation of the professional development plan of these persons shall be included in the school's annual report.

(c) The board of directors also shall decide and be responsible for matters related to the operation of the school, including budgeting, curriculum and operating procedures.

Subd. 12. **Pupils with a disability.** A charter school must comply with sections 125A.02, 125A.03 to 125A.24, and 125A.65 and rules relating to the education of pupils with a disability as though it were a district.

Subd. 13. **Length of school year.** A charter school must provide instruction each year for at least the number of hours required by section 120A.41. It may provide instruction throughout the year according to sections 124D.12 to 124D.127 or 124D.128.

Subd. 14. **Annual public reports.** A charter school must publish an annual report approved by the board of directors. The annual report must at least include information on school enrollment, student attrition, governance and management, staffing, finances, academic performance, ~~operational performance~~, innovative practices and implementation, and future plans. A charter school must post the annual report on the school's official Web site. The charter school must also distribute the annual report by publication, mail, or electronic means to ~~the commissioner, its~~ authorizer, school employees, and parents and legal guardians of students enrolled in the charter school ~~and must also post the report on the charter school's official Web site~~. The reports are public data under chapter 13.

Subd. 15. **Review and comment.** (a) The authorizer shall provide a formal written evaluation of the school's performance before the authorizer renews the charter contract. The department must review and comment on the authorizer's evaluation process at the time the authorizer submits its application for approval and each time the authorizer undergoes its five-year review under subdivision 3, paragraph (i).

(b) An authorizer shall monitor and evaluate the ~~fiscal~~, academic, financial, and operational; ~~and student~~ performance of the school, and may for this purpose annually assess a charter school a fee according to paragraph (c). The agreed-upon fee structure must be stated in the charter school contract.

(c) The fee that ~~each charter school pays to an authorizer each year~~ an authorizer may annually assess is the greater of:

(1) the basic formula allowance for that year; or

(2) the lesser of:

(i) the maximum fee factor times the basic formula allowance for that year; or

(ii) the fee factor times the basic formula allowance for that year times the charter school's adjusted marginal cost pupil units for that year. The fee factor equals ~~.005 in fiscal year 2010, .01 in fiscal year 2011, .013 in fiscal year 2012, and .015 in fiscal years 2013 and later.~~ The maximum fee factor equals ~~1.5 in fiscal year 2010, 2.0 in fiscal year 2011, 3.0 in fiscal year 2012, and 4.0 in fiscal years 2013 and later.~~

(d) An authorizer may not assess a fee for any required services other than as provided in this subdivision.

(e) For the preoperational planning period, after a school is chartered, the authorizer may assess a charter school a fee equal to the basic formula allowance.

(f) By September 30 of each year, an authorizer shall submit to the commissioner a statement of income and expenditures related to chartering activities during the previous school year ending June 30. A copy of the statement shall be given to all schools chartered by the authorizer.

Subd. 16. **Transportation.** (a) A charter school after its first fiscal year of operation by March 1 of each fiscal year and a charter school by July 1 of its first fiscal year of operation must notify the district in which the school is located and the Department of Education if it will provide its own transportation or use the transportation services of the district in which it is located for the fiscal year.

(b) If a charter school elects to provide transportation for pupils, the transportation must be provided by the charter school within the district in which the charter school is located. The state must pay transportation aid to the charter school according to section 124D.11, subdivision 2.

For pupils who reside outside the district in which the charter school is located, the charter school is not required to provide or pay for transportation between the pupil's residence and the border of the district in which the charter school is located. A parent may be reimbursed by the charter school for costs of transportation from the pupil's residence to the border of the district in which the charter school is located if the pupil is from a family whose income is at or below the poverty level, as determined by the federal government. The reimbursement may not exceed the pupil's actual cost

of transportation or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for more than 250 miles per week.

At the time a pupil enrolls in a charter school, the charter school must provide the parent or guardian with information regarding the transportation.

(c) If a charter school does not elect to provide transportation, transportation for pupils enrolled at the school must be provided by the district in which the school is located, according to sections 123B.88, subdivision 6, and 124D.03, subdivision 8, for a pupil residing in the same district in which the charter school is located. Transportation may be provided by the district in which the school is located, according to sections 123B.88, subdivision 6, and 124D.03, subdivision 8, for a pupil residing in a different district. If the district provides the transportation, the scheduling of routes, manner and method of transportation, control and discipline of the pupils, and any other matter relating to the transportation of pupils under this paragraph shall be within the sole discretion, control, and management of the district.

Subd. 17. **Leased space.** A charter school may lease space from an independent or special school board ~~eligible to be an authorizer~~, other public organization, private, nonprofit nonsectarian organization, private property owner, or a sectarian organization if the leased space is constructed as a school facility. The department must review and approve or disapprove leases in a timely manner.

Subd. 17a. **Affiliated nonprofit building corporation.** (a) Before a charter school may organize an affiliated nonprofit building corporation (i) to renovate or purchase an existing facility to serve as a school or (ii) to expand an existing building or construct a new school facility, an authorizer must submit an affidavit to the commissioner for approval in the form and manner the commissioner prescribes, and consistent with paragraphs (b) and (c) or (d).

(b) An affiliated nonprofit building corporation under this subdivision must:

(1) be incorporated under section 317A;

(2) comply with applicable Internal Revenue Service regulations, including regulations for "supporting organizations" as defined by the Internal Revenue Service;

(3) submit to the commissioner each fiscal year a list of current board members and a copy of its annual audit; and

(4) comply with government data practices law under chapter 13.

An affiliated nonprofit building corporation must not serve as the leasing agent for property or facilities it does not own. A charter school that leases a facility from an affiliated nonprofit building corporation that does not own the leased facility is ineligible to receive charter school lease aid. The state is immune from liability resulting from a contract between a charter school and an affiliated nonprofit building corporation.

(c) A charter school may organize an affiliated nonprofit building corporation to renovate or purchase an existing facility to serve as a school if the charter school:

(1) has been operating for at least five consecutive school years;

(2) has had a net positive unreserved general fund balance as of June 30 in the preceding five fiscal years;

- (3) has a long-range strategic and financial plan;
- (4) completes a feasibility study of available buildings;
- (5) documents enrollment projections and the need to use an affiliated building corporation to renovate or purchase an existing facility to serve as a school; and
- (6) has a plan for the renovation or purchase, which describes the parameters and budget for the project.

(d) A charter school may organize an affiliated nonprofit building corporation to expand an existing school facility or construct a new school facility if the charter school:

- (1) demonstrates the lack of facilities available to serve as a school;
- (2) has been operating for at least eight consecutive school years;
- (3) has had a net positive unreserved general fund balance as of June 30 in the preceding five fiscal years;
- (4) completes a feasibility study of facility options;

(5) has a long-range strategic and financial plan that includes enrollment projections and demonstrates the need for constructing a new school facility; and

(6) has a plan for the expansion or new school facility, which describes the parameters and budget for the project.

Subd. 17b. Positive review and comment. (e) A charter school or an affiliated nonprofit building corporation organized by a charter school must not initiate an installment contract for purchase, or a lease agreement, or solicit bids for new construction, expansion, or remodeling of an educational facility that requires an expenditure in excess of \$1,400,000, unless it meets the criteria in subdivision 17a, paragraph (b) and paragraph (c) or (d), as applicable, and receives a positive review and comment from the commissioner under section 123B.71.

Subd. 19. Disseminate information. (a) ~~The authorizer, the operators,~~ Authorizers and the department must disseminate information to the public on how to form and operate a charter school. Charter schools must disseminate information about how to use the offerings of a charter school. Targeted groups include low-income families and communities, students of color, and students who are at risk of academic failure.

(b) Authorizers, operators, and the department also may disseminate information about the successful best practices in teaching and learning demonstrated by charter schools.

Subd. 20. Leave to teach in a charter school. If a teacher employed by a district makes a written request for an extended leave of absence to teach at a charter school, the district must grant the leave. The district must grant a leave not to exceed a total of five years. Any request to extend the leave shall be granted only at the discretion of the school board. The district may require that the request for a leave or extension of leave be made before February 1 in the school year preceding the school year in which the teacher intends to leave, or February 1 of the calendar year in which the teacher's leave is scheduled to terminate. Except as otherwise provided in this subdivision and except for section 122A.46, subdivision 7, the leave is governed by section 122A.46, including, but not limited to, reinstatement, notice of intention to return, seniority, salary, and insurance.

During a leave, the teacher may continue to aggregate benefits and credits in the Teachers' Retirement Association account under chapters 354 and 354A, consistent with subdivision 22.

Subd. 21. **Collective bargaining.** Employees of the board of directors of a charter school may, if otherwise eligible, organize under chapter 179A and comply with its provisions. The board of directors of a charter school is a public employer, for the purposes of chapter 179A, upon formation of one or more bargaining units at the school. Bargaining units at the school must be separate from any other units within an authorizing district, except that bargaining units may remain part of the appropriate unit within an authorizing district, if the employees of the school, the board of directors of the school, the exclusive representative of the appropriate unit in the authorizing district, and the board of the authorizing district agree to include the employees in the appropriate unit of the authorizing district.

Subd. 22. **Teacher and other employee retirement.** (a) Teachers in a charter school must be public school teachers for the purposes of chapters 354 and 354A.

(b) Except for teachers under paragraph (a), employees in a charter school must be public employees for the purposes of chapter 353.

Subd. 23. **Causes for nonrenewal or termination of charter school contract.** (a) The duration of the contract with an authorizer must be for the term contained in the contract according to subdivision 6. The authorizer may or may not renew a contract at the end of the term for any ground listed in paragraph (b). An authorizer may unilaterally terminate a contract during the term of the contract for any ground listed in paragraph (b). At least 60 business days before not renewing or terminating a contract, the authorizer shall notify the board of directors of the charter school of the proposed action in writing. The notice shall state the grounds for the proposed action in reasonable detail and that the charter school's board of directors may request in writing an informal hearing before the authorizer within 15 business days of receiving notice of nonrenewal or termination of the contract. Failure by the board of directors to make a written request for an informal hearing within the 15-business-day period shall be treated as acquiescence to the proposed action. Upon receiving a timely written request for a hearing, the authorizer shall give ten business days' notice to the charter school's board of directors of the hearing date. The authorizer shall conduct an informal hearing before taking final action. The authorizer shall take final action to renew or not renew a contract no later than 20 business days before the proposed date for terminating the contract or the end date of the contract.

(b) A contract may be terminated or not renewed upon any of the following grounds:

(1) failure to meet demonstrate satisfactory academic achievement for all groups of students, including the requirements for pupil performance contained in the contract;

(2) failure to meet generally accepted standards of fiscal management;

(3) violations of law; or

(4) other good cause shown.

If a contract is terminated or not renewed under this paragraph, the school must be dissolved according to the applicable provisions of chapter 317A.

(c) If the authorizer and the charter school board of directors mutually agree to terminate or not renew the contract, a change in authorizers is allowed if the commissioner approves the change to

a different eligible authorizer to authorize the charter school. Both parties must jointly submit their intent in writing to the commissioner to mutually terminate the contract. The authorizer that is a party to the existing contract must inform the proposed authorizer about the fiscal and operational status and student performance of the school. Before the commissioner determines whether to approve a change in authorizer, the proposed authorizer must identify any outstanding issues in the proposed charter contract that were unresolved in the previous charter contract and have the charter school agree to resolve those issues. If no change in authorizer is approved, the school must be dissolved according to applicable law and the terms of the contract.

(d) The commissioner, after providing reasonable notice to the board of directors of a charter school and the existing authorizer, and after providing an opportunity for a public hearing, may terminate the existing contract between the authorizer and the charter school board if the charter school has a history of:

- (1) failure to meet pupil performance requirements consistent with state law;
- (2) financial mismanagement or failure to meet generally accepted standards of fiscal management; or
- (3) repeated or major violations of the law.

Subd. 23a. **Related party lease costs.** (a) A charter school is prohibited from entering a lease of real property with a related party unless the lessor is a nonprofit corporation under chapter 317A or a cooperative under chapter 308A, and the lease cost is reasonable under section 124D.11, subdivision 4, clause (1).

(b) For purposes of this section and section 124D.11:

(1) "related party" means an affiliate or immediate relative of the other party in question, an affiliate of an immediate relative, or an immediate relative of an affiliate;

(2) "affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person;

(3) "immediate family" means an individual whose relationship by blood, marriage, adoption, or partnering is no more remote than first cousin;

(4) "person" means an individual or entity of any kind; and

(5) "control" means the ability to affect the management, operations, or policy actions or decisions of a person, whether through ownership of voting securities, by contract, or otherwise.

(c) A lease of real property to be used for a charter school, not excluded in paragraph (a), must contain the following statement: "This lease is subject to Minnesota Statutes, section 124D.10, subdivision 23a."

(d) If a charter school enters into as lessee a lease with a related party and the charter school subsequently closes, the commissioner has the right to recover from the lessor any lease payments in excess of those that are reasonable under section 124D.11, subdivision 4, clause (1).

Subd. 24. **Pupil enrollment upon nonrenewal or termination of charter school contract.** If a contract is not renewed or is terminated according to subdivision 23, a pupil who attended the school, siblings of the pupil, or another pupil who resides in the same place as the pupil may enroll

in the resident district or may submit an application to a nonresident district according to section 124D.03 at any time. Applications and notices required by section 124D.03 must be processed and provided in a prompt manner. The application and notice deadlines in section 124D.03 do not apply under these circumstances. The closed charter school must transfer the student's educational records within ten business days of closure to the student's school district of residence where the records must be retained or transferred under section 120A.22, subdivision 7.

Subd. 25. Extent of specific legal authority. (a) The board of directors of a charter school may sue and be sued.

(b) The board may not levy taxes or issue bonds.

(c) The commissioner, an authorizer, members of the board of an authorizer in their official capacity, and employees of an authorizer are immune from civil or criminal liability with respect to all activities related to a charter school they approve or authorize. The board of directors shall obtain at least the amount of and types of insurance up to the applicable tort liability limits under chapter 466. The charter school board must submit a copy of the insurance policy to its authorizer ~~and the commissioner~~ before starting operations. The charter school board must submit changes in its insurance carrier or policy to its authorizer ~~and the commissioner~~ within 20 business days of the change.

(d) Notwithstanding section 3.736, the charter school shall assume full liability for its activities and indemnify and hold harmless the authorizer and its officers, agents, and employees from any suit, claim, or liability arising from any operation of the charter school and the commissioner and department officers, agents, and employees. A charter school is not required to indemnify or hold harmless a state employee if the state would not be required to indemnify and hold the employee harmless under section 3.736, subdivision 9.

Subd. 27. Collaboration between charter school and school district. (a) A charter school board may voluntarily enter into a two-year, renewable agreement for collaboration to enhance student achievement with a school district within whose geographic boundary it operates.

(b) A school district need not be an approved authorizer to enter into a collaboration agreement with a charter school. A charter school need not be authorized by the school district with which it seeks to collaborate.

(c) A charter school authorizer is prohibited from requiring a collaboration agreement as a condition of entering into or renewing a charter contract as defined in subdivision 6.

(d) Nothing in this subdivision or in the collaboration agreement may impact in any way the authority or autonomy of the charter school.

(e) Nothing in this subdivision or in the collaboration agreement shall cause the state to pay twice for the same student, service, or facility or otherwise impact state funding, or the flow thereof, to the school district or the charter school.

(f) The collaboration agreement may include, but need not be limited to, collaboration regarding facilities, transportation, training, student achievement, assessments, mutual performance standards, and other areas of mutual agreement.

(g) The school district may include the academic performance of the students of a collaborative charter school site operating within the geographic boundaries of the school district, for purposes of student assessment and reporting to the state.

(h) Districts, authorizers, or charter schools entering into a collaborative agreement are equally and collectively subject to the same state and federal accountability measures for student achievement, school performance outcomes, and school improvement strategies. The collaborative agreement and all accountability measures must be posted on the district, charter school, and authorizer Web sites.

Sec. 20. Minnesota Statutes 2012, section 124D.122, is amended to read:

124D.122 ESTABLISHMENT OF FLEXIBLE LEARNING YEAR PROGRAM.

The board of any district or a consortium of districts, with the approval of the commissioner, may establish and operate a flexible learning year program in one or more of the day or residential facilities for children with a disability within the district. Consortiums may use a single application and evaluation process, though results, public hearings, and board approvals must be obtained for each district.

Sec. 21. Minnesota Statutes 2012, section 124D.79, subdivision 1, is amended to read:

Subdivision 1. **Community involvement.** The commissioner must provide for the maximum involvement of the state committees on American Indian education, parents of American Indian children, secondary students eligible to be served, American Indian language and culture education teachers, American Indian teachers, teachers' aides, representatives of community groups, and persons knowledgeable in the field of American Indian education, in the formulation of policy and procedures relating to the administration of sections 124D.71 to 124D.82. The commissioner must annually hold a field hearing on Indian education to gather input from American Indian educators, parents, and students on the state of American Indian education in Minnesota. Results of the hearing must be made available to all 11 tribal nations for review and comment.

Sec. 22. Minnesota Statutes 2012, section 124D.79, is amended by adding a subdivision to read:

Subd. 4. **Consultation with the tribal nations education committee.** (a) The commissioner shall seek consultation with the Tribal Nations Education Committee on all issues relating to American Indian education including:

(1) administration of the commissioner's duties under sections 124D.71 to 124D.82 and other programs;

(2) administration of other programs for the education of American Indian people, as determined by the commissioner;

(3) awarding of scholarships to eligible American Indian students;

(4) administration of the commissioner's duties regarding awarding of American Indian postsecondary preparation grants to school districts; and

(5) recommendations of education policy changes for American Indians.

(b) Membership in the Tribal Nations Education Committee is the sole discretion of the committee and nothing in this subdivision gives the commissioner authority to dictate committee membership.

Sec. 23. [124D.791] INDIAN EDUCATION DIRECTOR.

Subdivision 1. **Appointment.** An Indian education director shall be appointed by the commissioner.

Subd. 2. **Qualifications.** The commissioner shall select the Indian education director on the basis of outstanding professional qualifications and knowledge of American Indian education, culture, practices, and beliefs. The Indian education director serves in the unclassified service. The commissioner may remove the Indian education director for cause. The commissioner is encouraged to seek qualified applicants who are enrolled members of a tribe.

Subd. 3. **Compensation.** Compensation of the Indian education director shall be established under chapter 15A.

Subd. 4. **Duties; powers.** (a) The Indian education director shall:

(1) serve as the liaison for the department with the Tribal Nations Education Committee, the 11 reservations, the Minnesota Chippewa tribe, the Minnesota Indian Affairs Council, and the urban advisory council;

(2) evaluate the state of American Indian education in Minnesota;

(3) engage the tribal bodies, community groups, parents of children eligible to be served by Indian education programs, American Indian administrators and teachers, persons experienced in the training of teachers for American Indian education programs, the tribally controlled schools, and other persons knowledgeable in the field of American Indian education and seek their advice on policies that can improve the quality of American Indian education;

(4) advise the commissioner on American Indian education issues, including:

(i) issues facing American Indian students;

(ii) policies for American Indian education;

(iii) awarding scholarships to eligible American Indian students and in administering the commissioner's duties regarding awarding of American Indian postsecondary preparation grants to school districts; and

(iv) administration of the commissioner's duties under sections 124D.71 to 124D.82 and other programs for the education of American Indian people;

(5) propose to the commissioner legislative changes that will improve the quality of American Indian education;

(6) develop a strategic plan and a long-term framework for American Indian education, in conjunction with the Minnesota Indian Affairs Council, that is updated every five years and implemented by the commissioner, with goals to:

(i) increase American Indian student achievement, including increased levels of proficiency and growth on statewide accountability assessments;

- (ii) increase the number of American Indian teachers in public schools;
 - (iii) close the achievement gap between American Indian students and their more advantaged peers;
 - (iv) increase the statewide graduation rate for American Indian students; and
 - (v) increase American Indian student placement in postsecondary programs and the workforce;
- and
- (7) keep the American Indian community informed about the work of the department by reporting to the Tribal Nations Education Committee at each committee meeting.

Sec. 24. Minnesota Statutes 2012, section 260C.007, subdivision 19, is amended to read:

Subd. 19. **Habitual truant.** "Habitual truant" means a child under the age of ~~16~~ 17 years who is absent from attendance at school without lawful excuse for seven school days per school year if the child is in elementary school or for one or more class periods on seven school days per school year if the child is in middle school, junior high school, or high school, ~~or a child who is 16 or 17 years of age who is absent from attendance at school without lawful excuse for one or more class periods on seven school days and who has not lawfully withdrawn from school under section 120A.22, subdivision 8.~~

EFFECTIVE DATE. This section is effective for the 2014-2015 school year and later.

Sec. 25. **STATEWIDE ASSESSMENT AND ACCOUNTABILITY; TRANSITION.**

Notwithstanding other law to the contrary, students enrolled in grade 8 before the 2012-2013 school year are eligible to be assessed under the amended provisions of Minnesota Statutes, section 120B.30, subdivision 1, to the extent such assessments are available, or under Minnesota Statutes, section 120B.128. Other measures of statewide accountability, including student performance, preparation, rigorous course taking, engagement and connection, and transition into postsecondary education or the workforce remain in effect.

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

Sec. 26. **CAREER AND TECHNICAL EDUCATION ADVISORY TASK FORCE.**

Subdivision 1. **Recommendations.** (a) A career and technical education advisory task force is established to make recommendations to the Minnesota legislature for improving (1) student outcomes in grades 11 to 14, (2) alignment between secondary and postsecondary education programs serving students in grades 11 to 14, (3) alignment between education programs for students in grades 11 to 14 and Minnesota's workforce needs, and (4) the efficiency and cost-effectiveness of Minnesota's public secondary and postsecondary programs serving students in grades 11 to 14. Advisory task force members must examine the role of education providers, employers, policy makers, and other interested stakeholders in realizing these improvements.

(b) In developing recommendations for improving student outcomes, advisory task force members must at least consider how to (1) better inform students about career options, occupational trends, and educational paths leading to viable and rewarding careers, (2) develop and adapt as needed an education and work plan for each student aligned with the student's personal and professional interests, abilities, skills, and aspirations, (3) monitor, assess, and increase students' achievement levels in high school, (4) better prepare high school students for postsecondary

education meeting their career goals, and (5) increase the rates at which students complete a postsecondary certificate, industry license, or degree.

(c) In developing recommendations for better aligning Minnesota's secondary and postsecondary education programs for students in grades 11 to 14, advisory task force members must at least consider how to (1) improve monitoring of high school students' progress to better target interventions and support and remove the need for remedial instruction, (2) better align high school courses and expectations and postsecondary credit-bearing courses, (3) better align high school standards and assessments with postsecondary readiness measures and entrance requirements, and (4) increase student persistence and completion rates.

(d) In developing recommendations for better aligning education programs for students in grades 11 to 14 and the preparation necessary to meet Minnesota's workforce needs, advisory task force members must at least consider how to (1) more closely align state kindergarten through grade 12 academic standards, high school graduation requirements, and the expectations of postsecondary institutions and Minnesota employers, (2) enable more high school students to pursue postsecondary education and training leading to a certificate, industry license, or degree in a high-demand and high-reward field, (3) reduce the gap between the demand for and preparation of a skilled Minnesota workforce, and (4) provide graduates of two-year and four-year postsecondary institutions with the foundational skills needed for civic engagement, ongoing employment, and continuous learning.

(e) In developing recommendations for better aligning efficient and cost-effective secondary and postsecondary programs for students in grades 11 to 14, advisory task force members must at least consider how to (1) give high school students earlier and increased access to postsecondary credit-bearing courses, and (2) provide targeted interventions and support to help high school students avoid postsecondary remedial instruction.

(f) In developing recommendations under this subdivision, advisory task force members are encouraged to consider how to structurally redesign secondary and postsecondary education to (1) align Minnesota's statewide high school assessment system with measures of readiness for postsecondary education, (2) provide targeted intervention and support to students who are at risk of not graduating or off track for graduating from high school, (3) increase and accelerate opportunities for secondary students to earn postsecondary credits leading to a certificate, industry license, or degree, and (4) better understand students' personal and professional interests, abilities, skills, and aspirations and align that understanding with postsecondary education and careers.

Subd. 2. Task force membership and operation. (a) Advisory task force members must include representatives of the following entities selected by that entity: the Minnesota Association of Career and Technical Administrators; the Minnesota Association for Career and Technical Education; University of Minnesota and Minnesota State Colleges and Universities faculty working to develop career and technical educators in Minnesota; the National Research Center for Career and Technical Education; the Minnesota Department of Education; the Minnesota Department of Employment and Economic Development; the Minnesota Board of Teaching; the Minnesota Association of Colleges for Teacher Education; and any other representatives selected by the task force members. The education commissioner, or the commissioner's designee, must convene the task force. Task force members are not eligible for compensation or reimbursement for expenses related to task force activities.

(b) The education commissioner, upon request, must provide technical assistance to the task force.

(c) The task force must submit its recommendations under this section to the legislative committees with jurisdiction over kindergarten through grade 12 education by February 15, 2014.

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

Sec. 27. APPROPRIATIONS.

Subdivision 1. **Minnesota Department of Education.** The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated.

Subd. 2. **College and career ready assessments.** For the costs necessary for school district and charter school students to participate in the required assessments:

\$	.....	.....	<u>2014</u>
\$	.....	.....	<u>2015</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 3. **Computer-adapted tests.** For the development costs associated with state-developed, computer-adapted tests:

\$	.....	.....	<u>2014</u>
\$	.....	.....	<u>2015</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 4. **Request for proposals; assessments.** For the costs associated with developing the request for proposals for assessments:

\$	.....	.....	<u>2014</u>
\$	.....	.....	<u>2015</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 5. **Career Pathways Advisory Task Force.** For the costs of the Career Pathways Advisory Task Force:

\$	.....	.....	<u>2014</u>
\$	.....	.....	<u>2015</u>

Any balance in the first year does not cancel but is available in the second year.

Sec. 28. REVISOR'S INSTRUCTION.

The revisor of statutes shall renumber Minnesota Statutes, section 120B.023, subdivision 2, as Minnesota Statutes, section 120B.021, subdivision 4. The revisor shall make necessary cross-reference changes consistent with the renumbering.

Sec. 29. REPEALER.

(a) Minnesota Rules, parts 3501.0505; 3501.0510; 3501.0515; 3501.0520; 3501.0525;

3501.0530; 3501.0535; 3501.0540; 3501.0545; and 3501.0550, are repealed, effective for 2014-2015 school year and later.

(b) Minnesota Rules, parts 3501.0010; 3501.0020; 3501.0030, subparts 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, and 16; 3501.0040; 3501.0050; 3501.0060; 3501.0090; 3501.0100; 3501.0110; 3501.0120; 3501.0130; 3501.0140; 3501.0150; 3501.0160; 3501.0170; 3501.0180; 3501.0200; 3501.0210; 3501.0220; 3501.0230; 3501.0240; 3501.0250; 3501.0270; 3501.0280, subparts 1 and 2; 3501.0290; 3501.1000; 3501.1020; 3501.1030; 3501.1040; 3501.1050; 3501.1110; 3501.1120; 3501.1130; 3501.1140; 3501.1150; 3501.1160; 3501.1170; 3501.1180; and 3501.1190, are repealed effective the day following final enactment.

ARTICLE 3

SPECIAL PROGRAMS

Section 1. Minnesota Statutes 2012, section 15.059, subdivision 5b, is amended to read:

Subd. 5b. **Continuation dependent on federal law.** Notwithstanding this section, the following councils and committees do not expire unless federal law no longer requires the existence of the council or committee:

- (1) Rehabilitation Council for the Blind, created in section 248.10;
- (2) Juvenile Justice Advisory Committee, created in section 299A.72;
- (3) Governor's Workforce Development Council, created in section 116L.665;
- (4) local workforce councils, created in section 116L.666, subdivision 2;
- (5) Rehabilitation Council, created in section 268A.02, subdivision 2; ~~and~~
- (6) Statewide Independent Living Council, created in section 268A.02, subdivision 2; and
- (7) Interagency Coordinating Council, created in section 125A.28.

Sec. 2. Minnesota Statutes 2012, section 125A.27, subdivision 8, is amended to read:

Subd. 8. **Eligibility for Part C.** "Eligibility for Part C" means eligibility for ~~early childhood special education~~ infant and toddler intervention services under section 125A.02 and Minnesota Rules.

Sec. 3. Minnesota Statutes 2012, section 125A.27, subdivision 11, is amended to read:

Subd. 11. **Interagency child find systems.** "Interagency child find systems" means activities developed on an interagency basis with the involvement of interagency early intervention committees and other relevant community groups, including primary referral sources included in Code of Federal Regulations, title 34, section 303.303(c), using rigorous standards to actively seek out, identify, and refer infants and young children, with, or at risk of, disabilities, and their families, including a child to reduce the need for future services. The child find system must mandate referrals for a child under the age of three who: (1) is involved in the subject of a substantiated case of abuse or neglect, or (2) is identified as directly affected by illegal substance abuse, or withdrawal symptoms resulting from prenatal drug exposure, to reduce the need for future services. The referral procedures must specify that a referral must occur within seven calendar days from the date of identification.

Sec. 4. Minnesota Statutes 2012, section 125A.27, subdivision 14, is amended to read:

Subd. 14. **Parent.** "Parent" means ~~the biological parent with parental rights, adoptive parent, legal guardian, or surrogate parent~~ "parent" as defined by Code of Federal Regulations, title 34, section 303.27, or a surrogate parent appointed in accordance with Code of Federal Regulations, title 34, section 303.422, or United States Code, title 20, section 1439(a)(5).

Sec. 5. Minnesota Statutes 2012, section 125A.28, is amended to read:

125A.28 STATE INTERAGENCY COORDINATING COUNCIL.

An Interagency Coordinating Council of at least 17, but not more than 25 members is established, in compliance with Public Law 108-446, section 641. The members must be appointed by the governor and reasonably represent the population of Minnesota. Council members must elect the council chair, who may not be a representative of the Department of Education. ~~The representative of the commissioner may not serve as the chair.~~ The council must be composed of at least five parents, including persons of color, of children with disabilities under age 12, including at least three parents of a child with a disability under age seven, five representatives of public or private providers of services for children with disabilities under age five, including a special education director, county social service director, local Head Start director, and a community health services or public health nursing administrator, one member of the senate, one member of the house of representatives, one representative of teacher preparation programs in early childhood-special education or other preparation programs in early childhood intervention, at least one representative of advocacy organizations for children with disabilities under age five, one physician who cares for young children with special health care needs, one representative each from the commissioners of commerce, education, health, human services, a representative from the state agency responsible for child care, foster care, mental health, homeless coordinator of education of homeless children and youth, and a representative from Indian health services or a tribal council. Section 15.059, subdivisions 2 to 5, apply to the council. The council must meet at least quarterly.

The council must address methods of implementing the state policy of developing and implementing comprehensive, coordinated, multidisciplinary interagency programs of early intervention services for children with disabilities and their families.

The duties of the council include recommending policies to ensure a comprehensive and coordinated system of all state and local agency services for children under age five with disabilities and their families. The policies must address how to incorporate each agency's services into a unified state and local system of multidisciplinary assessment practices, individual intervention plans, comprehensive systems to find children in need of services, methods to improve public awareness, and assistance in determining the role of interagency early intervention committees.

On the date that Minnesota Part C Annual Performance Report is submitted to the federal Office of Special Education, the council must recommend to the governor and the commissioners of education, health, human services, commerce, and employment and economic development policies for a comprehensive and coordinated system.

On an annual basis, the council must prepare and submit an annual report to the governor and the secretary of the federal Department of Education on the status of early intervention services and programs for infants and toddlers with disabilities and their families under the Individuals with Disabilities Education Act, United States Code, title 20, sections 1471 to 1485 (Part C, Public Law

102-119), as operated in Minnesota. The Minnesota Part C annual performance report may serve as the report.

Notwithstanding any other law to the contrary, the State Interagency Coordinating Council expires on June 30, 2014 does not expire unless federal law no longer requires the existence of the council or committee.

Sec. 6. Minnesota Statutes 2012, section 125A.29, is amended to read:

125A.29 RESPONSIBILITIES OF COUNTY BOARDS AND SCHOOL BOARDS.

(a) It is the joint responsibility of county boards and school boards to coordinate, provide, and pay for appropriate services, and to facilitate payment for services from public and private sources. Appropriate services for children eligible under section 125A.02 must be determined in consultation with parents, physicians, and other educational, medical, health, and human services providers. The services provided must be in conformity with:

(1) an IFSP for each eligible infant and toddler from birth through age two and the infant's or toddler's family including:

(i) American Indian infants and toddlers with disabilities and their families residing on a reservation geographically located in the state;

(ii) infants and toddlers with disabilities who are homeless children and their families; and

(iii) infants and toddlers with disabilities who are wards of the state; or

(2) an individualized education program (IEP) or individual service plan (ISP) for each eligible child ages three through four.

(b) ~~Appropriate early intervention services include family education and counseling, home visits, occupational and physical therapy, speech pathology, audiology, psychological services, special instruction, nursing, respite, nutrition, assistive technology, transportation and related costs, social work, vision services, case management services provided in conformity with an IFSP that are designed to meet the special developmental needs of an eligible child and the needs of the child's family related to enhancing the child's development and that are selected in collaboration with the parent. These services include core early intervention services and additional early intervention services listed in this section and infant and toddler intervention services defined under United States Code, title 20, sections 1431 to 1444, and Code of Federal Regulations, title 34, section 303, including service coordination under section 125A.33, medical services for diagnostic and evaluation purposes, early identification, and screening, assessment, and health services necessary to enable children with disabilities to benefit from early intervention services.~~

(c) School and county boards shall coordinate early intervention services. In the absence of agreements established according to section 125A.39, service responsibilities for children birth through age two are as follows:

(1) school boards must provide, pay for, and facilitate payment for special education and related services required under sections 125A.03 and 125A.06;

(2) county boards must provide, pay for, and facilitate payment for noneducational services of social work, psychology, transportation and related costs, nursing, respite, and nutrition services not required under clause (1).

(d) School and county boards may develop an interagency agreement according to section 125A.39 to establish agency responsibility that assures early intervention services are coordinated, provided, paid for, and that payment is facilitated from public and private sources.

(e) County and school boards must jointly determine the primary agency in this cooperative effort and must notify the commissioner of the state lead agency of their decision.

Sec. 7. Minnesota Statutes 2012, section 125A.30, is amended to read:

125A.30 INTERAGENCY EARLY INTERVENTION COMMITTEES.

