

STATE OF MINNESOTA

Journal of the Senate

NINETY-THIRD LEGISLATURE

ONE HUNDRED SIXTEENTH DAY

St. Paul, Minnesota, Wednesday, May 15, 2024

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

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Pastor Kyle Bushre.

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 were present:

| | | | | |
|------------|------------|---------|----------------|-----------|
| Abeler | Dziedzic | Johnson | Maye Quade | Rarick |
| Anderson | Eichorn | Klein | McEwen | Rasmusson |
| Bahr | Farnsworth | Koran | Miller | Rest |
| Boldon | Fatch | Kreun | Mitchell | Seeberger |
| Carlson | Frentz | Kunesh | Mohamed | Utke |
| Champion | Green | Kupec | Morrison | Weber |
| Coleman | Gruenhagen | Lang | Murphy | Wesenberg |
| Cwodzinski | Gustafson | Latz | Nelson | Westlin |
| Dahms | Hauschild | Lieske | Oumou Verbeten | Westrom |
| Dibble | Hawj | Limmer | Pappas | Wiklund |
| Dornink | Hoffman | Lucero | Pha | Xiong |
| Draheim | Housley | Mann | Port | |
| Drazkowski | Howe | Marty | Pratt | |
| Duckworth | Jasinski | Mathews | Putnam | |

The President declared a quorum present.

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

MESSAGES FROM THE HOUSE

Mr. President:

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

S.F. No. 4942: A bill for an act relating to state government; authorizing supplemental agriculture appropriations; providing broadband appropriation transfer authority; making policy and technical changes to agriculture provisions; establishing and modifying agriculture programs; requiring an application for federal broadband aid; modifying appropriations to the Office of Cannabis Management and the Department of Health; modifying fees assessed by the Department of Commerce; adding the Minnesota Consumer Data Privacy Act; adding and modifying consumer protection provisions; appropriating money for energy, utilities, environment, and climate; requiring utilities to accept an individual taxpayer identification number when new customers apply for utility service; allowing public utilities providing electric service to propose goals for fuel-switching improvement achievements to the commissioner of commerce; modifying the commercial property assessed clean energy program; making technical changes to various provisions governing or administered by the Department of Commerce; requiring reports; appropriating money; amending Minnesota Statutes 2022, sections 17.116, subdivision 2; 17.133, subdivision 1; 18C.70, subdivision 5; 18C.71, subdivision 4; 18C.80, subdivision 2; 28A.10; 31.94; 32D.30; 41B.047, subdivision 1; 45.0135, subdivision 7; 62Q.73, subdivision 3; 116J.396, by adding a subdivision; 216B.098, by adding a subdivision; 216B.16, subdivisions 6c, 8; 216B.2402, subdivision 10, by adding a subdivision; 216B.2403, subdivisions 2, 3, 5, 8; 216B.241, subdivisions 2, 11, 12; 216B.243, subdivision 3b; 216C.10; 216C.435, subdivisions 3a, 3b, 4, 10, by adding subdivisions; 216C.436, subdivisions 1, 4, 7, 8, 10; 325E.21, by adding a subdivision; Minnesota Statutes 2023 Supplement, sections 17.055, subdivision 3; 17.133, subdivision 3; 18C.425, subdivision 6; 35.155, subdivision 12; 41B.0391, subdivisions 1, 2, 4, 6; 116C.779, subdivision 1; 144.197; 216B.1691, subdivision 1; 216C.08; 216C.09; 216C.435, subdivision 8; 216C.436, subdivisions 1b, 2; 325E.21, subdivision 1b; 342.72; Laws 2023, chapter 43, article 1, section 2, subdivisions 1, 2, 3, 4, 5; Laws 2023, chapter 63, article 9, sections 5; 10; 15, subdivision 4; 20; proposing coding for new law in Minnesota Statutes, chapters 13; 58B; 62J; 216B; 216C; proposing coding for new law as Minnesota Statutes, chapter 325O; repealing Minnesota Statutes 2022, section 34.07.

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

Acomb, Stephenson, Vang, Pursell and Kraft.

Senate File No. 4942 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 13, 2024

Mr. President:

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

S.F. No. 4699: A bill for an act relating to state government; modifying provisions governing health care, health insurance, health policy, emergency medical services, the Department of Health, the Department of Human Services, MNsure, health care workforce, health-related licensing boards, health care affordability and delivery, background studies, child protection and welfare, child care licensing, behavioral health, economic assistance, housing and homelessness, human services policy, the Minnesota Indian Family Preservation Act, and the Department of Children, Youth, and Families;

establishing the Office of Emergency Medical Services; establishing the Minnesota African American Family Preservation and Child Welfare Disproportionality Act; making technical and conforming changes; requiring reports; imposing penalties; providing appointments; making forecast adjustments; appropriating money; amending Minnesota Statutes 2022, sections 16A.055, subdivision 1a, by adding a subdivision; 16A.103, by adding a subdivision; 62A.0411; 62A.15, subdivision 4, by adding a subdivision; 62A.28, subdivision 2; 62D.02, subdivisions 4, 7; 62D.03, subdivision 1; 62D.05, subdivision 1; 62D.06, subdivision 1; 62D.14, subdivision 1; 62D.19; 62D.20, subdivision 1; 62D.22, subdivision 5; 62E.02, subdivision 3; 62J.49, subdivision 1; 62J.61, subdivision 5; 62M.01, subdivision 3; 62Q.097, by adding a subdivision; 62Q.14; 62V.05, subdivision 12; 62V.08; 62V.11, subdivision 4; 103I.621, subdivisions 1, 2; 121A.15, subdivision 3, by adding a subdivision; 144.05, subdivision 6, by adding a subdivision; 144.058; 144.0724, subdivisions 2, 3a, 4, 6, 7, 8, 9, 11; 144.1464, subdivisions 1, 2, 3; 144.1501, subdivision 5; 144.1911, subdivision 2; 144.212, by adding a subdivision; 144.216, subdivision 2, by adding subdivisions; 144.218, by adding a subdivision; 144.292, subdivision 6; 144.293, subdivisions 2, 4, 9, 10; 144.493, by adding a subdivision; 144.494, subdivision 2; 144.551, subdivision 1; 144.555, subdivisions 1a, 1b, 2, by adding subdivisions; 144.605, by adding a subdivision; 144.99, subdivision 3; 144A.10, subdivisions 15, 16; 144A.471, by adding a subdivision; 144A.474, subdivision 13; 144A.61, subdivision 3a; 144A.70, subdivisions 3, 5, 6, 7; 144A.71, subdivision 2, by adding a subdivision; 144A.72, subdivision 1; 144A.73; 144E.001, subdivision 3a, by adding subdivisions; 144E.101, by adding a subdivision; 144E.16, subdivisions 5, 7; 144E.19, subdivision 3; 144E.27, subdivisions 3, 5, 6; 144E.28, subdivisions 3, 5, 6, 8; 144E.285, subdivisions 1, 2, 4, 6, by adding subdivisions; 144E.287; 144E.305, subdivision 3; 144G.08, subdivision 29; 144G.10, by adding a subdivision; 144G.16, subdivision 6; 146B.03, subdivision 7a; 146B.10, subdivisions 1, 3; 148.235, subdivision 10; 149A.02, subdivisions 3, 3b, 16, 23, 26a, 27, 35, 37c, by adding subdivisions; 149A.03; 149A.65; 149A.70, subdivisions 1, 2, 3, 5; 149A.71, subdivisions 2, 4; 149A.72, subdivisions 3, 9; 149A.73, subdivision 1; 149A.74, subdivision 1; 149A.93, subdivision 3; 149A.94, subdivisions 1, 3, 4; 149A.97, subdivision 2; 151.01, subdivisions 23, 27; 151.065, by adding subdivisions; 151.066, subdivisions 1, 2, 3; 151.212, by adding a subdivision; 151.37, by adding a subdivision; 151.74, subdivision 6; 152.22, subdivision 14, by adding a subdivision; 152.25, subdivision 2; 152.27, subdivisions 2, 6, by adding a subdivision; 176.175, subdivision 2; 214.025; 214.04, subdivision 2a; 214.29; 214.31; 214.355; 243.166, subdivision 7, as amended; 245.096; 245.462, subdivision 6; 245.4663, subdivision 2; 245A.04, subdivision 10, by adding a subdivision; 245A.043, subdivisions 2, 4, by adding subdivisions; 245A.07, subdivision 6; 245A.10, subdivisions 1, as amended, 2, as amended; 245A.14, subdivision 17; 245A.144; 245A.175; 245A.52, subdivision 2, by adding a subdivision; 245A.66, subdivision 2; 245C.05, subdivision 5; 245C.08, subdivision 4; 245C.10, subdivision 18; 245C.14, subdivision 1, by adding a subdivision; 245C.15, subdivisions 3, 4; 245C.22, subdivision 4; 245C.24, subdivisions 2, 5; 245C.30, by adding a subdivision; 245E.08; 245F.09, subdivision 2; 245F.14, by adding a subdivision; 245F.17; 245G.07, subdivision 4; 245G.08, subdivisions 5, 6; 245G.10, by adding a subdivision; 245G.22, subdivisions 6, 7; 245H.01, by adding subdivisions; 245H.08, subdivision 1; 245H.14, subdivisions 1, 4; 245I.02, subdivisions 17, 19; 245I.10, subdivision 9; 245I.11, subdivision 1, by adding a subdivision; 245I.20, subdivision 4; 245I.23, subdivision 14; 256.01, subdivision 41, by adding a subdivision; 256.029, as amended; 256.045, subdivisions 3b, as amended, 5, as amended, 7, as amended; 256.0451, subdivisions 1, as amended, 22, 24; 256.046, subdivision 2, as amended; 256.9657, subdivision 8, by adding a subdivision; 256.969, by adding subdivisions; 256B.056, subdivisions 1a, 10; 256B.0622, subdivisions 2a, 3a, 7a, 7d; 256B.0623, subdivision 5; 256B.0625, subdivisions 12, 20, 39, by adding subdivisions; 256B.0757, subdivisions 4a, 4d, by adding a subdivision; 256B.0943, subdivision 12; 256B.0947, subdivision 5; 256B.76, subdivision

6; 256B.795; 256I.04, subdivision 2f; 256J.08, subdivision 34a; 256J.28, subdivision 1; 256K.45, subdivision 2; 256N.22, subdivision 10; 256N.24, subdivision 10; 256N.26, subdivisions 12, 13, 15, 16, 18, 21, 22; 256P.05, by adding a subdivision; 256R.02, subdivision 20; 259.20, subdivision 2; 259.37, subdivision 2; 259.52, subdivisions 2, 4; 259.53, by adding a subdivision; 259.79, subdivision 1; 259.83, subdivision 4; 260.755, subdivisions 2a, 5, 14, 17a, by adding subdivisions; 260.775; 260.785, subdivisions 1, 3; 260.810, subdivision 3; 260C.007, subdivisions 6, 26b; 260C.141, by adding a subdivision; 260C.178, subdivisions 1, as amended, 7; 260C.202; 260C.209, subdivision 1; 260C.212, subdivisions 1, 2; 260C.301, subdivision 1, as amended; 260C.329, subdivisions 3, 8; 260C.4411, by adding a subdivision; 260C.515, subdivision 4; 260C.607, subdivisions 1, 6; 260C.611; 260C.613, subdivision 1; 260C.615, subdivision 1; 260D.01; 260E.03, subdivision 23, as amended; 260E.30, subdivision 3, as amended; 260E.33, subdivision 2, as amended; 317A.811, subdivisions 1, 2, 4; 393.07, subdivision 10a; 518.17, by adding a subdivision; 519.05; 524.3-801, as amended; Minnesota Statutes 2023 Supplement, sections 13.46, subdivision 4, as amended; 15A.0815, subdivision 2; 43A.08, subdivision 1a; 62J.84, subdivision 10; 62Q.46, subdivision 1; 62Q.473, by adding subdivisions; 62Q.522, subdivision 1; 119B.011, subdivision 15; 119B.16, subdivisions 1a, 1c; 119B.161, subdivision 2; 124D.142, subdivision 2, as amended; 142A.03, by adding a subdivision; 144.0526, subdivision 1; 144.1501, subdivisions 1, 2, 3, 4; 144.1505, subdivision 2; 144.2252, subdivision 2; 144.2253; 144.587, subdivision 4; 144A.4791, subdivision 10; 144E.101, subdivisions 6, 7, as amended; 145.561, subdivision 4; 151.555, subdivisions 1, 4, 5, 6, 7, 8, 9, 11, 12; 151.74, subdivision 3; 152.126, subdivision 6; 152.28, subdivision 1; 245.4889, subdivision 1; 245A.02, subdivision 2c; 245A.03, subdivisions 2, as amended, 7, as amended; 245A.043, subdivision 3; 245A.07, subdivision 1, as amended; 245A.11, subdivision 7; 245A.16, subdivisions 1, as amended, 11; 245A.211, subdivision 4; 245A.242, subdivision 2; 245A.50, subdivisions 3, 4; 245A.66, subdivision 4, as amended; 245C.02, subdivisions 6a, 13e; 245C.033, subdivision 3; 245C.08, subdivision 1; 245C.10, subdivision 15; 245C.15, subdivisions 2, 4a; 245C.31, subdivision 1; 245G.22, subdivisions 2, 17; 245H.06, subdivisions 1, 2; 245H.08, subdivisions 4, 5; 254B.04, subdivision 1a; 256.01, subdivision 12b; 256.043, subdivisions 3, 3a; 256.045, subdivision 3, as amended; 256.046, subdivision 3; 256.0471, subdivision 1, as amended; 256.969, subdivision 2b; 256B.0622, subdivisions 7b, 8; 256B.0625, subdivisions 3a, 5m, 9, 13e, as amended, 13f, 13k, 16; 256B.064, subdivision 4; 256B.0671, subdivision 5; 256B.0701, subdivision 6; 256B.0947, subdivision 7; 256B.764; 256D.01, subdivision 1a; 256E.38, subdivision 4; 256I.05, subdivisions 1a, 11; 256L.03, subdivision 1; 256M.42, by adding a subdivision; 256P.06, subdivision 3; 259.83, subdivisions 1, 1b, 3a; 260.014, by adding a subdivision; 260.755, subdivisions 1a, 3, 3a, 5b, 20, 22; 260.758, subdivisions 2, 4, 5; 260.761; 260.762; 260.763, subdivisions 1, 4, 5; 260.765, subdivisions 2, 3a, 4b; 260.771, subdivisions 1a, 1b, 1c, 2b, 2d, 6, by adding a subdivision; 260.773, subdivisions 1, 2, 3, 4, 5, 10, 11; 260.774, subdivisions 1, 2, 3; 260.781, subdivision 1; 260.786, subdivision 2; 260.795, subdivision 1; 342.01, subdivision 63; 342.52, subdivision 3; 342.53; 342.54, subdivision 2; 342.55, subdivision 2; 518A.42, subdivision 3; Laws 1987, chapter 404, section 18, subdivision 1; Laws 2023, chapter 22, section 4, subdivision 2; Laws 2023, chapter 57, article 1, section 6; Laws 2023, chapter 70, article 1, section 35; article 11, section 13, subdivision 8; article 12, section 30, subdivisions 2, 3; article 14, section 42, subdivision 6; article 20, sections 2, subdivisions 5, 22, 24, 29, 31; 3, subdivision 2; 12, as amended; 23; Laws 2024, chapter 80, article 1, sections 38, subdivisions 1, 2, 5, 6, 7, 9; 96; article 2, sections 5, subdivision 21, by adding a subdivision; 6, subdivisions 2, 3, 3a, by adding a subdivision; 7, subdivision 2; 10, subdivisions 1, 6; 16, subdivision 1, by adding a subdivision; 30, subdivision 2; 31; 74; article 4, section 26; article 6, section 4; article 7, section 4; proposing coding for new law in Minnesota Statutes, chapters 62D; 62J; 62Q; 137; 142A; 144; 144A; 144E; 145; 149A; 151; 214;

245C; 245H; 256B; 259; 260; 260D; 260E; 524; proposing coding for new law as Minnesota Statutes, chapters 142B; 142F; 332C; repealing Minnesota Statutes 2022, sections 62A.041, subdivision 3; 144.218, subdivision 3; 144.497; 144E.001, subdivision 5; 144E.01; 144E.123, subdivision 5; 144E.27, subdivisions 1, 1a; 144E.50, subdivision 3; 245A.065; 245C.125; 256.01, subdivisions 12, 12a; 256B.79, subdivision 6; 256D.19, subdivisions 1, 2; 256D.20, subdivisions 1, 2, 3, 4; 256D.23, subdivisions 1, 2, 3; 256R.02, subdivision 46; 260.755, subdivision 13; Minnesota Statutes 2023 Supplement, sections 62J.312, subdivision 6; 62Q.522, subdivisions 3, 4; 144.0528, subdivision 5; 245C.08, subdivision 2; Laws 2023, chapter 25, section 190, subdivision 10; Laws 2024, chapter 80, article 1, sections 38, subdivisions 3, 4, 11; 39; 43, subdivision 2; article 2, sections 1, subdivision 11; 3, subdivision 3; 4, subdivision 4; 6, subdivision 4; 10, subdivision 4; 33; 69; article 7, sections 3; 9; Minnesota Rules, parts 9502.0425, subparts 5, 10; 9545.0805, subpart 1; 9545.0845; 9560.0232, subpart 5.

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

Liebling, Pinto and Bierman.

Senate File No. 4699 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 13, 2024

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2609:

H.F. No. 2609: A bill for an act relating to public safety; requiring a report on gun trafficking investigations and firearm seizures by the Bureau of Criminal Apprehension and Violent Crime Enforcement Teams; amending the definition of trigger activator; increasing penalties for transferring firearms to certain persons who are ineligible to possess firearms; amending Minnesota Statutes 2022, section 624.7141; Minnesota Statutes 2023 Supplement, sections 299A.642, subdivision 15; 609.67, subdivision 1.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Berg, Moller and Witte have been appointed as such committee on the part of the House.

House File No. 2609 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 13, 2024

Senator Gustafson moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2609, and that a Conference Committee of 3 members be appointed by the

Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

REPORTS OF COMMITTEES

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

Senator Pappas from the Committee on Capital Investment, to which was referred

S.F. No. 5251: A bill for an act relating to capital investment; authorizing spending to acquire and better public land and buildings and for other improvements of a capital nature with certain conditions; establishing new programs and modifying existing programs; modifying prior appropriations; authorizing the sale and issuance of state bonds; appropriating money; amending Minnesota Statutes 2022, sections 16A.642, subdivision 1; 446A.07, subdivision 8; 446A.072, subdivision 5a; 446A.073, subdivision 1; 462A.37, by adding a subdivision; Minnesota Statutes 2023 Supplement, sections 256E.37, subdivision 1; 446A.081, subdivision 9; 462A.37, subdivision 5; Laws 2020, Fifth Special Session chapter 3, article 1, sections 14, subdivisions 5, 6; 25; Laws 2023, chapter 72, article 1, section 27; proposing coding for new law in Minnesota Statutes, chapters 16B; 115B; 174; 446A; repealing Minnesota Statutes 2022, section 16A.662.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

APPROPRIATIONS

Section 1. CAPITAL IMPROVEMENT APPROPRIATIONS.

(a) The sums shown in the column under "Appropriations" are appropriated from the bond proceeds fund, or another named fund, to the state agencies or officials indicated, to be spent for public purposes. Appropriations of bond proceeds must be spent as authorized by the Minnesota Constitution, article XI, section 5, clause (a), to acquire and better public land and buildings and other public improvements of a capital nature, or as authorized by the Minnesota Constitution, article XI, section 5, clauses (b) to (j), or article XIV. Unless otherwise specified, money appropriated in this act:

(1) may be used to pay state agency staff costs that are attributed directly to the capital program or project in accordance with accounting policies adopted by the commissioner of management and budget;

(2) is available until the project is completed or abandoned subject to Minnesota Statutes, section 16A.642;

(3) for activities under Minnesota Statutes, sections 16B.307, 84.946, and 135A.046, should not be used for projects that can be financed within a reasonable time frame under Minnesota Statutes, section 16B.322 or 16C.144;

(4) is subject to the policies and procedures adopted by the commissioner of management and budget or otherwise specified in applicable law; and

(5) is available for a grant to a political subdivision after the commissioner of management and budget determines that an amount sufficient to complete the project as described in this act has been committed to the project, as required by Minnesota Statutes, section 16A.502.

(b) Unless otherwise specified, appropriations in this article from the general fund or from the trunk highway fund are made in fiscal year 2025 and are onetime appropriations.

(c) Recipients of grants from money appropriated in this article must demonstrate to the commissioner of the agency making the grant that the recipient has the ability and a plan to fund the program intended for the facility. This paragraph does not apply to state agencies.

APPROPRIATIONS

Sec. 2. UNIVERSITY OF MINNESOTA

| | | |
|---|-----------|-------------------|
| <u>Subdivision 1. Total Appropriation</u> | <u>\$</u> | <u>40,000,000</u> |
|---|-----------|-------------------|

To the Board of Regents of the University of Minnesota for the purposes specified in this section.

| | | |
|---|--|-------------------|
| <u>Subd. 2. Higher Education Asset Preservation and Replacement (HEAPR)</u> | | <u>40,000,000</u> |
|---|--|-------------------|

To be spent in accordance with Minnesota Statutes, section 135A.046.

This appropriation must be used to fully fund improvements and betterments of a capital nature required to complete the following projects:

(1) critical utility infrastructure improvements for the heating plant on the Crookston campus;

(2) the repair or replacement of the HVAC system in the Library Annex facility on the Duluth campus and other capital improvements to comply with federal, state, and local building code requirements;

(3) improvements to the Multi-Ethnic Resource Center, originally constructed in 1899, on the Morris campus; and

(4) the replacement of the pedestrian enclosure and suicide deterrent barriers on the Washington Avenue Pedestrian Bridge on the Twin Cities campus. The board must consult with persons impacted by suicide at this bridge, suicide prevention organizations, and experts in the field of suicide prevention in designing the project.

Sec. 3. MINNESOTA STATE COLLEGES AND UNIVERSITIES

Subdivision 1. Total Appropriation **\$ 40,000,000**

To the Board of Trustees of the Minnesota State Colleges and Universities for the purposes specified in this section.

Subd. 2. Higher Education Asset Preservation and Replacement (HEAPR) **40,000,000**

To be spent in accordance with Minnesota Statutes, section 135A.046.

Sec. 4. EDUCATION **\$ 382,121,000**

(a) To the commissioner of education for library construction grants under Minnesota Statutes, section 134.45.

(b) Of this amount, \$1,000,000 is for a grant to the city of Clara City to predesign, design, construct, furnish, and equip a new library building.

Sec. 5. MINNESOTA STATE ACADEMIES

Subdivision 1. Total Appropriation **\$ 1,227,000**

To the commissioner of administration for the purposes specified in this section.

Subd. 2. Asset Preservation **1,227,000**

For capital asset preservation improvements and betterments on both campuses of the Minnesota State Academies, to be spent in accordance with Minnesota Statutes, section 16B.307.

Sec. 6. PERPICH CENTER FOR ARTS EDUCATION

\$ 1,000,000

To the commissioner of administration for capital asset preservation improvements and betterments at the Perpich Center for Arts Education, to be spent in accordance with Minnesota Statutes, section 16B.307.

Sec. 7. NATURAL RESOURCES

Subdivision 1. Total Appropriation

\$ 48,400,000

(a) To the commissioner of natural resources for the purposes specified in this section.

(b) The appropriations in this section are subject to the requirements of the natural resources capital improvement program under Minnesota Statutes, section 86A.12, unless this section or the statutes referred to in this section provide more specific standards, criteria, or priorities for projects than Minnesota Statutes, section 86A.12.

Subd. 2. Natural Resources Asset Preservation

15,000,000

For the preservation and replacement of state-owned facilities and recreational assets operated by the commissioner of natural resources to be spent in accordance with Minnesota Statutes, section 84.946.

Subd. 3. Badoura State Forest Nursery

18,000,000

To predesign, design, and construct facility capital improvements and associated facility components at the Badoura State Forest Nursery.

Subd. 4. Accessibility

2,000,000

For the design and construction of accessibility improvements at state parks,

recreation areas, and wildlife management areas.

Subd. 5. Flood Hazard Mitigation

5,000,000

(a) For the state share of flood hazard mitigation grants for publicly owned capital improvements to prevent or alleviate flood damage under Minnesota Statutes, section 103F.161.

(b) Project priorities shall be determined by the commissioner as appropriate, based on need and consideration of available leveraging of federal, state, and local funds.

(c) To the extent practicable and consistent with the project, recipients of appropriations for flood control projects in this subdivision shall create wetlands that are eligible for wetland replacement credit to replace wetlands drained or filled as the result of repair, reconstruction, replacement, or rehabilitation of an existing public road under Minnesota Statutes, section 103G.222, subdivision 1, paragraphs (l) and (m).

(d) To the extent that the cost of a municipal project exceeds two percent of the median household income in the municipality multiplied by the number of households in the municipality, this appropriation is also for the local share of the project.

Subd. 6. Community Tree Planting

6,000,000

For grants under Minnesota Statutes, section 84.705. This appropriation must be used for qualified capital projects.

Subd. 7. Reforestation

2,400,000

For reforestation and stand improvement on state forest lands to meet the reforestation requirements of Minnesota Statutes, section 89.002, subdivision 2, including purchasing native seeds and native seedlings, planting, seeding, site preparation, and protection on state lands administered by the commissioner.

Subd. 8. Unspent Appropriations

The unspent portion of an appropriation for a project in this section that is complete, upon written notice to the commissioner of management and budget, is available for asset preservation under Minnesota Statutes, section 84.946. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

Sec. 8. POLLUTION CONTROL AGENCY**Subdivision 1. Total Appropriation****\$ 8,000,000**

To the Pollution Control Agency for the purposes specified in this section.

Subd. 2. Statewide Drinking Water Contamination Mitigation Program**8,000,000**

For projects or grants under Minnesota Statutes, section 115B.245.

Sec. 9. BOARD OF WATER AND SOIL RESOURCES**Subdivision 1. Total Appropriation****\$ 6,500,000**

To the Board of Water and Soil Resources for the purposes specified in this section.

Subd. 2. Local Government Roads Wetland Replacement Program**2,500,000**

To acquire land or permanent easements and to restore, create, enhance, and preserve wetlands to replace those wetlands drained or filled as a result of the repair, reconstruction, replacement, or rehabilitation of existing public roads as required by Minnesota Statutes, section 103G.222, subdivision 1, paragraphs (l) and (m). Notwithstanding Minnesota Statutes, section 103G.222, subdivision 3, the board may implement the wetland replacement program consistent with section 404 of the federal Clean Water Act. The purchase price paid

for acquisition of land or perpetual easement must be a fair market value as determined by the board. The board may enter into agreements with the federal government, other state agencies, political subdivisions, nonprofit organizations, fee title owners, or other qualified private entities to acquire wetland replacement credits in accordance with Minnesota Rules, chapter 8420. Up to five percent of this appropriation may be used for restoration and enhancement.

Subd. 3. Reinvest in Minnesota (RIM) Reserve Program

4,000,000

To acquire conservation easements from landowners to preserve, restore, create, and enhance wetlands and associated uplands of prairie and grasslands, and to restore and enhance rivers and streams, riparian lands, and associated uplands of prairie and grasslands, in order to protect soil and water quality, support fish and wildlife habitat, reduce flood damage, and provide other public benefits. The provisions of Minnesota Statutes, section 103F.515, apply to this program. The board shall give priority to leveraging federal money by enrolling targeted new lands or enrolling environmentally sensitive lands that have expiring federal conservation agreements. The board is authorized to enter into new agreements and amend past agreements with landowners as required by Minnesota Statutes, section 103F.515, subdivision 5, to allow for restoration. Up to ten percent of this appropriation may be used for restoration, rehabilitation, and enhancement.

Sec. 10. MINNESOTA ZOOLOGICAL GARDEN

\$ 15,000,000

To the Minnesota Zoological Board to design, construct, furnish, and equip a new animal hospital building at the Minnesota Zoological Garden.

Sec. 11. ADMINISTRATION

116TH DAY]

WEDNESDAY, MAY 15, 2024

16961

Subdivision 1. Total Appropriation

\$ 27,844,000

To the commissioner of administration for the purposes specified in this section.

Subd. 2. Capitol Tunnel

8,500,000

To design, construct, and equip improvements to bring a portion of the tunnel under Rev. Dr. Martin Luther King Jr. Boulevard and to the east to the State Capitol into compliance with the Americans with Disabilities Act.

Subd. 3. Capital Asset Preservation and Replacement Account

2,044,000

To be spent in accordance with Minnesota Statutes, section 16A.632.

Subd. 4. Transportation Building- Physical Security Upgrades

1,800,000

From the trunk highway fund, for the design, construction, and equipping required to upgrade the physical security elements and systems for the Transportation building and its attached tunnel systems, surrounding grounds, and parking facilities as identified in the 2017 Minnesota State Capitol Complex Physical Security Predesign completed by Miller Dunwiddie and an updated assessment completed in 2022. Upgrades include but are not limited to the installation of bollards, blast protection, infrastructure security screen walls, door access controls, emergency call stations, surveillance systems, security kiosks, lighting enhancements, locking devices, and traffic and crowd control devices.

Subd. 5. ADA Accessibility

3,500,000

To be spent in accordance with Minnesota Statutes, section 16B.308.

Subd. 6. Capitol Mall Improvements

12,000,000

To predesign, design, construct, furnish, and equip improvements and betterments of a capital nature within the Capitol Area,

consistent with the Capitol Mall Design Framework update required by Laws 2023, chapter 62, article 2, section 124.

Sec. 12. **AMATEUR SPORTS COMMISSION**

Subdivision 1. **Total Appropriation** **\$ 7,000,000**

To the Minnesota Amateur Sports Commission for the purposes specified in this section.

Subd. 2. **Asset Preservation** **6,000,000**

For asset preservation improvements and betterments of a capital nature at the National Sports Center in Blaine, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. **Mighty Ducks** **1,000,000**

For grants to local government units under Minnesota Statutes, section 240A.09, paragraph (b), for projects that eliminate R-22.

Sec. 13. **MILITARY AFFAIRS**

Subdivision 1. **Total Appropriation** **\$ 3,000,000**

To the adjutant general for the purposes specified in this section.

Subd. 2. **Duluth Hangar Design** **3,000,000**

To predesign and design the construction of a new hangar to hold aircraft at the Duluth International Airport in support of the 148th Fighter Wing of the Minnesota Air National Guard to replace existing hangars.

Sec. 14. **PUBLIC SAFETY**

Subdivision 1. **Total Appropriation** **\$ 47,998,000**

To the commissioner of administration for the purposes specified in this section.

Subd. 2. **Southern Minnesota BCA Regional Office and Laboratory** **47,998,000**

To construct, furnish, and equip a new Bureau of Criminal Apprehension regional office and laboratory facility in Mankato.

Sec. 15. **TRANSPORTATION**

Subdivision 1. Total Appropriation

\$ 94,621,000

To the commissioner of transportation for the purposes specified in this section.

Subd. 2. Major Local Bridge Replacement and Rehabilitation Program

35,000,000

From the bond proceeds account in the state transportation fund for grants under Minnesota Statutes, section 174.50, subdivision 6d.

Subd. 3. Port Development Assistance Program

3,000,000

For grants under Minnesota Statutes, chapter 457A. Any improvements made with the proceeds of these grants must be publicly owned.

Subd. 4. Local Bridge Replacement and Rehabilitation

20,000,000

From the bond proceeds account in the state transportation fund to match federal money and to replace or rehabilitate local deficient bridges as provided in Minnesota Statutes, section 174.50.

Subd. 5. Local Road Improvement Fund Grants

36,621,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for eligible trunk highway corridor improvement projects under Minnesota Statutes, section 174.52, subdivision 2; for construction and reconstruction of local roads with statewide or regional significance under Minnesota Statutes, section 174.52, subdivision 4; or for grants to counties to assist in paying the costs of rural road safety capital improvement projects on county state-aid highways under Minnesota Statutes, section 174.52,

subdivision 4a. Of this appropriation, \$5,000,000 is for projects on town roads.

Sec. 16. **METROPOLITAN COUNCIL**

Subdivision 1. Total Appropriation **\$ 14,125,000**

To the Metropolitan Council for the purposes specified in this section.

Subd. 2. Metropolitan Cities Inflow and Infiltration Grants **10,000,000**

For grants under Minnesota Statutes, section 473.5491.

Subd. 3. Metropolitan Regional Parks and Trails **4,125,000**

For the cost of improvements and betterments of a capital nature and acquisition by the council and local government units of regional recreational open-space lands in accordance with the council's policy plan as provided in Minnesota Statutes, section 473.147. This appropriation must not be used to purchase easements.

Sec. 17. **HUMAN SERVICES**

Subdivision 1. Total Appropriation **\$ 12,500,000**

To the commissioner of administration, or other named entity, for the purposes specified in this section.

Subd. 2. Asset Preservation **8,000,000**

For asset preservation improvements and betterments of a capital nature at Department of Human Services facilities statewide, to be spent in accordance with Minnesota Statutes, section 16B.307. The commissioner of administration may use this appropriation for improvements and betterments of a capital nature to be spent in accordance with Minnesota Statutes, section 16B.307, at facilities operated by the Department of Direct Care and Treatment following the department's separation from the Department of Human Services.

Subd. 3. Early Childhood Facilities Grants**4,500,000**

To the commissioner of human services for grants under Minnesota Statutes, section 256E.37, to predesign, design, construct, renovate, furnish, and equip early childhood learning facilities.

Sec. 18. VETERANS AFFAIRS**Subdivision 1. Total Appropriation****\$ 25,045,000**

To the commissioner of administration for the purposes specified in this section.

Subd. 2. Asset Preservation**9,000,000**

For asset preservation improvements and betterments of a capital nature at the veterans homes in Minneapolis, Hastings, Fergus Falls, Silver Bay, and Luverne, and the state veterans cemeteries at Little Falls, Preston, and Duluth, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. Minneapolis Veterans Home - Building 16 Remodel**16,045,000**

To design, construct, furnish, and equip the renovation of the Minneapolis Veterans Home Building 16.

Sec. 19. CORRECTIONS**Subdivision 1. Total Appropriation****\$ 86,585,000**

To the commissioner of administration for the purposes specified in this section.

Subd. 2. Asset Preservation**40,000,000**

For asset preservation improvement and betterments of a capital nature at the Minnesota correctional facilities statewide to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. Minnesota Correctional Facility - Rush City**46,585,000**

To design, construct, furnish, and equip a new building addition and to renovate existing space to provide incarcerated persons services at the Rush City Correctional Facility.

Subd. 4. Unspent Appropriations

The unspent portion of an appropriation for a Department of Corrections project in this section that is complete, upon written notice to the commissioner of management and budget, is available for asset preservation under Minnesota Statutes, section 16B.307. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

Sec. 20. EMPLOYMENT AND ECONOMIC DEVELOPMENT

Subdivision 1. Total Appropriation

\$ 4,000,000

To the commissioner of employment and economic development for the purposes specified in this section.

Subd. 2. Greater Minnesota Business Development Public Infrastructure

2,000,000

For grants under Minnesota Statutes, section 116J.431.

Subd. 3. Transportation Economic Development Infrastructure

2,000,000

For grants under Minnesota Statutes, section 116J.436.

Sec. 21. PUBLIC FACILITIES AUTHORITY

Subdivision 1. Total Appropriation

\$ 100,011,000

To the Public Facilities Authority for the purposes specified in this section.

Subd. 2. State Match for Federal Grants to State Revolving Loan Programs**39,000,000**

To match federal capitalization grants for the clean water revolving fund under Minnesota Statutes, section 446A.07, and the drinking water revolving fund under Minnesota Statutes, section 446A.081. This appropriation must be used for qualified capital projects.

Subd. 3. Water Infrastructure Funding Program**35,484,000**

(a) For grants to eligible municipalities under the water infrastructure funding program under Minnesota Statutes, section 446A.072.

(b) \$17,742,000 is for wastewater projects listed on the Pollution Control Agency's project priority list in the fundable range under the clean water revolving fund program.

(c) \$17,742,000 is for drinking water projects listed on the commissioner of health's project priority list in the fundable range under the drinking water revolving fund program.

(d) After all eligible projects under paragraph (b) or (c) have been funded in a fiscal year, the Public Facilities Authority may transfer any remaining, uncommitted money to eligible projects under a program defined in paragraph (b) or (c) based on that program's project priority list.

Subd. 4. Point Source Implementation Grants Program**18,527,000**

For grants to eligible municipalities under the point source implementation grants program under Minnesota Statutes, section 446A.073. This appropriation must be used for qualified capital projects.

Subd. 5. Emerging Contaminants Grant Program**7,000,000**

For grants to eligible municipalities under the Emerging Contaminants Grant Program under Minnesota Statutes, section 446A.082.

Sec. 22. MINNESOTA HOUSING FINANCE AGENCY

Subdivision 1. Total Appropriation \$ 14,500,000

To the Minnesota Housing Finance Agency for the purposes specified in this section.

Subd. 2. Public Housing Rehabilitation 10,000,000

To the Minnesota Housing Finance Agency to finance the costs of rehabilitation to preserve public housing under Minnesota Statutes, section 462A.202, subdivision 3a. For purposes of this section, "public housing" means housing for low-income persons and households financed by the federal government and publicly owned. Priority may be given to proposals that maximize nonstate resources to finance the capital costs and requests that prioritize health, safety, and energy improvements. The priority in Minnesota Statutes, section 462A.202, subdivision 3a, for projects to increase the supply of affordable housing and the restrictions of Minnesota Statutes, section 462A.202, subdivision 7, do not apply to this appropriation.

Subd. 3. Greater Minnesota Housing Infrastructure Grants 4,500,000

For grants under Minnesota Statutes, section 462A.395, subdivision 3, paragraph (b).

Sec. 23. MINNESOTA HISTORICAL SOCIETY

Subdivision 1. Total Appropriation \$ 6,588,000

To the Minnesota Historical Society for the purposes specified in this section.

Subd. 2. Historic Sites Asset Preservation 5,588,000

For capital improvements and betterments at state historic sites, buildings, landscaping at historic buildings, exhibits, markers, and monuments, to be spent in accordance with Minnesota Statutes, section 16B.307. The

society shall determine project priorities as appropriate based on need.

Subd. 3. County and Local Preservation Grants

1,000,000

For grants to county and local jurisdictions as matching money for historic preservation projects of a capital nature, as provided in Minnesota Statutes, section 138.0525.

Sec. 24. MINNESOTA MANAGEMENT AND BUDGET

\$ 1,300,000

From the general fund to the commissioner of management and budget to prepay or defease any outstanding state general obligation bonds used for improvements and betterments at the University of Minnesota Cloquet Forestry Center, and other associated financing costs, to facilitate the university's goal of returning this land to the Fond du Lac Band of Lake Superior Chippewa. This amount may be deposited, invested, and applied to accomplish the purposes of this section as provided in Minnesota Statutes, section 475.67, subdivisions 5 to 10, and 13. Upon the prepayment or defeasance of associated debt on the real property and improvements, all conditions set forth in Minnesota Statutes, section 16A.695, subdivision 3, shall be deemed to have been satisfied and the real property and improvements shall no longer constitute state bond financed property under Minnesota Statutes, section 16A.695.

Sec. 25. BOND SALE AUTHORIZATIONS.

Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act from the bond proceeds fund, and to provide for expenses authorized in section 16A.641, subdivision 8, paragraph (c), the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$898,629,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. **Transportation fund.** To provide the money appropriated in this act from the bond proceeds account in the state transportation fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$86,621,000 in the manner, upon the terms, and

with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 26. **BOND SALE SCHEDULE.**

The commissioner of management and budget shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 2025, no more than \$1,136,805,000 will need to be transferred from the general fund to the state bond fund to pay principal and interest due and to become due on outstanding state general obligation bonds. During the biennium, before each sale of state general obligation bonds, the commissioner of management and budget shall calculate the amount of debt service payments needed on bonds previously issued and shall estimate the amount of debt service payments that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

Sec. 27. **CANCELLATIONS; BOND SALE AUTHORIZATION REDUCTIONS.**

(a) The amounts of the general obligation bond proceeds appropriations and trunk highway bond proceeds appropriations listed in the cancellation report submitted to the legislature in January 2024, pursuant to Minnesota Statutes, section 16A.642, are canceled on the effective date of this section. The corresponding bond sale authorizations are reduced by the same amounts. If an appropriation in this section is canceled more than once, the cancellation must be given effect only once.

(b) The appropriation in Laws 2023, chapter 72, article 1, section 18, subdivision 5, paragraph (c), is canceled. The corresponding bond sale authorization in Laws 2023, chapter 72, article 1, section 27, subdivision 1, is reduced by the same amount.

Sec. 28. **EFFECTIVE DATE.**

Except as otherwise provided, this article is effective the day following final enactment.

ARTICLE 2

MISCELLANEOUS

Section 1. **[16B.308] ACCESSIBILITY ACCOUNT.**

Subdivision 1. **Establishment.** An accessibility account is established in the state bond proceeds fund to receive state bond proceeds appropriated to the commissioner of administration to be expended for the purpose and in accordance with the standards and criteria in this section.

Subd. 2. **Standards.** (a) An expenditure may be made from the account only when it is a capital expenditure on a capital asset owned by the state, within the meaning of accepted accounting principles as applied to public expenditures. The commissioner of administration must consult with the commissioner of management and budget to the extent necessary to ensure that an expenditure meets the criteria of the Minnesota Constitution, article XI, section 5, clause (a).

(b) An expenditure may be made from the account to predesign, design, construct, renovate, furnish, and equip accessibility improvements on state-owned property. For purposes of this section, "state-owned property" does not include property controlled or managed by the University of Minnesota.

(c) Categories of projects considered likely to be most needed and appropriate for financing are:

(1) removal of architectural barriers from a building or site; and

(2) improvements to meet state and federal requirements for accessibility for people with disabilities.

Subd. 3. **Applications; project selection.** (a) The commissioner of administration must:

(1) provide instructions to state agencies to apply for funding of capital expenditures from the accessibility account;

(2) review applications for funding;

(3) make initial allocations among eligible projects;

(4) determine priorities for funding in collaboration with the Minnesota Council on Disability; and

(5) allocate money in priority order until the available appropriation has been committed.

Subd. 4. **Report.** On or before January 15 annually the commissioner of administration must submit to the commissioner of management and budget and the chairs and ranking minority members of the committees in the senate and the house of representatives with jurisdiction over capital investment a list of the projects that were funded with money from the accessibility account during the preceding calendar year, as well as a list of priority projects for which accessibility appropriations will be requested in that year's legislative session.

Sec. 2. **[84.705] COMMUNITY TREE-PLANTING GRANTS.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given them.

(b) "Shade tree" means a woody perennial grown primarily for aesthetic or environmental purposes with minimal to residual timber value.

(c) "Supplemental demographic index" means an index in the Environmental Justice Screening and Mapping Tool developed by the United States Environmental Protection Agency that is based on socioeconomic indicators, including low income, unemployment, less than high school education, limited English speaking, and low life expectancy.

Subd. 2. **Grants.** (a) The commissioner must establish a grant program to provide grants to cities, counties, townships, Tribal governments, and park and recreation boards in cities of the first class for the following purposes:

(1) removing and planting shade trees on public or Tribal land to provide environmental benefits;

(2) replacing trees lost to forest pests, disease, or storms; or

(3) establishing a more diverse community forest better able to withstand disease and forest pests.

(b) Any tree planted with money granted under this section must be a climate-adapted species to Minnesota.

Subd. 3. **Priority.** (a) Priority for grants awarded under this section must be given to:

(1) projects removing and replacing ash trees that pose significant public safety concerns; and

(2) projects located in a census block group with a supplemental demographic index score in the 70th percentile or higher within the state of Minnesota.

(b) The commissioner may not prioritize projects based on criteria other than the criteria established under paragraph (a).

Subd. 4. **Eligible projects.** (a) The proceeds of state general obligation bonds may only be expended for grants to cities, counties, townships, and park and recreation boards in cities of the first class.

(b) Appropriations from the general fund may be expended for grants to Tribal governments, cities, counties, townships, and park and recreation boards in cities of the first class.

Sec. 3. [115B.245] STATEWIDE DRINKING WATER CONTAMINATION MITIGATION PROGRAM.

Subdivision 1. **Program established.** (a) The commissioner may design and construct, or may make grants to eligible grantees as provided under this section to design and construct, projects to provide safe drinking water, due to contamination of drinking water by hazardous substances, through projects such as treatment systems, new drinking water wells, sealing contaminated wells, and connecting to alternative drinking water sources. The criteria for selecting projects must follow the criteria and rules established under section 115B.17.

(b) The commissioner must prioritize projects located in a census block group with a supplemental demographic index score in the 70th percentile or higher within the state of Minnesota.

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

(b) "Commissioner" means the commissioner of the Pollution Control Agency.

(c) "Eligible grantee" means:

(1) for projects funded from proceeds of bonds authorized by the Minnesota Constitution, article XI, section 5, clause (a), a city, county, school district, joint powers board, or other political subdivision of the state; and

(2) for projects funded from appropriations from the general fund, any person.

(d) "Private infrastructure projects" means improvements made to nonpublicly owned infrastructure such as sealing of private wells, connecting private properties to water mains, water service fees, treatment systems, and drilling new private wells in an unimpaired drinking water aquifer.

(e) "Public infrastructure projects" means improvements made to publicly owned infrastructure such as water main installation, public water system improvements, treatment systems, and associated improvements.

(f) "Supplemental demographic index" means an index in the Environmental Justice Screening and Mapping Tool developed by the United States Environmental Protection Agency that is based on socioeconomic indicators, including low income, unemployment, less than high school education, limited English speaking, and low life expectancy.

Subd. 3. Eligible projects. (a) The proceeds of state general obligation bonds may only be expended to acquire land or an interest in land and to predesign, design, construct, and improve public infrastructure projects that further the purposes of this section. Notwithstanding section 115B.17, subdivision 6 or 16, any money recovered in a civil action for a project financed with bonds under this section shall be deposited by the commissioner in the statewide drinking water contamination mitigation account in the special revenue fund for the purpose of funding additional projects under this section.

(b) Appropriations from the general fund may only be expended on public or private infrastructure projects that further the purposes of this section.

Sec. 4. Minnesota Statutes 2023 Supplement, section 256E.37, subdivision 1, is amended to read:

Subdivision 1. **Grant authority.** The commissioner may make grants to state agencies ~~and~~ political subdivisions, nonprofit organizations, Indian Tribal governments, or private child care providers licensed as a child care center or to provide in-home family child care to construct or rehabilitate facilities for early childhood programs, crisis nurseries, or parenting time centers. The following requirements apply:

(1) For grants funded with general obligation bonds, the facilities must be owned by the state or a political subdivision, but may be leased under section 16A.695 to organizations that operate the programs. The commissioner must prescribe the terms and conditions of the leases.

(2) For grants funded with general fund appropriations, the facilities may be owned by a political subdivision, nonprofit organization, Tribal government, or private child care provider licensed as a child care center or to provide in-home family child care.

~~(2)~~ (3) A grant for an individual facility must not exceed \$500,000 for each program that is housed in the facility, up to a maximum of \$2,000,000 for a facility that houses three programs or more. Programs include Head Start, School Readiness, Early Childhood Family Education, licensed child care, and other early childhood intervention programs.

~~(3)~~ (4) State appropriations must be matched on a ~~50~~ 25 percent basis with nonstate funds. The matching requirement must apply program wide and not to individual grants.

Sec. 5. [446A.082] EMERGING CONTAMINANTS GRANTS.

Subdivision 1. **Definition.** For the purposes of this section, "supplemental demographic index" means an index in the Environmental Justice Screening and Mapping Tool developed by the United States Environmental Protection Agency that is based on socioeconomic indicators, including low income, unemployment, less than high school education, limited English speaking, and low life expectancy.

Subd. 2. **Program established.** When money is appropriated under this program, the authority shall award grants to a governmental unit for up to 80 percent of the cost of drinking water infrastructure projects to address a confirmed exceedance of a health advisory level for a drinking water emerging contaminant as defined by the Environmental Protection Agency.

Subd. 3. **Eligibility.** An eligible project for this program must:

(1) be listed on the Drinking Water Revolving Fund Project Priority List per Minnesota Rules, part 4720.9015;

(2) receive priority points under Minnesota Rules, part 4720.9020, subpart 4a; and

(3) be certified by the commissioner of health per Minnesota Rules, part 4720.9060.

Subd. 4. **Application and reservation of funds.** (a) Grant applications to the authority may be made at any time on forms prescribed by the authority, including a project schedule and cost estimate for the work necessary to comply with the purpose described in subdivision 2.

(b) The commissioner of health shall review and certify to the authority those projects that have plans and specifications approved under Minnesota Rules, part 4720.9060. The commissioner of health must also indicate in the certification the supplemental demographic index scores of the projects.

(c) When a project is certified by the commissioner of health, the authority shall first reserve grant funds for projects located in a census block group with a supplemental demographic index score in the 70th percentile or higher within the state of Minnesota. Any remaining funds shall be reserved for projects in the order listed on the commissioner of health's project priority list and in an amount based on the cost estimate in the commissioner of health certification or the as-bid costs, whichever is less.

Subd. 5. **Grant amount.** The grant amount for an eligible project under this program shall be for an amount up to 80 percent of the eligible as-bid project cost up to \$12,000,000, minus the amount of federal emerging contaminant funds the project receives under section 446A.081, subdivision 9, paragraph (a), clause (12), or other federal emerging contaminant funds.

Subd. 6. **Grant approval.** The authority shall award a grant for an eligible project only after:

(1) the applicant has submitted the as-bid project cost;

(2) the commissioner of health has certified the grant eligible portion of the project; and

(3) the authority has determined that the additional financing necessary to complete the project has been committed from other sources.

Subd. 7. **Grant disbursement.** Grant funds shall be disbursed by the authority as eligible project costs are incurred by the governmental unit and in accordance with a project financing agreement and applicable state laws and rules governing the disbursements.

Sec. 6. Minnesota Statutes 2023 Supplement, section 462A.395, is amended to read:

462A.395 GREATER MINNESOTA HOUSING INFRASTRUCTURE GRANT PROGRAM.

Subdivision 1. **Grant program established.** The commissioner of the Minnesota Housing Finance Agency may make grants to counties and cities to provide up to 50 percent of the capital costs of public infrastructure necessary for an eligible workforce housing development project. The commissioner may make a grant award only after determining that nonstate resources are committed to complete the project. The nonstate contribution may be cash, other committed grant funds, or in kind. In-kind contributions may include the value of the site, whether the site is prepared before or after the law appropriating money for the grant is enacted.

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

(b) "City" means a statutory or home rule charter city located outside the metropolitan area, as defined in section 473.121, subdivision 2.

(c) "Housing infrastructure" means publicly owned physical infrastructure necessary to support housing development projects, including but not limited to sewers, water supply systems, utility extensions, streets, wastewater treatment systems, stormwater management systems, and facilities for pretreatment of wastewater to remove phosphorus.

Subd. 3. **Eligible projects.** Housing projects eligible for a grant under this section may be (a) a single-family or multifamily housing development, and either owner-occupied or rental; or (b) a manufactured home development qualifying for homestead treatment under section 273.124, subdivision 3a.

Subd. 4. **Application.** (a) The commissioner must develop forms and procedures for soliciting and reviewing applications for grants under this section. At a minimum, a city or county must include in its application a resolution of the county board or city council certifying that the required nonstate match is available. The commissioner must evaluate complete applications for funding for eligible projects to determine that:

(1) the project is necessary to increase sites available for housing development that will provide adequate housing stock for the current or future workforce; and

(2) the increase in workforce housing will result in substantial public and private capital investment in the county or city in which the project would be located.

(b) The determination of whether to make a grant for a site is within the discretion of the commissioner, subject to this section. The commissioner's decisions and application of the criteria are not subject to judicial review, except for abuse of discretion.

Subd. 5. **Maximum grant amount.** A county or city may receive no more than ~~\$30,000~~ \$40,000 per lot for single-family, duplex, triplex, or fourplex housing developed, no more than \$60,000 per manufactured housing lot, and no more than \$180,000 per lot for multifamily housing with more than four units per building. A county or city may receive no more than \$500,000 in two years for one or more housing developments. The \$500,000 limitation does not apply to use on manufactured housing developments.

Sec. 7. Minnesota Statutes 2023 Supplement, section 473.5491, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

~~(b) "Affordability criteria" means an inflow and infiltration project service area that is located, in whole or in part, in a census tract where at least three of the following apply as determined using the most recently published data from the United States Census Bureau or United States Centers for Disease Control and Prevention:~~

~~(1) 20 percent or more of the residents have income below the federal poverty thresholds;~~

~~(2) the tract has a United States Centers for Disease Control and Prevention Social Vulnerability Index greater than 0.80;~~

~~(3) the upper limit of the lowest quintile of household income is less than the state upper limit of the lowest quintile;~~

~~(4) the housing vacancy rate is greater than the state average; or~~

~~(5) the percent of the population receiving Supplemental Nutrition Assistance Program (SNAP) benefits is greater than the state average.~~

~~(e) (b) "City" means a statutory or home rule charter city located within the metropolitan area.~~

~~(c) "Supplemental demographic index" means an index in the Environmental Justice Screening and Mapping Tool developed by the United States Environmental Protection Agency that is based on socioeconomic indicators, including low income, unemployment, less than high school education, limited English speaking, and low life expectancy.~~

Sec. 8. Minnesota Statutes 2023 Supplement, section 473.5491, subdivision 2, is amended to read:

Subd. 2. **Grants.** (a) The council shall make grants to cities for capital improvements in municipal wastewater collection systems to reduce the amount of inflow and infiltration to the council's metropolitan sanitary sewer disposal system.

(b) A grant under this section may be made in an amount up to 50 percent of the cost to mitigate inflow and infiltration in the publicly owned municipal wastewater collection system. The council may award a grant up to 100 percent of the cost to mitigate inflow and infiltration in the publicly owned municipal wastewater collection system if the project ~~meets affordability criteria~~ is located in a census block group with a supplemental demographic index score in the 70th percentile or higher within the state of Minnesota.

Sec. 9. Minnesota Statutes 2023 Supplement, section 473.5491, subdivision 4, is amended to read:

Subd. 4. **Application.** The council must award grants based on applications from cities that identify eligible capital costs and include a timeline for inflow and infiltration mitigation construction, pursuant to guidelines established by the council. The council must prioritize applications ~~that meet affordability criteria~~ for projects located in a census block group with a supplemental demographic index score in the 70th percentile or higher within the state of Minnesota.

Sec. 10. Laws 2023, chapter 71, article 1, section 14, subdivision 21, is amended to read:

Subd. 21. **Inver Grove Heights; Heritage Village Park**

2,000,000

For a grant to the city of Inver Grove Heights to ~~pre-design, design,~~ construct, furnish, and equip ~~an~~ inclusive accessible play ~~structure~~ structures for children and to ~~pre-design,~~ ~~design,~~ construct, furnish, and equip ~~accessible restrooms, water fountains, and a fixed-shade structure~~ structures, at Heritage Village Park.

Sec. 11. **CLOQUET FORESTRY CENTER; LAND TRANSFER.**

(a) The commissioner of administration must convey for no consideration all state-owned land within boundaries of the Cloquet Forestry Center to the Board of Regents of the University of Minnesota to facilitate the university's goal of returning this land, and similarly situated land currently owned by the university, to the Fond du Lac Band of Lake Superior Chippewa.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be conveyed is located in Carlton County and is described as follows:

(1) the Southeast Quarter of the Northwest Quarter of Section 30, Township 49 North, Range 17 West;

(2) the East Half of the Northeast Quarter of Section 36, Township 49 North, Range 18 West;

(3) the Northwest Quarter of the Southeast Quarter of Section 29, Township 49 North, Range 17 West;

(4) the Northwest Quarter of the Northwest Quarter of Section 29, Township 49 North, Range 17 West;

(5) the Northwest Quarter of the Southwest Quarter (or Lot 3) of Section 30, Township 49 North, Range 17 West;

(6) the Southwest Quarter of the Northwest Quarter (or Lot 2) of Section 31, Township 49 North, Range 17 West;

(7) the Southeast Quarter of the Northeast Quarter of Section 32, Township 49 North, Range 17 West; and

(8) the North Half of the Northeast Quarter of Section 32, Township 49 North, Range 17 West.

Sec. 12. ALLOCATIONS; MINNESOTA'S MULTIPURPOSE COMMUNITY FACILITY PROJECTS TO SUPPORT COMMUNITY REVITALIZATION, CONNECTEDNESS AND EQUITY BY PROMOTING EDUCATION, WORK AND HEALTH.

Money allocated to the state from the federal capital projects fund for Minnesota's Multipurpose Community Facility Projects to Support Community Revitalization, Connectedness and Equity by Promoting Education, Work and Health program must be granted by the commissioner of education only to a local government unit, including a county, a statutory or home-rule charter city, a town, or another political subdivision. Among comparable requests for funding, the commissioner of education must prioritize funding for underserved communities, as defined by Minnesota Statutes, section 116J.9924, subdivision 1, paragraph (g).

Sec. 13. REPEALER.

(a) Minnesota Statutes 2022, section 16A.662, is repealed.

(b) Minnesota Statutes 2022, section 116J.417, subdivision 9, is repealed.

EFFECTIVE DATE. Paragraph (a) is effective the day following final enactment. Paragraph (b) is effective retroactively from June 2, 2023.

Sec. 14. EFFECTIVE DATE.

Except as otherwise provided, this article is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to capital investment; authorizing spending to acquire and better public land and buildings and for other improvements of a capital nature with certain conditions; establishing new programs and modifying existing programs; modifying and canceling prior appropriations; authorizing the sale and issuance of state bonds; appropriating money; amending Minnesota Statutes 2023 Supplement, sections 256E.37, subdivision 1; 462A.395; 473.5491, subdivisions 1, 2, 4; Laws 2023, chapter 71, article 1, section 14, subdivision 21; proposing coding for new law in Minnesota Statutes, chapters 16B; 84; 115B; 446A; repealing Minnesota Statutes 2022, sections 16A.662; 116J.417, subdivision 9."

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 Capital Investment, to which was referred

S.F. No. 5201: A bill for an act relating to capital investment; appropriating money for early childhood learning and child protection facilities; authorizing the sale and issuance of state bonds.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

APPROPRIATIONS

Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

(a) The sums shown in the column under "Appropriations" are appropriated from the general fund in fiscal year 2025 to the state agencies or officials indicated, to be spent for public purposes. These are onetime appropriations. Money appropriated in this act is available until the project is completed or abandoned, subject to Minnesota Statutes, section 16A.642.

(b) For any project funded in whole or in part by this act, workers on the project must be paid at least the prevailing wage rate as defined in Minnesota Statutes, section 177.42, subdivision 6, and the project is subject to the requirements and enforcement provisions in Minnesota Statutes, sections 177.27, 177.30, 177.32, and 177.41 to 177.45. For the purposes of this act, "project" means demolition, erection, construction, remodeling, or repairing of a public building, facility, or other public work financed in whole or part by state funds. Project also includes demolition, erection, construction, remodeling, or repairing of a building, facility, or public work when the acquisition of property, predesign, design, or demolition is financed in whole or in part by state funds.

(c) Money appropriated in this act: (1) is available for a grant after the commissioner of management and budget determines that an amount sufficient to complete the project as described in this act has been committed to the project, as required by Minnesota Statutes, section 16A.502; (2) may be used to pay state agency staff costs that are attributed directly to the capital program or project for capitalizable staff costs; and (3) is subject to the policies and procedures adopted by the commissioner of management and budget or otherwise specified in applicable law.

(d) Recipients of grants from money appropriated in this act must demonstrate to the commissioner of the agency making the grant that the recipient has the ability and a plan to fund the program intended for the facility. This paragraph does not apply to state agencies.

APPROPRIATIONS

Sec. 2. **EDUCATION**

\$ 23,425,000

To the commissioner of education for library construction grants under Minnesota Statutes, section 134.45.

Sec. 3. **ADMINISTRATION**

Subdivision 1. Total Appropriation

\$ 10,050,000

To the commissioner of administration for the purposes specified in this section.

Subd. 2. ADA Building Accommodation

750,000

For capital improvement expenses in accordance with Minnesota Statutes, section 16B.4805.

Subd. 3. Sustainable Building Guidelines

4,300,000

To develop, oversee, and administer sustainable building guidelines under Minnesota Statutes, section 16B.325, in consultation with the commissioner of commerce and the Center for Sustainable Building Research at the University of Minnesota. This appropriation includes money for the commissioner of administration to contract with the Center for Sustainable Building Research to administer the guidelines. This is a onetime appropriation and is available until June 30, 2027.

Subd. 4. City of St. Paul; Planning and Economic Development

5,000,000

(a) For a grant to the city of St. Paul Department of Planning and Economic Development to improve the livability, economic health, and safety of communities within the Capitol Area. The city of St. Paul must consult with the Capitol Area Architectural and Planning Board prior to the expenditure of these funds.

(b) On or before October 1, 2025, the city of St. Paul and the Capitol Area Architectural and Planning Board must jointly report to the speaker of the house, the majority leader of the senate, the house minority leader, and

the senate minority leader on the expenditure of the funds appropriated under this section.

Sec. 4. **METROPOLITAN COUNCIL** **\$** **3,780,000**

To the Metropolitan Council for community tree planting grants under Minnesota Statutes, section 473.355. This appropriation is for removal and replacement of ash trees on privately owned land that pose significant public safety concerns.

Sec. 5. **HUMAN SERVICES**

Subdivision 1. **Total Appropriation** **\$** **2,000,000**

To the commissioner of human services for the purposes specified in this section.

Subd. 2. **Early Childhood Facilities** **2,000,000**

For grants under Minnesota Statutes, section 256E.37, to predesign, design, construct, renovate, furnish, and equip early childhood learning facilities.

Sec. 6. **CORRECTIONS** **\$** **3,906,000**

To the commissioner of administration for asset preservation improvements and betterments of a capital nature at the Minnesota correctional facilities statewide to be spent in accordance with Minnesota Statutes, section 16B.307. Notwithstanding the specified uses of money under Minnesota Statutes, section 16B.307, the commissioner may use this appropriation for capital expenditures allowed under Minnesota Statutes, section 16B.307, that do not constitute betterments and capital improvements within the meaning of the Minnesota Constitution, article XI, section 5, clause (a). The report required under Minnesota Statutes, section 16B.307, subdivision 2, must include a list of projects that have been paid for with this appropriation.

Sec. 7. **EMPLOYMENT AND ECONOMIC DEVELOPMENT**

\$ 1,000,000

To the commissioner of employment and economic development for a grant to the Saint Paul and Minnesota Foundation for promotion, fundraising, and other supporting efforts to raise at least \$5,000,000 in nonstate funds toward capital improvements consistent with the Capitol Mall Design Framework update. This grant shall be managed in compliance with the grantmaking requirements in Minnesota Statutes, sections 16B.97 to 16B.991.

Sec. 8. **CANCELLATIONS.**

The amounts of the general fund appropriations listed in the cancellation report submitted to the legislature in January 2024, pursuant to Minnesota Statutes, section 16A.642, are canceled on the effective date of this section. If an appropriation in this section is canceled more than once, the cancellation must be given effect only once.

Sec. 9. **EFFECTIVE DATE.**

Except as otherwise provided, this article is effective the day following final enactment.

ARTICLE 2

MISCELLANEOUS

Section 1. Minnesota Statutes 2022, section 16A.86, subdivision 3a, is amended to read:

Subd. 3a. **Information provided.** All requests for state assistance under this section must include the following information:

(1) the name of the political subdivision that will own the capital project for which state assistance is being requested;

(2) the public purpose of the project;

(3) the extent to which the political subdivision has or expects to provide local, private, user financing, or other nonstate funding for the project;

(4) a list of the bondable activities that the project encompasses; examples of bondable activities are public improvements of a capital nature for land acquisition, predesign, design, construction, and furnishing and equipping for occupancy;

(5) whether the project will require new or additional state operating subsidies;

(6) whether the governing body of the political subdivision requesting the project has passed a resolution in support of the project and has established priorities for all projects within its jurisdiction for which bonding appropriations are requested when submitting multiple requests;

(7) if the project requires a predesign under section 16B.335, whether the predesign has been completed at the time the capital project request is submitted, and whether the political subdivision has submitted the project predesign to the commissioner of administration for review and approval; ~~and~~

(8) the debt capacity of the political subdivision, calculated as the difference between the maximum net debt that the political subdivision may incur under chapter 475 or other applicable law and the debt the political subdivision has outstanding as of the date of the submission of information under this subdivision;

(9) whether the political subdivision has a capital improvement plan process that meets the criteria for exemption under section 16B.336, subdivision 5, paragraph (b); and

~~(8)~~ (10) if applicable, the information required under section 473.4485, subdivision 1a.