(a) A school district, group of districts, or special education cooperative, in cooperation with the health and human service agencies located in the county or counties in which the district or cooperative is located, must establish an Interagency Early Intervention Committee for children with disabilities under age five and their families under this section, and for children with disabilities ages three to 22 consistent with the requirements under sections 125A.023 and 125A.027. Committees must include representatives of local health, education, and county human service agencies, county boards, school boards, early childhood family education programs, Head Start, parents of young children with disabilities under age 12, child care resource and referral agencies, school readiness programs, current service providers, and may also include representatives from other private or public agencies and school nurses. The committee must elect a chair from among its members and must meet at least quarterly.

(b) The committee must develop and implement interagency policies and procedures concerning the following ongoing duties:

(1) develop public awareness systems designed to inform potential recipient families, especially parents with premature infants, or infants with other physical risk factors associated with learning or development complications, of available programs and services;

(2) to reduce families' need for future services, and especially parents with premature infants, or infants with other physical risk factors associated with learning or development complications, implement interagency child find systems designed to actively seek out, identify, and refer infants and young children with, or at risk of, disabilities, including a child under the age of three who: (i) is ~~involved in~~ the subject of a substantiated case of abuse or neglect or (ii) is identified as directly affected by illegal substance abuse, or withdrawal symptoms resulting from prenatal drug exposure;

(3) establish and evaluate the identification, referral, ~~child screening, evaluation, child- and family-directed~~ assessment systems, procedural safeguard process, and community learning systems to recommend, where necessary, alterations and improvements;

(4) assure the development of individualized family service plans for all eligible infants and toddlers with disabilities from birth through age two, and their families, and individualized education programs and individual service plans when necessary to appropriately serve children with disabilities, age three and older, and their families and recommend assignment of financial responsibilities to the appropriate agencies;

(5) implement a process for assuring that services involve cooperating agencies at all steps leading to individualized programs;

(6) facilitate the development of a ~~transitional transition plan if a service provider is not recommended to continue to provide services~~ in the individual family service plan by the time a child is two years and nine months old;

(7) identify the current services and funding being provided within the community for children with disabilities under age five and their families;

(8) develop a plan for the allocation and expenditure of ~~additional state and~~ federal early intervention funds under United States Code, title 20, section 1471 et seq. (Part C, Public Law 108-446) and United States Code, title 20, section 631, et seq. (Chapter I, Public Law 89-313); and

(9) develop a policy that is consistent with section 13.05, subdivision 9, and federal law to enable a member of an interagency early intervention committee to allow another member access to data classified as not public.

(c) The local committee shall also:

(1) ~~participate in needs assessments and program planning activities conducted by local social service, health and education agencies for young children with disabilities and their families; and~~

(2) ~~review and comment on the early intervention section of the total special education system for the district, the county social service plan, the section or sections of the community health services plan that address needs of and service activities targeted to children with special health care needs, the section on children with special needs in the county child care fund plan, sections in Head Start plans on coordinated planning and services for children with special needs, any relevant portions of early childhood education plans, such as early childhood family education or school readiness, or other applicable coordinated school and community plans for early childhood programs and services, and the section of the maternal and child health special project grants that address needs of and service activities targeted to children with chronic illness and disabilities;~~

Sec. 8. Minnesota Statutes 2012, section 125A.32, is amended to read:

125A.32 INDIVIDUALIZED FAMILY SERVICE PLAN (IFSP).

(a) A team must participate in IFSP meetings to develop the IFSP. The team shall include:

(1) a parent or parents of the child, as defined in Code of Federal Regulations, title 34, section 303.27;

(2) other family members, as requested by the parent, if feasible to do so;

(3) an advocate or person outside of the family, if the parent requests that the person participate;

(4) the service coordinator who has been working with the family since the initial referral, or who has been designated by the public agency to be responsible for implementation of the IFSP and coordination with other agencies including transition services; ~~and~~

(5) a person or persons involved in conducting evaluations and assessments; and

(6) as appropriate, persons who will be providing early intervention services under the plan to the child or family.

(b) The IFSP must include:

(1) information about the child's developmental status;

- (2) family information, with the consent of the family;
- (3) measurable results or major outcomes expected to be achieved by the child with the family's assistance, that include developmentally appropriate preliteracy and language skills for the child, and the criteria, procedures, and timelines;
- (4) specific early intervention services based on peer-reviewed research, to the extent practicable, necessary to meet the unique needs of the child and the family to achieve the outcomes;
- (5) payment arrangements, if any;
- (6) medical and other services that the child needs, but that are not required under the Individual with Disabilities Education Act, United States Code, title 20, section 1471 et seq. (Part C, Public Law 108-446) including funding sources to be used in paying for those services and the steps that will be taken to secure those services through public or private sources;
- (7) dates and duration of early intervention services;
- (8) name of the service coordinator;
- (9) steps to be taken to support a child's transition from early infant and toddler intervention services to other appropriate services, including convening a transition conference at least 90 days or, at the discretion of all parties, not more than nine months before the child is eligible for preschool services; and
- (10) ~~signature of the parent and~~ authorized signatures of the agencies responsible for providing, paying for, or facilitating payment, or any combination of these, for early infant and toddler intervention services.

Sec. 9. Minnesota Statutes 2012, section 125A.33, is amended to read:

125A.33 SERVICE COORDINATION.

(a) The team responsible for the initial evaluation and the child- and family-directed assessment and for developing the IFSP under section 125A.32, if appropriate, must select a service coordinator to carry out service coordination activities on an interagency basis. Service coordination must actively promote a family's capacity and competency to identify, obtain, coordinate, monitor, and evaluate resources and services to meet the family's needs. Service coordination activities include:

- (1) coordinating the performance of evaluations and assessments;
- (2) facilitating and participating in the development, review, and evaluation of individualized family service plans;
- (3) assisting families in identifying available service providers;
- (4) coordinating and monitoring the delivery of available services;
- (5) informing families of the availability of advocacy services;
- (6) coordinating with medical, health, and other service providers;
- (7) facilitating the development of a transition plan to preschool, school, or if appropriate, to other services, at least 90 days before the time the child is no longer eligible for early infant and

toddler intervention services or, at the discretion of all parties, not more than nine months prior to the child's ~~eligibility for preschool services~~ third birthday, if appropriate;

(8) managing the early intervention record and submitting additional information to the local primary agency at the time of periodic review and annual evaluations; and

(9) notifying a local primary agency when disputes between agencies impact service delivery required by an IFSP.

(b) A service coordinator must be knowledgeable about children and families receiving services under this section, requirements of state and federal law, and services available in the interagency early childhood intervention system. The IFSP must include the name of the services coordinator from the profession most relevant to the child's or family's needs or who is otherwise qualified to carry out all applicable responsibilities under the Individuals with Disabilities Education Act, United States Code, title 20, sections 1471 to 1485 (Part C, Public Law 102-119), who will be responsible for implementing the early intervention services identified in the child's IFSP, including transition services, and coordination with other agencies and persons.

Sec. 10. Minnesota Statutes 2012, section 125A.35, subdivision 1, is amended to read:

Subdivision 1. **Lead agency; allocation of resources.** The state lead agency must administer the early intervention account that consists of federal allocations. The Part C state plan must state the amount of federal resources in the early intervention account available for use by local agencies. The state lead agency must distribute the funds to the local primary agency designated by an Interagency Early Intervention Committee based on a formula that includes a December 1 count of the prior year of Part C eligible children for the following purposes:

(1) as provided in Code of Federal Regulations, title 34, part ~~303.425~~ 303.430, to arrange for payment for early intervention services not elsewhere available, or to pay for services during the pendency of a conflict procedure, including mediation, complaints, due process hearings, and interagency disputes; and

(2) to support interagency child find system activities.

Sec. 11. Minnesota Statutes 2012, section 125A.36, is amended to read:

125A.36 PAYMENT FOR SERVICES.

Core early intervention services must be provided at public expense with no cost to parents. Parents must be requested to assist in the cost of additional early intervention services by using third-party payment sources ~~and applying for available resources~~. Payment structures permitted under state law must be used to pay for additional early intervention services. Parental financial responsibility must be clearly defined in the IFSP. A parent's inability to pay must not prohibit a child from receiving needed early intervention services.

Sec. 12. Minnesota Statutes 2012, section 125A.43, is amended to read:

125A.43 MEDIATION PROCEDURE.

(a) The commissioner, or the commissioner's designee, of the state lead agency must use federal funds to provide mediation for the activities in paragraphs (b) and (c).

(b) A parent may resolve a dispute regarding issues in section 125A.42, paragraph (b), clause (5), through mediation. If the parent chooses mediation, mediation must be voluntary on the part of the parties. The parent and the public agencies must complete the mediation process within 30 calendar days of the date the ~~Office of Dispute Resolution~~ Department of Education receives a parent's written request for mediation signed by the parent and the district. The mediation process may not be used to delay a parent's right to a due process hearing. The resolution of the mediation is ~~not~~ binding on ~~any party~~ both parties.

(c) Resolution of a dispute through mediation, or other form of alternative dispute resolution, is not limited to formal disputes arising from the objection of a parent or guardian and is not limited to the period following a request for a due process hearing.

(d) The commissioner shall provide training and resources to school districts to facilitate early identification of disputes and access to mediation.

(e) The local primary agency may request mediation on behalf of involved agencies when there are disputes between agencies regarding responsibilities to coordinate, provide, pay for, or facilitate payment for early intervention services.

Sec. 13. **REPEALER.**

Minnesota Statutes 2012, section 125A.35, subdivisions 4 and 5, are repealed.

ARTICLE 4

LIBRARIES AND NUTRITION

Section 1. Minnesota Statutes 2012, section 124D.111, subdivision 1, is amended to read:

Subdivision 1. **School lunch aid computation.** (a) Each school year, the state must pay participants in the national school lunch program the amount of 12 cents for each full paid, ~~reduced,~~ and free student lunch served to students, and 52 cents for each reduced-price lunch.

(b) A school that receives school lunch aid under this section must make lunch available without charge to all participating students who qualify for free or reduced-price meals.

EFFECTIVE DATE. This section is effective July 1, 2013.

Sec. 2. **APPROPRIATIONS.**

Subdivision 1. **Department of Education.** The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated.

Subd. 2. **School lunch aid.** For school lunch aid under Minnesota Statutes, section 124D.111, and Code of Federal Regulations, title 7, section 210.17:

\$ 2014

\$ 2015

Sec. 3. **REVISOR'S INSTRUCTION.**

In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute the term "Division of State Library Services" for "Library Development and Services," "Office of Library

Development and Services," or "LDS" where "LDS" stands for "Library Development and Services." The revisor shall also make grammatical changes related to the changes in terms.

ARTICLE 5

EARLY CHILDHOOD EDUCATION, SELF-SUFFICIENCY, AND LIFELONG LEARNING

Section 1. Minnesota Statutes 2012, section 124D.52, is amended by adding a subdivision to read:

Subd. 8. **Standard high school diploma for adults.** (a) The commissioner shall adopt rules for providing a standard adult high school diploma to persons who:

- (1) are not eligible for kindergarten through grade 12 services;
- (2) do not have a high school diploma; and
- (3) successfully complete an adult basic education program of instruction approved by the commissioner of education necessary to earn an adult high school diploma.

(b) Persons participating in an approved adult basic education program of instruction must demonstrate proficiency in a standard set of competencies that reflect the knowledge and skills sufficient to ensure that postsecondary programs and institutions and potential employers regard persons with a standard high school diploma and persons with a standard adult high school diploma as equally well prepared and qualified graduates. Approved adult basic education programs of instruction under this subdivision must issue a standard adult high school diploma to persons who successfully demonstrate proficiency in the competencies, knowledge, and skills required by the program.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 2. Laws 2011, First Special Session chapter 11, article 7, section 2, subdivision 8, as amended by Laws 2012, chapter 239, article 3, section 4, is amended to read:

Subd. 8. **Early childhood education scholarships.** For grants to early childhood education scholarships for public or private early childhood preschool programs for children ages 3 to 5:

\$ 2,000,000 2013

(a) All children whose parents or legal guardians meet the eligibility requirements of paragraph (b) established by the commissioner are eligible to receive early childhood education scholarships under this section.

(b) A parent or legal guardian is eligible for an early childhood education scholarship if the parent or legal guardian:

- (1) has a child three or four years of age on September 1, beginning in calendar year 2012; and
- (2)(i) has income equal to or less than 47 percent of the state median income in the current calendar year; or

(ii) can document their child's identification through another public funding eligibility process, including the Free and Reduced Price Lunch Program, National School Lunch Act, United States

Code, title 42, section 1751, part 210; Head Start under federal Improving Head Start for School Readiness Act of 2007; Minnesota family investment program under chapter 256J; and child care assistance programs under chapter 119B. Early childhood scholarships may not be counted as earned income for the purposes of medical assistance, MinnesotaCare, MFIP, child care assistance, or Head Start programs.

Each year, if this appropriation is insufficient to provide early childhood education scholarships to all eligible children, the Department of Education shall make scholarships available on a first-come, first-served basis.

The commissioner of education shall submit a written report to the education committees of the legislature by January 15, 2012, describing its plan for implementation of scholarships under this subdivision for the 2012-2013 school year.

Any balance in the first year does not cancel but is available in the second year.

The base for this program is \$3,000,000 each year."

Delete the title and insert:

"A bill for an act relating to education; modifying policies for early childhood through grade 12 education, including general education, education excellence, special programs, libraries, and early childhood education; amending Minnesota Statutes 2012, sections 15.059, subdivision 5b; 120A.22, subdivisions 5, 8, 11; 120A.24, subdivision 1; 120A.41; 120B.02; 120B.021, subdivision 1; 120B.023; 120B.024; 120B.125; 120B.128; 120B.15; 120B.30, subdivisions 1, 1a; 120B.31, subdivision 1; 120B.36, subdivision 1; 122A.09, subdivision 4; 123B.88, subdivision 22; 123B.92, subdivision 1; 124D.10; 124D.111, subdivision 1; 124D.122; 124D.52, by adding a subdivision; 124D.79, subdivision 1, by adding a subdivision; 125A.27, subdivisions 8, 11, 14; 125A.28; 125A.29; 125A.30; 125A.32; 125A.33; 125A.35, subdivision 1; 125A.36; 125A.43; 126C.01, by adding a subdivision; 126C.05, subdivision 8; 126C.10, subdivisions 1, 14, by adding a subdivision; 126C.15, subdivisions 1, 2; 126C.44; 260A.02, subdivision 3; 260A.03; 260A.05, subdivision 1; 260A.07, subdivision 1; 260C.007, subdivision 19; Laws 2011, First Special Session chapter 11, article 7, section 2, subdivision 8, as amended; proposing coding for new law in Minnesota Statutes, chapters 120B; 124D; repealing Minnesota Statutes 2012, section 125A.35, subdivisions 4, 5; Minnesota Rules, parts 3501.0010; 3501.0020; 3501.0030, subparts 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16; 3501.0040; 3501.0050; 3501.0060; 3501.0090; 3501.0100; 3501.0110; 3501.0120; 3501.0130; 3501.0140; 3501.0150; 3501.0160; 3501.0170; 3501.0180; 3501.0200; 3501.0210; 3501.0220; 3501.0230; 3501.0240; 3501.0250; 3501.0270; 3501.0280, subparts 1, 2; 3501.0290; 3501.0505; 3501.0510; 3501.0515; 3501.0520; 3501.0525; 3501.0530; 3501.0535; 3501.0540; 3501.0545; 3501.0550; 3501.1000; 3501.1020; 3501.1030; 3501.1040; 3501.1050; 3501.1110; 3501.1120; 3501.1130; 3501.1140; 3501.1150; 3501.1160; 3501.1170; 3501.1180; 3501.1190."

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 1291: A bill for an act relating to mines; making technical, clarifying, and other policy changes to mine inspector provisions; amending Minnesota Statutes 2012, sections 180.01; 180.02;

180.03; 180.04; 180.05; 180.08; 180.10; 180.11; 180.12; 180.13; proposing coding for new law in Minnesota Statutes, chapter 180; repealing Minnesota Statutes 2012, sections 180.06; 180.09.

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

Page 2, line 1, delete "For" and insert "During periods of transition of up to 12 months, or for"

Page 2, line 2, after "operation" insert a comma

Page 3, line 12, strike "SALARY," and strike ", BOND"

Page 3, line 15, after "had" insert "at least two years of"

Page 3, line 26, delete "or" and insert "and"

Page 4, line 8, strike everything after "cause"

Page 4, line 9, strike the old language and delete the new language

Page 4, line 12, reinstate the stricken period

Page 5, line 27, delete "429.011" and insert "429.101"

Page 6, line 12, strike "QUIT" and insert "CEASE"

Page 8, line 17, reinstate the stricken language

Page 8, line 18, reinstate the stricken "names of the officers,"

Page 8, line 19, after "accidents" insert "and description of accidents"

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was re-referred

S.F. No. 523: A bill for an act relating to employment; limiting reliance on criminal history for employment purposes; providing for remedies; amending Minnesota Statutes 2012, sections 181.53; 181.981, subdivision 1; 364.021; 364.06; 364.09; 364.10.

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 1234: A bill for an act relating to workers' compensation; making various policy and housekeeping changes; amending Minnesota Statutes 2012, sections 176.102, subdivision 3a; 176.106, subdivision 1; 176.129, subdivision 13; 176.138; 176.183, subdivision 4; 176.245; 176.521.

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

Page 2, line 24, after "(b)" insert "Except as provided in paragraph (c),"

Page 2, after line 31, insert:

"(c) The special compensation fund shall reimburse an insolvent insurer for subsequent injury or supplemental benefits after a declaration of bankruptcy or order of liquidation or insolvency to an

insolvent insurer who has filed for reimbursement from the special compensation fund before June 1, 2013. This includes reimbursement for any past, pending, or future claims that may arise out of the insolvent insurer's coverage."

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was re-referred

S.F. No. 899: A bill for an act relating to higher education; requiring the publication of labor market information by the Department of Employment and Economic Development; requiring the use and dissemination of labor market information by the Minnesota State Colleges and Universities; utilizing workforce centers in assisting individuals seeking credentials for high-demand jobs; creating a pilot project; requiring reports; amending Minnesota Statutes 2012, section 136F.37; proposing coding for new law in Minnesota Statutes, chapters 116J, 116L.

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

Page 2, delete section 2

Renumber the sections in sequences

Amend the title numbers accordingly

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

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

S.F. No. 330: A bill for an act relating to health; permitting licensed health care professionals to order use of physical agent modalities, electrical stimulation, and ultrasound devices; amending Minnesota Statutes 2012, section 148.6440, subdivision 1.

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

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

S.F. No. 431: A bill for an act relating to health; allowing a licensed dietitian or licensed nutritionist to adhere to a practice guideline or protocol for a legend drug prescribed by a physician; amending Minnesota Statutes 2012, section 151.37, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 148.

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

Page 1, line 11, after "protocol" insert "and the protocol"

Page 1, line 22, delete "148.624" and insert "148.634"

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

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

S.F. No. 1016: A bill for an act relating to nursing; modifying definitions in the Minnesota Nurse Practicing Act; amending Minnesota Statutes 2012, sections 148.171, subdivisions 14, 15, by adding subdivisions; 148.271; repealing Minnesota Statutes 2012, section 148.171, subdivision 12; Minnesota Rules, part 6321.0100.

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

Page 1, line 14, before "unlicensed" insert "competent,"

Page 2, line 13, strike "for"

Page 2, line 20, after "for" insert "individual"

Page 2, line 23, delete the second "a" and insert "an individual"

Page 2, line 24, after "the" insert "individual"

Page 3, line 3, delete "for the maintenance of"

Page 3, line 17, strike "for"

Page 4, delete lines 18 and 19 and insert:

"(13) designing and implementing teaching plans based on patient need, and evaluating their effectiveness;"

Page 4, line 33, delete "overseeing,"

Page 5, line 19, after "delegated" insert "or assigned"

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

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

S.F. No. 473: A bill for an act relating to health; requiring screening of newborns for critical congenital heart disease; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Page 1, line 10, delete everything after the period and insert "The screening must occur after the infant is 24 hours old, before discharge from the nursery. If discharge occurs before the infant is 24 hours old, the screening must occur as close as possible to the time of discharge. Results of the"

Page 1, delete lines 11 and 12

Page 1, line 15, delete "should" and insert "must"

Page 1, line 16, delete ", but always"

Page 1, delete subdivision 2 and insert:

"Subd. 2. **Implementation.** The Department of Health shall:

(1) communicate the screening protocol requirements;

(2) make information and forms available to the hospitals, birthing centers, and other facilities that are required to provide the screening, health care providers who provide prenatal care and care to newborns, and expectant parents and parents of newborns. The information and forms must include screening protocol and reporting requirements and parental options;

(3) provide training to ensure compliance with and appropriate implementation of the screening;

(4) establish the mechanism for the required data collection and reporting of screening and follow-up diagnostic results to the Department of Health according to the Department of Health's recommendations;

(5) coordinate the implementation of universal standardized screening;

(6) act as a resource for providers as the screening program is implemented, and in consultation with the Advisory Committee on Heritable and Congenital Disorders, develop and implement policies for early medical and developmental intervention services and long-term follow-up services for children and their families identified with a CCHD; and

(7) comply with sections 144.125 to 144.128."

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

Senator Metzen from the Committee on Commerce, to which was referred

S.F. No. 574: A bill for an act relating to insurance; regulating annuity products; enacting and modifying a model regulation adopted by the National Association of Insurance Commissioners relating to suitability in annuity transactions; amending Minnesota Statutes 2012, section 72A.20, subdivision 34; proposing coding for new law in Minnesota Statutes, chapter 72A.

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

Page 1, delete section 1

Page 2, after line 23, insert:

"Subd. 3. **Broker-dealer.** "Broker-dealer" means a person engaged in the business of effecting transactions in securities for the account of others or for the person's own account. The term does not include:

(1) an agent;

(2) an issuer;

(3) a depository institution; provided such activities are conducted in accordance with such rules as may be adopted by the administrator;

(4) an international banking institution; or

(5) a person excluded by rule adopted or order issued under this chapter."

Page 2, after line 35 insert:

"Subd. 9. **Registered principal.** "Registered principal" means persons associated with a FINRA member broker-dealer, who are actively engaged in the management of the FINRA member

broker-dealer investment banking or securities business, including supervision, solicitation, conduct of business, or the training of persons associated with a FINRA member broker-dealer for any of these functions."

Page 3, line 32, after "recommending" insert "under sections 72A.20, subdivision 34 and 60K.46, subdivision 4"

Page 4, line 35, after the period, insert "The producer, upon request, shall provide to the consumer or their legal representative a copy of the information used in the making of the suitability determination."

Page 5, delete line 8

Page 5, line 9, delete "(2)" and insert "(1)"

Page 5, line 11, delete "(3)" and insert "(2)"

Page 5, line 19, delete "customer" and insert "consumer" and delete "customer's" and insert "consumer's"

Page 6, line 5, after "other" insert "reasonable"

Page 6, line 8, after "liquidity," insert "liquid net worth,"

Page 6, line 9, before the semicolon, insert "and the elevated review shall be conducted by a natural person or persons"

Page 7, delete lines 10 to 30 and insert:

"Subd. 8. **FINRA compliance** (a) Sales of annuities made by broker-dealers satisfy the requirements under Section 72A.203 to 72A.2036, so long as:

(1) those sales comply with FINRA requirements pertaining to suitability and supervision of annuity transactions; and

(2) a registered principal reviews and approves the transaction based on review criteria that include consideration of the customer's age, income, liquidity needs, and financial situation.

(b) The insurer remains responsible for the suitability of every transaction and must take reasonably appropriate corrective action for any consumer harmed by violation of law and is subject to the penalty provisions described in section 72A.2034, subdivision 1.

(c) For paragraph (a) to apply, an insurer shall:

(1) monitor the FINRA member broker-dealer using information collected in the normal course of the insurer's business; and

(2) provide to the FINRA member broker-dealer information and reports that are reasonably appropriate to assist the FINRA member broker-dealer to maintain its supervision system.

(3) In addition, nothing in this subdivision limits the responsibilities of the insurer to monitor the broker-dealer as provided in this subdivision.

(d) Nothing in this subdivision limits the commissioner of commerce's ability to enforce the provisions of sections 72A.203 to 72A.2036 with respect to sales made in compliance with FINRA requirements and federal law."

Page 8, line 12, delete everything after the period

Page 8, delete line 13

Page 9, line 25, after "corrective" insert "action"

Renumber the sections in sequence

Amend the title numbers accordingly

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

Senator Metzen from the Committee on Commerce, to which was referred

S.F. No. 1073: A bill for an act relating to commerce; weights and measures; clarifying sales from bulk to ensure compliance with biodiesel fuel mandate; adding a requirement for identical product pricing; making technical updates to bring state into compliance with most recent federal fuel standards; modifying E85 requirements; amending Minnesota Statutes 2012, sections 239.092; 239.751, by adding a subdivision; 239.761, subdivisions 3, 4, 5, 6, 7, 8, 10, 11, 13, 16, 17, by adding a subdivision; 239.77, subdivision 1; 296A.01, subdivision 19.

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

Page 1, delete section 1

Page 2, delete section 2 and insert:

"Section 1. Minnesota Statutes 2012, section 239.751, is amended by adding a subdivision to read:

Subd. 9. **Identical pricing product requirement.** Petroleum product dispensed from a single storage tank or from multiple storage tanks that are joined in such a manner that the product is commingled while still in the tanks must have an identical base price at each retail dispenser from which it is offered for sale. This requirement does not preclude the application of discounts for cash, self-service, customer loyalty programs, or other discount programs on any basis except octane to the base price at each dispenser.

For the purpose of this subdivision, "base price" means the highest unit price of a petroleum product dispensed from a single storage tank or from multiple storage tanks that are joined in such a manner that the product is commingled while still in the tanks, including taxes and fees, and before the application of discounts, including, but not limited to, discounts for cash, self-service, customer loyalty programs, and coupons."

Page 4, delete section 8 and insert:

"Sec. 7. Minnesota Statutes 2012, section 239.761, subdivision 8, is amended to read:

Subd. 8. **Diesel fuel oil.** ~~Diesel fuel oil must comply with ASTM specification D975-07b.~~

(a) When diesel fuel oil is not blended with biodiesel, it must comply with ASTM specification D975-12a.

(b) When diesel fuel oil is a blend of up to five volume percent biodiesel, the diesel component must comply with ASTM specification D975-12a and the biodiesel component must comply with ASTM specification D675-11b."

Page 4, line 18, strike everything after "containing"

Page 4, line 19, strike "ethanol and"

Page 5, line 6, before "shall" insert "to an end user" and delete everything after "than" and insert "87."

Page 5, delete lines 7 to 9

Page 5, after line 21, insert:

"Sec. 15. Minnesota Statutes 2012, section 239.77, subdivision 4, is amended to read:

Subd. 4. **Disclosure.** (a) A refinery or terminal shall provide, at the time diesel fuel is sold or transferred from the refinery or terminal, a bill of lading or shipping manifest to the person who receives the fuel. For biodiesel-blended products, the bill of lading or shipping manifest must disclose biodiesel content, stating volume percentage, gallons of biodiesel per gallons of petroleum diesel base-stock, or an ASTM "Bxx" designation where "xx" denotes the volume percent biodiesel included in the blended product. This subdivision does not apply to sales or transfers of biodiesel blend stock between refineries, between terminals, or between a refinery and a terminal.

(b) A delivery ticket required under section 239.092 for a biodiesel blend must state the volume percent of biodiesel blended into the diesel fuel delivered through a meter into a storage tank used for dispensing into motor vehicles powered by an internal combustion engine and not exempt under section 239.77, subdivision 3.

Sec. 16. Minnesota Statutes 2012, section 239.791, subdivision 8, is amended to read:

Subd. 8. **Disclosure.** (a) A refinery or terminal, shall provide, at the time gasoline is sold or transferred from the refinery or terminal, a bill of lading or shipping manifest to the person who receives the gasoline. For oxygenated gasoline, the bill of lading or shipping manifest must include the identity and the volume percentage or gallons of oxygenate included in the gasoline, and it must state: "This fuel contains an oxygenate. Do not blend this fuel with ethanol or with any other oxygenate." For nonoxygenated gasoline sold or transferred after September 30, 1997, the bill or manifest must state: "This fuel is not oxygenated. It must not be sold at retail in Minnesota." This subdivision does not apply to sales or transfers of gasoline between refineries, between terminals, or between a refinery and a terminal.

(b) A delivery ticket required under section 239.092 for biofuel blended with gasoline must state the volume percent of biofuel blended into gasoline delivered through a meter into a storage tank used for dispensing by persons not exempt under section 239.791, subdivisions 10 to 14."

Page 5, line 25, strike everything after "volume" and delete "greater than 50"

Page 5, strike line 26

Page 5, line 27, strike everything before the period

Page 5, line 31, delete "16" and insert "17"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete everything after the second semicolon

Page 1, line 3, delete everything before "adding"

Amend the title numbers accordingly

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

Senator Metzen from the Committee on Commerce, to which was referred

S.F. No. 934: A bill for an act relating to commerce; regulating motor vehicles; amending regulation of scrap metal processing; requiring proof of ownership or hold period for vehicles purchased for scrap; creating the automated property system; creating criminal penalties; amending Minnesota Statutes 2012, sections 168.27, subdivisions 1a, 19a, 23, 24; 168A.153, subdivisions 1, 3; 325E.21, subdivisions 1, 1a, 3, 6, 8, 9, by adding subdivisions; repealing Minnesota Statutes 2012, section 168A.153, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 168.27, subdivision 23, is amended to read:

Subd. 23. ~~Registrar may file charges~~ County or city attorney to prosecute. ~~The registrar or the registrar's appointed inspectors may file charges with the county attorney or city attorney may file charges~~ against any licensee who violates any of the provisions of this section or section 325E.21, including but not limited to, the grounds for suspension or revocation set out in subdivision 12.

EFFECTIVE DATE. This section is effective August 1, 2013.

Sec. 2. Minnesota Statutes 2012, section 168A.01, is amended by adding a subdivision to read:

Subd. 8c. **Aged vehicle.** "Aged vehicle" means a vehicle with a manufacturer's designated model year equal to or greater than the seventeenth calendar year immediately preceding the current calendar year, not including those vehicles registered as collector or designated as a restored pioneer vehicle.

Sec. 3. **[168A.1525] AFFIDAVIT OF SALABILITY.**

(a) Any person or unit of government upon whose property or in whose possession is found any abandoned motor vehicle, or any owner of a motor vehicle whose title certificate is faulty, lost, or destroyed and is thereby unable to transfer title to the motor vehicle, may apply to a law enforcement agency in which the motor vehicle is located for an affidavit of salability. The affidavit of salability gives authority for a vehicle to be sold to or given to a dealer for recycling or dismantling in lieu of a certificate of title.

(b) The application for an affidavit of salability shall set out the name and address of the applicant, and the year, make, model, and vehicle identification number of the motor vehicle, if ascertainable, together with any other identifying features, and shall contain a concise statement of the facts surrounding the abandonment, or a statement that the title of the motor vehicle is lost

or destroyed, or the reasons for the defect of title in the owner. The applicant shall execute an affidavit stating that the facts alleged are true and that no material fact has been withheld. A law enforcement agency must execute any request for an affidavit of salability at the time of request.

Sec. 4. Minnesota Statutes 2012, section 168A.153, is amended to read:

168A.153 REPORT OF VEHICLE RECEIPT.

Subdivision 1. **Older model vehicle.** A dealer who buys an older model vehicle to be dismantled or destroyed shall report to the department within ~~30~~ 15 days including the vehicle's license plate number and identification number, and the seller's name and driver's license number. A dealer who accepts an affidavit of salability in lieu of a certificate of title as allowed by section 168A.1525 must report to the department the information required by this subdivision by the close of business the day after the transaction.

Subd. 2. **Late-model or high-value vehicle.** A dealer who buys a late-model or high-value vehicle to be dismantled or destroyed shall notify the secured party, if any, and the commissioner within 15 days in the manner prescribed in subdivision 3. ~~The dealer must then properly destroy the certificate of title~~ A dealer who accepts an affidavit of salability in lieu of a certificate of title as allowed by section 168A.1525 must report to the department the information required by this subdivision by the close of business the day after the transaction.

Subd. 2a. **Aged vehicle.** (a) A dealer who buys an aged vehicle to be dismantled or destroyed shall report to the department within 15 days including the vehicle's license plate number and identification number and the seller's name.

(b) No certificate of title or other documentation is required for purchase of an aged vehicle.

Subd. 3. **Notification on vehicle to be dismantled or destroyed; service fee.** ~~Within the time frames prescribed in subdivisions 1 and 2 of acquiring a vehicle titled and registered in Minnesota, a dealer shall notify the registrar that the dealership purchased the vehicle to be dismantled or destroyed. The notification~~ A dealer must maintain the certificate of title, if any, on a vehicle for three years before destroying the title as prescribed by the commissioner. Notifications under this section must be made electronically as prescribed by the registrar. The dealer may contract this service to a deputy registrar and the registrar may charge a fee not to exceed \$7 per transaction to provide this service.

Sec. 5. Minnesota Statutes 2012, section 168A.40, subdivision 4, is amended to read:

Subd. 4. **Automobile theft prevention account.** (a) A special revenue account is created in the state treasury to be credited with the proceeds of the surcharge imposed under subdivision 3. Of the revenue in the account, \$1,300,000 each year must be transferred to the general fund. Revenues in excess of \$1,300,000 each year may be used only for the automobile theft prevention program described in section 65B.84, and for the purposes described in paragraph (b).

(b) An auto theft victim whose vehicle was sold to a dealer may apply to the commissioner for payment from the account an amount equal to fair market value of the vehicle. Dealers who forfeit a stolen vehicle to a law enforcement agency may apply to the commissioner for payment from the account an amount equal to the amount the dealer paid for the vehicle.

Sec. 6. Minnesota Statutes 2012, section 325E.21, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision have the meanings given.

(b) "Law enforcement agency" or "agency" means a duly authorized municipal, county, state, or federal law enforcement agency.

(c) "Person" means an individual, partnership, limited partnership, limited liability company, corporation, or other entity.

(d) "Scrap metal" means:

(1) wire and cable commonly and customarily used by communication and electric utilities; and

(2) copper, aluminum, or any other metal purchased primarily for its reuse or recycling value as raw metal, including metal that is combined with other materials at the time of purchase.

(e) "Scrap metal dealer" or "dealer" means a person engaged in the business of buying or selling scrap metal, or both, and includes salvage pools, but does not include a person engaged exclusively in the business of buying or selling new or used motor vehicles ~~or motor vehicle parts~~ for resale, paper or wood products, rags or furniture, or secondhand machinery.

Sec. 7. Minnesota Statutes 2012, section 325E.21, subdivision 1a, is amended to read:

Subd. 1a. **Purchase or acquisition record required.** (a) Every scrap metal dealer, including an agent, employee, or representative of the dealer, shall ~~keep~~ create a permanent record, written in English, using ink or an electronic record program, at the time of each purchase or acquisition of scrap metal. The record must include:

(1) an accurate and complete account or description, including the weight if customarily purchased by weight, of the scrap metal purchased or acquired;

(2) if the scrap metal purchased or acquired is a motor vehicle, the vehicle identification number, and license plate number, if any;

~~(2)~~ (3) the date, time, and place of the receipt of the scrap metal purchased or acquired and a unique transaction identifier;

~~(3)~~ (4) the name and address of the person selling or delivering the scrap metal;

~~(4)~~ (5) the identification number and state of issue of the check or electronic transfer used to purchase the scrap metal;

~~(5)~~ (6) the identification number and state of issue of the seller's or deliverer's driver's license, Minnesota identification card number, or other identification document number of an identification document issued for identification purposes by any state, federal, or foreign government if the document includes the person's photograph, full name, birth date, and signature proof of identification; and

~~(6)~~ (7) the license plate number and description of the vehicle used by the person when delivering the scrap metal, and any identifying marks on the vehicle, such as a business name, decals, or markings, if applicable; and

(8) a statement signed by the seller, under penalty of perjury, attesting that the scrap metal or motor vehicle, to the best of the seller's knowledge, is not stolen and is free of any liens or

encumbrances and the seller has the right to sell it. This paragraph only applies if the scrap metal or motor vehicle is acquired from an individual.

(b) The record, as well as the scrap metal purchased or received, shall at all reasonable times be open to the inspection of any law enforcement agency.

(c) No record is required for property purchased from merchants, manufacturers or wholesale dealers, having an established place of business, or of any goods purchased at open sale from any bankrupt stock, but a bill of sale or other evidence of open or legitimate purchase of the property shall be obtained and kept by the person, which must be shown upon demand to any law enforcement agency.

(d) Except as otherwise provided in this section, a scrap metal dealer or the dealer's agent, employee, or representative may not disclose personal information concerning a customer without the customer's consent unless the disclosure is made in response to a request from a law enforcement agency. A scrap metal dealer must implement reasonable safeguards to protect the security of the personal information and prevent unauthorized access to or disclosure of the information. For purposes of this paragraph, "personal information" is any individually identifiable information gathered in connection with a record under paragraph (a).

(e) Law enforcement agencies in the jurisdiction where a dealer is located may conduct regular and routine inspections to ensure compliance, refer violations to county attorney offices for criminal prosecution, and notify the registrar of motor vehicles.

Sec. 8. Minnesota Statutes 2012, section 325E.21, subdivision 4, is amended to read:

Subd. 4. **Registration required.** (a) Every scrap metal dealer shall register with and participate in the criminal alert network described in section 299A.61. The dealer shall ensure that the dealer's system for receiving incoming notices from the network is in proper working order and ready to receive incoming notices. The dealer shall check the system for incoming notices twice each day the business is open, once upon opening and then again before closing. The dealer shall inform all employees involved in the purchasing or receiving of scrap metal of alerts received relating to scrap metal of the type that might be conceivably sold to the dealer. In addition, the dealer shall post copies of the alerts in a conspicuous location.

(b) The scrap metal dealer shall pay to the commissioner of public safety a \$50 annual fee to participate in the criminal alert network and for the educational materials described in section 299C.25.

(c) The commissioner shall notify the scrap metal dealer if a message sent to the dealer is returned as undeliverable or is otherwise not accepted for delivery by the dealer's system. The dealer shall take action necessary to ensure that future messages are received.

(d) Law enforcement agencies shall enter all appropriate information to the criminal alert network described in section 299A.61, regarding any complaint they have received pertaining to the theft of scrap metal or motor vehicles within 24 hours of receiving such complaint.

Sec. 9. Minnesota Statutes 2012, section 325E.21, subdivision 8, is amended to read:

Subd. 8. **Property held by law enforcement Investigative holds; confiscation of vehicles.** (a) Whenever a law enforcement official from any agency has probable cause to believe that property in the possession of a scrap metal dealer is stolen or is evidence of a crime and notifies the dealer not

to sell the item, ~~the item may not be sold or removed~~ the scrap metal dealer shall not (1) process or sell the item, or (2) remove or allow its removal from the premises. This investigative hold remains must be confirmed in writing by the originating agency within 72 hours and will remain in effect for 90 30 days from the date of initial notification, or until it the investigative hold is canceled or a seizure order is issued, renewed, or until an order to confiscate is issued, whichever comes first.

(b) If an item is identified as stolen or evidence in a criminal case, ~~the~~ a law enforcement official may:

(1) physically ~~seize~~ confiscate and remove it from the scrap metal dealer, pursuant to a written order ~~from the law enforcement official~~; or

(2) place the item on hold or extend the hold ~~as provided in this section and leave it in the shop~~ under paragraph (a), and leave it on the license premises.

(c) When an item is ~~seized~~ confiscated, the person doing so shall provide identification upon request of the scrap metal dealer, and shall provide ~~the dealer~~ the name and telephone number of the seizing confiscating agency and investigator, and the case number related to the seizure confiscation.

(d) A dealer may request seized property be returned in accordance with section 626.04.

(e) When an order to hold or seize is no longer necessary, the law enforcement official shall so notify the dealer.

Sec. 10. Minnesota Statutes 2012, section 325E.21, is amended by adding a subdivision to read:

Subd. 11. **Preemption of local ordinances.** This section preempts and supersedes any local ordinance or rule concerning the same subject manner.

Sec. 11. **SEARCHABLE ELECTRONIC DATABASE STEERING COMMITTEE.**

Stakeholders shall form a steering committee to develop recommendations for creation of a searchable electronic database for scrap metal and motor vehicle purchases regulated by Minnesota Statutes, section 325E.31. The steering committee shall include industry representatives, dealers, and law enforcement agencies, and shall make recommendations related to:

- (1) the feasibility and potential effectiveness of the database;
- (2) elimination of multiple reporting for scrap metal dealers;
- (3) database rules and controls;
- (4) data privacy, security, confidentiality, and record retention guidelines;
- (5) costs and cost allocations;
- (6) critical data for uploading and storage;
- (7) investigative guidelines; and
- (8) compliance guidelines.

The steering committee shall report their recommendations to the commissioner of public safety no later than January 15, 2014."

Amend the title numbers accordingly

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

Senator Latz from the Committee on Judiciary, to which was referred

S.F. No. 1068: A bill for an act relating to crime; prescribing criminal penalties for assaulting a transit operator; amending Minnesota Statutes 2012, section 609.2231, by adding a subdivision.

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

Page 1, delete lines 14 to 18

Page 1, line 19, delete "(c)" and insert "(b)"

Page 1, line 21, delete ", within the metropolitan" and insert a semicolon

Page 1, delete lines 22 and 23

Page 1, line 24, delete "within the metropolitan area"

Page 2, line 2, delete the first "council" and insert "Metropolitan Council"

Page 2, delete lines 4 and 5

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

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

S.F. No. 887: A bill for an act relating to health; classifying criminal history record data on Minnesota Responds Medical Reserve Corps volunteers; requiring radon education disclosure for residential real property; changing provisions for tuberculosis standards; changing adverse health events reporting requirements; modifying a poison control provision; providing liability coverage for certain volunteer medical personnel and permitting agreements to conduct criminal background studies; changing provisions for body art establishments and body art technicians; defining occupational therapy practitioners; changing provisions for occupational therapy; amending prescribing authority for legend drugs; providing penalties; amending Minnesota Statutes 2012, sections 13.381, by adding a subdivision; 144.1501, subdivision 4; 144.50, by adding a subdivision; 144.55, subdivision 3; 144.56, by adding a subdivision; 144.7065, subdivisions 2, 3, 4, 5, 6, 7, by adding a subdivision; 144A.04, by adding a subdivision; 144A.45, by adding a subdivision; 144A.752, by adding a subdivision; 144D.08; 145.93, subdivision 3; 145A.04, by adding a subdivision; 145A.06, subdivision 7; 146B.02, subdivisions 2, 8; 146B.03, by adding a subdivision; 146B.07, subdivision 5; 148.6402, by adding a subdivision; 148.6440; 151.37, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 144; 145A; repealing Minnesota Statutes 2012, sections 144.1487; 144.1488; 144.1489; 144.1490; 144.1491; 146B.03, subdivision 10; 148.7808, subdivision 2; 148.7813; 325F.814; 609.2246.

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

Page 3, lines 1 and 11, delete "any individual, partnership, corporation, or trustee" and insert "a person"

Page 3, line 31, delete "possibly amend the" and insert "negotiate a new agreement with the seller, or rescind the agreement, to the extent a failure to disclose information under paragraph (a), clause (2) or (3), would constitute a material fact as specified under section 513.55, subdivision 1,"

Page 3, line 32, delete "agreement"

Page 4, after line 11, insert:

"Subd. 5. **Liability; transfer not invalidated.** (a) A buyer who is injured by a violation of this section may bring a civil action for damages and other equitable relief as determined by the court. An action under this subdivision must be commenced within two years after the date on which the buyer closed the purchase of the real property.

(b) This section does not invalidate a transfer solely because of the failure of any person to comply with this section. This paragraph does not prevent a court from ordering a rescission of the transfer."

Page 4, line 12, delete "5" and insert "6"

Page 23, after line 31, insert:

"Sec. 29. **[513.61] RADON DISCLOSURE REQUIREMENTS.**

A seller of residential real property must comply with the radon disclosure requirements under section 144.496."

Renumber the sections in sequence

Amend the title numbers accordingly

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

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

S.F. No. 1276: A bill for an act relating to real estate; requiring loss mitigation by mortgage lenders and servicers; amending Minnesota Statutes 2012, sections 580.02; 580.041, subdivisions 1b, 1c, 2a; proposing coding for new law in Minnesota Statutes, chapter 580.

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

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 2012, section 580.02, is amended to read:

580.02 REQUISITES FOR FORECLOSURE.

To entitle any party to make such foreclosure, it is requisite:

(1) that some default in a condition of such mortgage has occurred, by which the power to sell has become operative;

(2) that no action or proceeding has been instituted at law to recover the debt then remaining secured by such mortgage, or any part thereof, or, if the action or proceeding has been instituted, that the same has been discontinued, or that an execution upon the judgment rendered therein has been returned unsatisfied, in whole or in part;

(3) that the mortgage has been recorded and, if it has been assigned, that all assignments thereof have been recorded; provided, that, if the mortgage is upon registered land, it shall be sufficient if the mortgage and all assignments thereof have been duly registered; ~~and~~

(4) before the notice of pendency as required under section 580.032 is recorded, the party has complied with section 580.021; and

(5) before the notice of pendency required under section 580.032 is recorded, the party has complied with section 582.043, if applicable."

Page 5, line 10, delete everything after "applies" and insert "only to first lien mortgages that are secured by owner-occupied residential real property containing no more than four dwelling units. For purposes of this subdivision, "owner-occupied" means that the property is the principal residence of the owner and not used as security for business, commercial, and agricultural purposes."

Page 5, delete line 11

Page 5, after line 21, insert:

"(2) the borrower does not accept the loan modification offer within 14 days after the date of the offer;"

Page 5, line 22, delete "(2)" and insert "(3)"

Page 5, line 23, delete "(3)" and insert "(4)"

Page 6, after line 28, insert:

"Sec. 6. Minnesota Statutes 2012, section 580.15, is amended to read:

580.15 PERPETUATING EVIDENCE OF SALE.

Any party desiring to perpetuate the evidence of any sale made in pursuance of this chapter may procure:

(1) an affidavit of the publication of the notice of sale and of any notice of postponement to be made by the printer of the newspaper in which the same was inserted or by some person in the printer's employ knowing the facts;

(2) an affidavit or return of service of such notice upon the occupant of the mortgaged premises to be made by the officer or person making such service or, in case the premises were vacant or unoccupied at the time the service must be made, an affidavit or return showing that fact, to be made by the officer or person attempting to make such service;

(3) an affidavit by the person foreclosing the mortgage, or that person's attorney, or someone knowing the facts, setting forth the facts relating to the military service status of the owner of the mortgaged premises at the time of sale;

(4) an affidavit by the person foreclosing the mortgage, or that person's attorney, or someone having knowledge of the facts, setting forth the fact of service of notice of sale upon the secretary of the Treasury of the United States or the secretary's delegate in accordance with the provisions of Section 7425 of the Internal Revenue Code of 1954 as amended by Section 109 of the Federal Tax Lien Act of 1966, and also setting forth the fact of service of notice of sale upon the commissioner of revenue of the state of Minnesota in accordance with the provisions of section 270C.63, subdivision 11. Any such affidavit recorded prior to May 16, 1967 shall be effective as prima facie evidence of the facts therein contained as though recorded subsequent to May 16, 1967;

(5) an affidavit by the person foreclosing the mortgage, or that person's attorney, or someone having knowledge of the facts, setting forth the names of the persons to whom a notice of sale was mailed as provided by section 580.032; and

(6) one or more affidavits by the person foreclosing the mortgage, or that person's attorney or a person having knowledge of the facts, stating:

(i) whether section 580.021, 580.04, 580.041, 580.042, 582.039, 582.041, or 582.042 applies to the foreclosure proceedings; and

(ii) if any or all of those sections apply, that all notices required under those sections have been provided; and

(7) one or more affidavits by the person foreclosing the mortgage, the person's attorney, or a person having knowledge of the facts, stating:

(i) whether section 582.043 applies to the foreclosure proceedings; and

(ii) if that section applies, that all requirements of that section have been fully satisfied.

Such affidavits and returns shall be recorded by the county recorder and they and the records thereof, and certified copies of such records, shall be prima facie evidence of the facts therein contained.

The affidavit provided for in clause (3) hereof may be made and recorded for the purpose of complying with the provisions of the Servicemembers Civil Relief Act, and may be made and recorded at any time subsequent to the date of the mortgage foreclosure sale.

Sec. 7. [582.043] REQUISITE APPLICABLE TO CERTAIN FORECLOSURES.

Subdivision 1. Applicability. This section applies to foreclosures of first lien mortgages under chapters 580 and 581 on property consisting of one to four dwelling units, one of which the owner occupies as the owner's principal place of residence. This section does not apply to a small servicer, as that term is defined in Code of Federal Regulations, title 12, section 1026.41, paragraph (e).

Subd. 2. Requisite. (a) No party foreclosing a mortgage may record or file the notice of pendency required under section 580.032 or serve or file a summons and complaint under chapter 581 until all loss mitigation obligations relevant to the mortgage loan being foreclosed have been fully satisfied.

(b) For the purposes of this section, "loss mitigation obligations" means actions required to be taken by a residential mortgage servicer, lender, mortgagee, note owner, note holder, or any other person in connection with a residential mortgage loan to review and consider the homeowner for a loan modification or other relief intended to allow the homeowner to retain ownership of the property under:

(1) state or federal law;

(2) rules or regulations promulgated by the Consumer Financial Protection Bureau;

(3) rules or regulations applicable to loans owned or guaranteed by the United States government, including rules and regulations issued by:

(i) the Department of Housing and Urban Development;

(ii) the Federal Housing Administration for FHA loans and Indian home loan guarantee loans;

(iii) the Department of Veterans Affairs for VA loans;

(iv) the Department of Agriculture for Rural Housing Service loans; and

(v) the Home Affordable Modification Program for loans covered under that program;

(4) an applicable consent, settlement, or other legal agreement, including:

(i) consent judgments entered in the case entitled United States of America et al. v. Bank of America Corporation et al., filed April 4, 2012, in the United States District Court for the District of Columbia, in a civil action number 120361; and

(ii) stipulations and Consent to the Issuance of an Amendment to 2011 Consent Order modifying Office of Thrift Supervision Orders No. NE-11-16 and, by reference NE-11-17; and Office of Comptroller of the Currency Consent Orders AA-EC-11-12; AA-EE-11-13; AA-EC-11-14; AA-EC-11-15; AA-EC-11-16; AA-EC-11-17; AA-EC-11-18; and AA-EC-11-19; or

(5) the Making Home Affordable Program applicable to loans owned or guaranteed by Fannie Mae or Freddie Mac or loans serviced by an entity that is participating in the Making Home Affordable Program.

Subd. 3. **Effective date; expiration.** This section applies to foreclosures commenced on or after August 1, 2013, and before January 1, 2018. This section expires on January 1, 2018."

Page 6, line 30, after "3" insert "and 6"

Page 7, delete lines 2 to 5 and insert:

"not limited to:

(1) consent judgments entered in the case entitled United States of America et al. v. Bank of America Corporation et al., filed April 4, 2012, in the United States District Court for the District of Columbia, in a civil action number 120361; and

(2) stipulations and Consent to the Issuance of an Amendment to 2011 Consent Order modifying:"

Renumber the sections in sequence

Amend the title numbers accordingly

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

Senator Latz from the Committee on Judiciary, to which was referred

S.F. No. 1143: A bill for an act relating to data practices; modifying certain provisions related to disclosure of personnel data; amending Minnesota Statutes 2012, section 13.43, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, 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 complete 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. 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), and subject to paragraph (f), 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;
- (3) executive or administrative heads of departments, bureaus, divisions, or institutions within state government; and
- (4) the following employees:
 - (i) the chief administrative officer, or the individual acting in an equivalent position, in all political subdivisions;
 - (ii) individuals required to be identified by a political subdivision pursuant to section 471.701;
 - (iii) in a city with a population of more than 7,500 or a county with a population of more than 5,000, individuals in a management capacity reporting directly to the chief administrative officer or the individual acting in an equivalent position: managers; chiefs; heads or directors of departments, divisions, bureaus, or boards; and any equivalent position; and
 - (iv) in a school district; business managers; human resource directors; and athletic directors whose duties include at least 50 percent of their time spent in administration, personnel, supervision, and evaluation; chief financial officers; directors; individuals defined as superintendents; and principals; and directors under Minnesota Rules, part 3512.0100; and in a charter school, individuals employed in comparable positions.

(f) Data relating to a complaint or charge against an employee identified under paragraph (e), clause (4), are public only if:

- (1) the complaint or charge results in disciplinary action or the employee resigns or is terminated from employment while the complaint or charge is pending; or
- (2) potential legal claims arising out of the conduct that is the subject of the complaint or charge are released as part of a settlement agreement ~~with another person.~~

This paragraph and paragraph (e) do not authorize the release of data that are made not public under other law.

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

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

Senator Latz from the Committee on Judiciary, to which was referred

S.F. No. 1269: A bill for an act relating to public safety; requiring that forensic laboratories be accredited and that information related to this be posted on the Internet; proposing coding for new law in Minnesota Statutes, chapter 299C.

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

Delete everything after the enacting clause and insert:

"Section 1. [299C.157] FORENSIC LABORATORIES.

Subdivision 1. Definitions. For purposes of this section, the following terms have the meanings given:

(1) "forensic analysis" means the application of scientific knowledge and methodology by an individual who:

(i) has or should have specialized training and utilizes standardized procedures to conduct examinations on items of evidence;

(ii) forms an opinion or conclusion based on the outcome of the procedure under item (i) and the individual's training, experience, or both, and writes a report including the individual's conclusions; and

(iii) has the potential to offer expert testimony of the individual's analysis in a court of law; and

(2) "forensic laboratory" means a publicly financed laboratory within the state that conducts forensic analysis on items of evidence that are part of or have the potential to be used in a criminal investigation.

Subd. 2. Forensic laboratories; mandatory accreditation; posting on Web site. (a) A forensic laboratory operating on or after January 1, 2014, must: (1) be accredited by the American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB), or other accrediting body that requires conformance to standards for testing laboratories established by the International Organization for Standardization (ISO/IEC 17025) and the supplemental standards applicable to forensic laboratories developed by the International Laboratory Accreditation Cooperative (ILAC); or (2) have begun the formal process of seeking accreditation under clause (1) and follow the standards necessary for accreditation.

(b) No forensic laboratory may operate on or after July 1, 2015, unless it is accredited as provided in paragraph (a).

(c) A forensic laboratory must forward to the commissioner of public safety copies of the laboratory's certificate of accreditation and scope of accreditation or an affirmation that the laboratory is in compliance with paragraph (a), clause (2). The commissioner shall post these items on the department's Web site."

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

Senator Latz from the Committee on Judiciary, to which was referred

S.F. No. 1168: A bill for an act relating to public safety; creating new crimes relating to 911 emergency calls; providing criminal penalties; amending Minnesota Statutes 2012, section 609.78.

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

Page 3, line 1, delete "of the following methods" and insert "method" and after "communication" insert "including, but not limited to"

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

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

S.F. No. 783: A bill for an act relating to education; providing for safe and supportive schools; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2012, sections 120B.36, subdivision 1; 121A.55; 121A.69, subdivision 3; 122A.60, subdivisions 1a, 3; 124D.10, subdivision 8; 124D.895, subdivision 1; 124D.8955; 125B.15; 127A.42, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 121A; 127A; repealing Minnesota Statutes 2012, sections 121A.03; 121A.0695.

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

Page 3, line 13, delete the first "community" and insert "or district"

Page 3, line 21, after "contractor" insert ", if a contractor regularly interacts with students,"

Page 6, line 6, after "discretion" insert "and consistent with state and federal data practices law governing access to data" and delete "in"

Page 6, line 7, delete everything before the first "the"

Page 6, line 8, delete "or" and after "officials" insert ", or officials of a park and recreation public agency that has adopted a policy substantially similar to the requirements of section 121A.031 and provides training to those who have regular contact with youth patrons and personnel who have access to private data on youth patrons"

Page 8, delete lines 27 to 29 and insert:

"(c) Government data of the department on reports and complaints under procedures developed under paragraph (b), clause (2) or (3), are private data on individuals as defined in section 13.02, except that the name of a reporter is confidential data on individuals."

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

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

S.F. No. 602: A bill for an act relating to employment; modifying prompt payment of wages requirements; modifying penalties; amending Minnesota Statutes 2012, sections 181.13; 181.14.

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

Page 3, line 7, delete "but remain" and insert "and"

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

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

S.F. No. 1298: A bill for an act relating to state government; updating provisions in the Geospatial Information Office; amending Minnesota Statutes 2012, section 16E.30, subdivisions 7, 8, by adding subdivisions; repealing Minnesota Statutes 2012, section 16E.30, subdivisions 4, 5.

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

Page 3, delete section 4 and insert:

"Sec. 4. Minnesota Statutes 2012, section 16E.30, is amended by adding a subdivision to read:

Subd. 11. **Government sharing of electronic geospatial data.** (a) The definitions in section 13.02 apply to this subdivision.

(b) Electronic geospatial government data must be shared at no cost with government entities and federal and tribal government agencies. Data received under this subdivision may be reproduced or shared with other government entities or agencies. A release of data under this subdivision must include metadata or other documentation that identifies the original authoritative data source. Government entities providing data under this subdivision are not required to provide data in an alternate format specified by the requestor. A government entity is not required to provide the same data to the same requestor more than four times per year, unless required by law or court order. Government entities and agencies sharing and receiving electronic geospatial data under this subdivision are immune from civil liability arising out of the use of the shared electronic geospatial data. This subdivision does not authorize the release of data that are not public data."

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

Senator Latz from the Committee on Judiciary, to which was referred

S.F. No. 1030: A bill for an act relating to business organizations; modifying certain duties and responsibilities of the secretary of state; amending Minnesota Statutes 2012, sections 5.002; 308B.215, subdivision 1; 321.0809; 321.0906; 321.1206; 323A.1102; 333.055, subdivision 2; 333.22, subdivision 2; 336.9-531; 336A.14.

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

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

S.F. No. 778: A bill for an act relating to collective bargaining; authorizing collective bargaining for family child care providers; authorizing collective bargaining for home and community-based long-term care services; establishing the Self-Directed Service Workforce Council; proposing coding for new law in Minnesota Statutes, chapters 179A; 256B.

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

Page 3, delete subdivision 10

Page 4, line 4, delete "11" and insert "10"

Page 4, line 10, delete "12" and insert "11"

Page 6, delete subdivision 11

Page 6, line 15, delete "(g)" and insert "(f)"

Page 6, line 16, after the period, insert "Notwithstanding section 256B.0711, subdivision 11, paragraph (f), the list provided to an employee organization under this subdivision is public data."

Page 9, line 29, delete "one or more public registries" and insert "a public registry"

Page 9, line 30, after "providers" insert "who have consented to be included in the registry"

Page 10, line 28, after the period, insert "The list is private data on individuals as defined in section 13.02, provided that"

And when so amended the bill be re-referred to the Committee on Finance without recommendation. Amendments adopted. Report adopted.

Senator Latz from the Committee on Judiciary, to which was referred

S.F. No. 1108: A bill for an act relating to evidence; limiting availability of certain evidence arising from a collaborative law process; amending Minnesota Statutes 2012, section 595.02, subdivision 1.

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

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

S.F. No. 1077: A bill for an act relating to human services; modifying provisions related to chemical and mental health and human services licensing; establishing methadone treatment program standards; modifying drug treatment provisions; amending Minnesota Statutes 2012, sections 152.02, subdivision 2; 152.126, subdivision 6; 254B.04, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 245A.

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

Page 2, line 35, delete "by" and insert "from"

Page 6, line 2, after "that" insert "the Department of Human Services and"

Page 6, lines 13 and 14, before "consent" insert "written"

Page 9, after line 6, insert:

"Section 1. Minnesota Statutes 2012, section 152.01, subdivision 5a, is amended to read:

Subd. 5a. **Hallucinogen.** "Hallucinogen" means any hallucinogen listed in section 152.02, subdivision 2, clause (3) (d), or Minnesota Rules, part 6800.4210, item C, except marijuana and Tetrahydrocannabinols.

EFFECTIVE DATE. This section is effective August 1, 2013, and applies to crimes committed on or after that date."

Page 17, after line 33, insert:

EFFECTIVE DATE. This section is effective August 1, 2013, and applies to crimes committed on or after that date."

Page 19, line 26, before "The" insert "Within available appropriations," and delete everything after "services" and insert "shall establish and implement"

Page 19, line 27, delete "implementing"

Re-number the sections in sequence

Amend the title numbers accordingly

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

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

S.F. No. 481: A bill for an act relating to education finance; establishing an early learning scholarship program; expanding access to quality early learning and care; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124D.

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

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2012, section 13.319, is amended by adding a subdivision to read:

Subd. 9. **Early learning scholarships.** Section 124D.143 governs data under the early learning scholarship program."

Page 4, line 6, delete "program participants" and insert "recipients"

Page 4, delete lines 7 to 11 and insert "Data on scholarship recipients are private data on individuals as defined in section 13.02, subdivision 12."

Page 4, lines 17 and 24, delete "1" and insert "2"

Renumber the sections in sequence

Amend the title numbers accordingly

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

Senator Pappas from the Committee on State and Local Government, to which was referred

S.F. No. 515: A bill for an act relating to metropolitan planning activities; extending the sunset date of the Metropolitan Area Water Supply Advisory Committee; amending Minnesota Statutes 2012, section 473.1565, subdivision 2.

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 924: A bill for an act relating to unemployment insurance; making federal conformity, policy, and housekeeping changes; amending Minnesota Statutes 2012, sections 116L.17, subdivision 4, by adding a subdivision; 268.033; 268.035, subdivisions 2, 4, 11, 12, 15, 22, 29; 268.042, subdivision 1; 268.043; 268.051, subdivisions 4a, 5; 268.057, subdivisions 5, 7; 268.0625, subdivision 4; 268.069, subdivision 3; 268.07, subdivisions 1, 3b; 268.085, subdivisions 3, 4, 5, 6; 268.0865, subdivisions 3, 4; 268.095, subdivisions 2, 3; 268.103, subdivision 2a; 268.105; 268.131, subdivision 1; 268.136, subdivisions 1, 2, 3, 4, 5, by adding subdivisions; 268.18, subdivisions 1, 2b; 268.184, subdivision 1a; 268.186; 268.192, subdivision 1a; 268.194, subdivision 1; 268.196, subdivision 1; 268.215; 268.23; Laws 2012, chapter 201, article 1, section 3; proposing coding for new law in Minnesota Statutes, chapter 268; repealing Minnesota Rules, parts 3310.2905, subpart 2; 3310.2910; 3310.2914, subpart 1; 3310.2916; 3310.2919; 3310.2920; 3315.0200, subpart 1; 3315.0203; 3315.0211; 3315.0212; 3315.0213; 3315.0501, subparts 1, 2; 3315.0555, subpart 1;

3315.0801; 3315.0805; 3315.0810; 3315.0815; 3315.0820; 3315.0825; 3315.0830; 3315.0835; 3315.0840; 3315.0845; 3315.0901; 3315.0905; 3315.1001; 3315.1010.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

FEDERAL CONFORMITY

Section 1. Minnesota Statutes 2012, section 268.136, subdivision 1, is amended to read:

Subdivision 1. **Shared work agreement plan requirements.** (a) An employer may submit a proposed shared work plan for an employee group to the commissioner for approval in a manner and format set by the commissioner. The proposed agreement shared work plan must include:

(1) a certified statement that the normal weekly hours of work of all of the proposed participating employees were full time or regular part time but are now reduced, or will be reduced, with a corresponding reduction in pay, in order to prevent layoffs;

(2) the name and Social Security number of each participating employee;

(3) the number of layoffs that would have occurred absent the employer's ability to participate in a shared work plan;

(4) a certified statement of when that each participating employee was first hired by the employer; which must be at least one year before the proposed agreement shared work plan is submitted and is not a seasonal, temporary, or intermittent worker;

(4) (5) the hours of work each participating employee will work each week for the duration of the agreement shared work plan, which must be at least 20 one-half the normal weekly hours and but no more than 32 hours per week, except that the agreement plan may provide for a uniform vacation shutdown of up to two weeks;

(6) a certified statement that any health benefits and any pension benefits provided by the employer to participating employees will continue to be provided under the same terms and conditions as though the participating employees' hours of work each week had not been reduced;

(7) a certified statement that the terms and implementation of the shared work plan is consistent with the employer's obligations under state and federal law;

(8) an acknowledgement that the employer understands that unemployment benefits paid under a shared work plan will be used in computing the future tax rate of a taxpaying employer or charged to the reimbursable account of a nonprofit or government employer;

(5) (9) the proposed duration of the agreement shared work plan, which must be at least two months and not more than one year, although an agreement a plan may be extended for up to an additional year upon approval of the commissioner;

(6) (10) a starting date beginning on a Sunday at least 15 calendar days after the date the proposed agreement shared work plan is submitted; and

~~(7) (11)~~ a signature of an owner or officer of the employer who is listed as an owner or officer on the employer's account under section 268.045.

~~(b) An agreement may not be approved for an employer that:~~

~~(1) has any unemployment tax or reimbursements, including any interest, fees, or penalties, due but unpaid; or~~

~~(2) has the maximum experience rating provided for under section 268.051, subdivision 3.~~

Sec. 2. Minnesota Statutes 2012, section 268.136, subdivision 2, is amended to read:

Subd. 2. **Agreement Approval by commissioner.** (a) The commissioner must promptly review a proposed agreement shared work plan and notify the employer, by mail or electronic transmission, within 15 days of receipt, whether the proposal satisfies the requirements of this section and has been approved. If the proposal does not comply with this section, the commissioner must specifically state why the proposal is not in compliance. If a proposed agreement complies with this section shared work plan has been approved, it must be implemented according to its terms.

(b) The commissioner may reject an agreement not approve a proposed shared work plan if the commissioner has cause to believe the proposal is not was submitted for the a purpose of other than preventing layoffs due to lack of work.

(c) The commissioner may not approve a proposed shared work plan if the employer has any unemployment tax or reimbursements, including any interest, fees, or penalties, due but unpaid.

(d) A shared work plan that has been approved by the commissioner is considered a contract that is binding on the employer and the department. This contract may be canceled or modified under subdivision 5.

Sec. 3. Minnesota Statutes 2012, section 268.136, is amended by adding a subdivision to read:

Subd. 2a. **Notice to participating employee.** The employer must provide written notification to each participating employee that the employer has submitted a proposed shared work plan. The notification must be provided to the employee no later than at the time the commissioner notifies the employer that a proposed shared work plan has been approved. The notification must inform the employee of the proposed terms of the shared work plan along with notice to the employee of the employee's right to apply for unemployment benefits.

Sec. 4. Minnesota Statutes 2012, section 268.136, subdivision 3, is amended to read:

Subd. 3. **Applicant requirements.** (a) An applicant, in order to be paid unemployment benefits under this section, must meet all of the requirements under section 268.069, subdivision 1. The following provisions of section 268.085 do not apply to an applicant under this section in an approved shared work plan:

(1) the deductible earnings provision of section 268.085, under subdivision 5;

(2) the restriction under section 268.085, subdivision 6 2, clause (6), if the applicant works exactly 32 hours in a week;

(3) the requirement of being available for suitable employment under subdivision 1, clause (4), but only if the applicant is (i) available for the normal hours of work per week with the shared work employer, or (ii) in a training program when not working; and

(4) the requirement of actively seeking suitable employment under subdivision 1, clause (5).

(b) An applicant is ineligible for unemployment benefits under this section for any week, if:

(1) the applicant works more than 32 hours in a week in employment with one or more employer;
or.

~~(2) the applicant works more hours in a week for the shared work employer than the reduced weekly hours provided for in the agreement.~~

Sec. 5. Minnesota Statutes 2012, section 268.136, subdivision 4, is amended to read:

Subd. 4. **Amount of unemployment benefits available.** (a) The weekly benefit amount and maximum amount of unemployment benefits available are computed according to section 268.07, except that ~~an applicant is paid~~ the amount of benefits available is a reduced amount in direct proportion to the reduction in hours set out in the shared work plan from the normal weekly hours.

(b) Regardless of paragraph (a), if the applicant works more hours in a week for the shared work employer than the reduced weekly hours provided for in the shared work plan, the amount of unemployment benefits available is a reduced amount in direct proportion to the reduction in hours actually worked from the normal weekly hours.

(c) If an applicant works fewer hours in a week for the shared work employer than set out in the shared work plan, the amount of unemployment benefits are available in accordance with paragraph (a).

Sec. 6. Minnesota Statutes 2012, section 268.136, subdivision 5, is amended to read:

Subd. 5. **Cancellation; modification.** (a) An employer may cancel ~~an agreement~~ a shared work plan at any time upon seven calendar days' notice to the commissioner in a manner and format prescribed by the commissioner. The cancellation must be signed by an owner or officer of the employer.

(b) An employer may request that the commissioner allow modification of the shared work plan as to the hours of work each participating employee will work each week. The request must be sent in a manner and form prescribed by the commissioner. The request must be signed by an owner or officer of the employer. The commissioner must notify the employer as soon as possible if the modification is allowed.