Sec. 2. Minnesota Statutes 2022, section 16A.86, subdivision 4, is amended to read:

Subd. 4. **Funding.** (a) The state share of a project covered by this section and any capital project grant to a nonprofit organization subject to section 16A.642 must be no more than half the total cost of the project, including predesign, design, construction, furnishings, and equipment, except as provided in paragraph (b) or (c). This subdivision does not apply to a project proposed by a school district or other school organization. The state share of a project includes state assistance in any manner, including but not limited to a direct appropriation, a grant awarded through a grant program administered by a state entity, or a combination of state assistance appropriated and granted by multiple state entities. The nonstate share of a project may be funded by federal, local, private, or other funds, or a combination thereof, from nonstate sources.

(b) The state share may be more than half the total cost of a project if the project is deemed needed as a result of a disaster or to prevent a disaster or is located in a political subdivision with a very low average net tax capacity.

(c) Nothing in this section prevents the governor from recommending, or the legislature from considering or funding, projects that do not meet the deadline in subdivision 2 or a state share that is greater than half the total cost of the project when the governor or the legislature determines that there is a compelling reason for the recommendation or funding.

Sec. 3. **[16A.865] NOTICE OF STATE CONTRIBUTION.**

Subdivision 1. **Notice required.** When practicable, a recipient of a grant of state bond proceeds for a capital project or a direct recipient of an appropriation from any state funds for a capital project must prominently display a notice on the property stating that the project was funded with state taxes collected statewide.

Subd. 2. **Content of notice.** This section does not apply to projects funded through a state asset preservation program, including section 16A.632, 16B.307, 84.946, or 135A.046. The notice must

display the logo provided by the commissioner under subdivision 5, and identify the project as "funded with a grant of state money from taxes collected statewide." The notice may include a brief name for the project and may specify the proportion of the funding from state money compared to money from nonstate sources. The notice may include logos, seals, or marks of other contributors to the cost of the project.

Subd. 3. **Water infrastructure project.** For a drinking water or wastewater infrastructure project, the notice required under this section must be included on city utility billing statements in all formats that the city provides billing statements to customers.

Subd. 4. **Performance venues.** For performance venue projects, the notice must be included in programs and on the venue's website where performances are advertised, in addition to on a sign posted at the venue.

Subd. 5. **Logo.** The commissioner must develop a logo for use on signs required under subdivision 1.

Subd. 6. **Sign templates.** The commissioner must post on its website downloadable, print-ready PDF files of sign templates that meet the requirements of subdivision 1.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to projects receiving a grant from an appropriation enacted after January 1, 2024.

Sec. 4. Minnesota Statutes 2022, section 16B.325, as amended by Laws 2023, chapter 60, article 12, section 2, is amended to read:

16B.325 SUSTAINABLE BUILDING GUIDELINES.

Subdivision 1. ~~**Development of Sustainable building guidelines.**~~ The Department of Administration and the Department of Commerce, with the assistance of other agencies, shall develop and maintain sustainable building design guidelines for all new state buildings by January 15, 2003, and for all major renovations of state buildings by February 1, 2009. ~~The primary objectives of these guidelines are to ensure that all new state buildings, and major renovations of state buildings, initially exceed the state energy code, as established in Minnesota Rules, chapter 7676, by at least 30 percent.~~

Subd. 1a. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "CSBR" means the Center for Sustainable Building Research at the University of Minnesota.

(c) "Guidelines" means the sustainable building design guidelines developed under this section.

(d) "Major renovation" means a project that:

(1) has a renovated conditioned area that is at least 10,000 square feet; and

(2) includes, at a minimum, the replacement of the mechanical, ventilation, or cooling system of a building or a section of a building, whether or not the building is served by an adjacent building or district system impacted by the scope of the project.

(e) "New building" means a newly constructed structure and additions to existing buildings that include spaces that meet the following criteria:

(1) the space is conditioned, whether or not its source of energy is from an adjacent building or district system; and

(2) the project size is at least 10,000 gross square feet of conditioned space.

(f) "Project" means major renovation of a building or construction of a new building that meets the requirements under this section.

~~Subd. 2. **Lowest possible cost; energy conservation.** The guidelines must:~~

~~(1) focus on achieving the lowest possible lifetime cost, considering both construction and operating costs, for new buildings and major renovations;~~

~~(2) allow for revisions that encourage continual energy conservation improvements in new buildings and major renovations;~~

~~(3) define "major renovations" for purposes of this section to encompass not less than 10,000 square feet or not less than the replacement of the mechanical, ventilation, or cooling system of a building or a building section;~~

~~(4) establish sustainability guidelines that include air quality and lighting standards and that create and maintain a healthy environment and facilitate productivity improvements;~~

~~(5) establish resiliency guidelines to encourage design that allows buildings to adapt to and accommodate projected climate-related changes that are reflected in both acute events and chronic trends, including but not limited to changes in temperature and precipitation levels;~~

~~(6) specify ways to reduce material costs; and~~

~~(7) consider the long-term operating costs of the building, including the use of renewable energy sources and distributed electric energy generation that uses a renewable source or natural gas or a fuel that is as clean or cleaner than natural gas.~~

Subd. 2a. **Guidelines; purpose.** (a) The primary objectives of the guidelines are to:

(1) reduce greenhouse gas emissions across the project's life cycle by promoting the design and operation of energy-efficient buildings and the development of renewable energy sources;

(2) provide high-quality indoor environmental conditions to promote occupant health, well-being, comfort, and productivity;

(3) develop processes that ensure that projects are designed and operating as intended and that project impact can be measured;

(4) reduce water use and impacts on water resources;

(5) restore soil and water quality, enhance biodiversity, and provide sites supportive of native species;

(6) reduce the embodied environmental impact of building materials; and

(7) encourage design that allows building resilience to adapt to and accommodate projected changes that are reflected in both acute events and chronic trends, including but not limited to climate-related changes to temperature and precipitation levels.

(b) In establishing the guidelines, the commissioners of administration and commerce must consider the following to meet the objectives in paragraph (a):

(1) the health and well-being of occupants;

(2) material impacts and sustainability;

(3) construction and operating costs;

(4) the use of renewable energy sources;

(5) diversion of waste from landfills;

(6) the impact of climate change;

(7) biodiversity and ecological impacts;

(8) resilience and adaptability; and

(9) any other factors the commissioner deems relevant.

Subd. 3. ~~**Development of guidelines; Applicability.** In developing the guidelines, the departments shall use an open process, including providing the opportunity for public comment. Compliance with the guidelines established under this section are mandatory for all new buildings and for all major renovations receiving funding an appropriation or a grant from an appropriation from the bond proceeds fund after January 1, 2004, and for all major renovations receiving funding from the bond proceeds fund after January 1, 2009.~~

Subd. 4. **Commissioner of administration; guideline administration, oversight, and revisions.** The commissioners of administration and commerce shall review the guidelines periodically and as soon as practicable revise the guidelines to incorporate performance standards developed under section 216B.241, subdivision 9. (a) The commissioner of administration must review and amend the guidelines periodically to better meet the goals under subdivision 6. Each guideline section must be reviewed and updated no less than once every five years. The review must be conducted with the commissioner of commerce and in consultation with other stakeholders. The commissioner of administration and the commissioner of commerce must use an open process, including providing the opportunity for public comment, when reviewing and amending the guidelines.

(b) The commissioner of administration is responsible for the following:

(1) making applicability determinations on which projects are required by state law to follow the guidelines upon receipt of an applicability determination request from a project;

(2) approving or denying waiver requests for specific guidelines;

(3) approving or denying applicability requests for specific guidelines;

(4) updating the legislature regarding program outcomes;

(5) coordinating with the commissioner of commerce on the energy and atmosphere guidelines, including coordination with the Sustainable Building 2030 Energy Standards under section 216B.241, subdivision 9; and

(6) contracting with CSBR for assistance with the items in this subdivision and subdivisions 5 to 9.

Subd. 5. **CSBR; guideline administration and oversight.** (a) The commissioner of administration, in consultation with the commissioner of commerce, shall contract with CSBR to implement the guidelines. At a minimum, CSBR must:

(1) maintain and update the guidelines in coordination with the commissioner of administration and the commissioner of commerce;

(2) offer training on an annual basis to state agencies, project team members, and other entities involved in the design of projects subject to the guidelines on how projects may meet the guideline requirements;

(3) develop procedures for compliance with the guidelines, in accordance with the criteria under subdivision 7;

(4) periodically conduct post-construction performance evaluations on projects to evaluate the effectiveness of the guidelines in meeting the goals under subdivision 6;

(5) determine compliance of project designs with the guidelines;

(6) administer a tracking system for all projects subject to the guidelines and for projects that received state funding for predesign or design that may seek further state funding for additional project phases subject to the guidelines;

(7) develop and track measurable goals for the guidelines in accordance with subdivision 6;

(8) offer outreach, training, and technical assistance to state agencies, project team members, and other entities with responsibility for managing, designing, and overseeing projects subject to the guidelines;

(9) evaluate waiver requests and determinations on project scope and make recommendations to the commissioner of administration;

(10) provide a report on or before December 1 annually to the commissioner of administration on the following:

(i) the current compliance status of all projects subject to the guidelines;

(ii) an analysis of the effects of the guidelines on the goals under subdivision 6; and

(iii) waivers approved for projects, including both waivers from all of the guidelines and waivers of individual guidelines; and

(11) perform any other duties required by the commissioner of administration to administer the guidelines.

(b) State agencies, project team members, and other entities that are responsible for managing or designing projects subject to the guidelines must provide any compliance data requested by CSBR and the commissioner of administration that CSBR and the commissioner deem necessary to fulfill the duties described under this subdivision.

Subd. 6. **Measurable goals.** CSBR, in collaboration with the commissioner of administration and the commissioner of commerce, must develop measurable goals for the guidelines based on the objectives and considerations described in subdivision 2a. The commissioner of administration must provide final approval of the goals under this subdivision.

Subd. 7. **Procedures.** The commissioner of administration must develop procedures for the administration of the guidelines. The commissioner of administration may delegate guideline administration responsibilities to state agencies. The procedures under this subdivision must specify the administrative activities for which state agencies are responsible. The procedures must include:

(1) criteria to identify whether a project is subject to the guidelines;

(2) information on project team member roles and guideline administration requirements for each role;

(3) a process to notify projects subject to the guidelines of the guideline requirements;

(4) a guideline-related data submission process; and

(5) activities and a timeline to monitor project compliance with the guidelines.

Subd. 8. **Guidelines waivers and scope determination.** (a) The commissioner of administration, in consultation with the commissioner of commerce and other stakeholders, must develop a process for reviewing and approving waivers and scope determinations to the guidelines.

(b) A waiver may apply to all of the guidelines or individual guidelines and may identify an alternative path of meeting the intent of the guidelines.

(c) A waiver under this subdivision is only permitted due to technological limitations or when the intended use of the project conflicts with the guidelines.

(d) A waiver request for a project owned by a state agency must be reviewed and approved by the commissioner of administration. If the waiver request is for a project owned by the Department of Administration, the waiver request must be approved by the commissioner of commerce.

Subd. 9. **Report.** The commissioner of administration must report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over capital investment and climate and energy by February 1 of each odd-numbered year. The report must include:

(1) information on the current status of all projects subject to the guidelines from the previous five years and the projects' compliance with the guidelines;

(2) an analysis of the effects of the guidelines on the measurable goals under subdivision 6;

(3) progress made toward the recommendations in the report required under Laws 2023, chapter 71, article 1, section 6, subdivision 4; and

(4) any other information the commissioner of administration deems relevant.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 5. Minnesota Statutes 2022, section 16B.335, subdivision 4, is amended to read:

Subd. 4. **Sustainable buildings; energy conservation.** A recipient to whom a direct appropriation is made for a capital improvement project shall ensure that the project complies with the applicable sustainable building guidelines and energy conservation standards contained in law, including sections 16B.325 and 216C.19 to 216C.20, and rules adopted thereunder. The recipient may obtain information and technical assistance from the commissioner of administration on the sustainable building guidelines and the State Energy Office in the Department of Commerce on energy conservation and alternative energy development relating to the planning and construction of the capital improvement project.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 6. **[16B.336] CAPITAL PROJECT PRESERVATION ACCOUNTS.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Adjusted net tax capacity" means, as of any date, the net tax capacity of all taxable property most recently determined by the commissioner of revenue in accordance with section 273.1325.

(c) "Adjusted net tax capacity per capita" means a political subdivision's adjusted net tax capacity divided by the political subdivision's population.

(d) "Capital project grant agreement" means a grant agreement for a capital project subject to section 16A.642, 16A.695, or 16A.86, and funded in whole or in part by a direct appropriation of state money.

(e) "Commissioner" means the commissioner of administration.

(f) "Population" has the meaning under section 477A.011, subdivision 3.

(g) "Preservation" means improvements and betterments of a capital nature consistent with those described in section 16B.307, subdivision 1, paragraph (d).

Subd. 2. Preservation account establishment. (a) A grantee that receives a direct appropriation of state money for a capital project subject to section 16A.642, 16A.695, or 16A.86 must establish a capital project preservation fund for major rehabilitation, expansion, replacement, or preservation of the capital project once the project has reached its useful life, or another use as permitted under this section. Money must remain in the account for the useful life of the capital project, as determined by the grant agreement with the granting state agency, unless use of the fund is approved in writing by the granting state agency for major rehabilitation, expansion, replacement, or preservation of the capital project funded with state money, or to address a capital project for a different capital asset owned by the grantee.

(b) A grantee must adopt a capital project preservation policy that specifies the following for the capital project preservation fund:

(1) the risks to be mitigated or managed by the fund;

(2) the intended use of the preservation fund, including but not limited to how the fund will be used for major rehabilitation, expansion, replacement, or preservation of the capital project; and

(3) criteria for the use of the fund to address other capital improvement needs of the grantee, including safety and security, maintenance and utility costs, availability of repair parts and materials, sustainability, and any other criteria the grantee deems relevant.

(c) For the purposes of this section, "grantee" does not include a state agency, state official, the Board of Regents of the University of Minnesota, or the Board of Trustees of the Minnesota State Colleges and Universities.

Subd. 3. Minimum deposits; fund balance. (a) The commissioner must determine the annual minimum deposit amounts into capital project preservation funds by capital project type. The commissioner must take into account depreciation, construction cost inflation, the useful life of the capital project, and other relevant factors when determining the minimum deposit amounts.

(b) A grantee must not be required to maintain a capital project preservation fund balance greater than the amount of the direct appropriation of state money for the capital project.

Subd. 4. Account auditing. The state auditor may audit capital project preservation accounts as part of the regular audits of local governments.

Subd. 5. Exceptions. (a) Capital projects that already require a preservation fund under any other law, rule, or ordinance, are exempt from the requirements under this section, so long as the deposits into the preservation fund are at least as large as the minimum deposits established by the commissioner under subdivision 3.

(b) This section does not apply to a grantee that assesses the condition and replacement value of its capital assets and future capital projects, including those subject to section 16A.642, 16A.695, or 16A.86, through an annual capital improvement plan process and publishes an annual capital

improvement plan document that forecasts at least ten years of known capital projects for use in budget forecasting to enhance long-term financial stability.

(c) This section does not apply to a political subdivision grantee that, in the year the capital project grant agreement is entered into, has an adjusted net tax capacity per capita that is less than the median adjusted net tax capacity per capita of all political subdivisions that are the same type of political subdivision as the grantee.

Subd. 6. **Penalty.** Failure of a grantee to comply with the requirements of this section shall result in the granting state agency assessing a penalty fee to the grantee equal to one percent of the appropriation of state money for the capital project for each year of noncompliance. Penalty fees shall be remitted by the granting state agency to the commissioner of management and budget for deposit into the general fund. Failure of a grantee to comply with the requirements of this section shall not constitute an event of default under a capital project grant agreement.

EFFECTIVE DATE. This section is effective for capital projects funded through state capital project grant agreements entered into on or after July 1, 2024.

Sec. 7. [16B.851] STATE BUILDING RENEWABLE ENERGY; STORAGE; ELECTRIC VEHICLE ACCOUNT.

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Energy storage" means the predesign, design, acquisition, construction, or installation of technology which stores and delivers electric or thermal energy.

(c) "EVSE" means electric vehicle service equipment, including charging equipment and associated infrastructure and site upgrades.

(d) "Renewable energy" has the meaning given in section 216B.2422, subdivision 1, paragraph (c), and the same sources in thermal energy.

(e) "Renewable energy improvement" means the predesign, design, acquisition, construction, or installation of a renewable energy production system or energy storage equipment or system, and associated infrastructure and facilities that are designed to result in a demand-side net reduction in energy use by the state building's electrical, heating, ventilating, air-conditioning, and hot water systems.

(f) "State agency" has the definition given in section 13.02, subdivision 17, or designated definition given in section 15.01 and includes the Office of Higher Education, Housing Finance Agency, Pollution Control Agency, Metropolitan Council, and Bureau of Mediation Services. State agency includes the agencies, boards, commissions, committees, councils, and authorities designated in section 15.012.

(g) "State building" means a building or facility owned by the state of Minnesota.

Subd. 2. **Account established.** A state building renewable energy, storage, and electric vehicle account is established in the special revenue fund to provide funds to state agencies to:

(1) design, construct, and equip renewable energy improvement and renewable energy storage projects at state buildings;

(2) purchase state fleet electric vehicles in accordance with section 16C.135;

(3) purchase and install EVSE and related infrastructure; and

(4) carry out management projects by the commissioner.

Subd. 3. **Account management.** The commissioner shall manage and administer the state building renewable energy, storage, and electric vehicle account.

Subd. 4. **Accepting funds.** (a) The commissioner shall make an application to the federal government on behalf of the state of Minnesota for all state projects eligible for elective payments under sections 6417 and 6418 of the Internal Revenue Code, as added by Public Law 117-169, 136 Statute 1818, the Inflation Reduction Act of 2022.

(b) The commissioner may apply for, receive, and expend money made available from federal, state, or other sources for the purposes of carrying out the duties in this section.

(c) Notwithstanding section 16A.72, all funds received under this subdivision are deposited into the state building renewable energy, storage, and electric vehicle account and appropriated to the commissioner for the purposes of subdivision 2 and as permitted under this section.

(d) Money in the state building renewable energy, storage, and electric vehicle account does not cancel and is available until expended.

Subd. 5. **Applications.** A state agency applying for state building renewable energy, storage, EVSE, and electric fleet vehicle funds must submit an application to the commissioner on a form, in the manner, and at the time prescribed by the commissioner.

Subd. 6. **Treatment of certain payments received from federal government.** (a) Federal payments received for eligible renewable energy improvement and storage projects and EVSE projects made with appropriations from general obligation bonds may be transferred to the state bond fund if consistent with federal treasury regulations.

(b) Federal payments received for eligible electric fleet vehicle purchases by the Department of Administration's fleet division must be transferred to the motor pool revolving account established in section 16B.54, subdivision 8.

(c) Federal payments received for eligible electric fleet vehicle purchases made directly by a state agency shall be transferred to the fund from which the purchase was made.

(d) When obligated to fulfill financing agreements, federal payments received for eligible renewable energy improvements shall be transferred to the appropriate agency.

Subd. 7. **Expiration.** This section expires June 30, 2040.

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

Sec. 8. [116J.9927] PROMOTING CONSTRUCTION AND RENOVATION OF PUBLIC SKATE PARKS THROUGHOUT THE STATE.

Subdivision 1. **Definition.** For purposes of this section, "skate" or "skate sports" means wheeled nonmotorized recreation, including skateboarding, roller blading, roller skating, and BMX biking.

Subd. 2. **Nonprofit organization.** By July 1, 2024, and every three years thereafter, the commissioner must enter into a three-year contract with a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code with a primary purpose to facilitate and promote skate sports for the organization to evaluate applications from local units of government for grants under this section and to select recipients for grants from available appropriations. The commissioner may pay the nonprofit organization up to four percent of the funds appropriated for grants under this section to compensate the nonprofit organization for its work evaluating grant applications and selecting grant recipients.

Subd. 3. **Grants.** The commissioner must use money appropriated for this purpose to make grants to local units of government to construct or renovate public skate parks throughout the state. The grants must be made to local units of government for projects selected by the nonprofit organization for an amount determined by the nonprofit organization. Grants may be for the full cost of the project or may supplement local funding as necessary to complete funding for a project.

Subd. 4. **Application process.** The commissioner must facilitate a process for soliciting applications for grants from local governments and provide the applications to the nonprofit organization responsible to select grantees.

Subd. 5. **Grant selection process.** (a) The nonprofit organization must consider the following criteria in selecting projects for funding:

(1) the demonstrated interest of the community in a skate park project, including the commitment of local government money and private donations for the project;

(2) the accessibility of the proposed site to an arterial highway, transit, or pedestrian or bike path;

(3) equitable geographic dispersion to maximize potential for full utilization;

(4) commitment to accommodate noncompetitive family and community skating for all ages and to encourage use of skate parks by a diverse population; and

(5) whether the project is requested by more than one local government unit.

(b) The nonprofit organization must give priority to applicants that propose projects designed by experts in the field of concrete skate park design and are to be constructed by professionals with experience in the construction of concrete skate parks.

Subd. 6. **Skate park requirements.** To be eligible for a grant under this section, a skate park must be:

(1) accessible to the public without charge for personal use;

(2) constructed of concrete; and

(3) developed and programmed with input from youth during the planning, design, and programming for the skate park.

Subd. 7. **Agreements with local governments and cooperative purchasing agreements.** The commissioner may enter into cooperative purchasing agreements under section 471.59 with local governments to purchase skate park equipment and services through state contracts. The cooperative skate park equipment purchasing revolving fund is created as a separate account in the state treasury. The commissioner may charge a fee to cover the commissioner's administrative expenses to government units that have joint or cooperative purchasing agreements with the state under section 471.59. The fees collected must be deposited in the revolving fund established by this subdivision. Money in the fund is appropriated to the commissioner to administer the programs and services covered by this section.

Subd. 8. **Awarding a design-build contract.** Notwithstanding section 471.345, cities, towns, counties, park boards, and school districts may solicit and award a design-build or construction manager at-risk contract for a construction or upgrade project funded under this section on the basis of a best value selection process. The city, town, county, park board, or school district must consider at least two proposals when awarding a design-build contract under this section.

Subd. 9. **Availability of funds.** A grant of money from an appropriation under this program is available to each grantee until the project that is the subject of the grant is completed or abandoned, subject to section 16A.642.

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

Sec. 9. Minnesota Statutes 2023 Supplement, section 174.38, subdivision 3, is amended to read:

Subd. 3. **Active transportation accounts.** (a) An active transportation account is established in the special revenue fund. The account consists of funds provided by law and any other money donated, allotted, transferred, or otherwise provided to the account. Money in the account is annually appropriated to the commissioner and must be expended only on projects that receive financial assistance under this section.

(b) An active transportation account is established in the bond proceeds fund. The account consists of state bond proceeds appropriated to the commissioner. Money in the account may only be expended on bond-eligible costs of a project receiving financial assistance as provided under this section. Money in the account may only be expended on a project that is publicly owned.

~~(c) An active transportation account is established in the general fund. The account consists of money as provided by law and any other money donated, allotted, transferred, or otherwise provided to the account. Money in the account may only be expended on a project receiving financial assistance as provided under this section.~~

Sec. 10. [473.355] **COMMUNITY TREE-PLANTING GRANTS.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given them.

(b) "Metropolitan area" has the meaning given under section 473.121, subdivision 2.

(c) "Shade tree" means a woody perennial grown primarily for aesthetic or environmental purposes with minimal to residual timber value.

(d) "Supplemental demographic index" means an index in the Environmental Justice Screening and Mapping Tool developed by the United States Environmental Protection Agency that is based on socioeconomic indicators, including low income, unemployment, less than high school education, limited English speaking, and low life expectancy.

Subd. 2. **Grants.** (a) The Metropolitan Council must establish a grant program to provide grants to cities, counties, townships, Tribal governments, owners of private property in the metropolitan area, and implementing agencies for the following purposes:

(1) removing and planting shade trees on public or Tribal land to provide environmental benefits;

(2) replacing trees lost to forest pests, disease, or storms; or

(3) establishing a more diverse community forest better able to withstand disease and forest pests.

(b) Any tree planted with money granted under this section must be a climate-adapted species to Minnesota.

Subd. 3. **Priority.** (a) Priority for grants awarded under this section must be given to:

(1) projects removing and replacing ash trees that pose significant public safety concerns; and

(2) projects located in a census block group with a supplemental demographic index score in the 70th percentile or higher within the state of Minnesota.

(b) The Metropolitan Council may not prioritize projects based on criteria other than the criteria established under paragraph (a).

Subd. 4. **Eligible projects.** (a) The proceeds of state general obligation bonds may only be expended for grants to cities, counties, townships, and implementing agencies.

(b) Appropriations from the general fund may be expended for grants to Tribal governments, cities, counties, townships, owners of private property in the metropolitan area, and implementing agencies.

Sec. 11. Laws 2023, chapter 71, article 1, section 6, subdivision 4, is amended to read:

**Subd. 4. Sustainable Building Guidelines;
Recommendations and Report**

304,000

To develop recommendations for updating goals, measuring project performance in meeting the goals, applicability, compliance, waivers, outreach, and administration of the sustainable building guidelines under

Minnesota Statutes, section 16B.325, in collaboration with the commissioner of commerce and the Center for Sustainable Building Research at the University of Minnesota. The commissioner of administration may contract with the commissioner of commerce and the Center for Sustainable Building Research at the University of Minnesota for assistance in developing the recommendations, including obtaining input from public owners, nonprofit owners, design professionals, and other stakeholders. The commissioner of administration must provide a report of findings and recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over capital investment, energy finance and policy, and environment finance and policy on or before October 15, 2023. Upon completion of development of the recommendations, any remaining funds may be utilized to begin implementation of the recommendations.

Sec. 12. **CAPITOL MALL DESIGN FRAMEWORK UPDATE; MATCHING FUNDS.**

Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have the meanings given.

(b) "Capitol Mall Design Framework update" means the Capitol Mall Design Framework update required by Laws 2023, chapter 62, article 2, section 124.

(c) "Nonstate funds" means money secured from private sources, including individuals and businesses, toward the Capitol Mall Design Framework update.

Subd. 2. Capitol Mall Design Framework; use of nonstate funds. (a) Nonstate funds must be used to predesign, design, construct, furnish, and equip improvements and betterments of a capital nature consistent with the Capitol Mall Design Framework update.

(b) The commissioner of administration shall coordinate the expenditure of nonstate funds toward the Capitol Mall Design Framework update improvements. Any unspent nonstate funds may be used by the commissioner of administration for improvements and betterments of a capital nature consistent with the Capitol Mall Design Framework update.

Sec. 13. **CAPITOL MALL DESIGN FRAMEWORK IMPLEMENTATION.**

Notwithstanding Laws 2023, chapter 62, article 1, section 11, subdivision 2, the appropriation to implement the updated Capitol Mall Design Framework is available until June 30, 2025.

Sec. 14. **REPEALER.**

(a) Laws 2023, chapter 71, article 1, section 7, is repealed.

(b) Minnesota Statutes 2022, section 240A.20, subdivisions 2, 4, and 5, are repealed.

(c) Minnesota Statutes 2023 Supplement, section 240A.20, subdivisions 1, 3, 6, and 7, are repealed.

(d) Laws 2023, chapter 53, article 17, section 2, is repealed.

Sec. 15. **EFFECTIVE DATE.**

Except as otherwise provided, this article is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to capital investment; authorizing spending to acquire and better land and buildings and for other improvements of a capital nature with certain conditions; establishing and modifying programs; canceling prior appropriations; appropriating money; amending Minnesota Statutes 2022, sections 16A.86, subdivisions 3a, 4; 16B.325, as amended; 16B.335, subdivision 4; Minnesota Statutes 2023 Supplement, section 174.38, subdivision 3; Laws 2023, chapter 71, article 1, section 6, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; 116J; 473; repealing Minnesota Statutes 2022, section 240A.20, subdivisions 2, 4, 5; Minnesota Statutes 2023 Supplement, section 240A.20, subdivisions 1, 3, 6, 7; Laws 2023, chapter 53, article 17, section 2; Laws 2023, chapter 71, article 1, section 7."

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

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time.

Senator Dornink introduced--

S.F. No. 5525: A bill for an act relating to economic development; appropriating money for wastewater treatment facility improvements in the city of Albert Lea.

Referred to the Committee on Jobs and Economic Development.

MOTIONS AND RESOLUTIONS

Senator Bahr moved that the name of Senator Hoffman be added as a co-author to S.F. No. 4371. The motion prevailed.

Senator Bahr moved that the name of Senator Hoffman be added as a co-author to S.F. No. 4795. The motion prevailed.

Senator Frentz moved that the name of Senator Klein be added as a co-author to S.F. No. 4942. The motion prevailed.

Senator Bahr moved that the name of Senator Hoffman be added as a co-author to S.F. No. 5214. The motion prevailed.

Senators Murphy and Johnson introduced --

Senate Resolution No. 101: A Senate resolution commemorating the lives and work of deceased Senators.

The Honorable Don Anderson,
1983-1990

The Honorable Florian Chmielewski,
1971-1996

The Honorable Douglas J. Johnson,
1977-2002

The Honorable Franklin J. Knoll,
1977-1982

The Honorable Marilyn Lantry,
1981-1990

The Honorable Cal Larson,
1987-2006

The Honorable Phyllis McQuaid,
1983-1990

The Honorable John Milton,
1973-1977

The Honorable Edward C. Oliver,
1993-2002

The Honorable Albert H. Quie,
1955-1958

The Honorable Twyla Ring,
1999-2002

The Honorable David Rued,
1978-1982

The Honorable David D. Schaaf,
1973-1980

The Honorable Irving M. Stern,
1979-1982

The Honorable David J. Tomassoni,
2001-2022

WHEREAS, those in public office need an uncommon dedication to meet the demands upon their time, resources, and talents; and

WHEREAS, in the history of the Minnesota Senate, there have been countless Senators who have left a heritage of noble deeds, thoughts, and acts; and

WHEREAS, in their endeavors to legislate for the public good of this state, they strove to represent fairly the rights of the people; and

WHEREAS, their spirits continually challenge, enlighten, and encourage those who remain to honestly and diligently exercise the work of the government for the public good; and

WHEREAS, Senators of today take courage and inspiration from those noble servants of another time who believed it was better to serve than to be served; and

NOW, THEREFORE, BE IT RESOLVED by the Senate of the State of Minnesota that it recognizes the tremendous contributions of the following deceased senators: the Honorable Don Anderson, 1983-1990; the Honorable Florian Chmielewski, 1971-1996; the Honorable Douglas J. Johnson, 1977-2002; the Honorable Franklin J. Knoll, 1977-1982; the Honorable Marilyn Lantry,

1981-1990; the Honorable Cal Larson, 1987-2006; the Honorable Phyllis McQuaid, 1983-1990; the Honorable John Milton, 1973-1977; the Honorable Edward C. Oliver, 1993-2002; the Honorable Albert H. Quie, 1955-1958; the Honorable Twyla Ring, 1999-2002; the Honorable David Rued, 1978-1982; the Honorable David D. Schaaf, 1973-1980; the Honorable Irving M. Stern, 1979-1982; and the Honorable David. J. Tomassoni, 2001-2022. Their dedication to the public good is a source of inspiration to, and is worthy of emulation by, their present-day colleagues.

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to prepare an enrolled copy of this resolution, to be authenticated by the Secretary's signature and that of the Chair of the Senate Rules and Administration Committee, and transmit it to appropriate relatives of those commemorated by this resolution.

Senator Murphy moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

The members of the Senate paused for a moment of silence in memory of the deceased senators.

Senators Murphy and Johnson introduced --

Senate Resolution No. 102: A Senate resolution relating to conduct of Senate business during the interim between Sessions.

BE IT RESOLVED, by the Senate of the State of Minnesota:

The powers, duties, and procedures set forth in this resolution apply during the interim between the adjournment sine die of the 93rd Legislature, 2024 Session, and the convening of the 94th Legislature, 2025 Session.

The Committee on Rules and Administration may, from time to time, assign to the various committees and subcommittees of the Senate, in the interim, matters brought to its attention by any member of the Senate for study and investigation. The standing committees and subcommittees may study and investigate all subjects that come within their usual jurisdiction, as provided by Minnesota Statutes, Section 3.921. A committee shall carry on its work by subcommittee or by committee action as the committee from time to time determines. Any study undertaken by any of the standing committees, or any subcommittee thereof, shall be coordinated to the greatest extent possible with other standing committees or subcommittees of the Senate and House of Representatives, and may, if the committee or subcommittee so determines, be carried on jointly with another committee or subcommittee of the Senate or House of Representatives.

The Subcommittee on Committees of the Committee on Rules and Administration shall appoint persons as necessary to fill any vacancies that may occur in committees, commissions, and other bodies whose members are to be appointed by the Senate as authorized by rule, statute, resolution, or otherwise. The Subcommittee on Committees may appoint members of the Senate to assist in the work of any committee.

The Committee on Rules and Administration shall establish positions, set compensation and benefits, appoint employees, and authorize expense reimbursement as it deems proper to carry out the work of the Senate.

The Committee on Rules and Administration may authorize members of the Senate and personnel employed by the Senate to travel and to attend courses of instruction or conferences for the purpose of improving and making more efficient Senate operation and may reimburse these persons for the costs thereof out of monies appropriated to the Senate.

All members of activated standing committees or subcommittees of the Senate, and staff, shall be reimbursed for all expenses actually and necessarily incurred in the performance of their duties during the interim in the manner provided by law. Payment shall be made by the Secretary of the Senate out of monies appropriated to the Senate for the standing committees. The Committee on Rules and Administration shall determine the amount and manner of reimbursement for living and other expenses of each member of the Senate incurred in the performance of Senate duties when the Legislature is not in regular session.

The Secretary of the Senate shall continue to perform his duties during the interim. During the interim, but not including time which may be spent in any special session, the Secretary of the Senate shall be paid for services rendered the Senate at the rate established for his position for the 2024 regular session, unless otherwise directed by the Committee on Rules and Administration, plus travel and subsistence expense incurred incidental to his Senate duties, including salary and travel expense incurred in attending meetings of the National Conference of State Legislatures.

Should a vacancy occur in the position of Secretary of the Senate, by resignation or other causes, the Committee on Rules and Administration shall appoint an acting Secretary of the Senate who shall serve in that capacity during the remainder of the interim under the provisions herein specified.

The Secretary of the Senate is authorized to employ after the close of the session the employees necessary to finish the business of the Senate at the salaries paid under the rules of the Senate for the 2024 regular session. The Secretary of the Senate is authorized to employ the necessary employees to prepare for the 2025 session at the salaries in effect at that time.

The Secretary of the Senate shall classify as eligible for benefits under Minnesota Statutes, Sections 3.095 and 43A.24, those Senate employees heretofore or hereafter certified as eligible for benefits by the Committee on Rules and Administration.

The Secretary of the Senate, as authorized and directed by the Committee on Rules and Administration, shall furnish each member of the Senate with postage and supplies, and upon proper verification of the expenses incurred, shall reimburse each member for expenses as authorized from time to time by the Committee on Rules and Administration.

The Secretary of the Senate shall correct and approve the Journal of the Senate for those days that have not been corrected and approved by the Senate, and shall correct printing errors found in the Journal of the Senate for the 93rd Legislature. The Secretary of the Senate may include in the Senate Journal proceedings of the last day, appointments by the Subcommittee on Committees to interim commissions created by legislative action, permanent commissions or committees established by statute, standing committees, official communications and other matters of record received on or after adjournment sine die.

The Secretary of the Senate may pay election and litigation costs as authorized by the Committee on Rules and Administration.

The Secretary of the Senate, with the approval of the Committee on Rules and Administration, shall secure bids and enter into contracts for the printing of the bills and binding of the permanent Senate Journal, shall secure bids and enter into contracts for remodeling, improvement and furnishing of Senate office space, conference rooms and the Senate Chamber and shall purchase all supplies, equipment and other goods and services necessary to carry out the work of the Senate. Any contracts in excess of \$20,000 shall be approved by the Chair of the Committee on Rules and Administration and another member designated by the chair.

The Secretary of the Senate shall draw warrants from the legislative expense fund in payment of the accounts herein referred to.

All Senate records, including committee books, are subject to the direction of the Committee on Rules and Administration.

The Senate Chamber, retiring room, committee rooms, all conference rooms, storage rooms, Secretary of the Senate's office, Rules and Administration office, and any and all other space assigned to the Senate shall be reserved for use by the Senate and its standing committees only and shall not be released or used for any other purpose except upon authorization of the Secretary of the Senate with the approval of the Committee on Rules and Administration, or the Chair thereof.

The commissioner of administration shall continue to provide parking space through the Secretary of the Senate for members and staff of the Minnesota State Senate. The Secretary of the Senate may deduct from the check of any legislator or legislative employee a sum adequate to cover the exercise of the parking privilege herein defined in conformity with the practice of the Department of Administration.

Senator Murphy moved the adoption of the foregoing resolution.

The question was taken on the adoption of the resolution.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|------------|------------|----------------|-----------|
| Anderson | Eichorn | Klein | McEwen | Rasmusson |
| Bahr | Farnsworth | Koran | Miller | Rest |
| Boldon | Fateh | Kreun | Mitchell | Seeberger |
| Carlson | Frentz | Kunesh | Mohamed | Utke |
| Champion | Green | Kupec | Morrison | Weber |
| Coleman | Gruenhagen | Lang | Murphy | Wesenberg |
| Cwodzinski | Gustafson | Latz | Nelson | Westlin |
| Dahms | Hauschild | Lieske | Oumou Verbeten | Westrom |
| Dibble | Hawj | Limmer | Pappas | Wiklund |
| Dornink | Hoffman | Lucero | Pha | Xiong |
| Draheim | Housley | Mann | Port | |
| Drazkowski | Howe | Marty | Pratt | |
| Duckworth | Jasinski | Mathews | Putnam | |
| Dziedzic | Johnson | Maye Quade | Rarick | |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic and Rest.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Lieske.

The motion prevailed. So the resolution was adopted.

RECESS

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

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

APPOINTMENTS

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

H.F. No. 2609: Senators Gustafson, Dziedzic, and Xiong.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Article 4, Section 7, of the Constitution of the State of Minnesota, Senator Duckworth moved that after receiving testimony and evidence at a due process hearing held by the Subcommittee on Ethical Conduct on May 7, 2024, Senator Nicole Mitchell be expelled from the Minnesota Senate, effective immediately, and that a vacancy in the office for Senate District 47 be declared.

Senator Frenz raised a point of order pursuant to Sec. 562 of Mason's Manual of Legislative Procedure that the Duckworth motion was out of order.

The President ruled the point of order well taken.

Senator Rasmusson appealed the decision of the President.

CALL OF THE SENATE

Senator Pratt imposed a call of the Senate for the balance of the proceedings on the Duckworth motion. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 34 and nays 33, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frenz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |
| Fateh | Kunesh | Mitchell | Port | |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic and Rest.

Those who voted in the negative were:

| | | | | |
|----------|------------|----------|---------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Rasmusson |
| Anderson | Duckworth | Jasinski | Lucero | Utke |
| Bahr | Eichorn | Johnson | Mathews | Weber |
| Coleman | Farnsworth | Koran | Miller | Wesenberg |
| Dahms | Green | Kreun | Nelson | Westrom |
| Dornink | Gruenhagen | Lang | Pratt | |
| Draheim | Housley | Lieske | Rarick | |

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senators: Abeler and Lieske.

So the decision of the President was sustained.

MOTIONS AND RESOLUTIONS - CONTINUED

SPECIAL ORDERS

Pursuant to Rule 26, Senator Murphy, Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

H.F. Nos. 5216 and 5246.

SPECIAL ORDER

H.F. No. 5216: A bill for an act relating to state government; providing law for judiciary, public safety, and corrections; establishing a state board of civil legal aid; modifying safe at home program certification and restorative practices restitution program; establishing working group for motor vehicle registration compliance; establishing task forces on holistic and effective responses to illicit drug use and domestic violence and firearm surrender; establishing a public safety telecommunicator training and standards board; authorizing rulemaking; requiring reports; modifying certain prior appropriations; appropriating money for judiciary, public safety, and corrections; amending Minnesota Statutes 2022, sections 5B.02; 5B.03, subdivision 3; 5B.04; 5B.05; 13.045, subdivision 3; 260B.198, subdivision 1; 260B.225, subdivision 9; 260B.235, subdivision 4; 299A.73, subdivision 4; 403.02, subdivision 17c; 480.24, subdivisions 2, 4; 480.242, subdivisions 2, 3; 480.243, subdivision 1; Minnesota Statutes 2023 Supplement, sections 244.50, subdivision 4; 299A.49, subdivisions 8, 9; 299A.95, subdivision 5; 403.11, subdivision 1; 609A.06, subdivision 2; 638.09, subdivision 5; Laws 2023, chapter 52, article 1, section 2, subdivision 3; article 2, sections 3, subdivision 5; 6, subdivisions 1, 4; article 8, section 20, subdivision 3; Laws 2023, chapter 63, article 5, section 5; proposing coding for new law in Minnesota Statutes, chapters 169; 299A; 403; 480; repealing Minnesota Statutes 2022, section 480.242, subdivision 1.

Senator Latz moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 19, line 27, delete "1" and insert "28"

Page 20, line 9, delete "1" and insert "15"

Page 24, after line 25, insert:

"Sec. 13. Laws 2023, chapter 52, article 2, section 3, subdivision 8, as amended by Laws 2023, chapter 69, section 12, is amended to read:

| | | |
|--|------------|------------|
| Subd. 8. Office of Justice Programs | 94,758,000 | 80,434,000 |
| Appropriations by Fund | | |
| General | 94,662,000 | 80,338,000 |
| State Government | | |
| Special Revenue | 96,000 | 96,000 |

(a) Domestic and Sexual Violence Housing

\$1,500,000 each year is to establish a Domestic Violence Housing First grant program to provide resources for survivors of violence to access safe and stable housing and for staff to provide mobile advocacy and expertise in housing resources in their community and a Minnesota Domestic and Sexual Violence Transitional Housing program to develop and support medium to long term transitional housing for survivors of domestic and sexual violence with supportive services. The base for this appropriation is \$1,000,000 beginning in fiscal year 2026.

(b) Federal Victims of Crime Funding Gap

\$11,000,000 each year is to fund services for victims of domestic violence, sexual assault, child abuse, and other crimes. This is a onetime appropriation.

(c) Office for Missing and Murdered Black Women and Girls

\$1,248,000 each year is to establish and maintain the Minnesota Office for Missing and Murdered Black Women and Girls.

(d) Increased Staffing

\$667,000 the first year and \$1,334,000 the second year are to increase staffing in the Office of Justice Programs for grant monitoring and compliance; provide training and technical assistance to grantees and potential grantees; conduct community outreach and engagement to improve the experiences and outcomes of applicants, grant recipients, and crime victims throughout Minnesota; expand the Minnesota Statistical Analysis Center; and increase staffing for the crime victim reimbursement program and the Crime Victim Justice Unit.

(e) Office of Restorative Practices

\$500,000 each year is to establish and maintain the Office of Restorative Practices.

(f) Crossover and Dual-Status Youth Model Grants

\$1,000,000 each year is to provide grants to local units of government to initiate or expand crossover youth practices model and dual-status youth programs that provide services for youth who are involved with or at risk of becoming involved with both the child welfare and juvenile justice systems, in accordance with the Robert F. Kennedy National Resource Center for Juvenile Justice model. This is a onetime appropriation.

(g) Restorative Practices Initiatives Grants

\$4,000,000 each year is for grants to establish and support restorative practices initiatives pursuant to Minnesota Statutes, section 299A.95, subdivision 6. The base for this appropriation is \$2,500,000 beginning in fiscal year 2026.

(h) Ramsey County Youth Treatment Homes Acquisition and Betterment

\$5,000,000 the first year is for a grant to Ramsey County to establish, with input from community stakeholders, including impacted youth and families, up to seven intensive

trauma-informed therapeutic treatment homes in Ramsey County that are licensed by the Department of Human Services, that are culturally specific, that are community-based, and that can be secured. These residential spaces must provide intensive treatment and intentional healing for youth as ordered by the court as part of the disposition of a case in juvenile court. This appropriation is available through June 30, 2026.

(i) Ramsey County Violence Prevention

\$5,000,000 the first year is for a grant to Ramsey County to award grants to develop new and further enhance existing community-based organizational support through violence prevention and community wellness grants. Grantees must use the money to create family support groups and resources to support families during the time a young person is placed out of home following a juvenile delinquency adjudication and support the family through the period of postplacement reentry; create community-based respite options for conflict or crisis de-escalation to prevent incarceration or further systems involvement for families; or establish additional meaningful employment opportunities for systems-involved youth. This appropriation is available through June 30, 2027.

(j) Office for Missing and Murdered Indigenous Relatives

\$274,000 each year is for increased staff and operating costs of the Office for Missing and Murdered Indigenous Relatives, the Missing and Murdered Indigenous Relatives Advisory Board, and the Gaagige-Mikwendaagoziwag reward advisory group.

(k) Youth Intervention Programs

\$3,525,000 the first year and \$3,526,000 the second year are for youth intervention programs under Minnesota Statutes, section

299A.73. The base for this appropriation is \$3,526,000 in fiscal year 2026 and \$3,525,000 in fiscal year 2027.

(l) Community Crime Intervention and Prevention Grants

\$750,000 each year is for community crime intervention and prevention program grants, authorized under Minnesota Statutes, section 299A.296. This is a onetime appropriation.

(m) Resources for Victims of Crime

\$1,000,000 each year is for general crime victim grants to meet the needs of victims of crime not covered by domestic violence, sexual assault, or child abuse services. This is a onetime appropriation.

(n) Prosecutor Training

\$100,000 each year is for a grant to the Minnesota County Attorneys Association to be used for prosecutorial and law enforcement training, including trial school training and train-the-trainer courses. All training funded with grant proceeds must contain blocks of instruction on racial disparities in the criminal justice system, collateral consequences to criminal convictions, and trauma-informed responses to victims. This is a onetime appropriation.

The Minnesota County Attorneys Association must report to the chairs and ranking minority members of the legislative committees with jurisdiction over public safety policy and finance on the training provided with grant proceeds, including a description of each training and the number of prosecutors and law enforcement officers who received training. The report is due by February 15, 2025. The report may include trainings scheduled to be completed after the date of submission with an estimate of expected participants.

(o) Minnesota Heals

\$500,000 each year is for the Minnesota Heals grant program. This is a onetime appropriation.

(p) Sexual Assault Exam Costs

\$3,967,000 the first year and \$3,767,000 the second year are to reimburse qualified health care providers for the expenses associated with medical examinations administered to victims of criminal sexual conduct as required under Minnesota Statutes, section 609.35, and for costs to administer the program. The base for this appropriation is \$3,771,000 in fiscal year 2026 and \$3,776,000 in fiscal year 2027.

(q) First Responder Mental Health Curriculum

\$75,000 each year is for a grant to the Adler graduate school. The grantee must use the grant to develop a curriculum for a 24-week certificate to train licensed therapists to understand the nuances, culture, and stressors of the work environments of first responders to allow those therapists to provide effective treatment to first responders in distress. The grantee must collaborate with first responders who are familiar with the psychological, cultural, and professional issues of their field to develop the curriculum and promote it upon completion.

The grantee may provide the program online.

The grantee must seek to recruit additional participants from outside the 11-county metropolitan area.

The grantee must create a resource directory to provide law enforcement agencies with names of counselors who complete the program and other resources to support law enforcement professionals with overall wellness. The grantee shall collaborate with the Department of Public Safety and law

enforcement organizations to promote the directory. This is a onetime appropriation.

(r) Pathways to Policing

\$400,000 each year is for reimbursement grants to state and local law enforcement agencies that operate pathway to policing programs. Applicants for reimbursement grants may receive up to 50 percent of the cost of compensating and training program participants. Reimbursement grants shall be proportionally allocated based on the number of grant applications approved by the commissioner. This is a onetime appropriation.

(s) Direct Assistance to Crime Victim Survivors

\$5,000,000 each year is to provide grants for direct services and advocacy for victims of sexual assault, general crime, domestic violence, and child abuse. Funding must support the direct needs of organizations serving victims of crime by providing: direct client assistance to crime victims; competitive wages for direct service staff; hotel stays and other housing-related supports and services; culturally responsive programming; prevention programming, including domestic abuse transformation and restorative justice programming; and for other needs of organizations and crime victim survivors. Services funded must include services for victims of crime in underserved communities most impacted by violence and reflect the ethnic, racial, economic, cultural, and geographic diversity of the state. The office shall prioritize culturally specific programs, or organizations led and staffed by persons of color that primarily serve communities of color, when allocating funds.

(t) Racially Diverse Youth

\$250,000 each year is for grants to organizations to address racial disparity of

youth using shelter services in the Rochester and St. Cloud regional areas. Of this amount, \$125,000 each year is to address this issue in the Rochester area and \$125,000 each year is to address this issue in the St. Cloud area. A grant recipient shall establish and operate a pilot program connected to shelter services to engage in community intervention outreach, mobile case management, family reunification, aftercare, and follow up when family members are released from shelter services. A pilot program must specifically address the high number of racially diverse youth that enter shelters in the regions. This is a onetime appropriation.

(u) Violence Prevention Project Research Center

\$500,000 each year is for a grant to the Violence Prevention Project Research Center, operating as a 501(c)(3) organization, for research focused on reducing violence in society that uses data and analysis to improve criminal justice-related policy and practice in Minnesota. Research must place an emphasis on issues related to deaths and injuries involving firearms. This is a onetime appropriation.

Beginning January 15, 2025, the Violence Prevention Project Research Center must submit an annual report to the chairs and ranking minority members of the legislative committees with jurisdiction over public safety policy and finance on its work and findings. The report must include a description of the data reviewed, an analysis of that data, and recommendations to improve criminal justice-related policy and practice in Minnesota with specific recommendations to address deaths and injuries involving firearms.

(v) Report on Approaches to Address Illicit Drug Use in Minnesota

\$118,000 each year is to enter into an agreement with Rise Research LLC for a study and set of reports on illicit drug use in Minnesota describing current responses to that use, reviewing alternative approaches utilized in other jurisdictions, and making policy and funding recommendations for a holistic and effective response to illicit drug use and the illicit drug trade. The agreement must establish a budget and schedule with clear deliverables. This appropriation is onetime.

The study must include a review of current policies, practices, and funding; identification of alternative approaches utilized effectively in other jurisdictions; and policy and funding recommendations for a response to illicit drug use and the illicit drug trade that reduces and, where possible, prevents harm and expands individual and community health, safety, and autonomy. Recommendations must consider impacts on public safety, racial equity, accessibility of health and ancillary supportive social services, and the intersections between drug policy and mental health, housing and homelessness, overdose and infectious disease, child welfare, and employment.

Rise Research may subcontract and coordinate with other organizations or individuals to conduct research, provide analysis, and prepare the reports required by this section.

Rise Research shall submit reports to the chairs and ranking minority members of the legislative committees with jurisdiction over public safety finance and policy, human services finance and policy, health finance and policy, and judiciary finance and policy. Rise Research shall submit an initial report by February 15, 2024, and a final report by March 1, 2025.

(w) Legal Representation for Children

\$150,000 each year is for a grant to an organization that provides legal representation for children in need of protection or services and children in out-of-home placement. The grant is contingent upon a match in an equal amount from nonstate funds. The match may be in kind, including the value of volunteer attorney time, in cash, or a combination of the two. These appropriations are in addition to any other appropriations for the legal representation of children. This appropriation is onetime.

(x) Pretrial Release Study and Report

\$250,000 each year are for a grant to the Minnesota Justice Research Center to study and report on pretrial release practices in Minnesota and other jurisdictions, including but not limited to the use of bail as a condition of pretrial release. This appropriation is onetime.

(y) Intensive Comprehensive Peace Officer Education and Training Program

\$5,000,000 the first year is to implement the intensive comprehensive peace officer education and training program described in Minnesota Statutes, section 626.8516. This appropriation is available through June 30, 2027.

(z) Youth Services Office

\$250,000 each year is to operate the Youth Services Office.

ARTICLE 4

HIGHER EDUCATION-RELATED PROVISIONS

Section 1. **[241.267] PRISON EDUCATION PARTNERSHIPS.**

The commissioner may not enter into an agreement or establish a prison education partnership with a higher education institution that:

(1) is organized as a private for-profit postsecondary institution as described in section 136A.62, subdivision 3, clause (2), item (ii); or

(2) charges incarcerated students a higher per-credit rate than the rate for nonincarcerated students.

Sec. 2. [244.60] SUPERVISED RELEASE EMPLOYMENT REQUIREMENT; POSTSECONDARY EDUCATION.

If the commissioner of corrections imposes a requirement on a person placed on supervised release that the person work or be employed, the commissioner shall provide that enrollment and participation in postsecondary education or a combination of work and education satisfies this requirement.

Sec. 3. Minnesota Statutes 2023 Supplement, section 626.8516, subdivision 6, is amended to read:

Subd. 6. **Education providers; sites.** (a) No later than October 1, 2023, the Board of Trustees of the Minnesota State Colleges and Universities shall designate at least two regionally diverse system campuses to provide the required intensive comprehensive law enforcement education and skills training to eligible peace officer candidates.

(b) In addition to the campuses designated under paragraph (a), the commissioner may designate private, nonprofit postsecondary institutions to provide the required intensive comprehensive law enforcement education and skills training to eligible peace officer candidates.

(c) Effective July 1, 2025, the Board of Regents of the University of Minnesota may request that the commissioner designate one or more campuses to provide intensive comprehensive law enforcement education and skills training to eligible peace officer candidates. Upon such a request the commissioner shall designate at least one of the requested campuses.

Sec. 4. INCARCERATED STUDENT AID BORROWERS.

Subdivision 1. **Identification of borrowers.** The commissioner of corrections shall enter into a data sharing agreement with the commissioner of higher education to identify incarcerated persons who are federal student aid borrowers as identified by the Free Application for Federal Student Aid (FAFSA). For the purposes of this section, student loan data of any incarcerated person who voluntarily provides their federal loan status is private data as defined by section 13.02, subdivision 12.

Subd. 2. **Plan.** The commissioner of corrections, in consultation with the commissioner of the Office of Higher Education, shall develop a plan by December 1, 2024, to assist incarcerated persons in enrolling in a federal income-driven repayment plan in which there are no monthly payments or accrual of interest for borrowers with earnings below the federal poverty guidelines, to the extent such payment plans are available, and submit the plan to the members of the legislative committees in the senate and house of representatives with jurisdiction over higher education and corrections.

Subd. 3. **Sunset.** This section expires June 30, 2027, or when the Department of Corrections establishes a system for collecting this information upon intake, whichever occurs first.

Sec. 5. **FRESH START PROGRAM.**

(a) The commissioner of the Department of Corrections shall provide outreach in each correctional facility in Minnesota to apprise incarcerated persons about the federal Fresh Start program and encourage eligible persons to enroll in the program. The commissioner shall work with a student loan debt counseling grantee under Minnesota Statutes, section 136A.1788, to assist Fresh Start applicants to enroll in an income-driven repayment plan when the borrower is in repayment status.

(b) The commissioner shall report by January 15, 2025, to the legislative committees with jurisdiction over corrections and higher education. The report must include a summary of the outreach efforts in each correctional facility in Minnesota to enroll eligible incarcerated persons in the federal Fresh Start program, the efforts to assist Fresh Start applicants in enrolling in income-driven repayment plans, the number of incarcerated persons served by the student loan debt counseling grantee referenced under paragraph (b), and the number of contacts by incarcerated persons to the United States Department of Education about enrolling in the federal Fresh Start program in the previous year.

(c) This section expires on January 15, 2025.

Sec. 6. **REPEALER.**

Minnesota Statutes 2022, sections 241.265; and 609B.311, are repealed."

Amend the title accordingly

Senator Pratt questioned whether the amendment was germane.

The President ruled that the amendment was germane.

The question was taken on the adoption of the Latz amendment.

The roll was called, and there were yeas 43 and nays 24, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Abeler | Fateh | Kreun | Miller | Port |
| Boldon | Frentz | Kunesh | Mitchell | Putnam |
| Carlson | Gustafson | Kupec | Mohamed | Rest |
| Champion | Hauschild | Latz | Morrison | Seeberger |
| Coleman | Hawj | Limmer | Murphy | Westlin |
| Cwodzinski | Hoffman | Mann | Nelson | Wiklund |
| Dibble | Housley | Marty | Oumou Verbeten | Xiong |
| Duckworth | Jasinski | Maye Quade | Pappas | |
| Dziedzic | Klein | McEwen | Pha | |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic, Port, and Rest.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Abeler.

Those who voted in the negative were:

| | | | | |
|----------|------------|---------|-----------|-----------|
| Anderson | Drazkowski | Howe | Lucero | Utke |
| Bahr | Eichorn | Johnson | Mathews | Weber |
| Dahms | Farnsworth | Koran | Pratt | Wesenberg |
| Dornink | Green | Lang | Rarick | Westrom |
| Draheim | Gruenhagen | Lieske | Rasmusson | |

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senator: Lieske.

The motion prevailed. So the amendment was adopted.

Senator Nelson moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Delete everything after the enacting clause and insert:

"Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2023, chapter 52, articles 1 and 2, to the agencies and for the purposes specified in this act. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2024" and "2025" used in this act mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2024, are effective the day following final enactment.

| | <u>APPROPRIATIONS</u> | | |
|-------------------------------------|--------------------------------------|------------------------------------|-------------------------|
| | <u>Available for the Year</u> | | |
| | <u>Ending June 30</u> | | |
| | <u>2024</u> | <u>2025</u> | |
| Sec. 2. <u>SUPREME COURT</u> | <u>\$</u> | <u>-0-</u> <u>\$</u> | <u>5,750,000</u> |

(a) Court Cyber Security

\$5,250,000 the second year is for the judicial branch cyber security program. This is a onetime appropriation and is available until June 30, 2027.

(b) Safe and Secure Courthouses

\$500,000 the second year is for a competitive grant program for courthouse safety and security improvements. This is a onetime appropriation.

the specific school for which the data is provided without requiring such agencies to purchase additional software or requiring a fee to view or access the data;

(2) compatible with security software platforms in use by the specific school for which the data is provided without requiring the local law enforcement agencies or school districts to purchase additional software or requiring a fee to view or access the data;

(3) verified for accuracy following a physical walkthrough; and

(4) perpetually available to schools and law enforcement agencies mapped pursuant to a grant and the Department of Public Safety.

(d) The statewide emergency communications board may implement further requirements at their discretion.

(e) At the conclusion of work completed pursuant to a grant under this section, the board must deliver all data created, collected, or maintained under this section to the school without payment, and in a manner that the school may own, control, use, and access the data without limitation. The data must be provided in a form that permits the school to share the data with a law enforcement agency.

(f) Each regional emergency communication board that receives a grant must complete the mapping project and report completion to the commissioner on or before July 1, 2026. Upon request, the commissioner may grant a reasonable extension of time to the requesting regional emergency communication board to complete the project.

(g) Regional emergency communications boards shall work collaboratively with schools and public safety agencies to include

local law enforcement, fire agencies, EMS, and 911 during the procurement process.

(h) Any data created under this section is classified as nonpublic data as defined in Minnesota Statutes, section 13.02, subdivision 9.

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

Sec. 5. **CORRECTIONS**

Subdivision 1. **Total**

| | | | | |
|----------------------|-----------|-------------------------|-----------|-------------------------|
| Appropriation | \$ | <u>5,900,000</u> | \$ | <u>1,990,000</u> |
|----------------------|-----------|-------------------------|-----------|-------------------------|

The amounts that may be spent for each purpose are specified in the following subdivisions.

| | | | | |
|------------------------------------|--|------------------|--|------------------|
| Subd. 2. Facility Operation | | <u>5,900,000</u> | | <u>1,990,000</u> |
|------------------------------------|--|------------------|--|------------------|

\$5,900,000 the first year and \$1,990,000 the second year are for the operation of correctional facilities. The base for this appropriation is \$7,091,000 beginning in fiscal year 2026.

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

| | | | | |
|--|-----------|-------------------|-----------|-----------------------|
| Sec. 6. <u>CLEMENCY REVIEW COMMISSION</u> | \$ | <u>-0-</u> | \$ | <u>986,000</u> |
|--|-----------|-------------------|-----------|-----------------------|

\$986,000 the second year is for the Clemency Review Commission described in Minnesota Statutes, section 638.09. Of this amount, \$200,000 the second year is for grants to support outreach and clemency application assistance.

Sec. 7. Laws 2023, chapter 52, article 2, section 6, subdivision 1, is amended to read:

| | | | | |
|-----------------------------|-----------|--------------------------|-----------|---------------------------|
| Subdivision 1. Total | | | | <u>826,661,000</u> |
| Appropriation | \$ | <u>12,643,000</u> | \$ | <u>797,937,000</u> |
| | | | \$ | <u>825,675,000</u> |

The amounts that may be spent for each purpose are specified in the following subdivisions.

Sec. 8. Laws 2023, chapter 52, article 2, section 6, subdivision 4, is amended to read:

Subd. 4. Organizational, Regulatory, and Administrative Services

| | |
|------------|-------------------|
| | 74,287,000 |
| 73,586,000 | <u>73,301,000</u> |

(a) Public Safety Data Infrastructure

\$22,914,000 the first year and \$22,915,000 the second year are for technology modernization and the development of an information-sharing and data-technology infrastructure. The base for this purpose is \$4,097,000 beginning in fiscal year 2026. Any unspent funds from the current biennium do not cancel and are available in the next biennium.

(b) Supervised Release Board

\$40,000 each year is to establish and operate the supervised release board pursuant to Minnesota Statutes, section 244.049.

(c) Recruitment and Retention

\$3,200,000 the first year and \$400,000 the second year are for recruitment and retention initiatives. Of this amount, \$2,800,000 the first year is for staff recruitment, professional development, conflict resolution, and staff wellness, and to contract with community collaborative partners who specialize in trauma recovery.

(d) Clemency Review Commission

\$986,000 ~~each year~~ the first year is for the clemency review commission described in Minnesota Statutes, section 638.09. Of this amount, \$200,000 each year is for grants to support outreach and clemency application assistance. Any unencumbered balance remaining in the first year does not cancel, but must be transferred to the Clemency Review Commission by July 1, 2024. Funds transferred under this paragraph are available until June 30, 2025.

(e) Accountability and Transparency

\$1,000,000 each year is for accountability and transparency initiatives. The base for this appropriation is \$1,480,000 beginning in fiscal year 2026.

(f) Organizational, Regulatory, and Administrative Services Base Budget

The base for organizational, regulatory, and administrative services is ~~\$55,849,000~~ \$54,863,000 in fiscal year 2026 and ~~\$55,649,000~~ \$54,663,000 in fiscal year 2027.

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

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 35, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|------------|---------|-----------|-----------|
| Anderson | Eichorn | Johnson | Mathews | Weber |
| Bahr | Farnsworth | Koran | Miller | Wesenberg |
| Coleman | Green | Kreun | Nelson | Westrom |
| Dornink | Gruenhagen | Lang | Pratt | |
| Draheim | Housley | Lieske | Rarick | |
| Drazkowski | Howe | Limmer | Rasmusson | |
| Duckworth | Jasinski | Lucero | Utke | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Lieske.

Those who voted in the negative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Abeler | Fatch | Kunesh | Mitchell | Port |
| Boldon | Frentz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Frentz, Port, and Rest.

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

Senator Kreun moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 11, line 19, after "programs" insert ", that are organized as nonprofits,"

Page 11, line 26, delete "July" and insert "January"

Page 12, line 22, delete "and"

Page 12, line 24, delete the period and insert a semicolon

Page 12, after line 24, insert:

"(7) a detailed accounting of the use of any grant funds;

(8) the portion of the grant, if any, spent on the recipient's administrative expenses; and

(9) whether the grant recipient received any state or federal funding through other programs or grants."

The motion prevailed. So the amendment was adopted.

Senator Limmer moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 6, line 31, after "facilities" insert ", including increased incarceration costs for offenders sentenced under the amendments made to Minnesota Statutes, section 609.11, in this act"

Page 23, after line 11, insert:

"Sec. 9. Minnesota Statutes 2022, section 609.11, subdivision 8, is amended to read:

Subd. 8. **Motion by prosecutor; dangerous weapons cases.** (a) Except as otherwise provided in ~~paragraphs~~ paragraph (b) and (c), prior to the time of sentencing, the prosecutor may file a motion to have the defendant sentenced without regard to the mandatory minimum ~~sentences~~ sentence established ~~by this section~~ in subdivision 4. The motion shall be accompanied by a statement on the record of the reasons for it. When presented with the motion, or on its own motion, the court may sentence the defendant without regard to the mandatory minimum ~~sentences~~ sentence established ~~by this section~~ in subdivision 4 if the court finds substantial and compelling reasons to do so. A sentence imposed under this subdivision is a departure from the Sentencing Guidelines.

(b) The court may not, on its own motion or the prosecutor's motion, sentence a defendant without regard to the mandatory minimum ~~sentences~~ sentence established ~~by this section~~ in subdivision 4 if the defendant previously has been convicted of an offense listed in subdivision 9 in which the defendant used or possessed a firearm or other dangerous weapon.

~~(c) The court may not, on its own motion or the prosecutor's motion, sentence a defendant without regard to the mandatory minimum sentences established by subdivision 5, if the defendant was convicted of a crime under section 152.021, subdivision 1, or 152.022, subdivision 1, and the person or an accomplice possessed on their person or within immediate reach, or used, whether by brandishing, displaying, threatening with, or otherwise employing, a firearm.~~

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date.

Sec. 10. Minnesota Statutes 2022, section 609.11, is amended by adding a subdivision to read:

Subd. 8a. **Motion by prosecutor; firearms cases.** (a) Except as otherwise provided in paragraphs (c) and (d), prior to the time of sentencing, the prosecutor may file a motion to have the defendant sentenced without regard to the mandatory minimum sentence established in subdivision 5 for a case in which the basis for the mandatory sentence is that the defendant's accomplice had a firearm in possession at the time of the offense. The motion may be made only if the defendant was unaware that the accomplice possessed the firearm. No motion to sentence a defendant without regard to the mandatory sentence applicable in subdivision 5 may be made or granted for any other reason or in any other situation.

(b) The motion under paragraph (a) shall be accompanied by a statement on the record of the reasons for the motion. When presented with the motion, or on its own motion, the court may sentence the defendant without regard to the mandatory minimum sentence established in subdivision 5 if the court finds that the criteria in paragraph (a) have been met and there are substantial and compelling reasons to do so. A sentence imposed under this subdivision is a departure from the Sentencing Guidelines.

(c) The court may not, on its own motion or the prosecutor's motion, sentence a defendant described in paragraph (a) without regard to the mandatory minimum sentence established in subdivision 5 if the defendant previously had been convicted of an offense listed in subdivision 9 in which the defendant used or possessed a firearm or other dangerous weapon.

(d) The court may not, on its own motion or the prosecutor's motion, sentence a defendant described in paragraph (a) without regard to the mandatory minimum sentence established by subdivision 5 if the defendant was convicted of a crime under section 152.021, subdivision 1, or 152.022, subdivision 1, and the person or an accomplice possessed on their person or within immediate reach, or used, whether by brandishing, displaying, threatening with, or otherwise employing, a firearm.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Klein questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Senator Rasmusson appealed the decision of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 34 and nays 33, as follows:

(c) "Response density" means the quotient of a licensee's EMS responses divided by the square mileage of the licensee's primary service area.

Subd. 2. **Excluded services.** The board shall exclude EMS responses by specialized life support as described under Minnesota Statutes, section 144E.101, subdivision 9, when calculating EMS responses, response density, or aid payments under this section.

Subd. 3. **Multiple licenses.** When a licensee, a licensee's parent company, a subsidiary of the licensee, or a subsidiary of the licensee's parent company collectively hold one or more licenses, the board must treat all such related licensees as a single licensee and the sum of the square mileages of the primary service areas as a single primary service area for the purposes of calculating EMS responses, response density, and aid payments under this section.

Subd. 4. **Eligible licensees; application process.** (a) Only licensees with a response density of 30 responses per square mile or fewer are eligible for aid payments under this section.

(b) An eligible licensee may apply to the board, in the form and manner determined by the board, for aid payments under this section.

Subd. 5. **Board calculations.** (a) Prior to determining an aid payment amount for eligible applicants, the board must make the calculations in paragraphs (b) to (d).

(b) For each eligible applicant, the board shall determine the amount equal to dividing 20 percent of the amount appropriated for aid payments under this section equally among all eligible applicants.

(c) For each eligible applicant, the board shall determine the amount equal to dividing 40 percent of the amount appropriated for aid payments under this section by each eligible applicant's share of the total square mileage of all eligible applicants' primary service areas. For the purposes of both calculating the total square mileage of the primary service areas of all eligible applicants and for calculating each eligible applicant's share of the total, the square mileage of each eligible applicant's primary service area is capped at 1,200 square miles.

(d) For each eligible applicant, the board shall determine the amount equal to dividing 40 percent of the amount appropriated for aid payments under this section by each eligible applicant's share of the total EMS response points awarded according to clauses (1) to (4):

(1) for EMS response 1 to EMS response 500, a licensee is awarded ten points for each EMS response;

(2) for EMS response 501 to EMS response 1,500, a licensee is awarded five points for each EMS response;

(3) for EMS response 1,501 to EMS response 2,500, a licensee is awarded zero points for each EMS response; and

(4) for EMS response 2,501 and each subsequent EMS response, a licensee's points are reduced by two points for each EMS response, except a licensee's total awarded points must not be reduced below zero.

Subd. 6. **Aid amount.** The board must make an aid payment to an eligible applicant in the amount equal to the sum of the amounts calculated in subdivision 5, paragraphs (b) to (d).

Subd. 7. **Eligible uses.** A recipient of an aid payment under this section must spend the money only on expenses incurred in the provision of licensed ambulance services within the recipient's primary service area or areas. A recipient of an aid payment under this section must spend the entire amount by December 31, 2027, or return to the board by March 1, 2028, any amount not spent by December 31, 2027.

Subd. 8. **Payment date.** The executive director of the board must certify the aid payment amount for each eligible applicant and must make the full aid payment by December 31, 2024.

Subd. 9. **Report.** By December 31, 2025, and by December 31 of each of the following two years, recipients of aid payments under this section must submit to the board a report summarizing how the recipient used the revenue from the aid payments. Beginning March 31, 2026, and by March 31 of each of the following two years, the board must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over the board a report summarizing how the aid payments were utilized by aid recipients."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Pursuant to Rule 7.4, Senator Latz questioned whether the Lang amendment was in order. The President ruled the amendment was out of order.

Senator Limmer moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 19, after line 22, insert:

"Sec. 8. Minnesota Statutes 2022, section 609.78, is amended by adding a subdivision to read:

Subd. 2c. **Felony offense; reporting fictitious emergency resulting in response to the home of certain officials.** Whoever violates subdivision 2, clause (2), is guilty of a felony and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$5,000, or both, if the person places the call with the intent of prompting an emergency response to the home of:

- (1) an elected official;
- (2) a judge as defined in section 609.221, subdivision 6, clause (5);
- (3) a prosecuting attorney as defined in section 609.221, subdivision 6, clause (4);
- (4) an employee of a correctional facility as defined in section 241.021, subdivision 1i; or
- (5) a peace officer as defined in section 626.84, subdivision 1, paragraph (c).

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date.

Sec. 9. Minnesota Statutes 2022, section 609.78, subdivision 3, is amended to read:

Subd. 3. **Definition.** (a) Except as provided in paragraph (b), for purposes of this section, "emergency call" means:

(1) a 911 call;

(2) any call for emergency medical or ambulance service; or

(3) any call for assistance from a police or fire department or for other assistance needed in an emergency to avoid serious harm to person or property,

and an emergency exists.

(b) As used in subdivisions 1, clause (6); 2, clause (2); ~~and 2a;~~ and 2c:

(1) "call" includes the use of any method of communication including, but not limited to: telephones, facsimiles, Voice over Internet Protocols, email messages, text messages, and electronic transmissions of an image or video; and

(2) "emergency call" has the meaning given in paragraph (a) but does not require the existence of an emergency.

EFFECTIVE DATE. This section is effective August 1, 2024."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Lucero moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 12, after line 26, insert:

"Section 1. Minnesota Statutes 2022, section 13.825, subdivision 1, is amended to read:

Subdivision 1. **Application; definition.** (a) This section applies to law enforcement agencies that maintain a portable recording system for use in investigations, or in response to emergencies, incidents, and requests for service.

(b) As used in this section:

(1) "portable recording system" means a device worn by a peace officer that is capable of both video and audio recording of the officer's activities and interactions with others or collecting digital multimedia evidence as part of an investigation;

(2) "portable recording system data" means audio or video data collected by a portable recording system; ~~and~~

(3) "redact" means to blur video or distort audio so that the identity of the subject in a recording is obscured sufficiently to render the subject unidentifiable; and

(4) "public official" means a member of the state legislature, the governor, lieutenant governor, secretary of state, state auditor, attorney general, or a commissioner of a state agency.

Sec. 2. Minnesota Statutes 2023 Supplement, section 13.825, subdivision 2, is amended to read:

Subd. 2. **Data classification; court-authorized disclosure.** (a) Data collected by a portable recording system are private data on individuals or nonpublic data, subject to the following:

(1) data that record, describe, or otherwise document actions and circumstances surrounding either the discharge of a firearm by a peace officer in the course of duty, if a notice is required under section 626.553, subdivision 2, or the use of force by a peace officer that results in substantial bodily harm, as defined in section 609.02, subdivision 7a, are public;

(2) data are public if a subject of the data requests it be made accessible to the public, except that, if practicable, (i) data on a subject who is not a peace officer and who does not consent to the release must be redacted, and (ii) data on a peace officer whose identity is protected under section 13.82, subdivision 17, clause (a), must be redacted;

(3) subject to paragraphs (b) to (d), portable recording system data that are active criminal investigative data are governed by section 13.82, subdivision 7, and portable recording system data that are inactive criminal investigative data are governed by this section;

(4) portable recording system data that are public personnel data under section 13.43, subdivision 2, clause (5), are public; ~~and~~

(5) data that are not public data under other provisions of this chapter retain that classification; and

(6) data are public if the subject of the data is a public official, except that, if practicable:

(i) data on a subject who is not a peace officer or public official and who does not consent to the release must be redacted; and

(ii) data on a peace officer whose identity is protected under section 13.82, subdivision 17, paragraph (a), must be redacted.

(b) Notwithstanding section 13.82, subdivision 7, when an individual dies as a result of a use of force by a peace officer, an involved officer's law enforcement agency must allow the following individuals, upon their request, to inspect all portable recording system data, redacted no more than what is required by law, documenting the incident within five days of the request, subject to paragraphs (c) and (d):

(1) the deceased individual's next of kin;

- (2) the legal representative of the deceased individual's next of kin; and
- (3) the other parent of the deceased individual's child.

(c) A law enforcement agency may deny a request to inspect portable recording system data under paragraph (b) if the agency determines that there is a compelling reason that inspection would interfere with an active investigation. If the agency denies access under this paragraph, the chief law enforcement officer must provide a prompt, written denial to the individual in paragraph (b) who requested the data with a short description of the compelling reason access was denied and must provide notice that relief may be sought from the district court pursuant to section 13.82, subdivision 7.

(d) When an individual dies as a result of a use of force by a peace officer, an involved officer's law enforcement agency shall release all portable recording system data, redacted no more than what is required by law, documenting the incident no later than 14 days after the incident, unless the chief law enforcement officer asserts in writing that the public classification would interfere with an ongoing investigation, in which case the data remain classified by section 13.82, subdivision 7.

(e) A law enforcement agency may redact or withhold access to portions of data that are public under this subdivision if those portions of data are clearly offensive to common sensibilities.

(f) Section 13.04, subdivision 2, does not apply to collection of data classified by this subdivision.

(g) Any person may bring an action in the district court located in the county where portable recording system data are being maintained to authorize disclosure of data that are private or nonpublic under this section or to challenge a determination under paragraph (e) to redact or withhold access to portions of data because the data are clearly offensive to common sensibilities. The person bringing the action must give notice of the action to the law enforcement agency and subjects of the data, if known. The law enforcement agency must give notice to other subjects of the data, if known, who did not receive the notice from the person bringing the action. The court may order that all or part of the data be released to the public or to the person bringing the action. In making this determination, the court shall consider whether the benefit to the person bringing the action or to the public outweighs any harm to the public, to the law enforcement agency, or to a subject of the data and, if the action is challenging a determination under paragraph (e), whether the data are clearly offensive to common sensibilities. The data in dispute must be examined by the court in camera. This paragraph does not affect the right of a defendant in a criminal proceeding to obtain access to portable recording system data under the Rules of Criminal Procedure."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 36 and nays 30, as follows:

Those who voted in the affirmative were:

Anderson

Bahr

Coleman

Dahms

Dornink

| | | | | |
|------------|-----------|---------|-----------|-----------|
| Draheim | Gustafson | Kreun | Miller | Weber |
| Drazkowski | Hauschild | Kupec | Nelson | Wesenberg |
| Duckworth | Housley | Lang | Pratt | Westrom |
| Eichorn | Howe | Lieske | Rarick | |
| Farnsworth | Jasinski | Limmer | Rasmusson | |
| Green | Johnson | Lucero | Seeberger | |
| Gruenhagen | Koran | Mathews | Utke | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Lieske.

Those who voted in the negative were:

| | | | | |
|------------|---------|------------|----------------|---------|
| Boldon | Fateh | Latz | Mohamed | Port |
| Carlson | Frentz | Mann | Morrison | Putnam |
| Champion | Hawj | Marty | Murphy | Rest |
| Cwodzinski | Hoffman | Maye Quade | Oumou Verbeten | Westlin |
| Dibble | Klein | McEwen | Pappas | Wiklund |
| Dziedzic | Kunesh | Mitchell | Pha | Xiong |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Frentz, Murphy, Port, and Rest.

The motion prevailed. So the amendment was adopted.

Senator Wesenberg moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 19, after line 22, insert:

"Sec. 8. **[624.7139] STOLEN FIREARMS; REQUIRED REPORTING.**

Subdivision 1. Duty to report. A person who steals a firearm shall report the theft to a law enforcement agency in the jurisdiction in which the theft occurred as soon as practicable but not later than within 48 hours of the theft.

Subd. 2. Penalty. (a) A person who violates this section is guilty of a petty misdemeanor.

(b) A person who violates this section a second time is guilty of a misdemeanor.

(c) A person who violates this section a third or subsequent time is guilty of a gross misdemeanor.

Subd. 3. Report to commissioner of public safety. A chief of police or sheriff shall report a stolen firearm to the commissioner of public safety within seven days of receiving notification of the theft under this section.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to acts committed on or after that date."

Amend the title accordingly

Senator Latz questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Senator Lucero moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 19, after line 22, insert:

"Sec. 8. Minnesota Statutes 2022, section 609.74, is amended to read:

609.74 PUBLIC NUISANCE.

(a) Whoever by an act or failure to perform a legal duty intentionally does any of the following is guilty of maintaining a public nuisance, which is a misdemeanor:

(1) maintains or permits a condition which unreasonably annoys, injures or endangers the safety, health, morals, comfort, or repose of any considerable number of members of the public; or

(2) except as provided in paragraph (b), interferes with, obstructs, or renders dangerous for passage, any public highway or right-of-way, or waters used by the public; or

(3) is guilty of any other act or omission declared by law to be a public nuisance and for which no sentence is specifically provided.

(b) It is a gross misdemeanor for a person to interfere with or obstruct traffic that is entering, exiting, or on a road or highway with the intent to interfere with, obstruct, or otherwise disrupt traffic and for the purpose of demonstrating against a person or group of persons' race, color, creed, religion, national origin, sex, gender identity, marital status, disability, status with regard to public assistance, sexual orientation, familial status, and age.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date."

Amend the title accordingly

Senator Lucero moved to amend the Lucero amendment to H.F. No. 5216 as follows:

Page 1, line 18, delete everything after "traffic" and insert a period

Page 1, delete lines 19 to 21

CALL OF THE SENATE

Senator Lucero imposed a call of the Senate for the balance of the proceedings on the amendment to the amendment. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Lucero amendment to the second Lucero amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|------------|----------|---------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Rasmusson |
| Anderson | Duckworth | Jasinski | Lucero | Utke |
| Bahr | Eichorn | Johnson | Mathews | Weber |
| Coleman | Farnsworth | Koran | Miller | Wesenberg |
| Dahms | Green | Kreun | Nelson | Westrom |
| Dornink | Gruenhagen | Lang | Pratt | |
| Draheim | Housley | Lieske | Rarick | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Lieske.

Those who voted in the negative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |
| Fateh | Kunesh | Mitchell | Port | |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Frentz, Murphy, Port, and Rest.

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

RECONSIDERATION

Having voted on the prevailing side, Senator Latz moved that the vote whereby the Lucero amendment to the second Lucero amendment to H.F. No. 5216 was not adopted on May 15, 2024, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|------------|---------|----------------|-----------|
| Abeler | Dziedzic | Johnson | Maye Quade | Rarick |
| Anderson | Eichorn | Klein | McEwen | Rasmusson |
| Bahr | Farnsworth | Koran | Miller | Rest |
| Boldon | Fateh | Kreun | Mitchell | Seeberger |
| Carlson | Frentz | Kunesh | Mohamed | Utke |
| Champion | Green | Kupec | Morrison | Weber |
| Coleman | Gruenhagen | Lang | Murphy | Wesenberg |
| Cwodzinski | Gustafson | Latz | Nelson | Westlin |
| Dahms | Hauschild | Lieske | Oumou Verbeten | Westrom |
| Dibble | Hawj | Limmer | Pappas | Wiklund |
| Dornink | Hoffman | Lucero | Pha | Xiong |
| Draheim | Housley | Mann | Port | |
| Drazkowski | Howe | Marty | Pratt | |
| Duckworth | Jasinski | Mathews | Putnam | |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziezic, Murphy, Port, and Rest.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Lieske.

The motion prevailed. So the vote was reconsidered.

The question was taken on the adoption of the Lucero amendment to the second Lucero amendment.

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

Those who voted in the affirmative were:

| | | | | |
|------------|------------|----------|----------------|-----------|
| Abeler | Duckworth | Howe | Marty | Pratt |
| Anderson | Dziezic | Jasinski | Mathews | Putnam |
| Bahr | Eichorn | Johnson | Maye Quade | Rarick |
| Boldon | Farnsworth | Klein | McEwen | Rasmusson |
| Carlson | Fatch | Koran | Miller | Rest |
| Champion | Frentz | Kreun | Mitchell | Seeberger |
| Coleman | Green | Kunesh | Mohamed | Utke |
| Cwodzinski | Gruenhagen | Lang | Morrison | Weber |
| Dahms | Gustafson | Latz | Murphy | Wesenberg |
| Dibble | Hauschild | Lieske | Nelson | Westlin |
| Dornink | Hawj | Limmer | Oumou Verbeten | Westrom |
| Draheim | Hoffman | Lucero | Pha | Wiklund |
| Drazkowski | Housley | Mann | Port | Xiong |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziezic, Murphy, Port, and Rest.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Lieske.

The motion prevailed. So the amendment to the amendment was adopted.

Senator Lucero withdrew his second amendment.

Senator Lucero moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 19, after line 22, insert:

"Sec. 8. Minnesota Statutes 2022, section 609.74, is amended to read:

609.74 PUBLIC NUISANCE.

(a) Whoever by an act or failure to perform a legal duty intentionally does any of the following is guilty of maintaining a public nuisance, which is a misdemeanor:

(1) maintains or permits a condition which unreasonably annoys, injures or endangers the safety, health, morals, comfort, or repose of any considerable number of members of the public; or

(2) except as provided in paragraph (b), interferes with, obstructs, or renders dangerous for passage, any public highway or right-of-way, or waters used by the public; or

(3) is guilty of any other act or omission declared by law to be a public nuisance and for which no sentence is specifically provided.

(b) It is a gross misdemeanor for a person to interfere with or obstruct traffic that is entering, exiting, or on a freeway or entering, exiting, or on a public roadway within the boundaries of airport property with the intent to interfere with, obstruct, or otherwise disrupt traffic. This paragraph does not apply to the actions of law enforcement or other emergency responders, road or airport authorities, or utility officials, or their agents, employees, or contractors when carrying out duties imposed by law or contract. For purposes of this paragraph: (1) "airport" means an airport that has a control tower and airline service; and (2) "freeway" means any section of a divided highway where the only access and egress for vehicular traffic is from entrance and exit ramps.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date.

Amend the title accordingly

CALL OF THE SENATE

Senator Lucero imposed a call of the Senate for the balance of the proceedings on the fourth Lucero amendment. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the fourth Lucero amendment.

The roll was called, and there were yeas 49 and nays 18, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|------------|----------|----------|-----------|
| Abeler | Dziedzic | Howe | Limmer | Putnam |
| Anderson | Eichorn | Jasinski | Lucero | Rarick |
| Bahr | Farnsworth | Johnson | Mathews | Rasmusson |
| Coleman | Frentz | Klein | Miller | Rest |
| Cwodzinski | Green | Koran | Mitchell | Seeberger |
| Dahms | Gruenhagen | Kreun | Morrison | Utke |
| Dornink | Hauschild | Kupec | Murphy | Weber |
| Draheim | Hawj | Lang | Nelson | Wesenberg |
| Drazkowski | Hoffman | Latz | Port | Westrom |
| Duckworth | Housley | Lieske | Pratt | |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic, Murphy, Port, and Rest.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Lieske.

Those who voted in the negative were:

Boldon
Carlson
Champion
Dibble

Fateh
Gustafson
Kunesh
Mann

Marty
Maye Quade
McEwen
Mohamed

Oumou Verbeten
Pappas
Pha
Westlin

Wiklund
Xiong

The motion prevailed. So the amendment was adopted.

Senator Howe moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 19, after line 22, insert:

"Sec. 8. **REPORT; HIGHWAY DEMONSTRATION RESPONSE; STATE PATROL.**

(a) The State Patrol must conduct a comprehensive study on blockage, disruptions, protests, interruptions, or other interference by individuals or groups of individuals on roads or highways to provide recommendations for the swift and safe removal of demonstrations from Minnesota roadways.

(b) The study must include an analysis of:

(1) the frequency, duration, and location of highway blockages;

(2) the methods, tactics, and identities of protestors when demonstrating on highways;

(3) the impact of highway blockages on public safety, emergency vehicle response times, and traffic flow;

(4) the legal, logistical, and security challenges faced by the State Patrol and other law enforcement agencies in removing protestors from roads or highways;

(5) methods to prioritize the safety of both protestors and law enforcement personnel, including recommendations to:

(i) effectively communicate to encourage voluntary dispersal;

(ii) implement standardized response protocols and procedures for road and highway blockages;

(iii) create training programs and resources for law enforcement; and

(iv) create coordination protocols between law enforcement, transportation authorities, and local government officials to facilitate the swift removal of protestors from highways while minimizing disruption to traffic and public safety; and

(6) policies, experiences, and best practices of other jurisdictions in managing and removing highway blockages by protestors.

(c) By March 1, 2025, the State Patrol must submit the report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation and public safety policy and finance."

Amend the title accordingly

Senator Howe moved to amend the Howe amendment to H.F. No. 5216 as follows:

Page 1, line 5, delete "; STATE PATROL"

Page 1, lines 6 and 28, delete "State Patrol" and insert "Department of Public Safety"

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the Howe amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Senator Coleman moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 6, line 31, after "facilities" insert ", including increased incarceration costs for offenders sentenced under the amendments made to Minnesota Statutes, section 609.487, in this act"

Page 12, after line 26, insert:

"Section 1. Minnesota Statutes 2022, section 171.174, is amended to read:

171.174 REVOCATION; FLEEING PEACE OFFICER OFFENSE.

The commissioner of public safety shall revoke the license of a person upon receipt of a certificate of conviction showing that the person has in a motor vehicle violated section 609.487, subdivision 3, 3a, or 4, or an ordinance in conformity with those subdivisions. The commissioner shall revoke the license as follows:

- (1) for the first offense under section 609.487, subdivision 3, for not less than one year;
- (2) for the second offense or subsequent offenses under section 609.487, subdivision 3, for not less than three years;
- (3) for an offense under section 609.487, subdivision 3a, for not less than four years;
- (4) for an offense under section 609.487, subdivision 4, clause (a), for not less than ten years;
- (4) (5) for an offense under section 609.487, subdivision 4, clause (b), for not less than seven years; and
- (5) (6) for an offense under section 609.487, subdivision 4, clause (c), for not less than five years.

A limited license under section 171.30 may not be issued for one-half of the revocation period specified in clauses (1) to ~~(5)~~ (6) and after that period is over only upon and as recommended by the adjudicating court.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes committed on or after that date."

Page 19, after line 22, insert:

"Sec. 9. Minnesota Statutes 2022, section 609.487, is amended by adding a subdivision to read:

Subd. 3a. **Fleeing an officer; motor vehicle; culpable negligence.** Whoever, by means of a motor vehicle, flees or attempts to flee a peace officer who is acting in the lawful discharge of an official duty, and the perpetrator knows or should reasonably know the same to be a peace officer, and who in the course of fleeing operates the vehicle in a culpably negligent manner whereby the perpetrator creates an unreasonable risk and consciously takes chances of causing death or great bodily harm to another, is guilty of a felony and may be sentenced to imprisonment for not more than four years or to payment of a fine of not more than \$8,000, or both.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes committed on or after that date.

Sec. 10. Minnesota Statutes 2022, section 609.487, subdivision 5, is amended to read:

Subd. 5. **Revocation; fleeing peace officer offense.** When a person is convicted of operating a motor vehicle in violation of subdivision 3, 3a, or 4, or an ordinance in conformity with those subdivisions, the court shall notify the commissioner of public safety and order the commissioner to revoke the driver's license of the person.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes committed on or after that date.

Sec. 11. Minnesota Statutes 2022, section 609B.205, is amended to read:

609B.205 FLEEING PEACE OFFICER; REVOCATION.

A person's driver's license is revoked under section 171.174 if that person is convicted of fleeing a peace officer under section 609.487, subdivision 3, 3a, or 4. The periods of revocation vary depending upon the offense of conviction and whether the offense of conviction is a second or subsequent offense.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes committed on or after that date."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler

Anderson

Bahr

Coleman

Dahms

| | | | | |
|------------|------------|--------|-----------|-----------|
| Dornink | Green | Koran | Mathews | Utke |
| Draheim | Gruenhagen | Kreun | Miller | Weber |
| Drazkowski | Housley | Lang | Nelson | Wesenberg |
| Duckworth | Howe | Lieske | Pratt | Westrom |
| Eichorn | Jasinski | Limmer | Rarick | |
| Farnsworth | Johnson | Lucero | Rasmusson | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Lieske.

Those who voted in the negative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |
| Fateh | Kunesh | Mitchell | Port | |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Murphy, Port, and Rest.

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

Senator Howe moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 19, after line 22, insert:

"Sec. 8. Minnesota Statutes 2022, section 609.52, is amended by adding a subdivision to read:

Subd. 2a. Illegal presence in a stolen motor vehicle. (a) A person who enters into or is found in a motor vehicle that the person knows or has reason to know was taken or stolen in violation of subdivision 2 is guilty of a misdemeanor.

(b) A person who violates paragraph (a) after being previously convicted or adjudicated delinquent for violating paragraph (a) is guilty of a gross misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date."

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 36 and nays 31, as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|------------|------------|------------|----------|
| Abeler | Dahms | Duckworth | Gruenhagen | Jasinski |
| Anderson | Dornink | Eichorn | Hoffman | Johnson |
| Bahr | Draheim | Farnsworth | Housley | Koran |
| Coleman | Drazkowski | Green | Howe | Kreun |

| | | | |
|--------|---------|-----------|-----------|
| Kupec | Lucero | Pratt | Utke |
| Lang | Mathews | Rarick | Weber |
| Lieske | Miller | Rasmusson | Wesenberg |
| Limmer | Nelson | Seeberger | Westrom |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Lieske.

Those who voted in the negative were:

| | | | | |
|------------|-----------|------------|----------------|---------|
| Boldon | Frentz | Mann | Murphy | Westlin |
| Carlson | Gustafson | Marty | Oumou Verbeten | Wiklund |
| Champion | Hauschild | Maye Quade | Pappas | Xiong |
| Cwodzinski | Hawj | McEwen | Pha | |
| Dibble | Klein | Mitchell | Port | |
| Dziedzic | Kunesh | Mohamed | Putnam | |
| Fateh | Latz | Morrison | Rest | |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Murphy, Port, and Rest.

The motion prevailed. So the amendment was adopted.

Senator Rasmusson moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 12, after line 26, insert:

"Section 1. Minnesota Statutes 2023 Supplement, section 152.0263, is amended by adding a subdivision to read:

Subd. 6. Use of cannabis by a person under 21 years of age. (a) It is a misdemeanor for a person under 21 years of age to unlawfully use cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products.

(b) An offense under paragraph (a) may be prosecuted either in the jurisdiction where the use occurs or the jurisdiction where evidence of the use is observed.

(c) As used in this subdivision, "use" includes the ingestion of a prohibited item and the physical condition of having ingested a prohibited item.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to acts committed on or after that date.

Sec. 2. Minnesota Statutes 2023 Supplement, section 152.0263, is amended by adding a subdivision to read:

Subd. 7. Possession of cannabis by a person under 21 years of age. It is a misdemeanor for a person under 21 years of age to unlawfully possess any of the following:

(1) any amount up to four ounces of cannabis flower in any place other than the person's residence;

(2) any amount up to two pounds of cannabis flower in the person's residence;

(3) any amount up to 16 grams of cannabis concentrate; or

(4) edible cannabis products, lower-potency hemp edibles, or hemp-derived consumer products infused with any amount up to 1,600 milligrams of tetrahydrocannabinol.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to acts committed on or after that date.

Sec. 3. Minnesota Statutes 2022, section 260B.007, subdivision 16, is amended to read:

Subd. 16. **Juvenile petty offender; juvenile petty offense.** (a) "Juvenile petty offense" includes a juvenile alcohol offense, a juvenile controlled substance offense, ~~a violation of section 609.685,~~ or a violation of a local ordinance, which by its terms prohibits conduct by a child under the age of 18 years which would be lawful conduct if committed by an adult.

(b) Except as otherwise provided in paragraph (c), "juvenile petty offense" also includes an offense that would be a petty misdemeanor or misdemeanor if committed by an adult.

(c) "Juvenile petty offense" does not include any of the following:

(1) a misdemeanor-level violation of section 518B.01, 588.20, 609.224, 609.2242, 609.324, subdivision 2 or 3, 609.5632, 609.576, 609.66, 609.746, 609.748, 609.79, or 617.23;

(2) a major traffic offense or an adult court traffic offense, as described in section 260B.225;

(3) a misdemeanor-level offense committed by a child whom the juvenile court previously has found to have committed a misdemeanor, gross misdemeanor, or felony offense; or

(4) a misdemeanor-level offense committed by a child whom the juvenile court has found to have committed a misdemeanor-level juvenile petty offense on two or more prior occasions, unless the county attorney designates the child on the petition as a juvenile petty offender notwithstanding this prior record. As used in this clause, "misdemeanor-level juvenile petty offense" includes a misdemeanor-level offense that would have been a juvenile petty offense if it had been committed on or after July 1, 1995.

(d) A child who commits a juvenile petty offense is a "juvenile petty offender." The term juvenile petty offender does not include a child alleged to have violated any law relating to being hired, offering to be hired, or agreeing to be hired by another individual to engage in sexual penetration or sexual conduct which, if committed by an adult, would be a misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to acts committed on or after that date.

Sec. 4. Minnesota Statutes 2022, section 260B.007, subdivision 18, is amended to read:

Subd. 18. **Juvenile controlled substance offense.** "Juvenile controlled substance offense" means a violation by a child of section ~~152.027, subdivision 4, with respect to a small amount of marijuana~~ 152.0263, subdivision 6 or 7, or an equivalent local ordinance.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to acts committed on or after that date."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 33, as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|------------|----------|---------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Rasmusson |
| Anderson | Duckworth | Jasinski | Lucero | Utke |
| Bahr | Eichorn | Johnson | Mathews | Weber |
| Coleman | Farnsworth | Koran | Miller | Wesenberg |
| Dahms | Green | Kreun | Nelson | Westrom |
| Dornink | Gruenhagen | Lang | Pratt | |
| Draheim | Housley | Lieske | Rarick | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Lieske.

Those who voted in the negative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Latz | Morrison | Rest |
| Carlson | Gustafson | Mann | Murphy | Seeberger |
| Champion | Hawj | Marty | Oumou Verbeten | Westlin |
| Cwodzinski | Hoffman | Maye Quade | Pappas | Wiklund |
| Dibble | Klein | McEwen | Pha | Xiong |
| Dziedzic | Kunesh | Mitchell | Port | |
| Fateh | Kupec | Mohamed | Putnam | |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Murphy, Port, and Rest.

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

Senator Kreun moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 19, after line 22, insert:

"Sec. 8. Minnesota Statutes 2023 Supplement, section 609.14, subdivision 1, is amended to read:

Subdivision 1. **Grounds.** (a) When it appears that the defendant has violated any of the conditions of probation or intermediate sanction, or has otherwise been guilty of misconduct ~~which that~~ warrants the ~~imposing~~ adjudication of guilt, or imposition or execution of sentence, the court may without notice revoke the stay and direct that the defendant be taken into immediate custody. Revocation shall only be used as a last resort when rehabilitation has failed.

(b) When it appears that the defendant violated any of the conditions of probation during the term of the stay, but the term of the stay has since expired, the defendant's probation officer or the prosecutor may ask the court to initiate probation revocation proceedings under the Rules of Criminal Procedure at any time within six months after the expiration of the stay. The court also may initiate proceedings under these circumstances on its own motion. If proceedings are initiated within this six-month period, the court may conduct a revocation hearing and take any action authorized under rule 27.04 at any time during or after the six-month period.

(c) Notwithstanding the provisions of section 609.135 or any law to the contrary, after proceedings to revoke the stay have been initiated by a court order revoking the stay and directing either that the defendant be taken into custody or that a summons be issued in accordance with paragraph (a), the proceedings to revoke the stay may be concluded and the summary hearing provided by subdivision 2 may be conducted after the expiration of the stay or after the six-month period set forth in paragraph (b). The proceedings to revoke the stay shall not be dismissed on the basis that the summary hearing is conducted after the term of the stay or after the six-month period. The ability or inability to locate or apprehend the defendant prior to the expiration of the stay or during or after the six-month period shall not preclude the court from conducting the summary hearing unless the defendant demonstrates that the delay was purposefully caused by the state in order to gain an unfair advantage.

Sec. 9. Minnesota Statutes 2022, section 609.14, subdivision 2, is amended to read:

Subd. 2. **Notification of grounds for revocation.** The defendant shall thereupon be notified in writing and in such manner as the court directs of the grounds alleged to exist for revocation of the stay ~~of imposition or execution of sentence~~. If such grounds are brought in issue by the defendant, a summary hearing shall be held thereon at which the defendant is entitled to be heard and to be represented by counsel.

Sec. 10. Minnesota Statutes 2022, section 609.14, subdivision 3, is amended to read:

Subd. 3. **Sentence.** If any of such grounds are found to exist the court may:

(1) if imposition of sentence was previously stayed, again stay sentence or impose sentence and stay the execution thereof, and in either event place the defendant on probation or order intermediate sanctions pursuant to section 609.135, or impose sentence and order execution thereof; ~~or~~

(2) if sentence was previously imposed and execution thereof stayed, continue such stay and place the defendant on probation or order intermediate sanctions in accordance with the provisions of section 609.135, or order execution of the sentence previously imposed; or

(3) if adjudication was stayed or prosecution was deferred, continue the stay without intermediate sanctions, continue it with intermediate sanctions, or adjudicate guilt and proceed as otherwise provided, including, in the event of a felony conviction, as provided in section 244.10.

Sec. 11. Minnesota Statutes 2022, section 609.14, is amended by adding a subdivision to read:

Subd. 5. **Definition.** For the purposes of this section, "stay" means a stay of adjudication, a stay of imposition, a stay of execution, or a deferred prosecution."

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Kreun moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 12, after line 26, insert:

"Section 1. **[8.312] ANNUAL REPORT.**

By July 15 of each year, the attorney general must submit a report to the chairs and ranking minority members of the committees in the house of representatives and the senate with jurisdiction over judiciary, civil law, or criminal law. The report must list all legal proceedings in which the constitutionality of a state statute has been challenged. For each case, the report must describe the statute being challenged, the attorney general's efforts to defend the constitutionality of the statute, the status of the case, the staff time ascribed to the case, and the cost to the attorney general for the work on the case over the fiscal year ending on June 30 before the report date.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Lucero moved to amend the Kreun amendment to H.F. No. 5216 as follows:

Page 1, line 10, after "efforts" insert "or lack of effort"

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the Kreun amendment, as amended.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|------------|----------|---------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Rasmusson |
| Anderson | Duckworth | Jasinski | Lucero | Utke |
| Bahr | Eichorn | Johnson | Mathews | Weber |
| Coleman | Farnsworth | Koran | Miller | Wesenberg |
| Dahms | Green | Kreun | Nelson | Westrom |
| Dornink | Gruenhagen | Lang | Pratt | |
| Draheim | Housley | Lieske | Rarick | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Duckworth and Lieske.

Those who voted in the negative were:

| | | | | |
|---------|------------|----------|--------|-----------|
| Boldon | Champion | Dibble | Fateh | Gustafson |
| Carlson | Cwodzinski | Dziedzic | Frentz | Hauschild |

Hawj
Hoffman
Klein
Kunesh
Kupec

Latz
Mann
Marty
Maye Quade
McEwen

Mitchell
Mohamed
Morrison
Murphy
Oumou Verbeten

Pappas
Pha
Port
Putnam
Rest

Seeberger
Westlin
Wiklund
Xiong

Pursuant to Rule 40, Senator Oumou Verbeten cast the negative vote on behalf of the following Senators: Dziedzic, Port, and Rest.

The motion did not prevail. So the Kreun amendment, as amended, was not adopted.

Senator Kreun moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 24, after line 25, insert:

"ARTICLE 4

HENNEPIN COUNTY PILOT PROJECT

Section 1. Minnesota Statutes 2022, section 244.09, is amended by adding a subdivision to read:

Subd. 15. **Report on dismissals with agreement of the prosecutor.** The Sentencing Guidelines Commission shall include in its annual report to the legislature a summary and analysis of reports received from the Hennepin county attorney under section 2.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 2. **PILOT PROJECT; REPORT ON CRIMINAL CHARGES AND CASES DISMISSED.**

(a) A pilot project is established in Hennepin County beginning on August 1, 2024 and ending on July 31, 2026. Under the pilot project, the Hennepin county attorney shall record and report the information described in paragraphs (b) and (c).

(b) In each case where the defendant is charged with a felony, if the Hennepin county attorney dismisses any part of a criminal action pursuant to rule 30.01 of the Rules of Criminal Procedure, the county attorney shall record the following information in writing:

- (1) the name of the defendant;
- (2) the date of the offense;
- (3) all crimes charged;
- (4) any charges that were dismissed;
- (5) whether the victim, if any, supports the dismissal;
- (6) the date of dismissal; and

(7) any reason for the dismissal.

(c) The Hennepin county attorney shall forward the information recorded under paragraph (b) to the Sentencing Guidelines Commission upon forms prescribed by the commission and must publish the information on the county attorney's publicly accessible website. Information forwarded to the Sentencing Guidelines Commission and posted on the county attorney's website must not include the identifying information of any victim.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to dismissals that take place on or after that date.

Sec. 3. **SUNSET.**

The amendments made in sections 1 and 2 expire August 1, 2026."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 35, as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|------------|----------|-----------|-----------|
| Abeler | Drazkowski | Howe | Lucero | Utke |
| Anderson | Duckworth | Jasinski | Mathews | Weber |
| Bahr | Eichorn | Koran | Miller | Wesenberg |
| Coleman | Farnsworth | Kreun | Nelson | Westrom |
| Dahms | Green | Lang | Pratt | |
| Dornink | Gruenhagen | Lieske | Rarick | |
| Draheim | Housley | Limmer | Rasmusson | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Duckworth and Lieske.

Those who voted in the negative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Kunesh | Mitchell | Port |
| Carlson | Gustafson | Kupec | Mohamed | Putnam |
| Champion | Hauschild | Latz | Morrison | Rest |
| Cwodzinski | Hawj | Mann | Murphy | Seeberger |
| Dibble | Hoffman | Marty | Oumou Verbeten | Westlin |
| Dziedzic | Johnson | Maye Quade | Pappas | Wiklund |
| Fateh | Klein | McEwen | Pha | Xiong |

Pursuant to Rule 40, Senator Oumou Verbeten cast the negative vote on behalf of the following Senators: Dziedzic, Port, and Rest.

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

Senator Lucero moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 24, after line 25, insert:

"ARTICLE 4

CIVIL LAW

Section 1. Minnesota Statutes 2023 Supplement, section 504B.301, is amended to read:

504B.301 EVICTION ACTION FOR UNLAWFUL DETENTION; TRESPASS.

(a) A person may be evicted if the person has unlawfully or forcibly occupied or taken possession of real property or unlawfully detains or retains possession of real property.

(b) An individual who is not renting a residential rental unit, and who is not on the lease and does not have a contract or sublease to reside in the rental unit, does not need to be evicted to be removed from a property or dwelling. An individual may be removed for trespass, or arrested for trespass consistent with section 609.605, if the individual:

(1) does not have a signed lease for the residential rental unit, or the individual does not have a current or valid contract or sublease for that residential rental unit;

(2) has been given notice by the tenant or property owner that they are not invited to visit or remain in the residential rental unit; and

(3) does not have the explicit permission of the tenant or property owner to be in the residence.

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

Amend the title accordingly

President Champion called Senator Frentz to preside.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 33, as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|------------|----------|---------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Rasmusson |
| Anderson | Duckworth | Jasinski | Lucero | Utke |
| Bahr | Eichorn | Johnson | Mathews | Weber |
| Coleman | Farnsworth | Koran | Miller | Wesenberg |
| Dahms | Green | Kreun | Nelson | Westrom |
| Dornink | Gruenhagen | Lang | Pratt | |
| Draheim | Housley | Lieske | Rarick | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Duckworth and Lieske.

Those who voted in the negative were:

| | | | | |
|----------|------------|-----------|-----------|--------|
| Boldon | Cwodzinski | Fateh | Hauschild | Klein |
| Carlson | Dibble | Frentz | Hawj | Kunesh |
| Champion | Dziedzic | Gustafson | Hoffman | Kupec |

| | | | | |
|------------|----------|----------------|-----------|---------|
| Latz | McEwen | Murphy | Port | Westlin |
| Mann | Mitchell | Oumou Verbeten | Putnam | Xiong |
| Marty | Mohamed | Pappas | Rest | |
| Maye Quade | Morrison | Pha | Seeberger | |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Port, and Rest.

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

Senator Drazkowski moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 19, after line 22, insert:

"Sec. 8. Minnesota Statutes 2022, section 351.14, subdivision 2, is amended to read:

Subd. 2. **Malfeasance.** "Malfeasance" means the willful commission of an unlawful or wrongful act in the performance of a public official's duties which is outside the scope of the authority of the public official and which infringes on the rights of any person or entity. In the case of a county attorney, malfeasance includes doing any of the following in a higher percentage of cases than the statewide average as determined by the chief justice under section 351.17: agreeing to or proposing mitigated departures in felony criminal prosecutions; dismissing criminal charges before trial or verdict; or charging individuals with lesser offences.

Sec. 9. Minnesota Statutes 2022, section 351.14, subdivision 3, is amended to read:

Subd. 3. **Nonfeasance.** "Nonfeasance" means the willful failure to perform a specific act which is a required part of the duties of the public official. In the case of a county attorney, nonfeasance includes the failure to prosecute criminal cases in a higher percentage of situations than the statewide average as determined by the chief justice under section 351.17"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Latz questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Senator Drazkowski appealed the decision of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 35 and nays 32, as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|------------|-----------|-----------|--------|
| Boldon | Cwodzinski | Fateh | Hauschild | Klein |
| Carlson | Dibble | Frentz | Hawj | Kunesh |
| Champion | Dziedzic | Gustafson | Hoffman | Kupec |

| | | | | |
|------------|----------|----------------|--------|-----------|
| Latz | McEwen | Murphy | Port | Seeberger |
| Mann | Mitchell | Oumou Verbeten | Pratt | Westlin |
| Marty | Mohamed | Pappas | Putnam | Wiklund |
| Maye Quade | Morrison | Pha | Rest | Xiong |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic, Port, and Rest.

Those who voted in the negative were:

| | | | | |
|----------|------------|----------|-----------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Utke |
| Anderson | Duckworth | Jasinski | Lucero | Weber |
| Bahr | Eichorn | Johnson | Mathews | Wesenberg |
| Coleman | Farnsworth | Koran | Miller | Westrom |
| Dahms | Green | Kreun | Nelson | |
| Dornink | Gruenhagen | Lang | Rarick | |
| Draheim | Housley | Lieske | Rasmusson | |

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senators: Duckworth and Lieske.

So the decision of the President was sustained.

Senator Latz moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 6, line 31, after "facilities" insert ", including increased incarceration costs for offenders sentenced under the amendments made to Minnesota Statutes, section 609.487, in this act"

Page 12, after line 26, insert:

"Section 1. Minnesota Statutes 2022, section 171.174, is amended to read:

171.174 REVOCATION; FLEEING PEACE OFFICER OFFENSE.

The commissioner of public safety shall revoke the license of a person upon receipt of a certificate of conviction showing that the person has in a motor vehicle violated section 609.487, subdivision 3, 3a, or 4, or an ordinance in conformity with those subdivisions. The commissioner shall revoke the license as follows:

- (1) ~~for the first offense under section 609.487, subdivision 3, for not less than one year;~~
 - (2) ~~for the second offense or subsequent offenses under section 609.487, subdivision 3, for not less than three years~~ one year;
 - (3) ~~(2)~~ (2) for an offense under section 609.487, subdivision 3a, for not less than two years;
 - (3) for an offense under section 609.487, subdivision 4, clause (a), for not less than ten years;
 - (4) for an offense under section 609.487, subdivision 4, clause (b), for not less than seven years;
- and

(5) for an offense under section 609.487, subdivision 4, clause (c), for not less than five years.

~~A limited license under section 171.30 may not be issued for one-half of the revocation period specified in clauses (1) to (5) and after that period is over only upon and as recommended by the adjudicating court.~~

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date.

Page 19, after line 22, insert:

"Sec. 9. Minnesota Statutes 2022, section 609.487, subdivision 3, is amended to read:

Subd. 3. **Fleeing officer; motor vehicle.** Whoever by means of a motor vehicle flees or attempts to flee a peace officer who is acting in the lawful discharge of an official duty, and the perpetrator knows or should reasonably know the same to be a peace officer, is guilty of a felony and may be sentenced to imprisonment for not more than three years and one day or to payment of a fine of not more than \$5,000, or both gross misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date.

Sec. 10. Minnesota Statutes 2022, section 609.487, is amended by adding a subdivision to read:

Subd. 3a. **Fleeing an officer; motor vehicle; culpable negligence.** Whoever, by means of a motor vehicle, flees or attempts to flee a peace officer who is acting in the lawful discharge of an official duty, and the perpetrator knows or should reasonably know the same to be a peace officer, and who in the course of fleeing operates the vehicle in a culpably negligent manner whereby the perpetrator creates an unreasonable risk and consciously takes chances of causing death or great bodily harm to another, is guilty of a felony and may be sentenced to imprisonment for not more than three years or to payment of a fine of not more than \$5,000, or both.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes committed on or after that date.

Sec. 11. Minnesota Statutes 2022, section 609.487, subdivision 5, is amended to read:

Subd. 5. **Revocation; fleeing peace officer offense.** When a person is convicted of operating a motor vehicle in violation of subdivision ~~3~~ 3a or 4, or a second or subsequent violation of subdivision 3, or an ordinance in conformity with those subdivisions, the court shall notify the commissioner of public safety and order the commissioner to revoke the driver's license of the person.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date.

Sec. 12. Minnesota Statutes 2022, section 609B.205, is amended to read:

609B.205 FLEEING PEACE OFFICER; REVOCATION.

A person's driver's license is revoked under section 171.174 if that person is convicted of fleeing a peace officer under section 609.487, subdivision 3, 3a or 4, or a second or subsequent violation of subdivision 3. The periods of revocation vary depending upon the offense of conviction and whether the offense of conviction is a second or subsequent offense.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Pratt moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 19, after line 22, insert:

"Sec. 8. **REPEALER.**

Minnesota Statutes 2022, section 609.3458, subdivision 3, is repealed.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

President Champion resumed the Chair.

Senator Pratt moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 20, after line 29, insert:

"Sec. 5. Minnesota Statutes 2023 Supplement, section 244.45, is amended to read:

244.45 INELIGIBILITY FOR EARNED INCENTIVE RELEASE CREDIT.

The following individuals are ineligible for earned incentive release credit:

(1) those serving life sentences;

(2) those given indeterminate sentences for crimes committed on or before April 30, 1980; ~~or~~

(3) those subject to good time under section 244.04 or similar laws; or

(4) those serving sentences for labor trafficking under section 609.282; unlawful conduct with respect to documents in furtherance of labor or sex trafficking under section 609.283; a prostitution or sex trafficking offense under section 609.322; first through fifth degree criminal sexual conduct under sections 609.342 to 609.3451; criminal sexual predatory conduct under section 609.3453; or sexual extortion under section 609.3458.

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

Page 21, after line 16, insert:

"Sec. 7. Minnesota Statutes 2023 Supplement, section 244.46, subdivision 4, is amended to read:

Subd. 4. **Applicability.** This section does not apply to individuals:

- (1) serving life sentences;
- (2) given indeterminate sentences for crimes committed on or before April 30, 1980; ~~or~~
- (3) subject to good time under section 244.04 or similar laws; or

(4) serving sentences for labor trafficking under section 609.282; unlawful conduct with respect to documents in furtherance of labor or sex trafficking under section 609.283; a prostitution or sex trafficking offense under section 609.322; first through fifth degree criminal sexual conduct under sections 609.342 to 609.3451; criminal sexual predatory conduct under section 609.3453; or sexual extortion under section 609.3458.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 37 and nays 30, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|------------|----------|-----------|-----------|
| Abeler | Duckworth | Howe | Limmer | Seeberger |
| Anderson | Eichorn | Jasinski | Lucero | Utke |
| Bahr | Farnsworth | Johnson | Mathews | Weber |
| Coleman | Green | Koran | Miller | Wesenberg |
| Dahms | Gruenhagen | Kreun | Nelson | Westrom |
| Dornink | Gustafson | Kupec | Pratt | |
| Draheim | Hauschild | Lang | Rarick | |
| Drazkowski | Housley | Lieske | Rasmusson | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Duckworth.

Those who voted in the negative were:

| | | | | |
|------------|---------|------------|----------------|---------|
| Boldon | Fateh | Latz | Mohamed | Port |
| Carlson | Frentz | Mann | Morrison | Putnam |
| Champion | Hawj | Marty | Murphy | Rest |
| Cwodziński | Hoffman | Maye Quade | Oumou Verbeten | Westlin |
| Dibble | Klein | McEwen | Pappas | Wiklund |
| Dziedzic | Kunesh | Mitchell | Pha | Xiong |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Port, and Rest.

The motion prevailed. So the amendment was adopted.

Senator Jasinski moved to amend H.F. No. 5216, as amended pursuant to Rule 45, adopted by the Senate May 13, 2024, as follows:

(The text of the amended House File is identical to S.F. No. 5337.)

Page 20, after line 29, insert:

"Sec. 5. Minnesota Statutes 2023 Supplement, section 244.45, is amended to read:

244.45 INELIGIBILITY FOR EARNED INCENTIVE RELEASE CREDIT.

The following individuals are ineligible for earned incentive release credit:

- (1) those serving life sentences;
- (2) those given indeterminate sentences for crimes committed on or before April 30, 1980; ~~or~~
- (3) those subject to good time under section 244.04 or similar laws; or
- (4) those serving sentences for second degree murder under section 609.19; third degree murder under section 609.195; first degree manslaughter under section 609.20; or second degree manslaughter under section 609.205.

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

Page 21, after line 16, insert:

"Sec. 8. Minnesota Statutes 2023 Supplement, section 244.46, subdivision 4, is amended to read:

Subd. 4. **Applicability.** This section does not apply to individuals:

- (1) serving life sentences;
- (2) given indeterminate sentences for crimes committed on or before April 30, 1980; ~~or~~
- (3) subject to good time under section 244.04 or similar laws; or

(4) those serving sentences for second degree murder under section 609.19; third degree murder under section 609.195; first degree manslaughter under section 609.20; or second degree manslaughter under section 609.205.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 41 and nays 26, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|------------|----------|-----------|-----------|
| Abeler | Eichorn | Howe | Lucero | Seeberger |
| Anderson | Farnsworth | Jasinski | Mann | Utke |
| Bahr | Frentz | Johnson | Mathews | Weber |
| Coleman | Green | Koran | Miller | Wesenberg |
| Dahms | Gruenhagen | Kreun | Nelson | Westrom |
| Dornink | Gustafson | Kupec | Pratt | |
| Draheim | Hauschild | Lang | Putnam | |
| Drazkowski | Hoffman | Lieske | Rarick | |
| Duckworth | Housley | Limmer | Rasmusson | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Duckworth.

Those who voted in the negative were:

| | | | | |
|------------|--------|------------|----------------|---------|
| Boldon | Fateh | Maye Quade | Oumou Verbeten | Wiklund |
| Carlson | Hawj | McEwen | Pappas | Xiong |
| Champion | Klein | Mitchell | Pha | |
| Cwodzinski | Kunesh | Mohamed | Port | |
| Dibble | Latz | Morrison | Rest | |
| Dziedzic | Marty | Murphy | Westlin | |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Port, and Rest.

The motion prevailed. So the amendment was adopted.

H.F. No. 5216 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 50 and nays 17, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|------------|-----------|--------|------------|
| Abeler | Dornink | Hauschild | Klein | Mann |
| Boldon | Duckworth | Hawj | Koran | Marty |
| Carlson | Dziedzic | Hoffman | Kreun | Mathews |
| Champion | Farnsworth | Housley | Kunesh | Maye Quade |
| Coleman | Fateh | Howe | Kupec | McEwen |
| Cwodzinski | Frentz | Jasinski | Latz | Miller |
| Dibble | Gustafson | Johnson | Limmer | Mitchell |

Mohamed
Morrison
Murphy

Nelson
Oumou Verbeten
Pappas

Pha
Port
Pratt

Putnam
Rest
Seeberger

Westlin
Wiklund
Xiong

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic, Port, and Rest.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Duckworth.

Those who voted in the negative were:

Anderson
Bahr
Dahms
Draheim

Drazkowski
Eichorn
Green
Gruenhagen

Lang
Lieske
Lucero
Rarick

Rasmusson
Utke
Weber
Wesenberg

Westrom

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

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Murphy moved that H.F. No. 4984 be taken from the table. The motion prevailed.

Pursuant to Rule 26, Senator Murphy, Chair of the Committee on Rules and Administration, designated H.F. No. 4984 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 4984: A memorial resolution requesting the Joint Committee on the Library of Congress of the United States Congress to approve replacement of the statue of Henry Mower Rice now on display in National Statuary Hall in the Capitol of the United States.

Senator Eichorn moved to amend H.F. No. 4984 as follows:

Page 2, line 27, delete "the Koh-Varilla Guild, Inc." and insert "an artist who resides in Minnesota or a Minnesota company"

Page 2, line 29, after "Varilla" insert ", with the replica to be made using materials from Minnesota to the extent practicable"

President Champion called Senator Frentz to preside.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler
Anderson
Bahr
Coleman
Dahms
Dornink

Draheim
Drazkowski
Duckworth
Eichorn
Farnsworth
Green

Gruenhagen
Housley
Howe
Jasinski
Johnson
Koran

Kreun
Lang
Lieske
Limmer
Lucero
Mathews

Miller
Nelson
Pratt
Rarick
Rasmusson
Utke

Weber

Wesenberg

Westrom

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Duckworth.

Those who voted in the negative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |
| Fateh | Kunesh | Mitchell | Port | |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Port, and Rest.

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

Senator Koran moved that H.F. No. 4984 be referred to the Committee on State and Local Government and Veterans.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 31 and nays 36, as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|------------|----------|-----------|-----------|
| Abeler | Drazkowski | Howe | Lucero | Weber |
| Anderson | Duckworth | Jasinski | Miller | Wesenberg |
| Bahr | Eichorn | Johnson | Nelson | Westrom |
| Coleman | Farnsworth | Koran | Pratt | |
| Dahms | Green | Lang | Rarick | |
| Dornink | Gruenhagen | Lieske | Rasmusson | |
| Draheim | Housley | Limmer | Utke | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Duckworth.

Those who voted in the negative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Gustafson | Latz | Morrison | Seeberger |
| Carlson | Hauschild | Mann | Murphy | Westlin |
| Champion | Hawj | Marty | Oumou Verbeten | Wiklund |
| Cwodzinski | Hoffman | Mathews | Pappas | Xiong |
| Dibble | Klein | Maye Quade | Pha | |
| Dziedzic | Kreun | McEwen | Port | |
| Fateh | Kunesh | Mitchell | Putnam | |
| Frentz | Kupec | Mohamed | Rest | |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Marty, Port, and Rest.

The motion did not prevail.

Senator Jasinski moved to amend H.F. No. 4984 as follows:

Page 2, line 32, after "Minnesota" insert "and relocated and erected in the Rice County courthouse or on the grounds of the Rice County courthouse"

The motion prevailed. So the amendment was adopted.

Senator Lucero moved to amend H.F. No. 4984 as follows:

Page 1, after line 22, insert:

"WHEREAS Hubert H. Humphrey fought against antisemitism as Mayor of Minneapolis and worked to reverse Minneapolis's reputation at the time as the "Anti-Semitic Capital of the US"; and"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|------------|----------|----------------|-----------|
| Abeler | Dziedzic | Jasinski | Mathews | Rarick |
| Anderson | Eichorn | Johnson | Maye Quade | Rasmusson |
| Bahr | Farnsworth | Klein | Miller | Rest |
| Boldon | Fateh | Koran | Mitchell | Seeberger |
| Carlson | Frentz | Kreun | Mohamed | Utke |
| Champion | Green | Kunesh | Murphy | Weber |
| Coleman | Gruenhagen | Kupec | Nelson | Wesenberg |
| Cwodzinski | Gustafson | Lang | Oumou Verbeten | Westlin |
| Dahms | Hauschild | Latz | Pappas | Westrom |
| Dornink | Hawj | Lieske | Pha | Wiklund |
| Draheim | Hoffman | Lucero | Port | Xiong |
| Drazkowski | Housley | Mann | Pratt | |
| Duckworth | Howe | Marty | Putnam | |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic, Marty, Port, and Rest.

The motion prevailed. So the amendment was adopted.

Senator Lucero moved to amend H.F. No. 4984 as follows:

Page 1, after line 22, insert:

"WHEREAS Hubert H. Humphrey was fiercely anticommunist and founded the liberal anticommunist group "Americans for Democratic Action" in 1947 which would advocate for harsh sanctions on communist Cuba, in 1953 he urged free elections in East Germany following anticommunist riots, and he proposed in 1954 that membership in the Communist Party be punished as a felony; and"

CALL OF THE SENATE

Senator Lucero imposed a call of the Senate for the balance of the proceedings on the Lucero amendment. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Lucero amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|------------|----------|---------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Rasmusson |
| Anderson | Duckworth | Jasinski | Lucero | Utke |
| Bahr | Eichorn | Johnson | Mathews | Weber |
| Coleman | Farnsworth | Koran | Miller | Wesenberg |
| Dahms | Green | Kreun | Nelson | Westrom |
| Dornink | Gruenhagen | Lang | Pratt | |
| Draheim | Housley | Lieske | Rarick | |

Those who voted in the negative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |
| Fateh | Kunesh | Mitchell | Port | |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Marty, Port, and Rest.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Cwodzinski moved that H.F. No. 4984 be laid on the table.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 46 and nays 20, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Abeler | Fateh | Kreun | Mohamed | Rest |
| Boldon | Frentz | Kunesh | Morrison | Seeberger |
| Carlson | Gustafson | Kupec | Murphy | Weber |
| Champion | Hauschild | Lang | Nelson | Westlin |
| Coleman | Hawj | Latz | Oumou Verbeten | Wiklund |
| Cwodzinski | Hoffman | Mann | Pappas | Xiong |
| Dahms | Housley | Marty | Pha | |
| Dibble | Jasinski | Maye Quade | Port | |
| Dziedzic | Johnson | McEwen | Putnam | |
| Farnsworth | Klein | Mitchell | Rasmusson | |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic, Marty, Port, and Rest.

Those who voted in the negative were:

| | | | | |
|----------|------------|------------|---------|-----------|
| Anderson | Drazkowski | Gruenhagen | Limmer | Pratt |
| Bahr | Duckworth | Howe | Lucero | Utke |
| Dornink | Eichorn | Koran | Mathews | Wesenberg |
| Draheim | Green | Lieske | Miller | Westrom |

The motion prevailed.

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

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 3438, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 3438 is herewith transmitted to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 13, 2024

CONFERENCE COMMITTEE REPORT ON H. F. No. 3438

A bill for an act relating to consumer protection; adding the failure to disclose mandatory fees in advertising as a deceptive trade practice; amending Minnesota Statutes 2022, sections 325D.43, by adding a subdivision; 325D.44, by adding subdivisions.

May 10, 2024

The Honorable Melissa Hortman
Speaker of the House of Representatives

The Honorable Bobby Joe Champion
President of the Senate

We, the undersigned conferees for H. F. No. 3438 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 3438 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2022, section 325D.44, is amended by adding a subdivision to read:

Subd. 1a. **Advertisements, displays, or offers.** (a) A person engages in a deceptive trade practice when, in the course of business, vocation, or occupation, the person advertises, displays, or offers a price for goods or services that does not include all mandatory fees or surcharges. If the person that disseminates an advertisement is independent of the advertiser, the person is not liable for the content of the advertisement.

(b) For purposes of this subdivision, "mandatory fee" includes but is not limited to a fee or surcharge that:

(1) must be paid in order to purchase the goods or services being advertised;

(2) is not reasonably avoidable by the consumer; or

(3) a reasonable person would expect to be included in the purchase of the goods or services being advertised.

For the purposes of this subdivision, mandatory fee does not include taxes imposed by a government entity on the sale, use, purchase, receipt, or delivery of the goods or services.

(c) A delivery platform is compliant with this subdivision if the platform satisfies all of the following requirements:

(1) at the point when a consumer views and selects either a vendor or items for purchase, a delivery platform must display in a clear and conspicuous manner that an additional flat fee or percentage is charged. The disclosure must include the additional fee or percentage amount; and

(2) after a consumer selects items for purchase, but prior to checkout, a delivery platform must display a subtotal page that itemizes the price of the menu items and the additional fee that is included in the total cost.

(d) A person may charge a reasonable postage or shipping fee that is actually incurred by a consumer who has purchased a good that requires shipping.

(e) Nothing in this subdivision prevents a person from offering goods or services at a discounted price from the advertised, displayed, or offered price.

(f) A person offering goods or services in an auction where consumers can place bids on the goods or services and the total cost is indeterminable is compliant with this subdivision if the person discloses in a clear and conspicuous manner any mandatory fees associated with the transaction and that the total cost of the goods or services may vary.

(g) A person offering services where the total cost of a service is determined by consumer selections and preferences, or where the total cost of the service relates to distance or time, is compliant with this subdivision if the person discloses in a clear and conspicuous manner (1) the factors that determine the total price, (2) any mandatory fees associated with the transaction, and (3) that the total cost of the services may vary.

(h) A food or beverage service establishment, including a hotel, is compliant with this subdivision if, in every offer or advertisement for the purchase of a good or service that includes pricing information, the total price of the good or service being offered or advertised includes a clear and conspicuous disclosure of the percentage of any automatic and mandatory gratuities charged.

(i) A person is compliant with this subdivision if the person providing broadband Internet access service on its own or as part of a bundle is compliant with the broadband consumer label requirements under Code of Federal Regulations, title 47, section 8.1(a).

(j) A person is compliant with this subdivision if the person is compliant with the pricing requirements under United States Code, title 47, section 552.

(k) This subdivision is enforceable unless preempted by federal law.

EFFECTIVE DATE. This section is effective January 1, 2025, except that this section is effective June 1, 2025, for industries where the prices are regulated by the Metropolitan Airports Commission.

Sec. 2. Minnesota Statutes 2022, section 325D.44, is amended by adding a subdivision to read:

Subd. 1b. **Exemptions.** Subdivision 1a does not apply to the following:

(1) fees authorized by law related to the purchase or lease of a motor vehicle that are charged by a motor vehicle dealer, as defined by section 168.27, subdivision 1, paragraph (f);

(2) any business or the business' affiliate where either the business or the affiliate is regulated by the Minnesota Public Utilities Commission; or

(3) any fees, surcharges, or other costs associated with settlement services, as defined in the Real Estate Settlement Procedures Act, United States Code, title 12, section 2602(3). This clause does not apply to real estate broker commissions and fees.