~~(b) (c)~~ (c) An employer that cancels ~~an agreement~~ or requests modification of a shared work plan must provide written notice to each participating employee ~~in the group~~ of the cancellation or requested modification at the time notice is sent to the commissioner.

~~(c) (d)~~ (d) If an employer cancels ~~an agreement~~ a shared work plan before the expiration date provided for in subdivision 1, a new ~~agreement~~ shared work plan may not be ~~entered into with approved for~~ that employer under this section for at least 60 calendar days.

~~(d) (e)~~ (e) The commissioner may immediately cancel any ~~agreement~~ shared work plan if the commissioner determines the ~~agreement~~ plan was based upon false information or the employer is ~~in breach~~ has failed to adhere to the terms of the ~~contract~~ shared work plan. The commissioner must immediately send written notice of cancellation to the employer. An employer that receives notice of cancellation ~~by the commissioner~~ must provide written notice to each participating ~~employer in the group~~ employee of the cancellation.

Sec. 7. Minnesota Statutes 2012, section 268.136, is amended by adding a subdivision to read:

Subd. 6. **Federal law.** This section is enacted to comply with the "short time compensation" requirements of the Federal Unemployment Tax Act, United States Code, title 26, section 3306 (v).

Sec. 8. Minnesota Statutes 2012, section 268.23, is amended to read:

268.23 SEVERABLE.

~~In the event that~~ If the United States Department of Labor determines that any provision of the Minnesota Unemployment Insurance Law, ~~or any other provision of Minnesota Statutes relating to the unemployment insurance program,~~ is not in conformity with, or is inconsistent with, the requirements of federal law, the provision has no force or effect; ~~but~~ If only a portion of the provision, or the application to any person or circumstances, is ~~held~~ determined not in conformity, or determined inconsistent, the remainder of the provision and the application of the provision to other persons or circumstances are not affected.

Sec. 9. **COMMISSIONER AUTHORIZED TO REQUEST SHARED WORK FUNDS.**

The commissioner of employment and economic development is authorized to request federal funding for Minnesota's "shared work" unemployment benefit program under Minnesota Statutes, section 268.136. Federal funding is available under the Middle Class Tax Relief and Job Creation Act of 2012, Public Law 112-96. Federal funding provided under that act for the "shared work" program must be immediately deposited in the Minnesota Unemployment Insurance Trust Fund. The exception under Minnesota Statutes, section 268.047, subdivision 2, clause (10), does not apply to the federal money.

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

Sec. 10. **EFFECTIVE DATE.**

Unless otherwise specified, this article is effective for shared work plans approved on or after July 1, 2013.

ARTICLE 2

POLICY

Section 1. Minnesota Statutes 2012, section 116L.17, subdivision 4, is amended to read:

Subd. 4. **Use of funds.** Funds granted by the board under this section may be used for any combination of the following, except as otherwise provided in this section:

(1) employment transition services such as developing readjustment plans for individuals; outreach and intake; early readjustment; job or career counseling; testing; orientation; assessment of skills and aptitudes; provision of occupational and labor market information; job placement assistance; job search; job development; prelayoff assistance; relocation assistance; ~~and~~ programs provided in cooperation with employers or labor organizations to provide early intervention in the event of plant closings or substantial layoffs; and entrepreneurial training and business consulting;

(2) support services, including assistance to help the participant relocate to employ existing skills; out-of-area job search assistance; family care assistance, including child care; commuting assistance; emergency housing and rental assistance; counseling assistance, including personal and

financial; health care; emergency health assistance; emergency financial assistance; work-related tools and clothing; and other appropriate support services that enable a person to participate in an employment and training program with the goal of reemployment;

(3) specific, short-term training to help the participant enhance current skills in a similar occupation or industry; entrepreneurial training, customized training, or on-the-job training; basic and remedial education to enhance current skills; and literacy and work-related English training for non-English speakers; and

(4) long-term training in a new occupation or industry, including occupational skills training or customized training in an accredited program recognized by one or more relevant industries. Long-term training shall only be provided to dislocated workers whose skills are obsolete and who have no other transferable skills likely to result in employment at a comparable wage rate. Training shall only be provided for occupations or industries with reasonable expectations of job availability based on the service provider's thorough assessment of local labor market information where the individual currently resides or is willing to relocate. This clause shall not restrict training in personal services or other such industries.

Sec. 2. Minnesota Statutes 2012, section 116L.17, is amended by adding a subdivision to read:

Subd. 11. **Converting layoffs into Minnesota businesses (CLIMB).** Converting layoffs into Minnesota businesses (CLIMB) is created to assist dislocated workers in starting or growing a business. CLIMB must offer entrepreneurial training, business consulting, and technical assistance to dislocated workers seeking to start or grow a business. The commissioner, in cooperation with local workforce councils, must provide the assistance in this subdivision by:

(1) encouraging closer ties between the Small Business Development Center network, Small Business Development Center training providers; and workforce centers, as well as other dislocated worker program service providers; and

(2) eliminating grantee performance data disincentives that would otherwise prevent enrollment of dislocated workers in entrepreneurship-related training.

Sec. 3. Minnesota Statutes 2012, section 268.051, subdivision 5, is amended to read:

Subd. 5. **Tax rate for new employers.** (a) Each new taxpaying employer that does not qualify for an experience rating under subdivision 3, except new employers in a high experience rating industry, must be assigned, for a calendar year, a tax rate the higher of (1) one percent, or (2) the tax rate computed, to the nearest 1/100 of a percent, by dividing the total amount of unemployment benefits paid all applicants during the 48 calendar months ending on June 30 of the prior calendar year by the total taxable wages of all taxpaying employers during the same period, plus the applicable base tax rate and any additional assessments under subdivision 2, paragraph (c).

(b) Each new taxpaying employer in a high experience rating industry that does not qualify for an experience rating under subdivision 3, must be assigned, for a calendar year, a tax rate the higher of (1) that assigned under paragraph (a), or (2) the tax rate, computed to the nearest 1/100 of a percent, by dividing the total amount of unemployment benefits paid to all applicants from high experience rating industry employers during the 48 calendar months ending on June 30 of the prior calendar year by the total taxable wages of all high experience rating industry employers during the same period, to a maximum provided for under subdivision 3, paragraph (b), plus the applicable base tax rate and any additional assessments under subdivision 2, paragraph (c).

(c) An employer is considered to be in a high experience rating industry if:

(1) the employer is engaged in residential, commercial, or industrial construction, including general contractors;

(2) the employer is engaged in sand, gravel, or limestone mining;

(3) the employer is engaged in the manufacturing of concrete, concrete products, or asphalt; or

(4) the employer is engaged in road building, repair, or resurfacing, including bridge and tunnels and residential and commercial driveways and parking lots.

(d) Regardless of any law to the contrary, a taxpaying employer must be assigned a tax rate under this subdivision if:

~~(1) the employer registers for a tax account under section 268.042 and for each of the five calendar quarters after registering files a "no wages paid" report on wage detail under section 268.044; or had no taxable wages during the experience rating period under subdivision 3.~~

~~(2) the employer has filed 14 consecutive quarterly "no wages paid" reports on wage detail under section 268.044.~~

(e) The commissioner must send to the new employer, by mail or electronic transmission, a determination of tax rate. An employer may appeal the determination of tax rate in accordance with the procedures in subdivision 6, paragraph (c).

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

Sec. 4. Minnesota Statutes 2012, section 268.07, subdivision 3b, is amended to read:

Subd. 3b. **Limitations on applications and benefit accounts.** (a) An application for unemployment benefits is effective the Sunday of the calendar week that the application was filed. An application for unemployment benefits may be backdated one calendar week before the Sunday of the week the application was actually filed if the applicant requests the backdating at the time the application is filed. An application may be backdated only if the applicant had no employment was unemployed during the period of the backdating. If an individual attempted to file an application for unemployment benefits, but was prevented from filing an application by the department, the application is effective the Sunday of the calendar week the individual first attempted to file an application.

(b) A benefit account established under subdivision 2 is effective the date the application for unemployment benefits was effective.

(c) A benefit account, once established, may later be withdrawn only if:

(1) the applicant has not been paid any unemployment benefits on that benefit account; and

(2) a new application for unemployment benefits is filed and a new benefit account is established at the time of the withdrawal.

A determination or amended determination of eligibility or ineligibility issued under section 268.101, that was sent before the withdrawal of the benefit account, remains in effect and is not voided by the withdrawal of the benefit account.

(d) An application for unemployment benefits is not allowed before the Sunday following the expiration of the benefit year on a prior benefit account. Except as allowed under paragraph (c), an applicant may establish only one benefit account each 52 calendar weeks.

Sec. 5. [268.133] UNEMPLOYMENT BENEFITS WHILE IN ENTREPRENEURIAL TRAINING.

Unemployment benefits are available to dislocated workers participating in the converting layoffs into Minnesota businesses (CLIMB) program under section 116L.17, subdivision 11. Applicants participating in CLIMB are considered in reemployment assistance training under section 268.035, subdivision 21c. All requirements under section 268.069, subdivision 1, must be met, except the commissioner may waive:

- (1) the earnings deductible provisions in section 268.085, subdivision 5; and
- (2) the 32 hours of work limitation in section 268.085, subdivision 2, clause (6). A maximum of 500 applicants may receive a waiver at any given time.

Sec. 6. Laws 2012, chapter 201, article 1, section 3, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective July 1, 2012, except the amendments to paragraph (d) are effective for penalties ~~imposed~~ credited on or after July 1, 2013.

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

Sec. 7. EFFECTIVE DATE.

This article is effective July 1, 2013."

Delete the title and insert:

"A bill for an act relating to unemployment insurance; regulating the shared work program to conform to federal law; providing for a program converting layoffs into businesses; amending Minnesota Statutes 2012, sections 116L.17, subdivision 4, by adding a subdivision; 268.051, subdivision 5; 268.07, subdivision 3b; 268.136, subdivisions 1, 2, 3, 4, 5, by adding subdivisions; 268.23; Laws 2012, chapter 201, article 1, section 3; proposing coding for new law in Minnesota Statutes, chapter 268."

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 340: A bill for an act relating to economic development; modifying loans to development authorities; amending Minnesota Statutes 2012, section 116J.5764, subdivision 1.

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 943: A bill for an act relating to economic development; expanding the Minnesota investment fund to include development authorities; amending Minnesota Statutes 2012, section 116J.8731, subdivisions 2, 8, 9.

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

Page 4, after line 5, insert:

"Sec. 4. [383D.412] DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY, MINNESOTA INVESTMENT FUND.

Subdivision 1. **Treatment.** As long as the conditions set forth in subdivision 2 are met and notwithstanding section 116J.8731, the Dakota County Community Development Agency will be treated as if it were a general purpose local governmental unit for the purposes of section 116J.8731, and may apply for and receive state-funded money from the Minnesota investment fund.

Subd. 2. **Conditions precedent.** Conditions precedent to the treatment of the Dakota County Community Development Agency as a general purpose local governmental unit as described in subdivision 1, are:

(1) the Board of Commissioners of Dakota County has adopted a resolution approving that treatment of the Dakota County Community Development Agency, and that resolution is in full force and effect and has not been revoked by Dakota County; and

(2) the members of the Board of Commissioners of Dakota County shall be the same persons as the members of the Board of Commissioners of the Dakota County Community Development Agency."

Renumber the sections in sequence

Amend the title numbers accordingly

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 1373: A bill for an act relating to agriculture; establishing the Minnesota agricultural water quality program; authorizing rulemaking; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 17.

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 2012, section 13.6435, is amended by adding a subdivision to read:

Subd. 14. **Agricultural water quality certification pilot program.** Data on persons certified under the agricultural water quality certification pilot program is governed by section 17.9899.

Sec. 2. [17.9891] PURPOSE.

The commissioner, in consultation with the commissioners of the Pollution Control Agency and Department of Natural Resources, and the Board of Water and Soil Resources may implement a Minnesota agricultural water quality certification pilot program whereby once a producer demonstrates practices and management sufficient to protect and enhance water quality, the producer is exempt from having to comply with new state agency rules affecting agricultural or

land management practices that could affect water quality for up to ten years. The program is voluntary. The program shall be piloted in selected watersheds across the state.

Sec. 3. **[17.9892] DEFINITIONS.**

Subdivision 1. **Application.** The definitions in this section apply to sections 17.9891 to 17.992.

Subd. 2. **Technical assistance.** "Technical assistance" means professional, advisory, or cost-share assistance provided to individuals that is designed to achieve Minnesota agricultural water quality program certification.

Subd. 3. **Certifying agent.** "Certifying agent" means a person who is authorized by the commissioner to assess producers to determine whether a producer satisfies the standards of the Minnesota agricultural water quality certification pilot program.

Subd. 4. **Certification.** "Certification" means a producer has demonstrated compliance with all applicable environmental rules and statutes for all of the producer's owned and rented agricultural land, and has achieved a satisfactory score through the certification instrument and has been verified by a certifying agent.

Subd. 5. **Eligible land.** "Eligible land" means all acres of an agricultural operation of a producer, whether or not contiguous, that are under the effective control of the producer at the time the producer enters into the certification program, and are operated by the producer with equipment, labor, and management.

Subd. 6. **Effective control.** "Effective control" means possession of the land by ownership, written lease, or other legal agreement and authority to act as decision maker for the day-to-day management of the operation at the time the producer achieves certification and for the required period of the certification.

Subd. 7. **Program.** "Program" means the Minnesota agricultural water quality pilot program established in sections 17.9891 to 17.992.

Sec. 4. **[17.9893] CERTIFICATION INSTRUMENT.**

The commissioner, in consultation with the commissioners of the Pollution Control Agency and Department of Natural Resources, and the Board of Water and Soil Resources, shall develop an analytical instrument to assess the land and water quality practices and land and water management of agricultural operations. This instrument shall be used to certify the water quality practices and water management of an agricultural operation are consistent with state water quality goals and standards. The commissioner shall define a satisfactory score for certification purposes. The certification instrument tool shall:

- (1) integrate applicable existing regulatory requirements;
- (2) utilize technology and prioritize ease of use;
- (3) utilize a water quality index or score applicable to the landscape;
- (4) incorporate a process for updates and revisions as land and water quality practices, land and water management, and technology changes become established and approved; and
- (5) comprehensively address water quality impacts.

Sec. 5. **[17.9894] LICENSE.**

Subdivision 1. **License.** Any person who offers certification services to producers as part of this program must satisfy all criteria in subdivision 2 and be licensed by the commissioner. A certifying agent is ineligible to provide certification services to any producer to whom the certifying agent has also provided technical assistance. The commissioner may set fees for the license.

Subd. 2. **Certifying agent requirements.** In order to be licensed as a certifying agent, a person must:

(1) be an agricultural conservation professional employed by the state of Minnesota, a Soil and Water Conservation District, the Natural Resources Conservation Service, or be a Minnesota certified crop advisor as recognized by the American Society of Agronomy;

(2) have passed a comprehensive exam, as established by the commissioner, evaluating the person's knowledge of water quality, soil health, best farm management techniques, and the certification instrument; and

(3) maintain continuing education requirements as established by the commissioner.

Sec. 6. **[17.9895] DUTIES OF A CERTIFYING AGENT.**

Subdivision 1. **Duties of certifying agent.** A certifying agent shall conduct formal certification assessment utilizing the certification instrument to determine whether a producer meets the criteria set forth in the program. If a producer satisfies all requirements, the certifying agent shall notify the commissioner of the producer's eligibility and request that the state issue a certificate. All records and documents used in the assessment shall be compiled by the certifying agent and submitted to the commissioner.

Subd. 2. **Violations.** In the event a certifying agent violates any provision of this chapter or an order of the commissioner, the commissioner may issue a written warning, or a correction order, and may suspend or revoke a license. If a license or certificate is suspended or revoked, the certifying agent has ten days from the suspension or revocation to appeal. If a certifying agent appeals, the commissioner shall hold an administrative hearing within 30 days of the suspension or revocation of the license, or longer by agreement of the parties, to determine whether the license is revoked or suspended. The commissioner shall issue an opinion within 30 days of the hearing. If a person notifies the commissioner that the person intends to contest the commissioner's opinion, the Office of Administrative Hearings shall conduct a hearing in accordance with applicable provisions of chapter 14 for hearings in contested cases.

Sec. 7. **[17.9896] CERTIFICATION PROCEDURES.**

A producer who seeks certification of eligible land shall conduct an initial assessment using the certification instrument, obtain technical assistance, if necessary, to achieve a satisfactory score on the certification instrument, and apply for certification from a licensed certifying agent. A certification is valid for up to ten years, as long as the producer maintains compliance with original certification practices. Once certified, if a producer obtains effective control in additional agricultural land, the producer must notify a certifying agent and obtain certification on the additional land within one year in order to maintain the producer's original certification. The commissioner may revoke a certification if the producer fails to obtain certification within one year on any additional land for which the producer obtains effective control. The commissioner

may revoke a certification and seek reimbursement of any monetary benefit a producer may have received due to certification from a producer who fails to maintain certification criteria. The commissioner shall use the hearing and contested case process outlined in section 17.9895, subdivision 2, to revoke certification of a producer.

Sec. 8. [17.9897] CERTIFICATION CERTAINTY.

Once a producer is certified, the producer:

(1) is exempt from any new state agency rules pertaining to water quality protection for up to ten years from the date of certification, unless required by the legislature or by the federal government;

(2) is considered to be meeting the producer's contributions to any targeted reductions of pollutants during the period of certification;

(3) is required to continue implementation of practices that maintain the producer's certification;
and

(4) is required to retain all records pertaining to certification.

Sec. 9. [17.9898] AUDITS.

The commissioner shall perform random audits of the producers and certifying agents to ensure compliance with the program. All producers and certifying agents shall cooperate with the commissioner during these audits, and provide all relevant documents to the commissioner for inspection and copying. Any delay, obstruction, or refusal to cooperate with the commissioner's audit, or falsification of or failure to provide required data or information, is a violation subject to the provisions of section 17.9895, subdivision 2, or 17.9896.

Sec. 10. [17.9899] DATA PRIVACY.

All data collected under this program that identifies the producer or the producer's location shall be considered nonpublic data as defined in section 13.02, subdivision 9, or private data on individuals as defined in section 13.02, subdivision 12. The commissioner shall make available summary data of program outcomes.

Sec. 11. [17.991] REPORTS.

The commissioner, in consultation with commissioners of the Pollution Control Agency and Department of Natural Resources, and the Board of Water and Soil Resources, shall issue a biennial report by January 15 of each odd-numbered year, to the chairs and ranking minority members of the legislative committees with jurisdiction over agricultural policy and finance on the status of the program, including any recommendations on expanding the program.

Sec. 12. [17.992] FINANCIAL ASSISTANCE.

The commissioner may use contributions from gifts or other state accounts, provided that the purposes of the expenditures are consistent with the purpose of the accounts, for grants, loans, or other financial assistance to producers becoming certified in the program."

Delete the title and insert:

"A bill for an act relating to agriculture; establishing the Minnesota agricultural water quality pilot program; requiring reports; amending Minnesota Statutes 2012, section 13.6435, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 17."

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

Senator Sparks from the Committee on Jobs, Agriculture and Rural Development, to which was referred

S.F. No. 1337: A bill for an act relating to workers' compensation; modifying Workers' Compensation Court of Appeals personnel provisions; amending Minnesota Statutes 2012, section 175A.07, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 175A.07, subdivision 2, is amended to read:

Subd. 2. **Personnel.** The chief judge of the Workers' Compensation Court of Appeals shall appoint in the manner provided by law all personnel required by the Workers' Compensation Court of Appeals; ~~except that, each judge shall appoint the judge's own law clerks.~~ The law clerks are in the unclassified service. The commissioner of administration shall provide the court with necessary additional staff and administrative services, and the court shall reimburse the commissioner for the cost of these services. The chief judge may appoint an incumbent law clerk to a compensation attorney position. The chief judge may appoint a new compensation attorney when an incumbent law clerk, or the judge who appointed the law clerk, is no longer employed by the court. The total number of law clerks and compensation attorneys employed by the court at any time shall not exceed five. At least two other judges must approve the chief judge's selection of a compensation attorney. Compensation attorneys employed by the court shall be in the classified service.

Sec. 2. **EFFECTIVE DATE; TRANSITION.**

Section 1 is effective the day following final enactment. The amendments to section 1 do not affect the employment status of an incumbent law clerk employed by the Workers' Compensation Court of Appeals on that date."

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

Senator Dibble from the Committee on Transportation and Public Safety, to which was referred

S.F. No. 1173: A bill for an act relating to transportation; defining project for metropolitan area regional railroad authorities' contributions toward capital costs of light rail transit or commuter rail project; amending Minnesota Statutes 2012, section 398A.10, by adding a subdivision.

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

Senator Dibble from the Committee on Transportation and Public Safety, to which was referred

S.F. No. 1305: A bill for an act relating to transportation; bridges; providing for disposition of remnant steel of I-35W bridge; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Page 1, line 20, delete "..." and insert "six"

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

Senator Dibble from the Committee on Transportation and Public Safety, to which was referred

S.F. No. 1133: A bill for an act relating to transportation; amending regulations governing school bus use for special events; amending Minnesota Statutes 2012, sections 169.011, by adding a subdivision; 169.443, subdivision 3; 221.132; proposing coding for new law in Minnesota Statutes, chapter 169.

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

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 2012, section 168.013, subdivision 18, is amended to read:

Subd. 18. **School buses.** Notwithstanding the provisions of subdivision 1, school buses used exclusively for the transportation of students under contract with a school district, or used in connection with transportation for nonprofit educational institutions, or used as provided under section 169.4475, shall be taxed during each year of the vehicle life of such bus the amount of \$25."

Page 1, after line 14, insert:

"Section 1. Minnesota Statutes 2012, section 169.441, subdivision 3, is amended to read:

Subd. 3. **Sign on bus; application of other law.** (a) Sections 169.443, subdivision 2; and 169.444, subdivisions 1, 4, and 5, apply only if the school bus bears on its front and rear a plainly visible sign containing the words "school bus" in letters at least eight inches in height.

(b) Except as provided in section 169.443, subdivision 8, the a school bus sign must be removed or covered when the vehicle is being used as other than a school bus."

Page 2, line 12, delete "(a)"

Page 2, delete lines 17 and 18

Page 2, line 23, delete "one-day" and insert "two-day"

Page 2, line 24, after the semicolon, insert "and"

Page 2, delete lines 25 to 33 and insert:

"(2) the pupil transportation entity meets the requirements of a motor carrier of passengers under chapter 221, including, but not limited to, use of a temporary vehicle identification card under section 221.132 for the school bus."

Page 3, delete section 4

Renumber the sections in sequence

Amend the title numbers accordingly

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

Senator Dibble from the Committee on Transportation and Public Safety, to which was referred

S.F. No. 271: A bill for an act relating to transportation; modifying application procedures and requirements for driver's license; amending Minnesota Statutes 2012, section 171.06, subdivision 3; repealing Minnesota Rules, part 7410.0410.

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

Page 3, line 5, delete "an official"

Page 3, delete lines 6 to 10 and insert "a valid, unexpired passport issued by a country other than the United States with a certified birth certificate from a country other than the United States, the District of Columbia, Guam, Puerto Rico, or the United States Virgin Islands. A passport and birth certificate under this paragraph must have"

Page 3, line 11, delete "(4)" and delete "card" and insert "document"

Page 3, line 13, after the period, insert "Any document not in English must be accompanied by a qualified English translation."

Page 3, line 16, delete "is" and insert "subparts 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, and 14, are"

Page 3, line 17, after "2014" insert ", for a new driver's license, permit, or identification card, and a renewal issued on or after that date"

Amend the title numbers accordingly

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

Senator Pappas from the Committee on State and Local Government, to which was referred

S.F. No. 551: A bill for an act relating to the Metropolitan Council; making miscellaneous technical corrections to statutes; removing and modifying obsolete language; amending Minnesota Statutes 2012, sections 473.157; 473.517, subdivisions 1, 6, 9; 473.519; 473.523, subdivision 1; 473.541, subdivision 2; 473.543, subdivision 1; 473.545.

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

Senator Pappas from the Committee on State and Local Government, to which was referred

S.F. No. 22: A resolution memorializing the Congress of the United States to appoint an independent counsel to investigate the Prisoner of War - Missing in Action issue.

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

Senator Pappas from the Committee on State and Local Government, to which was referred

S.F. No. 1190: A bill for an act relating to state government; changing provisions of the Legislative Advisory Commission, Legislative Coordinating Commission, Legislative Commission on Pensions and Retirement, Compensation Council, and Mississippi River Parkway Commission; amending Minnesota Statutes 2012, sections 3.30, subdivision 2; 3.303, by adding a subdivision; 3.85, subdivisions 8, 9; 15A.082, subdivisions 1, 2, 3; 161.1419, subdivision 3; repealing Minnesota Statutes 2012, sections 3.304, subdivisions 1, 5; 3.885, subdivision 10; 16A.10, subdivision 1c.

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

Page 4, after line 2, insert:

"Sec. 8. Minnesota Statutes 2012, section 16A.10, subdivision 1c, is amended to read:

Subd. 1c. **Performance measures for change items.** For each change item in the budget proposal requesting new or increased funding, the budget document must present proposed performance measures that can be used to determine if the new or increased funding is accomplishing its goals. To the extent possible, each budget change item must identify relevant ~~Minnesota Milestones and other statewide goals and indicators related to the proposed initiative. The commissioner must report to the Subcommittee on Government Accountability established under section 3.885, subdivision 10, regarding the format to be used for the presentation and selection of Minnesota Milestones and other statewide goals and indicators.~~"

Page 4, line 13, before "3.885" insert "and"

Page 4, line 14, delete "; and 16A.10, subdivision 1c"

Re-number the sections in sequence

Amend the title numbers accordingly

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

Senator Pappas from the Committee on State and Local Government, to which was referred

S.F. No. 1414: A bill for an act relating to the Metropolitan Airports Commission; requiring certain commission meetings to be held outside of the airport security area; amending Minnesota Statutes 2012, section 473.604, by adding a subdivision.

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

Page 1, line 9, delete "must" and insert "are encouraged to"

Page 1, line 12, delete "30" and insert "100"

Amend the title accordingly

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

Senator Pappas from the Committee on State and Local Government, to which was re-referred

S.F. No. 410: A bill for an act relating to education; standardizing requirements for an adult high school diploma; establishing an advisory task force; authorizing rulemaking; amending Minnesota Statutes 2012, section 124D.52, by adding a subdivision.

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

Page 2, delete section 2 and insert:

"Section 1. STANDARD ADULT HIGH SCHOOL DIPLOMA ADVISORY TASK FORCE.

Subdivision 1. **Establishment.** The commissioner of education shall appoint a nine-member advisory task force to recommend programmatic requirements for adult basic education programs of instruction leading to a standard adult high school diploma under Minnesota Statutes, section 124D.52, subdivision 8.

Subd. 2. **Membership.** The commissioner of education must appoint representatives from the following organizations to the task force by July 1, 2013:

(1) one employee of the Department of Education with expertise in adult basic education;

(2) five administrators and secondary teachers with expertise in development of education curriculum from local adult basic education programs located in rural, suburban, and urban areas of the state, at least one of whom represents Literacy Action network;

(3) one employee of the Minnesota State Colleges and Universities with expertise in adult basic education;

(4) one employee of the Department of Employment and Economic Development with expertise in adult basic education and employment; and

(5) one member of the Minnesota Chamber of Commerce familiar with adult basic education programs under Minnesota Statutes, section 124D.52.

Subd. 3. **Duties.** The duties of the task force shall include:

(1) reviewing "Minnesota Adult Secondary Credential: a Student Strategy for Workforce Readiness and Individual Prosperity," a report submitted in 2012 by the Minnesota Adult Secondary Task Force, and other relevant materials; and

(2) developing specific criteria to be used in awarding the new adult diploma.

Subd. 4. **First meeting.** The commissioner of education must convene the first meeting of the task force by August 1, 2013.

Subd. 5. **Chair.** The commissioner shall appoint a chair.

Subd. 6. **Compensation.** Task force members are not eligible for compensation or reimbursement for expenses related to task force activities.

Subd. 7. **Assistance.** The commissioner, upon request, must provide technical assistance to task force members.

Subd. 8. **Report.** By February 1, 2014, the task force must submit its recommendations to the commissioner of education for providing a standard adult high school diploma to persons who are not eligible for kindergarten through grade 12 services, who do not have a high school diploma, and who successfully complete an approved adult basic education program of instruction necessary to earn an adult high school diploma. The commissioner must consider these recommendations when adopting rules under Minnesota Statutes, section 124D.52, subdivision 8.

Subd. 9. **Sunset.** The task force sunsets the day after submitting its report under subdivision 8, or February 2, 2014, whichever is earlier.

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

Renumber the sections in sequence

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

Senator Pappas from the Committee on State and Local Government, to which was re-referred

S.F. No. 1057: A bill for an act relating to state government; proposing the governor's budget for jobs and economic development; increasing certain fees; streamlining construction inspections; creating the Minnesota job creation fund; expanding the Minnesota Trade Offices; creating STEP grants; reducing the unemployment insurance tax; creating the transportation economic development assistance program; repealing the Minnesota Science and Technology Authority; requiring reports; appropriating money to various departments, agencies, and boards; amending Minnesota Statutes 2012, sections 116J.8731, subdivisions 2, 3; 326B.184, subdivisions 1, 2, by adding a subdivision; 326B.37, by adding a subdivision; 326B.49, subdivisions 2, 3; 341.321; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 2012, sections 116W.01; 116W.02; 116W.03; 116W.035; 116W.04; 116W.05; 116W.06; 116W.20; 116W.21; 116W.23; 116W.24; 116W.25; 116W.26; 116W.27; 116W.28; 116W.29; 116W.30; 116W.31; 116W.32; 116W.33; 116W.34; Minnesota Rules, part 1307.0032.

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

Page 25, delete section 4 and insert:

"Sec. 4. **[116J.978] MINNESOTA TRADE OFFICES IN FOREIGN MARKETS.**

Subdivision 1. **Establishment.** The commissioner of employment and economic development shall, by July 1, 2014, establish three new Minnesota Trade Offices in key foreign markets selected by the commissioner for their potential to increase Minnesota exports and attract foreign direct investment.

Subd. 2. **Duties.** The duties of each office may include, with regard to their respective market areas, the duties stated in section 116J.966.

Subd. 3. **Discretionary powers.** Each office may:

(1) apply for, accept, and disburse grants and other aids from the federal government and other public or private sources;

(2) sponsor and conduct conferences and studies, collect and disseminate information, and issue reports relating to trade with and foreign direct investment in Minnesota companies; and

(3) establish a Web site in furtherance of its duties.

Subd. 4. **Staff.** Each office may employ staff necessary to carry out the office's duties under subdivision 2.

Subd. 5. **Accountability.** (a) The commissioner shall establish a performance rating system for each office and create specific annual goals for the offices to meet. The commissioner shall monitor activities of the office, including, but not limited to, the number of inquires and projects received and completed; meetings arranged between Minnesota companies and potential investors, distributors, or customers; and agreements signed.

(b) The commissioner shall submit a report to the chairs and ranking minority members of the committees and divisions in the senate and house of representatives with primary jurisdiction over economic development by February 15 of each odd-numbered year. The report shall include the performance ratings of each office and shall specify for each office the number of inquiries and projects received and completed; meetings arranged between Minnesota companies and potential investors, distributors, or customers; and agreements signed."

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

Senator Pappas from the Committee on State and Local Government, to which was referred

S.F. No. 607: A bill for an act relating to municipalities; authorizing municipalities to establish street improvement districts and apportion street improvement fees within districts; requiring adoption of street improvement plan; authorizing collection of fees; proposing coding for new law in Minnesota Statutes, chapter 435.

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

Page 2, after line 4, insert:

"(h) "Unimproved parcel" means a parcel of land that abuts an unimproved municipal street and that is not served by municipal sewer or water utilities; or in the case of a parcel abutting an improved municipal street and served by municipal sewer or water utilities, the parcel contains a structure that has not previously been occupied."

Page 2, line 8, after the period, insert "A street improvement district must not include any property already located in another street improvement district."

Page 2, lines 18 and 19, delete "ten" and insert "30"

Page 2, delete lines 22 to 26

Page 3, line 1, delete "Notice; hearings" and insert "Improvement fee"

Page 3, line 2, after "after" insert "public notice is provided and"

Page 3, line 3, delete "has been held on the question" and insert "is held in the same manner as provided in subdivision 4"

Page 3, after line 8, insert:

"Subd. 9. **Undeveloped parcels; fees.** A municipality may not impose a street improvement fee on any undeveloped parcel located within an established street improvement district until at least three years after either the date of substantial completion of the paving of the previous unimproved municipal street or the date which a previously unoccupied structure is first occupied, whichever is later."

Renumber the subdivisions in sequence

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

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

S.F. No. 923: A bill for an act relating to public safety; motor vehicles; clarifying registration rules and periods; modifying rules pertaining to trip permits; modifying the design for veterans special plates; modifying record retention requirements; making changes to conform with federal requirements; authorizing background checks of certain department employees; clarifying language pertaining to senior identification cards; making technical corrections; amending Minnesota Statutes 2012, sections 168.017, subdivisions 2, 3; 168.053, subdivision 1; 168.123, subdivision 2; 168.183, subdivision 1; 168.187, subdivision 17; 168.27, subdivisions 10, 11, by adding a subdivision; 168A.153, subdivisions 1, 2; 171.01, subdivision 49b; 171.07, subdivisions 3a, 4; proposing coding for new law in Minnesota Statutes, chapter 171; repealing Minnesota Statutes 2012, section 168.094.

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

Page 10, after line 27, insert

"Sec. 12. Minnesota Statutes 2012, section 168A.153, is amended by adding a subdivision to read:

Subd. 2a. **Purchase of abandoned vehicles from a dealer.** (a) Subdivision 1 does not apply to purchase of a scrap vehicle as an abandoned vehicle from a license holder under section 168.27 who is in possession of the vehicle for service or repair.

(b) A scrap vehicle dealer acquiring a scrap vehicle under this subdivision shall obtain the selling dealer's business name and address, a copy of the repair order, and, if available, a bill of sale or other evidence of open or legitimate purchase. The scrap vehicle dealer must notify the department within ten days. The notification must be made electronically as prescribed by the registrar, must include the vehicle's license plate number and identification number, and must include the seller's name.

(c) The records and information obtained or submitted under paragraph (b) shall be maintained in a manner consistent with the requirements of section 168A.11, subdivision 3.