EFFECTIVE DATE. This section is effective January 1, 2025, except that this section is effective June 1, 2025, for industries where the prices are regulated by the Metropolitan Airports Commission."

Delete the title and insert:

"A bill for an act relating to consumer protection; making the failure to disclose mandatory fees in advertising a deceptive trade practice; providing exemptions; amending Minnesota Statutes 2022, section 325D.44, by adding subdivisions."

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

House Conferees: Emma Greenman, Lucy Rehm

Senate Conferees: Lindsey Port, John Marty

Senator Port moved that the foregoing recommendations and Conference Committee Report on H.F. No. 3438 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

President Champion assumed the Chair.

H.F. No. 3438 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 36 and nays 31, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Abeler | Frentz | Latz | Murphy | Seeberger |
| Boldon | Gustafson | Mann | Nelson | Westlin |
| Carlson | Hauschild | Marty | Oumou Verbeten | Wiklund |
| Champion | Hawj | Maye Quade | Pappas | Xiong |
| Cwodzinski | Hoffman | McEwen | Pha | |
| Dibble | Klein | Mitchell | Port | |
| Dziedzic | Kunesh | Mohamed | Putnam | |
| Fateh | Kupec | Morrison | Rest | |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic, Frentz, Marty, and Rest.

Those who voted in the negative were:

| | | | | |
|------------|------------|----------|-----------|-----------|
| Anderson | Duckworth | Jasinski | Lucero | Weber |
| Bahr | Eichorn | Johnson | Mathews | Wesenberg |
| Coleman | Farnsworth | Koran | Miller | Westrom |
| Dahms | Green | Kreun | Pratt | |
| Dornink | Gruenhagen | Lang | Rarick | |
| Draheim | Housley | Lieske | Rasmusson | |
| Drazkowski | Howe | Limmer | Utke | |

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 4097 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. No. 4097

A bill for an act relating to commerce; adding and modifying various provisions related to insurance; regulating financial institutions; modifying provisions governing financial institutions; providing for certain consumer protections and privacy; modifying provisions governing commerce; making technical changes; establishing civil and criminal penalties; authorizing administrative rulemaking; requiring reports; amending Minnesota Statutes 2022, sections 45.011, subdivision 1; 47.20, subdivision 2; 47.54, subdivisions 2, 6; 48.24, subdivision 2; 58.02, subdivisions 18, 21, by adding a subdivision; 58.04, subdivisions 1, 2; 58.05, subdivisions 1, 3; 58.06, by adding subdivisions; 58.08, subdivisions 1a, 2; 58.10, subdivision 3; 58.115; 58.13, subdivision 1; 58B.02, subdivision 8, by adding a subdivision; 58B.03, by adding a subdivision; 58B.06, subdivisions 4, 5; 58B.07, subdivisions 1, 3, 9, by adding subdivisions; 58B.09, by adding a subdivision; 60A.201, by adding a subdivision; 67A.01, subdivision 2; 67A.14, subdivision 1; 80A.61; 80A.66; 80C.05, subdivision 3; 82B.021, subdivision 26; 82B.094; 82B.095, subdivision 3; 82B.13, subdivision 1; 82B.19, subdivision 1; 115C.08, subdivision 2; 239.791, by adding a subdivision; 325F.03; 325F.04; 325F.05; 325G.24; 325G.25, subdivision 1; 340A.101, subdivision 13; 340A.404, subdivision 2; 340A.412, by adding a subdivision; 507.071; Minnesota Statutes 2023 Supplement, sections 53B.28, subdivisions 18, 25; 53B.29; 53B.69, by adding subdivisions; 80A.50; 239.791, subdivision 8; 325E.80, subdivisions 1, 5, 6, 7; 332.71, subdivisions 2, 4, 5, 7; 332.72; 332.73, subdivision 1; 332.74, subdivisions 3, 5; Laws 2022, chapter 86, article 2, section 3; Laws 2023, chapter 57, article 2, sections 7; 8; 9; 10; 11; 12; 13; 14; 15; proposing coding for new law in Minnesota Statutes, chapters 53B; 58; 65A; 325F; 325G; 332; 507; 513; proposing coding for new law as Minnesota Statutes, chapters 46A; 60M; repealing Minnesota Statutes 2022, sections 45.014; 58.08, subdivision 3;

82B.25; 325G.25, subdivision 1a; 332.3351; Minnesota Statutes 2023 Supplement, sections 53B.58; 332.71, subdivision 8.

May 12, 2024

The Honorable Bobby Joe Champion
President of the Senate

The Honorable Melissa Hortman
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 4097 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 4097 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

INSURANCE

Section 1. Minnesota Statutes 2022, section 60A.201, is amended by adding a subdivision to read:

Subd. 6. **Coverage deemed unavailable.** Coverage for a risk that was referred to a surplus lines broker by a Minnesota licensed insurance producer who is not affiliated with the surplus lines broker is deemed unavailable from a licensed insurer.

Sec. 2. [60A.43] DISABILITY INCOME COVERAGE; DISCLOSURE.

(a) No contract or policy of long-term disability insurance that limits the duration of coverage for mental health or substance use disorders shall be offered in this state without a disclosure, provided at the time of application, that includes the following:

(1) a notification that the long-term disability coverage selected by the potential policyholder or plan sponsor limits the duration of coverage for mental health or substance use disorders; and

(2) that the potential policyholder or plan sponsor has the right to request more information about the limitation and other coverage options that include an unlimited duration, if available.

(b) Receipt of the disclosure described in paragraph (a) must be acknowledged by the potential policyholder or plan sponsor and evidence of the disclosure and acknowledgment must be retained by the insurance company offering the coverage for a period of no less than two years.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 3. [61A.012] ANNUAL NOTICE REQUIRED.

Subdivision 1. **Annual notice required.** For each policy of individual life insurance issued or delivered in Minnesota, a life insurance company must provide a written notice to the policyholder that contains the following information, as applicable:

- (1) the policyholder;
- (2) the policy number;
- (3) the insured life; and
- (4) the current contact information for the life insurance company.

Subd. 2. **Notice requirements.** The notice required under this section must be provided by the life insurance company to the policyholder at least once per calendar year, sent via United States mail to the policyholder's last known address or electronically to the policyholder's last known email address.

Subd. 3. **Compliance with other law.** This section's annual notice requirement is satisfied by an annual report provided by a life insurance company to a policyholder pursuant to and in compliance with section 61A.735.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to policies offered, issued, or renewed on or after that date.

Sec. 4. Minnesota Statutes 2023 Supplement, section 61A.031, is amended to read:

61A.031 SUICIDE PROVISIONS.

(a) The ~~sanity or insanity~~ mental competency of a person shall not be a factor in determining whether a person ~~committed~~ completed suicide within the terms of an individual or group life insurance policy regulating the payment of benefits in the event of the insured's suicide. This paragraph shall not be construed to alter present law but is intended to clarify present law.

(b) A life insurance policy or certificate issued or delivered in this state may exclude or restrict liability for any death benefit in the event the insured dies as a result of suicide within one year from the date of the issue of the policy or certificate. Any exclusion or restriction shall be clearly stated in the policy or certificate. Any life insurance policy or certificate which contains any exclusion or restriction under this paragraph shall also provide that in the event any death benefit is denied because the insured dies as a result of suicide within one year from the date of issue of the policy or certificate, the insurer shall refund all premiums paid for coverage providing the denied death benefit on the insured.

Sec. 5. Minnesota Statutes 2023 Supplement, section 62Q.522, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Closely held for-profit entity" means an entity that:

- (1) is not a nonprofit entity;

~~(2) has more than 50 percent of the value of its ownership interest owned directly or indirectly by five or fewer owners; and~~

~~(3) has no publicly traded ownership interest.~~

For purposes of this paragraph:

~~(i) ownership interests owned by a corporation, partnership, limited liability company, estate, trust, or similar entity are considered owned by that entity's shareholders, partners, members, or beneficiaries in proportion to their interest held in the corporation, partnership, limited liability company, estate, trust, or similar entity;~~

~~(ii) ownership interests owned by a nonprofit entity are considered owned by a single owner;~~

~~(iii) ownership interests owned by all individuals in a family are considered held by a single owner. For purposes of this item, "family" means brothers and sisters, including half brothers and half sisters, a spouse, ancestors, and lineal descendants; and~~

~~(iv) if an individual or entity holds an option, warrant, or similar right to purchase an ownership interest, the individual or entity is considered to be the owner of those ownership interests.~~

~~(e) (b) "Contraceptive method" means a drug, device, or other product approved by the Food and Drug Administration to prevent unintended pregnancy.~~

~~(e) (c) "Contraceptive service" means consultation, examination, procedures, and medical services related to the prevention of unintended pregnancy, excluding vasectomies. This includes but is not limited to voluntary sterilization procedures, patient education, counseling on contraceptives, and follow-up services related to contraceptive methods or services, management of side effects, counseling for continued adherence, and device insertion or removal.~~

~~(e) "Eligible organization" means an organization that opposes providing coverage for some or all contraceptive methods or services on account of religious objections and that is:~~

~~(1) organized as a nonprofit entity and holds itself out to be religious; or~~

~~(2) organized and operates as a closely held for-profit entity, and the organization's owners or highest governing body has adopted, under the organization's applicable rules of governance and consistent with state law, a resolution or similar action establishing that the organization objects to covering some or all contraceptive methods or services on account of the owners' sincerely held religious beliefs.~~

~~(f) "Exempt organization" means an organization that is organized and operates as a nonprofit entity and meets the requirements of section 6033(a)(3)(A)(i) or (iii) of the Internal Revenue Code of 1986, as amended.~~

~~(e) (d) "Medical necessity" includes but is not limited to considerations such as severity of side effects, difference in permanence and reversibility of a contraceptive method or service, and ability to adhere to the appropriate use of the contraceptive method or service, as determined by the attending provider.~~

~~(h)~~ (e) "Therapeutic equivalent version" means a drug, device, or product that can be expected to have the same clinical effect and safety profile when administered to a patient under the conditions specified in the labeling, and that:

(1) is approved as safe and effective;

(2) is a pharmaceutical equivalent: (i) containing identical amounts of the same active drug ingredient in the same dosage form and route of administration; and (ii) meeting compendial or other applicable standards of strength, quality, purity, and identity;

(3) is bioequivalent in that:

(i) the drug, device, or product does not present a known or potential bioequivalence problem and meets an acceptable in vitro standard; or

(ii) if the drug, device, or product does present a known or potential bioequivalence problem, it is shown to meet an appropriate bioequivalence standard;

(4) is adequately labeled; and

(5) is manufactured in compliance with current manufacturing practice regulations.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 6. Minnesota Statutes 2023 Supplement, section 62Q.523, subdivision 1, is amended to read:

Subdivision 1. **Scope of coverage.** Except as otherwise provided in section ~~62Q.522~~ 62Q.679, subdivisions 2 and 3 ~~and 4~~, all health plans that provide prescription coverage must comply with the requirements of this section.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 7. **[62Q.585] GENDER-AFFIRMING CARE COVERAGE; MEDICALLY NECESSARY CARE.**

Subdivision 1. **Requirement.** No health plan that covers physical or mental health services may be offered, sold, issued, or renewed in this state that:

(1) excludes coverage for medically necessary gender-affirming care; or

(2) requires gender-affirming treatments to satisfy a definition of "medically necessary care," "medical necessity," or any similar term that is more restrictive than the definition provided in subdivision 2.

Subd. 2. **Minimum definition.** "Medically necessary care" means health care services appropriate in terms of type, frequency, level, setting, and duration to the enrollee's diagnosis or condition and diagnostic testing and preventive services. Medically necessary care must be consistent with generally

accepted practice parameters as determined by health care providers in the same or similar general specialty as typically manages the condition, procedure, or treatment at issue and must:

- (1) help restore or maintain the enrollee's health; or
- (2) prevent deterioration of the enrollee's condition.

Subd. 3. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) " Gender-affirming care" means all medical, surgical, counseling, or referral services, including telehealth services, that an individual may receive to support and affirm the individual's gender identity or gender expression and that are legal under the laws of this state.

(c) "Health plan" has the meaning given in section 62Q.01, subdivision 3, but includes the coverages listed in section 62A.011, subdivision 3, clauses (7) and (10).

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 8. **[62Q.679] RELIGIOUS OBJECTIONS.**

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Closely held for-profit entity" means an entity that is not a nonprofit entity, has more than 50 percent of the value of its ownership interest owned directly or indirectly by five or fewer owners, and has no publicly traded ownership interest. For purposes of this paragraph:

(1) ownership interests owned by a corporation, partnership, limited liability company, estate, trust, or similar entity are considered owned by that entity's shareholders, partners, members, or beneficiaries in proportion to their interest held in the corporation, partnership, limited liability company, estate, trust, or similar entity;

(2) ownership interests owned by a nonprofit entity are considered owned by a single owner;

(3) ownership interests owned by all individuals in a family are considered held by a single owner. For purposes of this clause, "family" means brothers and sisters, including half-brothers and half-sisters, a spouse, ancestors, and lineal descendants; and

(4) if an individual or entity holds an option, warrant, or similar right to purchase an ownership interest, the individual or entity is considered to be the owner of those ownership interests.

(c) "Eligible organization" means an organization that opposes covering some or all health benefits under section 62Q.522 or 62Q.585 on account of religious objections and that is:

(1) organized as a nonprofit entity and holds itself out to be religious; or

(2) organized and operates as a closely held for-profit entity, and the organization's owners or highest governing body has adopted, under the organization's applicable rules of governance and consistent with state law, a resolution or similar action establishing that the organization objects to

covering some or all health benefits under section 62Q.522 or 62Q.585 on account of the owners' sincerely held religious beliefs.

(d) "Exempt organization" means an organization that is organized and operates as a nonprofit entity and meets the requirements of section 6033(a)(3)(A)(i) or (iii) of the Internal Revenue Code of 1986, as amended.

Subd. 2. **Exemption.** (a) An exempt organization is not required to provide coverage under section 62Q.522 or 62Q.585 if the exempt organization has religious objections to the coverage. An exempt organization that chooses to not provide coverage pursuant to this paragraph must notify employees as part of the hiring process and must notify all employees at least 30 days before:

- (1) an employee enrolls in the health plan; or
- (2) the effective date of the health plan, whichever occurs first.

(b) If the exempt organization provides partial coverage under section 62Q.522 or 62Q.585, the notice required under paragraph (a) must provide a list of the portions of such coverage which the organization refuses to cover.

Subd. 3. **Accommodation for eligible organizations.** (a) A health plan established or maintained by an eligible organization complies with the coverage requirements of section 62Q.522 or 62Q.585, with respect to the health benefits identified in the notice under this paragraph, if the eligible organization provides notice to any health plan company with which the eligible organization contracts that it is an eligible organization and that the eligible organization has a religious objection to coverage for all or a subset of the health benefits under section 62Q.522 or 62Q.585.

(b) The notice from an eligible organization to a health plan company under paragraph (a) must include: (1) the name of the eligible organization; (2) a statement that it objects to coverage for some or all of the health benefits under section 62Q.522 or 62Q.585, including a list of the health benefits to which the eligible organization objects, if applicable; and (3) the health plan name. The notice must be executed by a person authorized to provide notice on behalf of the eligible organization.

(c) An eligible organization must provide a copy of the notice under paragraph (a) to prospective employees as part of the hiring process and to all employees at least 30 days before:

- (1) an employee enrolls in the health plan; or
- (2) the effective date of the health plan, whichever occurs first.

(d) A health plan company that receives a copy of the notice under paragraph (a) with respect to a health plan established or maintained by an eligible organization must, for all future enrollments in the health plan:

(1) expressly exclude coverage for those health benefits identified in the notice under paragraph (a) from the health plan; and

(2) provide separate payments for any health benefits required to be covered under section 62Q.522 or 62Q.585 for enrollees as long as the enrollee remains enrolled in the health plan.

(e) The health plan company must not impose any cost-sharing requirements, including co-pays, deductibles, or coinsurance, or directly or indirectly impose any premium, fee, or other charge for the health benefits under section 62Q.522 on the enrollee. The health plan company must not directly or indirectly impose any premium, fee, or other charge for the health benefits under section 62Q.522 or 62Q.585 on the eligible organization or health plan.

(f) On January 1, 2024, and every year thereafter a health plan company must notify the commissioner, in a manner determined by the commissioner, of the number of eligible organizations granted an accommodation under this subdivision.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 9. Minnesota Statutes 2022, section 65A.29, is amended by adding a subdivision to read:

Subd. 8a. **Losses resulting from lightning, wind, rain, or hail.** (a) An insurer may refuse to renew a policy of homeowner's insurance if the insured had three or more covered losses each over \$10,000 resulting from lightning, wind, rain, or hail during the five-year period immediately preceding the refusal to renew.

(b) If an insurer elects to not renew a policy of homeowner's insurance under paragraph (a), the insurer must provide the insured 60 days' advance notice of the insurer's intention to make the election. The notice must specify the reason for the refusal to renew and must inform the insured of the possibility of coverage through the Minnesota FAIR plan under sections 65A.31 to 65A.42.

(c) An insurer writing homeowner's insurance for property located in Minnesota must annually report to the commissioner the number of policies not renewed under paragraph (a).

(d) An insurer may, at the end of a homeowner's insurance policy period, offer to reduce the policy's coverage by revising the policy's deductible to a percentage-based deductible solely for losses resulting from lightning, wind, rain, or hail without complying with the nonrenewal rules in Minnesota Rules, chapter 2880, provided:

(1) the percentage-based deductible only obligates the insured to pay that percentage of the cost, at the time any loss or damage occurs, to actually repair, rebuild, or replace the insured property;

(2) the insurer provides the insured at least 60 days' advance notice of the insurer's offer to revise the deductible in a manner consistent with this section;

(3) the 60 days' notice the insurer provides to the insured clearly and fully discloses in plain language all details pertaining to the revised deductible, including an example of how the deductible works in the event of an insured loss resulting from lightning, wind, rain, or hail with the percentage the consumer is obligated to pay when applied to the cost of repair; and

(4) the insurer offers the insured at least one reasonable flat-dollar deductible option that does not exceed the highest percentage deductible policy in lieu of the percentage-based deductible. The offer under this clause must be included in the 60 days' notice the insurer provides to the insured. The 60 days' notice must also clearly and conspicuously disclose that if the insured fails to elect the percentage-based deductible but renews the policy, the policy's deductible is the flat-dollar deductible.

Sec. 10. **[65A.3025] CONDOMINIUM AND TOWNHOUSE POLICIES; COORDINATION OF BENEFITS FOR LOSS ASSESSMENT.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Assessable loss" means a covered loss under the terms of a policy governed by subdivision 2, paragraph (a) or (b).

(c) "Association" has the meaning given in section 515B.1-103, clause (4).

(d) "Unit owner" has the meaning given in section 515B.1-103, clause (37).

Subd. 2. **Loss assessment.** (a) If a loss assessment is charged by an association to an individual unit owner, the insurance policy in force at the time of the assessable loss must pay the loss assessment, subject to the limits provided in the policy, notwithstanding any policy provisions regarding when loss assessment coverage accrues, and subject to any other terms, conditions, and exclusions in the policy, if the following conditions are met:

(1) the unit owner at the time of the assessable loss is the owner of the property listed on the policy at the time the loss assessment is charged;

(2) the insurance policy in force at the time of the assessable loss provides loss assessment coverage; and

(3) a loss assessment and the event or occurrence which triggers a loss assessment shall be considered a single loss for underwriting and rating purposes.

(b) If a loss assessment is charged by an association to an individual unit owner, the insurance policy in force at the time the loss assessment is charged must pay the assessment, subject to the limits provided in the policy, notwithstanding any policy provisions regarding when loss assessment coverage accrues, and subject to any other terms, conditions, and exclusions in the policy, if the following conditions are met:

(1) the unit owner at the time of the loss assessment is charged is different than the unit owner at the time of the assessable loss; and

(2) the insurance policy in force at the time the loss assessment is charged provides loss assessment coverage.

(c) For a loss assessment under paragraph (b), an insurer may require evidence documenting that the transfer of ownership occurred prior to the assessment before the insurer affords coverage.

Sec. 11. Minnesota Statutes 2022, section 67A.01, subdivision 2, is amended to read:

Subd. 2. Authorized territory. (a) A township mutual fire insurance company may be authorized to write business in up to nine adjoining counties in the aggregate at the same time. If policyholder surplus is at least \$500,000 as reported in the company's last annual financial statement filed with the commissioner, the company may, if approval has been granted by the commissioner, be authorized

to write business in ten or more counties in the aggregate at the same time, subject to a maximum of ~~20~~ 30 adjoining counties, in accordance with the following schedule:

| Number of Counties | Surplus Requirement |
|--------------------|---------------------|
| 10 | \$500,000 |
| 11 | 600,000 |
| 12 | 700,000 |
| 13 | 800,000 |
| 14 | 900,000 |
| 15 | 1,000,000 |
| 16 | 1,100,000 |
| 17 | 1,200,000 |
| 18 | 1,300,000 |
| 19 | 1,400,000 |
| 20 | 1,500,000 |
| <u>21</u> | <u>1,600,000</u> |
| <u>22</u> | <u>1,700,000</u> |
| <u>23</u> | <u>1,800,000</u> |
| <u>24</u> | <u>1,900,000</u> |
| <u>25</u> | <u>2,000,000</u> |
| <u>26</u> | <u>2,100,000</u> |
| <u>27</u> | <u>2,200,000</u> |
| <u>28</u> | <u>2,300,000</u> |
| <u>29</u> | <u>2,400,000</u> |
| <u>30</u> | <u>2,500,000</u> |

(b) In the case of a merger of two or more companies having contiguous territories, the surviving company in the merger may transact business in the entire territory of the merged companies; however, the territory of the surviving company in the merger ~~may not be larger than 20~~ must be approved by the commissioner and may not be in excess of 30 counties, provided the company complies with the additional reporting requirements stipulated in paragraph (g).

(c) Notwithstanding paragraph (b), a policy issued by a constituent company to the merger may remain effective, without respect to the policy being issued in a county outside the territory of the surviving company, until the policy:

(1) expires or is terminated by the policy's terms; or

(2) is terminated or annulled and canceled in accordance with section 67A.18.

The surviving company must not amend or renew a policy issued in a county outside the surviving company's territory.

~~(e)~~ (d) A township mutual fire insurance company may write new and renewal insurance on property in cities within the company's authorized territory having a population less than 25,000.

A township mutual fire insurance company may continue to write new and renewal insurance once the population increases to 25,000 or greater provided that amended and restated articles are filed with the commissioner along with a certification that such city's population has increased to 25,000 or greater.

~~(d)~~ (e) A township mutual fire insurance company may write new and renewal insurance on property in cities within the company's authorized territory with a population of 25,000 or greater, but less than 150,000, if approval has been granted by the commissioner. No township mutual fire insurance company shall insure any property in cities with a population of 150,000 or greater.

~~(e)~~ (f) If a township mutual fire insurance company provides evidence to the commissioner that the company had insurance in force on December 31, 2007, in a city within the company's authorized territory with a population of 25,000 or greater, but less than 150,000, the company may write new and renewal insurance on property in that city provided that the company files amended and restated articles by July 31, 2010, naming that city.

(g) If a surviving company of a merger writes in more than 20 counties, that company must report to the commissioner the following items on a quarterly basis:

- (1) income statement;
- (2) balance sheet;
- (3) insurance in force; and
- (4) number of policies.

Sec. 12. Minnesota Statutes 2022, section 67A.14, subdivision 1, is amended to read:

Subdivision 1. **Kinds of property; property outside authorized territory.** (a) Township mutual fire insurance companies may insure qualified property. Qualified property means dwellings, household goods, appurtenant structures, farm buildings, farm personal property, churches, church personal property, county fair buildings, community and township meeting halls and their usual contents.

(b) Township mutual fire insurance companies may extend coverage to include an insured's secondary property if the township mutual fire insurance company covers qualified property belonging to the insured. Secondary property means any real or personal property that is not considered qualified property for a township mutual fire insurance company to cover under this chapter. The maximum amount of coverage that a township mutual fire insurance company may write for secondary property is 25 percent of the total limit of liability of the policy issued to an insured covering the qualified property.

(c) A township mutual fire insurance company may insure any real or personal property, including qualified or secondary property, subject to the limitations in subdivision 1, paragraph (b), located outside the limits of the territory in which the company is authorized by its certificate or articles of incorporation to transact business, if the company is already covering qualified property belonging to the insured, inside the limits of the company's territory. For purposes of this paragraph, qualified property inside the limits of the company's territory includes qualified property outside the territory

of the surviving company to a merger for the duration of the policy insuring the qualified property if the qualified property was qualified property inside the territory of a constituent company to the merger.

(d) A township mutual fire insurance company may insure property temporarily outside of the authorized territory of the township mutual fire insurance company.

Sec. 13. Minnesota Statutes 2022, section 72A.20, subdivision 13, is amended to read:

Subd. 13. **Refusal to renew.** (a) Refusing to renew, declining to offer or write, or charging differential rates for an equivalent amount of homeowner's insurance coverage, as defined by section 65A.27, for property located in a town or statutory or home rule charter city, in which the insurer offers to sell or writes homeowner's insurance, solely because:

(a) (1) of the geographic area in which the property is located;

(b) (2) of the age of the primary structure sought to be insured;

(c) (3) the insured or prospective insured was denied coverage of the property by another insurer, whether by cancellation, nonrenewal or declination to offer coverage, for a reason other than those specified in section 65A.01, subdivision 3a, clauses (a) to (e);

(d) (4) the property of the insured or prospective insured has been insured under the Minnesota FAIR Plan Act, shall constitute an unfair method of competition and an unfair and deceptive act or practice; or

(e) (5) the insured has inquired about coverage for a hypothetical claim or has made an inquiry to the insured's agent regarding a potential claim.

~~This subdivision prohibits an insurer from filing or charging different rates for different zip code areas within the same town or statutory or home rule charter city.~~

(b) An insurer must not establish more than one geographical rating territory within the same city of the first class or city of the second class that has 60,000 or more inhabitants. For purposes of compliance with this paragraph: (1) the population of the cities subject to this paragraph is determined by the preceding United States decennial census, as reported by the Minnesota State Demographic Center; and (2) the territorial boundaries of the cities subject to this paragraph are the boundaries as the boundaries exist on December 31 in years ending in 0 or 5, whichever is more recent. Any revisions to the rating manual resulting from a change in the territorial boundaries or population must be filed with the commissioner within 120 days of the date the data are reported.

(c) This subdivision shall not prohibit the insurer from applying underwriting or rating standards which the insurer applies generally in all other locations in the state and which are not specifically prohibited by clauses (a) to (e). Such underwriting or rating standards shall specifically include but not be limited to standards based upon the proximity of the insured property to an extraordinary hazard or based upon the quality or availability of fire protection services or based upon the density or concentration of the insurer's risks. Clause (b) shall not prohibit the use of rating standards based upon the age of the insured structure's plumbing, electrical, heating or cooling system or other part of the structure, the age of which affects the risk of loss. Any insurer's failure to comply with section

65A.29, subdivisions 2 to 4, either (1) by failing to give an insured or applicant the required notice or statement or (2) by failing to state specifically a bona fide underwriting or other reason for the refusal to write shall create a presumption that the insurer has violated this subdivision.

Sec. 14. Minnesota Statutes 2022, section 325E.66, subdivision 1, is amended to read:

Subdivision 1. ~~Payment or rebate of insurance deductible~~ **Residential contractor; prohibited insurance practices.** (a) A residential contractor providing home repair or improvement services to be paid by an insured from the proceeds of a property or casualty insurance policy shall not:

(1) as an inducement to the sale or provision of goods or services to an insured, advertise or promise to pay, directly or indirectly, all or part of any applicable insurance deductible or offer to compensate an insured for providing any service to the insured. The prohibition under this clause includes but is not limited to offering compensation in exchange for:

(i) allowing the residential contractor to conduct an inspection of the covered property;

(ii) making an insurance claim for damage to the covered property; or

(iii) referring the residential contractor's services to others when insurance proceeds are payable;

(2) provide an insured with an agreement authorizing repairs without also providing a good faith estimate of the itemized and detailed cost of services and materials undertaken pursuant to a property and casualty claim; or

(3) interpret policy provisions or advise an insured regarding coverages or duties under the insured's policy, or adjust a property insurance claim on behalf of the insured, unless the contractor has a license as a public adjuster under chapter 72B.

(b) If a residential contractor violates this section, the insurer to whom the insured tendered the claim shall not be obligated to consider the estimate prepared by the residential contractor. The residential contractor must provide a written notification of the requirements of this section with its initial estimate. The adjuster or insurer must provide a written notification of the requirements of this section in the initial estimate relating to the claim.

(c) For purposes of this section, "residential contractor" means a residential roofer, as defined in section 326B.802, subdivision 14; a residential building contractor, as defined in section 326B.802, subdivision 11; and a residential remodeler, as defined in section 326B.802, subdivision 12.

Sec. 15. Minnesota Statutes 2022, section 471.6161, subdivision 8, is amended to read:

Subd. 8. **School districts; group health insurance coverage.** (a) Any entity providing group health insurance coverage to a school district must provide the school district with school district-specific nonidentifiable aggregate claims records for the most recent 24 months within 30 days of the request.

(b) School districts shall request proposals for group health insurance coverage as provided in subdivision 2 from a minimum of three potential sources of coverage. One of these requests must go to an administrator governed by chapter 43A. Entities referenced in subdivision 1 must respond to requests for proposals received directly from a school district. School districts that are self-insured

must also follow these provisions, except as provided in paragraph ~~(f)~~ (g). School districts must make requests for proposals at least 150 days prior to the expiration of the existing contract but not more frequently than once every 24 months. The request for proposals must include the most recently available 24 months of nonidentifiable aggregate claims data. The request for proposals must be publicly released at or prior to its release to potential sources of coverage.

(c) School district contracts for group health insurance must not be longer than two years unless the exclusive representative of the largest employment group and the school district agree otherwise.

(d) All proposals for group health insurance coverage, including coverage offered under chapters 43A and 123A, must include the information described in this paragraph for each separate health plan being proposed. The information must be on the first page of each proposal in a summary section and in a separate tabular format. The information must use a uniform set of assumptions, including but not limited to enrollment projections by plan, enrollment projections by tier, and number of members. Proposals that do not include all of the following information are not eligible to be selected by a school district. All proposals must include the:

(1) structure of the health plan, designating either exclusive provider organization, preferred provider organization, point of service, or health maintenance organization;

(2) health plan actuarial value, using the minimum value calculator described in Code of Federal Regulations, title 45, section 156.145;

(3) type of provider network, designating either narrow network, broad network, narrow tiered network, or broad tiered network;

(4) agent or broker commissions paid as part of the premium, as requested by the proposal, displayed in dollars per member per month;

(5) total premium dollars in the first 12-month period of the quote, not including commissions;

(6) total premium dollars, per member per month, not including commissions; and

(7) number of expected members used for the premium quote calculation.

~~(d)~~ (e) All initial proposals shall be sealed upon receipt until they are all opened no less than 90 days prior to the plan's renewal date in the presence of up to three representatives selected by the exclusive representative of the largest group of employees. Section 13.591, subdivision 3, paragraph (b), applies to data in the proposals. The representatives of the exclusive representative must maintain the data according to this classification and are subject to the remedies and penalties under sections 13.08 and 13.09 for a violation of this requirement.

~~(d)~~ (f) A school district, in consultation with the same representatives referenced in paragraph ~~(d)~~ (e), may continue to negotiate with any entity that submitted a proposal under paragraph ~~(d)~~ (e) in order to reduce costs or improve services under the proposal. Following the negotiations any entity that submitted an initial proposal may submit a final proposal incorporating the negotiations, which is due no less than 75 days prior to the plan's renewal date. All the final proposals submitted must be opened at the same time in the presence of up to three representatives selected by the exclusive representative of the largest group of employees. Notwithstanding section 13.591,

subdivision 3, paragraph (b), following the opening of the final proposals, all the proposals, including any made under paragraph ~~(d)~~ (e), and other data submitted in connection with the proposals are public data. The school district may choose from any of the initial or final proposals without further negotiations and in accordance with subdivision 5, but not sooner than 15 days after the proposals become public data.

~~(f)~~ (g) School districts that are self-insured shall follow all of the requirements of this section, except that:

- (1) their requests for proposals may be for third-party administrator services, where applicable;
- (2) these requests for proposals must be from a minimum of three different sources, which may include both entities referenced in subdivision 1 and providers of third-party administrator services;
- (3) for purposes of fulfilling the requirement to request a proposal for group insurance coverage from an administrator governed by chapter 43A, self-insured districts are not required to include in the request for proposal the coverage to be provided;
- (4) a district that is self-insured on or before the date of enactment, or that is self-insured with more than 1,000 insured lives, or a district in which the school board adopted a motion on or before May 14, 2014, to approve a self-insured health care plan to be effective July 1, 2014, may, but need not, request a proposal from an administrator governed by chapter 43A;
- (5) requests for proposals must be sent to providers no less than 90 days prior to the expiration of the existing contract; and
- (6) proposals must be submitted at least 60 days prior to the plan's renewal date and all proposals shall be opened at the same time and in the presence of the exclusive representative, where applicable.

~~(g)~~ (h) Nothing in this section shall restrict the authority granted to school district boards of education by section 471.59, except that districts will not be considered self-insured for purposes of this subdivision solely through participation in a joint powers arrangement.

~~(h)~~ (i) An entity providing group health insurance to a school district under a multiyear contract must give notice of any rate or plan design changes applicable under the contract at least 90 days before the effective date of any change. The notice must be given to the school district and to the exclusive representatives of employees.

Sec. 16. Minnesota Statutes 2022, section 471.617, subdivision 2, is amended to read:

Subd. 2. **Jointly.** Any two or more statutory or home rule charter cities, counties, school districts, or instrumentalities thereof which together have more than 100 employees may jointly self-insure for any employee health benefits including long-term disability, but not for employee life benefits, subject to the same requirements as an individual self-insurer under subdivision 1. Self-insurance pools under this section are subject to section 62L.045. A self-insurance pool established and operated by one or more service cooperatives governed by section 123A.21 to provide coverage described in this subdivision qualifies under this subdivision, but the individual school district members of such a pool shall not be considered to be self-insured for purposes of section 471.6161, subdivision

8, paragraph ~~(f)~~ (g). The commissioner of commerce may adopt rules pursuant to chapter 14, providing standards or guidelines for the operation and administration of self-insurance pools.

Sec. 17. **REPEALER.**

(a) Minnesota Statutes 2022, section 332.3351, is repealed.

(b) Minnesota Statutes 2023 Supplement, section 62Q.522, subdivisions 3 and 4, are repealed.

EFFECTIVE DATE. Paragraph (b) is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

ARTICLE 2

FINANCIAL INSTITUTIONS

Section 1. **[46A.01] DEFINITIONS.**

Subdivision 1. **Terms.** For the purposes of this chapter, the terms defined in this section have the meanings given them.

Subd. 2. **Authorized user.** "Authorized user" means any employee, contractor, agent, or other person who: (1) participates in a financial institution's business operations; and (2) is authorized to access and use any of the financial institution's information systems and data.

Subd. 3. **Commissioner.** "Commissioner" means the commissioner of commerce.

Subd. 4. **Consumer.** (a) "Consumer" means an individual who obtains or has obtained from a financial institution a financial product or service that is used primarily for personal, family, or household purposes, or is used by the individual's legal representative. Consumer includes but is not limited to an individual who:

(1) applies to a financial institution for credit for personal, family, or household purposes, regardless of whether the credit is extended;

(2) provides nonpublic personal information to a financial institution in order to obtain a determination whether the individual qualifies for a loan used primarily for personal, family, or household purposes, regardless of whether the loan is extended;

(3) provides nonpublic personal information to a financial institution in connection with obtaining or seeking to obtain financial, investment, or economic advisory services, regardless of whether the financial institution establishes a continuing advisory relationship with the individual; or

(4) has a loan for personal, family, or household purposes in which the financial institution has ownership or servicing rights, even if the financial institution or one or more other institutions that hold ownership or servicing rights in conjunction with the financial institution hires an agent to collect on the loan.

(b) Consumer does not include an individual who:

(1) is a consumer of another financial institution that uses a different financial institution to act solely as an agent for, or provide processing or other services to, the consumer's financial institution;

(2) designates a financial institution solely for the purposes to act as a trustee for a trust;

(3) is the beneficiary of a trust for which the financial institution serves as trustee; or

(4) is a participant or a beneficiary of an employee benefit plan that the financial institution sponsors or for which the financial institution acts as a trustee or fiduciary.

Subd. 5. **Continuing relationship.** (a) "Continuing relationship" means a consumer:

(1) has a credit or investment account with a financial institution;

(2) obtains a loan from a financial institution;

(3) purchases an insurance product from a financial institution;

(4) holds an investment product through a financial institution, including but not limited to when the financial institution acts as a custodian for securities or for assets in an individual retirement arrangement;

(5) enters into an agreement or understanding with a financial institution whereby the financial institution undertakes to arrange or broker a home mortgage loan, or credit to purchase a vehicle, for the consumer;

(6) enters into a lease of personal property on a nonoperating basis with a financial institution;

(7) obtains financial, investment, or economic advisory services from a financial institution for a fee;

(8) becomes a financial institution's client to obtain tax preparation or credit counseling services from the financial institution;

(9) obtains career counseling while: (i) seeking employment with a financial institution or the finance, accounting, or audit department of any company; or (ii) employed by a financial institution or department of any company;

(10) is obligated on an account that a financial institution purchases from another financial institution, regardless of whether the account is in default when purchased, unless the financial institution does not locate the consumer or attempt to collect any amount from the consumer on the account;

(11) obtains real estate settlement services from a financial institution; or

(12) has a loan for which a financial institution owns the servicing rights.

(b) Continuing relationship does not include situations where:

(1) the consumer obtains a financial product or service from a financial institution only in isolated transactions, including but not limited to: (i) using a financial institution's automated teller machine

to withdraw cash from an account at another financial institution; (ii) purchasing a money order from a financial institution; (iii) cashing a check with a financial institution; or (iv) making a wire transfer through a financial institution;

(2) a financial institution sells the consumer's loan and does not retain the rights to service the loan;

(3) a financial institution sells the consumer airline tickets, travel insurance, or traveler's checks in isolated transactions;

(4) the consumer obtains onetime personal or real property appraisal services from a financial institution; or

(5) the consumer purchases checks for a personal checking account from a financial institution.

Subd. 6. **Customer.** "Customer" means a consumer who has a customer relationship with a financial institution.

Subd. 7. **Customer information.** "Customer information" means any record containing nonpublic personal information about a financial institution's customer, whether the record is in paper, electronic, or another form, that is handled or maintained by or on behalf of the financial institution or the financial institution's affiliates.

Subd. 8. **Customer relationship.** "Customer relationship" means a continuing relationship between a consumer and a financial institution under which the financial institution provides to the consumer one or more financial products or services that are used primarily for personal, family, or household purposes.

Subd. 9. **Encryption.** "Encryption" means the transformation of data into a format that results in a low probability of assigning meaning without the use of a protective process or key, consistent with current cryptographic standards and accompanied by appropriate safeguards for cryptographic key material.

Subd. 10. **Federally insured depository financial institution.** "Federally insured depository financial institution" means a bank, credit union, savings and loan association, trust company, savings association, savings bank, industrial bank, or industrial loan company organized under the laws of the United States or any state of the United States, when the bank, credit union, savings and loan association, trust company, savings association, savings bank, industrial bank, or industrial loan company has federally insured deposits.

Subd. 11. **Financial product or service.** "Financial product or service" means any product or service that a financial holding company could offer by engaging in a financial activity under section 4(k) of the Bank Holding Company Act of 1956, United States Code, title 12, section 1843(k). Financial product or service includes a financial institution's evaluation or brokerage of information that the financial institution collects in connection with a request or an application from a consumer for a financial product or service.

Subd. 12. **Financial institution.** "Financial institution" means a consumer small loan lender under section 47.60, a person owning or maintaining electronic financial terminals under section

47.62, a trust company under chapter 48A, a loan and thrift company under chapter 53, a currency exchange under chapter 53A, a money transmitter under chapter 53B, a sales finance company under chapter 53C, a regulated loan lender under chapter 56, a residential mortgage originator or servicer under chapter 58, a student loan servicer under chapter 58B, a credit service organization under section 332.54, a debt management service provider or person providing debt management services under chapter 332A, or a debt settlement service provider or person providing debt settlement services under chapter 332B.

Subd. 13. **Information security program.** "Information security program" means the administrative, technical, or physical safeguards a financial institution uses to access, collect, distribute, process, protect, store, use, transmit, dispose of, or otherwise handle customer information.

Subd. 14. **Information system.** "Information system" means a discrete set of electronic information resources organized to collect, process, maintain, use, share, disseminate, or dispose of electronic information, as well as any specialized system, including but not limited to industrial process controls systems, telephone switching and private branch exchange systems, and environmental controls systems, that contains customer information or that is connected to a system that contains customer information.

Subd. 15. **Multifactor authentication.** "Multifactor authentication" means authentication through verification of at least two of the following factors:

- (1) knowledge factors, including but not limited to a password;
- (2) possession factors, including but not limited to a token; or
- (3) inherence factors, including but not limited to biometric characteristics.

Subd. 16. **Nonpublic personal information.** (a) "Nonpublic personal information" means:

- (1) personally identifiable financial information; or
- (2) any list, description, or other grouping of consumers, including publicly available information pertaining to the list, description, or other grouping of consumers, that is derived using personally identifiable financial information that is not publicly available.

(b) Nonpublic personal information includes but is not limited to any list of individuals' names and street addresses that is derived in whole or in part using personally identifiable financial information that is not publicly available, including account numbers.

(c) Nonpublic personal information does not include:

(1) publicly available information, except as included on a list described in paragraph (a), clause (2);

(2) any list, description, or other grouping of consumers, including publicly available information pertaining to the list, description, or other grouping of consumers, that is derived without using any personally identifiable financial information that is not publicly available; or

(3) any list of individuals' names and addresses that contains only publicly available information, is not derived in whole or in part using personally identifiable financial information that is not publicly available, and is not disclosed in a manner that indicates that any individual on the list is the financial institution's consumer.

Subd. 17. **Notification event.** "Notification event" means the acquisition of unencrypted customer information without the authorization of the individual to which the information pertains. Customer information is considered unencrypted for purposes of this subdivision if the encryption key was accessed by an unauthorized person. Unauthorized acquisition is presumed to include unauthorized access to unencrypted customer information unless the financial institution has reliable evidence showing that there has not been, or could not reasonably have been, unauthorized acquisition of customer information.

Subd. 18. **Penetration testing.** "Penetration testing" means a test methodology in which assessors attempt to circumvent or defeat the security features of an information system by attempting to penetrate databases or controls from outside or inside a financial institution's information systems.

Subd. 19. **Personally identifiable financial information.** (a) "Personally identifiable financial information" means any information:

- (1) a consumer provides to a financial institution to obtain a financial product or service;
 - (2) about a consumer resulting from any transaction involving a financial product or service between a financial institution and a consumer; or
 - (3) a financial institution otherwise obtains about a consumer in connection with providing a financial product or service to the customer.
- (b) Personally identifiable financial information includes:
- (1) information a consumer provides to a financial institution on an application to obtain a loan, credit card, or other financial product or service;
 - (2) account balance information, payment history, overdraft history, and credit or debit card purchase information;
 - (3) the fact that an individual is or has been a financial institution's customer or has obtained a financial product or service from the financial institution;
 - (4) any information about a financial institution's consumer, if the information is disclosed in a manner that indicates that the individual is or has been the financial institution's consumer;
 - (5) any information that a consumer provides to a financial institution or that a financial institution or a financial institution's agent otherwise obtains in connection with collecting on or servicing a credit account;
 - (6) any information a financial institution collects through an Internet information collecting device from a web server; and
 - (7) information from a consumer report.

(c) Personally identifiable financial information does not include:

(1) a list of customer names and addresses for an entity that is not a financial institution; and

(2) information that does not identify a consumer, including but not limited to aggregate information or blind data that does not contain personal identifiers, including account numbers, names, or addresses.

Subd. 20. **Publicly available information.** (a) "Publicly available information" means any information that a financial institution has a reasonable basis to believe is lawfully made available to the general public from:

(1) federal, state, or local government records;

(2) widely distributed media; or

(3) disclosures to the general public that are required under federal, state, or local law.

(b) Publicly available information includes but is not limited to:

(1) with respect to government records, information in government real estate records and security interest filings; and

(2) with respect to widely distributed media, information from a telephone book, a television or radio program, a newspaper, or a website that is available to the general public on an unrestricted basis. A website is not restricted merely because an Internet service provider or a site operator requires a fee or a password, provided that access is available to the general public.

(c) For purposes of this subdivision, a financial institution has a reasonable basis to believe that information is lawfully made available to the general public if the financial institution has taken steps to determine: (1) that the information is of the type that is available to the general public; and (2) whether an individual can direct that the information not be made available to the general public and, if so, that the financial institution's consumer has not directed that the information not be made available to the general public. A financial institution has a reasonable basis to believe that mortgage information is lawfully made available to the general public if the financial institution determines the information is of the type included on the public record in the jurisdiction where the mortgage would be recorded. A financial institution has a reasonable basis to believe that an individual's telephone number is lawfully made available to the general public if the financial institution has located the telephone number in the telephone book or the consumer has informed the financial institution that the telephone number is not unlisted.

Subd. 21. **Qualified individual.** "Qualified individual" means the individual designated by a financial institution to oversee, implement, and enforce the financial institution's information security program.

Subd. 22. **Security event.** "Security event" means an event resulting in unauthorized access to, or disruption or misuse of: (1) an information system or information stored on an information system; or (2) customer information held in physical form.

Subd. 23. **Service provider.** "Service provider" means any person or entity that receives, maintains, processes, or otherwise is permitted access to customer information through the service provider's provision of services directly to a financial institution that is subject to this chapter.

Sec. 2. **[46A.02] SAFEGUARDING CUSTOMER INFORMATION; STANDARDS.**

Subdivision 1. **Information security program.** (a) A financial institution must develop, implement, and maintain a comprehensive information security program.

(b) The information security program must: (1) be written in one or more readily accessible parts; and (2) contain administrative, technical, and physical safeguards that are appropriate to the financial institution's size and complexity, the nature and scope of the financial institution's activities, and the sensitivity of any customer information at issue.

(c) The information security program must include the elements set forth in section 46A.03 and must be reasonably designed to achieve the objectives of this chapter, as established under subdivision 2.

Subd. 2. **Objectives.** The objectives of this chapter are to:

(1) ensure the security and confidentiality of customer information;

(2) protect against any anticipated threats or hazards to the security or integrity of customer information; and

(3) protect against unauthorized access to or use of customer information that might result in substantial harm or inconvenience to a customer.

Sec. 3. **[46A.03] ELEMENTS.**

Subdivision 1. **Generally.** In order to develop, implement, and maintain an information security program, a financial institution must comply with this section.

Subd. 2. **Qualified individual.** (a) A financial institution must designate a qualified individual responsible for overseeing, implementing, and enforcing the financial institution's information security program. The qualified individual may be employed by the financial institution, an affiliate, or a service provider.

(b) If a financial institution designates an individual employed by an affiliate or service provider as the financial institution's qualified individual, the financial institution must:

(1) retain responsibility for complying with this chapter;

(2) designate a senior member of the financial institution's personnel to be responsible for directing and overseeing the qualified individual's activities; and

(3) require the service provider or affiliate to maintain an information security program that protects the financial institution in a manner that complies with the requirements of this chapter.

Subd. 3. **Security risk assessment.** (a) A financial institution must base the financial institution's information security program on a risk assessment that:

(1) identifies reasonably foreseeable internal and external risks to the security, confidentiality, and integrity of customer information that might result in the unauthorized disclosure, misuse, alteration, destruction, or other compromise of customer information; and

(2) assesses the sufficiency of any safeguards in place to control the risks identified under clause (1).

(b) The risk assessment must be made in writing and must include:

(1) criteria to evaluate and categorize identified security risks or threats the financial institution faces;

(2) criteria to assess the confidentiality, integrity, and availability of the financial institution's information systems and customer information, including the adequacy of existing controls in the context of the identified risks or threats the financial institution faces; and

(3) requirements describing how:

(i) identified risks are mitigated or accepted based on the risk assessment; and

(ii) the information security program addresses the risks.

(c) A financial institution must periodically perform additional risk assessments that:

(1) reexamine the reasonably foreseeable internal and external risks to the security, confidentiality, and integrity of customer information that might result in the unauthorized disclosure, misuse, alteration, destruction, or other compromise of customer information; and

(2) reassess the sufficiency of any safeguards in place to control the risks identified under clause (1).

Subd. 4. **Risk control.** A financial institution must design and implement safeguards to control the risks the financial institution identifies through the risk assessment under subdivision 3, including by:

(1) implementing and periodically reviewing access controls, including technical and, as appropriate, physical controls to:

(i) authenticate and permit access only to authorized users to protect against the unauthorized acquisition of customer information; and

(ii) limit an authorized user's access to only customer information that the authorized user needs to perform the authorized user's duties and functions or, in the case of a customer, to limit access to the customer's own information;

(2) identifying and managing the data, personnel, devices, systems, and facilities that enable the financial institution to achieve business purposes in accordance with the business purpose's relative importance to business objectives and the financial institution's risk strategy;

(3) protecting by encryption all customer information held or transmitted by the financial institution both in transit over external networks and at rest. To the extent a financial institution determines that encryption of customer information either in transit over external networks or at rest is infeasible, the financial institution may secure the customer information using effective alternative compensating controls that have been reviewed and approved by the financial institution's qualified individual;

(4) adopting: (i) secure development practices for in-house developed applications utilized by the financial institution to transmit, access, or store customer information; and (ii) procedures to evaluate, assess, or test the security of externally developed applications the financial institution uses to transmit, access, or store customer information;

(5) implementing multifactor authentication for any individual that accesses any information system, unless the financial institution's qualified individual has approved in writing the use of a reasonably equivalent or more secure access control;

(6) developing, implementing, and maintaining procedures to securely dispose of customer information in any format no later than two years after the last date the information is used in connection with providing a product or service to the customer to whom the information relates, unless: (i) the information is necessary for business operations or for other legitimate business purposes; (ii) the information is otherwise required to be retained by law or regulation; or (iii) targeted disposal of the information is not reasonably feasible due to the manner in which the information is maintained;

(7) periodically reviewing the financial institution's data retention policy to minimize the unnecessary retention of data;

(8) adopting procedures for change management; and

(9) implementing policies, procedures, and controls designed to: (i) monitor and log the activity of authorized users; and (ii) detect unauthorized access to, use of, or tampering with customer information by authorized users.

Subd. 5. Testing and monitoring. (a) A financial institution must regularly test or otherwise monitor the effectiveness of the safeguards' key controls, systems, and procedures, including the controls, systems, and procedures that detect actual and attempted attacks on, or intrusions into, information systems.

(b) For information systems, monitoring and testing must include continuous monitoring or periodic penetration testing and vulnerability assessments. Absent effective continuous monitoring or other systems to detect on an ongoing basis any changes in information systems that may create vulnerabilities, a financial institution must conduct:

(1) annual penetration testing of the financial institution's information systems, based on relevant identified risks in accordance with the risk assessment; and

(2) vulnerability assessments, including systemic scans or information systems reviews that are reasonably designed to identify publicly known security vulnerabilities in the financial institution's information systems based on the risk assessment, at least every six months, whenever a material change to the financial institution's operations or business arrangements occurs, and whenever the financial institution knows or has reason to know circumstances exist that may have a material impact on the financial institution's information security program.

Subd. 6. **Internal policies and procedures.** A financial institution must implement policies and procedures to ensure that the financial institution's personnel are able to enact the financial institution's information security program by:

(1) providing the financial institution's personnel with security awareness training that is updated as necessary to reflect risks identified by the risk assessment;

(2) utilizing qualified information security personnel employed by the financial institution, an affiliate, or a service provider sufficient to manage the financial institution's information security risks and to perform or oversee the information security program;

(3) providing information security personnel with security updates and training sufficient to address relevant security risks; and

(4) verifying that key information security personnel take steps to maintain current knowledge of changing information security threats and countermeasures.

Subd. 7. **Provider oversight.** A financial institution must oversee service providers by:

(1) taking reasonable steps to select and retain service providers that are capable of maintaining appropriate safeguards for the customer information at issue;

(2) requiring by contract the financial institution's service providers to implement and maintain appropriate safeguards; and

(3) periodically assessing the financial institution's service providers based on the risk the service providers present and the continued adequacy of the service providers' safeguards.

Subd. 8. **Information security program; evaluation; adjustment.** A financial institution must evaluate and adjust the financial institution's information security program to reflect: (1) the results of the testing and monitoring required under subdivision 5; (2) any material changes to the financial institution's operations or business arrangements; (3) the results of risk assessments performed under subdivision 3, paragraph (c); or (4) any other circumstances that the financial institution knows or has reason to know may have a material impact on the financial institution's information security program.

Subd. 9. **Incident response plan.** A financial institution must establish a written incident response plan designed to promptly respond to and recover from any security event materially affecting the confidentiality, integrity, or availability of customer information the financial institution controls. An incident response plan must address:

(1) the goals of the incident response plan;

- (2) the internal processes to respond to a security event;
- (3) clear roles, responsibilities, and levels of decision making authority;
- (4) external and internal communications and information sharing;
- (5) requirements to remediate any identified weaknesses in information systems and associated controls;
- (6) documentation and reporting regarding security events and related incident response activities; and
- (7) evaluation and revision of the incident response plan as necessary after a security event.

Subd. 10. **Annual report.** (a) A financial institution must require the financial institution's qualified individual to report at least annually in writing to the financial institution's board of directors or equivalent governing body. If a board of directors or equivalent governing body does not exist, the report under this subdivision must be timely presented to a senior officer responsible for the financial institution's information security program.

(b) The report made under this subdivision must include the following information:

- (1) the overall status of the financial institution's information security program, including compliance with this chapter and associated administrative rules; and
- (2) material matters related to the financial institution's information security program, including but not limited to addressing issues pertaining to: (i) the risk assessment; (ii) risk management and control decisions; (iii) service provider arrangements; (iv) testing results; (v) security events or violations and management's responses to the security event or violation; and (vi) recommendations for changes in the information security program.

Subd. 11. **Business continuity; disaster recovery.** A financial institution must establish a written plan addressing business continuity and disaster recovery.

Sec. 4. **[46A.04] EXCEPTIONS AND EXEMPTIONS.**

(a) The requirements under section 46A.03, subdivisions 3; 5, paragraph (a); 9; and 10, do not apply to financial institutions that maintain customer information concerning fewer than 5,000 consumers.

(b) This chapter does not apply to credit unions or federally insured depository institutions.

Sec. 5. **[46A.05] ALTERATION OF FEDERAL REGULATION.**

(a) If an amendment to Code of Federal Regulations, title 16, part 314, results in a complete lack of federal regulations in the area, the version of the state requirements in effect at the time of the amendment remain in effect for two years from the date the amendment becomes effective.

(b) During the time period under paragraph (a), the department must adopt replacement administrative rules as necessary and appropriate.

Sec. 6. **[46A.06] NOTIFICATION EVENT.**

Subdivision 1. **Notification requirement.** (a) Upon discovering a notification event as described in subdivision 2, if the notification event involves the information of at least 500 consumers, a financial institution must notify the commissioner without undue delay, but no later than 45 days after the date the event is discovered. The notice must be made (1) in a format specified by the commissioner, and (2) electronically on a form located on the department's website.

(b) The notice must include:

(1) the name and contact information of the reporting financial institution;

(2) a description of the types of information involved in the notification event;

(3) if possible to determine, the date or date range of the notification event;

(4) the number of consumers affected or potentially affected by the notification event;

(5) a general description of the notification event; and

(6) a statement (i) disclosing whether a law enforcement official has provided the financial institution with a written determination indicating that providing notice to the public regarding the breach would impede a criminal investigation or cause damage to national security, and (ii) if a written determination described under item (i) was provided to the financial institution, providing contact information that enables the commissioner to contact the law enforcement official. A law enforcement official may request an initial delay of up to 45 days following the date that notice was provided to the commissioner. The delay may be extended for an additional period of up to 60 days if the law enforcement official seeks an extension in writing. An additional delay may be permitted only if the commissioner determines that public disclosure of a security event continues to impede a criminal investigation or cause damage to national security.

Subd. 2. **Notification event treated as discovered.** A notification event must be treated as discovered on the first day when the event is known to a financial institution. A financial institution is deemed to have knowledge of a notification event if the event is known to any person, other than the person committing the breach, who is the financial institution's employee, officer, or other agent.

Sec. 7. **[46A.07] COMMISSIONER'S POWERS.**

(a) The commissioner has the power to examine and investigate the affairs of any covered financial institution to determine whether the financial institution has been or is engaged in any conduct that violates this chapter. This power is in addition to the powers granted to the commissioner under section 46.01.

(b) If the commissioner has reason to believe that a financial institution has been or is engaged in conduct in Minnesota that violates this chapter, the commissioner may take action necessary or appropriate to enforce this chapter.

Sec. 8. **[46A.08] CONFIDENTIALITY.**

Subdivision 1. **Financial institution information.** (a) Any documents, materials, or other information in the control or possession of the department that are furnished by a licensee or a licensee's employee or agent acting on behalf of a financial institution pursuant to section 46A.06 or that are obtained by the commissioner in an investigation or examination pursuant to section 46A.07: (1) are classified as confidential, protected nonpublic, or both; (2) are not subject to subpoena; and (3) are not subject to discovery or admissible in evidence in any private civil action.

(b) Notwithstanding paragraph (a), clauses (1) to (3), the commissioner is authorized to use the documents, materials, or other information in the furtherance of any regulatory or legal action brought as a part of the commissioner's duties.

Subd. 2. **Certain testimony prohibited.** Neither the commissioner nor any person who received documents, materials, or other information while acting under the authority of the commissioner is permitted or required to testify in a private civil action concerning confidential documents, materials, or information subject to subdivision 1.

Subd. 3. **Information sharing.** In order to assist in the performance of the commissioner's duties under sections 46A.01 to 46A.08, the commissioner may:

(1) share documents, materials, or other information, including the confidential and privileged documents, materials, or information subject to subdivision 1, with other state, federal, and international regulatory agencies, with the Conference of State Bank Supervisors, the Conference of State Bank Supervisors' affiliates or subsidiaries, and with state, federal, and international law enforcement authorities, provided that the recipient agrees in writing to maintain the confidentiality and privileged status of the document, material, or other information;

(2) receive documents, materials, or information, including otherwise confidential and privileged documents, materials, or information, from the Conference of State Bank Supervisors, the Conference of State Bank Supervisors' affiliates or subsidiaries, and from regulatory and law enforcement officials of other foreign or domestic jurisdictions, and must maintain as confidential or privileged any document, material, or information received with notice or the understanding that the document, material, or information is confidential or privileged under the laws of the jurisdiction that is the source of the document, material, or information;

(3) share documents, materials, or other information subject to subdivision 1 with a third-party consultant or vendor, provided the consultant agrees in writing to maintain the confidentiality and privileged status of the document, material, or other information; and

(4) enter into agreements governing the sharing and use of information that are consistent with this subdivision.

Subd. 4. **No waiver of privilege or confidentiality; information retention.** (a) The disclosure of documents, materials, or information to the commissioner under this section or as a result of sharing as authorized in subdivision 3 does not result in a waiver of any applicable privilege or claim of confidentiality in the documents, materials, or information.

(b) A document, material, or information disclosed to the commissioner under this section about a cybersecurity event must be retained and preserved by the financial institution for five years.

Subd. 5. **Certain actions public.** Nothing in sections 46A.01 to 46A.08 prohibits the commissioner from releasing final, adjudicated actions that are open to public inspection pursuant to chapter 13 to a database or other clearinghouse service maintained by the Conference of State Bank Supervisors, the Conference of State Bank Supervisors' affiliates, or the Conference of State Bank Supervisors' subsidiaries.

Subd. 6. **Classification, protection, and use of information by others.** Documents, materials, or other information in the possession or control of the Conference of State Bank Supervisors or a third-party consultant pursuant to sections 46A.01 to 46A.08: (1) are classified as confidential, protected nonpublic, and privileged; (2) are not subject to subpoena; and (3) are not subject to discovery or admissible in evidence in a private civil action.

Sec. 9. Minnesota Statutes 2022, section 47.20, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For the purposes of this section the terms defined in this subdivision have the meanings given them:

(1) "Actual closing costs" mean reasonable charges for or sums paid for the following, whether or not retained by the mortgagee or lender:

(a) Any insurance premiums including but not limited to premiums for title insurance, fire and extended coverage insurance, flood insurance, and private mortgage insurance, but excluding any charges or sums retained by the mortgagee or lender as self-insured retention.

(b) Abstracting, title examination and search, and examination of public records.

(c) The preparation and recording of any or all documents required by law or custom for closing a conventional or cooperative apartment loan.

(d) Appraisal and survey of real property securing a conventional loan or real property owned by a cooperative apartment corporation of which a share or shares of stock or a membership certificate or certificates are to secure a cooperative apartment loan.

(e) A single service charge, which includes any consideration, not otherwise specified herein as an "actual closing cost" paid by the borrower and received and retained by the lender for or related to the acquisition, making, refinancing or modification of a conventional or cooperative apartment loan, and also includes any consideration received by the lender for making a borrower's interest rate commitment or for making a borrower's loan commitment, whether or not an actual loan follows the commitment. The term service charge does not include forward commitment fees. The service charge shall not exceed one percent of the original bona fide principal amount of the conventional or cooperative apartment loan, except that in the case of a construction loan, the service charge shall not exceed two percent of the original bona fide principal amount of the loan. That portion of the service charge imposed because the loan is a construction loan shall be itemized and a copy of the itemization furnished the borrower. A lender shall not collect from a borrower the additional one percent service charge permitted for a construction loan if it does not perform the service for which the charge is imposed or if third parties perform and charge the borrower for the service for which the lender has imposed the charge.

(f) Charges and fees necessary for or related to the transfer of real or personal property securing a conventional or cooperative apartment loan or the closing of a conventional or cooperative apartment loan paid by the borrower and received by any party other than the lender.

(2) "Contract for deed" means an executory contract for the conveyance of real estate, the original principal amount of which is less than \$300,000. A commitment for a contract for deed shall include an executed purchase agreement or earnest money contract wherein the seller agrees to finance any part or all of the purchase price by a contract for deed.

(3) "Conventional loan" means a loan or advance of credit, other than a loan or advance of credit made by a credit union or made pursuant to section 334.011, to a noncorporate borrower in an original principal amount of less than \$100,000 or equal to the conforming loan limit established by the Federal Housing Finance Agency under the Housing and Recovery Act of 2018, Public Law 110-289, secured by a mortgage upon real property containing one or more residential units or upon which at the time the loan is made it is intended that one or more residential units are to be constructed, and which is not insured or guaranteed by the secretary of housing and urban development, by the administrator of veterans affairs, or by the administrator of the Farmers Home Administration, and which is not made pursuant to the authority granted in subdivision 1, clause (3) or (4). The term mortgage does not include contracts for deed or installment land contracts.

(4) "Cooperative apartment loan" means a loan or advance of credit, other than a loan or advance of credit made by a credit union or made pursuant to section 334.011, to a noncorporate borrower in an original principal amount of less than \$100,000, secured by a security interest on a share or shares of stock or a membership certificate or certificates issued to a stockholder or member by a cooperative apartment corporation, which may be accompanied by an assignment by way of security of the borrower's interest in the proprietary lease or occupancy agreement in property issued by the cooperative apartment corporation and which is not insured or guaranteed by the secretary of housing and urban development, by the administrator of veterans affairs, or by the administrator of the Farmers Home Administration.

(5) "Cooperative apartment corporation" means a corporation or cooperative organized under chapter 308A or 317A, the shareholders or members of which are entitled, solely by reason of their ownership of stock or membership certificates in the corporation or association, to occupy one or more residential units in a building owned or leased by the corporation or association.

(6) "Forward commitment fee" means a fee or other consideration paid to a lender for the purpose of securing a binding forward commitment by or through the lender to make conventional loans to two or more credit worthy purchasers, including future purchasers, of residential units, or a fee or other consideration paid to a lender for the purpose of securing a binding forward commitment by or through the lender to make conventional loans to two or more credit worthy purchasers, including future purchasers, of units to be created out of existing structures pursuant to chapter 515B, or a fee or other consideration paid to a lender for the purpose of securing a binding forward commitment by or through the lender to make cooperative apartment loans to two or more credit worthy purchasers, including future purchasers, of a share or shares of stock or a membership certificate or certificates in a cooperative apartment corporation; provided, that the forward commitment rate of interest does not exceed the maximum lawful rate of interest effective as of the date the forward commitment is issued by the lender.

(7) "Borrower's interest rate commitment" means a binding commitment made by a lender to a borrower wherein the lender agrees that, if a conventional or cooperative apartment loan is made following issuance of and pursuant to the commitment, the conventional or cooperative apartment loan shall be made at a rate of interest not in excess of the rate of interest agreed to in the commitment, provided that the rate of interest agreed to in the commitment is not in excess of the maximum lawful rate of interest effective as of the date the commitment is issued by the lender to the borrower.

(8) "Borrower's loan commitment" means a binding commitment made by a lender to a borrower wherein the lender agrees to make a conventional or cooperative apartment loan pursuant to the provisions, including the interest rate, of the commitment, provided that the commitment rate of interest does not exceed the maximum lawful rate of interest effective as of the date the commitment is issued and the commitment when issued and agreed to shall constitute a legally binding obligation on the part of the mortgagee or lender to make a conventional or cooperative apartment loan within a specified time period in the future at a rate of interest not exceeding the maximum lawful rate of interest effective as of the date the commitment is issued by the lender to the borrower; provided that a lender who issues a borrower's loan commitment pursuant to the provisions of a forward commitment is authorized to issue the borrower's loan commitment at a rate of interest not to exceed the maximum lawful rate of interest effective as of the date the forward commitment is issued by the lender.

(9) "Finance charge" means the total cost of a conventional or cooperative apartment loan including extensions or grant of credit regardless of the characterization of the same and includes interest, finders fees, and other charges levied by a lender directly or indirectly against the person obtaining the conventional or cooperative apartment loan or against a seller of real property securing a conventional loan or a seller of a share or shares of stock or a membership certificate or certificates in a cooperative apartment corporation securing a cooperative apartment loan, or any other party to the transaction except any actual closing costs and any forward commitment fee. The finance charges plus the actual closing costs and any forward commitment fee, charged by a lender shall include all charges made by a lender other than the principal of the conventional or cooperative apartment loan. The finance charge, with respect to wraparound mortgages, shall be computed based upon the face amount of the wraparound mortgage note, which face amount shall consist of the aggregate of those funds actually advanced by the wraparound lender and the total outstanding principal balances of the prior note or notes which have been made a part of the wraparound mortgage note.

(10) "Lender" means any person making a conventional or cooperative apartment loan, or any person arranging financing for a conventional or cooperative apartment loan. The term also includes the holder or assignee at any time of a conventional or cooperative apartment loan.

(11) "Loan yield" means the annual rate of return obtained by a lender over the term of a conventional or cooperative apartment loan and shall be computed as the annual percentage rate as computed in accordance with sections 226.5 (b), (c), and (d) of Regulation Z, Code of Federal Regulations, title 12, part 226, but using the definition of finance charge provided for in this subdivision. For purposes of this section, with respect to wraparound mortgages, the rate of interest or loan yield shall be based upon the principal balance set forth in the wraparound note and mortgage and shall not include any interest differential or yield differential between the stated interest rate on the wraparound mortgage and the stated interest rate on the one or more prior mortgages included in the stated loan amount on a wraparound note and mortgage.

(12) "Person" means an individual, corporation, business trust, partnership or association or any other legal entity.

(13) "Residential unit" means any structure used principally for residential purposes or any portion thereof, and includes a unit in a common interest community, a nonowner occupied residence, and any other type of residence regardless of whether the unit is used as a principal residence, secondary residence, vacation residence, or residence of some other denomination.

(14) "Vendor" means any person or persons who agree to sell real estate and finance any part or all of the purchase price by a contract for deed. The term also includes the holder or assignee at any time of the vendor's interest in a contract for deed.

Sec. 10. Minnesota Statutes 2022, section 47.54, subdivision 2, is amended to read:

Subd. 2. **Approval order.** (a) If no objection is received by the commissioner within 15 days after the publication of the notice, the commissioner shall issue an order must provide written consent approving the application without a hearing if it is found the commissioner finds that (a): (1) the applicant bank meets current industry standards of capital adequacy, management quality, and asset condition; ~~(b);~~ (2) the establishment of the proposed detached facility will improve improves the quality or increase the availability of banking services in the community to be served; and ~~(c)~~ (3) the establishment of the proposed detached facility will does not have an undue adverse effect upon the solvency of existing financial institutions in the community to be served.

~~Otherwise,~~ (b) The commissioner shall must deny the an application that does not meet the criteria under paragraph (a), clauses (1) to (3).

(c) Any proceedings for judicial review of an order of written consent provided by the commissioner issued under this subdivision without a contested case hearing shall be conducted pursuant to the provisions of the Administrative Procedure Act relating to judicial review of agency decisions, sections 14.63 to 14.69, and the scope of judicial review in such proceedings shall be as provided therein. Nothing herein shall be construed as requiring the commissioner to conduct a contested case hearing if no written objection is timely received by the commissioner from a bank within three miles of the proposed location of the detached facility.

Sec. 11. Minnesota Statutes 2022, section 47.54, subdivision 6, is amended to read:

Subd. 6. **Expiration and extension of order approval.** If a facility is not activated within 18 months from the date of the order approval is granted under subdivision 2, the approval order automatically expires. Upon a request of made by the applicant prior to before the automatic expiration date of the order approval expires, the commissioner may grant reasonable extensions of time to the applicant to activate the facility as the commissioner deems necessary. The extensions of time shall not exceed a total of an additional 12 months. If the commissioner's order approval is the subject of an appeal in accordance with chapter 14, the time period referred to in this section for activation of to activate the facility and any extensions shall begin begins when all appeals or rights of appeal from the commissioner's order approval have concluded or expired.

Sec. 12. Minnesota Statutes 2022, section 48.24, subdivision 2, is amended to read:

Subd. 2. **Loan liabilities.** Loans not exceeding 25 percent of such capital and surplus made upon first mortgage security on improved real estate in any state in which the bank or a ~~branch established under section 49.411~~ detached facility of the bank is located, or in any state adjoining a state in which the bank or a ~~branch established under section 49.411~~ detached facility of the bank is located, shall not constitute a liability of the maker of the notes secured by such mortgages within the meaning of the foregoing provision limiting liability, but shall be an actual liability of the maker. These mortgage loans shall be limited to, and in no case exceed, 50 percent of the cash value of the security covered by the mortgage, except mortgage loans guaranteed as provided by the Servicemen's Readjustment Act of 1944, as now or hereafter amended, or for which there is a commitment to so guarantee or for which a conditional guarantee has been issued, which loans shall in no case exceed 60 percent of the cash value of the security covered by such mortgage. For the purposes of this subdivision, real estate is improved when substantial and permanent development or construction has contributed substantially to its value, and agricultural land is improved when farm crops are regularly raised on such land without further substantial improvements.

Sec. 13. Minnesota Statutes 2023 Supplement, section 53B.28, subdivision 18, is amended to read:

Subd. 18. **Money transmission.** (a) "Money transmission" means:

- (1) selling or issuing payment instruments to a person located in this state;
- (2) selling or issuing stored value to a person located in this state; or
- (3) receiving money for transmission from a person located in this state.

(b) ~~Money includes payroll processing services.~~ Money transmission does not include the provision solely of online or telecommunications services or network access.

Sec. 14. Minnesota Statutes 2023 Supplement, section 53B.28, subdivision 25, is amended to read:

Subd. 25. **Payroll processing services.** "Payroll processing services" means ~~receiving money for transmission pursuant to a contract with a person to deliver~~ delivering wages or salaries, ~~make~~ making payment of payroll taxes to state and federal agencies, ~~make~~ making payments relating to employee benefit plans, ~~or make~~ making distributions of other authorized deductions from wages or salaries, ~~or transmitting money on behalf of an employer in connection with transactions related to employees.~~ The term payroll processing services ~~does not include~~ includes an employer performing payroll processing services on the employer's own behalf or on behalf of the employer's affiliate; ~~or a~~ and professional employment organization ~~subject to regulation under other applicable state law~~ organizations.

Sec. 15. Minnesota Statutes 2023 Supplement, section 53B.29, is amended to read:

53B.29 EXEMPTIONS.

This chapter does not apply to:

(1) an operator of a payment system, to the extent the operator of a payment system provides processing, clearing, or settlement services between or among persons exempted by this section or licensees in connection with wire transfers, credit card transactions, debit card transactions, stored-value transactions, automated clearing house transfers, or similar funds transfers;

(2) a person appointed as an agent of a payee to collect and process a payment from a payor to the payee for goods or services, other than money transmission itself, provided to the payor by the payee, provided that:

(i) there exists a written agreement between the payee and the agent directing the agent to collect and process payments from payors on the payee's behalf;

(ii) the payee holds the agent out to the public as accepting payments for goods or services on the payee's behalf; and

(iii) payment for the goods and services is treated as received by the payee upon receipt by the agent so that the payor's obligation is extinguished and there is no risk of loss to the payor if the agent fails to remit the funds to the payee;

(3) a person that acts as an intermediary by processing payments between an entity that has directly incurred an outstanding money transmission obligation to a sender, and the sender's designated recipient, provided that the entity:

(i) is properly licensed or exempt from licensing requirements under this chapter;

(ii) provides a receipt, electronic record, or other written confirmation to the sender identifying the entity as the provider of money transmission in the transaction; and

(iii) bears sole responsibility to satisfy the outstanding money transmission obligation to the sender, including the obligation to make the sender whole in connection with any failure to transmit the funds to the sender's designated recipient;

(4) the United States; a department, agency, or instrumentality of the United States; or an agent of the United States;

(5) money transmission by the United States Postal Service or by an agent of the United States Postal Service;

(6) a state; county; city; any other governmental agency, governmental subdivision, or instrumentality of a state; or the state's agent;

(7) a federally insured depository financial institution; bank holding company; office of an international banking corporation; foreign bank that establishes a federal branch pursuant to the International Bank Act, United States Code, title 12, section 3102, as amended or recodified from time to time; corporation organized pursuant to the Bank Service Corporation Act, United States Code, title 12, sections 1861 to 1867, as amended or recodified from time to time; or corporation organized under the Edge Act, United States Code, title 12, sections 611 to 633, as amended or recodified from time to time;

(8) electronic funds transfer of governmental benefits for a federal, state, county, or governmental agency by a contractor on behalf of the United States or a department, agency, or instrumentality thereof, or on behalf of a state or governmental subdivision, agency, or instrumentality thereof;

(9) a board of trade designated as a contract market under the federal Commodity Exchange Act, United States Code, title 7, sections 1 to 25, as amended or recodified from time to time; or a person that in the ordinary course of business provides clearance and settlement services for a board of trade to the extent of its operation as or for a board;

(10) a registered futures commission merchant under the federal commodities laws, to the extent of the registered futures commission merchant's operation as a merchant;

(11) a person registered as a securities broker-dealer under federal or state securities laws, to the extent of the person's operation as a securities broker-dealer;

(12) an individual employed by a licensee, authorized delegate, or any person exempted from the licensing requirements under this chapter when acting within the scope of employment and under the supervision of the licensee, authorized delegate, or exempted person as an employee and not as an independent contractor;

(13) a person expressly appointed as a third-party service provider to or agent of an entity exempt under clause (7), solely to the extent that:

(i) the service provider or agent is engaging in money transmission on behalf of and pursuant to a written agreement with the exempt entity that sets forth the specific functions that the service provider or agent is to perform; and

(ii) the exempt entity assumes all risk of loss and all legal responsibility for satisfying the outstanding money transmission obligations owed to purchasers and holders of the outstanding money transmission obligations upon receipt of the purchaser's or holder's money or monetary value by the service provider or agent; ~~or~~

(14) a payroll processing services provider; or

~~(14)~~ (15) a person exempt by regulation or order if the commissioner finds that (i) the exemption is in the public interest, and (ii) the regulation of the person is not necessary for the purposes of this chapter.

Sec. 16. Minnesota Statutes 2022, section 58.02, is amended by adding a subdivision to read:

Subd. 15a. **Nationwide Multistate Licensing System and Registry.** "Nationwide Multistate Licensing System and Registry" has the meaning given in section 58A.02, subdivision 8.

Sec. 17. Minnesota Statutes 2022, section 58.02, subdivision 18, is amended to read:

Subd. 18. **Residential mortgage loan.** "Residential mortgage loan" means a loan secured primarily by either: (1) a mortgage, deed of trust, or other equivalent security interest on residential real ~~property~~ estate; or (2) certificates of stock or other evidence of ownership interest in and proprietary lease from corporations, partnerships, or other forms of business organizations formed for the purpose of cooperative ownership of residential real ~~property~~ estate.

Sec. 18. Minnesota Statutes 2022, section 58.02, subdivision 21, is amended to read:

Subd. 21. **Residential real estate.** "Residential real estate" means real property located in Minnesota upon which a dwelling, as defined in United States Code, title 15, section 1602(w), is constructed or is intended to be constructed, whether or not the owner occupies the real property.

Sec. 19. Minnesota Statutes 2022, section 58.04, subdivision 1, is amended to read:

Subdivision 1. **Residential mortgage originator licensing requirements.** (a) No person shall act as a residential mortgage originator, or make residential mortgage loans without first obtaining a license from the commissioner according to the licensing procedures provided in this chapter.

(b) A licensee must be either a partnership, limited liability partnership, association, limited liability company, corporation, or other form of business organization, and must have and maintain a surety bond in the amounts prescribed under section 58.08.

(c) The following persons are exempt from the residential mortgage originator licensing requirements:

(1) a person who is not in the business of making residential mortgage loans and who makes no more than three such loans, with its own funds, during any 12-month period;

(2) a financial institution as defined in section 58.02, subdivision 10;

(3) an agency of the federal government, or of a state or municipal government;

(4) an employee or employer pension plan making loans only to its participants;

(5) a person acting in a fiduciary capacity, such as a trustee or receiver, as a result of a specific order issued by a court of competent jurisdiction;

(6) a person who is a bona fide nonprofit organization that meets all the criteria required by the federal Secure and Fair Enforcement Licensing Act in Regulation H, adopted pursuant to Code of Federal Regulations, title 12, part 1008, subpart B, section 1008.103 (e)(7)(ii);

~~(6)~~ (7) a person exempted by order of the commissioner; or

~~(7)~~ (8) a manufactured home dealer, as defined in section 327B.01, subdivision 7 or 11b, or a manufactured home salesperson, as defined in section 327B.01, subdivision 19, that:

(i) performs only clerical or support duties in connection with assisting a consumer in filling out a residential mortgage loan application but does not in any way offer or negotiate loan terms, or hold themselves out as a housing counselor;

(ii) does not receive any direct or indirect compensation or gain from any individual or company for assisting consumers with a residential mortgage loan application, in excess of the customary salary or commission from the employer in connection with the sales transaction; and

(iii) discloses to the borrower in writing:

(A) if a corporate affiliation with a lender exists;

(B) if a corporate affiliation with a lender exists, that the lender cannot guarantee the lowest or best terms available and the consumer has the right to choose their lender; and

(C) if a corporate affiliation with a lender exists, the name of at least one unaffiliated lender.

(d) For the purposes of this subdivision, "housing counselor" means an individual who provides assistance and guidance about residential mortgage loan terms including rates, fees, or other costs.

(e) The disclosures required under paragraph (c), clause ~~(7)~~ (8), item (iii), must be made on a one-page form prescribed by the commissioner and developed in consultation with the Manufactured and Modular Home Association. The form must be posted on the department's website.

Sec. 20. Minnesota Statutes 2022, section 58.04, subdivision 2, is amended to read:

Subd. 2. **Residential mortgage servicer licensing requirements.** (a) Beginning August 1, 1999, no person shall engage in activities or practices that fall within the definition of "servicing a residential mortgage loan" under section 58.02, subdivision 22, without first obtaining a license from the commissioner according to the licensing procedures provided in this chapter.

(b) The following persons are exempt from the residential mortgage servicer licensing requirements:

(1) a person licensed as a residential mortgage originator;

(2) an employee of one licensee or one person holding a certificate of exemption based on an exemption under this subdivision;

(3) a person servicing loans made with its own funds, if no more than three such loans are made in any 12-month period;

(4) a financial institution as defined in section 58.02, subdivision 10;

(5) an agency of the federal government, or of a state or municipal government;

(6) an employee or employer pension plan making loans only to its participants;

(7) a person acting in a fiduciary capacity, such as a trustee or receiver, as a result of a specific order issued by a court of competent jurisdiction; ~~or~~

(8) a person who is a bona fide nonprofit organization that meets all the criteria required by the federal Secure and Fair Enforcement Licensing Act in Regulation H, Code of Federal Regulations, title 12, part 1008, subpart B, section 1008.103 (e)(7)(ii); or

~~(8)~~ (9) a person exempted by order of the commissioner.

Sec. 21. Minnesota Statutes 2022, section 58.05, subdivision 1, is amended to read:

Subdivision 1. **Exempt person.** (a) An exempt person, as defined by section 58.04, subdivision 1, paragraph (c), and subdivision 2, paragraph (b), is exempt from the licensing requirements of this chapter, but is subject to all other provisions of this chapter.

(b) Paragraph (a) does not apply to an institution covered under section 58.04, subdivision 4, even if the institution is otherwise an exempt person.

Sec. 22. Minnesota Statutes 2022, section 58.05, subdivision 3, is amended to read:

Subd. 3. **Certificate of exemption.** ~~A person~~ (a) The following persons must obtain a certificate of exemption from the commissioner to qualify as an exempt person under section 58.04, subdivision 1, paragraph (c); a financial institution under clause (2);

(1) a bona fide nonprofit organization under section 58.04, subdivision 1, paragraph (c), clause (6); or

(2) a person exempted by order of the commissioner under section 58.04, subdivision 1, paragraph (c), clause (6); or (7).

(b) The following persons must obtain a certificate of exemption from the commissioner to qualify as an exempt person under section 58.04, subdivision 2, paragraph (b); as a financial institution under clause (4);

(1) a bona fide nonprofit organization under section 58.04, subdivision 2, paragraph (b), clause (8); or

(2) a person exempted by order of the commissioner under section 58.04, subdivision 2, paragraph (b), clause (8) (9).

Sec. 23. Minnesota Statutes 2022, section 58.06, is amended by adding a subdivision to read:

Subd. 5. **Background checks.** In connection with an application for a residential mortgage loan originator or servicer license, any person in control of an applicant must, at a minimum, provide the Nationwide Multistate Licensing System and Registry information concerning the person's identity, including:

(1) fingerprints for submission to the Federal Bureau of Investigation and a governmental agency or entity authorized to receive the information for a state, national, and international criminal history background check; and

(2) personal history and experience in a form prescribed by the Nationwide Multistate Licensing System and Registry, including the submission of authorization for the Nationwide Multistate Licensing System and Registry and the commissioner to obtain:

(i) an independent credit report obtained from a consumer reporting agency described in United States Code, title 15, section 1681a(p); and

(ii) information related to administrative, civil, or criminal findings by a governmental jurisdiction.

Sec. 24. Minnesota Statutes 2022, section 58.06, is amended by adding a subdivision to read:

Subd. 6. Requesting and distributing criminal information; agency. For the purposes of this section and in order to reduce the points of contact the Federal Bureau of Investigation may have to maintain for purposes of subdivision 5, clauses (1) and (2), the commissioner may use the Nationwide Multistate Licensing System and Registry as a channeling agent to request information from and distribute information to the United States Department of Justice or any governmental agency.

Sec. 25. Minnesota Statutes 2022, section 58.06, is amended by adding a subdivision to read:

Subd. 7. Requesting and distributing noncriminal information; agency. For the purposes of this section and in order to reduce the points of contact the commissioner may have to maintain for purposes of subdivision 5, clause (2), the commissioner may use the Nationwide Multistate Licensing System and Registry as a channeling agent to request and distribute information from and to any source, as directed by the commissioner.

Sec. 26. Minnesota Statutes 2022, section 58.08, subdivision 1a, is amended to read:

Subd. 1a. Residential mortgage originators. (a) An applicant for a residential mortgage originator license must file with the department a surety bond in the amount of ~~\$100,000~~ \$125,000, issued by an insurance company authorized to do so in this state. The bond must cover all mortgage loan originators who are employees or independent agents of the applicant. The bond must be available for the recovery of expenses, fines, and fees levied by the commissioner under this chapter and for losses incurred by borrowers as a result of a licensee's noncompliance with the requirements of this chapter, sections 325D.43 to 325D.48, and 325F.67 to 325F.69, or breach of contract relating to activities regulated by this chapter.

(b) The bond must be submitted with the originator's license application and evidence of continued coverage must be submitted with each renewal. Any change in the bond must be submitted for approval by the commissioner, within ten days of its execution. The bond or a substitute bond shall remain in effect during all periods of licensing.

(c) Upon filing of the mortgage call report as required by section ~~58A.17~~ 58.141, a licensee shall maintain or increase ~~its~~ the licensee's surety bond to reflect the total dollar amount of the closed residential mortgage loans originated in this state in the preceding year according to the table in this paragraph. A licensee may decrease ~~its~~ the licensee's surety bond according to the table in this paragraph if the surety bond required is less than the amount of the surety bond on file with the department.

| Dollar Amount of Closed Residential Mortgage Loans | Surety Bond Required |
|---|---------------------------------------|
| \$0 to \$5,000,000 <u>\$10,000,000</u> | \$100,000 <u>\$125,000</u> |
| \$5,000,000.01 <u>\$10,000,000.01</u> to \$10,000,000 <u>\$25,000,000</u> | \$125,000 <u>\$150,000</u> |
| \$10,000,000.01 <u>\$25,000,000.01</u> to \$25,000,000 <u>\$100,000,000</u> | \$150,000 <u>\$200,000</u> |
| Over \$25,000,000 <u>\$100,000,000</u> | \$200,000 <u>\$300,000</u> |

For purposes of this subdivision, "mortgage loan originator" has the meaning given the term in section 58A.02, subdivision 7.

Sec. 27. Minnesota Statutes 2022, section 58.08, subdivision 2, is amended to read:

Subd. 2. **Residential mortgage servicers.** (a) A residential mortgage servicer licensee shall continuously maintain a surety bond or irrevocable letter of credit in an amount not less than ~~\$100,000~~ \$125,000 in a form approved by the commissioner, issued by an insurance company or bank authorized to do so in this state. The bond or irrevocable letter of credit must be available for the recovery of expenses, fines, and fees levied by the commissioner under this chapter, and for losses or damages incurred by borrowers or other aggrieved parties as the result of a licensee's noncompliance with the requirements of this chapter, sections 325D.43 to 325D.48, and 325F.67 to 325F.69, or breach of contract relating to activities regulated by this chapter.

(b) The bond or irrevocable letter of credit must be submitted with the servicer's license application and evidence of continued coverage must be submitted with each renewal. Any change in the bond or letter of credit must be submitted for approval by the commissioner, within ten days of its execution. The bond or a substitute bond must remain in effect during all periods of a license.

(c) Upon filing the mortgage call report under section 58.141, a licensee must maintain or increase the licensee's surety bond to reflect the total dollar amount of unpaid principal balance for residential mortgage loans serviced in Minnesota during the preceding quarter according to the table in this paragraph. A licensee may decrease the licensee's surety bond according to the table in this paragraph if the surety bond required is less than the amount of the surety bond on file with the department.

| <u>Dollar Amount of Unpaid Principal Balance for Serviced Residential Mortgage Loans</u> | <u>Surety Bond Required</u> |
|--|-----------------------------|
| <u>\$0 to \$10,000,000</u> | <u>\$125,000</u> |
| <u>\$10,000,000.01 to \$50,000,000</u> | <u>\$200,000</u> |
| <u>Over \$50,000,000</u> | <u>\$300,000</u> |

Sec. 28. Minnesota Statutes 2022, section 58.10, subdivision 3, is amended to read:

Subd. 3. **Consumer education account; money credited and appropriated.** (a) The consumer education account is created in the special revenue fund. Money credited to this account may be appropriated to the commissioner ~~for the purpose of making~~ to: (1) make grants to programs and campaigns designed to help consumers avoid being victimized by unscrupulous lenders and mortgage brokers; and (2) pay for expenses the commissioner incurs to provide outreach and education related to affordable housing and home ownership education. The commissioner must give preference ~~shall be given~~ for grants to programs and campaigns designed by coalitions of public sector, private sector, and nonprofit agencies, institutions, companies, and organizations.

(b) A sum sufficient is appropriated annually from the consumer education account to the commissioner to make the grants described in paragraph (a).

Sec. 29. Minnesota Statutes 2022, section 58.115, is amended to read:

58.115 EXAMINATIONS.

The commissioner has under this chapter the same powers with respect to examinations that the commissioner has under section 46.04. In addition to the powers under section 46.04, the commissioner may accept examination reports prepared by a state agency that has comparable supervisory powers and examination procedures. The authority under section 49.411, subdivision 7, applies to examinations of institutions under this chapter.

Sec. 30. Minnesota Statutes 2022, section 58.13, subdivision 1, is amended to read:

Subdivision 1. **Generally.** (a) No person acting as a residential mortgage originator or servicer, including a person required to be licensed under this chapter, and no person exempt from the licensing requirements of this chapter under section 58.04, except as otherwise provided in paragraph (b), shall:

(1) fail to maintain a trust account to hold trust funds received in connection with a residential mortgage loan;

(2) fail to deposit all trust funds into a trust account within three business days of receipt; commingle trust funds with funds belonging to the licensee or exempt person; or use trust account funds for any purpose other than that for which they are received;

(3) unreasonably delay the processing of a residential mortgage loan application, or the closing of a residential mortgage loan. For purposes of this clause, evidence of unreasonable delay includes but is not limited to those factors identified in section 47.206, subdivision 7, paragraph (d);

(4) fail to disburse funds according to its contractual or statutory obligations;

(5) fail to perform in conformance with its written agreements with borrowers, investors, other licensees, or exempt persons;

(6) charge a fee for a product or service where the product or service is not actually provided, or misrepresent the amount charged by or paid to a third party for a product or service;

(7) fail to comply with sections 345.31 to 345.60, the Minnesota unclaimed property law;

(8) violate any provision of any other applicable state or federal law regulating residential mortgage loans including, without limitation, sections 47.20 to 47.208 and 47.58;

(9) make or cause to be made, directly or indirectly, any false, deceptive, or misleading statement or representation in connection with a residential loan transaction including, without limitation, a false, deceptive, or misleading statement or representation regarding the borrower's ability to qualify for any mortgage product;

(10) conduct residential mortgage loan business under any name other than that under which the license or certificate of exemption was issued;

(11) compensate, whether directly or indirectly, coerce or intimidate an appraiser for the purpose of influencing the independent judgment of the appraiser with respect to the value of real estate that is to be covered by a residential mortgage or is being offered as security according to an application for a residential mortgage loan;

(12) issue any document indicating conditional qualification or conditional approval for a residential mortgage loan, unless the document also clearly indicates that final qualification or approval is not guaranteed, and may be subject to additional review;

(13) make or assist in making any residential mortgage loan with the intent that the loan will not be repaid and that the residential mortgage originator will obtain title to the property through foreclosure;

(14) provide or offer to provide for a borrower, any brokering or lending services under an arrangement with a person other than a licensee or exempt person, provided that a person may rely upon a written representation by the residential mortgage originator that it is in compliance with the licensing requirements of this chapter;

(15) claim to represent a licensee or exempt person, unless the person is an employee of the licensee or exempt person or unless the person has entered into a written agency agreement with the licensee or exempt person;

(16) fail to comply with the record keeping and notification requirements identified in section 58.14 or fail to abide by the affirmations made on the application for licensure;

(17) represent that the licensee or exempt person is acting as the borrower's agent after providing the nonagency disclosure required by section 58.15, unless the disclosure is retracted and the licensee or exempt person complies with all of the requirements of section 58.16;

(18) make, provide, or arrange for a residential mortgage loan that is of a lower investment grade if the borrower's credit score or, if the originator does not utilize credit scoring or if a credit score is unavailable, then comparable underwriting data, indicates that the borrower may qualify for a residential mortgage loan, available from or through the originator, that is of a higher investment grade, unless the borrower is informed that the borrower may qualify for a higher investment grade loan with a lower interest rate and/or lower discount points, and consents in writing to receipt of the lower investment grade loan;

For purposes of this section, "investment grade" refers to a system of categorizing residential mortgage loans in which the loans are distinguished by interest rate or discount points or both charged to the borrower, which vary according to the degree of perceived risk of default based on factors such as the borrower's credit, including credit score and credit patterns, income and employment history, debt ratio, loan-to-value ratio, and prior bankruptcy or foreclosure;

(19) make, publish, disseminate, circulate, place before the public, or cause to be made, directly or indirectly, any advertisement or marketing materials of any type, or any statement or representation relating to the business of residential mortgage loans that is false, deceptive, or misleading;

(20) advertise loan types or terms that are not available from or through the licensee or exempt person on the date advertised, or on the date specified in the advertisement. For purposes of this clause, advertisement includes, but is not limited to, a list of sample mortgage terms, including interest rates, discount points, and closing costs provided by licensees or exempt persons to a print or electronic medium that presents the information to the public;

(21) use or employ phrases, pictures, return addresses, geographic designations, or other means that create the impression, directly or indirectly, that a licensee or other person is a governmental agency, or is associated with, sponsored by, or in any manner connected to, related to, or endorsed by a governmental agency, if that is not the case;

(22) violate section 82.77, relating to table funding;

(23) make, provide, or arrange for a residential mortgage loan all or a portion of the proceeds of which are used to fully or partially pay off a "special mortgage" unless the borrower has obtained a written certification from an authorized independent loan counselor that the borrower has received counseling on the advisability of the loan transaction. For purposes of this section, "special mortgage" means a residential mortgage loan originated, subsidized, or guaranteed by or through a state, tribal, or local government, or nonprofit organization, that bears one or more of the following nonstandard payment terms which substantially benefit the borrower: (i) payments vary with income; (ii) payments of principal or interest are not required or can be deferred under specified conditions; (iii) principal or interest is forgivable under specified conditions; or (iv) where no interest or an annual interest rate of two percent or less is charged in connection with the loan. For purposes of this section, "authorized independent loan counselor" means a nonprofit, third-party individual or organization providing home buyer education programs, foreclosure prevention services, mortgage loan counseling, or credit counseling certified by the United States Department of Housing and Urban Development, the Minnesota Home Ownership Center, the Minnesota Mortgage Foreclosure Prevention Association, AARP, or NeighborWorks America;

(24) make, provide, or arrange for a residential mortgage loan without verifying the borrower's reasonable ability to pay the scheduled payments of the following, as applicable: principal; interest; real estate taxes; homeowner's insurance, assessments, and mortgage insurance premiums. For loans in which the interest rate may vary, the reasonable ability to pay shall be determined based on a fully indexed rate and a repayment schedule which achieves full amortization over the life of the loan. For all residential mortgage loans, the borrower's income and financial resources must be verified by tax returns, payroll receipts, bank records, or other similarly reliable documents.

Nothing in this section shall be construed to limit a mortgage originator's or exempt person's ability to rely on criteria other than the borrower's income and financial resources to establish the borrower's reasonable ability to repay the residential mortgage loan, including criteria established by the United States Department of Veterans Affairs or the United States Department of Housing and Urban Development for interest rate reduction refinancing loans or streamline loans, or criteria authorized or promulgated by the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation; however, such other criteria must be verified through reasonably reliable methods and documentation. The mortgage originator's analysis of the borrower's reasonable ability to repay may include, but is not limited to, consideration of the following items, if verified: (1) the borrower's current and expected income; (2) current and expected cash flow; (3) net worth and other financial resources other than the consumer's equity in the dwelling that secures the loan; (4) current financial obligations; (5) property taxes and insurance; (6) assessments on the property; (7) employment status; (8) credit history; (9) debt-to-income ratio; (10) credit scores; (11) tax returns; (12) pension statements; and (13) employment payment records, provided that no mortgage originator shall disregard facts and circumstances that indicate that the financial or other information submitted by the consumer is inaccurate or incomplete. A statement by the borrower to the residential mortgage originator or exempt person of the borrower's income and resources or sole reliance on any single

item listed above is not sufficient to establish the existence of the income or resources when verifying the reasonable ability to pay;

(25) engage in "churning." As used in this section, "churning" means knowingly or intentionally making, providing, or arranging for a residential mortgage loan when the new residential mortgage loan does not provide a reasonable, tangible net benefit to the borrower considering all of the circumstances, including the terms of both the new and refinanced loans, the cost of the new loan, and the borrower's circumstances; In order to demonstrate a reasonable, tangible net benefit to the borrower, the circumstances at the time of the application must be documented in writing and must be signed by the borrower prior to the closing date;

(26) the first time a residential mortgage originator orally informs a borrower of the anticipated or actual periodic payment amount for a first-lien residential mortgage loan which does not include an amount for payment of property taxes and hazard insurance, the residential mortgage originator must inform the borrower that an additional amount will be due for taxes and insurance and, if known, disclose to the borrower the amount of the anticipated or actual periodic payments for property taxes and hazard insurance. This same oral disclosure must be made each time the residential mortgage originator orally informs the borrower of a different anticipated or actual periodic payment amount change from the amount previously disclosed. A residential mortgage originator need not make this disclosure concerning a refinancing loan if the residential mortgage originator knows that the borrower's existing loan that is anticipated to be refinanced does not have an escrow account; or

(27) make, provide, or arrange for a residential mortgage loan, other than a reverse mortgage pursuant to United States Code, title 15, chapter 41, if the borrower's compliance with any repayment option offered pursuant to the terms of the loan will result in negative amortization during any six-month period.

(b) Paragraph (a), clauses (24) through (27), do not apply to a state or federally chartered bank, savings bank, or credit union, an institution chartered by Congress under the Farm Credit Act, or to a person making, providing, or arranging a residential mortgage loan originated or purchased by a state agency or a tribal or local unit of government. This paragraph supersedes any inconsistent provision of this chapter.

Sec. 31. **[58.141] REPORTS AND UNIQUE IDENTIFIER.**

Subdivision 1. **Mortgage call reports.** A residential mortgage originator or servicer must submit reports of condition to the Nationwide Multistate Licensing System and Registry. Reports submitted under this subdivision must be in the form and contain the information required by the Nationwide Multistate Licensing System and Registry.

Subd. 2. **Report to Nationwide Multistate Licensing System and Registry.** Subject to section 58A.14, the commissioner must regularly report violations of this chapter, as well as enforcement actions and other relevant information, to the Nationwide Multistate Licensing System and Registry.

Subd. 3. **Unique identifier; display.** The unique identifier of any person originating a residential mortgage loan must be clearly displayed on all residential mortgage loan application forms, solicitations, or advertisements, including business cards or websites, and any other documents the commissioner establishes by rule or order.

Sec. 32. **[60M.01] DEFINITIONS.**

Subdivision 1. **Terms.** For the purposes of this chapter, the terms defined in this section have the meanings given.

Subd. 2. **Bail bond.** "Bail bond" means a three-party contract between the state, the accused, and the surety whereby an individual is released to the custody of the surety, and the surety guarantees to the state the appearance of the individual at all criminal proceedings for which the surety bond is posted.

Subd. 3. **Bail bond agency.** "Bail bond agency" means an agency contracted by a surety to supervise or otherwise manage the bail bond business written in Minnesota by producers appointed by the surety.

Subd. 4. **Commissioner.** "Commissioner" means the commissioner of commerce.

Subd. 5. **Department.** "Department" means the Department of Commerce.

Subd. 6. **Depositor.** "Depositor" means:

(1) an individual that has paid money to a surety, bail bond agency, or producer as premium or premium toward a bail bond product transaction, as defined in section 60M.02; or

(2) an individual that deposited money, property, or assets with a surety, bail bond agency, or producer to be held as collateral or used toward the liability of a bail bond product transaction, as defined in section 60M.03.

Subd. 7. **Negotiate.** "Negotiate" means the act of conferring directly with or offering advice directly to a purchaser or prospective purchaser of a particular insurance contract concerning any of the substantive benefits, terms, or conditions of the contract, if the person engaged in the act either sells insurance or obtains insurance from insurers for purchasers.

Subd. 8. **Net premium.** "Net premium" means a bond's premium, less any commission agreed to in advance and in writing between a producer and the surety or bail bond agency.

Subd. 9. **Personal information.** "Personal information" has the meaning given in section 72A.491, subdivision 17.

Subd. 10. **Principal.** "Principal" is an individual who has engaged with a bail bond agency or producer to arrange for the individual's bail bond to be posted on the individual's behalf, securing the individual's release pretrial on a bail bond.

Subd. 11. **Privileged information.** "Privileged information" has the meaning given in section 72A.491, subdivision 19.

Subd. 12. **Producer.** "Producer" means a person that is licensed to write bail bonds, has been approved by the state court administrator's office, is a contractor or employee for a bail bond agency, and is appointed by a surety to execute or countersign bail bonds for the surety in connection with judicial proceedings.

Subd. 13. **Sell.** "Sell" means to exchange a bail bond product for money on behalf of a surety company.

Subd. 14. **Surety.** "Surety" means a domestic, foreign, or alien insurance company that is licensed to transact surety business in Minnesota under section 60A.06.

Sec. 33. **[60M.02] PREMIUMS.**

Subdivision 1. **Premiums; generally.** (a) Regardless of whether a producer is an employee or an independent contractor, a producer must charge the approved, filed rate of the surety being used to post a bail bond. Except as provided in subdivision 2 or in a situation where cash bail is set by the court under subdivision 5, the rate charged must not be less than the surety's filed rate.

(b) A producer is prohibited from providing a premium rebate.

(c) A producer may charge travel or other related fees, provided the producer complies with section 60K.46, subdivision 2.

Subd. 2. **Minimum premium.** A producer must charge a minimum premium of \$100. Any premium amount must be included in the surety's rate filing with the commissioner.

Subd. 3. **Bail bonds less than \$10,000.** (a) A producer is prohibited from posting a bail bond with a penal sum of \$10,000 or less unless the producer has:

(1) received at least 50 percent of the total premium owed under the surety's rate filing;

(2) provided the depositor with a receipt that indicates the premium paid; and

(3) if the full premium is not collected before posting the bond, a signed promissory note must be obtained requiring the unpaid premium in full within four months of the date the bond is posted.

(b) A promissory note issued under paragraph (a), clause (3), must be made on a surety or bail bond agency form as approved by the commissioner. The maximum annual interest rate allowed on a promissory note under this subdivision is six percent. A promissory note may authorize collection of the actual costs incurred to collect the premium, including reasonable attorney fees, in the event of a default.

Subd. 4. **Bail bonds greater than \$10,000.** (a) A producer is prohibited from posting a bail bond with a penal sum greater than \$10,000 unless the producer has:

(1) received at least 30 percent of the total premium owed under the surety's rate filing;

(2) provided the depositor with a receipt that indicates the premium paid; and

(3) if the full premium is not collected before posting the bond, a signed promissory note must be obtained requiring the unpaid premium in full within 12 months of the date the bond is posted.

(b) A promissory note issued under paragraph (a), clause (3), must be made on a surety or bail bond agency form as approved by the commissioner. The maximum annual interest rate allowed on a promissory note under this subdivision is six percent. A promissory note may authorize collection

of the actual costs incurred to collect the premium, including reasonable attorney fees, in the event of a default.

Subd. 5. **Alternative premium structure.** (a) A bail bond agency or producer may include an alternative premium structure as part of the bail bond agency or producer's surety rate filing submitted to the commissioner.

(b) If a court sets cash bail at 15 percent or less of the bond's penal amount, a surety, bail bond agency, or producer may charge an alternative premium that is as low as one-half of the cash bail amount set by the court. An alternative premium charged under this subdivision is subject to the minimum premium requirement under subdivision 2.

(c) A bail bond agency or producer is required to obtain from the court documentation indicating the cash bail amount set by the court and must maintain the documentation in the bond file.

(d) A bail bond agency and producer must maintain a log of all bonds where an alternative premium was charged under this subdivision.

(e) Subdivisions 3 and 4 apply to the payment of an alternative premium structure under this subdivision.

Subd. 6. **Late payments.** If a payment, including a minimum monthly payment, that is required under a promissory note executed pursuant to subdivision 3 or 4 is more than 90 days late, the bail bond agency or producer must, within 20 days of the date a payment becomes 90 days late:

(1) for amounts owed that are \$2,500 or less, assign the debt to a Minnesota-licensed debt collector; or

(2) for amounts owed that are greater than \$2,500:

(i) file a civil action against the delinquent premium payer; and

(ii) make all reasonable efforts to:

(A) serve a summons and complaint;

(B) enter judgment, unless the matter is settled while the action is pending; and

(C) enforce the judgment, which may be satisfied by assigning the debt to a licensed debt collector.

Subd. 7. **Form of payment.** A surety, bail bond agency, or producer may only accept cash, money orders, checks, wire transfers, electronic funds transfers, debit cards, prepaid cash cards, or credit cards as a premium payment method. Any balance owed must be evidenced by a promissory note, as provided under subdivision 3 or 4.

Subd. 8. **Premium trust account.** (a) A payment made to or received by the producer, bail bond agency, or surety must be deposited into a premium trust account that is maintained by the producer, bail bond agency, or surety within seven business days.

(b) A premium trust account must be used only for premium payments and travel or other related fees authorized under subdivision 1, paragraph (c). A producer, bail bond agency, or surety is prohibited from depositing any other money into a premium trust account.

(c) A deposit into a premium trust account must be accompanied by a deposit slip that:

(1) separately designates the principal; and

(2) lists the power of attorney number of the bond for which the payment is being collected.

(d) Money may be withdrawn from a premium trust account only to:

(1) pay the net premium to the surety or bail bond agency;

(2) pay a surety or bail bond agency any build-up fund or escrow account required by a contract executed by the producer and the surety or bail bond agency;

(3) pay or reimburse travel or other related fees authorized under subdivision 1, paragraph (c);

(4) pay or reimburse the producer any fees or charges deducted electronically by credit card processing vendors, provided the fees and charges comply with section 60K.46, subdivision 2; and

(5) distribute any excess amounts to the operating account.

Sec. 34. **[60M.03] COLLATERAL.**

Subdivision 1. **Collateral generally.** When collateral is accepted, the producer, surety, or bail bond agency must provide a written and numbered receipt to the depositor. The receipt must:

(1) contain the date; depositor's name and address; bail bond agency's name and address; surety's name and address; defendant's name; bond amount; and cash amount or a detailed description of the collateral, if the collateral is not cash; and

(2) be signed by:

(i) the producer, surety, or bail bond agency; and

(ii) the depositor.

Subd. 2. **Collateral received; transfer; control.** (a) Except as otherwise provided under paragraph (b), a producer or bail bond agency must transfer all cash and noncash collateral that the producer or bail bond agency receives to the surety.

(b) A surety may, at the surety's discretion, permit: (1) a producer to transfer all cash and noncash collateral that the producer receives to the bail bond agency; and (2) the bail bond agency to retain possession and control over the cash and noncash collateral without transferring the cash and noncash collateral to the surety. If a surety exercises the surety's discretion under this paragraph, the bail bond agency assumes the surety's responsibilities and responsibilities under this section. A producer is prohibited from retaining possession or control of cash or noncash collateral beyond the time periods established in this section.

Subd. 3. **Cash collateral trust account.** (a) All cash collateral must be deposited into a cash collateral account maintained by a surety or bail bond agency as provided in subdivision 2, paragraph (b), within seven business days of the date the cash collateral is received.

(b) All checks, money orders, wire transfers, or similar money transfer for collateral must be made payable to the bail bond agency and deposited into the surety's or bail bond agency's collateral account within ten business days of the date the payment was received.

(c) When required by law, a bail bond agency or producer must: (1) file an IRS Form 8300 and informational notice; and (2) retain a copy of the filed IRS Form 8300 and informational notice in the bail bond agency's or producer's files.

Subd. 4. **Separate cash collateral account.** At the surety's discretion, the surety or a bail bond agency may maintain a separate cash collateral trust account. A cash collateral trust account may be an interest-bearing account or a noninterest-bearing account. If the separate cash collateral trust account is an interest-bearing account, the interest earned is for the benefit of the depositor.

Subd. 5. **Surety liable.** The surety is liable to return any cash or noncash collateral that a producer or bail bond agency collects, less any amounts owed under subdivision 9, paragraph (b), even if the collected collateral is not transferred to the surety.

Subd. 6. **Prohibitions.** (a) A surety, bail bond agency, or producer is prohibited from collecting cash collateral in excess of the bond's penal sum.

(b) A surety, bail bond agency, or producer is prohibited from using collateral for personal benefit or gain.

(c) A surety, bail bond agency, or producer is prohibited from taking a quitclaim deed on real property as collateral for a bond.

Subd. 7. **Collateral log.** (a) A bail bond agency or producer must maintain a collateral log that includes:

(1) the power of attorney number;

(2) the principal's name;

(3) the depositor's name;

(4) the cash collateral amount, including whether the cash collateral is being held in an interest-bearing account;

(5) if the collateral is noncash collateral, a detailed description of the collateral;

(6) the date the collateral was taken; and

(7) the dates the collateral was sent to the surety, returned to the depositor, liquidated, or applied to a loss or cost incurred by the producer, bail bond agency, or surety.

(b) For purposes of paragraph (a), an indemnity agreement does not constitute collateral and is not required to be included in the collateral log. For purposes of paragraph (a), clause (7), the amount of a loss incurred must be listed separately from other costs in the collateral log.

Subd. 8. **Mortgages and deeds of trust.** (a) A mortgage or deed of trust taken as collateral for a bond must name the surety as a mortgagee. At the discretion of the surety, a bail bond agency may be named as the mortgagee in lieu of the surety being named as the mortgagee.

(b) A producer is prohibited from being named as a mortgagee for a mortgage or deed of trust taken as collateral for a bond.

Subd. 9. **Return of collateral.** (a) A surety or bail bond agency that controls the collateral must return cash and noncash collateral to the depositor named in the collateral receipt within 21 days of the date the depositor provides the surety or bail bond agency with written proof that the bond has been discharged.

(b) If the depositor owes the surety, bail bond agency, or producer a premium; is liable for a loss or expense related to a breach of the bond; or is liable pursuant to the terms of an indemnity or other agreement, the surety or bail bond agency may retain from the collateral all money required to satisfy the depositor's debts.

(c) If all of the depositor's debts secured by collateral are satisfied, the surety or bail bond agency must provide documentation to release any liens, security interests, mortgages, or other security interests that were filed or obtained in relation to the collateral. The documentation must be provided within 21 days of the date the depositor provides the surety or bail bond agency with written proof that the bond has been discharged.

Subd. 10. **Bond or indemnity agreement; breach.** If a bond or indemnity agreement is breached and the surety, bail bond agency, or producer suffers a loss, the surety or bail bond agency that controls the collateral must send to the depositor written notice that notifies the depositor that the surety or bail bond agency intends to liquidate noncash collateral. The written notice must be sent by certified mail to the depositor's last known address at least 30 days before the date the surety or bail bond agency liquidates the noncash collateral.

Subd. 11. **Compliance with Minnesota law.** Any action taken to enforce or foreclose on cash or noncash collateral must comply with Minnesota law.

Subd. 12. **Collateral documentation; audit and inspection.** (a) All collateral and related documentation held in trust by the surety or bail bond agency must be made available for immediate audit and inspection by the department.

(b) All collateral and related documentation held in trust by the bail bond agency must be made available for immediate audit and inspection by the surety.

Sec. 35. **[60M.04] PRODUCER AUDITS.**

Subdivision 1. **Premium audits.** (a) By April 30 each year, a surety must audit each licensed bail bond producer's bonds written during the previous calendar year to ensure the licensed bail bond producer has complied with this subdivision.

(b) The premium audits must include a review of an adequate sample of bonds written by each bail bond producer. A review sample is adequate if it consists of the lesser of: (1) 20 percent of the bonds written by the bail bond producer; (2) 24 bonds; or (3) all of the bonds written by the bail bond producer, if the bail bond producer wrote fewer than 12 bonds during the previous calendar year. The audit sample must include the four largest bonds written by the bail bond producer and four bonds that charged an alternative premium under section 60M.02, subdivision 5, if applicable. Of the remaining bonds audited and to the extent the quantity of bonds supports the percentages, 50 percent must be randomly selected bonds with a penal sum that is \$10,000 or less, and 50 percent must be randomly selected bonds with a penal sum that is greater than \$10,000.

(c) The premium audit must be conducted at the producer's office or the bail bond agency's office, depending on which entity maintains the physical records. The surety must not disclose to the producer or bail bond agency, or anyone affiliated with the surety or bail bond agency, which files the surety intends to audit until the surety's on-site audit of the producer begins.

(d) For each bond audited, the surety must confirm that:

(1) the proper premium was charged and collected, including a review of the premium account statements and deposit slips;

(2) a proper premium receipt is in the producer's file;

(3) if the full premium was not paid before the bond was posted, a proper promissory note was executed; and

(4) if the premium was not paid as required, the producer complied with section 60M.02, subdivision 6.

(e) An annual premium audit under this section must also include a follow-up review of each bond audited the previous year for which full premium had not yet been collected at the time the audit occurred. For each bond subject to a follow-up review, the surety must:

(1) review the premium account and deposit slips to confirm that the full premium was collected;
or

(2) if full payment of the premium was not received, confirm that the producer complied with section 60M.02, subdivision 6.

(f) A bail bond agency or producer is prohibited from acting on behalf of the surety to conduct the bail bond agency's or producer's own bail bond agency or producer audits.

Subd. 2. **Collateral audits.** (a) By April 30 each year, a surety must audit each licensed bail bond producer's bonds written during the previous calendar year to ensure the licensed bail bond producer has complied with this subdivision.

(b) A collateral audit under this subdivision must include confirmation that:

(1) a collateral log was maintained;

(2) a cash collateral account exists;

(3) the balance of the cash collateral indicated on the collateral log is identical to the amount held in the collateral trust account; and

(4) a collateral receipt exists for collateral collected, as represented by a sampling of the lesser of: (i) 20 percent of all bonds secured by collateral; or (ii) 12 bonds that were secured by collateral.

Subd. 3. **Audits report.** (a) By May 31 each year, a surety must prepare a report of the audits conducted under this section during that year. The report must include:

(1) a list of the bonds audited under subdivision 1 for each producer, including the power of attorney number used for each audited bond and whether full premium payment was made by the date the audit occurred;

(2) a list of the bonds included in a follow-up review of the previous year's audit, including whether full premium payment was collected by the date the audit occurred;

(3) the compliance certifications required under section 60M.07, subdivision 4; and

(4) details regarding any violations discovered during the audit or a statement that no violations were discovered, as applicable.

(b) The annual report under this subdivision must be maintained for a period of at least 36 months from the date the report is complete. Annual reports must be submitted to the commissioner by June 30 each year.

Sec. 36. **[60M.05] SOLICITATION.**

Subdivision 1. **Solicitation generally.** (a) A producer is prohibited from, in or on the grounds of a jail, prison, or other location where an incarcerated person is confined, or in or on the grounds of a court unless requested by the principal, a potential indemnitor, or the legal counsel of a principal:

(1) approaching, enticing, inviting, or soliciting a person to use a bail bond agency's services;

(2) distributing, displaying, or wearing an item that advertises a bail bond agency's services;

(3) no producer or bail bond agency is permitted to solicit by calling or leaving messages for principals on jail phones or any other messaging devices available to principals, while in custody; or

(4) no producer or bail bond agency is permitted to place money on the canteen or books of any individual held in custody.

(b) Notwithstanding paragraph (a), clause (3), permissible print advertising in a jail is limited to:

(1) a listing in a telephone directory; and

(2) posting the producer's or bail bond agency's name, address, and telephone number in a designated location within the jail, as approved by the jail.

Subd. 2. **Identification; marketing material.** A producer is prohibited from wearing or displaying any information, other than identification approved by the surety or bail bond agency, which constitutes marketing material that a surety or bail bond agency must approve and maintain under Minnesota Rules, chapter 2790. A producer is prohibited from displaying any information constituting marketing material in or on the property or grounds of: (1) a jail, prison, or other location where incarcerated people are confined; or (2) a court.

Subd. 3. **Other prohibited conduct.** (a) A producer is prohibited from loitering in or about the courthouse, jail, or any other place where individuals are held in custody.

(b) A producer is prohibited from making unauthorized and unsolicited cold calls without having first spoken with the principal.

(c) A producer is prohibited from soliciting a bond to a person by recorded or electronic communication, or by live telephone contact, unless the producer otherwise complies with applicable state and federal law, including but not limited to:

(1) the National Do Not Call Registry under Code of Federal Regulations, title 16, part 310; and

(2) the Telephone Consumer Protection Act of 1991, Code of Federal Regulations, title 47, part 64.1200.

(d) A surety, bail bond agency, or producer is prohibited from obtaining a credit check on a person unless the person has authorized the surety, bail bond agency, or producer to do so in writing. The surety, bail bond agency, or producer must retain the written authorization provided by the person subject to the credit check.

Subd. 4. **Compliance with other law.** (a) A surety, bail bond agency, and producer must comply with all federal and state privacy laws related to information provided to a producer during the application process and during bond underwriting by a bond principal, indemnitor, or other person.

(b) A surety, bail bond agency, and producer must comply with sections 60K.46, subdivision 6; 72A.494; 72A.496, subdivision 1; 72A.501; and 72A.502, subdivision 1.

(c) A surety, bail bond agency, and producer must receive preauthorization before collecting and disclosing personal or privileged information about an applicant or proposed insured, and must provide all notices otherwise required by Minnesota law.

(d) A surety, bail bond agency, and producer must otherwise comply with all applicable Minnesota law.

Subd. 5. **Insurance transaction.** The act of soliciting, underwriting, negotiating, or selling a bail bond constitutes an insurance transaction.

Sec. 37. [60M.06] UNLICENSED INDIVIDUALS; NO REBATES OR PAYMENT.

(a) With the exception of a contracted bail enforcement agent offering a reward for information that assists in the location and apprehension of a principal under section 629.63, a surety, bail bond agency, or producer is prohibited from paying a fee or commission, or otherwise giving or promising

anything of value, to: (1) a jailer, police officer, peace officer, or any other person who has the power to arrest or hold an individual in custody; or (2) a judge, public official, or public employee.

(b) A surety, bail bond agency, or producer is prohibited from paying a fee or rebate, or otherwise giving or promising anything of value, to the individual seeking the producer's services or the individual seeking the producer's services on another individual's behalf.

(c) A surety, bail bond agency, or producer is prohibited from paying a fee or commission, or otherwise giving or promising anything of value, to a person for selling, soliciting, or negotiating a bail bond if the person is not properly licensed as a producer.

(d) A surety, bail bond agency, or producer is prohibited from paying a fee, rebate, or commission, or otherwise giving or promising anything of value, to an inmate for referring business or for any other reason related to soliciting, negotiating, or selling a bail bond.

Sec. 38. **[60M.07] OTHER PROVISIONS.**

Subdivision 1. **Compliance with standards of conduct.** A producer must comply with the Minnesota Court Administrator's Office's bail bond procedures and standards of conduct, including but not limited to while in or on the property of courts, jails, or other detention facilities in Minnesota. A surety or bail bond agency must require the surety or bail bond agency's producers to affirm that the producer complies with any changes to the bail bond procedures and standards of conduct as the changes are posted to the Minnesota state court website or the Minnesota Court Administrator's Office's website.

Subd. 2. **No waiver.** A producer is prohibited from soliciting or accepting a waiver of any requirement under this chapter.

Subd. 3. **Record maintenance.** (a) A bail bond agency and producer must maintain the following records on each bond for at least seven years after the date the bond is terminated:

(1) power of attorney;

(2) premium receipts;

(3) the promissory note for unpaid premium, if any;

(4) the cash bond amount set by the court, if an amount less than the filed rate is accepted for the premium;

(5) all documents related to any lawsuit filed to collect the premium;

(6) indemnity agreements;

(7) collateral receipts, if any;

(8) proof that collateral was returned, if any;

(9) proof of bond exoneration or forfeiture payment;

(10) all records relating to liquidating and converting collateral, including fees or costs; and

(11) proof of any expenses incurred or losses paid by the surety, bail bond agency, or producer.

(b) A bail bond agency and producer must maintain all premium account, collateral account, and operating account bank records, including deposit slips, for at least seven years after the records are made available.

(c) All records that a bail bond agency or producer maintain under this chapter must be kept in the bail bond agency or producer's office or storage location, as applicable. If a bail bond agency or producer's relationship with a surety is terminated, the information and documentation must be immediately transferred to:

(1) the bail bond agency, if the producer is terminated; or

(2) the surety, if the bail bond agency is terminated.

(d) A bail bond agency and producer's records must be available for the commissioner or the surety to inspect, with or without notice.

Subd. 4. **Compliance certification.** (a) During the surety's annual audit of a producer, the producer must sign a compliance certification form that attests to the producer's compliance with this chapter during the previous calendar year.

(b) Before a producer is appointed by a surety and at each license renewal thereafter, a producer must sign an affidavit of compliance form in which the producer acknowledges the producer is familiar and continually complies with the requirements under this chapter. The surety must retain completed affidavits and send requested affidavits to the commissioner within ten days of the date an affidavit is requested.

(c) The commissioner must establish the compliance certification and affidavit of compliance forms for use under this subdivision.

Subd. 5. **Producer termination; notice.** (a) If a producer's relationship with a surety is voluntarily or involuntarily terminated due to a violation of this chapter or because the surety determined the producer violated this chapter during an annual audit, the surety must, within 30 days of the date the producer is terminated, provide the commissioner with the terminated producer's name and the reason the producer was terminated.

(b) Another surety is prohibited from appointing a producer subject to a termination under paragraph (a) unless the department approves the appointment.

Subd. 6. **Access to information.** A surety, bail bonds agency, and producer are considered a government associated entity and are allowed to apply and be granted access to the Minnesota Government Access system under the Court Access Rules.

Subd. 7. **Surrender of a principal for bail revocation.** The courts, jails, and sheriff offices in Minnesota must comply with section 629.63, allowing for a principal to be surrendered and received by the jail of the county that the bail bond was originated from and to be held in custody until the

principal can have a court hearing where the surety, bail bond agency, or producer can give evidence and make motion for the revocation and discharge of the bail bond.

Subd. 8. **Forfeiture timing requirement.** The court must order a bail bond forfeited and send notice to the surety, bail bond agency, or producer no later than 30 days from the date of a principal failing to appear at a scheduled hearing. If a court fails to forfeit a bail bond within 30 days of a principal failing to appear or fail to send notice within seven days of the forfeiture to the surety, bail bond agency, or producer, the court must allow for a reinstatement and discharge of the bail bond without penalty. If a court fails to take action against the bail bond within 30 days of a principal failing to appear at a hearing, the court must allow for revocation and discharge without penalty.

Sec. 39. Minnesota Statutes 2023 Supplement, section 80A.50, is amended to read:

80A.50 SECTION 302; FEDERAL COVERED SECURITIES; SMALL CORPORATE OFFERING REGISTRATION.

(a) Federal covered securities.

(1) **Required filing of records.** With respect to a federal covered security, as defined in Section 18(b)(2) of the Securities Act of 1933 (15 U.S.C. Section 77r(b)(2)), that is not otherwise exempt under sections 80A.45 through 80A.47, a rule adopted or order issued under this chapter may require the filing of any or all of the following records:

(A) before the initial offer of a federal covered security in this state, all records that are part of a federal registration statement filed with the Securities and Exchange Commission under the Securities Act of 1933 and a consent to service of process complying with section 80A.88 signed by the issuer;

(B) after the initial offer of the federal covered security in this state, all records that are part of an amendment to a federal registration statement filed with the Securities and Exchange Commission under the Securities Act of 1933; and

(C) to the extent necessary or appropriate to compute fees, a report of the value of the federal covered securities sold or offered to persons present in this state, if the sales data are not included in records filed with the Securities and Exchange Commission.

(2) **Notice filing effectiveness and renewal.** A notice filing under subsection (a) is effective for one year commencing on the later of the notice filing or the effectiveness of the offering filed with the Securities and Exchange Commission. On or before expiration, the issuer may renew a notice filing by filing a copy of those records filed by the issuer with the Securities and Exchange Commission that are required by rule or order under this chapter to be filed. A previously filed consent to service of process complying with section 80A.88 may be incorporated by reference in a renewal. A renewed notice filing becomes effective upon the expiration of the filing being renewed.

(3) **Notice filings for federal covered securities under section 18(b)(4)(D).** With respect to a security that is a federal covered security under Section 18(b)(4)(D) of the Securities Act of 1933 (15 U.S.C. Section 77r(b)(4)(D)), a rule under this chapter may require a notice filing by or on behalf of an issuer to include a copy of Form D, including the Appendix, as promulgated by the Securities and Exchange Commission, and a consent to service of process complying with section 80A.88

signed by the issuer not later than 15 days after the first sale of the federal covered security in this state.

(4) **Stop orders.** Except with respect to a federal security under Section 18(b)(1) of the Securities Act of 1933 (15 U.S.C. Section 77r(b)(1)), if the administrator finds that there is a failure to comply with a notice or fee requirement of this section, the administrator may issue a stop order suspending the offer and sale of a federal covered security in this state. If the deficiency is corrected, the stop order is void as of the time of its issuance and no penalty may be imposed by the administrator.

(b) Small corporation offering registration.

(1) **Registration required.** A security meeting the conditions set forth in this section may be registered as set forth in this section.

(2) **Availability.** Registration under this section is available only to the issuer of securities and not to an affiliate of the issuer or to any other person for resale of the issuer's securities. The issuer must be organized under the laws of one of the states or possessions of the United States. The securities offered must be exempt from registration under the Securities Act of 1933 pursuant to Rule 504 of Regulation D (15 U.S.C. Section 77c).

(3) **Disqualification.** Registration under this section is not available to any of the following issuers:

(A) an issuer subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934;

(B) an investment company;

(C) a development stage company that either has no specific business plan or purpose or has indicated that its business plan is to engage in a merger or acquisition with an unidentified company or companies or other entity or person;

(D) an issuer if the issuer or any of its predecessors, officers, directors, governors, partners, ten percent stock or equity holders, promoters, or any selling agents of the securities to be offered, or any officer, director, governor, or partner of the selling agent:

(i) has filed a registration statement that is the subject of a currently effective registration stop order entered under a federal or state securities law within five years before the filing of the small corporate offering registration application;

(ii) has been convicted within five years before the filing of the small corporate offering registration application of a felony or misdemeanor in connection with the offer, purchase, or sale of a security or a felony involving fraud or deceit, including, but not limited to, forgery, embezzlement, obtaining money under false pretenses, larceny, or conspiracy to defraud;

(iii) is currently subject to a state administrative enforcement order or judgment entered by a state securities administrator or the Securities and Exchange Commission within five years before the filing of the small corporate offering registration application, or is subject to a federal or state administrative enforcement order or judgment in which fraud or deceit, including, but not limited

to, making untrue statements of material facts or omitting to state material facts, was found and the order or judgment was entered within five years before the filing of the small corporate offering registration application;

(iv) is currently subject to an order, judgment, or decree of a court of competent jurisdiction temporarily restraining or enjoining, or is subject to an order, judgment, or decree of a court of competent jurisdiction permanently restraining or enjoining the party from engaging in or continuing any conduct or practice in connection with the purchase or sale of any security or involving the making of a false filing with a state or with the Securities and Exchange Commission entered within five years before the filing of the small corporate offering registration application; or

(v) is subject to a state's administrative enforcement order, or judgment that prohibits, denies, or revokes the use of an exemption for registration in connection with the offer, purchase, or sale of securities,

(I) except that clauses (i) to (iv) do not apply if the person subject to the disqualification is duly licensed or registered to conduct securities-related business in the state in which the administrative order or judgment was entered against the person or if the dealer employing the party is licensed or registered in this state and the form BD filed in this state discloses the order, conviction, judgment, or decree relating to the person, and

(II) except that the disqualification under this subdivision is automatically waived if the state securities administrator or federal agency that created the basis for disqualification determines upon a showing of good cause that it is not necessary under the circumstances to deny the registration.

(4) Filing and effectiveness of registration statement. A small corporate offering registration statement must be filed with the administrator. If no stop order is in effect and no proceeding is pending under section 80A.54, such registration statement shall become effective automatically at the close of business on the 20th day after filing of the registration statement or the last amendment of the registration statement or at such earlier time as the administrator may designate by rule or order. For the purposes of a nonissuer transaction, other than by an affiliate of the issuer, all outstanding securities of the same class identified in the small corporate offering registration statement as a security registered under this chapter are considered to be registered while the small corporate offering registration statement is effective. A small corporate offering registration statement is effective for one year after its effective date or for any longer period designated in an order under this chapter. A small corporate offering registration statement may be withdrawn only with the approval of the administrator.