Sec. 13. Minnesota Statutes 2012, section 168A.153, subdivision 3, is amended to read:

Subd. 3. Notification on vehicle to be dismantled or destroyed; service fee. Within the time frames prescribed in subdivisions 1 and 2, and 2a of acquiring a vehicle titled and registered in Minnesota, a dealer shall notify the registrar that the dealership purchased the vehicle to be dismantled or destroyed. The notification must be made electronically as prescribed by the registrar.

The dealer may contract this service to a deputy registrar and the registrar may charge a fee not to exceed \$7 per transaction to provide this service."

Renumber the sections in sequences

Amend the title as follows:

Page 1, line 4, after the second semicolon, insert "clarifying motor vehicle dealer duties;"

Amend the title numbers accordingly

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

Senator Marty from the Committee on Environment and Energy, to which was referred

S.F. No. 248: A bill for an act relating to natural resources; requiring rulemaking to allow mechanical control of narrow-leaved cattail without an aquatic plant management permit.

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

Delete everything after the enacting clause and insert:

"Section 1. **HYBRID AND NARROW-LEAVED CATTAIL CONTROL; SHAVER LAKE.**

The commissioner of natural resources shall issue a general aquatic plant management permit to riparian landowners on Shaver Lake in Hennepin County for the mechanical control of hybrid and narrow-leaved cattails."

Delete the title and insert:

"A bill for an act relating to natural resources; requiring general permit for mechanical control of certain cattails."

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Senator Marty from the Committee on Environment and Energy, to which was referred

S.F. No. 1092: A bill for an act relating to environment; directing the Pollution Control Agency to modify a rule on fugitive emissions.

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

Delete everything after the enacting clause and insert:

"Section 1. **RULEMAKING; FUGITIVE EMISSIONS.**

(a) The commissioner of the Pollution Control Agency shall amend Minnesota Rules, part 7005.0100, subpart 35a, to read:

"Potential emissions" or "potential to emit" means the maximum capacity while operating at the maximum hours of operation of an emissions unit, emission facility, or stationary source to emit a pollutant under its physical and operational design. Any physical or operational limitation on the capacity of the stationary source to emit a pollutant, including air pollution control equipment and restriction on hours of operation or on the type or amount of material combusted, stored, or

processed, must be treated as part of its design if the limitation or the effect it would have on emissions is federally enforceable.

Secondary emissions must not be counted in determining the potential to emit of an emissions unit, emission facility, or stationary source. Fugitive emissions shall not be counted when determining potential to emit, unless required under Minnesota Rules, part 7007.0200, subpart 2, item B, or applicable federal regulation."

(b) The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply, except as provided under Minnesota Statutes, section 14.388."

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

Senator Marty from the Committee on Environment and Energy, to which was re-referred

S.F. No. 613: A bill for an act relating to the Public Facilities Authority; reorganizing certain grant programs; providing for small community wastewater treatment grants; amending Minnesota Statutes 2012, sections 446A.073, subdivisions 1, 3, 4; 446A.075, subdivisions 1a, 2, 5; repealing Minnesota Statutes 2012, sections 446A.051, subdivision 2; 446A.074.

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

Senator Marty from the Committee on Environment and Energy, to which was referred

S.F. No. 1021: A bill for an act relating to natural resources; creating the Greater Minnesota Parks and Trails Commission; appropriating money; amending Minnesota Statutes 2012, section 160.266, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 85; repealing Minnesota Statutes 2012, section 85.535.

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

Page 1, delete section 1 and insert:

"Section 1. [85.536] GREATER MINNESOTA REGIONAL PARKS AND TRAILS COMMISSION.

Subdivision 1. **Establishment; purpose.** The Greater Minnesota Regional Parks and Trails Commission is created to undertake system planning and provide recommendations to the legislature for grants funded by the parks and trails fund to counties and cities outside of the seven-county metropolitan area for parks and trails of regional significance.

Subd. 2. **Commission.** The commission shall include 13 members appointed by the governor with two members from each of the regional parks and trails districts determined under subdivision 3, and one member at large. Membership terms, compensation, and removal of members and filling of vacancies are as provided in section 15.0575.

Subd. 3. **Districts; plans and hearings.** (a) The commissioner of natural resources, in consultation with the Greater Minnesota Regional Parks and Trails Coalition, shall establish six regional parks and trails districts in the state encompassing the area outside the seven-county

metropolitan area. The commissioner shall establish districts by combining counties and may not assign a county to more than one district.

(b) Counties within each district may jointly prepare, after consultation with all affected municipalities, and submit to the commission, and from time to time revise and resubmit to the commission, a master plan for the acquisition and development of parks and trails of regional significance located within the district. District-wide plans and master plans for individual parks and trails must meet the protocols and criteria as set forth in the commission strategic plan. The counties, after consultation with the commission, shall jointly hold a public hearing on the proposed plan and budget at a time and place determined by the counties. Not less than 15 days before the hearing, the counties shall provide notice of the hearing stating the date, time, and place of the hearing, and the place where the proposed plan and budget may be examined by any interested person. At any hearing interested persons shall be permitted to present their views on the plan and budget.

(c) The commission shall review each master plan to determine whether it meets the conditions of subdivision 4. If it does not, the commission shall return the plan with its comments to the district for revision and resubmittal.

Subd. 4. **Regional or statewide significance.** For a park or trail to be considered significant under this section, the park or trail must be natural resource-based, meet the established provisions of the commission's adopted strategic plan, and be consistent with the provisions of the 25-year parks and trails legacy plan as it relates to regionally significant parks and trails in greater Minnesota. The commission's strategic plan shall be updated at least every five years.

Subd. 5. **Recommendations.** (a) In recommending grants under this section, the commission shall make recommendations consistent with master plans.

(b) The commission shall determine recommended grant amounts through an adopted merit-based evaluation process that includes the level of local financial support. The evaluation process is not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply.

(c) When recommending grants, the commission shall consider balance of the grant benefits across greater Minnesota.

(d) Grants may be recommended only for parks and trails included in a plan approved by the commission under subdivision 3.

Subd. 6. **Administration.** The commission may hire a director, consultants, and other staff as necessary to carry out the duties of the commission.

Subd. 7. **Chair.** The commission shall annually elect from among its members a chair and other officers necessary for the performance of its duties.

Subd. 8. **Meetings.** The commission shall meet at least twice each year. Commission meetings are subject to chapter 13D.

Subd. 9. **Conflict of interest.** A member of the commission may not participate in or vote on a decision of the commission relating to an organization in which the member has either a direct or indirect financial interest.

Subd. 10. **Definition.** For purposes of this section, "commission" means the Greater Minnesota Regional Parks and Trails Commission established under this section."

Page 3, delete sections 2 and 4

Page 3, line 6, after "Minnesota" insert "Regional"

Re-number the sections in sequence

Amend the title accordingly

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

Senator Marty from the Committee on Environment and Energy, to which was referred

S.F. No. 1121: A bill for an act relating to energy; defining terms in the energy improvements program for local governments; amending Minnesota Statutes 2012, sections 216C.435, subdivision 8, by adding a subdivision; 216C.436, subdivision 2; 429.101, subdivision 2.

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

Senator Marty from the Committee on Environment and Energy, to which was referred

S.F. No. 1011: A bill for an act relating to energy; requiring the commissioner of commerce to make assessments to fund clean energy resource teams; amending Minnesota Statutes 2012, section 216B.241, subdivision 1e.

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

Page 2, line 4, delete "briefly" and insert "clearly"

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

Senator Marty from the Committee on Environment and Energy, to which was referred

S.F. No. 1135: A bill for an act relating to energy; providing for state energy conservation policies; amending Minnesota Statutes 2012, sections 216B.2401; 216C.05.

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

Page 3, line 3, delete "division of energy resources" and insert "Division of Energy Resources"

Page 3, delete lines 8 to 17 and insert:

"(2) maximize long-term cost-effective energy savings and minimize energy waste;

(3) maximize carbon reductions and economic benefits by increasing the efficiency of all sectors of the state's energy system;

(4) minimize total utility costs and rate impacts for ratepayers in all sectors;

(5) determine appropriate funding sources for nonconservation projects and programs, cogeneration, and combined heat and power projects; and

(6) determine the appropriate consideration in the integrated resource planning and certificate of need processes of the requirements to meet the state's energy conservation and renewable energy goals."

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

Senator Latz from the Committee on Judiciary, to which was referred

S.F. No. 422: A bill for an act relating to children; creating the Family Reunification Act of 2013; amending Minnesota Statutes 2012, section 260C.101, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 260C.

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

Senator Latz from the Committee on Judiciary, to which was referred

S.F. No. 561: A bill for an act relating to commerce; regulating building and construction contracts; prohibiting certain agreements to insure; amending Minnesota Statutes 2012, section 337.05, subdivision 1.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 337.05, subdivision 1, is amended to read:

Subdivision 1. **Agreements valid.** (a) Except as otherwise provided in paragraph (b), sections 337.01 to 337.05 do not affect the validity of agreements whereby a promisor agrees to provide specific insurance coverage for the benefit of others.

(b) An agreement or contract provision that requires a party to provide insurance coverage to one or more other parties, including third parties, for the negligence or intentional acts or omissions of any of those parties, including third parties, is against public policy and is void and unenforceable.

EFFECTIVE DATE; APPLICATION. This section is effective August 1, 2013, and applies to agreements entered into on and after that date."

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

Senator Latz from the Committee on Judiciary, to which was referred

S.F. No. 1033: A bill for an act relating to environment; requiring report of hazardous substance release to local fire or law enforcement; amending Minnesota Statutes 2012, section 609.671, subdivision 10.

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

Page 1, line 17, after "and" insert "call 911 to report the release to"

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

Senator Latz from the Committee on Judiciary, to which was referred

S.F. No. 346: A bill for an act relating to crime; providing for forfeiture of money used or intended for use to facilitate a prostitution or sex trafficking offense; amending Minnesota Statutes 2012, section 609.5312, subdivision 1.

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

Page 1, delete line 17 and insert:

"Sec. 2. Minnesota Statutes 2012, section 609.5315, subdivision 1, is amended to read:

Subdivision 1. **Disposition.** (a) Subject to paragraph (b), if the court finds under section 609.5313, 609.5314, or 609.5318 that the property is subject to forfeiture, it shall order the appropriate agency to do one of the following:

(1) unless a different disposition is provided under clause (3) or (4), either destroy firearms, ammunition, and firearm accessories that the agency decides not to use for law enforcement purposes under clause (8), or sell them to federally licensed firearms dealers, as defined in section 624.7161, subdivision 1, and distribute the proceeds under subdivision 5 or 5b;

(2) sell property that is not required to be destroyed by law and is not harmful to the public and distribute the proceeds under subdivision 5 or 5b;

(3) sell antique firearms, as defined in section 624.712, subdivision 3, to the public and distribute the proceeds under subdivision 5 or 5b;

(4) destroy or use for law enforcement purposes semiautomatic military-style assault weapons, as defined in section 624.712, subdivision 7;

(5) take custody of the property and remove it for disposition in accordance with law;

(6) forward the property to the federal drug enforcement administration;

(7) disburse money as provided under subdivision 5 ~~or~~, 5b, or 5c; or

(8) keep property other than money for official use by the agency and the prosecuting agency.

(b) Notwithstanding paragraph (a), the Hennepin or Ramsey County sheriff may not sell firearms, ammunition, or firearms accessories if the policy is disapproved by the applicable county board.

(c) If property is sold under paragraph (a), the appropriate agency shall not sell property to: (1) an officer or employee of the agency that seized the property or to a person related to the officer or employee by blood or marriage; or (2) the prosecuting authority or any individual working in the same office or a person related to the authority or individual by blood or marriage.

(d) Sales of forfeited property under this section must be conducted in a commercially reasonable manner.

Sec. 3. Minnesota Statutes 2012, section 609.5315, subdivision 5b, is amended to read:

Subd. 5b. Disposition of certain forfeited proceeds; trafficking of persons; report required.

(a) Except as provided in subdivision 5c, for forfeitures resulting from violations of section 609.282, 609.283, or 609.322, the money or proceeds from the sale of forfeited property, after payment of

seizure, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the property, must be distributed as follows:

(1) 40 percent of the proceeds must be forwarded to the appropriate agency for deposit as a supplement to the agency's operating fund or similar fund for use in law enforcement;

(2) 20 percent of the proceeds must be forwarded to the prosecuting authority that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes; and

(3) the remaining 40 percent of the proceeds must be forwarded to the commissioner of public safety and are appropriated to the commissioner for distribution to crime victims services organizations that provide services to victims of trafficking offenses.

(b) By February 15 of each year, the commissioner of public safety shall report to the chairs and ranking minority members of the senate and house of representatives committees or divisions having jurisdiction over criminal justice funding on the money collected under paragraph (a), clause (3). The report must indicate the following relating to the preceding calendar year:

(1) the amount of money appropriated to the commissioner;

(2) how the money was distributed by the commissioner; and

(3) what the organizations that received the money did with it.

Sec. 4. Minnesota Statutes 2012, section 609.5315, is amended by adding a subdivision to read:

Subd. 5c. **Disposition of money; prostitution.** Money forfeited under section 609.5312, subdivision 1, paragraph (b), must be distributed as follows:

(1) 40 percent must be forwarded to the appropriate agency for deposit as a supplement to the agency's operating fund or similar fund for use in law enforcement;

(2) 20 percent must be forwarded to the prosecuting authority that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes; and

(3) the remaining 40 percent must be forwarded to the commissioner of public safety to be deposited in the safe harbor for youth account in the special revenue fund and are appropriated to the commissioner for distribution to crime victims services organizations that provide services to sexually exploited youth, as defined in section 260C.007, subdivision 31."

Amend the title accordingly

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

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

S.F. No. 632: A bill for an act relating to health; extending expiration of an advisory board; classifying data collected under the early hearing detection and intervention program; amending Minnesota Statutes 2012, section 144.966, subdivision 2, by adding a subdivision.

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

Page 3, after line 5, insert:

"(d) By February 15, 2015, and by February 15 of the odd-numbered years after that date, the commissioner shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over health and data privacy on the activities of the committee that have occurred during the past two years."

Page 3, line 6, strike "(d)" and insert "(e)"

Page 3, after line 6, insert:

"Section 1. Minnesota Statutes 2012, section 144.966, subdivision 3, is amended to read:

Subd. 3. **Early hearing detection and intervention programs.** All hospitals shall establish an early hearing detection and intervention (EHDI) program. Each EHDI program shall:

(1) in advance of any hearing screening testing, provide to the newborn's or infant's parents or parent information concerning the nature of the screening procedure, applicable costs of the screening procedure, the potential risks and effects of hearing loss, and the benefits of early detection and intervention;

(2) comply with parental ~~consent~~ election as described under section 144.125, subdivision ~~3~~ 4;

(3) develop policies and procedures for screening and rescreening based on Department of Health recommendations;

(4) provide appropriate training and monitoring of individuals responsible for performing hearing screening tests as recommended by the Department of Health;

(5) test the newborn's hearing prior to discharge, or, if the newborn is expected to remain in the hospital for a prolonged period, testing shall be performed prior to three months of age or when medically feasible;

(6) develop and implement procedures for documenting the results of all hearing screening tests;

(7) inform the newborn's or infant's parents or parent, primary care physician, and the Department of Health according to recommendations of the Department of Health of the results of the hearing screening test or rescreening if conducted, or if the newborn or infant was not successfully tested. The hospital that discharges the newborn or infant to home is responsible for the screening; and

(8) collect performance data specified by the Department of Health.

Sec. 2. Minnesota Statutes 2012, section 144.966, subdivision 4, is amended to read:

Subd. 4. **Notification and information; data retention and destruction.** (a) Notification to the parents or parent, primary care provider, and the Department of Health shall occur prior to discharge or no later than ten days following the date of testing. Notification shall include information recommended by the Department of Health and information regarding the right of the parent or legal guardian to discontinue storage of the test results and require destruction under paragraph (d).

(b) A physician, nurse, midwife, or other health professional attending a birth outside a hospital or institution shall provide information, orally and in writing, as established by the Department of Health, to parents regarding places where the parents may have their infant's hearing screened and the importance of the screening.

(c) The professional conducting the diagnostic procedure to confirm the hearing loss must report the results to the parents, primary care provider, and Department of Health according to the Department of Health recommendations.

(d) The Department of Health may store hearing screening and rescreening test results for a period of time not to exceed 18 years from the infant's date of birth.

(e) Notwithstanding paragraph (d), a parent or legal guardian may instruct the Department of Health to discontinue storing hearing screening and rescreening test results by providing a signed and dated form requesting destruction of the test results. The Department of Health shall make necessary forms available on the department's Web site. If a parent or legal guardian instructs the Department of Health to discontinue storing hearing screening and rescreening test results, the Department of Health shall destroy the test results within one month of receipt of the instruction or within 25 months after it received the last test result, whichever is later."

Renumber the sections in sequence

Amend the title numbers accordingly

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

Senator Latz from the Committee on Judiciary, to which was referred

S.F. No. 957: A bill for an act relating to public safety; authorizing access to secure communications network; providing minimum standards; clarifying use of network; amending Minnesota Statutes 2012, section 299C.46, subdivisions 1, 2, 2a, 3.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 299C.11, subdivision 1, is amended to read:

Subdivision 1. **Identification data other than DNA.** (a) Each sheriff and chief of police shall furnish the bureau, upon such form as the superintendent shall prescribe, with such finger and thumb prints, photographs, distinctive physical mark identification data, information on known aliases and street names, and other identification data as may be requested or required by the superintendent of the bureau, which must be taken under the provisions of section 299C.10. In addition, sheriffs and chiefs of police shall furnish this identification data to the bureau for individuals found to have been convicted of a felony, gross misdemeanor, or targeted misdemeanor, within the ten years immediately preceding their arrest. When the bureau learns that an individual who is the subject of a background check has used, or is using, identifying information, including, but not limited to, name and date of birth, other than those listed on the criminal history, the bureau may add the new identifying information to the criminal history when supported by fingerprints.

(b) No petition under chapter 609A is required if the person has not been convicted of any felony or gross misdemeanor, either within or without the state, within the period of ten years immediately preceding the determination of all pending criminal actions or proceedings in favor of the arrested person, and either of the following occurred:

(1) all charges were dismissed prior to a determination of probable cause; or

(2) the prosecuting authority declined to file any charges and a grand jury did not return an indictment.

Where these conditions are met, the bureau or agency shall, upon demand, ~~return to~~ destroy the arrested person finger and thumb prints, photographs, distinctive physical mark identification data, information on known aliases and street names, and other identification data, and all copies and duplicates of them.

(c) Except as otherwise provided in paragraph (b), upon the determination of all pending criminal actions or proceedings in favor of the arrested person, and the granting of the petition of the arrested person under chapter 609A, the bureau shall seal finger and thumb prints, photographs, distinctive physical mark identification data, information on known aliases and street names, and other identification data, and all copies and duplicates of them if the arrested person has not been convicted of any felony or gross misdemeanor, either within or without the state, within the period of ten years immediately preceding such determination.

Sec. 2. Minnesota Statutes 2012, section 299C.46, subdivision 1, is amended to read:

Subdivision 1. **Establishment; ~~interconnection~~.** The commissioner of public safety shall establish a criminal justice data communications network ~~which that will enable the interconnection of the criminal justice agencies within the state~~ provide secure access to systems and services available from or through the Bureau of Criminal Apprehension. The commissioner of public safety is authorized to lease or purchase facilities and equipment as may be necessary to establish and maintain the data communications network.

Sec. 3. Minnesota Statutes 2012, section 299C.46, subdivision 2, is amended to read:

Subd. 2. **Criminal justice agency defined.** For the purposes of sections 299C.46 to 299C.49, "criminal justice agency" means an agency of the state or ~~an agency of a political subdivision or the federal government~~ charged with detection, enforcement, prosecution, adjudication or incarceration in respect to the criminal or traffic laws of this state. This definition also includes all sites identified and licensed as a detention facility by the commissioner of corrections under section 241.021 and those federal agencies that serve part or all of the state from an office located outside the state.

Sec. 4. Minnesota Statutes 2012, section 299C.46, subdivision 2a, is amended to read:

Subd. 2a. **Noncriminal justice agency defined.** For the purposes of sections 299C.46 to 299C.49, "noncriminal justice agency" means an agency of ~~a~~ the state or ~~an agency of a political subdivision of a~~ the state charged with the responsibility of performing checks of state databases connected to the criminal justice data communications network.

Sec. 5. Minnesota Statutes 2012, section 299C.46, subdivision 3, is amended to read:

Subd. 3. **Authorized use, fee.** (a) The criminal justice data communications network shall be used exclusively by:

(1) criminal justice agencies in connection with the performance of duties required by law;

(2) agencies investigating federal security clearances of individuals for assignment or retention in federal employment with duties related to national security, as required by ~~Public Law 99-169~~ United States Code, title 5, section 9101;

(3) other agencies to the extent necessary to provide for protection of the public or property in an a declared emergency or disaster situation;

(4) noncriminal justice agencies statutorily mandated, by state or national law, to conduct checks into state databases prior to disbursing licenses or providing benefits;

(5) the public authority responsible for child support enforcement in connection with the performance of its duties;

(6) the public defender, as provided in section 611.272; ~~and~~

(7) a county attorney or the attorney general, as the county attorney's designee, for the purpose of determining whether a petition for the civil commitment of a proposed patient as a sexual psychopathic personality or as a sexually dangerous person should be filed, and during the pendency of the commitment proceedings;

(8) an agency of the state or a political subdivision whose access to systems or services provided from or through the bureau is specifically authorized by federal law or regulation or state statute; and

(9) a court for access to data as authorized by federal law or regulation or state statute and related to the disposition of a pending case.

(b) The commissioner of public safety shall establish a monthly network access charge to be paid by each participating criminal justice agency. The network access charge shall be a standard fee established for each terminal, computer, or other equipment directly addressable by the data communications network, as follows: January 1, 1984 to December 31, 1984, \$40 connect fee per month; January 1, 1985 and thereafter, \$50 connect fee per month.

(c) The commissioner of public safety is authorized to arrange for the connection of the data communications network with the criminal justice information system of the federal government, any ~~adjacent~~ state, or ~~Canada~~ country for the secure exchange of information for any of the purposes authorized in paragraph (a), clauses (1), (2), (3), (8) and (9).

(d) Prior to establishing a secure connection, a criminal justice agency must:

(1) agree to comply with all applicable policies governing access to, submission of or use of the data;

(2) meet the bureau's security requirements;

(3) agree to pay any required fees; and

(4) conduct fingerprint-based state and national background checks on their employees and contractors as required by the Federal Bureau of Investigation.

(e) Prior to establishing a secure connection, a noncriminal justice agency must:

(1) agree to comply with all applicable policies governing access to, submission of or use of the data;

(2) meet the bureau's security requirements;

(3) agree to pay any required fees; and

(4) conduct fingerprint-based state and national background checks on their employees and contractors.

(f) Those noncriminal justice agencies that do not have a secure network connection yet receive data either retrieved over the secure network by an authorized criminal justice agency or as a result of a state or federal criminal history records check shall conduct a background check as provided in paragraph (g) of those individuals who receive and review the data to determine another individual's eligibility for employment, housing, a license, or another legal right dependent on a statutorily-mandated background check.

(g) The background check required by paragraph (e) or (f) is accomplished by submitting a request to the superintendent of the Bureau of Criminal Apprehension that includes a signed, written consent for the Minnesota and national criminal history records check, fingerprints, and the required fee. The superintendent may exchange the fingerprints with the Federal Bureau of Investigation for purposes of obtaining the individual's national criminal history record information.

The superintendent shall return the results of the national criminal history records check to the noncriminal justice agency to determine if the individual is qualified to have access to state and federal criminal history record information or the secure network. An individual is disqualified when the state and federal criminal history record information show any of the disqualifiers that the individual will apply to the records of others.

When the individual is to have access to the secure network, the noncriminal justice agency shall review the criminal history of each employee or contractor with the Criminal Justice Information Services systems officer at the bureau, or the officer's designee, to determine if the employee or contractor qualifies for access to the secure network. The Criminal Justice Information Services systems officer or the designee shall make the access determination based on Federal Bureau of Investigation policy and Bureau of Criminal Apprehension policy.

Sec. 6. [299C.72] MINNESOTA CRIMINAL HISTORY CHECKS.

Subdivision 1. **Definitions.** For purposes of this section the following terms have the meaning given.

(a) "Applicant for employment" means an individual who seeks either county or city employment or has applied to serve as a volunteer in the county or city.

(b) "Applicant for licensure" means the individual seeks a license issued by the county or city which is not subject to a federal- or state-mandated background check.

(c) "Authorized law enforcement agency" means the county sheriff for checks conducted for county purposes, the police department for checks conducted for city purposes, or the county sheriff for checks conducted for city purposes where there is no police department.

(d) "Criminal history check" means retrieval of criminal history data via the secure network described in section 299C.46.

(e) "Criminal history data" means adult convictions and adult open arrests less than one year old found in the Minnesota computerized criminal history repository.

(f) "Informed consent" has the meaning given in section 13.05, subdivision 4, paragraph (d).

Subd. 2. **Criminal history check authorized.** (a) The criminal history check authorized by this section shall not be used in place of a statutorily-mandated or authorized background check.

(b) An authorized law enforcement agency may conduct a criminal history check of an individual who is an applicant for employment or applicant for licensure. Prior to conducting the criminal history check, the authorized law enforcement agency must receive the informed consent of the individual.

(c) The authorized law enforcement agency shall not disseminate criminal history data and must maintain it securely with the agency's office. The authorized law enforcement agency can indicate whether the applicant for employment or applicant for licensure has a criminal history that would prevent hire, acceptance as a volunteer to a hiring authority, or would prevent the issuance of a license to the department that issues the license.

Sec. 7. Minnesota Statutes 2012, section 299F.035, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Minnesota criminal history data" has the meaning given in section 13.87 means adult convictions and juvenile adjudications.

(c) "Criminal justice agency" has the meaning given in section 299C.46, subdivision 2.

(d) "Fire department" has the meaning given in section 299N.01, subdivision 2.

(e) (d) "Private data" has the meaning given in section 13.02, subdivision 12.

Sec. 8. Minnesota Statutes 2012, section 299F.035, subdivision 2, is amended to read:

Subd. 2. **Plan for access to data.** (a) The superintendent of the Bureau of Criminal Apprehension, in consultation with the state fire marshal, shall develop and implement a plan for fire departments to have access to criminal history data. A background check must be conducted on all applicants for employment and may be conducted on current employees at a fire department. The fire chief must conduct a Minnesota criminal history record check. For applicants for employment who have lived in Minnesota for less than five years, or on the request of the fire chief, a national criminal history record check must also be conducted.

(b) The plan must include:

(1) security procedures to prevent unauthorized use or disclosure of private data; and

(2) a procedure for the hiring or employing authority in each fire department to fingerprint job applicants or employees, submit requests to the Bureau of Criminal Apprehension, and obtain state and federal criminal history data reports for a nominal fee.

(b) For a Minnesota criminal history record check, the fire chief must either (i) submit the signed informed consent of the applicant or employee and the required fee to the superintendent, or (ii) submit the signed informed consent to the chief of police. The superintendent or chief of police must retrieve Minnesota criminal history data and provide it to the fire chief for review.

(c) For a national criminal history record check, the fire chief must submit the signed informed consent and fingerprints of the applicant or employee, and the required fee to the superintendent. The superintendent may exchange the fingerprints with the Federal Bureau of Investigation to obtain the individual's national criminal history record information. The superintendent must return the

results of the national criminal history record check to the fire chief for the purpose of determining if the applicant is qualified to be employed or if a current employee is able to retain the employee's position.

Sec. 9. Minnesota Statutes 2012, section 299F.77, is amended to read:

299F.77 ISSUANCE TO CERTAIN PERSONS PROHIBITED.

Subdivision 1. **Disqualifiers.** The following persons shall not be entitled to receive an explosives license or permit:

(1) a person under the age of 18 years;

(2) a person who has been convicted in this state or elsewhere of a crime of violence, as defined in section 299F.72, subdivision 1b, unless ten years have elapsed since the person's civil rights have been restored or the sentence has expired, whichever occurs first, and during that time the person has not been convicted of any other crime of violence. For purposes of this section, crime of violence includes crimes in other states or jurisdictions that would have been crimes of violence if they had been committed in this state;

(3) a person who is or has ever been confined or committed in Minnesota or elsewhere as a person who is mentally ill, developmentally disabled, or mentally ill and dangerous to the public, as defined in section 253B.02, to a treatment facility, unless the person possesses a certificate of a medical doctor or psychiatrist licensed in Minnesota, or other satisfactory proof, that the person is no longer suffering from this disability;

(4) a person who has been convicted in Minnesota or elsewhere for the unlawful use, possession, or sale of a controlled substance other than conviction for possession of a small amount of marijuana, as defined in section 152.01, subdivision 16, or who is or has ever been hospitalized or committed for treatment for the habitual use of a controlled substance or marijuana, as defined in sections 152.01 and 152.02, unless the person possesses a certificate of a medical doctor or psychiatrist licensed in Minnesota, or other satisfactory proof, that the person has not abused a controlled substance or marijuana during the previous two years; and

(5) a person who has been confined or committed to a treatment facility in Minnesota or elsewhere as chemically dependent, as defined in section 253B.02, unless the person has completed treatment.

Subd. 2. **Background check.** (a) For licenses issued by the commissioner under section 299F.73, the applicant for licensure must provide the commissioner with all of the information required by Code of Federal Regulations, title 28, section 25.7. The commissioner shall forward the information to the superintendent of the Bureau of Criminal Apprehension so that criminal records, histories and warrant information on the applicant can be retrieved from the Minnesota Crime Information System and the National Instant Criminal Background Check System as well as the civil commitment records maintained by the Department of Human Services. The results must be returned to the commissioner to determine if the individual applicant is qualified to receive a license.

(b) For permits issued by a county sheriff or chief of police under section 299F.75, the applicant for a permit must provide the county sheriff or chief of police with all of the information required by Code of Federal Regulations, title 28, section 25.7. The county sheriff or chief of police must

check, by means of electronic data transfer, criminal records, histories and warrant information on each applicant through the Minnesota Crime Information System and the National Instant Criminal Background Check System as well as the civil commitment records maintained by the Department of Human Services. The county sheriff or chief of police shall use the results of the query to determine if the individual applicant is qualified to receive a permit.

Sec. 10. Minnesota Statutes 2012, section 340A.301, subdivision 2, is amended to read:

Subd. 2. **Persons eligible.** (a) Licenses under this section may be issued only to a person who:

(1) is of good moral character and repute;

(2) is 21 years of age or older;

(3) has not had a license issued under this chapter revoked within five years of the date of license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested; and

(4) has not been convicted within five years of the date of license application of a felony, or of a willful violation of a federal or state law, or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution of alcoholic beverages. The Alcohol and Gambling Enforcement Division may require that fingerprints be taken and may forward the fingerprints to the Federal Bureau of Investigation for purposes of a criminal history check.

(b) In order to determine if an individual has a felony or willful violation of federal or state law governing the manufacture, sale, distribution, or possession for sale or distribution of an alcoholic beverage, the applicant for a license to manufacture or sell at wholesale must provide the commissioner with their signed, written informed consent to conduct a background check. The commissioner may query the Minnesota criminal history repository for records on the applicant. If the commissioner conducts a national criminal history record check, the commissioner must obtain fingerprints from the applicant and forward them and the required fee to the superintendent of the Bureau of Criminal Apprehension. The superintendent may exchange the fingerprints with the Federal Bureau of Investigation for purposes of obtaining the applicant's national criminal history record information. The superintendent shall return the results of the national criminal history records check to the commissioner for the purpose of determining if the applicant is qualified to receive a license.

Sec. 11. Minnesota Statutes 2012, section 340A.402, is amended to read:

340A.402 PERSONS ELIGIBLE.

Subdivision 1. **Disqualifiers.** No retail license may be issued to:

(1) a person under 21 years of age;

(2) a person who has had an intoxicating liquor or 3.2 percent malt liquor license revoked within five years of the license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation,

partnership, association, enterprise, business, or firm in which any such person is in any manner interested;

(3) a person not of good moral character and repute; or

(4) a person who has a direct or indirect interest in a manufacturer, brewer, or wholesaler.

In addition, no new retail license may be issued to, and the governing body of a municipality may refuse to renew the license of, a person who, within five years of the license application, has been convicted of a felony or a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution of an alcoholic beverage. The Alcohol and Gambling Enforcement Division or licensing authority may require that fingerprints be taken and forwarded to the Federal Bureau of Investigation for purposes of a criminal history check.

Subd. 2. **Background check.** (a) A retail liquor license may be issued by a city, a county, or the commissioner. The chief of police is responsible for the background checks prior to a city issuing a retail liquor license. A county sheriff is responsible for the background checks prior to the county issuing a retail liquor license and for those cities that do not have a police department. The commissioner is responsible for the background checks prior to the state issuing a retail liquor license.

(b) The applicant for a retail license must provide the appropriate authority with their signed, written informed consent to conduct a background check. The appropriate authority is authorized to query the Minnesota criminal history repository for records on the applicant. If the appropriate authority conducts a national criminal history record check, the appropriate authority must obtain fingerprints from the applicant and forward them and the required fee to the superintendent of the Bureau of Criminal Apprehension. The superintendent may exchange the fingerprints with the Federal Bureau of Investigation for purposes of obtaining the applicant's national criminal history record information. The superintendent shall return the results of the national criminal history records check to the appropriate authority for the purpose of determining if the applicant is qualified to receive a license.

Sec. 12. REPEALER.

Minnesota Statutes 2012, section 299A.28, is repealed."

Delete the title and insert:

"A bill for an act relating to public safety; authorizing and modifying access to secure communications network; providing minimum standards; clarifying use of network; amending Minnesota Statutes 2012, sections 299C.11, subdivision 1; 299C.46, subdivisions 1, 2, 2a, 3; 299F.035, subdivisions 1, 2; 299F.77; 340A.301, subdivision 2; 340A.402; proposing coding for new law in Minnesota Statutes, chapter 299C; repealing Minnesota Statutes 2012, section 299A.28."

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

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

S.F. No. 800: A bill for an act relating to transportation; data practices; classifying certain Minnesota road use test participation data; classifying certain construction manager and general contractor contract data; amending Minnesota Statutes 2012, section 13.72, by adding subdivisions.

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

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

S.F. No. 1017: A bill for an act relating to health; making changes to genetic information provisions; changing newborn screening test results retention period for a certain time frame; requiring an evaluation of the newborn screening program; amending Minnesota Statutes 2012, sections 13.386, subdivision 3; 144.966, subdivision 3, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 144.

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

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

S.F. No. 247: A bill for an act relating to commerce; preventing fraud; regulating money transmissions; establishing a no transmit list; requiring certain notifications and verifications; amending Minnesota Statutes 2012, section 53B.27, by adding subdivisions.