(5) Contents of registration statement. A small corporate offering registration statement under this section shall be on Form U-7, including exhibits required by the instructions thereto, as adopted by the North American Securities Administrators Association, or such alternative form as may be designated by the administrator by rule or order and must include:

(A) a consent to service of process complying with section 80A.88;

(B) a statement of the type and amount of securities to be offered and the amount of securities to be offered in this state;

(C) a specimen or copy of the security being registered, unless the security is uncertificated, a copy of the issuer's articles of incorporation and bylaws or their substantial equivalents in effect, and a copy of any indenture or other instrument covering the security to be registered;

(D) a signed or conformed copy of an opinion of counsel concerning the legality of the securities being registered which states whether the securities, when sold, will be validly issued, fully paid, and nonassessable and, if debt securities, binding obligations of the issuer;

(E) the states (i) in which the securities are proposed to be offered; (ii) in which a registration statement or similar filing has been made in connection with the offering including information as to effectiveness of each such filing; and (iii) in which a stop order or similar proceeding has been entered or in which proceedings or actions seeking such an order are pending;

(F) a copy of the offering document proposed to be delivered to offerees; and

(G) a copy of any other pamphlet, circular, form letter, advertisement, or other sales literature intended as of the effective date to be used in connection with the offering and any solicitation of interest used in compliance with section 80A.46(17)(B).

(6) **Copy to purchaser.** A copy of the offering document as filed with the administrator must be delivered to each person purchasing the securities prior to sale of the securities to such person.

(c) **Offering limit.** Offers and sales of securities under a small corporate offering registration as set forth in this section are allowed up to the limit prescribed by Code of Federal Regulations, title 17, part 230.504 (b)(2), as amended.

(d) Regulation A - Tier 2 filing requirements.

(1) Initial filing. An issuer planning to offer and sell securities in Minnesota in an offering exempt under Tier 2 of federal Regulation A must, at least 21 calendar days before the date of the initial sale of securities in Minnesota, submit to the administrator:

(A) a completed Regulation A - Tier 2 offering notice filing form or copies of all the documents filed with the Securities Exchange Commission; and

(B) a consent to service of process on Form U-2, if consent to service of process is not provided in the Regulation A - Tier 2 offering notice filing form.

The initial notice filing made in Minnesota is effective for 12 months after the date the filing is made.

(2) Renewal. For each additional 12-month period in which the same offering is continued, an issuer conducting a Tier 2 offering under federal Regulation A may renew the notice filing by filing (i) the Regulation A - Tier 2 offering notice filing form marked "renewal," or (ii) a cover letter or other document requesting renewal. The renewal filing must be made on or before the date notice filing expires.

(3) Amendment. An issuer may increase the amount of securities offered in Minnesota by submitting a Regulation A - Tier 2 offering notice filing form or other document describing the transaction.

Sec. 40. Minnesota Statutes 2022, section 80A.61, is amended to read:

80A.61 SECTION 406; REGISTRATION BY BROKER-DEALER, AGENT, FUNDING PORTAL, INVESTMENT ADVISER, AND INVESTMENT ADVISER REPRESENTATIVE.

(a) **Application for initial registration by broker-dealer, agent, investment adviser, or investment adviser representative.** A person shall register as a broker-dealer, agent, investment adviser, or investment adviser representative by filing an application and a consent to service of process complying with section 80A.88, and paying the fee specified in section 80A.65 and any reasonable fees charged by the designee of the administrator for processing the filing. The application must contain:

(1) the information or record required for the filing of a uniform application; and

(2) upon request by the administrator, any other financial or other information or record that the administrator determines is appropriate.

(b) **Amendment.** If the information or record contained in an application filed under subsection (a) is or becomes inaccurate or incomplete in a material respect, the registrant shall promptly file a correcting amendment.

(c) **Effectiveness of registration.** If an order is not in effect and a proceeding is not pending under section 80A.67, registration becomes effective at noon on the 45th day after a completed application is filed, unless the registration is denied. A rule adopted or order issued under this chapter may set an earlier effective date or may defer the effective date until noon on the 45th day after the filing of any amendment completing the application.

(d) **Registration renewal.** A registration is effective until midnight on December 31 of the year for which the application for registration is filed. Unless an order is in effect under section 80A.67, a registration may be automatically renewed each year by filing such records as are required by rule adopted or order issued under this chapter, by paying the fee specified in section 80A.65, and by paying costs charged by the designee of the administrator for processing the filings.

(e) **Additional conditions or waivers.** A rule adopted or order issued under this chapter may impose such other conditions, not inconsistent with the National Securities Markets Improvement Act of 1996. An order issued under this chapter may waive, in whole or in part, specific requirements in connection with registration as are in the public interest and for the protection of investors.

(f) **Funding portal registration.** A funding portal that has its principal place of business in the state of Minnesota shall register with the state of Minnesota by filing with the administrator a copy of the information or record required for the filing of an application for registration as a funding portal in the manner established by the Securities and Exchange Commission and/or the Financial Institutions Regulatory Authority (FINRA), along with any rule adopted or order issued, and any amendments thereto.

(g) **Application for investment adviser representative registration.**

(1) The application for initial registration as an investment adviser representative pursuant to section 80A.58 is made by completing Form U-4 (Uniform Application for Securities Industry

Registration or Transfer) in accordance with the form instructions and by filing the form U-4 with the IARD. The application for initial registration must also include the following:

(i) proof of compliance by the investment adviser representative with the examination requirements of:

(A) the Uniform Investment Adviser Law Examination (Series 65); or

(B) the General Securities Representative Examination (Series 7) and the Uniform Combined State Law Examination (Series 66);

(ii) any other information the administrator may reasonably require.

(2) The application for the annual renewal registration as an investment adviser representative shall be filed with the IARD.

(3)(i) The investment adviser representative is under a continuing obligation to update information required by Form U-4 as changes occur;

(ii) An investment adviser representative and the investment adviser must file promptly with the IARD any amendments to the representative's Form U-4; and

(iii) An amendment will be considered to be filed promptly if the amendment is filed within 30 days of the event that requires the filing of the amendment.

(4) An application for initial or renewal of registration is not considered filed for purposes of section 80A.58 until the required fee and all required submissions have been received by the administrator.

(5) The application for withdrawal of registration as an investment adviser representative pursuant to section 80A.58 shall be completed by following the instructions on Form U-5 (Uniform Termination Notice for Securities Industry Registration) and filed upon Form U-5 with the IARD.

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

Sec. 41. Minnesota Statutes 2022, section 80A.66, is amended to read:

80A.66 SECTION 411; POSTREGISTRATION REQUIREMENTS.

(a) **Financial requirements.** Subject to Section 15(h) of the Securities Exchange Act of 1934 (15 U.S.C. Section 78o(h)) or Section 222 of the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-22), a rule adopted or order issued under this chapter may establish minimum financial requirements for broker-dealers registered or required to be registered under this chapter and investment advisers registered or required to be registered under this chapter.

(b) **Financial reports.** Subject to Section 15(h) of the Securities Exchange Act of 1934 (15 U.S.C. Section 78o(h)) or Section 222(b) of the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-22), a broker-dealer registered or required to be registered under this chapter and an investment adviser registered or required to be registered under this chapter shall file such financial reports as are required by a rule adopted or order issued under this chapter. If the information contained in a

record filed under this subsection is or becomes inaccurate or incomplete in a material respect, the registrant shall promptly file a correcting amendment.

(c) **Record keeping.** Subject to Section 15(h) of the Securities Exchange Act of 1934 (15 U.S.C. Section 78o(h)) or Section 222 of the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-22):

(1) a broker-dealer registered or required to be registered under this chapter and an investment adviser registered or required to be registered under this chapter shall make and maintain the accounts, correspondence, memoranda, papers, books, and other records required by rule adopted or order issued under this chapter;

(2) broker-dealer records required to be maintained under paragraph (1) may be maintained in any form of data storage acceptable under Section 17(a) of the Securities Exchange Act of 1934 (15 U.S.C. Section 78q(a)) if they are readily accessible to the administrator; and

(3) investment adviser records required to be maintained under paragraph (d)(1) may be maintained in any form of data storage required by rule adopted or order issued under this chapter.

(d) Records and reports of private funds.

(1) **In general.** An investment adviser to a private fund shall maintain such records of, and file with the administrator such reports and amendments thereto, that an exempt reporting adviser is required to file with the Securities and Exchange Commission pursuant to SEC Rule 204-4, Code of Federal Regulations, title 17, section 275.204-4.

(2) **Treatment of records.** The records and reports of any private fund to which an investment adviser provides investment advice shall be deemed to be the records and reports of the investment adviser.

(3) **Required information.** The records and reports required to be maintained by an investment adviser, which are subject to inspection by a representative of the administrator at any time, shall include for each private fund advised by the investment adviser, a description of:

(A) the amount of assets under management;

(B) the use of leverage, including off-balance-sheet leverage, as to the assets under management;

(C) counterparty credit risk exposure;

(D) trading and investment positions;

(E) valuation policies and practices of the fund;

(F) types of assets held;

(G) side arrangements or side letters, whereby certain investors in a fund obtain more favorable rights or entitlements than other investors;

(H) trading practices; and

(I) such other information as the administrator determines is necessary and appropriate in the public interest and for the protection of investors, which may include the establishment of different reporting requirements for different classes of fund advisers, based on the type or size of the private fund being advised.

(4) **Filing of records.** A rule or order under this chapter may require each investment adviser to a private fund to file reports containing such information as the administrator deems necessary and appropriate in the public interest and for the protection of investors.

(e) **Audits or inspections.** The records of a broker-dealer registered or required to be registered under this chapter and of an investment adviser registered or required to be registered under this chapter, including the records of a private fund described in paragraph (d) and the records of investment advisers to private funds, are subject to such reasonable periodic, special, or other audits or inspections by a representative of the administrator, within or without this state, as the administrator considers necessary or appropriate in the public interest and for the protection of investors. An audit or inspection may be made at any time and without prior notice. The administrator may copy, and remove for audit or inspection copies of, all records the administrator reasonably considers necessary or appropriate to conduct the audit or inspection. The administrator may assess a reasonable charge for conducting an audit or inspection under this subsection.

(f) **Custody and discretionary authority bond or insurance.** Subject to Section 15(h) of the Securities Exchange Act of 1934 (15 U.S.C. Section 78o(h)) or Section 222 of the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-22), a rule adopted or order issued under this chapter may require a broker-dealer or investment adviser that has custody of or discretionary authority over funds or securities of a customer or client to obtain insurance or post a bond or other satisfactory form of security in an amount of at least \$25,000, but not to exceed \$100,000. The administrator may determine the requirements of the insurance, bond, or other satisfactory form of security. Insurance or a bond or other satisfactory form of security may not be required of a broker-dealer registered under this chapter whose net capital exceeds, or of an investment adviser registered under this chapter whose minimum financial requirements exceed, the amounts required by rule or order under this chapter. The insurance, bond, or other satisfactory form of security must permit an action by a person to enforce any liability on the insurance, bond, or other satisfactory form of security if instituted within the time limitations in section 80A.76(j)(2).

(g) **Requirements for custody.** Subject to Section 15(h) of the Securities Exchange Act of 1934 (15 U.S.C. Section 78o(h)) or Section 222 of the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-22), an agent may not have custody of funds or securities of a customer except under the supervision of a broker-dealer and an investment adviser representative may not have custody of funds or securities of a client except under the supervision of an investment adviser or a federal covered investment adviser. A rule adopted or order issued under this chapter may prohibit, limit, or impose conditions on a broker-dealer regarding custody of funds or securities of a customer and on an investment adviser regarding custody of securities or funds of a client.

(h) **Investment adviser brochure rule.** With respect to an investment adviser registered or required to be registered under this chapter, a rule adopted or order issued under this chapter may require that information or other record be furnished or disseminated to clients or prospective clients in this state as necessary or appropriate in the public interest and for the protection of investors and advisory clients.

(i) **Continuing education.** A rule adopted or order issued under this chapter may require an individual registered under section 80A.57 or 80A.58 to participate in a continuing education program approved by the Securities and Exchange Commission and administered by a self-regulatory organization.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 42. Minnesota Statutes 2022, section 80C.05, subdivision 3, is amended to read:

Subd. 3. **Escrow or impoundment of fees and other funds by commissioner.** If the commissioner finds that the applicant has failed to demonstrate that adequate financial arrangements have been made to fulfill obligations to provide real estate, improvements, equipment, inventory, training or other items included in the offering, the commissioner may by rule or order require the escrow ~~or~~, impoundment, or deferral of franchise fees and other funds paid by the franchisee or subfranchisor until no later than the time of opening of the franchise business.

Sec. 43. Minnesota Statutes 2022, section 82B.021, subdivision 26, is amended to read:

Subd. 26. **Standards of professional practice.** "Standards of professional practice" means the version of the uniform standards of professional appraisal practice of the Appraisers Appraisal Standards Board of the Appraisal Foundation in effect as of January 1, 1991, or other version of these standards the commissioner may by order designate on the date the appraiser signs the appraisal report.

Sec. 44. Minnesota Statutes 2022, section 82B.095, subdivision 3, is amended to read:

Subd. 3. **Conformance to Appraisal Qualifications Board criteria.** (a) The requirements to obtain and maintain a trainee real property appraiser, licensed real property appraiser, certified residential real property appraiser, or certified general real property appraiser license are the education, examination, and experience requirements established by the Appraiser Qualifications Board of the Appraisal Foundation and published in the most recent version of the Real Property Appraiser Qualification Criteria.

(b) An applicant must complete the applicable education and experience requirements before taking the required examination.

EFFECTIVE DATE. This section is effective January 1, 2026.

Sec. 45. Minnesota Statutes 2022, section 82B.19, subdivision 1, is amended to read:

Subdivision 1. **License renewals.** ~~(a)~~ The commissioner must determine that a licensed real estate appraiser has met the continuing education requirements of this chapter before the commissioner renews a license. This determination must be based on, for a resident appraiser, course completion records uploaded electronically in a manner prescribed by the commissioner and, for a nonresident appraiser, course completion records presented by electronic transmission or uploaded electronically in a manner prescribed by the commissioner.

~~The basic continuing education requirement for renewal of a license is the completion by the applicant either as a student or as an instructor, during the immediately preceding term of licensing,~~

~~of at least 30 classroom hours of instruction in courses or seminars that have received the approval of the commissioner. Classroom hour credit must not be accepted for courses of less than two hours. As part of the continuing education requirements of this section, the commissioner must require that all real estate appraisers successfully complete the seven-hour national USPAP update course every two years. If the applicant's immediately preceding term of licensing consisted of six or more months, but fewer than 24 months, the applicant must provide evidence of completion of 15 hours of instruction during the license period. The credit hours required under this section may be credited to a person for distance education courses that meet Appraiser Qualifications Board criteria. An approved prelicense education course may be taken for continuing education credit.~~

~~(b) The 15-hour USPAP course cannot be used to satisfy the requirement to complete the seven-hour national USPAP update course every two years.~~

EFFECTIVE DATE. This section is effective January 1, 2026.

Sec. 46. Minnesota Statutes 2022, section 115C.08, subdivision 2, is amended to read:

Subd. 2. **Imposing fee.** The board shall notify the commissioner of revenue if the unencumbered balance of the fund falls below \$4,000,000, and within ~~60~~ 90 days after receiving notice from the board, the commissioner of revenue shall impose the fee established in subdivision 3 on the use of a tank for four calendar months, with payment to be submitted with each monthly distributor tax return.

Sec. 47. **RULEMAKING.**

(a) The commissioner of commerce must adopt rules to conform with the changes made to Minnesota Statutes, sections 80A.66 and 80C.05, subdivision 3, in this article with respect to investment adviser registration continuing education and franchise fees deferral, respectively. The commissioner of commerce may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to amend the rule under this section, and Minnesota Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section 14.388.

(b) The commissioner of commerce must amend Minnesota Rules, part 2675.2170, to comply with the changes made and added in this article to Minnesota Statutes, sections 47.20, subdivision 2; 47.54, subdivisions 2 and 6; 48.24, subdivision 2; 58.02, subdivisions 15a, 18, and 21; 58.04, subdivisions 1 and 2; 58.05, subdivisions 1 and 3; 58.06, subdivisions 5, 6, and 7; 58.08, subdivisions 1a, 2, and 3; 58.10, subdivision 3; 58.115; 58.13, subdivision 1; and 58.141. The commissioner of commerce may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to amend the rule under this section. Minnesota Statutes, section 14.386, does not apply, except as provided under Minnesota Statutes, section 14.388.

Sec. 48. **REPEALER.**

Minnesota Statutes 2022, section 58.08, subdivision 3, is repealed.

ARTICLE 3**COMMERCIAL REGULATION AND CONSUMER PROTECTION**

Section 1. Minnesota Statutes 2022, section 45.011, subdivision 1, is amended to read:

Subdivision 1. **Scope.** As used in chapters 45 to 80C, 80E to 83, 155A, 216C, 332, 332A, 332B, 345, and 359, and sections 81A.22 to 81A.37; 123A.21, subdivision 7, paragraph (a), clause (23); 123A.25; 325D.30 to 325D.42; 326B.802 to 326B.885; 386.62 to 386.78; 471.617; ~~and 471.982;~~ and 513.80, unless the context indicates otherwise, the terms defined in this section have the meanings given them.

Sec. 2. Minnesota Statutes 2023 Supplement, section 53B.69, is amended by adding a subdivision to read:

Subd. 3a. **Transaction hash.** "Transaction hash" means a unique identifier made up of a string of characters that act as a record of and provide proof that the transaction was verified and added to the blockchain.

Sec. 3. Minnesota Statutes 2023 Supplement, section 53B.69, is amended by adding a subdivision to read:

Subd. 3b. **New customer.** "New customer" means a consumer transacting at a kiosk in Minnesota who has been a customer with a virtual currency kiosk operator for less than 72 hours. After a 72-hour period has elapsed from the day of first signing up as a customer with a virtual currency kiosk operator, the customer will be considered an existing customer and no longer subject to the new customer transaction limit described in this act.

Sec. 4. Minnesota Statutes 2023 Supplement, section 53B.69, is amended by adding a subdivision to read:

Subd. 3c. **Existing customer.** "Existing customer" means a consumer transacting at a kiosk in Minnesota who has been a customer with a virtual currency kiosk operator for more than a 72-hour period. A new customer will automatically convert to an existing customer after the 72-hour period of first becoming a new customer. An existing customer is subject to the transaction limits described in this act.

Sec. 5. Minnesota Statutes 2023 Supplement, section 53B.69, is amended by adding a subdivision to read:

Subd. 6a. **Virtual currency address.** "Virtual currency address" means an alphanumeric identifier representing a destination for a virtual currency transfer that is associated with a virtual currency wallet.

Sec. 6. Minnesota Statutes 2023 Supplement, section 53B.69, is amended by adding a subdivision to read:

Subd. 10. **Virtual currency kiosk.** "Virtual currency kiosk" means an electronic terminal acting as a mechanical agent of the virtual currency kiosk operator to enable the virtual currency kiosk operator to facilitate the exchange of virtual currency for money, bank credit, or other virtual currency,

including but not limited to by (1) connecting directly to a separate virtual currency exchanger that performs the actual virtual currency transmission, or (2) drawing upon the virtual currency in the possession of the electronic terminal's operator.

Sec. 7. Minnesota Statutes 2023 Supplement, section 53B.69, is amended by adding a subdivision to read:

Subd. 11. **Virtual currency kiosk operator.** "Virtual currency kiosk operator" means a licensee that operates a virtual currency kiosk within Minnesota.

Sec. 8. Minnesota Statutes 2023 Supplement, section 53B.69, is amended by adding a subdivision to read:

Subd. 12. **Virtual currency kiosk transaction.** "Virtual currency kiosk transaction" means a transaction conducted or performed, in whole or in part, by electronic means via a virtual currency kiosk. Virtual currency kiosk transaction also means a transaction made at a virtual currency kiosk to purchase currency with fiat currency or to sell virtual currency for fiat currency.

Sec. 9. Minnesota Statutes 2023 Supplement, section 53B.69, is amended by adding a subdivision to read:

Subd. 13. **Virtual currency wallet.** "Virtual currency wallet" means a software application or other mechanism providing a means to hold, store, or transfer virtual currency.

Sec. 10. **[53B.75] VIRTUAL CURRENCY KIOSKS.**

Subdivision 1. **Disclosures on material risks.** (a) Before entering into an initial virtual currency transaction for, on behalf of, or with a person, the virtual currency kiosk operator must disclose in a clear, conspicuous, and easily readable manner all material risks generally associated with virtual currency. The disclosures must be displayed on the screen of the virtual currency kiosk with the ability for a person to acknowledge the receipt of the disclosures. The disclosures must include at least the following information:

(1) virtual currency is not legal tender, backed or insured by the government, and accounts and value balances are not subject to Federal Deposit Insurance Corporation, National Credit Union Administration, or Securities Investor Protection Corporation protections;

(2) some virtual currency transactions are deemed to be made when recorded on a public ledger, which may not be the date or time when the person initiates the transaction;

(3) virtual currency's value may be derived from market participants' continued willingness to exchange fiat currency for virtual currency, which may result in the permanent and total loss of a particular virtual currency's value if the market for virtual currency disappears;

(4) a person who accepts a virtual currency as payment today is not required to accept and might not accept virtual currency in the future;

(5) the volatility and unpredictability of the price of virtual currency relative to fiat currency may result in a significant loss over a short period;

(6) the nature of virtual currency means that any technological difficulties experienced by virtual currency kiosk operators may prevent access to or use of a person's virtual currency; and

(7) any bond maintained by the virtual currency kiosk operator for the benefit of a person may not cover all losses a person incurs.

(b) The virtual currency kiosk operator must provide an additional disclosure, which must be acknowledged by the person, written prominently and in bold type, and provided separately from the disclosures above, stating: "WARNING: LOSSES DUE TO FRAUDULENT OR ACCIDENTAL TRANSACTIONS ARE NOT RECOVERABLE AND TRANSACTIONS IN VIRTUAL CURRENCY ARE IRREVERSIBLE. VIRTUAL CURRENCY TRANSACTIONS MAY BE USED BY SCAMMERS IMPERSONATING LOVED ONES, THREATENING JAIL TIME, AND INSISTING YOU WITHDRAW MONEY FROM YOUR BANK ACCOUNT TO PURCHASE VIRTUAL CURRENCY."

Subd. 2. **Disclosures.** (a) A virtual currency kiosk operator must disclose all relevant terms and conditions generally associated with the products, services, and activities of the virtual currency kiosk operator and virtual currency. A virtual currency kiosk operator must make the disclosures in a clear, conspicuous, and easily readable manner. The disclosures under this subdivision must address at least the following:

(1) the person's liability for unauthorized virtual currency transactions;

(2) the person's right to:

(i) stop payment of a virtual currency transfer and the procedure to stop payment;

(ii) receive a receipt, trade ticket, or other evidence of a transaction at the time of the transaction;
and

(iii) prior notice of a change in the virtual currency kiosk operator's rules or policies;

(3) under what circumstances the virtual currency kiosk operator, without a court or government order, discloses a person's account information to third parties; and

(4) other disclosures that are customarily provided in connection with opening a person's account.

(b) Before each virtual currency transaction for, on behalf of, or with a person, a virtual currency kiosk operator must disclose the transaction's terms and conditions in a clear, conspicuous, and easily readable manner. The disclosures under this subdivision must address at least the following:

(1) the amount of the transaction;

(2) any fees, expenses, and charges, including applicable exchange rates;

(3) the type and nature of the transaction;

(4) a warning that once completed, the transaction may not be reversed;

(5) a daily virtual currency transaction limit of no more than \$2,000;

(6) the difference in the virtual currency's sale price compared to the current market price; and

(7) other disclosures that are customarily given in connection with a virtual currency transaction.

Subd. 3. **Acknowledgment of disclosures.** Before completing a transaction, a virtual currency kiosk operator must ensure that each person who engages in a virtual currency transaction using the virtual currency operator's kiosk acknowledges receipt of all disclosures required under this section via confirmation of consent. Additionally, upon a transaction's completion, the virtual currency kiosk operator must provide a person with a physical receipt, or a virtual receipt sent to the person's email address or SMS number, containing the following information:

(1) the virtual currency kiosk operator's name and contact information, including a telephone number to answer questions and register complaints;

(2) the type, value, date, and precise time of the transaction, transaction hash, and each virtual currency address;

(3) the fees charged;

(4) the exchange rate;

(5) a statement of the virtual currency kiosk operator's liability for nondelivery or delayed delivery;

(6) a statement of the virtual currency kiosk operator's refund policy; and

(7) any additional information the commissioner of commerce may require.

Subd. 4. **Refunds for new customers.** A virtual currency kiosk operator must issue a refund to a new customer for the full amount of all transactions made within the 72-hour new customer time period, as described in section 53B.69, subdivision 3b, upon request of the customer. In order to receive a refund under this subdivision, a customer must:

(1) have been fraudulently induced to engage in the virtual currency transactions; and

(2) within 14 days of the last transaction to occur during the 72-hour new customer time period, contact the virtual currency kiosk operator and a government or law enforcement agency to inform them of the fraudulent nature of the transaction.

Subd. 5. **Transaction limits.** (a) There is an established maximum daily transaction limit of \$2,000 for each new customer of a virtual currency kiosk.

(b) The maximum daily transaction limit of an existing customer shall be decided by each virtual currency kiosk operator in compliance with federal law.

Sec. 11. Minnesota Statutes 2022, section 58B.02, subdivision 8, is amended to read:

Subd. 8. **Student loan.** "Student loan" means a government, commercial, or foundation loan extension of credit for actual costs paid for tuition and reasonable education and living expenses.

Sec. 12. Minnesota Statutes 2022, section 58B.02, is amended by adding a subdivision to read:

Subd. 8a. **Lender.** "Lender" means an entity engaged in the business of securing, making, or extending student loans. Lender does not include, to the extent that state regulation is preempted by federal law:

- (1) a bank, savings banks, savings and loan association, or credit union;
- (2) a wholly owned subsidiary of a bank or credit union;
- (3) an operating subsidiary where each owner is wholly owned by the same bank or credit union;
- (4) the United States government, through Title IV of the Higher Education Act of 1965, as amended, and administered by the United States Department of Education;
- (5) an agency, instrumentality, or political subdivision of Minnesota;
- (6) a regulated lender organized under chapter 56, except that a regulated lender must file the annual report required for lenders under section 58B.03, subdivision 11; or
- (7) a person who is not in the business of making student loans and who makes no more than three student loans, with the person's own funds, during any 12-month period.

Sec. 13. Minnesota Statutes 2022, section 58B.03, is amended by adding a subdivision to read:

Subd. 10. **Annual report.** (a) Beginning March 15, 2025, a student loan lender that secures, makes, or extends student loans in Minnesota must report to the commissioner on the form the commissioner provides:

- (1) a list of all schools attended by borrowers who received a student loan from the student loan lender and resided within Minnesota at the time of the transaction and whose debt is still outstanding, including student loans used to refinance an existing debt;
- (2) the total outstanding dollar amount owed by borrowers residing in Minnesota who received student loans from the student loan lender;
- (3) the total number of student loans owed by borrowers residing in Minnesota who received student loans from the student loan lender;
- (4) the total outstanding dollar amount and number of student loans owed by borrowers who reside in Minnesota, associated with each school identified under clause (1);
- (5) the total dollar amount of student loans provided by the student loan lender to borrowers who resided in Minnesota in the prior calendar year;
- (6) the total outstanding dollar amount and number of student loans owed by borrowers who resided in Minnesota, associated with each school identified under clause (1), that were provided in the prior calendar year;

(7) the rate of default for borrowers residing in Minnesota who obtained student loans from the student loan lender, if applicable;

(8) the rate of default for borrowers residing in Minnesota who obtained student loans from the student loan lender associated with each school identified under clause (1), if applicable;

(9) the range of initial interest rates for student loans provided by the student loan lender to borrowers who resided in Minnesota in the prior calendar year;

(10) the total number of borrowers who received student loans identified under clause (9), and the percentage of borrowers who received each rate identified under clause (9);

(11) the total dollar amount and number of student loans provided in the prior calendar year by the student loan lender to borrowers who resided in Minnesota at the time of the transaction and had a cosigner for the student loans;

(12) the total dollar amount and number of student loans provided by the student loan lender to borrowers residing in Minnesota used to refinance a prior student loan or federal student loan in the prior calendar year;

(13) the total dollar amount and number of student loans for which the student loan lender had sued to collect from a borrower residing in Minnesota in the prior calendar year;

(14) a copy of any model promissory note, agreement, contract, or other instrument used by the student loan lender in the previous year to substantiate that a borrower owes a new debt to the student loan lender; and

(15) any other information considered necessary by the commissioner to assess the total size and status of the student loan market and well-being of borrowers in Minnesota.

(b) In addition to annual reports, the commissioner may require additional regular or special reports as the commissioner deems necessary to properly supervise student loan lenders under this chapter.

(c) The commissioner of commerce must share data collected under this subdivision with the commissioner of higher education.

Sec. 14. Minnesota Statutes 2022, section 58B.03, is amended by adding a subdivision to read:

Subd. 11. **Annual report from student loan servicers.** (a) Beginning March 15, 2025, a student loan servicer that services student loans in Minnesota must report to the commissioner on the form the commissioner provides. The report must include:

(1) a list of any outstanding student loans owed by borrowers who reside in Minnesota that are serviced by the student loan servicer;

(2) the total outstanding dollar amount and number of student loans that are serviced by the student loan servicer and owed by borrowers who reside in Minnesota;

(3) the total dollar amount and number of student loans owed by borrowers who resided in Minnesota that were serviced by the student loan servicer in the prior calendar year;

(4) the rate of default for student loans owed by borrowers who reside in Minnesota that are serviced by the student loan servicer, if applicable;

(5) the range of interest rates for student loans serviced by the student loan servicers to borrowers who resided in Minnesota in the prior calendar year;

(6) the total outstanding dollar amount and number of student loans that were serviced by the student loan servicer and owed by borrowers residing in Minnesota to refinance a prior student loan or federal student loan; and

(7) any other information considered necessary by the commissioner to assess the total size and status of the student loan market and well-being of borrowers in Minnesota.

(b) In addition to annual reports, the commissioner may require additional regular or special reports as the commissioner deems necessary to properly supervise student loan servicers under this chapter.

(c) The commissioner of commerce must share data collected under this subdivision with the commissioner of higher education.

Sec. 15. Minnesota Statutes 2022, section 58B.06, subdivision 4, is amended to read:

Subd. 4. **Transfer of student loan.** (a) If a borrower's student loan servicer changes pursuant to the sale, assignment, or transfer of the servicing, the original student loan servicer must:

(1) require the new student loan servicer to honor all benefits that were made available, or which may have become available, to a borrower from the original student loan servicer or is authorized under the student loan contract, including any benefits for which the student loan borrower has not yet qualified unless that benefit is no longer available under the federal or state laws and regulations; and

(2) transfer to the new student loan servicer all information regarding the borrower, the account of the borrower, and the borrower's student loan, including but not limited to the repayment status of the student loan and the benefits described in clause (1).

(b) The student loan servicer must complete the transfer under paragraph (a), clause (2), less than 45 days from the date of the sale, assignment, or transfer of the servicing.

(c) A sale, assignment, or transfer of the servicing must be completed no less than seven days from the date the next payment is due on the student loan.

(d) A new student loan servicer must adopt policies and procedures to verify that the original student loan servicer has met the requirements of paragraph (a).

Sec. 16. Minnesota Statutes 2022, section 58B.06, subdivision 5, is amended to read:

Subd. 5. **Income-driven repayment.** (a) A student loan servicer must evaluate a borrower for eligibility for an income-driven repayment program before placing a borrower in forbearance or default.

(b) A student loan servicer must provide the following information on the student loan servicer's website:

(1) a description of any income-driven repayment programs available under the student loan contract or federal or state laws and regulations; and

(2) information on the policies and procedures the student loan servicer implements to facilitate the evaluation of student loan income-driven repayment program requests, including accurate information regarding any options that may be available to the borrower through the promissory note or that may have been marketed to the borrower through marketing materials.

Sec. 17. Minnesota Statutes 2022, section 58B.07, subdivision 1, is amended to read:

Subdivision 1. **Misleading borrowers.** A student loan servicer must not directly or indirectly employ any scheme, device, or artifice to attempt to defraud or mislead a borrower.

Sec. 18. Minnesota Statutes 2022, section 58B.07, subdivision 3, is amended to read:

Subd. 3. **Misapplication of payments.** A student loan servicer must not knowingly or negligently misapply student loan payments to the outstanding balance of a student loan.

Sec. 19. Minnesota Statutes 2022, section 58B.07, subdivision 9, is amended to read:

Subd. 9. **Incorrect information regarding student loan forgiveness loans.** (a) A student loan servicer must not misrepresent the availability of student loan forgiveness for which the servicer has reason to know the borrower is eligible. This includes but is not limited to student loan forgiveness programs specific to military borrowers, borrowers working in public service, or borrowers with disabilities.

(b) A student loan servicer must not provide incorrect information related to forbearance. If a student loan servicer suggests placing a borrower in forbearance in lieu of a repayment program that would result in savings to the borrower and the borrower relies on this information, the student loan servicer shall be subject to the penalties provided under section 58B.09.

Sec. 20. Minnesota Statutes 2022, section 58B.07, is amended by adding a subdivision to read:

Subd. 11. **Property.** A student loan servicer must not obtain property by fraud or misrepresentation.

Sec. 21. Minnesota Statutes 2022, section 58B.07, is amended by adding a subdivision to read:

Subd. 12. **Customer service.** A student loan servicer must not allow a borrower to remain on hold during an individual call for more than two hours unless the student loan servicer returns the borrower's phone call within 24 hours of the two hours expiring. A student loan servicer must not allow a call on hold to automatically lapse or end upon reaching a duration of two hours to satisfy this requirement.

Sec. 22. Minnesota Statutes 2022, section 58B.07, is amended by adding a subdivision to read:

Subd. 13. **Abusive acts or practices.** A student loan servicer must not engage in abusive acts or practices when servicing a student loan in this state. An act or practice is abusive in connection with the servicing of a student loan if that act or practice:

(1) materially interferes with the ability of a borrower to understand a term or condition of a student loan; or

(2) takes unreasonable advantage of any of the following:

(i) a lack of understanding on the part of a borrower of the material risks, costs, or conditions of the student loan;

(ii) the inability of a borrower to protect the interests of the borrower when selecting or using a student loan or feature, term, or condition of a student loan; or

(iii) the reasonable reliance by the borrower on a student loan servicer to act in the interests of the borrower.

Sec. 23. Minnesota Statutes 2022, section 58B.07, is amended by adding a subdivision to read:

Subd. 14. **Violations.** A violation of this section is an unlawful practice under section 325D.44.

Sec. 24. Minnesota Statutes 2022, section 58B.09, is amended by adding a subdivision to read:

Subd. 4. **Private right of action.** (a) A borrower who suffers damage as a result of the failure of a student loan servicer to comply with this chapter may bring an action on a borrower's own behalf and on behalf of a similarly situated class of persons against that student loan servicer to recover or obtain:

(1) actual damages, except that the total award of damages must be at least \$500 per plaintiff, per violation;

(2) an order enjoining the methods, acts, or practices;

(3) restitution of property;

(4) punitive damages;

(5) reasonable attorney fees; and

(6) any other relief that the court deems proper.

(b) In addition to any other remedies provided by this subdivision or otherwise provided by law, if a student loan servicer is shown, by a preponderance of the evidence, to have engaged in conduct that substantially interferes with a borrower's right to an alternative payment arrangement; loan forgiveness, cancellation, or discharge; or any other financial benefit established under the terms of a borrower's promissory note or under the Higher Education Act of 1965, United States Code,

title 20, section 1070a, et seq., a borrower is entitled to damages of at least \$1,500 per plaintiff, per violation.

(c) At least 45 days before bringing an action for damages or injunctive relief under this chapter, a borrower must:

(1) provide written notice to the student loan servicer alleged to have violated this chapter regarding the nature of the alleged violations; and

(2) demand that the student loan servicer correct and remedy the method, act, or practice identified in the notice under clause (1).

(d) The notice required by this subdivision must be sent by certified or registered mail, return receipt requested, to the student loan servicer's address on file with the Department of Commerce or to the student loan servicer's principal place of business in Minnesota.

(e) An action for damages or injunctive relief brought by a borrower only on the individual borrower's behalf must not be maintained under paragraph (a) upon a showing by a student loan servicer that an appropriate correction and remedy is given, or is agreed to be given within a reasonable time, to the borrower within 30 days after the notice is received.

(f) An action for damages brought by a borrower on both the borrower's behalf and on behalf of a similarly situated class of persons must not be maintained under paragraph (a) upon a showing by a student loan servicer alleged to have employed or committed a method, act, or practice declared unlawful if:

(1) all borrowers similarly situated have been identified or a reasonable effort to identify other borrowers has been made;

(2) all borrowers identified have been notified that, upon the borrower's request, the student loan servicer must make the appropriate correction and remedy;

(3) the correction and remedy requested by the borrower has been given or is given within a reasonable amount of time; and

(4) the student loan servicer has ceased from engaging, or if immediate cessation is impossible or unreasonably expensive under the circumstances, the student loan servicer ceases to engage within a reasonable amount of time, in the method, act, or practice.

(g) An attempt to comply with a demand described in paragraph (c) by a student loan servicer that receives the demand is construed as an offer to compromise and is inadmissible as evidence under Minnesota Rules of Evidence, rule 408. An attempt to comply with a demand is not an admission of engaging in an act or practice declared unlawful by paragraph (a). Evidence of compliance or attempts to comply with this section may be introduced by a defendant to establish good faith or to show compliance with paragraph (a).

(h) An award of damages must not be given in an action based on a method, act, or practice in violation of paragraph (a) if the student loan servicer alleged to have employed or committed that method, act, or practice:

(1) proves by a preponderance of the evidence that the violation was not intentional and resulted from a bona fide error, notwithstanding the use of reasonable procedures adopted to avoid that error; and

(2) makes an appropriate correction, repair, replacement, or other remedy under paragraphs (e) and (f).

Sec. 25. **[62J.805] DEFINITIONS.**

Subdivision 1. **Application.** For purposes of sections 62J.805 to 62J.808, the following terms have the meanings given.

Subd. 2. **Billing error.** "Billing error" means an error in a bill from a health care provider to a patient for health treatment or services that affects the amount owed by the patient according to that bill. Billing error includes but is not limited to (1) miscoding a health treatment or service, (2) an error in determining whether a health treatment or service is covered under the patient's health plan, or (3) an error in determining the cost-sharing owed by the patient.

Subd. 3. **Group practice.** "Group practice" has the meaning given to health care provider group practice in section 145D.01, subdivision 1.

Subd. 4. **Health care provider.** "Health care provider" means:

(1) a health professional who is licensed or registered by the state to provide health treatment and services within the professional's scope of practice and in accordance with state law;

(2) a group practice; or

(3) a hospital.

Subd. 5. **Health plan.** "Health plan" has the meaning given in section 62A.011, subdivision 3.

Subd. 6. **Hospital.** "Hospital" means a health care facility licensed as a hospital under sections 144.50 to 144.56.

Subd. 7. **Medically necessary.** "Medically necessary" means:

(1) safe and effective;

(2) not experimental or investigational, except as provided in Code of Federal Regulations, title 42, section 411.15(o);

(3) furnished in accordance with acceptable medical standards of medical practice to diagnose or treat the patient's condition, or to improve the function of a malformed body member;

(4) furnished in a setting appropriate to the patient's medical need and condition;

(5) ordered and furnished by qualified personnel;

(6) meets, but does not exceed, the patient's medical need; and

(7) is at least as beneficial as an existing and available medically appropriate alternative.

Subd. 8. **Payment.** "Payment" includes co-payments and coinsurance and deductible payments made by a patient.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 26. **[62J.806] POLICY FOR COLLECTION OF MEDICAL DEBT.**

Subdivision 1. **Requirement.** A health care provider must make available to the public the health care provider's policy for collecting medical debt from patients. The policy must be made available by:

(1) clearly posting the policy on the health care provider's website or, for health professionals, on the website of the health clinic, group practice, or hospital at which the health professional is employed or under contract; and

(2) providing a copy of the policy to any individual who requests the policy.

Subd. 2. **Content.** A policy made available under this section must at least specify the procedures followed by the health care provider to:

(1) communicate with patients about the medical debt owed and collecting medical debt;

(2) refer medical debt to a collection agency or law firm for collection; and

(3) identify medical debt as uncollectible or satisfied, and ending collection activities.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 27. **[62J.807] DENIAL OF HEALTH TREATMENT OR SERVICES DUE TO OUTSTANDING MEDICAL DEBT.**

(a) A health care provider must not deny medically necessary health treatment or services to a patient or any member of the patient's family or household because of current or previous outstanding medical debt owed by the patient or any member of the patient's family or household to the health care provider, regardless of whether the health treatment or service may be available from another health care provider.

(b) As a condition of providing medically necessary health treatment or services in the circumstances described in paragraph (a), a health care provider may require the patient to enroll in a payment plan for the outstanding medical debt owed to the health care provider. The payment plan must be reasonable and must take into account any information disclosed by the patient regarding the patient's ability to pay. Before entering into the payment plan, a health care provider must notify the patient that if the patient is unable to make all or part of the agreed-upon installment payments, the patient must communicate the patient's situation to the health care provider and must pay an amount the patient can afford.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 28. **[62J.808] BILLING ERRORS; HEALTH TREATMENT OR SERVICES.**

Subdivision 1. Billing and acceptance of payment. (a) If a health care provider or health plan company determines or receives notice from a patient or other person that a bill from the health care provider to a patient for health treatment or services may contain one or more billing errors, the health care provider or health plan company must review the bill and correct any billing errors found. While the review is being conducted, the health care provider must not bill the patient for any health treatment or service subject to review for potential billing errors. A health care provider may bill the patient for the health treatment and services that were reviewed for potential billing errors under this subdivision only after the review is complete, any billing errors are corrected, and a notice of completed review required under subdivision 3 is transmitted to the patient.

(b) If, after completing the review under paragraph (a) and correcting any billing errors, a health care provider or health plan company determines the patient overpaid the health care provider under the bill, the health care provider must, within 30 days after completing the review, refund to the patient the amount the patient overpaid under the bill.

Subd. 2. Notice to patient of potential billing error. (a) If a health care provider or health plan company determines or receives notice from a patient or other person that a bill from the health care provider to a patient for health treatment or services may contain one or more billing errors, the health care provider or health plan company must notify the patient:

(1) of the potential billing error;

(2) that the health care provider or health plan company must review the bill and correct any billing errors found; and

(3) that while the review is being conducted, the health care provider must not bill the patient for any health treatment or service subject to review for potential billing errors.

(b) The notice required under this subdivision must be transmitted to the patient within 30 days after the date the health care provider or health plan company determines or receives notice that the patient's bill may contain one or more billing errors.

Subd. 3. Notice to patient of completed review. When a health care provider or health plan company completes a review of a bill for potential billing errors, the health care provider or health plan company must (1) notify the patient that the review is complete, (2) explain in detail how any identified billing errors were corrected or explain in detail why the health care provider or health plan company did not modify the bill as requested by the patient or other person, and (3) include applicable coding guidelines, references to health records, and other relevant information. This notice must be transmitted to the patient within 30 days after the date the health care provider or health plan company completes the review.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 29. Minnesota Statutes 2023 Supplement, section 144.587, subdivision 4, is amended to read:

Subd. 4. **Prohibited actions.** (a) A hospital must not initiate one or more of the following actions until the hospital determines that the patient is ineligible for charity care or denies an application for charity care:

(1) offering to enroll or enrolling the patient in a payment plan;

(2) changing the terms of a patient's payment plan;

(3) offering the patient a loan or line of credit, application materials for a loan or line of credit, or assistance with applying for a loan or line of credit, for the payment of medical debt;

(4) referring a patient's debt for collections, including in-house collections, third-party collections, revenue recapture, or any other process for the collection of debt; or

~~(5) denying health care services to the patient or any member of the patient's household because of outstanding medical debt, regardless of whether the services are deemed necessary or may be available from another provider; or~~

~~(6)~~ (5) accepting a credit card payment of over \$500 for the medical debt owed to the hospital.

(b) A violation of section 62J.807 is a violation of this subdivision.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 30. Minnesota Statutes 2022, section 176.175, subdivision 2, is amended to read:

Subd. 2. **Nonassignability.** No claim for compensation or settlement of a claim for compensation owned by an injured employee or dependents is assignable. Except as otherwise provided in this chapter, any claim for compensation owned by an injured employee or dependents is exempt from seizure or sale for the payment of any debt or liability, up to a total amount of \$1,000,000 per claim and subsequent award.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 31. Minnesota Statutes 2023 Supplement, section 239.791, subdivision 8, is amended to read:

Subd. 8. **Disclosure; reporting.** (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 not exempt under subdivisions 10 to 14, 16, and 17, 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 percentage of biofuel blended into gasoline delivered through a meter into a storage tank used for dispensing by persons not exempt under subdivisions 10 to 14 ~~and~~ 16, and 17.

(c) On or before the 23rd day of each month, a person responsible for the product must report to the department, in the form prescribed by the commissioner, the gross number of gallons of intermediate blends sold at retail by the person during the preceding calendar month. The report must identify the number of gallons by blend type. For purposes of this subdivision, "intermediate blends" means blends of gasoline and biofuel in which the biofuel content, exclusive of denaturants and other permitted components, is greater than ten percent and no more than 50 percent by volume. This paragraph only applies to a person who is responsible for selling intermediate blends at retail at more than ten locations. A person responsible for the product at fewer than ten locations is not precluded from reporting the gross number of intermediate blends if a report is available.

(d) All reports provided pursuant to paragraph (c) are nonpublic data, as defined in section 13.02, subdivision 9.

Sec. 32. Minnesota Statutes 2022, section 239.791, is amended by adding a subdivision to read:

Subd. 17. **Bulk delivery of premium grade gasoline; exemption.** (a) A person responsible for the product may offer for sale, sell, or deliver a bulk delivery of unleaded premium grade gasoline, as defined in section 239.751, subdivision 4, that is not oxygenated in accordance with subdivision 1 if the conditions in paragraphs (b) to (d) are met.

(b) Nonoxygenated gas is only for use in vehicles that qualify for an exemption under subdivision 12, paragraph (a).

(c) No more than one bulk fuel storage tank on the premises may be used for storage of the nonoxygenated gasoline.

(d) The bulk fuel delivery is 500 gallons or less.

Sec. 33. Minnesota Statutes 2022, section 270C.63, subdivision 8, is amended to read:

Subd. 8. **Exempt property.** The lien imposed on personal property by this section, even though properly filed, is not enforceable: (1) against a purchaser with respect to tangible personal property purchased at retail in the ordinary course of the seller's trade or business, unless at the time of purchase the purchaser intends the purchase to or knows the purchase will hinder, evade, or defeat the collection of a tax; or (2) against the personal property listed as exempt in ~~sections~~ (i) Minnesota Statutes 2022, section 550.37, and (ii) sections 550.38; and 550.39.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 34. Minnesota Statutes 2022, section 270C.65, subdivision 1, is amended to read:

Subdivision 1. **Certification by commissioner.** The commissioner of revenue is authorized to certify to the commissioner of management and budget, or to any state agency described in subdivision 3 which disburses its own funds, that a taxpayer has an uncontested delinquent tax liability owed to the commissioner of revenue. The certification must be made within ten years after the date of assessment of the tax. Once certification is made, the commissioner of management and budget or the state agency shall apply to the delinquent tax liability funds sufficient to satisfy the unpaid tax liability from funds appropriated for payment of an obligation of the state or any of its agencies that

are due and owing the taxpayer. No setoff shall be made against any funds exempt under Minnesota Statutes 2022, section 550.37, or those funds owed an individual taxpayer who receives assistance under the provisions of chapter 256.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 35. Minnesota Statutes 2022, section 270C.67, subdivision 1a, is amended to read:

Subd. 1a. **Exempt property.** A levy under this section is not enforceable against:

(1) a purchaser with respect to tangible personal property purchased at retail in the ordinary course of the seller's trade or business, unless at the time of purchase the purchaser intends the purchase to or knows the purchase will hinder, evade, or defeat the collection of a tax; or

(2) the personal property listed as exempt in ~~sections~~ (i) Minnesota Statutes 2022, section 550.37, and (ii) sections 550.38, and 550.39.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 36. Minnesota Statutes 2022, section 270C.67, subdivision 11, is amended to read:

Subd. 11. **Levy and sale by sheriff.** If any tax payable to the commissioner or to the department is not paid as provided in subdivision 3, the commissioner may, within the time periods provided in subdivision 1 for collection of taxes, delegate the authority granted by subdivision 1, by means of issuing a warrant to the sheriff of any county of the state commanding the sheriff, as agent for the commissioner, to levy upon and sell the real and personal property of the person liable for the payment or collection of the tax and to levy upon the rights to property of that person within the county, or to levy upon and seize any property within the county on which there is a lien provided in section 270C.63, and to return the warrant to the commissioner and pay to the commissioner the money collected by virtue thereof by a time to be therein specified not less than 60 days from the date of the warrant. The sheriff shall proceed thereunder to levy upon and seize any property of the person and to levy upon the rights to property of the person within the county (except the person's homestead or that property which is exempt from execution pursuant to Minnesota Statutes 2022, section 550.37), or to levy upon and seize any property within the county on which there is a lien provided in section 270C.63. For purposes of the preceding sentence, "tax" includes any penalty, interest, and costs, properly payable. The sheriff shall then sell so much of the property levied upon as is required to satisfy the taxes, interest, and penalties, together with the sheriff's costs; but the sales, and the time and manner of redemption therefrom, shall, to the extent not provided in sections 270C.7101 to 270C.7109, be governed by Minnesota Statutes 2022, chapter 550. The proceeds of the sales, less the sheriff's costs, shall be turned over to the commissioner, who shall then apply the proceeds as provided in section 270C.7108.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 37. Minnesota Statutes 2022, section 270C.69, subdivision 1, is amended to read:

Subdivision 1. **Notice and procedures.** (a) The commissioner may, within five years after the date of assessment of the tax, or if a lien has been filed under section 270C.63, within the statutory period for enforcement of the lien, give notice to any employer deriving income which has a taxable situs in this state regardless of whether the income is exempt from taxation, that an employee of that employer is delinquent in a certain amount with respect to any taxes, including penalties, interest, and costs. The commissioner can proceed under this section only if the tax is uncontested or if the time for appeal of the tax has expired. The commissioner shall not proceed under this section until the expiration of 30 days after mailing to the taxpayer, at the taxpayer's last known address, a written notice of (1) the amount of taxes, interest, and penalties due from the taxpayer and demand for their payment, and (2) the commissioner's intention to require additional withholding by the taxpayer's employer pursuant to this section. The effect of the notice shall expire one year after it has been mailed to the taxpayer provided that the notice may be renewed by mailing a new notice which is in accordance with this section. The renewed notice shall have the effect of reinstating the priority of the original claim. The notice to the taxpayer shall be in substantially the same form as that provided in Minnesota Statutes 2022, section 571.72. The notice shall further inform the taxpayer of the wage exemptions contained in Minnesota Statutes 2022, section 550.37, subdivision 14. If no statement of exemption is received by the commissioner within 30 days from the mailing of the notice, the commissioner may proceed under this section. The notice to the taxpayer's employer may be served by mail or by delivery by an agent of the department and shall be in substantially the same form as provided in Minnesota Statutes 2022, section 571.75. Upon receipt of notice, the employer shall withhold from compensation due or to become due to the employee, the total amount shown by the notice, subject to the provisions of Minnesota Statutes 2022, section 571.922. The employer shall continue to withhold each pay period until the notice is released by the commissioner under section 270C.7109. Upon receipt of notice by the employer, the claim of the state of Minnesota shall have priority over any subsequent garnishments or wage assignments. The commissioner may arrange between the employer and the employee for withholding a portion of the total amount due the employee each pay period, until the total amount shown by the notice plus accrued interest has been withheld.

(b) The "compensation due" any employee is defined in accordance with the provisions of Minnesota Statutes 2022, section 571.921. The maximum withholding allowed under this section for any one pay period shall be decreased by any amounts payable pursuant to a garnishment action with respect to which the employer was served prior to being served with the notice of delinquency and any amounts covered by any irrevocable and previously effective assignment of wages; the employer shall give notice to the commissioner of the amounts and the facts relating to such assignments within ten days after the service of the notice of delinquency on the form provided by the commissioner as noted in this section.

(c) Within ten days after the expiration of such pay period, the employer shall remit to the commissioner, in the manner prescribed by the commissioner, the amount withheld during each pay period under this section. The employer must file all wage levy disclosure forms and remit all wage levy payments by electronic means.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 38. Minnesota Statutes 2023 Supplement, section 325E.21, subdivision 1b, is amended to read:

Subd. 1b. **Purchase or acquisition record required.** (a) Every scrap metal dealer, including an agent, employee, or representative of the dealer, shall create a ~~permanent~~ record written in English, using an electronic record program at the time of each purchase or acquisition of scrap metal or a motor vehicle. The record must include:

(1) a complete and accurate account or description, including the weight if customarily purchased by weight, of the scrap metal or motor vehicle purchased or acquired;

(2) the date, time, and place of the receipt of the scrap metal or motor vehicle purchased or acquired and a unique transaction identifier;

(3) a photocopy or electronic scan of the seller's proof of identification including the identification number;

(4) the amount paid and the number of the check or electronic transfer used to purchase or acquire the scrap metal or motor vehicle;

(5) the license plate number and description of the vehicle used by the person when delivering the scrap metal or motor vehicle, including the vehicle make and model, and any identifying marks on the vehicle, such as a business name, decals, or markings, if applicable;

(6) a statement signed by the seller, under penalty of perjury as provided in section 609.48, attesting that the scrap metal or motor vehicle is not stolen and is free of any liens or encumbrances and the seller has the right to sell it;

(7) a copy of the receipt, which must include at least the following information: the name and address of the dealer, the date and time the scrap metal or motor vehicle was received by the dealer, an accurate description of the scrap metal or motor vehicle, and the amount paid for the scrap metal or motor vehicle; and

~~(8) in order to purchase or acquire a detached catalytic converter, the vehicle identification number of the car it was removed from or, as an alternative, any numbers, bar codes, stickers, or other unique markings, whether resulting from the pilot project created under subdivision 2b or some other source. The alternative number must be under a numbering system that can be immediately linked to the vehicle identification number by law enforcement; and~~

~~(9)~~ (8) the identity or identifier of the employee completing the transaction.

(b) The record, as well as the scrap metal or motor vehicle purchased or acquired, shall at all reasonable times be open to the inspection of any properly identified law enforcement officer.

(c) Except for the purchase or acquisition of detached catalytic converters or motor vehicles, no record is required for property purchased or acquired from merchants, manufacturers, salvage pools, insurance companies, rental car companies, financial institutions, charities, dealers licensed under section 168.27, or wholesale dealers, having an established place of business, or of any goods purchased or acquired at open sale from any bankrupt stock, but a receipt as required under paragraph (a), clause (7), shall be obtained and kept by the person, which must be shown upon demand to any properly identified law enforcement officer.

(d) The dealer must provide a copy of the receipt required under paragraph (a), clause (7), to the seller in every transaction.

(e) The commissioner of public safety and law enforcement agencies in the jurisdiction where a dealer is located may conduct inspections and audits as necessary to ensure compliance, refer violations to the city or county attorney for criminal prosecution, and notify the registrar of motor vehicles.

(f) 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 required by law or 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).

Sec. 39. Minnesota Statutes 2023 Supplement, section 325E.21, subdivision 11, is amended to read:

Subd. 11. **Prohibition on possessing catalytic converters; exception.** (a) It is unlawful for a person to possess a used catalytic converter that is not attached to a motor vehicle except when:

(1) the converter is marked with the date the converter was removed from the vehicle and the identification number of the vehicle from which the converter was removed or ~~an alternative number to the vehicle identification number~~, as an alternative to the vehicle identification number, any numbers, bar codes, stickers, or other unique markings, whether resulting from the pilot project created under subdivision 2b or some other source; or

(2) the converter has been EPA certified for reuse as a replacement part.

(b) If an alternative number to the vehicle identification number is used, it must be under a numbering system that can be immediately linked to the vehicle identification number by law enforcement. The marking of the vehicle identification or alternative number may be made in any permanent manner, including but not limited to an engraving or use of permanent ink. The marking must clearly and legibly indicate the date removed and the vehicle identification number or the alternative number and the method by which law enforcement can link the converter to the vehicle identification number.

Sec. 40. Minnesota Statutes 2023 Supplement, section 325E.80, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the terms in this subdivision have the meanings given.

(b) "Essential consumer good or service" means a good or service that is vital and necessary for the health, safety, and welfare of the public, including without limitation: food; water; fuel; gasoline; shelter; construction materials; transportation; health care services; pharmaceuticals; and medical, personal hygiene, sanitation, and cleaning supplies.

(c) "Restoration and mitigation services provider" means a person or business that provides a service to prevent further damage to property following a fire, smoke, water, or storm event. Services include but are not limited to boarding up property, water extraction, drying, smoke or odor removal, cleaning, and personal property inventory, removal, and storage.

(d) "Seller" means a manufacturer, supplier, wholesaler, distributor, or retail seller of goods and services.

(e) "Tree trimmer" means a person registered under section 18G.07.

~~(d)~~ (f) "Unconscionably excessive price" means a price that represents a gross disparity compared to the seller's average price of an essential good or service, offered for sale or sold in the usual course of business, in the 60-day period before an abnormal market disruption is declared under subdivision 2. None of the following is an unconscionably excessive price:

(1) a price that is substantially related to an increase in the cost of manufacturing, obtaining, replacing, providing, or selling a good or service;

(2) a price that is no more than 25 percent above the seller's average price during the 60-day period before an abnormal market disruption is declared under subdivision 2;

(3) a price that is consistent with the fluctuations in applicable commodity markets or seasonal fluctuations; or

(4) a contract price, or the results of a price formula, that was established before an abnormal market disruption is declared under subdivision 2.

Sec. 41. Minnesota Statutes 2023 Supplement, section 325E.80, subdivision 5, is amended to read:

Subd. 5. **Prices and rates.** Upon the occurrence of a weather event classified as a severe thunderstorm pursuant to the criteria established by the National Oceanic and Atmospheric Administration, a residential building contractor, tree trimmer, or restoration and mitigation services provider operating within the geographic region impacted by the weather event and repairing damage caused by the weather event shall not:

(1) charge an unconscionably excessive price for labor in comparison to the market price charged for comparable services in the geographic region impacted by the weather event; or

(2) charge an insurance company a rate that exceeds what the residential building contractor, tree trimmer, or restoration and mitigation services provider would otherwise charge members charge a member of the general public.

Sec. 42. Minnesota Statutes 2023 Supplement, section 325E.80, subdivision 6, is amended to read:

Subd. 6. **Civil penalty.** A person who is found to have violated ~~this section~~ subdivision 4 is subject to a civil penalty of not more than \$1,000 per sale or transaction, with a maximum penalty of \$25,000 per day. No other penalties may be imposed for the same conduct regulated under ~~this section~~ subdivision 4.

Sec. 43. Minnesota Statutes 2023 Supplement, section 325E.80, subdivision 7, is amended to read:

Subd. 7. **Enforcement authority.** (a) The attorney general may investigate and bring an action using the authority under section 8.31 against a seller or, residential building contractor, tree trimmer, or restoration and mitigation services provider for an alleged violation of this section.

(b) Nothing in this section creates a private cause of action in favor of a person injured by a violation of this section.

Sec. 44. Minnesota Statutes 2022, section 325F.03, is amended to read:

325F.03 FLAME RESISTANT PUBLIC ASSEMBLY TENTS.

No person, firm or corporation shall establish, maintain or operate any circus, side show, carnival, tent show, theater, skating rink, dance hall, or a similar exhibition, production, engagement or offering or other place of assemblage in or under which ~~ten~~ 15 or more persons may gather for any lawful purpose in any tent, awning or other fabric enclosure unless such tent, awning or other fabric enclosure, and all auxiliary tents, curtains, drops, awnings and all decorative materials, are made from a nonflammable material or are treated and maintained in a flame resistant condition. This section ~~shall~~ does not apply to tents designed or manufactured for camping, backpacking, mountaineering, or children's play; tents used to conduct committal services on the grounds of a cemetery; nor to tents, awnings or other fabric enclosures erected and used within a sound stage, or other similar structural enclosure which is equipped with an overhead automatic sprinkler system.

Sec. 45. Minnesota Statutes 2022, section 325F.04, is amended to read:

325F.04 FLAME RESISTANT TENTS ~~AND SLEEPING BAGS.~~

No person, firm, or corporation may sell or offer for sale or manufacture for sale in this state any tent subject to section 325F.03 unless all fabrics or pliable materials in the tent are durably flame resistant. ~~No person, firm or corporation may sell or offer for sale or manufacture for sale in this state any sleeping bag unless it meets the standards of the commissioner of public safety for flame resistance. Tents and sleeping bags~~ subject to section 325F.03 shall be conspicuously labeled as being durably flame resistant.

Sec. 46. Minnesota Statutes 2022, section 325F.05, is amended to read:

325F.05 RULES.

The commissioner of public safety shall act so as to have effective rules concerning standards for ~~nonflammable, flame resistant and~~ durably flame resistant materials and for labeling requirements ~~by January 1, 1976~~ under sections 325F.03 and 325F.04. In order to comply with sections 325F.03 and 325F.04 all materials and labels must comply with the rules adopted by the commissioner. The commissioner has general rulemaking power to otherwise implement sections 325F.03 to 325F.07.

Sec. 47. **[325F.078] SALES OF AEROSOL DUSTERS CONTAINING 1,1-DIFLUOROETHANE (DFE).**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Aerosol duster" means a product used to clean electronics and other items by means of an aerosol sprayed from a pressurized container.

(c) "Behind-the-counter" means placement by a retailer of a product to ensure that customers do not have direct access to the product before a sale is made, requiring the seller to deliver the product directly to the buyer.

(d) "DFE" or "1,1-difluoroethane" means a chemical with a Chemicals Abstract Service Registry Number of 75-37-6.

Subd. 2. **Requirements for retail sale.** A retailer must only sell an aerosol duster that contains DFE:

(1) from behind the counter;

(2) to a purchaser who presents valid evidence that the purchaser is at least 21 years of age; and

(3) in a quantity that complies with the purchasing limit established in subdivision 3.

Subd. 3. **Purchasing limit.** (a) A retailer is prohibited from selling more than three cans of an aerosol duster containing DFE to a customer in a single transaction.

(b) A retailer is prohibited from selling aerosol dusters containing DFE through same day pick up services or same day delivery services.

Subd. 4. **Exemption.** (a) Subdivisions 2 and 3 do not apply to a business purchasing aerosol dusters online.

(b) Office wholesalers can sell more than three cans of aerosol dusters containing DFE to a business they have a contract with.

Subd. 5. **Labeling.** (a) An aerosol duster manufactured after May 31, 2025, must not be sold in this state unless the aerosol duster clearly warns against the dangers of intentionally misusing duster aerosol products.

(b) The font size of this warning shall be the same or larger than other warning language. The font color and background of the label must be in contrasting colors.

(c) The label on each can of aerosol duster containing DFE must contain the following:

(1) the words "DANGER: DEATH! Breathing this product to get high can kill you!"; and

(2) the poison control phone number, 1-800-222-1222.

(d) In order to comply with paragraph (a), a label may include, but is not limited to the words:

(1) "Deliberate misuse by concentrating and inhaling the contents can be harmful or fatal!"; and

(2) "Intentional misuse by deliberately concentrating and inhaling the vapors can be harmful or fatal!".

(e) The safety symbols and color standards of the label described in this section must conform with the ANSI Z535 safety signage standards guidelines established by the American National Standards Institute.

Subd. 6. **Violations.** (a) A person who violates subdivision 2 or 3 is guilty of a misdemeanor.

(b) It is an affirmative defense to a charge under subdivision 2, clause (2), if the defendant proves by a preponderance of the evidence that the defendant reasonably and in good faith relied on proof of age as described in section 340A.503, subdivision 6.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to purchases of aerosol dusters made on or after that date.

Sec. 48. Minnesota Statutes 2022, section 325F.56, subdivision 2, is amended to read:

Subd. 2. **Repairs.** "Repairs" means work performed for a total price of more than \$100 ~~and less than \$7,500~~, including the price of parts and materials, to restore a malfunctioning, defective, or worn motor vehicle, appliance, or dwelling place used primarily for personal, family, or household purposes and not primarily for business or agricultural purposes. "Repairs" do not include service calls or estimates.

Sec. 49. Minnesota Statutes 2022, section 325F.62, subdivision 3, is amended to read:

Subd. 3. **Required notice to be displayed.** Each shop shall conspicuously display a sign that states the following: "Upon a customer's request, this shop is required to provide a written estimate for repairs costing more than \$100 ~~to \$7,500~~ if the shop agrees to perform the repairs. The shop's final price cannot exceed its written estimate by more than ten percent without the prior authorization of the customer. You must request that the estimate be in writing. An oral estimate is not subject to the above repair cost limitations." If the shop charges a fee for the storage or care of repaired motor vehicles or appliances, the shop shall conspicuously display a sign that states the amount assessed for storage or care, when the charge begins to accrue, and the interval of time between assessments."