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

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2012, section 13.712, is amended by adding a subdivision to read:

Subd. 3a. **No transmit list.** Data maintained as part of creation and maintenance of the list of individuals for whom money transmitters may not make transmissions is governed by section 53B.27, subdivision 3."

Page 1, line 15, delete "his or her" and insert "the individual's"

Page 1, line 23, delete "and"

Page 1, after line 23, insert:

"(4) state and local law enforcement agencies and departments may request that the commissioner put the names of individuals residing in Minnesota who have been victims of a scheme to defraud on the "No Transmit List"; and"

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

Page 2, line 12, delete "his or her" and insert "the individual's"

Page 2, line 13, delete "his or her" and insert "the" and delete "his or her" and insert "the"

Page 2, line 22, delete "A" and insert "Except as otherwise provided in this paragraph, data on individuals in the "No Transmit List" and in requests to have names put on or removed from the list are private data on individuals as defined in section 13.02, subdivision 12. The"

Page 2, line 25, after the period, insert "Data classified under this paragraph may be disclosed to requesting law enforcement agencies for law enforcement purposes or to other government agencies for purposes related to the regulation of money transmissions."

Renumber the sections in sequence

Amend the title numbers accordingly

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

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

S.F. No. 810: A bill for an act relating to data practices; classifying certain data collected from or provided by applicants, users, and customers of transit services in the metropolitan area; amending Minnesota Statutes 2012, section 13.72, subdivision 10, by adding a subdivision.

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

Page 2, delete lines 6 to 9 and insert:

"(b) The council may disseminate data on user and customer transaction history and fare card use to government entities, organizations, school districts, educational institutions, and employers that subsidize or provide fare cards to their clients, students, or employees. "Data on user and customer transaction history and fare card use" means:

- (1) the date a fare card was used;
- (2) the time a fare card was used;
- (3) the mode of travel;
- (4) the type of fare product used; and
- (5) information about the date, time, and type of fare product purchased.

Government entities, organizations, school districts, educational institutions, and employers may use customer transaction history and fare card use data only for purposes of measuring and promoting fare card use and evaluating the cost-effectiveness of their fare card programs. If a user or customer requests in writing that the council limit the disclosure of transaction history and fare card use, the council may disclose only the card balance and the date a card was last used."

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Senator Latz from the Committee on Judiciary, to which was referred

S.F. No. 281: A bill for an act relating to state government; modifying false claims provisions; amending Minnesota Statutes 2012, sections 15C.01; 15C.02; 15C.05; 15C.08; 15C.12; 15C.13; proposing coding for new law in Minnesota Statutes, chapter 15C; repealing Minnesota Statutes 2012, section 15C.14.

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

Page 4, line 6, after "(b)" insert "Notwithstanding paragraph (a),"

Page 6, line 1, after "action" insert "or claim"

Page 6, line 3, after "action" insert "or claim"

Page 6, line 9, after "action" insert "or claim"

Page 6, line 10, after "action" insert "or claim"

Page 6, line 19, after the comma, insert "the court, without limiting the status and rights of the person initiating the action, may nevertheless permit"

Page 6, line 20, strike "may" and insert "to" and strike "subsequently" and insert "at a later date" and before "good" insert "a showing of"

Page 6, line 21, strike "shown"

Page 6, line 25, delete the new language

Page 6, line 26, delete "or rights," and after the period, insert "(d)"

Page 6, line 27, after the comma, insert "either at the outset or subsequently,"

Page 7, line 1, strike "(d)" and insert "(e)"

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

Senator Latz from the Committee on Judiciary, to which was referred

S.F. No. 60: A bill for an act relating to data practices; classifying certain contact information; proposing coding for new law in Minnesota Statutes, chapter 13.

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

Delete everything after the enacting clause and insert:

"Section 1. [13.356] PERSONAL CONTACT AND ONLINE ACCOUNT INFORMATION.

(a) The following data on an individual collected, maintained, or received by a government entity for notification or informational purposes of a general nature as requested by the individual are private data on individuals:

(1) telephone number;

(2) e-mail address; and

(3) Internet user name, password, Internet protocol address, and any other similar data related to the individual's online account or access procedures.

(b) Section 13.04, subdivision 2, does not apply to data classified under paragraph (a). Paragraph (a) does not apply to data submitted by an individual to the Campaign Finance Board to meet the legal requirements imposed by chapter 10A, to data submitted for purposes of making a public comment, or to data in a state agency's rulemaking e-mail list.

(c) Data provided under paragraph (a) may only be used for the specific purpose for which the individual provided the data.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to data collected, maintained, or received before, on, or after that date."

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Senator Marty from the Committee on Environment and Energy, to which was referred

S.F. No. 1018: A bill for an act relating to natural resources; requiring the development of silica sand and other nonmetallic minerals mining model standards and criteria; establishing a silica sand technical assistance team; proposing coding for new law in Minnesota Statutes, chapter 116C.

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

Delete everything after the enacting clause and insert:

"Section 1. [116C.99] SILICA SAND MINING MODEL STANDARDS AND CRITERIA.

Subdivision 1. **Definitions.** The definitions in this subdivision apply to this section.

(a) "Local unit of government" means a county, statutory or home rule charter city, or town.

(b) "Mining" means excavating and mining silica sand by any process, including digging, excavating, mining, drilling, blasting, tunneling, dredging, stripping, or by shaft.

(c) "Processing" means washing, cleaning, screening, crushing, filtering, sorting, processing, stockpiling, and storing silica sand, either at the mining site or at any other site.

(d) "Silica sand" means well-rounded, sand-sized grains of quartz (silicon dioxide), with very little impurities in terms of other minerals. Specifically, the silica sand for the purposes of this section is commercially valuable for use in the hydraulic fracturing of shale to obtain oil and natural gas. Silica sand does not include common rock, stone, aggregate, gravel, sand with a low quartz level, or silica compounds recovered as a by-product of metallic mining.

(e) "Silica sand project" means the excavation and mining and processing of silica sand; the washing, cleaning, screening, crushing, filtering, drying, sorting, stockpiling, and storing of silica sand, either at the mining site or at any other site; the hauling and transporting of silica sand; or a facility for transporting silica sand to destinations by rail, barge, truck, or other means of transportation.

(f) "Temporary storage" means the storage of stock piles of silica sand that have been transported and await further transport.

(g) "Transporting" means hauling and transporting silica sand, by any carrier:

(1) from the mining site to a processing or transfer site; or

(2) from a processing or storage site to a rail, barge, or transfer site for transporting to destinations.

Subd. 2. **Standards and criteria.** (a) By October 1, 2013, the Environmental Quality Board, in consultation with local units of government, shall develop model standards and criteria for mining, processing, and transporting silica sand. These standards and criteria may be used by local units of government in developing local ordinances. The standards and criteria must include:

(1) recommendations for setbacks or buffers for mining operation and processing, including:

(i) any residence or residential zoning district boundary;

(ii) any property line or right-of-way line of any existing or proposed street or highway;

- (iii) ordinary high water levels of public waters;
- (iv) bluffs;
- (v) designated trout streams, Class 2A water as designated in the rules of the Pollution Control Agency, or any perennially flowing tributary of a designated trout stream or Class 2A water;
- (vi) calcareous fens;
- (vii) wellhead protection areas as defined in section 103I.005;
- (viii) critical natural habitat acquired by the commissioner of natural resources under section 84.944; and
- (ix) a natural resource easement paid wholly or in part by public funds;
- (2) standards for hours of operation;
- (3) groundwater and surface water quality and quantity monitoring and mitigation plan requirements, including:
 - (i) applicable groundwater and surface water appropriation permit requirements;
 - (ii) well sealing requirements;
 - (iii) annual submission of monitoring well data; and
 - (iv) storm water runoff rate limits not to exceed two-, ten-, and 100-year storm events;
- (4) air monitoring and data submission requirements;
- (5) dust control requirements;
- (6) noise testing and mitigation plan requirements;
- (7) blast monitoring plan requirements;
- (8) lighting requirements;
- (9) inspection requirements;
- (10) containment requirements for silica sand in temporary storage to protect air and water quality;
- (11) containment requirements for chemicals used in processing;
- (12) financial assurance requirements;
- (13) road and bridge impacts and requirements; and
- (14) reclamation plan requirements as required under the rules adopted by the commissioner of natural resources.

Subd. 3. **Silica sand technical assistance team.** By October 1, 2013, the Environmental Quality Board shall assemble a silica sand technical assistance team to provide local units of government, at their request, with assistance with ordinance development, zoning, environmental review and permitting, monitoring, or other issues arising from silica sand mining and processing operations. The technical assistance team shall be comprised of up to seven members, and shall be chosen

from the following entities: the Department of Natural Resources, the Pollution Control Agency, the Board of Water and Soil Resources, the Department of Health, the Department of Transportation, the University of Minnesota, and the Minnesota State Colleges and Universities. A majority of the members must be from a state agency and have expertise in one or more of the following areas: silica sand mining, hydrology, air quality, water quality, land use, or other areas related to silica sand mining.

Subd. 4. **Consideration of technical assistance team recommendations.** (a) When the technical assistance team, at the request of the local unit of government, assembles findings or makes a recommendation related to a proposed silica sand project for the protection of human health and the environment, a local government unit must consider the findings or recommendations of the technical assistance team in its approval or denial of a silica sand project. If the local government unit does not agree with the technical assistance team's findings and recommendations, the detailed reasons for the disagreement must be part of the local government unit's record of decision.

(b) Silica sand project proposers must cooperate in providing local government unit staff, and members of the technical assistance team with information regarding the project.

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

Sec. 2. **[116C.991] TECHNICAL ASSISTANCE, ORDINANCE, AND PERMIT LIBRARY.**

By October 1, 2013, the Environmental Quality Board, in consultation with local units of government, shall create and maintain a library on local government ordinances and local government permits that have been approved for regulation of silica sand projects for reference by local governments.

Sec. 3. **RULES.**

(a) The commissioner of the Pollution Control Agency shall adopt rules pertaining to the control of particulate emissions from silica sand mines.

(b) The commissioner of natural resources shall adopt rules pertaining to the reclamation of silica sand mines.

(c) By January 1, 2014, the Department of Health shall adopt an air quality health advisory for silica sand.

Sec. 4. **APPROPRIATION; TECHNICAL ASSISTANCE TEAM AND MODEL STANDARDS AND CRITERIA.**

(a) \$..... in fiscal year 2014 is appropriated from the general fund to the Pollution Control Agency for the Environmental Quality Board to develop model standards and criteria and operate a silica sand technical assistance team as required under section 1.

(b) \$..... in fiscal year 2014 is appropriated from the general fund to the Pollution Control Agency for the development of rules under section 3, paragraph (a).

(c) \$..... in fiscal year 2014 is appropriated from the general fund to the commissioner of natural resources for the development of rules under section 3, paragraph (b).

(d) \$..... in fiscal year 2014 and \$..... in fiscal year 2015 are appropriated from the general fund to the commissioner of natural resources for additional well monitoring in areas with active silica sand projects."

Amend the title accordingly

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

Senator Marty from the Committee on Environment and Energy, to which was referred

S.F. No. 796: A bill for an act relating to natural resources; modifying commissioner's authorities and duties; modifying definitions; modifying watercraft provisions; providing for certain license seizures; modifying game and fish license provisions; modifying trespass law; modifying requirements for taking game and fish; requiring rulemaking; amending Minnesota Statutes 2012, sections 84.027, subdivision 13, by adding subdivisions; 86B.005, subdivision 18, by adding subdivisions; 86B.301, subdivision 2; 86B.501, subdivision 1; 86B.825, subdivision 2; 97A.045, subdivision 1; 97A.051, subdivision 2; 97A.135, subdivision 3; 97A.420, subdivision 1; 97A.445, subdivision 1; 97A.451, subdivisions 3, 3b, 4; 97A.475, subdivisions 2, 3; 97A.485, subdivision 6; 97B.001, subdivisions 3, 4, 7; 97B.0215; 97B.022, subdivision 2; 97B.055, subdivision 2; 97B.112; 97C.341; 97C.376, subdivision 3; repealing Minnesota Statutes 2012, section 97A.451, subdivision 4a.

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 2012, section 84.027, subdivision 13, is amended to read:

Subd. 13. **Game and fish rules.** (a) The commissioner of natural resources may adopt rules under sections 97A.0451 to 97A.0459 and this subdivision that are authorized under:

(1) chapters 97A, 97B, and 97C to set open seasons and areas, to close seasons and areas, to select hunters for areas, to provide for tagging and registration of game and fish, to prohibit or allow taking of wild animals to protect a species, to prevent or control wildlife disease, to open or close bodies of water or portions of bodies of water for night bow fishing, and to prohibit or allow importation, transportation, or possession of a wild animal;

(2) sections 84.093, 84.15, and 84.152 to set seasons for harvesting wild ginseng roots and wild rice and to restrict or prohibit harvesting in designated areas; and

(3) section 84D.12 to designate prohibited invasive species, regulated invasive species, unregulated nonnative species, and infested waters.

(b) If conditions exist that do not allow the commissioner to comply with sections 97A.0451 to 97A.0459, including the need to adjust season variables on an annual basis based upon current biological and harvest data, the commissioner may adopt a rule under this subdivision by submitting the rule to the attorney general for review under section 97A.0455, publishing a notice in the State Register and filing the rule with the secretary of state and the Legislative Coordinating Commission, and complying with section 97A.0459, and including a statement of the emergency conditions and a copy of the rule in the notice. The emergency conditions for opening a water body or portion of a water body for night bow fishing under this section may include the need to temporarily open the

area to evaluate compatibility of the activity on that body of water prior to permanent rulemaking. The notice may be published after it is received from the attorney general or five business days after it is submitted to the attorney general, whichever is earlier.

(c) Rules adopted under paragraph (b) are effective upon publishing in the State Register and may be effective up to seven days before publishing and filing under paragraph (b), if:

- (1) the commissioner of natural resources determines that an emergency exists;
- (2) the attorney general approves the rule; and

(3) for a rule that affects more than three counties the commissioner publishes the rule once in a legal newspaper published in Minneapolis, St. Paul, and Duluth, or for a rule that affects three or fewer counties the commissioner publishes the rule once in a legal newspaper in each of the affected counties.

(d) Except as provided in paragraph (e), a rule published under paragraph (c), clause (3), may not be effective earlier than seven days after publication.

(e) A rule published under paragraph (c), clause (3), may be effective the day the rule is published if the commissioner gives notice and holds a public hearing on the rule within 15 days before publication.

(f) The commissioner shall attempt to notify persons or groups of persons affected by rules adopted under paragraphs (b) and (c) by public announcements, posting, and other appropriate means as determined by the commissioner.

(g) Notwithstanding section 97A.0458, a rule adopted under this subdivision is effective for the period stated in the notice but not longer than 18 months after the rule is ~~adopted~~ effective.

Sec. 2. Minnesota Statutes 2012, section 84.027, is amended by adding a subdivision to read:

Subd. 19. **Federal law compliance.** Notwithstanding any law to the contrary, the commissioner may establish, by written order, policies for the use and operation of other power-driven mobility devices, as defined under Code of Federal Regulations, title 28, section 35.104, on lands and in facilities administered by the commissioner for the purposes of implementing the Americans with Disabilities Act, United States Code, title 42, section 12101 et seq. These policies are exempt from the rulemaking provisions of chapter 14 and section 14.386 does not apply.

Sec. 3. Minnesota Statutes 2012, section 84.027, is amended by adding a subdivision to read:

Subd. 20. **Hunting licenses to persons with a critical illness.** The commissioner may allow persons with a critical illness to purchase, once-in-a-lifetime, hunting licenses otherwise limited by a lottery drawing, which licenses allow for taking game within established hunting seasons or season frameworks. The commissioner may provide the licenses to persons who are participating in a program for hunters with a critical illness sponsored by a nonprofit organization with expertise in providing hunting opportunities to hunters who are gravely ill or have physical disabilities. The commissioner may provide licenses or permits otherwise limited by drawings, including wild turkey, deer, bear, prairie chicken, and wolf. The commissioner may not allow the purchase of moose and elk licenses under this subdivision. Deer licenses authorized by the commissioner under this subdivision may be for deer of either sex.

Sec. 4. Minnesota Statutes 2012, section 84D.01, subdivision 15a, is amended to read:

Subd. 15a. **Service provider.** "Service provider" means an individual who or entity that: (1) decontaminates, installs, or removes water-related equipment or structures into or from waters of the state for hire or as a service provided as a benefit of membership in a yacht club, boat club, marina, or similar organization; or (2) rents or leases water-related equipment that will be used in, placed into, or removed from waters of the state. Service provider does not include a person working under the supervision of an individual with a valid service provider permit issued under section 84D.108.

Sec. 5. Minnesota Statutes 2012, section 84D.03, subdivision 4, is amended to read:

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

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

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

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

Sec. 6. Minnesota Statutes 2012, section 84D.09, is amended to read:

84D.09 AQUATIC MACROPHYTES.

Subdivision 1. **Transportation prohibited.** Unless specifically authorized under a license or permit issued by the commissioner, a person may not transport aquatic macrophytes, except as provided in this section.

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

- (1) that are duckweeds in the family Lemnaceae;

~~(2) for disposal as part of a harvest or control activity when specifically authorized under an aquatic plant management permit pursuant to section 103G.615, under permit pursuant to section 84D.11, or as specified by the commissioner;~~

~~(3)~~ (2) for purposes of constructing shooting or observation blinds in amounts sufficient for that purpose, provided that the aquatic macrophytes are emergent and cut above the waterline;

~~(4)~~ (3) when legally purchased or traded by or from commercial or hobbyist sources for aquarium, wetland or lakeshore restoration, or ornamental purposes;

~~(5)~~ (4) when harvested for personal or commercial use if in a motor vehicle;

~~(6)~~ (5) to the department, or another destination as the commissioner may direct, in a sealed container for purposes of identifying a species or reporting the presence of a species;

~~(7) when transporting commercial aquatic plant harvesting or control equipment to a suitable location for purposes of cleaning any remaining aquatic macrophytes;~~

~~(8)~~ (6) that are wild rice harvested under section 84.091;

~~(9)~~ (7) in the form of fragments of emergent aquatic macrophytes incidentally transported in or on watercraft or decoys used for waterfowl hunting during the waterfowl season; or

~~(10)~~ (8) when removing water-related equipment from waters of the state for purposes of cleaning off aquatic macrophytes before leaving a water access site.

Sec. 7. Minnesota Statutes 2012, section 84D.10, subdivision 1, is amended to read:

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

Sec. 8. Minnesota Statutes 2012, section 84D.10, subdivision 4, is amended to read:

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

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

(c) Emergency response vehicles and equipment may be transported on a public road with the drain plug or other similar device replaced only after all water has been drained from the equipment upon leaving the water body.

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

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

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

(g) A person who transports water that is appropriated from noninfested surface water bodies and that is transported by a commercial vehicle, excluding watercraft, or commercial trailer, which vehicle or trailer is specifically designed and used for water hauling, is exempt from paragraphs (a) and (b), provided that the person does not discharge the transported water to other surface waters or within 100 feet of a surface water body.

(h) A person transporting water from noninfested surface water bodies for firefighting or emergencies that threaten human safety or property is exempt from paragraphs (a) and (b).

Sec. 9. Minnesota Statutes 2012, section 84D.105, subdivision 2, is amended to read:

Subd. 2. **Inspector authority.** (a) The commissioner shall train and authorize individuals to inspect water-related equipment for aquatic macrophytes, aquatic invasive species, and water. The commissioner may enter into a delegation agreement with a tribal or local government where inspection authority as provided under paragraphs (b), (g), and (h) is delegated to tribal and local governments that assume all legal, financial, and administrative responsibilities for inspection programs on some or all public waters within their jurisdiction.

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

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

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

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

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

- (1) have adequate staffing to minimize delays to vehicles and their occupants;
- (2) allow for reasonable travel times between public accesses and inspection stations if inspection is required before placing water-related equipment into a water body;
- (3) are located so as not to create traffic delays or public safety issues;

(4) have decontamination equipment available to bring water-related equipment into compliance; and

(5) do not reduce the capacity or hours of operation of public water accesses.

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

(1) assume all legal, financial, and administrative responsibilities for implementing the mandatory inspections, alone or in agreement with other tribal or local governments;

(2) employ inspectors that have been trained and authorized by the commissioner;

(3) conduct inspections and decontamination measures in accordance with guidelines approved by the commissioner;

(4) have decontamination equipment available at inspection stations or identify alternative decontamination equipment locations within a reasonable distance of the inspection station that can bring water-related equipment into compliance;

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

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

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

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

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

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

(4) adequate enforcement capacity;

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

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

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

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

or water-related equipment into a water body or after watercraft or water-related equipment are removed from a water body.

Sec. 10. Minnesota Statutes 2012, section 84D.11, is amended by adding a subdivision to read:

Subd. 2b. **Transport of water.** The commissioner may issue a permit under this section or an authorization under other licenses or permits pursuant to sections 97C.801, 97C.811, and 103G.271 to allow the transport of water in containers or water-related equipment specifically designed and used for hauling water.

Sec. 11. Minnesota Statutes 2012, section 84D.11, is amended by adding a subdivision to read:

Subd. 2c. **Transport of aquatic macrophytes.** The commissioner may issue a permit to allow the transport of aquatic macrophytes to locations specified in the permit for purposes of research, education, and decontaminating equipment.

Sec. 12. Minnesota Statutes 2012, section 84D.11, is amended by adding a subdivision to read:

Subd. 2d. **Special permits.** The commissioner may issue special permits for the activities in this section. A special permit may be issued in the form of a general permit to a governmental subdivision or to the general public to conduct one or more activities under a single permit.

Sec. 13. Minnesota Statutes 2012, section 84D.13, subdivision 2, is amended to read:

Subd. 2. **Cumulative remedy.** The authority of conservation officers and other licensed peace officers to issue civil citations is in addition to other remedies available under law, except that the state may not seek penalties under any other provision of law for the incident subject to the citation.

Sec. 14. Minnesota Statutes 2012, section 84D.13, is amended by adding a subdivision to read:

Subd. 9. **Training for offenders.** A person who is convicted of or subject to a final order for a violation of chapter 84D involving water-related equipment must successfully complete a training course as provided in section 86B.13.

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

Sec. 15. **[84D.20] MINNESOTA-WISCONSIN BOUNDARY AREA INVASIVE SPECIES COMMISSION.**

Subdivision 1. **Establishment.** The Minnesota-Wisconsin Boundary Area Invasive Species Commission is established.

Subd. 2. **General powers and duties.** (a) The Minnesota-Wisconsin Boundary Area Invasive Species Commission shall make recommendations, review and correlate studies of the federal government and other agencies, develop plans and evolve findings, and do all things necessary and proper to carry out the powers conferred upon the commission by law, provided that no recommendation, plan, or finding of the commission shall have the force of law or be binding upon or limit the powers of either state or its departments, agencies, or municipalities.

(b) The commission shall cooperate with the federal government of the United States and with any public or private agencies having an interest in, or jurisdiction sufficient to affect, the present and future protection of waters from invasive species.

(c) For the purpose of obtaining information relative to land and water use in the area, the commission may hold public hearings.

(d) The commission may appoint subcommittees for the purpose of conducting specific studies under paragraph (a).

Subd. 3. **Members; officers; meetings.** (a) The Minnesota representation on the Minnesota-Wisconsin Boundary Area Invasive Species Commission consists of five commissioners appointed by the governor, each for a four-year term. The terms of the commissioners shall be staggered. Vacancies shall be filled by appointment by the governor for the unexpired term.

(b) The commission shall annually elect from among its members a chair, a vice chair who shall not be a citizen of the state represented by the chair, and other officers deemed necessary by the commission.

(c) The commission shall meet at the call of the chair, or at the call of three of its members, upon five days' notice, but at least twice in each calendar year.

Subd. 4. **Minnesota-Wisconsin Boundary Area Legislative Advisory Committee.** To assist the Minnesota-Wisconsin Boundary Area Invasive Species Commission in the performance of its duties, a Minnesota-Wisconsin Boundary Area Legislative Advisory Committee is created, to be comprised of five members of the house of representatives appointed by the speaker of the house of representatives and five members of the senate appointed by the Subcommittee on Committees of the Committee on Rules and Administration. The members of the advisory committee shall be selected by January 31 of each odd-numbered year. Vacancies, when the legislature is not in regular session, shall be filled by appointment of the last duly elected speaker in the case of members of the house of representatives and the last duly elected members of the Subcommittee on Committees of the Committee on Rules and Administration in the case of members of the senate. The members of the advisory committee shall select a chair and other officers as deemed necessary. The chair of the advisory committee shall rotate every two years between the house of representatives and the senate.

Subd. 5. **Technical Advisory Task Force.** To assist the Minnesota-Wisconsin Boundary Area Invasive Species Commission in the performance of its duties, a Technical Advisory Task Force comprised of ten members is created, to be appointed, as found necessary, by the commission and serve at the commission's pleasure. Each member of the Technical Advisory Task Force shall have expertise in the subject matter of the duties of the Minnesota-Wisconsin Boundary Area Invasive Species Commission and be an officer or employee of the executive branch of the state government or of a governmental subdivision or body politic and corporate of the state.

Subd. 6. **Compensation and reimbursement for expenses.** (a) Members of the commission shall serve without compensation, but the actual and necessary expenses incurred by any member in the performance of the commission's duties shall be reimbursed from the appropriations made for the support of the commission.

(b) Members of the Minnesota-Wisconsin Boundary Area Legislative Advisory Committee shall be compensated and reimbursed for expenses in the same manner that members of legislative standing committees are compensated and reimbursed under section 3.101.

Subd. 7. **Cooperation of state officers.** All departments and agencies of the state shall cooperate with the commission and its advisory committees in the execution of their functions and assist the commission to carry out its duties.

Subd. 8. **Gifts.** The Minnesota commissioners may accept on behalf of the state a gift from any source, private or public, and use the gift for the purposes for which it is tendered, consistent with the duties of the Minnesota-Wisconsin Boundary Area Invasive Species Commission. Money so received shall be deposited in the state treasury and is appropriated annually to the commission to carry out the terms of the gift.

Subd. 9. **Budget.** The Minnesota commissioners shall submit a budget of the estimated expenditures of the commission from time to time to the commissioner of management and budget for the period and in the form the commissioner of management and budget requires.

Subd. 10. **Annual audit.** The commission shall keep accurate accounts of all receipts and disbursements, which shall be audited as of December 31 of each year by a qualified public accountant.

Subd. 11. **Reports.** By January 15 of each odd-numbered year, the commission shall make a report to the governor and legislature of each state that shall include:

(1) the activities of the commission during the previous biennium and its intended activities for the upcoming biennium; and

(2) the appropriations, gifts, and grants, if any, received by the commission and the commission's expenditures of funds as verified by the audit under subdivision 10.

Subd. 12. **Enabling legislation.** The commission shall become operative immediately after the passage of an act by both party states incorporating the provisions of this commission into the laws of both states. The first meeting shall be called by the members of the first state to enact the commission.

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

Sec. 16. Minnesota Statutes 2012, section 85A.02, subdivision 10, is amended to read:

Subd. 10. **Wild animal exemption.** (a) The board shall not be subject to the provisions of chapters 17, ~~19, 97, 98, 99, 100, and 101~~ 35, 97A, 97B, and 97C, and section 343.21, subdivision 8, relating to purchase, barter, sale, possession, breeding, or transporting wild animals, but must comply with paragraph (b).

(b) The board must request a permit from the Board of Animal Health for any exemption from the provisions of chapter 35 or rules adopted thereunder and from the Department of Natural Resources for any exemption from the provisions of chapter 97A, 97B, or 97C, or rules adopted thereunder.

Sec. 17. Minnesota Statutes 2012, section 86B.005, is amended by adding a subdivision to read:

Subd. 15a. **Rice boat.** "Rice boat" means a nonmotorized watercraft being used for harvesting wild rice.

Sec. 18. Minnesota Statutes 2012, section 86B.005, subdivision 18, is amended to read:

Subd. 18. **Watercraft.** "Watercraft" means any contrivance used or designed for navigation on water, except:

- (1) a ~~duck~~ waterfowl boat during the ~~duck~~ waterfowl hunting ~~season~~ seasons;
- (2) a rice boat during the harvest season; or
- (3) a seaplane.

Sec. 19. Minnesota Statutes 2012, section 86B.005, is amended by adding a subdivision to read:

Subd. 18a. **Waterfowl boat.** "Waterfowl boat" means a watercraft being used while hunting waterfowl.

Sec. 20. Minnesota Statutes 2012, section 86B.13, is amended by adding a subdivision to read:

Subd. 1a. **Training for offenders.** A person who is convicted of or subject to a final order for a violation of chapter 84D involving water-related equipment must successfully complete the training course in subdivision 1 before continuing operation or use of water-related equipment.

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

Sec. 21. Minnesota Statutes 2012, section 86B.301, subdivision 2, is amended to read:

Subd. 2. **Exemptions.** A watercraft license is not required for:

- (1) a watercraft that is covered by a license or number in full force and effect under federal law or a federally approved licensing or numbering system of another state, and has not been within this state for more than 90 consecutive days, which does not include days that a watercraft is laid up at dock over winter or for repairs at a Lake Superior port or another port in the state;
- (2) a watercraft from a country other than the United States that has not been within this state for more than 90 consecutive days, which does not include days that a watercraft is laid up at dock over winter or for repairs at a Lake Superior port or another port in the state;
- (3) a watercraft owned by the United States, an Indian tribal government, a state, or a political subdivision of a state, except watercraft used for recreational purposes;
- (4) a ship's lifeboat;
- (5) a watercraft that has been issued a valid marine document by the United States government;
- (6) a ~~duck~~ waterfowl boat during ~~duck~~ waterfowl hunting season;
- (7) a rice boat during the harvest season;
- (8) a seaplane; and
- (9) a nonmotorized watercraft ten feet in length or less.

Sec. 22. Minnesota Statutes 2012, section 86B.501, subdivision 1, is amended to read:

Subdivision 1. **Personal flotation or lifesaving devices.** (a) Watercraft and ~~duck~~ waterfowl boats using the waters of this state must be equipped with the number and type of personal flotation or lifesaving devices prescribed by the commissioner.

(b) The commissioner may not:

- (1) require sailboards to be equipped with personal flotation or lifesaving devices; or

(2) require persons on sailboards to wear personal flotation or lifesaving devices or have them readily available.

Sec. 23. Minnesota Statutes 2012, section 86B.825, subdivision 2, is amended to read:

Subd. 2. **Exempt watercraft.** A watercraft is not required to have a certificate of title if the watercraft is:

(1) owned by a manufacturer or dealer and held for sale;

(2) used by a manufacturer solely for testing;

(3) from a jurisdiction other than this state, temporarily using the waters of this state;

(4) owned by the United States, a state, this state, or a political subdivision;

(5) a ~~duck~~ waterfowl boat used only during ~~duck~~ waterfowl hunting season;

(6) a rice boat used only during the wild rice harvesting season;

(7) owned by a person, firm, or corporation operating a resort as defined in section 157.15 or a recreational camping area as defined in section 327.14, subdivision 8, except with respect to a previously titled watercraft; or

(8) watercraft manufactured prior to August 1, 1979.

Sec. 24. Minnesota Statutes 2012, section 97A.051, subdivision 2, is amended to read:

Subd. 2. **Summary of fish and game laws.** (a) The commissioner shall prepare a summary of the hunting, trapping, and fishing laws and rules and deliver a sufficient supply to license vendors to furnish one copy to each person obtaining a hunting, fishing, or trapping license. The commissioner shall also post the summary of laws and rules on the Department of Natural Resources Web site.

(b) At the beginning of the summary, under the heading "Trespass," the commissioner shall summarize the trespass provisions under sections 97B.001 to 97B.945, state that conservation officers and peace officers must enforce the trespass laws, and state the penalties for trespassing.

(c) In the summary the commissioner shall, under the heading "Duty to Render Aid," summarize the requirements under section 609.662 and state the penalties for failure to render aid to a person injured by gunshot.

Sec. 25. Minnesota Statutes 2012, section 97A.135, subdivision 3, is amended to read:

Subd. 3. **Cooperative farming agreements.** On any public hunting, game refuge, wildlife management area, aquatic management area, or scientific and natural area lands, the commissioner may enter into written cooperative farming agreements on a sharecrop basis, without competitive bidding, for the purpose of wildlife and plant management. Cooperative farming agreements may also be used to allow pasturing of livestock. The agreements may provide for the bartering of a share of any crop, produced from these lands, for services or products that will enhance or benefit the management of state lands for plant and animal species. Cooperative farming agreements pursuant to this section shall not be considered leases for tax purposes under section 272.01, subdivision 2, or 273.19.

Sec. 26. Minnesota Statutes 2012, section 97A.420, subdivision 1, is amended to read:

Subdivision 1. **Seizure.** (a) An enforcement officer shall immediately seize the license of a person who unlawfully takes, transports, or possesses wild animals when the restitution value of the wild animals exceeds \$500. Except as provided in subdivisions 2, 4, and 5, the person may not use or obtain any license to take the same type of wild animals involved, including a duplicate license, until an action is taken under subdivision 6. If the license seized under this paragraph was for a big game animal, the license seizure applies to all licenses to take big game issued to the individual. If the license seized under this paragraph was for small game animals, the license seizure applies to all licenses to take small game issued to the individual.

(b) In addition to the license seizure under paragraph (a), if the restitution value of the wild animals unlawfully taken, possessed, or transported is \$5,000 or more, all other game and fish licenses held by the person shall be immediately seized. Except as provided in subdivision 2, 4, or 5, the person may not obtain any game or fish license or permit, including a duplicate license, until an action is taken under subdivision 6.

(c) A person may not take wild animals covered by a license seized under this subdivision until an action is taken under subdivision 6.

Sec. 27. Minnesota Statutes 2012, section 97A.441, subdivision 6, is amended to read:

Subd. 6. **Taking deer; disabled veterans.** A person authorized to issue licenses must issue, without a fee, ~~a~~ an annual or permanent license to take deer with firearms or by archery to a resident that is a veteran, as defined in section 197.447, and that has a 100 percent service connected disability as defined by the United States Veterans Administration upon being furnished satisfactory evidence. A person issued a permanent license must register and receive tags each year that the license is used. The tags shall be issued at no charge to the licensee.

Sec. 28. Minnesota Statutes 2012, section 97A.445, subdivision 1, is amended to read:

Subdivision 1. **Angling; Take a Kid Fishing Weekends.** (a) A resident age 16 years or older may take fish by angling without an angling or license and may take fish by spearing from a dark house without a spearing or angling license and without a fish house or dark house license during one three-day consecutive period of the open water angling season and one three-day consecutive period of the ice angling season designated by ~~rule of~~ the commissioner if the resident is accompanied by a child who is under age 16. The commissioner may, by written order published in the State Register, establish the three-day consecutive periods. The written order is not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply.

(b) The commissioner shall may designate and publicize the three-day periods as "Take a Kid Fishing Weekend" for the open water angling season and "Take a Kid Ice Fishing Weekend" for the ice angling season. The commissioner shall announce the date of each three-day weekend at least 30 days in advance of the date it occurs.

Sec. 29. Minnesota Statutes 2012, section 97A.451, is amended by adding a subdivision to read:

Subd. 2a. **Resident spearing; age 16 or 17.** Residents age 16 or 17 may take fish by spearing without a spearing license.

Sec. 30. Minnesota Statutes 2012, section 97A.451, subdivision 3, is amended to read:

Subd. 3. **Residents and nonresidents under age 16; small game.** (a) A resident or nonresident under age 16 may not obtain a small game license but may take small game by firearms or bow and arrow without a license if the resident or nonresident is:

- (1) age 14 or 15 and possesses a firearms safety certificate;
- (2) age 13, possesses a firearms safety certificate, and is accompanied by a parent or guardian;
- (3) age 13, 14, or 15, and possesses an apprentice hunter validation, and is accompanied by a parent or guardian who possesses a small game license that was not obtained using an apprentice hunter validation as provided under section 97B.022; or
- (4) age 12 or under and is accompanied by a parent or guardian.

(b) A resident under age 16 may take small game, other than wolves, by trapping without a small game license, but a resident 13 years of age or older must have a trapping license. A resident under age 13 may trap small game, other than wolves, without a trapping license, but may not register fisher, otter, bobcat, or pine marten unless the resident is at least age five. Any fisher, otter, bobcat, or pine marten taken by a resident under age five must be included in the limit of the accompanying parent or guardian.

(c) A resident or nonresident under age 13 must obtain a free turkey license to take turkey and may take a turkey without a firearms safety certificate if the resident or nonresident is accompanied by an adult parent or guardian who has a firearms safety certificate.

(d) A resident under age 13 may apply for a prairie chicken license and may take a prairie chicken without a firearms safety certificate if the resident is accompanied by an adult parent or guardian who has a firearms safety certificate.

Sec. 31. Minnesota Statutes 2012, section 97A.451, subdivision 3b, is amended to read:

Subd. 3b. **Nonresidents under age 18 age 16 or 17; small game.** (a) A nonresident age 16 or over and under age 18 17 may take small game by firearms or archery and may obtain a small game license at the youth fee under section 97A.475, subdivision 3, paragraph (a), clause (14), if the nonresident possesses a firearms safety certificate or an apprentice hunter validation as provided under section 97B.022.

(b) A nonresident under age 16 may take small game by firearms or archery and may obtain a small game license without paying the applicable fees under section 97A.475, subdivisions 3, 4, and 5, if the nonresident is:

- (1) age 14 or 15 and possesses a firearms safety certificate;
- (2) age 13, possesses a firearms safety certificate, and is accompanied by a parent or guardian; or
- (3) age 12 or under and is accompanied by a parent or guardian.

Sec. 32. Minnesota Statutes 2012, section 97A.451, subdivision 4, is amended to read:

Subd. 4. **Residents and nonresidents under age 13 16; big game.** (a) A resident or nonresident age 12, 13, 14, or 15 may not obtain a license to take big game unless the person possesses a firearms safety certificate or an apprentice hunter validation as provided under section 97B.022. A nonresident age 12 or 13 must be accompanied by a parent or guardian to hunt big game.

(b) A resident or nonresident age ten or over and under age 13 11 must obtain a license under paragraph (c) and may take big game, provided the person is under the direct supervision of a parent or guardian where the parent or guardian is within immediate reach.

(c) A resident or nonresident age ten or over and under age 13, 11, or 12 must obtain a license to take big game and may obtain the license without paying the fee required under section 97A.475, subdivision 2 or 3.

Sec. 33. Minnesota Statutes 2012, section 97A.451, subdivision 5, is amended to read:

Subd. 5. **Nonresident youth; angling or spearing.** (a) A nonresident under age 16 may:

(1) take fish by angling without a license if a parent or guardian has a fishing license. Fish taken by a nonresident under age 16 without a license must be included in the limit of the parent or guardian;

(2) purchase a youth fishing license under section 97A.475, subdivision 7, paragraph (a), clause (8), and possess a limit of fish; or

(3) be included under a nonresident family angling license and possess a limit of fish.

(b) A nonresident age 16 or over and under age 18 17 must purchase a youth license to angle under section 97A.475, subdivision 7, paragraph (a), clause (8).

(c) A nonresident age 16 or 17 who possesses a fishing license under section 97A.475, subdivision 7, clause (8), may take fish by spearing without a spearing license.

(d) A nonresident under age 16 may take fish by spearing without a spearing or angling license. Limits for fish taken by spearing under this paragraph must comply with one of the options listed in paragraph (a).

Sec. 34. Minnesota Statutes 2012, section 97A.475, subdivision 2, is amended to read:

Subd. 2. **Resident hunting.** Fees for the following licenses, to be issued to residents only, are:

(1) for persons age 18 or over and under age 65 to take small game, \$15.50;

(2) for persons age 65 or over, \$7 to take small game;

(3) for persons age 18 or over to take turkey, \$26;

(4) for persons age 13 or over and under age 18 to take turkey, \$5;

(5) for persons age 18 or over to take deer with firearms during the regular firearms season, \$30;

(6) for persons age 18 or over to take deer by archery, \$30;

(7) for persons age 18 or over to take deer by muzzleloader during the muzzleloader season, \$30;

(8) to take moose, for a party of not more than six persons, \$356;

(9) to take bear, \$44;

(10) to take elk, for a party of not more than two persons, \$287;

(11) to take Canada geese during a special season, \$4;

- (12) to take prairie chickens, \$23;
- (13) for persons age 13 or over and under age 18 to take deer with firearms during the regular firearms season, \$5;
- (14) for persons age 13 or over and under age 18 to take deer by archery, \$5;
- (15) for persons age 13 or over and under age 18 to take deer by muzzleloader during the muzzleloader season, \$5;
- (16) for persons age 18 or over to take small game for a consecutive 72-hour period selected by the licensee, \$19, of which an amount equal to: one-half of the fee for the migratory waterfowl stamp under subdivision 5, clause (1), shall be deposited in the waterfowl habitat improvement account under section 97A.075, subdivision 2; one-half of the fee for the pheasant stamp under subdivision 5, clause (2), shall be deposited in the pheasant habitat improvement account under section 97A.075, subdivision 4; and one-half of the small game surcharge under subdivision 4, shall be deposited in the wildlife acquisition account;
- (17) for persons age 16 or ~~over and under age 18~~ 17 to take small game, \$5; and
- (18) to take wolf, \$30~~;~~;
- (19) for persons age 12 and under to take turkey, no fee;
- (20) for persons age 10, 11, or 12 to take deer by firearm, no fee;
- (21) for persons age 10, 11, or 12 to take deer by archery, no fee; and
- (22) for persons age 10, 11, or 12 to take deer by muzzleloader during the muzzleloader season, no fee.

Sec. 35. Minnesota Statutes 2012, section 97A.475, subdivision 3, is amended to read:

Subd. 3. **Nonresident hunting.** (a) Fees for the following licenses, to be issued to nonresidents, are:

- (1) for persons age 18 or over to take small game, \$90.50;
- (2) for persons age 18 or over to take deer with firearms during the regular firearms season, \$160;
- (3) for persons age 18 or over to take deer by archery, \$160;
- (4) for persons age 18 or over to take deer by muzzleloader during the muzzleloader season, \$160;
- (5) to take bear, \$225;
- (6) for persons age 18 or over to take turkey, \$91;
- (7) for persons age 13 or over and under age 18 to take turkey, ~~\$13~~ \$5;
- (8) to take raccoon or bobcat, \$178;
- (9) to take Canada geese during a special season, \$4;
- (10) for persons age 13 or over and under age 18 to take deer with firearms during the regular firearms season in any open season option or time period, ~~\$15~~ \$5;

(11) for persons age 13 or over and under age 18 to take deer by archery, ~~\$15~~ \$5;

(12) for persons age 13 or over and under age 18 to take deer during the muzzleloader season, ~~\$15~~ \$5;

(13) for persons age 18 or over to take small game for a consecutive 72-hour period selected by the licensee, \$75, of which an amount equal to: one-half of the fee for the migratory waterfowl stamp under subdivision 5, clause (1), shall be deposited in the waterfowl habitat improvement account under section 97A.075, subdivision 2; one-half of the fee for the pheasant stamp under subdivision 5, clause (2), shall be deposited in the pheasant habitat improvement account under section 97A.075, subdivision 4; and one-half of the small game surcharge under subdivision 4, shall be deposited into the wildlife acquisition account;

(14) for persons age 16 ~~and over and under age 18~~ or 17 to take small game, ~~\$15~~ \$5; and

(15) to take wolf, \$250;

(16) for persons age 12 and under to take turkey, no fee;

(17) for persons age 10, 11, and 12 to take deer by firearm, no fee;

(18) for persons age 10, 11, or 12 to take deer by archery, no fee; and

(19) for persons age 10, 11, or 12 to take deer by muzzleloader during the muzzleloader season, no fee.

(b) A \$5 surcharge shall be added to nonresident hunting licenses issued under paragraph (a), clauses (1) to (6) and (8). An additional commission may not be assessed on this surcharge.

Sec. 36. Minnesota Statutes 2012, section 97A.475, subdivision 8, is amended to read:

Subd. 8. **Minnesota sporting; super sports.** (a) The commissioner shall issue Minnesota sporting licenses to residents only. The licensee may take fish by angling and small game. The fee for the license is:

(1) for an individual, \$31.50; and

(2) for a combined license for a married couple to take fish and for one spouse to take small game, \$45.50.

(b) The commissioner shall issue Minnesota super sports licenses to residents only. The licensee may take fish by angling, including trout; small game, including pheasant and waterfowl; and deer by firearms or muzzleloader or by archery. The fee for the super sports license, including all required stamp validations is:

(1) for an individual age 18 or over, ~~\$92.50~~ \$86.50; and

(2) for a combined license for a married couple to take fish, including the trout and salmon stamp validation, and for one spouse to take small game, including pheasant and waterfowl, and deer, ~~\$118.50~~ \$110.50.

(c) Revenue for the stamp endorsements under paragraph (b) shall be deposited according to section 97A.075, subdivisions 2, 3, and 4.

(d) Revenue for the deer license endorsement under paragraph (b) shall be deposited according to section 97A.075, subdivision 1.

Sec. 37. Minnesota Statutes 2012, section 97A.485, subdivision 6, is amended to read:

Subd. 6. **Licenses to be sold and issuing fees.** (a) Persons authorized to sell licenses under this section must issue the following licenses for the license fee and the following issuing fees:

(1) to take deer or bear with firearms and by archery, the issuing fee is \$1;

(2) Minnesota sporting, the issuing fee is \$1;

(3) to take small game, to take fish by angling or by spearing, and to trap fur-bearing animals, the issuing fee is \$1;

(4) to apply for a limited hunt drawing, the issuing fee is \$1 unless the application requires a license purchase at the time of application and the license purchase requires an application fee;

(5) for a prairie chicken license, the issuing fee is \$1;

(6) for a turkey license, the issuing fee is \$1;

(7) for an elk license, the issuing fee is \$1;

(8) for a moose license, the issuing fee is \$1;

(9) for a wolf license, the issuing fee is \$1;

~~(4)~~ (10) for a stamp validation that is not issued simultaneously with a license, an issuing fee of 50 cents may be charged at the discretion of the authorized seller;

~~(5)~~ (11) for stamp validations issued simultaneously with a license, there is no fee;

~~(6)~~ (12) for licenses, seals, tags, or coupons issued without a fee under section 97A.441 or 97A.465, an the issuing fee of 50 cents may be charged at the discretion of the authorized seller is \$1;

~~(7)~~ (13) for lifetime licenses, there is no fee; and

~~(8)~~ (14) for all other licenses, permits, renewals, or applications or any other transaction through the electronic licensing system under this chapter or any other chapter when an issuing fee is not specified, an issuing fee of ~~50 cents~~ \$1 may be charged at the discretion of the authorized seller.

(b) Only one issuing fee may be collected when selling more than one stamp in the same transaction after the end of the season for which the stamp was issued.

(c) The agent shall keep the issuing fee as a commission for selling the licenses.

(d) The commissioner shall collect the issuing fee on licenses sold by the commissioner.

(e) A license, except stamps, must state the amount of the issuing fee and that the issuing fee is kept by the seller as a commission for selling the licenses.

(f) For duplicate licenses, including licenses issued without a fee, the issuing fees are:

(1) for licenses to take big game, 75 cents; and

(2) for other licenses, 50 cents.

(g) The commissioner may issue one-day angling licenses in books of ten licenses each to fishing guides operating charter boats upon receipt of payment of all license fees, excluding the issuing fee required under this section. Copies of sold and unsold licenses shall be returned to the commissioner. The commissioner shall refund the charter boat captain for the license fees of all unsold licenses. Copies of sold licenses shall be maintained by the commissioner for one year.

Sec. 38. Minnesota Statutes 2012, section 97B.001, subdivision 3, is amended to read:

Subd. 3. **Remaining on land prohibited after notice.** Except as provided in subdivision 6, a person may not remain on or return to any land for outdoor recreation purposes after being ~~orally told~~ personally notified not to do so by the owner, occupant, or lessee.

Sec. 39. Minnesota Statutes 2012, section 97B.001, subdivision 4, is amended to read:

Subd. 4. **Entering posted land prohibited; signs.** (a) Except as provided in subdivision 6, a person may not:

(1) enter, for outdoor recreation purposes, any land that is posted under this subdivision without first obtaining permission of the owner, occupant, or lessee; or

(2) knowingly enter, for outdoor recreation purposes, any land that is posted under this subdivision without first obtaining permission of the owner, occupant, or lessee.

A person who violates clause (2) is subject to the penalty provided in section 97A.315, subdivision 1, paragraph (b).

(b) The owner, occupant, or lessee of private land, or an authorized manager of public land may prohibit outdoor recreation on the land by posting signs once each year that:

(1) state "no trespassing" or similar terms;

(2) display letters at least two inches high;

(3) either:

(i) are signed by the owner, occupant, lessee, or authorized manager; or

(ii) include the legible name and telephone number of the owner, occupant, lessee, or authorized manager; and

(4) either:

(i) are at intervals of 1,000 feet or less along the boundary of the area, or in a wooded area where boundary lines are not clear, at intervals of 500 feet or less; or

(ii) mark the primary corners of each parcel of land and access roads and trails at the point of entrance to each parcel of land except that corners only accessible through agricultural land need not be posted.

(c) A person may not erect a sign that prohibits outdoor recreation or trespassing where the person does not have a property right, title, or interest to use the land.

Sec. 40. Minnesota Statutes 2012, section 97B.0215, is amended to read:

97B.0215 PARENT OR GUARDIAN RESPONSIBILITY; VIOLATION.

A parent or ~~legal~~ guardian of a minor may not knowingly direct, allow, or permit the minor to hunt without the required license, permit, training, or certification, or in violation of the game and fish laws.

Sec. 41. Minnesota Statutes 2012, section 97B.022, subdivision 2, is amended to read:

Subd. 2. **Apprentice hunter validation requirements.** (a) A resident or nonresident born after December 31, 1979, who is age 12 or over and who does not possess a hunter education firearms safety certificate may be issued an apprentice hunter validation. An apprentice hunter validation may be purchased two license years in a lifetime and used to obtain hunting licenses during the same license year that the validation is purchased.

(b) An individual in possession of an apprentice hunter validation may hunt small game, deer, and bear only when accompanied by an adult ~~licensed to hunt~~ who has a valid license to hunt the same species of game in Minnesota and whose license was not obtained using an apprentice hunter validation.

(c) When an individual in possession of an apprentice hunter validation is hunting turkey or prairie chicken under paragraph (b), the accompanying adult may be licensed for another permit area or time period but must be licensed for the same season as the apprentice hunter. If the accompanying adult is not licensed for the same permit area or time period as the apprentice hunter, the accompanying adult may not shoot or possess a firearm or bow while accompanying the apprentice hunter under this paragraph.

(d) An apprentice hunter validation holder must obtain all required licenses and stamps.

Sec. 42. Minnesota Statutes 2012, section 97B.055, subdivision 2, is amended to read:

Subd. 2. **Restrictions related to motor vehicles.** A person may not take a wild animal with a firearm or by archery from a motor vehicle except as permitted in this section. Notwithstanding section 97B.091, a person may transport a bow uncased while ~~in an electric motor-powered boat~~ a motorized watercraft and may take rough fish while in the boat as provided in section 97C.376, subdivision 3.

Sec. 43. Minnesota Statutes 2012, section 97B.071, is amended to read:

97B.071 BLAZE ORANGE REQUIREMENTS.

Subdivision 1. **Clothing requirements.** (a) Except as provided in rules adopted under paragraph (c), a person may not hunt or trap during the open season where deer may be taken by firearms under applicable laws and ordinances, unless the visible portion of the person's cap and outer clothing above the waist, excluding sleeves and gloves, is blaze orange. Blaze orange includes a camouflage pattern of at least 50 percent blaze orange within each foot square. This section does not apply to migratory waterfowl hunters on waters of this state or in a stationary shooting location or to trappers on waters of this state.

(b) Except as provided in rules adopted under paragraph (c), and in addition to the requirement in paragraph (a), a person may not take small game other than turkey, migratory birds, raccoons, and predators, except while trapping, unless a visible portion of at least one article of the person's

clothing above the waist is blaze orange. This paragraph does not apply to a person when in a stationary location while hunting deer by archery or when hunting small game by falconry.

(c) The commissioner may, by rule, prescribe an alternative color in cases where paragraph (a) or (b) would violate the Religious Freedom Restoration Act of 1993, Public Law 103-141.

(d) A violation of paragraph (b) shall not result in a penalty, but is punishable only by a safety warning.

Subd. 2. **Ground blinds.** A person may not hunt deer from a ground blind during the open season where deer may be taken by firearms unless the outside of the blind displays a minimum of 144 square inches of blaze orange material that is visible from all directions around the blind.

Sec. 44. Minnesota Statutes 2012, section 97B.112, is amended to read:

97B.112 SPECIAL HUNTS FOR YOUTH.

The commissioner may by rule establish criteria, special seasons, and limits for youth and adult hunters to take big game and small game by firearms or archery in designated areas or times as part of the agency's overall effort in hunter recruitment and retention. The criteria may also include provisions for an unlicensed adult to assist a youth hunter during a special season or special hunt established under this section.

Sec. 45. Minnesota Statutes 2012, section 97C.341, is amended to read:

97C.341 CERTAIN AQUATIC LIFE PROHIBITED FOR BAIT.

(a) A person may not use live minnows imported from outside of the state, game fish, goldfish, or carp for bait. ~~Notwithstanding paragraphs (b) and (d), the commissioner may, by written order published in the State Register, adopt rules to authorize the use of game fish eggs as bait in Lake Superior and its tributaries below the posted boundaries and prescribe restrictions on their use. The order is exempt from the rulemaking provisions of chapter 14 and section 14.386 does not apply.~~

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

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

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

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

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

(1) water body source;

- (2) lot number;
- (3) company contact including name, phone, and address;
- (4) date of packaging and labeling; and
- (5) valid negative fish health certification from the source water body.

Sec. 46. Minnesota Statutes 2012, section 97C.345, subdivision 1, is amended to read:

Subdivision 1. **Period when use prohibited.** Except as specifically authorized, a person may not take fish with a spear from the third Monday in February to April 30 with a spear, the Friday before the last Saturday in April and may not take fish with a fish trap, net, dip net, seine, or other device capable of taking fish from the third Monday in February to April 30.

Sec. 47. Minnesota Statutes 2012, section 97C.345, subdivision 2, is amended to read:

Subd. 2. **Possession.** (a) Except as specifically authorized, a person may not possess a spear, fish trap, net, dip net, seine, or other device capable of taking fish on or near any waters. Possession includes personal possession and in a vehicle.

(b) A person may possess ~~spears~~, dip nets; and spear guns allowed under section 97C.381 on or near waters between sunrise and sunset from May 1 to the last Sunday in February, or as otherwise prescribed by the commissioner. A person may possess a spear on or near waters between sunrise and sunset from the last Saturday in April to the last Sunday in February, or as otherwise prescribed by the commissioner.

Sec. 48. Minnesota Statutes 2012, section 97C.376, subdivision 1, is amended to read:

Subdivision 1. **Season.** (a) The regular bow fishing season for residents and nonresidents is from May 1 the last Saturday in April to the last Sunday in February at any time of the day.

(b) The early bow fishing season for residents and nonresidents is open only south of State Highway 210 from the Monday after the last Sunday in February to the Friday before the last Saturday in April at any time of the day. During the early season, a person may bow fish:

- (1) only from a boat; and
- (2) only while on a lake or on the Mississippi, Minnesota, or St. Croix River.

Sec. 49. Minnesota Statutes 2012, section 97C.376, subdivision 2, is amended to read:

Subd. 2. **Possession of bows and arrows.** A person may possess bows and arrows for the purposes of bow fishing on or within 100 feet of waters at any time from ~~May 1~~ the last Saturday in April to the last Sunday in February and at other times on lakes and the rivers south of State Highway 210 as specified in subdivision 1, paragraph (b), subject to local ordinances. A person must take reasonable measures to retrieve arrows and wounded fish.

Sec. 50. Minnesota Statutes 2012, section 97C.376, subdivision 3, is amended to read:

Subd. 3. **Nighttime restrictions on motors.** (a) ~~From sunset to sunrise, a person bow fishing with the assistance of a gasoline-powered motor must use a four-stroke engine powered generator. the noise limits for total noise while bow fishing from sunset to sunrise shall~~ must not exceed a noise level of 65 decibels on the A scale measured at a distance of 50 feet from the motorboat or equivalent noise levels at other distances as specified by the commissioner in a pass-by test or 67

decibels on the A scale measured at idle in a stationary test at least four feet above the water and at least four feet behind the transom of the motorboat being tested.

(b) The noise limits under paragraph (a) shall be determined under a test procedure approved by the commissioner under section 86B.321, subdivision 2.

(c) The noise limits in paragraph (a) do not preclude enforcement of other laws relating to motorboat noise.

(d) The noise levels under section 86B.321 apply to persons traveling to and from bow fishing sites from sunset to sunrise.

Sec. 51. [103G.217] DRIFTLESS AREA WATER RESOURCES.

Groundwater discharge from natural springs and seepage areas in the driftless area of Minnesota, corresponding to the area of the state contained within the boundaries of the Department of Natural Resources Paleozoic Plateau Ecological Section, is vital to sustaining the coldwater aquatic ecosystems in the region, as well as recreational, commercial, agricultural, environmental, aesthetic, and economic well-being. In the area of the state contained within the boundaries of the Department of Natural Resources Paleozoic Plateau Ecological Section, the excavation or mining of industrial silica sand by any means, including digging, excavating, mining, drilling, blasting, tunneling, dredging, stripping, or shafting is prohibited within one mile of any spring, groundwater seepage area, fen, designated trout stream, class 2a water as designated in the rules of the Pollution Control Agency, or any perennially flowing tributary of a designated trout stream or class 2a water.

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

Sec. 52. Minnesota Statutes 2012, section 103G.271, is amended by adding a subdivision to read:

Subd. 4b. **Driftless area aquifers.** (a) The commissioner may not issue water use permits for the appropriation of groundwater in the area of the state contained within the boundaries of the Department of Natural Resources Paleozoic Plateau Ecological Section in connection with (1) the excavation or mining of industrial silica sand by any means, including digging, excavating, mining, drilling, blasting, tunneling, dredging, stripping, or shafting, or (2) the transporting, processing, washing, cleaning, screening, crushing, filtering, or sorting of industrial silica sand.

(b) In the area of the state contained within the boundaries of the Department of Natural Resources Paleozoic Plateau Ecological Section, the excavation or mining of industrial silica sand by any means, including digging, excavating, mining, drilling, blasting, tunneling, dredging, stripping, or shafting is prohibited within 25 feet of the static water level as measured at the site.

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

Sec. 53. HYBRID AND NARROW-LEAVED CATTAIL CONTROL; LORING PARK LAKE.

The commissioner of natural resources shall issue a general aquatic plant management permit to the Minneapolis Park and Recreation Board for Loring Park Lake in Hennepin County for the mechanical control of hybrid and narrow-leaved cattails.

Sec. 54. RULEMAKING; GAME FISH EGGS AS BAIT.

(a) The commissioner of natural resources shall amend Minnesota Rules, part 6262.0100, by adding a subpart to read:

"Spawn bags may be bought or sold only if the bags are made with:

A. fish eggs from a licensed aquaculture facility; or

B. fish eggs that are:

(1) legally taken from a source outside Minnesota that has been certified disease-free; and

(2) preserved and labeled as required under a bait preservation permit. Records must be maintained as required for bait preservation permits."

(b) The commissioner of natural resources shall amend Minnesota Rules, part 6262.0300, subpart 5, to read:

"A. Except as provided in this subpart, the taking of fish for bait purposes from all Minnesota waters of Lake Superior and all waters of the St. Louis River downstream of the Fond du Lac Dam in St. Louis and Carlton Counties, including any and all outflows, estuaries, streams, creeks, or waters adjacent to or flowing into these waters is prohibited.

B. Notwithstanding Minnesota Statutes, sections 84D.03, subdivision 3, and 97C.341, paragraph (b), eggs from legally taken and possessed trout harvested from Lake Superior or its tributaries below the posted boundaries may be used to make spawn bags for bait as provided in this item and as authorized in Minnesota Statutes, section 97C.341, paragraph (a). Spawn bags may be used only in Lake Superior and its tributaries below the posted boundaries and may be transported to and from Lake Superior or its tributaries below the posted boundaries."

(c) The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section 14.388.

Sec. 55. RULEMAKING; SPEARING ROUGH FISH.

The commissioner of natural resources shall amend Minnesota Rules, part 6262.0600, to make seasons for spearing rough fish consistent with the date changes in sections 46 and 47. The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply, except as provided under Minnesota Statutes, section 14.388.

Sec. 56. RULEMAKING; WILDLIFE RESTITUTION VALUE FOR SANDHILL CRANES.

(a) The commissioner of natural resources shall amend Minnesota Rules, part 6133.0030, by adding a new item establishing the wildlife restitution value of \$200 for a sandhill crane.

(b) The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section 14.388.

Sec. 57. RULEMAKING; REMOVING SPEARING RESTRICTIONS.

The commissioner of natural resources shall amend Minnesota Rules, part 6264.0400, subparts 8, 27, 74, 75, and 76, to remove restrictions on taking fish by spearing for the following lakes: Big Mantrap, Lobster, Beers, West Battle, Deer, Cross, Sugar, Eagle, Owasso, North Star, Moose, and Spider. The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, to adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply, except as provided under Minnesota Statutes, section 14.388.

Sec. 58. **REPORT TO LEGISLATURE.**

By January 15, 2014, the commissioner of natural resources, after consultation with the Board of Animal Health, the Farmed Cervid Advisory Committee, and other interested parties, shall report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over environment and natural resources policy and finance on the costs of destruction of escaped farmed cervids by the Department of Natural Resources. The report shall include recommendations for recovery of the costs and methods to reduce the incidence or amount of those costs, and any necessary changes in statutes or rules to implement those recommendations.

Sec. 59. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall replace the term "duck boat" with the term "waterfowl boat" where the term appears in Minnesota Rules, part 6110.1200, subpart 3.

Sec. 60. **REPEALER.**

Minnesota Statutes 2012, sections 84D.01, subdivision 22; 97A.451, subdivision 4a; and 97C.346, are repealed."

Delete the title and insert:

"A bill for an act relating to natural resources; modifying game and fish laws; modifying trespassing laws; providing for certain license seizure; modifying fees; modifying invasive species laws; modifying watercraft provisions; creating a Minnesota-Wisconsin Boundary Area Invasive Species Commission; modifying exemptions for the Minnesota Zoological Garden; providing for a special local law in six counties to protect surface water and groundwater; requiring rulemaking; appropriating money; amending Minnesota Statutes 2012, sections 84.027, subdivision 13, by adding subdivisions; 84D.01, subdivision 15a; 84D.03, subdivision 4; 84D.09; 84D.10, subdivisions 1, 4; 84D.105, subdivision 2; 84D.11, by adding subdivisions; 84D.13, subdivision 2, by adding a subdivision; 85A.02, subdivision 10; 86B.005, subdivision 18, by adding subdivisions; 86B.13, by adding a subdivision; 86B.301, subdivision 2; 86B.501, subdivision 1; 86B.825, subdivision 2; 97A.051, subdivision 2; 97A.135, subdivision 3; 97A.420, subdivision 1; 97A.441, subdivision 6; 97A.445, subdivision 1; 97A.451, subdivisions 3, 3b, 4, 5, by adding a subdivision; 97A.475, subdivisions 2, 3, 8; 97A.485, subdivision 6; 97B.001, subdivisions 3, 4; 97B.0215; 97B.022, subdivision 2; 97B.055, subdivision 2; 97B.071; 97B.112; 97C.341; 97C.345, subdivisions 1, 2; 97C.376, subdivisions 1, 2, 3; 103G.271, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 84D; 103G; repealing Minnesota Statutes 2012, sections 84D.01, subdivision 22; 97A.451, subdivision 4a; 97C.346."

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

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

S.F. No. 1340: A bill for an act relating to human services; modifying provisions related to licensing data, human services licensing, child care programs, financial fraud and abuse investigations, and vendors of chemical dependency treatment services; amending Minnesota Statutes 2012, sections 13.46, subdivisions 3, 4; 119B.125, subdivision 1b; 168.012, subdivision 1; 171.07, subdivision 1a; 245A.02, subdivision 5a; 245A.04, subdivisions 1, 5, 11; 245A.06, subdivision 1; 245A.07, subdivisions 2, 3, by adding a subdivision; 245A.08, subdivisions 2a, 5a; 245A.146, subdivisions 3, 4; 245A.50, subdivision 4; 245A.65, subdivision 1; 245A.66, subdivision 1; 245B.02, subdivision 10; 245B.04; 245B.05, subdivisions 1, 7; 245B.07, subdivisions 5, 9, 10; 254B.05, subdivision 5; 268.19, subdivision 1; 471.346; proposing coding for new law in Minnesota Statutes, chapter 245A; repealing Minnesota Statutes 2012, sections 245B.02, subdivision 8a; 245B.07, subdivision 7a.

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

Page 12, line 21, delete "when a background study" and insert "for services provided in the license holder's own home when an individual who has been subject to a background study has a disqualification that is not set aside if: (1) the disqualified individual is a "family or household member" of the license holder, as defined in section 518B.01, subdivision 2; or (2) the disqualified individual has a record of having had direct contact with, or access to, persons served by the program."

Page 12, delete lines 22 and 23

Page 12, line 28, delete everything after "if"

Page 12, line 29, delete everything before the first "an" and insert "while the program continues to operate pending"

Page 12, line 30, delete "issued under this section," and insert "the commissioner identifies one or more new violations of law or rule which may adversely affect the health or safety of persons served by the program,"

Page 15, line 33, before the period, insert "unless there is a criminal or juvenile court action pending against the license holder or another individual subject to a background study"

Page 34, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 2012, section 256.01, subdivision 18d, is amended to read:

Subd. 18d. Data sharing with the Department of Human Services; multiple identification cards. (a) The commissioner of public safety shall, on a monthly basis, provide the commissioner of human services with the first, middle, and last name, ~~and~~ the address, date of birth, ~~and~~ driver's license or state identification card number, and all photographs or electronically produced images of all applicants and holders whose drivers' licenses and state identification cards have been canceled under section 171.14, paragraph (a), clause (2) or (3), by the commissioner of public safety. After the initial data report has been provided by the commissioner of public safety to the commissioner of human services under this paragraph, subsequent reports shall only include cancellations that occurred after the end date of the cancellations represented in the previous data report.

(b) The commissioner of human services shall compare the information provided under paragraph (a) with the commissioner's data regarding recipients of all public assistance programs managed by the Department of Human Services to determine whether any individual with multiple

identification cards issued by the Department of Public Safety has illegally or improperly enrolled in any public assistance program managed by the Department of Human Services.

(c) If the commissioner of human services determines that an applicant or recipient has illegally or improperly enrolled in any public assistance program, the commissioner shall provide all due process protections to the individual before terminating the individual from the program according to applicable statute and notifying the county attorney.

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

Page 35, delete line 17 and insert "for investigations related to recipient or provider fraud and employees of providers when the provider is suspected of committing public assistance fraud;"

Page 38, after line 33, insert:

"ARTICLE 5

BACKGROUND STUDIES

Section 1. Minnesota Statutes 2012, section 245C.04, is amended to read:

245C.04 WHEN BACKGROUND STUDY MUST OCCUR.

Subdivision 1. **Licensed programs.** (a) The commissioner shall conduct a background study of an individual required to be studied under section 245C.03, subdivision 1, at least upon application for initial license for all license types.

(b) The commissioner shall conduct a background study of an individual required to be studied under section 245C.03, subdivision 1, at reapplication for a license for family child care.

(c) The commissioner is not required to conduct a study of an individual at the time of reapplication for a license if the individual's background study was completed by the commissioner of human services for an adult foster care license holder that is also:

(1) registered under chapter 144D; or

(2) licensed to provide home and community-based services to people with disabilities at the foster care location and the license holder does not reside in the foster care residence; and

(3) the following conditions are met:

(i) a study of the individual was conducted either at the time of initial licensure or when the individual became affiliated with the license holder;

(ii) the individual has been continuously affiliated with the license holder since the last study was conducted; and

(iii) the last study of the individual was conducted on or after October 1, 1995.

(d) From July 1, 2007, to June 30, 2009, the commissioner of human services shall conduct a study of an individual required to be studied under section 245C.03, at the time of reapplication for a child foster care license. The county or private agency shall collect and forward to the commissioner the information required under section 245C.05, subdivisions 1, paragraphs (a) and (b), and 5, paragraphs (a) and (b). The background study conducted by the commissioner of human services

under this paragraph must include a review of the information required under section 245C.08, subdivisions 1, paragraph (a), clauses (1) to (5), 3, and 4.

(e) The commissioner of human services shall conduct a background study of an individual specified under section 245C.03, subdivision 1, paragraph (a), clauses (2) to (6), who is newly affiliated with a child foster care license holder. The county or private agency shall collect and forward to the commissioner the information required under section 245C.05, subdivisions 1 and 5. The background study conducted by the commissioner of human services under this paragraph must include a review of the information required under section 245C.08, subdivisions 1, 3, and 4.