Sec. 50. **[325F.782] DEFINITIONS.**

Subdivision 1. **Scope.** For purposes of sections 325F.782 to 325F.7822, the following terms have the meanings given.

Subd. 2. **Minor.** "Minor" means an individual who is younger than 21 years of age.

Subd. 3. **Vapor product.** "Vapor product" means a noncombustible product that employs a heating element, power source, electronic circuit, or other electronic, chemical, or mechanical means, regardless of shape or size, that can be used to produce vapor from nicotine or any other substance, and the use or inhalation of which simulates smoking. Vapor product includes an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or device. Vapor product also includes a vapor cartridge or other container of nicotine or other substance in a solution or other

form that is intended to be used with or in an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or device.

Sec. 51. **[325F.7821] PROHIBITION ON DECEPTIVE VAPOR PRODUCTS.**

A person or entity must not market, promote, label, brand, advertise, distribute, offer for sale, or sell a vapor product by:

(1) imitating a product that is not a vapor product, including but not limited to:

(i) a food or brand of food commonly marketed to minors, including but not limited to candy, desserts, and beverages;

(ii) school supplies commonly used by minors, including but not limited to erasers, highlighters, pens, and pencils; and

(iii) a product based on or depicting a character, personality, or symbol known to appeal to minors, including but not limited to a celebrity; a character in a comic book, movie, television show, or video game; and a mythical creature;

(2) attempting to conceal the nature of the vapor product from parents, teachers, or other adults;
or

(3) using terms for, describing, or depicting any product described in clause (1).

Sec. 52. **[325F.812] CELLULAR TELEPHONE CASES.**

Subdivision 1. **Certain cellular telephone cases; prohibition.** A person is prohibited from purchasing, possessing, importing, manufacturing, selling, holding for sale, or distributing a cellular telephone case, stand, or cover that is a facsimile of or reasonably appears to be a firearm, including but not limited to a pistol or revolver.

Subd. 2. **Enforcement.** This section may be enforced by the attorney general under section 8.31, but a court may not impose a civil penalty of more than \$500 for a violation of this section.

Sec. 53. Minnesota Statutes 2022, section 325G.24, is amended to read:

325G.24 RIGHT OF CANCELLATION.

Subdivision 1. **Right of cancellation.** (a) Any person who has elected to become a member of a club may unilaterally cancel such membership, in the person's exclusive discretion, by giving ~~written~~ notice of cancellation at any time before midnight of the third business day following the date on which membership was attained. ~~Notice of cancellation may be given personally or by mail.~~

(b) If given by mail, the notice is effective upon deposit in a mailbox, properly addressed and postage prepaid. ~~Notice of cancellation need not take a particular form and is sufficient if it indicates, by any form of written expression, the intention of the member not to be bound by the contract.~~

(c) Cancellation under this subdivision shall be without liability on the part of the member and the member shall be entitled to a refund, within ten days after notice of cancellation is given, of the

entire consideration paid for the contract. ~~Rights of cancellation may not be waived or otherwise surrendered.~~

Subd. 2. **Right of member unilateral termination.** (a) Any person who has elected to become a member of a club may unilaterally terminate such membership, in the person's exclusive discretion, by giving notice of termination at any time.

(b) If given by mail, the notice is effective upon deposit in a mailbox, properly addressed, and postage prepaid.

(c) A club must not impose a termination fee or any other liability on the member for termination under this subdivision.

(d) Termination under this subdivision is effective at the end of the membership term in which the member provides the notice of termination. If membership is at-will without a defined membership term, then termination under this subdivision is effective immediately, unless the member indicates a future effective date of termination, in which event the date indicated by the member is the effective date of termination.

(e) If a member provides notice of termination at any time before midnight of the third business day following the date on which membership was attained, the club must treat the notice as a notice of cancellation under subdivision 1, unless the member specifically provides for a future termination effective date.

Subd. 3. **Notice requirements.** (a) A club must accept a notice of cancellation or notice of termination that has been given:

(1) verbally, including but not limited to personally or over the telephone to customer or account service members;

(2) in writing, including but not limited to via mail, email, or an online message through the club's website directed to customer or account service members;

(3) through a termination election as described in section 325G.60; or

(4) in any other manner or medium by which the member initially accepted membership to the club and that is no more burdensome to the member than was the initial acceptance.

(b) The process to cancel must be stated clearly and be easily accessible and completed with ease.

Subd. 4. **No waiver.** A right of cancellation or right of termination under this section may not be waived or otherwise surrendered.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to contracts entered into, modified, or renewed on or after that date.

Sec. 54. Minnesota Statutes 2022, section 325G.25, subdivision 1, is amended to read:

Subdivision 1. **Form and content.** A copy of every contract shall be delivered to the member at the time the contract is signed. Every contract must be in writing, must be signed by the member, must designate the date on which the member signed the contract and must state, clearly and conspicuously in boldface type of a minimum size of 14 points, the following:

"MEMBERS' RIGHT TO CANCEL"

"If you wish to cancel this contract, you may cancel in-person, over the phone, by delivering or mailing a written notice to the club, via email or an online message through the club's website, through the "termination election" provided on the club's website (if applicable) and as described in Minnesota Statutes, section 325G.60, or in any other manner or medium by which you initially accepted membership to the club. The notice must ~~say that you do not wish to be bound by the contract and must be delivered or mailed~~ be provided to the club before midnight of the third business day after you sign this contract. ~~The notice must be delivered or mailed to: (Insert name and mailing address of club).~~ If you cancel, the club will return, within ten days of the date on which you give notice of cancellation, any payments you have made."

"MEMBERS' RIGHT TO UNILATERAL TERMINATION"

"You may unilaterally terminate this contract in your exclusive discretion at any time. If you terminate, your membership will terminate at the end of the membership term in which you provided the club with notice of termination. If your membership is at-will without a defined membership term, then your membership will terminate immediately, unless you indicate a future effective date of termination. If you wish to terminate this contract, you may terminate in-person, over the phone, by delivering or mailing a written notice to the club, via email or an online message through the club's website, through the "termination election" provided on the club's website (if applicable) and as described in Minnesota Statutes, section 325G.60, or in any other manner or medium by which you initially accepted membership to the club. The club may not impose a termination fee or any other liability on you for termination."

"NOTICE INFORMATION"

"If you wish to provide notice of cancellation or notice of termination to the club:

In-person or by mail, the applicable address is: [Insert name and mailing address of club];

Over the phone, the applicable phone number is: [Insert phone number of club];

Via email, the applicable email address is: [Insert email address of club];

On the club's website, the applicable website address is: [Insert address, if applicable]."

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to contracts entered into, modified, or renewed on or after that date.

Sec. 55. **[325G.56] DEFINITIONS.**

Subdivision 1. **Scope.** For purposes of sections 325G.56 to 325G.62, the terms defined in this section have the meanings given them.

Subd. 2. **Automatic renewal.** "Automatic renewal" means a plan or arrangement in which a subscription or purchasing agreement is automatically renewed at the end of a definite term for a subsequent term.

Subd. 3. **Clear and conspicuous.** "Clear and conspicuous" means in larger type than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same size, or set off from the surrounding text of the same size by symbols or other marks, in a manner that calls attention to the language. In the case of an audio disclosure, "clear and conspicuous" means in a volume and cadence sufficient to be readily audible and understandable.

Subd. 4. **Consumer.** "Consumer" means any individual who seeks or acquires, by purchase or lease, any goods, services, money, or credit for personal, family, or household purposes. Consumer includes but is not limited to a member as defined in section 325G.23, unless the context clearly indicates otherwise.

Subd. 5. **Continuous service.** "Continuous service" means a plan or arrangement in which a subscription or purchasing agreement continues until the consumer terminates the agreement.

Subd. 6. **Indefinite subscription agreement.** "Indefinite subscription agreement" means a subscription or purchasing agreement:

- (1) between a seller and a consumer in Minnesota; and
- (2) subject to automatic renewal or continuous service.

Indefinite subscription agreements include but are not limited to contracts, as defined in section 325G.23, subject to automatic renewal or continuous service.

Subd. 7. **Offer terms.** "Offer terms" means the following disclosures:

(1) that the indefinite subscription agreement will continue until the consumer terminates the agreement;

(2) the description of the cancellation policy that applies to the indefinite subscription agreement;

(3) the recurring charges that will be charged to the consumer's credit or debit card or payment account with a third party as part of the plan or arrangement and that the amount of the charge may change, if that is the case, and the amount to which the charge will change, if known;

(4) the length of the automatic renewal term or that the service is continuous, unless the length of the term is definite and chosen by the consumer; and

(5) the minimum purchase obligation, if any.

Subd. 8. **Seller.** "Seller" means a seller, lessor, licensor, or professional who advertises, solicits, or engages in consumer transactions, or a manufacturer, distributor, or licensor who advertises and sells, leases, or licenses goods or services to be resold, leased, or sublicensed by other persons in consumer transactions. Seller includes but is not limited to a club as defined in section 325G.23, unless the context clearly indicates otherwise.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to contracts entered into, modified, or renewed on or after that date.

Sec. 56. [325G.57] REQUIREMENTS FOR AUTOMATIC RENEWAL OR CONTINUOUS SERVICE.

Subdivision 1. **Notices upon offer.** A seller making an offer for an indefinite subscription agreement must, before the consumer accepts the offer, present the offer terms in a clear and conspicuous manner to the consumer and in visual proximity, or in the case of an offer conveyed by voice, in temporal proximity, to the offer's proposal.

Subd. 2. **Confirmation upon consumer consent.** A seller making an offer for an indefinite subscription agreement must, in a timely manner after the consumer accepts the offer, provide the consumer with confirmation of the consumer's acceptance of the offer, in a manner that is capable of being retained by the consumer, that includes the following:

(1) the offer terms;

(2) if the offer includes a free trial, information on how to cancel the free trial before the consumer pays or becomes obligated to pay for any goods or services in connection with the free trial; and

(3) options for termination of the indefinite subscription agreement, which options must be easy to use, cost-effective, and timely for all consumers:

(i) if a seller makes offers for an indefinite subscription agreement through an online website, a termination election as set forth in section 325G.60; and

(ii) if a consumer enters into the indefinite subscription agreement through any means other than a toll-free telephone number, an email address, or a postal address, then an option substantially similar to, as easy to use, and as accessible as the initial means of consumer acceptance of the agreement.

A communication of the required information through email is sufficient to meet the requirements of this subdivision.

Subd. 3. **Material changes.** Upon a material change in the terms of the indefinite subscription agreement, the seller must provide to the consumer in a timely manner, and in any case prior to the implementation of the material change, a clear and conspicuous notice of the material change and provide information regarding how to terminate the agreement in a manner that is capable of being retained by the consumer. A material change in the terms of an indefinite subscription agreement in violation of this subdivision is void and unenforceable.

Subd. 4. **Free trials.** A seller making an offer for an indefinite subscription agreement that includes a free trial lasting more than 30 days must, no fewer than five days and no more than 30 days before the end of any such free trial, notify the consumer of the consumer's option to cancel the free trial before the end of the trial period to avoid an obligation to pay for the goods or services.

Subd. 5. **Periodic notice of continuous service.** (a) If an indefinite subscription agreement is subject to continuous service, the seller must give the consumer written notice of the continuous service at least once per calendar year via mail or email.

(b) The notice required under this subdivision must include the terms of the service and how to terminate or manage the service.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to contracts entered into, modified, or renewed on or after that date.

Sec. 57. **[325G.58] PROHIBITED CONDUCT.**

Subdivision 1. **Definition; agreement.** For purposes of this section, "agreement" means an indefinite subscription agreement, as defined in section 325G.56, and a contract, as defined in section 325G.23.

Subd. 2. **Charges prior to effective date.** A seller must not charge the consumer's credit or debit card or the consumer's account with a third party in connection with an agreement before the agreement has been duly authorized by the seller and consumer and made effective.

Subd. 3. **Right of first refusal.** An agreement must not require the consumer to permit the seller to match any offer the consumer has received. A provision in an agreement that violates this subdivision is void and unenforceable.

Subd. 4. **No abusive tactics or offers upon notice.** (a) A seller that has received a notice of cancellation or notice of termination of an agreement from a consumer cannot:

(1) make any misrepresentation or undertake any unfair or abusive tactic to delay, unreasonably delay, or avoid the cancellation or termination of the agreement; or

(2) make or provide additional benefits, contract modifications, gifts, or similar offers to the consumer until the seller has obtained permission from the consumer, granted by the consumer after notice of cancellation or termination was given to the seller, for the seller to engage in any such activity.

(b) A seller can only seek a consumer's permission under this paragraph once per cancellation or termination attempt. A consumer's grant of permission under this paragraph is limited to the immediate cancellation or termination attempt and does not apply to subsequent attempts.

Subd. 5. **Exceptions.** This section does not prohibit a seller from:

(1) asking the consumer the reasons for cancellation or termination, provided that a consumer is not required to answer as a condition of cancellation or termination;

(2) informing the consumer of any consequences of canceling or terminating the subscription;

(3) verifying the identity of the consumer; or

(4) describing options to maintain an ongoing relationship with the seller, including but not limited to for downgrading, pausing, or suspending the subscription.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to contracts entered into, modified, or renewed on or after that date.

Sec. 58. **[325G.59] CONSUMER'S RIGHT TO TERMINATE.**

Subdivision 1. **Termination of agreement subject to automatic renewal.** A consumer may terminate an indefinite subscription agreement subject to automatic renewal at any time by following the procedure set forth in the confirmation described in section 325G.57, subdivision 2. A termination under this subdivision is effective at the end of the term in which notice of termination is provided by the consumer, unless the consumer specifies a termination date occurring at the end of a subsequent term, in which event the termination is effective as of the date specified by the consumer, if the option is available.

Subd. 2. **Termination of agreement subject to continuous service.** (a) A consumer may terminate an indefinite subscription agreement subject to continuous service at any time by following the procedure set forth in the confirmation described in section 325G.57, subdivision 2. A termination under this subdivision must take effect no later than 31 days from the date of a verified consumer's notice of termination unless the consumer specifies a future termination date, in which event the termination is effective as of such date.

(b) This subdivision does not require a seller to provide an option to set a future termination date.

Subd. 3. **Termination in absence of confirmation or notice.** If the seller fails to provide either the confirmation required under section 325G.57, subdivision 2, or a notice required by section 325G.57, subdivision 5, the consumer may terminate the indefinite subscription agreement by any reasonable means at any time, including but not limited to by mail, email, telephone, an online option, a termination election under section 325G.60, or the means by which the consumer entered into the agreement, at no cost to the consumer.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to contracts entered into, modified, or renewed on or after that date.

Sec. 59. **[325G.60] TERMINATION ELECTION REQUIREMENT.**

Subdivision 1. **Definition; agreement.** For purposes of this section, "agreement" means an indefinite subscription agreement, as defined in section 325G.56, and a contract, as defined in section 325G.23.

Subd. 2. **Termination election required.** (a) If a seller has a website with profile or subscription management capabilities, then such website must include a termination election on the website. The termination election must be clear and conspicuous on the website and must use plain language to convey that any consumer may use the termination election to terminate the agreement at any time. The termination election must only require a consumer to input information that is necessary to process the termination. The termination election must include a checkbox, submission button, or similarly common and simple mechanism for the member to indicate a desire to terminate the agreement.

(b) For purposes of this section, "termination election" means a simple and easily accessible means for a consumer to quickly provide notice of termination, and that does not include undue complexity, confusion, or misrepresentation by the seller.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to contracts entered into, modified, or renewed on or after that date.

Sec. 60. **[325G.61] UNCONDITIONAL GIFTS.**

Any good, including but not limited to any ware, merchandise, or product, is an unconditional gift to the consumer if a seller sends the good under an indefinite subscription agreement without first obtaining the consumer's affirmative consent to the agreement in accordance with section 325G.57. The consumer may use or dispose of the good in any manner without any obligation to the seller, including but not limited to any obligation relating to shipping of the good.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to contracts entered into, modified, or renewed on or after that date.

Sec. 61. **[325G.62] EXEMPTION.**

Sections 325G.56 to 325G.61 do not apply to:

(1) contracts governed by another state or federal statute or regulation specifically intended to regulate automatic renewal or continuous service;

(2) any licensee as defined in section 60A.985, subdivision 8, and any affiliate of such a licensee as defined in section 60D.15, subdivision 2;

(3) an individual or business licensed by the Department of Labor and Industry as a technology system contractor or power limited technician as defined in section 326B.31;

(4) any service provided by a business or its affiliate where either the business or its affiliate is licensed or regulated by the Public Utilities Commission, the Federal Communications Commission, or the Federal Energy Regulatory Commission; or

(5) any person or entity registered or licensed with the Financial Industry Regulatory Authority, the Securities and Exchange Commission, or under the Minnesota Securities Act.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to contracts entered into, modified, or renewed on or after that date.

Sec. 62. **[325G.63] ENFORCEMENT.**

A seller is not subject to civil penalties if the seller has made a good faith effort to comply with each applicable provision of sections 325G.56 to 325G.61.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to contracts entered into, modified, or renewed on or after that date.

Sec. 63. **[325O.01] CITATION.**

This chapter may be cited as the "Prohibiting Social Media Manipulation Act."

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 64. **[3250.02] DEFINITIONS.**

(a) For purposes of this chapter, the following terms have the meanings given.

(b) "Accessible user interface" means a way for a user to input data, make a choice, or take an action on a social media platform in two clicks or fewer.

(c) "Account holder" means a natural person or legal person who holds an account or profile with a social media platform.

(d) "Account interactions" means any action that a user can make within a social media platform that could have a negative impact on another account holder. Account interactions include but are not limited to:

(1) sending messages or invitations to users;

(2) reporting users;

(3) commenting on, resharing, liking, voting, or otherwise reacting to users' user-generated content; and

(4) posting user-generated content or disseminating user-generated content to users. Actions that have no impact on other users, including viewing user-generated content or public content, are not account interactions.

(e) "Algorithmic ranking system" means a computational process, including one derived from algorithmic decision making, machine learning, statistical analysis, or other data processing or artificial intelligence techniques, used to determine the selection, order, relative prioritization, or relative prominence of content from a set of information that is provided to a user on a social media platform, including search results ranking, content recommendations, content display, or any other automated content selection method.

(f) "Conspicuously" means the information is presented in a manner, given the information's size, color, contrast, location, and proximity to any related information, as to be readily noticed and understood by a reasonable user.

(g) "Content" means any media, including but not limited to written posts, images, visual or audio recordings, notifications, and games, that a user views, reads, watches, listens to, or otherwise interacts or engages with on a social media platform. Content includes other account holders' accounts or profiles when recommended to a user by the social media platform.

(h) "Engage" or "engagement" means a user's utilization of the social media platform.

(i) "Expressed preferences" means a freely given, considered, specific, and unambiguous indication of a user's preferences regarding the user's engagement with a social media platform. Expressed preferences must not be based on the user's time spent engaging with content on the social

media platform or on the use of features that do not indicate explicit preference, including comments made, posts reshared, or similar actions that may be taken on content the user perceives to be of low quality. Expressed preferences must not be obtained through a user interface designed or manipulated with the substantial effect of subverting or impairing a user's decision making.

(j) "Social media platform" means an electronic medium, including a browser-based or application-based interactive computer service, Internet website, telephone network, or data network, that allows an account holder to create, share, and view user-generated content for a substantial purpose of social interaction, sharing user-generated content, or personal networking. Social media platform does not include:

(1) an Internet search provider;

(2) an Internet service provider;

(3) an email service;

(4) a streaming service, online video game, e-commerce, or other Internet website where the content is not user generated but where interactive functions enable chat, comments, reviews, or other interactive functionality that is incidental to, directly related to, or dependent upon providing the content;

(5) a communication service, including text, audio, or video communication technology, provided by a business to the business's employees and clients for use in the course of business activities and not for public distribution, except that social media platform includes a communication service provided by a social media platform;

(6) an advertising network with the sole function of delivering commercial content;

(7) a telecommunications carrier, as defined in United States Code, title 47, section 153;

(8) a broadband service, as defined in section 116J.39, subdivision 1;

(9) single-purpose community groups for education or public safety;

(10) teleconferencing or video-conferencing services that allow reception and transmission of audio and video signals for real-time communication, except that social media platform includes teleconferencing or video-conferencing services provided by a social media platform;

(11) cloud computing services, which may include cloud storage and shared document collaboration;

(12) providing or obtaining technical support for a platform, product, or service; or

(13) a platform designed primarily and specifically for creative professional users, as distinct from the general public, to share their portfolio and creative content, engage in professional networking, acquire clients, and market the creative professional user's creative content and creative services through facilitated transactions.

(k) "Time sensitive" means content that is welcomed under a user's expressed preferences and that has significantly reduced value to the user with the passing of time.

(l) "User" means a natural person who is located in Minnesota and who holds an account or profile with a social media platform.

(m) "User-generated content" means any content created by an account holder that is uploaded, posted, shared, or disseminated on the social media platform.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 65. **[3250.03] SCOPE; EXCLUSIONS.**

(a) A social media platform is subject to this chapter if the social media platform:

(1) does business in Minnesota or provides products or services that are targeted to residents of Minnesota; and

(2) has more than 10,000 monthly active account holders located in Minnesota.

(b) For purposes of this chapter, a social media platform may determine whether an account holder is located in Minnesota based on:

(1) the account holder's own supplied address or location;

(2) global positioning system-level latitude, longitude, or altitude coordinates;

(3) cellular phone system coordinates;

(4) Internet protocol device address; or

(5) other mechanisms that can be used to identify an account holder's location.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 66. **[3250.04] TRANSPARENCY REQUIREMENTS FOR SOCIAL MEDIA PLATFORMS.**

A social media platform must publicly and conspicuously post the following information on the social media platform's website:

(1) an explanation of how the social media platform limits excessive account interactions, including:

(i) the maximum limit on the number of times that a user can engage in each specific kind of account interaction in an hour, day, week, and month; and

(ii) whether and how the platform engages in any reduction in the ability of accounts to affect other users when the user engages in a high number of account interactions that is below the maximum limit;

(2) an explanation detailing how the platform:

(i) assesses the quality of content;

(ii) assesses users' expressed preferences regarding content; and

(iii) utilizes the assessments under items (i) and (ii) in each of the social media platform's algorithmic ranking system, including how the assessments are weighted in relation to other signals in the algorithmic ranking system;

(3) statistics on the platform's use with respect to the tenth, 25th, 50th, 75th, 90th, 95th, 99th, and 99.9th percentile of all platform account holders for each distinct type of account interaction or engagement, including but not limited to:

(i) sending invitations or messages to other platform account holders;

(ii) commenting on, resharing, liking, voting for, or otherwise reacting to content;

(iii) posting new user-generated content;

(iv) disseminating user-generated content to other platform account holders; and

(v) time spent on the platform;

(4) an explanation of how the platform determines whether a notification is time sensitive and how many time-sensitive and non-time-sensitive notifications are sent to users including:

(i) how many time-sensitive and non-time-sensitive notifications are sent with respect to the tenth, 25th, 50th, 75th, 90th, 95th, 99th, and 99.9th percentile of all platform account holders in a given day; and

(ii) how many time-sensitive and non-time-sensitive notifications are sent with respect to the tenth, 25th, 50th, 75th, 90th, 95th, 99th, and 99.9th percentile of all platform account holders during each hour between the hours of 11:00 p.m. and 7:00 a.m.; and

(5) a description of all product experiments that have been conducted on 1,000 or more users, including a description of the experimental conditions and the results of the product experiment for all experimental conditions on users' viewing or engaging with content that:

(i) users indicate to be high or low quality;

(ii) users indicate complies or does not comply with the users' expressed preferences; or

(iii) violates platform policies.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 67. **[3250.05] ENFORCEMENT AUTHORITY.**

(a) The attorney general may investigate and bring an action against a social media platform for an alleged violation of section 3250.04.

(b) Nothing in this chapter creates a private cause of action in favor of a person injured by a violation of section 325O.04.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 68. **[332.3352] WAIVER OF LICENSING AND REGISTRATION.**

The commissioner of commerce may, by order, waive the licensing and registration requirements of this chapter for a nonresident collection agency and the nonresident collection agency's affiliated collectors if: (1) a written reciprocal licensing agreement is in effect between the commissioner and the licensing officials of the nonresident collection agency's home state; and (2) the nonresident collection agency is licensed in good standing in the nonresident collection agency's home state.

Sec. 69. Minnesota Statutes 2023 Supplement, section 332.71, subdivision 2, is amended to read:

Subd. 2. **Coerced debt.** (a) "Coerced debt" means all or a portion of debt in a debtor's name that has been incurred as a result of:

(1) the use of the debtor's personal information without the debtor's knowledge, authorization, or consent;

(2) the use or threat of force, intimidation, undue influence, ~~harassment~~, fraud, deception, coercion, or other similar means against the debtor; or

(3) economic abuse perpetrated against the debtor.

(b) Coerced debt does not include secured debt.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 70. Minnesota Statutes 2023 Supplement, section 332.71, subdivision 4, is amended to read:

Subd. 4. **Debtor.** "Debtor" means a person who (1) is a victim of domestic abuse, ~~harassment~~ economic abuse, or sex or labor trafficking, and (2) owes coerced debt.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 71. Minnesota Statutes 2023 Supplement, section 332.71, subdivision 5, is amended to read:

Subd. 5. **Documentation.** "Documentation" means ~~a writing that identifies a debt or a portion of a debt as coerced debt, describes the circumstances under which the coerced debt was incurred, and takes the form of:~~

(1) a police report;

(2) a Federal Trade Commission identity theft report;

(3) an order in a dissolution proceeding under chapter 518 that declares that one or more debts are coerced; or

(4) a sworn written certification.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 72. Minnesota Statutes 2023 Supplement, section 332.71, subdivision 7, is amended to read:

Subd. 7. **Economic abuse.** "Economic abuse" means behavior in the context of a domestic relationship that controls, restrains, restricts, impairs, or interferes with the ability of a ~~victim of domestic abuse, harassment, or sex or labor trafficking~~ debtor to acquire, use, or maintain economic resources, including but not limited to:

(1) withholding or restricting access to, or the acquisition of, money, assets, credit, or financial information;

(2) interfering with the victim's ability to work and earn wages; or

(3) exerting undue influence over a person's financial and economic behavior or decisions.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 73. Minnesota Statutes 2023 Supplement, section 332.72, is amended to read:

332.72 COERCED DEBT PROHIBITED.

(a) A person is prohibited from causing another person to incur coerced debt.

(b) A person who causes another person to incur a coerced debt in violation of this section is civilly liable to the creditor for the amount of the debt, or portion of the debt, determined by a court to be coerced debt, plus the creditor's reasonable attorney fees and costs, provided the creditor follows the procedures under section 332.74, subdivision 3, paragraph (b).

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 74. Minnesota Statutes 2023 Supplement, section 332.73, subdivision 1, is amended to read:

Subdivision 1. **Notification.** (a) Before taking an affirmative action under section 332.74, a debtor must, by certified mail, notify a creditor that the debt or a portion of a debt on which the creditor demands payment is coerced debt and request that the creditor cease all collection activity on the coerced debt. The notification and request must be in writing and include documentation. If not already included in documentation, the notification must include a signed statement that includes:

(1) an assertion that the debtor is a victim of domestic abuse, economic abuse, or sex or labor trafficking;

(2) a recitation of the facts supporting the claim that the debt is coerced; and

(3) if only a portion of the debt is claimed to be coerced debt, an itemization of the portion of the debt that is claimed to be coerced debt.

(b) The creditor, within 30 days of the date the notification and request is received, must notify the debtor in writing of the creditor's decision to either immediately cease all collection activity or continue to pursue collection. If a creditor ceases collection but subsequently decides to resume collection activity, the creditor must notify the debtor ten days prior to the date the collection activity resumes.

~~(b) If a creditor ceases collection but subsequently decides to resume collection activity, the creditor must notify the debtor ten days prior to the date the collection activity resumes.~~

(c) A debtor must not proceed with an action under section 332.74 until the 30-day period provided under paragraph (a) has expired.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 75. Minnesota Statutes 2023 Supplement, section 332.74, subdivision 3, is amended to read:

Subd. 3. **Relief.** (a) If a debtor shows by a preponderance of the evidence that the debtor has been aggrieved by a violation of section 332.72 and the debtor has incurred coerced debt, the debtor is entitled to one or more of the following:

(1) a declaratory judgment that the debt or portion of a debt is coerced debt;

(2) an injunction prohibiting the creditor from (i) holding or attempting to hold the debtor liable for the debt or portion of a debt, or (ii) enforcing a judgment related to the coerced debt; and

(3) an order dismissing any cause of action brought by the creditor to enforce or collect the coerced debt from the debtor or, if only a portion of the debt is established as coerced debt, an order directing that the judgment, if any, in the action be amended to reflect only the portion of the debt that is not coerced debt.

(b) If the court orders relief for the debtor under paragraph (a), the court, after the creditor's motion has been personally served on the person who violated section 332.72, or if personal service cannot be made, after service by United States mail to the last known address of the person who violated section 332.72 and one-week published notice under section 645.11, shall must issue a judgment in favor of the creditor against the person in the amount of the debt or a portion thereof.

(c) This subdivision applies regardless of the judicial district in which the creditor's action or the debtor's petition was filed.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 76. Minnesota Statutes 2023 Supplement, section 332.74, subdivision 5, is amended to read:

Subd. 5. **Burden.** In any affirmative action taken under subdivision 1 or any affirmative defense asserted in subdivision 4, the debtor bears the burden to show by a preponderance of the evidence

that the debtor incurred coerced debt. There is a presumption that the debtor has incurred coerced debt if the person alleged to have caused the debtor to incur the coerced debt has been ~~criminally convicted, entered a guilty plea, or entered an Alford plea under~~ of or received a stay of adjudication for a violation of section 609.27, 609.282, 609.322, or 609.527.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 77. **[332C.01] DEFINITIONS.**

Subdivision 1. **Application.** For purposes of this chapter, the following terms have the meanings given.

Subd. 2. **Collecting party.** "Collecting party" means a party engaged in collecting medical debt. Collecting party does not include parties when complying with a court order or statutory obligation to garnish or levy a debtor's property, including banks, credit unions, public officers, and garnishees.

Subd. 3. **Debtor.** "Debtor" means a person obligated or alleged to be obligated to pay any debt.

Subd. 4. **Medical debt.** (a) "Medical debt" means debt incurred primarily for medically necessary health treatment or services. Medical debt includes debt charged to a credit card or other credit instrument, on or after October 1, 2024, under an open-end or closed-end credit plan offered specifically to pay for health treatment or services.

(b) Medical debt does not include:

(1) debt charged to a credit card or other credit instrument, under an open-end or closed-end credit plan, that is not offered specifically to pay for health treatment or services;

(2) services provided by a veterinarian;

(3) services provided by a dentist; or

(4) debt charged to a home equity line of credit.

Subd. 5. **Medically necessary.** "Medically necessary" has the meaning given in section 62J.805, subdivision 7.

Subd. 6. **Person.** "Person" means any individual, partnership, association, or corporation.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 78. **[332C.02] PROHIBITED PRACTICES.**

A collecting party must not:

(1) in a collection letter, publication, invoice, or any oral or written communication, threaten wage garnishment or legal suit by a particular lawyer, unless the collecting party has actually retained the lawyer to do so;

(2) use or employ sheriffs or any other officer authorized to serve legal papers in connection with collecting a claim, except when performing the sheriff's or other officer's legally authorized duties;

(3) use or threaten to use methods of collection that violate Minnesota law;

(4) furnish legal advice to debtors or represent that the collecting party is competent or able to furnish legal advice to debtors;

(5) communicate with debtors in a misleading or deceptive manner by falsely using the stationery of a lawyer, forms or instruments which only lawyers are authorized to prepare, or instruments which simulate the form and appearance of judicial process;

(6) publish or cause to be published any list of debtors, use shame cards or shame automobiles, advertise or threaten to advertise for sale any claim as a means of forcing payment of the claim, or use similar devices or methods of intimidation;

(7) operate under a name or in a manner which falsely implies the collecting party is a branch of or associated with any department of federal, state, county, or local government or an agency thereof;

(8) transact business or hold the collecting party out as a debt settlement company, debt management company, debt adjuster, or any person who settles, adjusts, prorates, pools, liquidates, or pays the indebtedness of a debtor, unless there is no charge to the debtor, or the pooling or liquidation is done pursuant to court order or under the supervision of a creditor's committee;

(9) unless an exemption in the law exists, violate Code of Federal Regulations, title 12, part 1006, while attempting to collect on any account, bill, or other indebtedness. For purposes of this section, Public Law 95-109 and Code of Federal Regulations, title 12, part 1006, apply to collecting parties other than health care providers collecting medical debt in the health care provider's own name;

(10) communicate with a debtor about medical debt by use of an automatic telephone dialing system or an artificial or prerecorded voice after the debtor expressly informs the collecting party to cease communication utilizing an automatic telephone dialing system or an artificial or prerecorded voice. For purposes of this clause, an automatic telephone dialing system or an artificial or prerecorded voice includes but is not limited to (i) artificial intelligence chat bots, and (ii) the usage of the term under the Telephone Consumer Protection Act, United States Code, title 47, section 227(b)(1)(A);

(11) in collection letters or publications, or in any oral or written communication, imply or suggest that medically necessary health treatment or services are denied as a result of a medical debt;

(12) when a debtor has a listed telephone number, enlist the aid of a neighbor or third party to request that the debtor contact the collecting party, except a person who resides with the debtor or a third party with whom the debtor has authorized with the collecting party to place the request. This clause does not apply to a call-back message left at the debtor's place of employment which is limited solely to the collecting party's telephone number and name;

(13) when attempting to collect a medical debt, fail to provide the debtor with the full name of the collecting party, as registered with the secretary of state;

(14) fail to return any amount of overpayment from a debtor to the debtor or to the state of Minnesota pursuant to the requirements of chapter 345;

(15) accept currency or coin as payment for a medical debt without issuing an original receipt to the debtor and maintaining a duplicate receipt in the debtor's payment records;

(16) except for court costs for filing a civil action with the court and service of process, attempt to collect any interest, fee, charge, or expense incidental to the charge-off obligation from a debtor unless the amount is expressly authorized by the agreement creating the medical debt or is otherwise permitted by law;

(17) falsify any documents with the intent to deceive;

(18) when initially contacting a Minnesota debtor by mail to collect a medical debt, fail to include a disclosure on the contact notice, in a type size or font which is equal to or larger than the largest other type of type size or font used in the text of the notice, that includes and identifies the Office of the Minnesota Attorney General's general telephone number, and states: "You have the right to hire your own attorney to represent you in this matter.";

(19) commence legal action to collect a medical debt outside the limitations period set forth in section 541.053;

(20) report to a credit reporting agency any medical debt that the collecting party knows or should know is or was originally owed to a health care provider, as defined in section 62J.805, subdivision 4; or

(21) challenge a debtor's claim of exemption to garnishment or levy in a manner that is baseless, frivolous, or otherwise in bad faith.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 79. [332C.03] MEDICAL DEBT REPORTING PROHIBITED.

(a) A collecting party is prohibited from reporting medical debt to a consumer reporting agency.

(b) A consumer reporting agency is prohibited from making a consumer report containing an item of information that the consumer reporting agency knows or should know concerns medical debt.

(c) For purposes of this section, "consumer report" and "consumer reporting agency" have the meanings given in the Fair Credit Reporting Act, United States Code, title 15, section 1681a.

(d) This section also applies to collection agencies and debt buyers licensed under chapter 332.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 80. [332C.04] DEFENDING MEDICAL DEBT CASES.

(a) A debtor who successfully defends against a claim for payment of medical debt that is alleged by a collecting party must be awarded the debtor's costs and a reasonable attorney fee, as determined by the court, incurred to defend against the collecting party's claim for debt payment.

(b) For purposes of this section, a resolution mutually agreed upon by the debtor and collecting party is not a successful defense subject to an additional award of an attorney fee.

EFFECTIVE DATE. This section is effective October 1, 2024, for causes of action commenced on or after that date.

Sec. 81. **[332C.05] ENFORCEMENT.**

(a) The attorney general may enforce this chapter under section 8.31.

(b) A collecting party that violates this chapter is strictly liable to the debtor in question for the sum of:

(1) actual damage sustained by the debtor as a result of the violation;

(2) additional damages as the court may allow, but not exceeding \$1,000 per violation; and

(3) in the case of any successful action to enforce the foregoing, the costs of the action, together with a reasonable attorney fee as determined by the court.

(c) A collecting party that willfully and maliciously violates this chapter is strictly liable to the debtor for three times the sums allowable under paragraph (b), clauses (1) and (2).

(d) The dollar amount limit under paragraph (b), clause (2), changes on July 1 of each even-numbered year in an amount equal to changes made in the Consumer Price Index, compiled by the United States Bureau of Labor Statistics. The Consumer Price Index for December 2024 is the reference base index. If the Consumer Price Index is revised, the percentage of change made under this section must be calculated on the basis of the revised Consumer Price Index. If a Consumer Price Index revision changes the reference base index, a revised reference base index must be determined by multiplying the reference base index that is effective at the time by the rebasing factor furnished by the Bureau of Labor Statistics.

(e) If the Consumer Price Index is superseded, the Consumer Price Index referred to in this section is the Consumer Price Index represented by the Bureau of Labor Statistics as most accurately reflecting changes in the prices paid by consumers for consumer goods and services.

(f) The attorney general must publish the base reference index under paragraph (d) in the State Register no later than September 1, 2024. The attorney general must calculate and publish the revised Consumer Price Index under paragraph (d) in the State Register no later than September 1 each even-numbered year.

(g) A collecting party must not be held liable in any action brought under this section if the collecting party shows by a preponderance of evidence that the violation:

(1) was not intentional and resulted from a bona fide error made notwithstanding the maintenance of procedures reasonably adopted to avoid any bona fide error; or

(2) was the result of inaccurate or incorrect information provided to the collecting party by a health care provider as defined in section 62J.805, subdivision 4; a health carrier as defined in section 62A.011, subdivision 2; or another collecting party currently or previously engaged in collection of the medical debt in question.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 82. **[513.80] RESIDENTIAL REAL ESTATE SERVICE AGREEMENTS; UNFAIR SERVICE AGREEMENTS.**

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have the meanings given.

(b) "County recorder" has the meaning given in section 13.045, subdivision 1.

(c) "Person" means natural persons, corporations both foreign and domestic, trusts, partnerships both limited and general, incorporated or unincorporated associations, companies, business entities, and any other legal entity or any other group associated in fact although not a legal entity or any agent, assignee, heir, employee, representative, or servant thereof.

(d) "Record" or "recording" means placement of a document or instrument in the official county public land records.

(e) "Residential real property" means real property that is located in Minnesota occupied, or intended to be occupied, by one to four families as their residence.

(f) "Service agreement" means a contract under which a person agrees to provide real estate broker services as defined in section 82.55, subdivision 19, in connection with the purchase or sale of residential real property.

(g) "Service provider" means an individual or entity that provides services to a person pursuant to a service agreement.

Subd. 2. Unfair service agreements; prohibition. (a) A service agreement subject to this section is unfair and prohibited if any part of the agreement provides an exclusive right to a service provider for a term in excess of one year after the time the service agreement is entered into and:

(1) purports to run with the land or to be binding on future owners of interests in the real property;

(2) allows for assignment of the right to provide service without notice to and consent of the residential real property's owner, including a contract for deed vendee;

(3) is recorded or purports to create a lien, encumbrance, or other real property security interest;
or

(4) contains a provision that purports to automatically renew the agreement upon its expiration.

(b) The following are not unfair service agreements under this section:

(1) a home warranty or similar product that covers the cost of maintaining a major home system or appliance for a fixed period;

(2) an insurance contract;

(3) a mortgage loan or a commitment to make or receive a mortgage loan;

(4) an option or right of refusal to purchase a residential real property;

(5) a declaration of any covenants, conditions, or restrictions created in the formation of a homeowners association, a group of condominium owners, or other common interest community or an amendment to the covenants, conditions, or restrictions;

(6) a maintenance or service agreement entered by a homeowners association in a common interest community;

(7) a security agreement governed by chapter 336 that relates to the sale or rental of personal property or fixtures; or

(8) a contract with a gas, water, sewer, electric, telephone, cable, or other utility service provider.

(c) This section does not impair any lien right granted under Minnesota law or that is judicially imposed.

Subd. 3. Recording prohibited. (a) A person is prohibited from:

(1) presenting or sending an unfair service agreement or notice or memorandum of an unfair service agreement to any county recorder to record; or

(2) causing an unfair service agreement or notice or memorandum of an unfair service agreement to be recorded by a county recorder.

(b) If a county recorder records an unfair service agreement, the county recorder does not incur liability.

(c) If an unfair service agreement is recorded, the recording does not create a lien or provide constructive notice to any third party, bona fide purchaser, or creditor.

Subd. 4. Unfair service agreements unenforceable. A service agreement that is unfair under this section is unenforceable and does not create a contractual obligation or relationship. Any waiver of a consumer right, including a right to trial by jury, in an unfair service agreement is void.

Subd. 5. Unfair service agreements; solicitation. Encouraging any consumer to enter into an unfair service agreement by any service provider constitutes:

(1) an unfair method of competition; and

(2) an unfair or deceptive act or practice under section 82.81, subdivision 12, paragraph (c), and section 325F.69.

Subd. 6. **Enforcement authority.** (a) This section may be enforced by the attorney general under section 8.31, except that any private cause of action brought under subdivision 7 is subject to the limitation under subdivision 7, paragraph (d).

(b) The commissioner of commerce may enforce this section with respect to a service provider's real estate license.

Subd. 7. **Remedies.** (a) A consumer that is party to an unfair service agreement related to residential real property or a person with an interest in the property that is the subject of that agreement may bring an action under section 8.31 or 325F.70 in district court in the county where the property is located.

(b) If an unfair service agreement or a notice or memorandum of an unfair service agreement is recorded against any residential real property, any judgment obtained under this section, after being certified by the clerk having custody of the unfair service agreement or notice or memorandum of the unfair service agreement, may be recorded and indexed against the real property encumbered or clouded by the unfair service agreement.

(c) The remedies provided under this section are not exclusive and do not reduce any other rights or remedies a party may have in equity or in law.

(d) No private action may be brought under this section more than six years after the date the term printed in the unfair service agreement expires.

Sec. 83. Minnesota Statutes 2022, section 519.05, is amended to read:

519.05 LIABILITY OF HUSBAND AND WIFE SPOUSES.

(a) A spouse is not liable to a creditor for any debts of the other spouse. ~~Where husband and wife are living together, they shall be jointly and severally liable for necessary medical services that have been furnished to either spouse, including any claims arising under section 246.53, 256B.15, 256D.16, or 261.04, and necessary household articles and supplies furnished to and used by the family.~~ Notwithstanding this paragraph, in a proceeding under chapter 518 the court may apportion such debt between the spouses.

(b) Either spouse may close a credit card account or other unsecured consumer line of credit on which both spouses are contractually liable, by giving written notice to the creditor.

(c) Nothing in this section prevents a creditor's claim against a decedent's estate.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 84. Minnesota Statutes 2022, section 550.37, subdivision 2, is amended to read:

Subd. 2. ~~**Bible and musical instrument**~~ **Sacred possessions.** The family Bible, library, and ~~musical instruments~~ Torah, Qur'an, prayer rug, and other religious items in an aggregate amount not exceeding \$2,000.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 85. Minnesota Statutes 2022, section 550.37, is amended by adding a subdivision to read:

Subd. 2a. **Library.** A personal library in an aggregate amount not exceeding \$750.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 86. Minnesota Statutes 2022, section 550.37, is amended by adding a subdivision to read:

Subd. 2b. **Musical instruments.** Musical instruments in an aggregate amount not exceeding \$2,000.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 87. Minnesota Statutes 2022, section 550.37, is amended by adding a subdivision to read:

Subd. 2c. **Family pets.** Family pets in an aggregate amount not exceeding \$1,000.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 88. Minnesota Statutes 2022, section 550.37, subdivision 4, is amended to read:

Subd. 4. **Personal goods.** (a) All wearing apparel, one watch, utensils, and foodstuffs of the debtor and the debtor's family.

(b) Household furniture, household appliances, ~~phonographs, radio and television receivers~~ radios, computers, tablets, televisions, printers, cell phones, smart phones, and other consumer electronics of the debtor and the debtor's family, not exceeding \$11,250 in value.

(c) The debtor's aggregate interest, not exceeding \$3,062.50 in value, in ~~wedding rings or other religious or culturally recognized symbols of marriage exchanged between the debtor and spouse at the time of the marriage and in the debtor's possession~~ jewelry.

The exemption provided by this subdivision may not be waived except with regard to purchase money security interests. Except for a pawnbroker's possessory lien, a nonpurchase money security interest in the property exempt under this subdivision is void.

If a debtor has property of the type which would qualify for the exemption under clause (b), of a value in excess of \$11,250 an itemized list of the exempt property, together with the value of each item listed, shall be attached to the security agreement at the time a security interest is taken, and a creditor may take a nonpurchase money security interest in the excess over \$11,250 by requiring the debtor to select the exemption in writing at the time the loan is made.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 89. Minnesota Statutes 2022, section 550.37, subdivision 12a, is amended to read:

Subd. 12a. **Motor vehicles.** One of the following: (1) one motor vehicle, to the extent of a value not exceeding ~~\$5,000~~ \$10,000; ~~or~~ (2) one motor vehicle that is regularly used by or for the benefit of a physically disabled person, as defined under section 169.345, subdivision 2, to the extent of a value not exceeding \$25,000; (3) one motor vehicle, to the extent of a value not exceeding ~~\$50,000~~ \$100,000, that has been designed or modified, at a cost of not less than \$3,750, to accommodate the physical disability making a disabled person eligible for a certificate authorized by section 169.345; or (4) one motor vehicle reasonably necessary for use in the trade, business, or profession of the debtor, to the extent of a value not to exceed \$12,500.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 90. Minnesota Statutes 2022, section 550.37, subdivision 14, is amended to read:

Subd. 14. **Public assistance.** All government assistance based on need, and the earnings or salary of a person who is a recipient of government assistance based on need, shall be exempt from all claims of creditors including any contractual setoff or security interest asserted by a financial institution. For the purposes of this chapter, government assistance based on need includes but is not limited to Minnesota family investment program; Supplemental Security Income; medical assistance; MinnesotaCare, payment of Medicare part B premiums or receipt of part D extra help; MFIP diversionary work program; work participation cash benefit; Minnesota supplemental assistance; emergency Minnesota supplemental assistance; general assistance; emergency general assistance; emergency assistance or county crisis funds; energy or fuel assistance; ~~and~~ Supplemental Nutrition Assistance Program (SNAP); and any federal or state tax credit received by eligible low-income taxpayers, including but not limited to the earned income tax credit, the Minnesota working family credit, and renter's credit. The salary or earnings of any debtor who is or has been an eligible recipient of government assistance based on need, or an inmate of a correctional institution shall, upon the debtor's return to private employment or farming after having been an eligible recipient of government assistance based on need, or an inmate of a correctional institution, be exempt from attachment, garnishment, or levy of execution for a period of six months after the debtor's return to employment or farming and after all public assistance for which eligibility existed has been terminated. The exemption provisions contained in this subdivision also apply for 60 days after deposit in any financial institution, whether in a single or joint account. In tracing the funds, the first-in first-out method of accounting shall be used. The burden of establishing that funds are exempt rests upon the debtor. Agencies distributing government assistance and the correctional institutions shall, at the request of creditors, inform them whether or not any debtor has been an eligible recipient of government assistance based on need, or an inmate of a correctional institution, within the preceding six months.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 91. Minnesota Statutes 2022, section 550.37, subdivision 22, is amended to read:

Subd. 22. **Rights of action.** Rights of action or money received for injuries to the person of the debtor or of a relative whether or not resulting in death. Injuries to the person include physical, mental, and emotional injuries.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 92. Minnesota Statutes 2022, section 550.37, subdivision 23, is amended to read:

Subd. 23. **Life insurance aggregate interest.** The debtor's aggregate interest not to exceed in value \$10,000 in any accrued ~~dividend~~ dividends or interest under or loan value of any unmaturing life insurance ~~contract~~ contracts owned by the debtor under which the insured is the debtor or an individual of whom the debtor is a dependent.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 93. Minnesota Statutes 2022, section 550.37, is amended by adding a subdivision to read:

Subd. 27. **Household tools and equipment.** The debtor's aggregate interest, not to exceed \$3,000, in household tools and equipment, including but not limited to hand and power tools, snow removal equipment, and lawnmowers.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 94. Minnesota Statutes 2022, section 550.37, is amended by adding a subdivision to read:

Subd. 28. **Wild card exemption in bankruptcy.** In a bankruptcy, a debtor may exempt any property, including funds in a bank account, up to \$1,500 in value.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to exemptions claimed on or after that date.

Sec. 95. Minnesota Statutes 2022, section 550.39, is amended to read:

550.39 EXEMPTION OF INSURANCE POLICIES.

The net amount payable to any insured or to any beneficiary under any policy of accident or disability insurance or under accident or disability clauses attached to any policy of life insurance shall be exempt and free and clear from the claims of all creditors of such insured or such beneficiary and from all legal and judicial processes of execution, attachment, garnishment, or otherwise, up to a total amount of \$1,000,000 per claim and subsequent award.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 96. Minnesota Statutes 2022, section 571.72, subdivision 6, is amended to read:

Subd. 6. **Bad faith claim.** If, in a proceeding brought under subdivision 9, section 571.91, or a similar proceeding under this chapter to determine a claim of exemption, the claim of exemption is not upheld, and the court finds that it was asserted in bad faith, the creditor shall be awarded actual damages, costs, reasonable attorney fees resulting from the additional proceedings, and an amount not to exceed \$100. If the claim of exemption is upheld, and the court finds that the creditor

disregarded the claim of exemption in bad faith, the debtor shall be awarded actual damages, costs, reasonable attorney fees resulting from the additional proceedings, and an amount not to exceed \$100. The underlying judgment shall be modified to reflect assessment of damages, costs, and attorney fees. However, if the party in whose favor a penalty assessment is made is not actually indebted to that party's attorney for fees, the attorney's fee award shall be made directly to the attorney and if not paid an appropriate judgment in favor of the attorney shall be entered.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 97. Minnesota Statutes 2022, section 571.72, subdivision 9, is amended to read:

Subd. 9. **Motion to determine objections.** (a) This subdivision applies to all garnishment proceedings governed by this chapter. An objection regarding a garnishment must be interposed as provided in section 571.914, subdivision 1, in the form provided under section 571.914, subdivision 2.

(b) Upon motion of any party in interest, on notice, the court shall determine the validity of any claim of exemption and may make any order necessary to protect the rights of those interested.

(c) Upon receipt of a claim of exemption by the debtor, the creditor must, within six business days of the receipt of the exemption claim, either return any of the debtor's funds released by the garnishee and held by the creditor or interpose an objection. An objection must be interposed by:

(1) in the district court that issued the judgment, filing the Notice of Objection and requesting a hearing; and

(2) mailing or delivering one copy of the Notice of Objection and Notice of Hearing to the garnishee and one copy of the Notice of Objection and Notice of Hearing to the debtor.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 98. Minnesota Statutes 2022, section 571.914, subdivision 1, is amended to read:

~~Subdivision 1. **Objections and request for hearing.** An objection shall be interposed, within six business days of receipt by the creditor of an exemption claim from the debtor, by mailing or delivering one copy of the Notice of Objection and Notice of Hearing to the financial institution and one copy of the Notice of Objection and Notice of Hearing to the debtor.~~

(a) The Notice of Objection and Notice of Hearing form must be substantially in the form set out in subdivision 2.

(b) The court administrator may charge a fee of \$1 for the filing of a Notice of Objection and Notice of Hearing. Upon the filing of a Notice of Objection and Notice of Hearing, the court administrator shall schedule the matter for hearing no sooner than five business days but no later than seven business days from the date of filing. A debtor may request continuance of the hearing by notifying the creditor and the court. The court shall schedule the continued hearing within seven days of the original hearing date.

(c) An order stating whether the debtor's funds are exempt shall be issued by the court within three days of the date of the hearing.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 99. Minnesota Statutes 2022, section 571.92, is amended to read:

571.92 GARNISHMENT OF EARNINGS.

Sections 571.921 to 571.926 relate to the garnishment of earnings. The exemptions available under section 550.37 apply to the garnishment of earnings if the debtor is a resident of Minnesota and the debtor's place of employment is in Minnesota, regardless of where the employer is domiciled. For the purposes of this section, "place of employment" means the location where an employee earns wages.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 100. Minnesota Statutes 2022, section 571.921, is amended to read:

571.921 DEFINITIONS.

For purposes of sections 571.921 to ~~571.926~~ 571.927, the following terms have the meanings given them:

(a) "Earnings" means:

(1) compensation paid or payable to an employee, independent contractor, or self-employed person for personal service whether denominated as wages, salary, commissions, bonus, payments, profit-sharing distribution, severance payment, fees, or otherwise, and includes periodic payments pursuant to a pension or retirement program;

(2) compensation paid or payable to the producer for the sale of agricultural products; livestock or livestock products; milk or milk products; or fruit or other horticultural products produced when the producer is operating a family farm, a family farm corporation, or an authorized farm corporation, as defined in section 500.24, subdivision 2; or

(3) maintenance as defined in section 518.003, subdivision 3a.

(b) "Disposable earnings" means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld.

(c) "Employee" means an individual ~~who performs services subject to the right of the employer to control both what is done and how it is done,~~ whether currently or formerly employed, who is owed earnings and who is treated by an employer as an employee for federal employment tax purposes.

(d) "Employer" means a person ~~for whom an individual performs services as an employee who~~ owes or will owe earnings to an employee or independent contractor.

(e) "Independent contractor" means an individual who (1) receives or is owed earnings from an employer through periodic payments, and (2) is not treated by the employer as an employee for federal employment tax purposes.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 101. Minnesota Statutes 2022, section 571.922, is amended to read:

571.922 LIMITATION ON WAGE GARNISHMENT.

(a) Unless the judgment is for child support, the maximum part of the aggregate disposable earnings of an individual for any pay period subjected to garnishment may not exceed the lesser of:

(1) 25 percent of the debtor's disposable earnings, if the debtor's weekly income exceeds 80 times the greater of the hourly wage described in paragraph (b); or

(2) 15 percent of the debtor's disposable earnings, if the debtor's weekly income exceeds 60 times, but is less than or equal to 80 times, the greater of the hourly wages described in paragraph (b); or

(3) ten percent of the debtor's disposable earnings, if the debtor's weekly income exceeds 40 times, but is less than or equal to 60 times, the greater of the hourly wages described in paragraph (b).

(b) The amount by which the debtor's disposable earnings exceed the greater of:

(i) 40 times the hourly wage described in section 177.24, subdivision 1, paragraph (b), clause (1), item (iii); or

(ii) 40 times the federal minimum hourly wages prescribed by section 6(a)(1) of the Fair Labor Standards Act of 1938, United States Code, title 29, section 206(a)(1). The calculation of the amount that is subject to garnishment must be based on the hourly wage in effect at the time the earnings are payable, times the number of work weeks in the pay period. When a pay period consists of other than a whole number of work weeks, each day of that pay period in excess of the number of completed work weeks shall be counted as a fraction of a work week equal to the number of excess workdays divided by the number of days in the normal work week.

~~(b)~~ (c) If the judgment is for child support, the garnishment may not exceed:

(1) 50 percent of the judgment debtor's disposable income, if the judgment debtor is supporting a spouse or dependent child and the judgment is 12 weeks old or less (12 weeks to be calculated to the beginning of the work week in which the execution levy is received);

(2) 55 percent of the judgment debtor's disposable income, if the judgment debtor is supporting a spouse or dependent child, and the judgment is over 12 weeks old (12 weeks to be calculated to the beginning of the work week in which the garnishment summons is received);

(3) 60 percent of the judgment debtor's disposable income, if the judgment debtor is not supporting a spouse or dependent child and the judgment is 12 weeks old or less (12 weeks to be calculated to the beginning of the work week in which the execution levy is received); or

(4) 65 percent of the judgment debtor's disposable income, if the judgment debtor is not supporting a spouse or dependent child, and the judgment is over 12 weeks old (12 weeks to be calculated to the beginning of the work week in which the garnishment summons is received).

Wage garnishments on judgments for child support are effective until the judgments are satisfied if the judgment creditor is a county and the employer is notified by the county when the judgment is satisfied.

~~(e)~~ (d) No court may make, execute, or enforce an order or any process in violation of this section.

EFFECTIVE DATE. This section is effective April 1, 2025, and applies to causes of action commenced on or after that date.

Sec. 102. Minnesota Statutes 2022, section 571.927, is amended to read:

571.927 PENALTY FOR RETALIATION FOR GARNISHMENT.

Subdivision 1. **Prohibition.** An employer shall not discharge or otherwise discipline an employee or independent contractor as a result of an earnings garnishment authorized by this chapter.

Subd. 2. **Remedy.** If an employer violates this section, a court may order the reinstatement of an aggrieved party who demonstrates a violation of this section, and other relief the court considers appropriate. The aggrieved party may bring a civil action within 90 days of the date of the prohibited action. If an employer-employee or employer-independent contractor relationship existed before the violation of this section, the employee or independent contractor shall recover twice the ~~wages~~ earnings lost as a result of this violation.

Subd. 3. **Nonwaiver.** The rights guaranteed by this section may not be waived or altered by ~~employment~~ contract.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to causes of action commenced on or after that date.

Sec. 103. **GARNISHMENT FORMS REVISION.**

(a) The attorney general must review and make recommendations to revise into plain language, and ensure comportment with the law, the notices and forms found in Minnesota Statutes, sections 571.72, subdivisions 8 and 10; 571.74; 571.75, subdivision 2; 571.912; and 571.925.

(b) The attorney general must review and determine whether the forms contained in Minnesota Statutes, sections 571.711; 571.914, subdivision 2; 571.931, subdivision 6; and 571.932, subdivision 2, should be revised (1) into a more easily readable and understandable format, and (2) to ensure comportment with law. If the attorney general determines the forms should be revised, the attorney general must make recommendations for legislative revisions to the forms.

(c) The recommendations made under paragraphs (a) and (b) must include proposals to (1) explain in simple terms the meaning of garnishment in any form that uses the term garnishment, and (2) prominently place on forms the name, telephone number, and email address of the creditor.

(d) When developing the recommendations, the attorney general must consult with the Center for Plain Language and other plain language experts the attorney general may identify, and must obtain approval from affected business and consumer groups, including but not limited to:

- (1) the Minnesota Creditors' Rights Association;
- (2) the Great Lakes Credit and Collections Association;
- (3) the Minnesota Bankers' Association;
- (4) the Minnesota Credit Union Network;
- (5) BankIn Minnesota;
- (6) Mid-Minnesota Legal Aid;
- (7) the Minnesota chapter of the National Association of Consumer Advocates;
- (8) the Minnesota chapter of the National Association of Consumer Bankruptcy Attorneys;
- (9) Lutheran Social Services; and
- (10) Family Means.

(e) For the purposes of this section, "plain language" means communication in which the wording, structure, and design are so clear that the intended reader can easily: (1) find what the reader needs; (2) understand what the reader needs; and (3) use what the reader finds to meet the reader's needs.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 104. **REPEALER.**

(a) Minnesota Statutes 2022, sections 45.014; 82B.25; 239.791, subdivision 3; and 325G.25, subdivision 1a, are repealed.

(b) Minnesota Statutes 2023 Supplement, sections 53B.58; and 332.71, subdivision 8, are repealed.

(c) Minnesota Statutes 2022, section 82B.25, is repealed.

EFFECTIVE DATE. Paragraph (c) is effective January 1, 2025.

ARTICLE 4

TELECOMMUNICATIONS POLICY

Section 1. Minnesota Statutes 2022, section 237.121, is amended to read:

237.121 PROHIBITED PRACTICES.

(a) A telephone company or telecommunications carrier may not do any of the following with respect to services regulated by the commission:

(1) upon request, fail to disclose in a timely and uniform manner information necessary for the design of equipment and services that will meet the specifications for interconnection;

(2) intentionally impair the speed, quality, or efficiency of services, products, or facilities offered to a consumer under a tariff, contract, or price list;

(3) fail to provide a service, product, or facility to a consumer other than a telephone company or telecommunications carrier in accordance with its applicable tariffs, price lists, or contracts and with the commission's rules and orders;

(4) refuse to provide a service, product, or facility to a telephone company or telecommunications carrier in accordance with its applicable tariffs, price lists, or contracts and with the commission's rules and orders;

(5) impose unreasonable or discriminatory restrictions on the resale of its services, provided that:

(i) it may require that residential service may not be resold as a different class of service; and

(ii) the commission may prohibit resale of services it has approved for provision for not-for-profit entities at rates less than those offered to the general public; ~~or~~

(6) provide telephone service to a person acting as a telephone company or telecommunications carrier if the commission has ordered the telephone company or telecommunications carrier to discontinue service to that person; or

(7) upon cancellation of telecommunications service, refuse to provide a prorated refund of payment made in advance by a customer.

(b) A telephone company or telecommunications carrier may not violate a provision of sections 325F.692 and 325F.693, with regard to any of the services provided by the company or carrier.

Sec. 2. Minnesota Statutes 2022, section 237.19, is amended to read:

237.19 MUNICIPAL TELECOMMUNICATIONS SERVICES.

(a) Any municipality shall have the right to own and operate a telephone exchange within its own borders, subject to the provisions of this chapter. It may construct such plant, or purchase an existing plant by agreement with the owner, or where it cannot agree with the owner on price, it may acquire an existing plant by condemnation, ~~as hereinafter provided, but in no case shall a municipality construct or purchase such a plant or proceed to acquire an existing plant by condemnation until such action by it is authorized by a majority of the electors voting upon the proposition at a general election or a special election called for that purpose, and if the proposal is to construct a new exchange where an exchange already exists, it shall not be authorized to do so unless 65 percent of those voting thereon vote in favor of the undertaking.~~

(b) A municipality that owns and operates a telephone exchange may enter into a joint venture as a partner or shareholder with a telecommunications organization to provide telecommunications services within its service area.

(c) A municipality may acquire an existing plant through condemnation only if:

(1) a provider of telephone service ceases to offer telephone service and no other provider offering telephone service is available; and

(2) absent a condemnation process under this section, public safety would be negatively impacted or 911 service would become unreliable, as determined by the commission.

(d) A municipality is prohibited from using the municipality's condemnation authority under this section to intervene in the transfer or sale of a telecommunications service provider's assets.

(e) A condemnation process undertaken under this section must apply to all customers within the existing telephone exchange.

Sec. 3. **[325F.6945] INTERNET SERVICE PROVIDERS; PROHIBITED ACTIONS.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Broadband Internet access service" means:

(1) a mass-market retail service by wire or radio that provides the capability, including any capability that is incidental to and enables the operation of the communications service, to transmit data to and receive data from all or substantially all Internet endpoints;

(2) any service that provides a functional equivalent of the service described in clause (1); or

(3) any service that is used to evade the protections established under this section.

Broadband Internet access service includes a service that serves end users at fixed endpoints using stationary equipment or end users using mobile stations, but does not include dial-up Internet access service.

(c) "Edge provider" means any person or entity that provides:

(1) any content, application, or service over the Internet; or

(2) a device used to access any content, application, or service over the Internet.

Edge provider does not include a person or entity providing obscene material, as defined in section 617.241.

(d) "Impairing or degrading lawful Internet traffic on the basis of Internet content, application, or service, or use of a nonharmful device" means impairing or degrading any of the following:

(1) particular content, applications, or services;

- (2) particular classes of content, applications, or services;
- (3) lawful Internet traffic to particular nonharmful devices; or
- (4) lawful Internet traffic to particular classes of nonharmful devices.

Impairing or degrading lawful Internet traffic on the basis of Internet content, application, or service, or use of a nonharmful device includes, without limitation, differentiating positively or negatively between any of the following:

- (i) particular content, applications, or services;
- (ii) particular classes of content, applications, or services;
- (iii) lawful Internet traffic to particular nonharmful devices; or
- (iv) lawful Internet traffic to particular classes of nonharmful devices.

(e) "Internet service provider" means a business that provides broadband Internet access service to a customer in Minnesota.

(f) "Paid prioritization" means the management of an Internet service provider's network to directly or indirectly favor some traffic over other traffic:

- (1) in exchange for monetary or other consideration from a third party; or
- (2) to benefit an affiliated entity.

(g) "Reasonable network management" means a network management practice that has a primarily technical network-management justification, but does not include other business practices, which is reasonable if the practice is primarily used for and tailored to achieving a legitimate network-management purpose, taking into account the particular network architecture and technology of the broadband Internet access service.