(f) From January 1, 2010, to December 31, 2012, unless otherwise specified in paragraph (c), the commissioner shall conduct a study of an individual required to be studied under section 245C.03 at the time of reapplication for an adult foster care or family adult day services license: (1) the county shall collect and forward to the commissioner the information required under section 245C.05, subdivision 1, paragraphs (a) and (b), and subdivision 5, paragraphs (a) and (b), for background studies conducted by the commissioner for all family adult day services and for adult foster care when the adult foster care license holder resides in the adult foster care or family adult day services residence; (2) the license holder shall collect and forward to the commissioner the information required under section 245C.05, subdivisions 1, paragraphs (a) and (b); and 5, paragraphs (a) and (b), for background studies conducted by the commissioner for adult foster care when the license holder does not reside in the adult foster care residence; and (3) the background study conducted by the commissioner under this paragraph must include a review of the information required under section 245C.08, subdivision 1, paragraph (a), clauses (1) to (5), and subdivisions 3 and 4.

(g) The commissioner shall conduct a background study of an individual specified under section 245C.03, subdivision 1, paragraph (a), clauses (2) to (6), who is newly affiliated with an adult foster care or family adult day services license holder: (1) the county shall collect and forward to the commissioner the information required under section 245C.05, subdivision 1, paragraphs (a) and (b), and subdivision 5, paragraphs (a) and (b), for background studies conducted by the commissioner for all family adult day services and for adult foster care when the adult foster care license holder resides in the adult foster care residence; (2) the license holder shall collect and forward to the commissioner the information required under section 245C.05, subdivisions 1, paragraphs (a) and (b); and 5, paragraphs (a) and (b), for background studies conducted by the commissioner for adult foster care when the license holder does not reside in the adult foster care residence; and (3) the background study conducted by the commissioner under this paragraph must include a review of the information required under section 245C.08, subdivision 1, paragraph (a), and subdivisions 3 and 4.

(h) Applicants for licensure, license holders, and other entities as provided in this chapter must submit completed background study ~~forms~~ requests to the commissioner using the electronic system known as NETStudy before individuals specified in section 245C.03, subdivision 1, begin positions allowing direct contact in any licensed program.

(i) A license holder must initiate a new background study through ~~the commissioner's online background study system~~ NETStudy when:

(1) an individual returns to a position requiring a background study following an absence of ~~90~~ 120 or more consecutive days; or

(2) a program that discontinued providing licensed direct contact services for ~~90~~ 120 or more consecutive days begins to provide direct contact licensed services again.

The license holder shall maintain a copy of the notification provided to the commissioner under this paragraph in the program's files. If the individual's disqualification was previously set aside for the license holder's program and the new background study results in no new information that indicates the individual may pose a risk of harm to persons receiving services from the license holder, the previous set-aside shall remain in effect.

(j) For purposes of this section, a physician licensed under chapter 147 is considered to be continuously affiliated upon the license holder's receipt from the commissioner of health or human services of the physician's background study results.

(k) For purposes of family child care, a substitute caregiver must receive repeat background studies at the time of each license renewal.

Subd. 2. **Other state agencies.** Applicants and license holders under the jurisdiction of other state agencies who are required in other statutory sections to initiate background studies under this chapter must submit completed background study forms to the commissioner before the background study subject begins in a position allowing direct contact in the licensed program or, where applicable, prior to being employed.

Subd. 3. **Personal care provider organizations.** (a) The commissioner shall conduct a background study of an individual required to be studied under section 245C.03, subdivision 2, at least upon application for initial enrollment under sections 256B.0651 to 256B.0656 and 256B.0659.

(b) Organizations required to initiate background studies under sections 256B.0651 to 256B.0656 and 256B.0659 for individuals described in section 245C.03, subdivision 2, must submit a completed background study ~~form~~ request to the commissioner using the electronic system known as NETStudy before those individuals begin a position allowing direct contact with persons served by the organization.

(c) Organizations required to initiate background studies under sections 256B.0651 to 256B.0656 and 256B.0659 for individuals described in section 245C.03, subdivision 2, must initiate a new background study through NETStudy when an individual returns to a position requiring a background study following an absence of 120 or more consecutive days.

Subd. 4. **Supplemental nursing services agencies.** (a) The commissioner shall conduct a background study of an individual required to be studied under section 245C.03, subdivision 3, at least upon application for registration under section 144A.71, subdivision 1.

(b) Each supplemental nursing services agency must initiate background studies using the electronic system known as NETStudy before an individual begins a position allowing direct contact with persons served by the agency and annually thereafter.

Subd. 5. **Personnel agencies; educational programs; professional services agencies.** Agencies, programs, and individuals who initiate background studies under section 245C.03, subdivision 4, must initiate the studies annually using the electronic system known as NETStudy.

Subd. 6. **Unlicensed home and community-based waiver providers of service to seniors and individuals with disabilities.** (a) Providers required to initiate background studies under

section 256B.4912 must initiate a study using the electronic system known as NETStudy before the individual begins in a position allowing direct contact with persons served by the provider.

(b) Except as provided in paragraph (c), the providers must initiate a background study annually of an individual required to be studied under section 245C.03, subdivision 6.

(c) After an initial background study under this subdivision is initiated on an individual by a provider of both services licensed by the commissioner and the unlicensed services under this subdivision, a repeat annual background study is not required if:

(1) the provider maintains compliance with the requirements of section 245C.07, paragraph (a), regarding one individual with one address and telephone number as the person to receive sensitive background study information for the multiple programs that depend on the same background study, and that the individual who is designated to receive the sensitive background information is capable of determining, upon the request of the commissioner, whether a background study subject is providing direct contact services in one or more of the provider's programs or services and, if so, at which location or locations; and

(2) the individual who is the subject of the background study provides direct contact services under the provider's licensed program for at least 40 hours per year so the individual will be recognized by a probation officer or corrections agent to prompt a report to the commissioner regarding criminal convictions as required under section 245C.05, subdivision 7.

Subd. 7. **New study required with legal name change.** For a background study completed on an individual required to be studied under section 245C.03, the license holder or other entity that initiated the background study must initiate a new background study using the electronic system known as NETStudy when an individual who is affiliated with the license holder or other entity undergoes a legal name change.

Sec. 2. Minnesota Statutes 2012, section 245C.05, subdivision 6, is amended to read:

Subd. 6. **Applicant, license holder, other entities, and agencies.** (a) The applicant, license holder, other entities as provided in this chapter, Bureau of Criminal Apprehension, law enforcement agencies, commissioner of health, and county agencies shall help with the study by giving the commissioner criminal conviction data and reports about the maltreatment of adults substantiated under section 626.557 and the maltreatment of minors substantiated under section 626.556.

(b) If a background study is initiated by an applicant, license holder, or other entities as provided in this chapter, and the applicant, license holder, or other entity receives information about the possible criminal or maltreatment history of an individual who is the subject of the background study, the applicant, license holder, or other entity must immediately provide the information to the commissioner.

(c) The program or county or other agency must provide written notice to the individual who is the subject of the background study of the requirements under this subdivision.

Sec. 3. Minnesota Statutes 2012, section 245C.08, subdivision 1, is amended to read:

Subdivision 1. **Background studies conducted by Department of Human Services.** (a) For a background study conducted by the Department of Human Services, the commissioner shall review:

(1) information related to names of substantiated perpetrators of maltreatment of vulnerable adults that has been received by the commissioner as required under section 626.557, subdivision 9c, paragraph (j);

(2) the commissioner's records relating to the maltreatment of minors in licensed programs, and from findings of maltreatment of minors as indicated through the social service information system;

(3) information from juvenile courts as required in subdivision 4 for individuals listed in section 245C.03, subdivision 1, paragraph (a), when there is reasonable cause;

(4) information from the Bureau of Criminal Apprehension;

(5) except as provided in clause (6), information from the national crime information system when the commissioner has reasonable cause as defined under section 245C.05, subdivision 5; and

(6) for a background study related to a child foster care application for licensure or adoptions, the commissioner shall also review:

(i) information from the child abuse and neglect registry for any state in which the background study subject has resided for the past five years; and

(ii) information from national crime information databases, when the background study subject is 18 years of age or older.

(b) Notwithstanding expungement by a court, the commissioner may consider information obtained under paragraph (a), clauses (3) and (4), unless the commissioner received notice of the petition for expungement and the court order for expungement is directed specifically to the commissioner.

(c) When the commissioner has reasonable cause to believe that the identity of a background study subject is uncertain, the commissioner may require the subject to provide a set of classifiable fingerprints for purposes of completing a fingerprint-based record check with the Bureau of Criminal Apprehension.

Sec. 4. Minnesota Statutes 2012, section 245C.16, subdivision 1, is amended to read:

Subdivision 1. **Determining immediate risk of harm.** (a) If the commissioner determines that the individual studied has a disqualifying characteristic, the commissioner shall review the information immediately available and make a determination as to the subject's immediate risk of harm to persons served by the program where the individual studied will have direct contact with, or access to, people receiving services.

(b) The commissioner shall consider all relevant information available, including the following factors in determining the immediate risk of harm:

(1) the recency of the disqualifying characteristic;

(2) the recency of discharge from probation for the crimes;

(3) the number of disqualifying characteristics;

(4) the intrusiveness or violence of the disqualifying characteristic;

(5) the vulnerability of the victim involved in the disqualifying characteristic;

(6) the similarity of the victim to the persons served by the program where the individual studied will have direct contact;

(7) whether the individual has a disqualification from a previous background study that has not been set aside; and

(8) if the individual has a disqualification which may not be set aside because it is a permanent bar under section 245C.24, subdivision 1, the commissioner may order the immediate removal of the individual from any position allowing direct contact with, or access to, persons receiving services from the program.

(c) This section does not apply when the subject of a background study is regulated by a health-related licensing board as defined in chapter 214, and the subject is determined to be responsible for substantiated maltreatment under section 626.556 or 626.557.

(d) This section does not apply to a background study related to an initial application for a child foster care license.

(e) Except for paragraph (f), this section does not apply to a background study that is also subject to the requirements under section 256B.0659, subdivisions 11 and 13, for a personal care assistant or a qualified professional as defined in section 256B.0659, subdivision 1.

(f) If the commissioner has reason to believe, based on arrest information or an active maltreatment investigation, that an individual poses an imminent risk of harm to persons receiving services, the commissioner may order that the person be continuously supervised or immediately removed pending the conclusion of the maltreatment investigation or criminal proceedings.

Sec. 5. Minnesota Statutes 2012, section 245C.20, subdivision 1, is amended to read:

Subdivision 1. **Background studies initiated by program.** A licensed program shall document the date the program initiates a background study under this chapter and the date the subject of the study first has direct contact with persons served by the program in the program's personnel files. When a background study is completed under this chapter, a licensed program shall maintain a notice that the study was undertaken and completed in the program's personnel files. Except when background studies are initiated through the commissioner's online system, if a licensed program has not received a response from the commissioner under section 245C.17 within 45 days of initiation of the background study request, the licensed program must contact the human services licensing division to inquire about the status of the study. If a license holder initiates a background study under the commissioner's online system, but the background study subject's name does not appear in the list of active or recent studies initiated by that license holder, the license holder must either contact the human services licensing division or resubmit the background study information online for that individual.

Sec. 6. Minnesota Statutes 2012, section 245C.22, subdivision 1, is amended to read:

Subdivision 1. **Time frame; response to disqualification reconsideration requests.** (a) The commissioner shall respond in writing or by electronic transmission to all reconsideration requests for which the basis for the request is that the information the commissioner relied upon to disqualify is incorrect or inaccurate within 30 working days of receipt of a complete request and all required relevant information.

(b) If the basis for a disqualified individual's reconsideration request is that the individual does not pose a risk of harm, the commissioner shall respond to the request within 15 working days after receiving the a complete request for reconsideration and all required relevant information.

(c) If the disqualified individual's reconsideration request is based on both the correctness or accuracy of the information the commissioner relied upon to disqualify the individual and the individual's risk of harm, the commissioner shall respond to the request within 45 working days after receiving the a complete request for reconsideration and all required relevant information.

Sec. 7. Minnesota Statutes 2012, section 245C.23, subdivision 2, is amended to read:

Subd. 2. **Commissioner's notice of disqualification that is not set aside.** (a) The commissioner shall notify the license holder of the disqualification and order the license holder to immediately remove the individual from any position allowing direct contact with persons receiving services from the license holder if:

(1) the individual studied does not submit a timely request for reconsideration under section 245C.21;

(2) the individual submits a timely request for reconsideration, but the commissioner does not set aside the disqualification for that license holder under section 245C.22, unless the individual has a right to request a hearing under section 245C.27, 245C.28, or 256.045;

(3) an individual who has a right to request a hearing under sections 245C.27 and 256.045, or 245C.28 and chapter 14 for a disqualification that has not been set aside, does not request a hearing within the specified time; or

(4) an individual submitted a timely request for a hearing under sections 245C.27 and 256.045, or 245C.28 and chapter 14, but the commissioner does not set aside the disqualification under section 245A.08, subdivision 5, or 256.045.

(b) If the commissioner does not set aside the disqualification under section 245C.22, and the license holder was previously ordered under section 245C.17 to immediately remove the disqualified individual from direct contact with persons receiving services or to ensure that the individual is under continuous, direct supervision when providing direct contact services, the order remains in effect pending the outcome of a hearing under sections 245C.27 and 256.045, or 245C.28 and chapter 14.

(c) If the commissioner does not set aside the disqualification under section 245C.22, and the license holder was not previously ordered under section 245C.17 to immediately remove the disqualified individual from direct contact with persons receiving services or to ensure that the individual is under continuous direct supervision when providing direct contact services, the commissioner shall order the individual to remain under continuous direct supervision pending the outcome of a hearing under sections 245C.27 and 256.045, or 245C.28 and chapter 14.

~~(e)~~ (d) For background studies related to child foster care, the commissioner shall also notify the county or private agency that initiated the study of the results of the reconsideration.

~~(d)~~ (e) For background studies related to adult foster care and family adult day services, the commissioner shall also notify the county that initiated the study of the results of the reconsideration.

Sec. 8. Minnesota Statutes 2012, section 245C.28, subdivision 1, is amended to read:

Subdivision 1. **License holder.** (a) If a maltreatment determination or a disqualification for which reconsideration was timely requested and which was not set aside is the basis for a denial of a license under section 245A.05 or a licensing sanction under section 245A.07, the license holder has the right to a contested case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The license holder must submit the appeal under section 245A.05 or 245A.07, subdivision 3.

(b) As provided under section 245A.08, subdivision 2a, if the denial of a license or licensing sanction is based on a disqualification for which reconsideration was timely requested and was not set aside, the scope of the consolidated contested case hearing must include:

(1) the disqualification, to the extent the license holder otherwise has a hearing right on the disqualification under this chapter; and

(2) the licensing sanction or denial of a license.

(c) As provided for under section 245A.08, subdivision 2a, if the denial of a license or licensing sanction is based on a determination of maltreatment under section 626.556 or 626.557, or a disqualification for serious or recurring maltreatment which was not set aside, the scope of the contested case hearing must include:

(1) the maltreatment determination, if the maltreatment is not conclusive under section 245C.29;

(2) the disqualification, if the disqualification is not conclusive under section 245C.29; and

(3) the licensing sanction or denial of a license. In such cases, a fair hearing must not be conducted under section 256.045. If the disqualification was based on a determination of substantiated serious or recurring maltreatment under section 626.556 or 626.557, the appeal must be submitted under sections 245A.07, subdivision 3, and 626.556, subdivision 10i, or 626.557, subdivision 9d.

(d) Except for family child care and child foster care, reconsideration of a maltreatment determination under sections 626.556, subdivision 10i, and 626.557, subdivision 9d, and reconsideration of a disqualification under section 245C.22, must not be conducted when:

(1) a denial of a license under section 245A.05, or a licensing sanction under section 245A.07, is based on a determination that the license holder is responsible for maltreatment or the disqualification of a license holder based on serious or recurring maltreatment;

(2) the denial of a license or licensing sanction is issued at the same time as the maltreatment determination or disqualification; and

(3) the license holder appeals the maltreatment determination, disqualification, and denial of a license or licensing sanction. In such cases a fair hearing under section 256.045 must not be conducted under sections 245C.27, 626.556, subdivision 10i, and 626.557, subdivision 9d. Under section 245A.08, subdivision 2a, the scope of the consolidated contested case hearing must include the maltreatment determination, disqualification, and denial of a license or licensing sanction.

Notwithstanding clauses (1) to (3), if the license holder appeals the maltreatment determination or disqualification, but does not appeal the denial of a license or a licensing sanction, reconsideration of the maltreatment determination shall be conducted under sections 626.556, subdivision 10i, and 626.557, subdivision 9d, and reconsideration of the disqualification shall be conducted under section

245C.22. In such cases, a fair hearing shall also be conducted as provided under sections 245C.27, 626.556, subdivision 10i, and 626.557, subdivision 9d.

Sec. 9. Minnesota Statutes 2012, section 245C.28, subdivision 3, is amended to read:

Subd. 3. **Employees of public employer.** (a) A disqualified individual who is an employee of an employer, as defined in section 179A.03, subdivision 15, may request a contested case hearing under chapter 14, and specifically Minnesota Rules, parts 1400.8505 to 1400.8612, following a reconsideration decision under section 245C.23, unless the disqualification is deemed conclusive under section 245C.29. The request for a contested case hearing must be made in writing and must be postmarked and sent within 30 calendar days after the employee receives notice of the reconsideration decision. If the individual was disqualified based on a conviction or admission to any crimes listed in section 245C.15, the scope of the contested case hearing shall be limited solely to whether the individual poses a risk of harm pursuant to section 245C.22.

(b) When an individual is disqualified based on a maltreatment determination, the scope of the contested case hearing under paragraph (a), must include the maltreatment determination and the disqualification. In such cases, a fair hearing must not be conducted under section 256.045.

(c) Rules adopted under this chapter may not preclude an employee in a contested case hearing for a disqualification from submitting evidence concerning information gathered under this chapter.

(d) When an individual has been disqualified from multiple licensed programs, if at least one of the disqualifications entitles the person to a contested case hearing under this subdivision, the scope of the contested case hearing shall include all disqualifications from licensed programs.

(e) In determining whether the disqualification should be set aside, the administrative law judge shall consider all of the characteristics that cause the individual to be disqualified, as well as all the factors set forth in section 245C.22, in order to determine whether the individual poses has met the burden of demonstrating that the individual does not pose a risk of harm. The administrative law judge's recommendation and the commissioner's order to set aside a disqualification that is the subject of the hearing constitutes a determination that the individual does not pose a risk of harm and that the individual may provide direct contact services in the individual program specified in the set aside.

(f) An individual may not request a contested case hearing under this section if a contested case hearing has previously been held regarding the individual's disqualification on the same basis.

Sec. 10. Minnesota Statutes 2012, section 245C.29, subdivision 2, is amended to read:

Subd. 2. **Conclusive disqualification determination.** (a) ~~Unless otherwise specified in statute, a determination that:~~

~~(1) the information the commissioner relied upon to disqualify an individual under section 245C.14 was correct based on serious or recurring maltreatment;~~

~~(2) a preponderance of the evidence shows that the individual committed an act or acts that meet the definition of any of the crimes listed in section 245C.15; or~~

~~(3) the individual failed to make required reports under section 626.556, subdivision 3, or 626.557, subdivision 3, is conclusive if:~~ A disqualification is conclusive for purposes of current and future background studies if:

(i) (1) the commissioner has issued a final order in an appeal of that determination the disqualification under section 245A.08, subdivision 5, 245C.28, subdivision 3, or 256.045, or a court has issued a final decision;

(ii) (2) the individual did not request reconsideration of the disqualification under section 245C.21 on the basis that the information relied upon to disqualify the individual was incorrect; or

(iii) (3) the individual did not timely request a hearing on the disqualification under section 256.045 or this chapter, chapter 14, or section 256.045 after previously being given the right to do so.

(b) When a licensing action under section 245A.05, 245A.06, or 245A.07 is based on the disqualification of an individual in connection with a license to provide family child care, foster care for children in the provider's own home, or foster care services for adults in the provider's own home, that disqualification shall be conclusive for purposes of the licensing action if a request for reconsideration was not submitted within 30 calendar days of the individual's receipt of the notice of disqualification.

(c) ~~If a determination that the information relied upon to disqualify an individual was correct and disqualification is conclusive under this section, and the individual is subsequently disqualified under section 245C.15, the individual has a right to request reconsideration on the risk of harm under section 245C.21 unless the commissioner is barred from setting aside the disqualification under 245C.24. Subsequent determinations~~ The commissioner's decision regarding the risk of harm shall be made according to section 245C.22 and are not subject to another the final agency decision and is not subject to a hearing under this chapter, section 256.045 or chapter 14, or section 256.045.

Sec. 11. Minnesota Statutes 2012, section 256.045, subdivision 3b, is amended to read:

Subd. 3b. **Standard of evidence for maltreatment and disqualification hearings.** (a) The state human services referee shall determine that maltreatment has occurred if a preponderance of evidence exists to support the final disposition under sections 626.556 and 626.557. For purposes of hearings regarding disqualification, the state human services referee shall affirm the proposed disqualification in an appeal under subdivision 3, paragraph (a), clause (9), if a preponderance of the evidence shows the individual has:

(1) committed maltreatment under section 626.556 or 626.557, which is serious or recurring;

(2) committed an act or acts meeting the definition of any of the crimes listed in section 245C.15, subdivisions 1 to 4; or

(3) failed to make required reports under section 626.556 or 626.557, for incidents in which the final disposition under section 626.556 or 626.557 was substantiated maltreatment that was serious or recurring.

(b) If the disqualification is affirmed, the state human services referee shall determine whether the individual poses a risk of harm in accordance with the requirements of section 245C.22, and whether the disqualification should be set aside or not set aside. In determining whether the disqualification should be set aside, the human services referee shall consider all of the characteristics that cause the individual to be disqualified, including those characteristics that were not subject to review under paragraph (a), in order to determine whether the individual poses a risk of harm. A decision

to set aside a disqualification that is the subject of the hearing constitutes a determination that the individual does not pose a risk of harm and that the individual may provide direct contact services in the individual program specified in the set aside. ~~If a determination that the information relied upon to disqualify an individual was correct and is conclusive under section 245C.29, and the individual is subsequently disqualified under section 245C.14, the individual has a right to again request reconsideration on the risk of harm under section 245C.21. Subsequent determinations regarding risk of harm are not subject to another hearing under this section.~~

(c) If a disqualification is based solely on a conviction or is conclusive for any reason under section 245C.29, the disqualified individual does not have a right to a hearing under this section.

~~(c)~~ (d) The state human services referee shall recommend an order to the commissioner of health, education, or human services, as applicable, who shall issue a final order. The commissioner shall affirm, reverse, or modify the final disposition. Any order of the commissioner issued in accordance with this subdivision is conclusive upon the parties unless appeal is taken in the manner provided in subdivision 7. In any licensing appeal under chapters 245A and 245C and sections 144.50 to 144.58 and 144A.02 to 144A.46, the commissioner's determination as to maltreatment is conclusive, as provided under section 245C.29."

Renumber the sections in sequence

Amend the title numbers accordingly

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "modifies background studies;"

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

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

S.F. No. 1315: A bill for an act relating to human services; modifying payment methodologies for home and community-based services; amending Minnesota Statutes 2012, sections 256B.4912, subdivisions 2, 3; 256B.4913.

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

SECOND READING OF SENATE BILLS

S.F. Nos. 1291, 523, 1234, 330, 431, 1016, 574, 1068, 887, 1276, 1143, 1269, 1168, 602, 1298, 1030, 1108, 515, 924, 340, 943, 1337, 1173, 1133, 551, 1190, 1414, 923, 1121, 1135, 422, 1033, 346, 632, 957, 800, 1017, 247 and 281 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Dzedzic introduced—

S.F. No. 1464: A bill for an act relating to state government; providing that certain appropriations continue in effect with certain exceptions and adjustments; proposing coding for new law in Minnesota Statutes, chapter 16A.

Referred to the Committee on Finance.

Senator Limmer introduced—

S.F. No. 1465: A bill for an act relating to judiciary; authorizing use of law library fees for enhancements to state court technology; amending Minnesota Statutes 2012, sections 134A.12; 134A.13.

Referred to the Committee on Judiciary.

Senator Limmer introduced—

S.F. No. 1466: A bill for an act relating to transportation; highways; establishing requirements concerning extension of marked Trunk Highway 610.

Referred to the Committee on Finance.

Senators Petersen, B.; Thompson and Chamberlain introduced—

S.F. No. 1467: A bill for an act relating to higher education; modifying standards for awarding academic credit for certain military training or service programs; amending Minnesota Statutes 2012, section 197.775, subdivisions 1, 2.

Referred to the Committee on Higher Education and Workforce Development.

Senator Ingebrigtsen introduced—

S.F. No. 1468: A bill for an act relating to labor standards; modifying the definition of employment; amending Minnesota Statutes 2012, section 177.23, subdivision 7.

Referred to the Committee on Jobs, Agriculture and Rural Development.

Senator Ingebrigtsen introduced—

S.F. No. 1469: A bill for an act relating to human services; appropriating money for a workforce program.

Referred to the Committee on Finance.

Senators Skoe, Bakk, Ortman, Stumpf and Tomassoni introduced—

S.F. No. 1470: A bill for an act relating to natural resources; requiring participation and payment of assessments for consolidated conservation land drainage projects undertaken by local drainage authorities; amending Minnesota Statutes 2012, section 84A.55, subdivision 9.

Referred to the Committee on Environment and Energy.

Senators Carlson, Hall, Metzen, Wiklund and Franzen introduced—

S.F. No. 1471: A bill for an act relating to capital investment; appropriating money for improvement and rehabilitation of dredge disposal sites related to commercial, industrial, and public navigation on the Lower Minnesota River; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

Senators Carlson, Clausen and Dibble introduced—

S.F. No. 1472: A bill for an act relating to health-related licensing boards; appropriating money.

Referred to the Committee on Finance.

Senators Johnson, Stumpf, Newman, Senjem and Tomassoni introduced—

S.F. No. 1473: A bill for an act relating to capital investment; appropriating money for the library accessibility and improvement grant program; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

Senators Tomassoni and Hawj introduced—

S.F. No. 1474: A bill for an act relating to workforce development; appropriating money for the youthbuild program.

Referred to the Committee on Finance.

Senator Rosen introduced—

S.F. No. 1475: A bill for an act relating to human services; modifying provisions related to chemical and mental health and state-operated services; allowing for data sharing; repealing a task force; updating terminology and repealing obsolete provisions; making technical changes; amending Minnesota Statutes 2012, sections 13.461, by adding a subdivision; 245.036; 246.014; 246.0141; 246.0251; 246.12; 246.128; 246.33, subdivision 4; 246.51, subdivision 3; 246.54, subdivision 2; 246.64, subdivision 1; 252.41, subdivision 7; 253.015, subdivision 1; 253B.045, subdivision 2; 253B.18, subdivision 4c; 254.05; 256.976, subdivision 3; 256B.0943, subdivisions 1, 3, 6, 9; 256B.0944, subdivision 5; 272.02, subdivision 94; 281.04; 295.50, subdivision 10b; 322.24; 357.28, subdivision 1; 387.20, subdivision 1; 462A.03, subdivision 13; 481.12; 508.79; 508A.79; 518.04; 525.092, subdivision 2; 555.04; 558.31; 580.20; 609.06, subdivision 1; 609.36, subdivision 2; 611.026; 628.54; repealing Minnesota Statutes 2012, sections 246.04; 246.05; 246.125; 246.21; 246.57, subdivision 5; 246.58; 246.59; 251.011, subdivisions 3, 6; 253.015, subdivision 4; 253.018; 253.28.

Referred to the Committee on Health, Human Services and Housing.

Senator Dziedzic introduced—

S.F. No. 1476: A bill for an act relating to constitutional parks and trails legacy funding; providing for use and application of parks and trails funding for Scherer Brothers Lumber Yard acquisition; amending Laws 2010, chapter 361, article 3, section 7.

Referred to the Committee on Finance.

Senators Clausen, Hoffman, Carlson and Wiger introduced—

S.F. No. 1477: A bill for an act relating to education finance; creating a funding formula for school district teacher evaluation activities; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 122A.

Referred to the Committee on Finance.

Senator Bakk introduced—

S.F. No. 1478: A bill for an act relating to higher education finance; appropriating money to the Board of Trustees of the Minnesota State Colleges and Universities for Cook County higher education.

Referred to the Committee on Finance.

Senator Dahle introduced—

S.F. No. 1479: A bill for an act relating to crime victims; authorizing grants; appropriating money to the commissioner of public safety for crime victims services programs and crime prevention.

Referred to the Committee on Finance.

Senators Johnson, Tomassoni, Dziedzic, Sparks and Petersen, B. introduced—

S.F. No. 1480: A bill for an act relating to appropriations; appropriating money for a program to reduce childhood obesity.

Referred to the Committee on Finance.

Senator Franzen introduced—

S.F. No. 1481: A bill for an act relating to health; directing medical education and research funds to the University of Minnesota; amending Minnesota Statutes 2012, section 62J.692, subdivision 4.

Referred to the Committee on Finance.

Senator Sheran introduced—

S.F. No. 1482: A bill for an act relating to transportation; capital investment; appropriating money for construction along marked U.S. Highway 14; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

Senators Dziezic and Hayden introduced—

S.F. No. 1483: A bill for an act relating to capital improvements; appropriating money for renovation and expansion of the Brian Coyle Center; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

Senators Hayden and Nienow introduced—

S.F. No. 1484: A bill for an act relating to health; making changes to dental licensing provisions; amending Minnesota Statutes 2012, sections 150A.06, subdivision 3; 150A.091, subdivision 16; 150A.10, subdivisions 2, 4.

Referred to the Committee on Health, Human Services and Housing.

Senator Hayden introduced—

S.F. No. 1485: A bill for an act relating to human services; modifying background study requirements for individuals with juvenile court records; modifying the commissioner's authority to grant a variance; amending Minnesota Statutes 2012, sections 13.46, subdivision 4; 245C.04, by adding a subdivision; 245C.17, subdivisions 2, 3; 245C.22, subdivision 5; 245C.24, subdivision 2.

Referred to the Committee on Health, Human Services and Housing.

Senator Limmer introduced—

S.F. No. 1486: A bill for an act relating to taxation; property; limiting fiscal disparities contributions for certain municipalities; amending Minnesota Statutes 2012, sections 473F.07, subdivision 1; 473F.08, subdivisions 2, 6.

Referred to the Committee on Taxes.

Senator Schmit introduced—

S.F. No. 1487: A bill for an act relating to taxes; imposing a tax on extraction and processing of fracturing sand; modifying aggregate production tax rates; appropriating money; providing criminal penalties; amending Minnesota Statutes 2012, section 298.75, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 297J.

Referred to the Committee on Taxes.

Senators Benson, Brown and Scalze introduced—

S.F. No. 1488: A bill for an act relating to energy; eliminating the size limitation on hydropower sources that may satisfy the renewable energy standard; amending Minnesota Statutes 2012, section 216B.1691, subdivision 1.

Referred to the Committee on Environment and Energy.

Senators Johnson and Hoffman introduced—

S.F. No. 1489: A bill for an act relating to clean water; appropriating money for water resource management practices.

Referred to the Committee on Finance.

Senators Dzedzic, Champion and Marty introduced—

S.F. No. 1490: A bill for an act relating to local government; providing for public utility franchise agreements; authorizing municipalities to charge certain public utility fees; amending Minnesota Statutes 2012, section 216B.36.

Referred to the Committee on State and Local Government.

Senators Reinert, Rest, Dzedzic and Senjem introduced—

S.F. No. 1491: A bill for an act relating to taxation; local government aid; modifying the formula and changing the appropriation; amending Minnesota Statutes 2012, sections 477A.011, subdivisions 30, 34, 42, by adding subdivisions; 477A.013, subdivisions 8, 9, by adding a subdivision; 477A.03, subdivision 2a, by adding a subdivision; repealing Minnesota Statutes 2012, sections 477A.011, subdivisions 2a, 19, 29, 31, 32, 33, 36, 39, 40, 41, 42; 477A.013, subdivisions 11, 12; 477A.0133; 477A.0134.

Referred to the Committee on Taxes.

MOTIONS AND RESOLUTIONS

Senator Marty moved that the name of Senator Carlson be added as a co-author to S.F. No. 36. The motion prevailed.

Senator Eaton moved that the name of Senator Chamberlain be added as a co-author to S.F. No. 366. The motion prevailed.

Senator Metzen moved that his name be stricken as chief author, shown as a co-author, and the name of Senator Gazelka be shown as chief author to S.F. No. 544. The motion prevailed.

Senator Ingebrigtsen moved that the name of Senator Stumpf be added as a co-author to S.F. No. 623. The motion prevailed.

Senator Dahle moved that the name of Senator Eken be added as a co-author to S.F. No. 714. The motion prevailed.

Senator Wiger moved that the name of Senator Pappas be added as a co-author to S.F. No. 934. The motion prevailed.

Senator Eken moved that his name be stricken as a co-author to S.F. No. 955. The motion prevailed.

Senator Hoffman moved that the name of Senator Rosen be added as a co-author to S.F. No. 1315. The motion prevailed.

Senator Brown moved that his name be stricken as a co-author to S.F. No. 1348. The motion prevailed.

Senator Ruud moved that S.F. No. 125 be withdrawn from the Committee on Transportation and Public Safety and returned to its author. The motion prevailed.

Senator Marty moved that S.F. No. 1066 be withdrawn from the Committee on Education and re-referred to the Committee on Health, Human Services and Housing. The motion prevailed.

Senator Skoe moved that S.F. No. 1213 be withdrawn from the Committee on Transportation and Public Safety and re-referred to the Committee on Finance. The motion prevailed.

Senator Ortman moved that S.F. No. 647, No. 108 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

Senator Ingebrigtsen introduced –

Senate Resolution No. 49: A Senate resolution honoring Sister Patrice Keifer on the occasion of her retirement.

Referred to the Committee on Rules and Administration.

Senator Anderson introduced –

Senate Resolution No. 50: A Senate resolution congratulating Aaron Outhenthapanya of Buffalo, Minnesota, for receiving the Eagle Award.

Referred to the Committee on Rules and Administration.

MEMBERS EXCUSED

Senator Metzen was excused from the Session of today.

ADJOURNMENT

Senator Bakk moved that the Senate do now adjourn until 11:00 a.m., Thursday, March 21, 2013. The motion prevailed.

JoAnne M. Zoff, Secretary of the Senate