(h) "Zero-rating" means exempting some Internet traffic from a customer's data usage allowance.

Subd. 2. **Prohibited actions.** An Internet service provider is prohibited from engaging in any of the following activities with respect to any of the Internet service provider's Minnesota customers:

- (1) subject to reasonable network management, blocking lawful content, applications, services, or nonharmful devices;
- (2) subject to reasonable network management, impairing, impeding, or degrading lawful Internet traffic on the basis of (i) Internet content, application, or service, or (ii) use of a nonharmful device;
- (3) engaging in paid prioritization;
- (4) unreasonably interfering with or unreasonably disadvantaging:
 - (i) a customer's ability to select, access, and use broadband Internet service or lawful Internet content, applications, services, or devices of the customer's choice; or

(ii) an edge provider's ability to provide lawful Internet content, applications, services, or devices to a customer.

Reasonable network management is not a violation of this clause;

(5) engaging in deceptive or misleading marketing practices that misrepresent the treatment of Internet traffic or content;

(6) engaging in zero-rating in exchange for consideration, monetary or otherwise, from a third party; or

(7) zero-rating some Internet content, applications, services, or devices in a category of Internet content, applications, services, or devices, but not the entire category.

Subd. 3. **Exceptions.** This section does not apply to software or applications sponsored by the federal government, a state government, or a federally recognized Tribal government when the Internet service provider allows an advantage to customers for free or improved access, or data for access to government services and programs.

Subd. 4. **Other laws.** This section does not: (1) supersede any obligation or authorization an Internet service provider may have to address the needs of emergency communications or law enforcement, public safety, or national security authorities, consistent with or as permitted by applicable law; or (2) limit the provider's ability to meet, address, or comply with the needs identified in clause (1).

Subd. 5. **Enforcement.** A violation of subdivision 2 may be enforced by the commissioner of commerce under section 45.027. The venue for enforcement proceedings is Ramsey County.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 4. Minnesota Statutes 2022, section 429.021, subdivision 1, is amended to read:

Subdivision 1. **Improvements authorized.** The council of a municipality shall have power to make the following improvements:

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water, or similar mains to curb lines.

(2) To acquire, develop, construct, reconstruct, extend, and maintain storm and sanitary sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps, lift stations, service connections, and other appurtenances of a sewer system, within and without the corporate limits.

(3) To construct, reconstruct, extend, and maintain steam heating mains.

(4) To install, replace, extend, and maintain street lights and street lighting systems and special lighting systems.

(5) To acquire, improve, construct, reconstruct, extend, and maintain water works systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a water works system, within and without the corporate limits.

(6) To acquire, improve and equip parks, open space areas, playgrounds, and recreational facilities within or without the corporate limits.

(7) To plant trees on streets and provide for their trimming, care, and removal.

(8) To abate nuisances and to drain swamps, marshes, and ponds on public or private property and to fill the same.

(9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

(10) To construct, reconstruct, extend, and maintain retaining walls and area walls.

(11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain, and promote a pedestrian skyway system. Such improvement may be made upon a petition pursuant to section 429.031, subdivision 3.

(12) To acquire, construct, reconstruct, extend, operate, maintain, and promote underground pedestrian concourses.

(13) To acquire, construct, improve, alter, extend, operate, maintain, and promote public malls, plazas or courtyards.

(14) To construct, reconstruct, extend, and maintain district heating systems.

(15) To construct, reconstruct, alter, extend, operate, maintain, and promote fire protection systems in existing buildings, but only upon a petition pursuant to section 429.031, subdivision 3.

(16) To acquire, construct, reconstruct, improve, alter, extend, and maintain highway sound barriers.

(17) To improve, construct, reconstruct, extend, and maintain gas and electric distribution facilities owned by a municipal gas or electric utility.

(18) To purchase, install, and maintain signs, posts, and other markers for addressing related to the operation of enhanced 911 telephone service.

(19) To improve, construct, extend, and maintain facilities for Internet access and other communications purposes, ~~if the council finds that:~~ provided that the municipality must:

~~(i) the facilities are necessary to make available Internet access or other communications services that are not and will not be available through other providers or the private market in the reasonably foreseeable future; and~~

~~(ii) the service to be provided by the facilities will not compete with service provided by private entities.~~

(i) not discriminate in favor of the municipality's own communications facilities by granting the municipality more favorable or less burdensome terms and conditions than a nonmunicipal service provider with respect to: (A) access and use of public rights-of-way; (B) access and use of municipally owned or controlled conduit, towers, and utility poles; and (C) permitting fees charged to access municipally owned and managed facilities;

(ii) maintain separation between the municipality's role as a regulator over firms that offer services in competition with the services offered by the municipality over the municipality's communications service facilities, and the municipality's role as a competitive provider of services over the municipality's communications service facilities; and

(iii) not share inside information between employees or contractors responsible for executing the municipality's role as a regulator over firms that offer communications services in competition with the communication services offered by the municipality, and employees or contractors responsible for executing the municipality's role as a competitive communications services provider.

(20) To assess affected property owners for all or a portion of the costs agreed to with an electric utility, telecommunications carrier, or cable system operator to bury or alter a new or existing distribution system within the public right-of-way that exceeds the utility's design and construction standards, or those set by law, tariff, or franchise, but only upon petition under section 429.031, subdivision 3.

(21) To assess affected property owners for repayment of voluntary energy improvement financings under section 216C.436, subdivision 7, or 216C.437, subdivision 28.

(22) To construct, reconstruct, alter, extend, operate, maintain, and promote energy improvement projects in existing buildings, provided that:

(i) a petition for the improvement is made by a property owner under section 429.031, subdivision 3;

(ii) the municipality funds and administers the energy improvement project;

(iii) project funds are only used for the installation of improvements to heating, ventilation, and air conditioning equipment and building envelope and for the installation of renewable energy systems;

(iv) each property owner petitioning for the improvement receives notice that free or low-cost energy improvements may be available under federal, state, or utility programs;

(v) for energy improvement projects on residential property, only residential property having five or more units may obtain financing for projects under this clause; and

(vi) prior to financing an energy improvement project or imposing an assessment for a project, written notice is provided to the mortgage lender of any mortgage encumbering or otherwise secured by the property proposed to be improved.

ARTICLE 5**LIQUOR**

Section 1. Minnesota Statutes 2022, section 340A.101, subdivision 13, is amended to read:

Subd. 13. **Hotel.** "Hotel" is an establishment where food and lodging are regularly furnished to transients and which has:

(1) a dining room serving the general public at tables and having facilities for seating at least 30 guests at one time; ~~and~~ or

(2) guest rooms in the following minimum numbers: in first class cities, 50; in second class cities, ~~25~~ 15; in all other cities and unincorporated areas, 10.

Sec. 2. Minnesota Statutes 2022, section 340A.404, subdivision 1, is amended to read:

Subdivision 1. **Cities.** (a) A city may issue an on-sale intoxicating liquor license to the following establishments located within its jurisdiction:

(1) hotels;

(2) restaurants;

(3) bowling centers;

(4) clubs or congressionally chartered veterans organizations with the approval of the commissioner, provided that the organization has been in existence for at least three years and liquor sales will only be to members and bona fide guests, except that a club may permit the general public to participate in a wine tasting conducted at the club under section 340A.419;

(5) sports facilities, restaurants, clubs, or bars located on land owned or leased by the Minnesota Sports Facilities Authority;

(6) sports facilities located on land owned by the Metropolitan Sports Commission;

(7) exclusive liquor stores; and

(8) resorts as defined in section 157.15, subdivision 11.

(b) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or an on-sale malt liquor license to a theater within the city, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons attending events at the theater.

(c) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or an on-sale malt liquor license to a convention center within the city, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons attending events at the convention center. This paragraph does not apply to convention centers located in the seven-county metropolitan area.

(d) A municipality may issue an on-sale wine license and an on-sale malt liquor license to a person who is the owner of a summer collegiate league baseball team or baseball team competing in a league established by the Minnesota Baseball Association, or to a person holding a concessions or management contract with the owner, for beverage sales at a ballpark or stadium located within the municipality for the purposes of summer collegiate league baseball games, town ball games, and any other events at the ballpark or stadium, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons attending baseball games and any other events at the ballpark or stadium.

(e) A municipality may issue an on-sale malt liquor license to a resort as defined in section 157.15, subdivision 11, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons staying at the resort and their guests.

Sec. 3. Minnesota Statutes 2022, section 340A.404, subdivision 2, is amended to read:

Subd. 2. **Special provision; city of Minneapolis.** (a) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Guthrie Theater, the Cricket Theatre, the Orpheum Theatre, the State Theatre, and the Historic Pantages Theatre, notwithstanding the limitations of law, or local ordinance, or charter provision relating to zoning or school or church distances. The licenses authorize sales on all days of the week to holders of tickets for performances presented by the theaters and to members of the nonprofit corporations holding the licenses and to their guests.

(b) The city of Minneapolis may issue an intoxicating liquor license to 510 Groveland Associates, a Minnesota cooperative, for use by a restaurant on the premises owned by 510 Groveland Associates, notwithstanding limitations of law, or local ordinance, or charter provision.

(c) The city of Minneapolis may issue an on-sale intoxicating liquor license to Zuhrah Shrine Temple for use on the premises owned by Zuhrah Shrine Temple at 2540 Park Avenue South in Minneapolis, notwithstanding limitations of law, or local ordinances, or charter provision relating to zoning or school or church distances.

(d) The city of Minneapolis may issue an on-sale intoxicating liquor license to the American Association of University Women, Minneapolis branch, for use on the premises owned by the American Association of University Women, Minneapolis branch, at 2115 Stevens Avenue South in Minneapolis, notwithstanding limitations of law, or local ordinances, or charter provisions relating to zoning or school or church distances.

(e) The city of Minneapolis may issue an on-sale wine license and an on-sale 3.2 percent malt liquor license to a restaurant located at 5000 Penn Avenue South, and an on-sale wine license and an on-sale malt liquor license to a restaurant located at 1931 Nicollet Avenue South, notwithstanding any law or local ordinance or charter provision.

(f) The city of Minneapolis may issue an on-sale wine license and an on-sale malt liquor license to the Brave New Workshop Theatre located at 3001 Hennepin Avenue South, the Theatre de la Jeune Lune, the Illusion Theatre located at 528 Hennepin Avenue South, the Hollywood Theatre located at 2815 Johnson Street Northeast, the Loring Playhouse located at 1633 Hennepin Avenue South, the Jungle Theater located at 2951 Lyndale Avenue South, Brave New Institute located at 2605 Hennepin Avenue South, the Guthrie Lab located at 700 North First Street, and the Southern

Theatre located at 1420 Washington Avenue South, notwithstanding any law or local ordinance or charter provision. The license authorizes sales on all days of the week.

(g) The city of Minneapolis may issue an on-sale intoxicating liquor license to University Gateway Corporation, a Minnesota nonprofit corporation, for use by a restaurant or catering operator at the building owned and operated by the University Gateway Corporation on the University of Minnesota campus, notwithstanding limitations of law, or local ordinance or charter provision. The license authorizes sales on all days of the week.

(h) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Walker Art Center's concessionaire or operator, for a restaurant and catering operator on the premises of the Walker Art Center, notwithstanding limitations of law, or local ordinance or charter provisions. The license authorizes sales on all days of the week.

(i) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Guthrie Theater's concessionaire or operator for a restaurant and catering operator on the premises of the Guthrie Theater, notwithstanding limitations of law, local ordinance, or charter provisions. The license authorizes sales on all days of the week.

(j) The city of Minneapolis may issue an on-sale wine license and an on-sale malt liquor license to the Minnesota Book and Literary Arts Building, Inc.'s concessionaire or operator for a restaurant and catering operator on the premises of the Minnesota Book and Literary Arts Building, Inc. (dba Open Book), notwithstanding limitations of law, or local ordinance or charter provision. The license authorizes sales on all days of the week.

(k) The city of Minneapolis may issue an on-sale intoxicating liquor license to a restaurant located at 5411 Penn Avenue South, notwithstanding any law or local ordinance or charter provision.

(l) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Museum of Russian Art's concessionaire or operator for a restaurant and catering operator on the premises of the Museum of Russian Art located at 5500 Stevens Avenue South, notwithstanding any law or local ordinance or charter provision.

(m) The city of Minneapolis may issue an on-sale intoxicating liquor license to the American Swedish Institute or to its concessionaire or operator for use on the premises owned by the American Swedish Institute at 2600 Park Avenue South, notwithstanding limitations of law, or local ordinances, or charter provision relating to zoning or school or church distances.

(n) Notwithstanding any other law, local ordinance, or charter provision, the city of Minneapolis may issue one or more on-sale intoxicating liquor licenses to the Minneapolis Society of Fine Arts (dba Minneapolis Institute of Arts), or to an entity holding a concessions or catering contract with the Minneapolis Institute of Arts for use on the premises of the Minneapolis Institute of Arts. The licenses authorized by this subdivision may be issued for space that is not compact and contiguous, provided that all such space is included in the description of the licensed premises on the approved license application. The licenses authorize sales on all days of the week.

(o) The city of Minneapolis may issue an on-sale intoxicating liquor license to Norway House or to its concessionaire or operator for use on the premises owned by Norway House at 913 East

Franklin Avenue, notwithstanding limitations of law, or local ordinances, or charter provision relating to zoning or school or church distances.

(p) Notwithstanding any other law, including section 340A.504, subdivision 3, relating to seating requirements, local ordinance, or charter provision, the city of Minneapolis may issue one or more on-sale intoxicating liquor licenses to any entity holding a concessions or catering contract with the Minneapolis Park and Recreation Board for use on ~~the Minneapolis Park and Recreation Board premises of the Downtown Commons Park, the Minneapolis Sculpture Garden, or at Boom Island Park.~~ The licenses authorized by this subdivision may be used for space specified within the park property, provided all such space is included in the description of the licensed premises on the approved license application. The licenses authorize sales on the dates on the approved license application.

EFFECTIVE DATE. This section is effective upon approval by the Minneapolis City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 4. Minnesota Statutes 2022, section 340A.404, subdivision 6, is amended to read:

Subd. 6. **Counties.** (a) A county board may issue an annual on-sale intoxicating liquor license within the area of the county that is unorganized or unincorporated to a bowling center, restaurant, club, hotel, or resort as defined in section 157.15, subdivision 11, with the approval of the commissioner.

(b) A county board may also with the approval of the commissioner issue up to ten seasonal on-sale licenses to restaurants and clubs for the sale of intoxicating liquor within the area of the county that is unorganized or unincorporated. Notwithstanding section 340A.412, subdivision 8, a seasonal license is valid for a period specified by the board, not to exceed nine months. Not more than one license may be issued for any one premises during any consecutive 12-month period.

(c) A county board may issue an annual on-sale malt liquor license to a resort as defined in section 157.15, subdivision 11, within the area of the county that is unorganized or unincorporated, notwithstanding any law or local ordinance. A license issued under this paragraph authorizes sales on all days of the week to persons staying at the resort and their guests.

Sec. 5. Laws 2022, chapter 86, article 2, section 3, is amended to read:

Sec. 3. CITY OF ST. PAUL; LICENSE AUTHORIZED.

Notwithstanding Minnesota Statutes, section 340A.412, subdivision 4, the city of St. Paul may issue a temporary on-sale malt liquor license to the Thai Cultural Council of Minnesota or to a person or entity holding a concessions contract with the Thai Cultural Council of Minnesota. The license may authorize the sale of malt liquor on the grounds of the State Capitol for both days of the Minnesota Songkran Festival. All provisions of Minnesota Statutes, section 340A.404, subdivision 10, not inconsistent with this section, apply to the license authorized by this section.

EFFECTIVE DATE. This section is effective upon approval by the St. Paul City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 6. Laws 2022, chapter 86, article 2, section 5, is amended to read:

Sec. 5. ~~CITY OF ANOKA; SPECIAL LICENSE~~ **SOCIAL DISTRICT LICENSE; CITIES OF ANOKA, SHAKOPEE, AND STILLWATER.**

Subdivision 1. **Social district; consumption allowed.** The ~~city of Anoka~~ cities of Anoka, Shakopee, and Stillwater may issue a social district license to any holder of an on-sale license whose on-sale premises is contiguous with the premises of the social district designated in subdivision 2. The license authorizes consumption, but not sales or service, of alcoholic beverages sold by the on-sale licensee within the social district.

Subd. 2. **Designation of social district.** (a) Prior to issuing the license in subdivision 1, the city ~~of Anoka~~ must designate and describe the premises of the social district. The district may not include any area under the ownership or control of a person that objects to the extension of the social district to that area.

(b) The designation must include the specific premises where consumption of alcoholic beverages is allowed and also include the proposed hours and days in which consumption of alcoholic beverages is allowed in the social district. The city ~~of Anoka~~ must adopt the designation by ordinance prior to issuing the license in subdivision 1.

Subd. 3. **Boundaries clearly defined.** The social district must be clearly defined with signs posted in a conspicuous location indicating the area included in the social district and the days and hours during which alcoholic beverages may be consumed in the district. In addition, signs must include:

(1) the local law enforcement agency with jurisdiction over the area comprising the social district; and

(2) a clear statement that an alcoholic beverage purchased for consumption in the social district shall:

(i) only be consumed in the social district; and

(ii) be disposed of before the person in possession of the alcoholic beverage exits the social district unless the person is reentering the licensed premises where the alcoholic beverage was purchased.

Subd. 4. **Management and maintenance.** The city ~~of Anoka~~ must establish management and maintenance plans for the social district and post these plans, along with a rendering of the boundaries of the social district and days and hours during which alcoholic beverages may be consumed in the district, on the website for the city ~~of Anoka~~. The social district must be maintained in a manner that protects the health and safety of the general public.

Subd. 5. **Requirements for on-sale licensees.** An on-sale licensee holding a social district license may only sell and serve alcoholic beverages on the premises specified in the licensee's on-sale license. The licensee must not allow a person to enter or reenter its on-sale licensed premises with an alcoholic beverage not sold by the on-sale licensee. Sales for consumption in the social district must meet the following container requirements:

(1) the container clearly identifies the on-sale licensee from which the alcoholic beverage was purchased;

(2) the container clearly displays a logo or some other mark that is unique to the social district in which it will be consumed;

(3) the container is not comprised of glass;

(4) the container displays, in no less than 12-point font, the statement, "Drink Responsibly - Be 21."; and

(5) the container shall not hold more than 16 fluid ounces.

Subd. 6. **Additional social district requirements.** The possession and consumption of an alcoholic beverage in a social district is subject to all of the following requirements:

(1) only alcoholic beverages purchased from an on sale-licensee holding a social district license located in or contiguous to the social district may be possessed and consumed in the district;

(2) alcoholic beverages shall only be in containers meeting the requirements set forth in subdivision 5;

(3) alcoholic beverages shall only be possessed and consumed during the days and hours set by the city of Anoka as specified in subdivision 2; and

(4) a person shall dispose of any alcoholic beverage in the person's possession prior to exiting the social district unless the person is reentering the on-sale licensed premises where the alcoholic beverage was purchased.

Subd. 7. **Report required.** Within 24 months from the first issuance of a social district license, the city of Anoka must provide a report to the chairs and ranking minority members of the legislative committees with jurisdiction over liquor regulation. The report must include a discussion of the following subjects:

(1) the process used by the city in designating the social district;

(2) the community response to the social district, with a concentration on residents living and businesses operating within a one-mile radius of the district;

(3) the response to the social district from both on-sale licensees holding a social district license and not holding a social district license;

(4) the problems or challenges encountered in establishing and overseeing the social district and social district licenses;

(5) any public safety concerns that arose due to the operation of the social district;

(6) the benefits and drawbacks to the city of continuing the social district; and

(7) recommendations for modifications to the social district special law established in this section.

EFFECTIVE DATE. This section is effective after August 31, 2025, for each of the cities of Shakopee and Stillwater upon approval by each city council and compliance with Minnesota Statutes, section 645.021.

Sec. 7. SPECIAL LIQUOR LAW; CITY OF LITCHFIELD.

Notwithstanding Minnesota Statutes, section 624.701, the city of Litchfield may issue an on-sale license under Minnesota Statutes, section 340A.404, subdivision 1, paragraph (d), for sales at town ball games played at a ballpark on school grounds, provided that the board of Independent School District No. 465, Litchfield, adopts a resolution approving the issuance of the license. The provisions of Minnesota Statutes, section 624.701, do not apply to the school grounds or buildings for a license issued under this section.

EFFECTIVE DATE. This section is effective upon approval by the Litchfield City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 8. SPECIAL LIQUOR LAW; CITY OF WATKINS.

Notwithstanding Minnesota Statutes, section 624.701, the city of Watkins may issue an on-sale license under Minnesota Statutes, section 340A.404, subdivision 1, paragraph (d), for sales at town ball games played at a ballpark on school grounds, provided the board of Independent School District No. 463, Eden Valley-Watkins, adopts a resolution approving the issuance of the license. The provisions of Minnesota Statutes, section 624.701, do not apply to the school grounds or buildings for a license issued under this section.

EFFECTIVE DATE. This section is effective upon approval by the Watkins City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 9. SPORTS AND EVENT CENTER LICENSE; EAGAN.

Notwithstanding Minnesota Statutes, chapter 340A, or any other local law or ordinance to the contrary, the city of Eagan may issue up to three on-sale intoxicating liquor licenses to the owner of a multiuse sports and event center located on property in the city of Eagan, legally described as Outlot A, Viking Lakes 3rd Addition, or as may be described hereafter due to subdivision or replatting, or to any facility operator, concessionaire, catering operator, or other third-party food and beverage vendor for the center under contract with the owner. A license issued under this section may be issued for a space that is not compact and contiguous, provided that the licensed premises shall only be the space described in the approved license. A license issued under this section authorizes sales on all days of the week. The provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to a license issued under this section.

EFFECTIVE DATE. This section is effective upon approval by the Eagan City Council and compliance with Minnesota Statutes, section 645.021.

ARTICLE 6**MEDICAL SUPPLEMENT IMPLEMENTATION DELAY**

Section 1. Laws 2023, chapter 57, article 2, section 7, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective August 1, ~~2025~~ 2026, and applies to policies offered, issued, or renewed on or after that date.

Sec. 2. Laws 2023, chapter 57, article 2, section 8, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective August 1, ~~2025~~ 2026, and applies to policies offered, issued, or renewed on or after that date.

Sec. 3. Laws 2023, chapter 57, article 2, section 9, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective August 1, ~~2025~~ 2026, and applies to policies offered, issued, or renewed on or after that date.

Sec. 4. Laws 2023, chapter 57, article 2, section 10, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective August 1, ~~2025~~ 2026, and applies to policies offered, issued, or renewed on or after that date.

Sec. 5. Laws 2023, chapter 57, article 2, section 11, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective August 1, ~~2025~~ 2026, and applies to policies offered, issued, or renewed on or after that date.

Sec. 6. Laws 2023, chapter 57, article 2, section 12, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective August 1, ~~2025~~ 2026, and applies to policies offered, issued, or renewed on or after that date.

Sec. 7. Laws 2023, chapter 57, article 2, section 13, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective August 1, ~~2025~~ 2026, and applies to policies offered, issued, or renewed on or after that date.

Sec. 8. Laws 2023, chapter 57, article 2, section 14, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective August 1, ~~2025~~ 2026, and applies to policies offered, issued, or renewed on or after that date.

Sec. 9. Laws 2023, chapter 57, article 2, section 15, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective August 1, ~~2025~~ 2026, and applies to policies offered, issued, or renewed on or after that date."

Delete the title and insert:

"A bill for an act relating to commerce; adding, modifying, or eliminating various provisions governing insurance, financial institutions, commercial regulations and consumer protection, and telecommunications; modifying and authorizing certain on-sale liquor licenses; delaying medical supplement implementation; making technical changes; establishing penalties; authorizing administrative rulemaking; requiring reports; amending Minnesota Statutes 2022, sections 45.011, subdivision 1; 47.20, subdivision 2; 47.54, subdivisions 2, 6; 48.24, subdivision 2; 58.02, subdivisions 18, 21, by adding a subdivision; 58.04, subdivisions 1, 2; 58.05, subdivisions 1, 3; 58.06, by adding subdivisions; 58.08, subdivisions 1a, 2; 58.10, subdivision 3; 58.115; 58.13, subdivision 1; 58B.02, subdivision 8, by adding a subdivision; 58B.03, by adding subdivisions; 58B.06, subdivisions 4, 5; 58B.07, subdivisions 1, 3, 9, by adding subdivisions; 58B.09, by adding a subdivision; 60A.201, by adding a subdivision; 65A.29, by adding a subdivision; 67A.01, subdivision 2; 67A.14, subdivision 1; 72A.20, subdivision 13; 80A.61; 80A.66; 80C.05, subdivision 3; 82B.021, subdivision 26; 82B.095, subdivision 3; 82B.19, subdivision 1; 115C.08, subdivision 2; 176.175, subdivision 2; 237.121; 237.19; 239.791, by adding a subdivision; 270C.63, subdivision 8; 270C.65, subdivision 1; 270C.67, subdivisions 1a, 11; 270C.69, subdivision 1; 325E.66, subdivision 1; 325F.03; 325F.04; 325F.05; 325F.56, subdivision 2; 325F.62, subdivision 3; 325G.24; 325G.25, subdivision 1; 340A.101, subdivision 13; 340A.404, subdivisions 1, 2, 6; 429.021, subdivision 1; 471.6161, subdivision 8; 471.617, subdivision 2; 519.05; 550.37, subdivisions 2, 4, 12a, 14, 22, 23, by adding subdivisions; 550.39; 571.72, subdivisions 6, 9; 571.914, subdivision 1; 571.92; 571.921; 571.922; 571.927; Minnesota Statutes 2023 Supplement, sections 53B.28, subdivisions 18, 25; 53B.29; 53B.69, by adding subdivisions; 61A.031; 62Q.522, subdivision 1; 62Q.523, subdivision 1; 80A.50; 144.587, subdivision 4; 239.791, subdivision 8; 325E.21, subdivisions 1b, 11; 325E.80, subdivisions 1, 5, 6, 7; 332.71, subdivisions 2, 4, 5, 7; 332.72; 332.73, subdivision 1; 332.74, subdivisions 3, 5; Laws 2022, chapter 86, article 2, sections 3; 5; Laws 2023, chapter 57, article 2, sections 7; 8; 9; 10; 11; 12; 13; 14; 15; proposing coding for new law in Minnesota Statutes, chapters 53B; 58; 60A; 61A; 62J; 62Q; 65A; 325F; 325G; 332; 513; proposing coding for new law as Minnesota Statutes, chapters 46A; 60M; 325O; 332C; repealing Minnesota Statutes 2022, sections 45.014; 58.08, subdivision 3; 82B.25; 239.791, subdivision 3; 325G.25, subdivision 1a; 332.3351; Minnesota Statutes 2023 Supplement, sections 53B.58; 62Q.522, subdivisions 3, 4; 332.71, subdivision 8."

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

Senate Conferees: Matt Klein, Judy Seeberger, Nick Frentz

House Conferees: Zack Stephenson, Carlie Kotyza-Witthuhn, Larry Kraft, Ethan Cha

Senator Dahms moved that the recommendations and Conference Committee Report on S.F. No. 4097 be rejected and that the bill be re-referred to the Conference Committee as formerly constituted for further consideration.

Pursuant to Rule 41.2, Senator Miller moved that he be excused from voting on all questions pertaining to S.F. No. 4097. The motion prevailed.

The question was taken on the adoption of the Dahms motion.

The roll was called, and there were yeas 32 and nays 34, as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|------------|----------|-----------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Utke |
| Anderson | Duckworth | Jasinski | Lucero | Weber |
| Bahr | Eichorn | Johnson | Mathews | Wesenberg |
| Coleman | Farnsworth | Koran | Nelson | Westrom |
| Dahms | Green | Kreun | Pratt | |
| Dornink | Gruenhagen | Lang | Rarick | |
| Draheim | Housley | Lieske | Rasmusson | |

Those who voted in the negative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |
| Fateh | Kunesh | Mitchell | Port | |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Marty, Port, and Rest.

The motion did not prevail.

Senator Klein moved the foregoing recommendations and Conference Committee report on S.F. No. 4097 be now adopted, and that the bill be repassed as amended by the Conference Committee.

The roll was called, and there were yeas 34 and nays 32, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |
| Fateh | Kunesh | Mitchell | Port | |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic, Marty, Port, and Rest.

Those who voted in the negative were:

| | | | | |
|----------|------------|----------|-----------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Utke |
| Anderson | Duckworth | Jasinski | Lucero | Weber |
| Bahr | Eichorn | Johnson | Mathews | Wesenberg |
| Coleman | Farnsworth | Koran | Nelson | Westrom |
| Dahms | Green | Kreun | Pratt | |
| Dornink | Gruenhagen | Lang | Rarick | |
| Draheim | Housley | Lieske | Rasmusson | |

The motion prevailed. So the recommendations and Conference Committee report were adopted.

RECESS

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

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

S.F. No. 4097 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 34 and nays 32, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |
| Fateh | Kunesh | Mitchell | Port | |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic, Hawj, Marty, Port, and Rest.

Those who voted in the negative were:

| | | | | |
|----------|------------|----------|-----------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Utke |
| Anderson | Duckworth | Jasinski | Lucero | Weber |
| Bahr | Eichorn | Johnson | Mathews | Wesenberg |
| Coleman | Farnsworth | Koran | Nelson | Westrom |
| Dahms | Green | Kreun | Pratt | |
| Dornink | Gruenhagen | Lang | Rarick | |
| Draheim | Housley | Lieske | Rasmusson | |

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

MOTIONS AND RESOLUTIONS - CONTINUED

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

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 4772, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 4772 is herewith transmitted to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 13, 2024

CONFERENCE COMMITTEE REPORT ON H. F. No. 4772

A bill for an act relating to elections; providing for policy and technical changes to elections and campaign finance provisions, including elections administration, campaign finance and lobbying, and census and redistricting; establishing the Minnesota Voting Rights Act; modifying the crime of using deep fakes to influence elections; requiring reports; amending Minnesota Statutes 2022, sections 10A.01, subdivision 33, by adding a subdivision; 123B.09, subdivision 5b; 201.071, subdivision 3; 204B.175; 204C.06, subdivision 1, by adding a subdivision; 204C.19, subdivision 3; 204C.20, subdivision 1, by adding a subdivision; 204C.33, subdivision 1; 204C.35, subdivisions 1, 2, by adding a subdivision; 204C.36, subdivisions 2, 3; 205.16, subdivisions 4, 5; 205A.05, subdivision 3; 205A.07, subdivisions 3, 3b; 205A.11, subdivision 2; 206.89, subdivisions 2, 3, 5, 6; 208.06; 208.44; 208.47; 211B.17, subdivision 1; 211B.18; 375.08; 412.02, subdivision 6, by adding a subdivision; 447.32, subdivision 3; Minnesota Statutes 2023 Supplement, sections 2.92, subdivision 4; 10A.01, subdivision 21; 10A.201, subdivisions 3, 4, 6, 9; 10A.202, subdivision 1; 200.02, subdivision 7; 201.061, subdivisions 3, 3a; 201.071, subdivision 1; 201.1611, subdivision 1; 203B.04, subdivision 1; 203B.07, subdivision 3; 203B.081, subdivision 4; 204B.09, subdivision 3; 204B.16, subdivision 1; 204B.295, subdivisions 1, 2, 3, by adding a subdivision; 204C.24, subdivision 1; 204C.33, subdivision 3; 205.16, subdivision 2; 206.61, subdivision 1; 609.771, subdivisions 2, 3, 4, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 2; 200; 241; 375; repealing Minnesota Statutes 2022, section 383B.031; Minnesota Statutes 2023 Supplement, section 10A.201, subdivision 11.

May 12, 2024

The Honorable Melissa Hortman
Speaker of the House of Representatives

The Honorable Bobby Joe Champion
President of the Senate

We, the undersigned conferees for H. F. No. 4772 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 4772 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1**APPROPRIATIONS**

Section 1. Laws 2021, First Special Session chapter 12, article 1, section 6, is amended to read:

| | | | | |
|-----------------------------------|-----------|------------------|-----------|------------------|
| Sec. 6. SECRETARY OF STATE | \$ | 9,684,000 | \$ | 9,152,000 |
|-----------------------------------|-----------|------------------|-----------|------------------|

\$750,000 each year is for transfer to the voting equipment grant account under

Minnesota Statutes, section 206.95. These are onetime transfers.

\$1,000,000 each year is for grants to local units of government to implement the provisions of Minnesota Statutes, section 203B.082. These are onetime appropriations.

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

Sec. 2. Laws 2023, chapter 62, article 1, section 6, is amended to read:

| | | | | |
|-----------------------------------|----|--------------------------|----|--------------------------|
| | | <u>13,470,000</u> | | <u>11,069,000</u> |
| Sec. 6. SECRETARY OF STATE | \$ | <u>14,720,000</u> | \$ | <u>12,405,000</u> |

The base for this appropriation is ~~\$11,255,000~~ \$12,505,000 in fiscal year 2026 and ~~\$11,069,000~~ \$12,319,000 in fiscal year 2027.

\$500,000 the first year is for the secretary of state to make grants to counties and municipalities to improve access to polling places for individuals with disabilities and to provide the same opportunity for access and participation in the electoral process, including privacy and independence, to voters with disabilities as that which exists for voters with no disabilities. Funds may be used to purchase equipment or to make capital improvements to government-owned facilities. This is a onetime appropriation and is available until June 30, 2027.

\$200,000 the first year is to develop and implement an educational campaign relating to the restoration of the right to vote to formerly incarcerated individuals, including voter education materials and outreach to affected individuals.

\$2,250,000 the first year and \$3,086,000 the second year are for transfer to the voting operations, technology, and election resources account established under Minnesota Statutes, section 5.305. The base for this transfer in fiscal years 2026 and 2027 is \$3,000,000.

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

Sec. 3. Laws 2023, chapter 62, article 1, section 43, is amended to read:

Sec. 43. TRANSFER; VOTING OPERATIONS, TECHNOLOGY, AND ELECTION RESOURCES ACCOUNT.

\$1,250,000 each year \$750,000 in fiscal year 2024 is transferred from the ~~general fund~~ voting equipment grant account under Minnesota Statutes, section 206.95, to the voting operations, technology, and election resources account established under Minnesota Statutes, section 5.305. The base for this transfer is \$1,250,000 in fiscal year 2026 and each fiscal year thereafter. This is a onetime transfer.

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

Sec. 4. SECRETARY OF STATE; APPROPRIATION; TRANSFER.

(a) \$200,000 in fiscal year 2025 is appropriated from the general fund to the secretary of state to make reimbursements for polling locations to counties and cities that conduct absentee voting that locate a temporary polling location on a campus of a postsecondary institution that provides on-campus student housing to 100 or more students and that complies with the provisions of Minnesota Statutes, section 203B.0815. The base for this appropriation in fiscal year 2026 and each even-numbered fiscal year thereafter is \$40,000. The base for this appropriation in fiscal year 2027 and each odd-numbered fiscal year thereafter is \$110,000.

(b) \$144,000 in fiscal year 2025 is transferred from the general fund to the Voting Rights Act cost sharing account in the special revenue fund. The base for this transfer is \$25,000 in fiscal year 2026 and each fiscal year thereafter.

Sec. 5. CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD; APPROPRIATIONS.

(a) \$20,000 in fiscal year 2025 is appropriated from the general fund to the Campaign Finance and Public Disclosure Board for costs related to implementing article 4. This is a onetime appropriation.

(b) \$50,000 in fiscal year 2025 is appropriated from the general fund to the Campaign Finance and Public Disclosure Board to develop online training capabilities for campaign treasurers. This is a onetime appropriation.

ARTICLE 2

ELECTIONS ADMINISTRATION

Section 1. Minnesota Statutes 2023 Supplement, section 5.305, subdivision 5, is amended to read:

Subd. 5. **Use of funds.** A local unit of government may use the funds allocated pursuant to this section for the following purposes, provided the expenditures are directly related to election administration:

- (1) equipment;
- (2) hardware or software;
- (3) cybersecurity;
- (4) security-related infrastructure;
- (5) capital improvements to government-owned property to improve access to polling places for individuals with disabilities;
- (6) staff costs for election administrators, election judges, and other election officials;
- (7) printing and publication;
- (8) postage;
- (9) programming;
- (10) transitioning to a .gov domain;
- (11) local match for state or federal funds; and
- ~~(11)~~ (12) any other purpose directly related to election administration.

Sec. 2. Minnesota Statutes 2022, section 123B.09, subdivision 5b, is amended to read:

Subd. 5b. **Appointments to fill vacancies; special elections.** (a) Any vacancy on the board, other than a vacancy described in subdivision 4, must be filled by board appointment at a regular or special meeting. The appointment shall be evidenced by a resolution entered in the minutes and shall be effective 30 days following adoption of the resolution, subject to paragraph ~~(b)~~ (d). If the appointment becomes effective, it shall continue for the remainder of the unexpired term or until an election is held under this subdivision, as applicable. All elections to fill vacancies shall be for the unexpired term. A special election to fill the vacancy must be held no later than the first Tuesday after the first Monday in November following the vacancy. If the vacancy occurs less than 90 days prior to the first Tuesday after the first Monday in November in the year in which the vacancy occurs, the special election must be held no later than the first Tuesday after the first Monday in November of the following calendar year. ~~If the vacancy occurs less than 90 days prior to the first Tuesday after the first Monday in November in the third year of the term, no special election is required. If the vacancy is filled by a special election, the person elected at that election for the ensuing term shall take office immediately after receiving the certificate of election, filing the bond, and taking the oath of office.~~

(b) Notwithstanding paragraph (a), if the vacancy occurs less than two years prior to the expiration of the term, no special election is required and the appointee of the board shall serve for the remainder of the unexpired term, subject to paragraph (d).

(c) Notwithstanding paragraph (a), if the vacancy occurs less than 90 days prior to the expiration of the term, the board may, but is not required to, fill the vacancy by board appointment at a regular or special meeting.

(d) Notwithstanding paragraphs (a) and (b), if the vacancy occurs because a school board member was removed pursuant to section 123B.09, subdivision 9, a special election must be held to fill the vacancy as soon as possible on a uniform election date. This paragraph does not apply if the vacancy occurs after candidate filing begins under section 205A.06 in the year preceding the end of the term.

~~(b)~~ (e) An appointment made under paragraph (a) shall not be effective if a petition to reject the appointee is filed with the school district clerk. To be valid, a petition to reject an appointee must be signed by a number of eligible voters residing in the district equal to at least five percent of the total number of voters voting in the district at the most recent state general election, and must be filed within 30 days of the board's adoption of the resolution making the appointment. If a valid petition is filed according to the requirements of this paragraph, the appointment by the school board is ineffective and the board must name a new appointee as provided in paragraph (a).

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to vacancies occurring on or after that date.

Sec. 3. Minnesota Statutes 2023 Supplement, section 200.02, subdivision 7, is amended to read:

Subd. 7. **Major political party.** (a) "Major political party" means a political party that maintains a party organization in the state; has complied with the party's constitution and rules; is in compliance with the requirements of sections 202A.12 and 202A.13; files with the secretary of state no later than December 1 of each odd-numbered year a certification that the party has met the foregoing requirements, including a list of the dates and locations of each convention held; and meets all other qualification requirements of this subdivision.

(b) A political party qualifies as a major political party by:

(1) presenting at least one candidate for election to the office of:

(i) governor and lieutenant governor, secretary of state, state auditor, or attorney general at the last preceding state general election for those offices; or

(ii) presidential elector or U.S. senator at the last preceding state general election for presidential electors; and

whose candidate received votes in each county in that election and received votes from ~~not less than five percent of the total number of individuals who voted in that election, if the state general election was held on or before November 8, 2022, or~~ not less than eight percent of the total number of individuals who voted in that election, ~~at a state general election held on or after November 7, 2024;~~

(2) presenting at least 45 candidates for election to the office of state representative, 23 candidates for election to the office of state senator, four candidates for election to the office of representative in Congress, and one candidate for election to each of the following offices: governor and lieutenant governor, attorney general, secretary of state, and state auditor, at the last preceding state general election for those offices; or

(3) presenting to the secretary of state at any time before the close of filing for the state partisan primary ballot a petition for a place on the state partisan primary ballot, which petition contains valid signatures of a number of the party members equal to at least five percent of the total number of individuals who voted in the preceding state general election. A signature is valid only if signed no more than one year prior to the date the petition was filed.

(c) A political party whose candidate receives a sufficient number of votes at a state general election described in paragraph (b), clause (1), or a political party that presents candidates at an election as required by paragraph (b), clause (2), becomes a major political party as of January 1 following that election. A political party that complies with paragraph (a) retains its major party status for at least two state general elections even if the party fails to present a candidate who receives the number and percentage of votes required under paragraph (b), clause (1), or fails to present candidates as required by paragraph (b), clause (2), at subsequent state general elections.

(d) A major political party whose candidates fail to receive the number and percentage of votes required under paragraph (b), clause (1), and that fails to present candidates as required by paragraph (b), clause (2), at each of two consecutive state general elections described by paragraph (b), clause (1) or (2), respectively, loses major party status as of December 31 following the later of the two consecutive state general elections.

(e) A major political party that does not submit the certification required by this subdivision loses major party status on December 31 of the year in which the party did not file the certification.

(f) The secretary of state must notify the chair of the major political party, the commissioner of revenue, and the Campaign Finance and Public Disclosure Board if the political party's status is changed pursuant to this section.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 4. Minnesota Statutes 2023 Supplement, section 201.061, subdivision 3, is amended to read:

Subd. 3. **Election day registration.** (a) An individual who is eligible to vote may register on election day by appearing in person at the polling place for the precinct in which the individual maintains residence, by completing a registration application, making an oath in the form prescribed by the secretary of state and providing proof of residence. An individual may prove residence for purposes of registering by:

(1) presenting a driver's license or Minnesota identification card issued pursuant to section 171.07;

(2) presenting any document approved by the secretary of state as proper identification;

(3) presenting ~~one of the following:~~

~~(i) a current valid student identification card from a postsecondary educational institution in Minnesota, if a list of students from that institution has been prepared under section 135A.17 and certified to the county auditor in the manner provided in rules of the secretary of state; or~~

(ii) a current student fee statement that contains the student's valid address in the precinct together with a picture identification card; or

(4) having a voter who is registered to vote in the precinct, or an employee employed by and working in a residential facility in the precinct and vouching for a resident in the facility, sign an oath in the presence of the election judge vouching that the voter or employee personally knows that the individual is a resident of the precinct. A voter who has been vouched for on election day may not sign a proof of residence oath vouching for any other individual on that election day. A voter who is registered to vote in the precinct may sign up to eight proof-of-residence oaths on any election day. This limitation does not apply to an employee of a residential facility described in this clause. The secretary of state shall provide a form for election judges to use in recording the number of individuals for whom a voter signs proof-of-residence oaths on election day. The form must include space for the maximum number of individuals for whom a voter may sign proof-of-residence oaths. For each proof-of-residence oath, the form must include a statement that the individual: (i) is registered to vote in the precinct or is an employee of a residential facility in the precinct, (ii) personally knows that the voter is a resident of the precinct, and (iii) is making the statement on oath. The form must include a space for the voter's printed name, signature, telephone number, and address.

The oath required by this subdivision and Minnesota Rules, part 8200.9939, must be attached to the voter registration application.

(b) The operator of a residential facility shall prepare a list of the names of its employees currently working in the residential facility and the address of the residential facility. The operator shall certify the list and provide it to the appropriate county auditor no less than 20 days before each election for use in election day registration.

(c) "Residential facility" means transitional housing as defined in section 256E.33, subdivision 1; a supervised living facility licensed by the commissioner of health under section 144.50, subdivision 6; a nursing home as defined in section 144A.01, subdivision 5; an assisted living facility licensed by the commissioner of health under chapter 144G; a veterans home operated by the board of directors of the Minnesota Veterans Homes under chapter 198; a residence licensed by the commissioner of human services to provide a residential program as defined in section 245A.02, subdivision 14; a residential facility for persons with a developmental disability licensed by the commissioner of human services under section 252.28; setting authorized to provide housing support as defined in section 256I.03, subdivision 10a; a shelter for battered women as defined in section 611A.37, subdivision 4; a supervised publicly or privately operated shelter or dwelling designed to provide temporary living accommodations for the homeless; a facility where a provider operates a residential treatment program as defined in section 245.462, subdivision 23; or a facility where a provider operates an adult foster care program as defined in section 245A.02, subdivision 6c.

(d) For tribal band members, an individual may prove residence for purposes of registering by:

(1) presenting an identification card issued by the tribal government of a tribe recognized by the Bureau of Indian Affairs, United States Department of the Interior, that contains the name, address, signature, and picture of the individual; or

(2) presenting an identification card issued by the tribal government of a tribe recognized by the Bureau of Indian Affairs, United States Department of the Interior, that contains the name, signature, and picture of the individual and also presenting one of the documents listed in Minnesota Rules, part 8200.5100, subpart 2, item B.

(e) A county, school district, or municipality may require that an election judge responsible for election day registration initial each completed registration application.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 5. Minnesota Statutes 2023 Supplement, section 201.061, subdivision 3a, is amended to read:

Subd. 3a. **Additional proofs of residence permitted for students.** (a) ~~An eligible~~ If an eligible voter's name; student identification number, if available; and address within the precinct appear on a current residential housing list under section 135A.17 certified to the county auditor by the postsecondary educational institution, the voter may prove residence by presenting a current valid photo identification issued by a postsecondary educational institution in Minnesota if the voter's name; student identification number, if available; and address within the precinct appear on a current residential housing list under section 135A.17, certified to the county auditor by the postsecondary educational institution; identification authorized in subdivision 3, paragraph (a), clause (1) or (2); or identification authorized in subdivision 3, paragraph (d), clause (1) or (2).

(b) This additional proof of residence for students must not be allowed unless the postsecondary educational institution submits to the county auditor no later than 60 days prior to the election a written agreement that the postsecondary educational institution will certify for use at the election accurate updated residential housing lists under section 135A.17. A written agreement is effective for the election and all subsequent elections held in that calendar year, including the November general election.

(c) The additional proof of residence for students must be allowed on an equal basis for voters who reside in housing meeting the requirements of section 135A.17, if the residential housing lists certified by the postsecondary educational institution meet the requirements of this subdivision.

(d) An updated residential housing list must be certified to the county auditor no ~~earlier~~ later than 20 days prior to each election. The certification must be dated and signed by the chief officer or designee of the postsecondary educational institution and must state that the list is current and accurate and includes only the names of persons residing in the institution's housing and, for students who do not live in the institution's housing, that it reflects the institution's records as of the date of the certification.

(e) The county auditor shall instruct the election judges of the precinct in procedures for use of the list in conjunction with photo identification. The auditor shall supply a list to the election judges with the election supplies for the precinct.

(f) The county auditor shall notify all postsecondary educational institutions in the county of the provisions of this subdivision.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 6. Minnesota Statutes 2023 Supplement, section 201.071, subdivision 1, is amended to read:

Subdivision 1. **Form.** Both paper and electronic voter registration applications must contain the same information unless otherwise provided by law. A voter registration application must contain spaces for the following required information: voter's first name, middle name, and last name; voter's previous name, if any; voter's current address; voter's previous address, if any; voter's date of birth; voter's municipality and county of residence; voter's telephone number, if provided by the voter; date of registration; current and valid Minnesota driver's license number or Minnesota state identification number, or if the voter has no current and valid Minnesota driver's license or Minnesota state identification, the last four digits of the voter's Social Security number; a box to indicate a voter's preference to join the permanent absentee voter list; and voter's signature. The paper registration application must provide a space for a voter to provide a physical description of the location of their residence, if the voter resides in an area lacking a specific physical address. The description must be sufficient for the county auditor to identify the correct precinct for the voter. The description may include the closest cross street or the nearest address to the described location that is identified on a precinct map, and directions from that cross street or address to the described location, including but not limited to the cardinal direction and approximate distance to the location. The paper registration application may include the voter's email address, if provided by the voter. The electronic voter registration application must include the voter's email address. The registration application may include the voter's interest in serving as an election judge, if indicated by the voter. The application must also contain the following certification of voter eligibility:

"I certify that I:

- (1) am at least 16 years old and understand that I must be at least 18 years old to be eligible to vote;
- (2) am a citizen of the United States;
- (3) will have maintained residence in Minnesota for 20 days immediately preceding election day;
- (4) maintain residence at the address or location given on the registration form;
- (5) am not under court-ordered guardianship in which the court order revokes my right to vote;
- (6) have not been found by a court to be legally incompetent to vote;
- (7) am not currently incarcerated for a conviction of a felony offense; and
- (8) have read and understand the following statement: that giving false information is a felony punishable by not more than five years imprisonment or a fine of not more than \$10,000, or both."

The certification must include boxes for the voter to respond to the following questions:

"(1) Are you a citizen of the United States?" and

"(2) Are you at least 16 years old and will you be at least 18 years old on or before the day of the election in which you intend to vote?"

And the instruction:

"If you checked 'no' to either of these questions, do not complete this form."

The form of the voter registration application and the certification of voter eligibility must be as provided in this subdivision and approved by the secretary of state. Voter registration forms authorized by the National Voter Registration Act must also be accepted as valid. The federal postcard application form must also be accepted as valid if it is not deficient and the voter is eligible to register in Minnesota.

An individual may use a voter registration application to apply to register to vote in Minnesota or to change information on an existing registration.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 7. Minnesota Statutes 2022, section 201.071, subdivision 3, is amended to read:

Subd. 3. **Deficient registration.** No voter registration application is deficient if it contains the voter's name, address or location of residence, date of birth, current and valid Minnesota driver's license number or Minnesota state identification number, or if the voter has no current and valid Minnesota driver's license or Minnesota state identification number, the last four digits of the voter's Social Security number, if the voter has been issued a Social Security number, prior registration, if any, and signature. The absence of a zip code number does not cause the registration to be deficient. Failure to check a box on an application form that a voter has certified to be true does not cause the registration to be deficient. The election judges shall request an individual to correct a voter registration application if it is deficient or illegible. No eligible voter may be prevented from voting unless the voter's registration application is deficient or the voter is duly and successfully challenged in accordance with section 201.195 or 204C.12.

A voter registration application accepted prior to August 1, 1983, is not deficient for lack of date of birth. The county or municipality may attempt to obtain the date of birth for a voter registration application accepted prior to August 1, 1983, by a request to the voter at any time except at the polling place. Failure by the voter to comply with this request does not make the registration deficient.

A voter registration application accepted before January 1, 2004, is not deficient for lack of a valid Minnesota driver's license or state identification number or the last four digits of a Social Security number. A voter registration application submitted by a voter who does not have a Minnesota driver's license or state identification number, or a Social Security number, is not deficient for lack of any of these numbers.

A voter registration application submitted electronically through the website of the secretary of state prior to April 30, 2014, is not invalid as a result of its electronic submission.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 8. Minnesota Statutes 2023 Supplement, section 201.091, subdivision 4, is amended to read:

Subd. 4. **Public information lists.** (a) The county auditor shall make available for inspection a public information list which must contain the name, address, year of birth, and voting history of each registered voter in the county. Data on applicants submitted pursuant to section 201.061, subdivision 1b, are not part of the public information list until the voter is registered or has voting history. The list must not include the party choice of any voter who voted in a presidential nomination primary. The telephone number must be included on the list if provided by the voter. The public information list may also include information on voting districts. The county auditor may adopt reasonable rules governing access to the list.

(b) No individual inspecting the public information list shall tamper with or alter it in any manner. No individual who inspects the public information list or who acquires a list of registered voters prepared from the public information list may use any information contained in the list for purposes unrelated to elections, political activities, or law enforcement. The secretary of state may provide copies of the public information lists and other information from the statewide registration system for uses related to elections, political activities, or in response to a law enforcement inquiry from a public official concerning a failure to comply with any criminal statute or any state or local tax statute.

(c) Before inspecting the public information list or obtaining a list of voters or other information from the list, the individual shall provide identification to the public official having custody of the public information list and shall state in writing that any information obtained from the list will not be used for purposes unrelated to elections, political activities, or law enforcement. Requests to examine or obtain information from the public information lists or the statewide registration system must be made and processed in the manner provided in the rules of the secretary of state.

(d) Upon receipt of a statement signed by the voter that withholding the voter's name from the public information list is required for the safety of the voter or the voter's family, the secretary of state and county auditor must withhold from the public information list the name of a registered voter.

(e) Notwithstanding paragraphs (b) and (c) and regardless of the purpose of the publication, a recipient of a public information list must not:

(1) publish any of the information from the list on the Internet on any list, database, or other similar searchable format; or

(2) sell, loan, provide access to, or otherwise surrender any information obtained from the list to any person or entity, except that an individual who obtains the public information list on behalf of an organization, entity, or political subdivision may distribute the information to the organization's, entity's, or political subdivision's volunteers or employees for purposes related to elections, political activities, or law enforcement in the case where the information is provided in response to a law enforcement inquiry from a public official concerning a failure to comply with any criminal statute or any state or local tax statute. Nothing in this section prohibits the preparation, use, or transfer, for purposes related to elections or political activities, of a database that includes data obtained from the public information list which is aggregated with data obtained from other sources provided that such database is used exclusively for purposes related to elections or political activities and no information from the list is published on the Internet. The prohibitions of this paragraph do not apply if the subject of the information provides express written permission to use the subject's data in a

manner otherwise prohibited by this paragraph. For purposes of this paragraph, "publish" means information is made available to the general public.

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

Sec. 9. Minnesota Statutes 2022, section 201.13, subdivision 1a, is amended to read:

Subd. 1a. **Social Security Administration; other reports of deceased residents.** The secretary of state ~~may~~ must determine if any of the persons listed on the Social Security Death Index or reported as deceased by the vital records department of another state are registered to vote and prepare a list of those registrants for each county auditor. The county auditor shall change the status of those registrants to "deceased" in the statewide voter registration system.

Sec. 10. Minnesota Statutes 2023 Supplement, section 201.1611, subdivision 1, is amended to read:

Subdivision 1. **Forms.** (a) All postsecondary institutions that enroll students accepting state or federal financial aid must provide voter registration forms to each student during the fall and spring of each year. In state election years, it must be provided 15 days in advance of the deadline for registering to vote for the state general election. If the voter registration forms are provided electronically, the electronic message must be devoted exclusively to voter registration.

(b) All school districts must make available paper or electronic voter registration applications each May and September to all students registered as students of the school district who ~~will be~~ are eligible to register or preregister to vote ~~at the next election after those months~~. A school district has no obligation to provide voter registration applications to students who participate in a postsecondary education option program or who otherwise maintain residence in the district but do not attend a school operated by the district. A school district fulfills its obligation to a student under this section if it provides a voter registration application to the student one time.

(c) The voter registration forms must contain spaces for the information required in section 201.071, subdivision 1, and applicable rules of the secretary of state. The institutions and school districts may request these forms from the secretary of state. Institutions must consult with their campus student government in determining the most effective means of distributing the forms and in seeking to facilitate election day registration of students under section 201.061, subdivision 3. School districts must advise students that completion of the voter registration application is not a school district requirement.

(d) The institutions must report to the secretary of state by November 30 of each year on their implementation of this section. At a minimum, the report must include how and when the forms were distributed and the voter engagement plan under subdivision 3, paragraph (b), clause (2). Institutions may include information about methods that were effective in increasing student registrations.

(e) By February 1 of each year, the secretary of state must report to the chairs and ranking minority members of the legislative committees with jurisdiction over elections on the information under paragraph (d). The secretary must highlight best practices and innovative methods that were most effective in registering students to vote.

Sec. 11. Minnesota Statutes 2023 Supplement, section 203B.04, subdivision 1, is amended to read:

Subdivision 1. **Application procedures.** (a) Except as otherwise allowed by subdivision 2 or by section 203B.11, subdivision 4, an application for absentee ballots for any election may be submitted at any time not less than one day before the day of that election. The county auditor shall prepare absentee ballot application forms in the format provided by the secretary of state and shall furnish them to any person on request. By January 1 of each even-numbered year, the secretary of state shall make the forms to be used available to auditors through electronic means. An application submitted pursuant to this subdivision shall be in writing. An application may be submitted in person, by electronic facsimile device, by electronic mail, or by mail to:

(1) the county auditor of the county where the applicant maintains residence; or

(2) the municipal clerk of the municipality, or school district if applicable, where the applicant maintains residence.

~~For a federal, state, or county election,~~ (b) An absentee ballot application may alternatively be submitted electronically through a secure website that shall be maintained by the secretary of state for this purpose. Notwithstanding paragraph ~~(b)~~ (d), the secretary of state must require applicants using the website to submit the applicant's email address and verifiable Minnesota driver's license number, Minnesota state identification card number, or the last four digits of the applicant's Social Security number. This paragraph does not apply to a town election held in March.

(c) An application submitted electronically under this paragraph may only be transmitted to the county auditor for processing if the secretary of state has verified the application information matches the information in a government database associated with the applicant's driver's license number, state identification card number, or Social Security number. The secretary of state must review all unverifiable applications for evidence of suspicious activity and must forward any such application to an appropriate law enforcement agency for investigation.

~~(b)~~ (d) An application shall be approved if it is timely received, signed and dated by the applicant, contains the applicant's name and residence and mailing addresses, date of birth, and at least one of the following:

(1) the applicant's Minnesota driver's license number;

(2) Minnesota state identification card number;

(3) the last four digits of the applicant's Social Security number; or

(4) a statement that the applicant does not have any of these numbers.

~~(e)~~ (e) To be approved, the application must contain an oath that the information contained on the form is accurate, that the applicant is applying on the applicant's own behalf, and that the applicant is signing the form under penalty of perjury.

~~(d)~~ (f) An applicant's full date of birth, Minnesota driver's license or state identification number, and the last four digits of the applicant's Social Security number must not be made available for

public inspection. An application may be submitted to the county auditor or municipal clerk by an electronic facsimile device. An application mailed or returned in person to the county auditor or municipal clerk on behalf of a voter by a person other than the voter must be deposited in the mail or returned in person to the county auditor or municipal clerk within ten days after it has been dated by the voter and no later than six days before the election.

(e) (g) An application under this subdivision may contain an application under subdivision 5 to automatically receive an absentee ballot.

EFFECTIVE DATE. This section is effective September 1, 2025, and applies to elections occurring on or after November 4, 2025.

Sec. 12. Minnesota Statutes 2023 Supplement, section 203B.07, subdivision 3, is amended to read:

Subd. 3. **Eligibility certificate.** A certificate of eligibility to vote by absentee ballot shall be printed on the back of the signature envelope. The certificate shall contain space for the voter's Minnesota driver's license number, state identification number, or the last four digits of the voter's Social Security number, or to indicate that the voter does not have one of these numbers. The space must be designed to ensure that the voter provides the same type of identification as provided on the voter's absentee ballot application for purposes of comparison. The certificate must also contain a statement to be signed and sworn by the voter indicating that the voter meets all of the requirements established by law for voting by absentee ballot and space for a statement signed by a person who is ~~registered to vote in Minnesota~~ at least 18 years of age on or before the day of the election and a citizen of the United States or by a notary public or other individual authorized to administer oaths stating that:

(1) the ballots were displayed to that individual unmarked;

(2) the voter marked the ballots in that individual's presence without showing how they were marked, or, if the voter was physically unable to mark them, that the voter directed another individual to mark them; and

(3) if the voter was not previously registered, the voter has provided proof of residence as required by section 201.061, subdivision 3.

EFFECTIVE DATE. This section is effective for elections for which the absentee ballot period begins on or after January 1, 2025.

Sec. 13. Minnesota Statutes 2023 Supplement, section 203B.081, subdivision 4, is amended to read:

Subd. 4. **Temporary locations.** (a) A county auditor or municipal clerk authorized under section 203B.05 to administer voting before election day may designate additional polling places with days and hours that differ from those required by section 203B.085. A designation authorized by this subdivision must be made at least 47 days before the election. The county auditor or municipal clerk must provide notice to the secretary of state at the time that the designations are made.

(b) At the request of a federally recognized Indian Tribe with a reservation in the county, the county auditor must establish an additional polling place for at least one day on the Indian reservation on a site agreed upon by the Tribe and the county auditor that is accessible to the county auditor by a public road.

(c) At the request of a postsecondary institution or the student government organization of a postsecondary institution in the county or municipality, the county auditor or a municipal clerk authorized to administer absentee voting under section 203B.05 must establish an additional temporary polling place for the state general election or the odd-year city general election for at least one day at a location agreed upon by the institution and the county auditor or municipal clerk that:

(1) is accessible to the public;

(2) satisfies the requirements of state and federal law; and

(3) is on the institution's campus or is within one-half mile of the institution's campus and is reasonably accessible to the institution's students.

A request must be made no later than May 31 before an election and the request is valid only for that election. This paragraph only applies to a postsecondary institution that provides on-campus student housing to 100 or more students. Nothing in this paragraph prevents the county auditor or municipal clerk from engaging in a dialogue with the entity that made the request regarding potential alternative locations for a temporary polling place that does not meet the requirements of clause (3). An entity that made a request for a temporary polling place may withdraw its request by notifying the county auditor or municipal clerk.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to elections held on or after that date.

Sec. 14. **[203B.0815] TEMPORARY LOCATIONS REIMBURSEMENTS; POSTSECONDARY INSTITUTIONS.**

(a) The secretary of state must reimburse counties and cities that administer absentee voting for the actual costs of operating temporary polling locations on postsecondary institution campuses that provide on-campus student housing to 100 or more students. The reimbursement amount for an individual city or county must not exceed:

(1) \$5,000 for one polling location the first year it applies for a reimbursement under this section;

(2) \$3,000 for each additional polling location the first year it applies for a reimbursement under this section; and

(3) \$3,000 for each polling location in subsequent years.

If appropriations available to make reimbursements under this section are insufficient to fully make all reimbursements, the secretary must reduce all reimbursements proportionally. The unspent balance of an appropriation to make reimbursements under this section in the first fiscal year of a biennium may be carried forward into the second year of the biennium.

(b) Expenses eligible for reimbursement under paragraph (a) include:

- (1) voting equipment purchasing and programming;
- (2) secure storage for voting equipment and supplies;
- (3) staff costs for election administrators, election judges, or other election officials;
- (4) ballot and voting materials printing;
- (5) set-up costs including transportation, parking, and office supplies;
- (6) voting booths; and
- (7) technology necessary to conduct voting at the polling location.

(c) The secretary of state may make a reimbursement to a county or city only after receiving a completed application. The application must be submitted to the secretary of state on or before December 15 in the year in which the election was held. At a minimum, the application must contain the following information:

- (1) the name and title of the individual preparing the application;
- (2) the date the application is submitted;
- (3) the name of the county or city;
- (4) the following information about each temporary location:
 - (i) the name of the postsecondary institution;
 - (ii) the temporary location on campus;
 - (iii) the date the polling location was open;
 - (iv) the number of voters that cast ballots at the temporary location; and
 - (v) whether the polling location was requested by the postsecondary institution or the student government organization or established by the county or city;
- (5) the total costs and itemized costs of establishing each temporary location; and
- (6) the total amount of the reimbursement requested.

(d) By February 1 in the year following the election, the secretary of state must determine the amount of reimbursement to be made to each eligible county or city. The reimbursements must be distributed no later than February 15.

(e) By February 1 each year, the secretary of state must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over elections policy on the reimbursements awarded under this section. The report must detail each reimbursement awarded, including the information in paragraph (c), clauses (2) to (6).

(f) By June 30 in the second fiscal year of each biennium and after making all eligible reimbursements under paragraph (d), the secretary of state must transfer any remaining balance of appropriations for that purpose to the voting operations, technology, and election resources account established under section 5.305.

Sec. 15. Minnesota Statutes 2023 Supplement, section 203B.121, subdivision 2, is amended to read:

Subd. 2. Duties of ballot board; absentee ballots. (a) The members of the ballot board shall take possession of all signature envelopes delivered to them in accordance with section 203B.08. Upon receipt from the county auditor, municipal clerk, or school district clerk, two or more members of the ballot board shall examine each signature envelope and shall mark it accepted or rejected in the manner provided in this subdivision. Election judges performing the duties in this section must be of different major political parties, unless they are exempt from that requirement under section 205.075, subdivision 4, or section 205A.10, subdivision 2.

(b) The members of the ballot board shall mark the signature envelope "Accepted" and initial or sign the signature envelope below the word "Accepted" if a majority of the members of the ballot board examining the envelope are satisfied that:

(1) the voter's name and address on the signature envelope are the same as the information provided on the absentee ballot application or voter record;

(2) the voter signed the certification on the envelope;

(3) the voter's Minnesota driver's license, state identification number, or the last four digits of the voter's Social Security number are the same as a number on the voter's absentee ballot application or voter record. If the number does not match, the election judges must compare the signature provided by the applicant to determine whether the ballots were returned by the same person to whom they were transmitted;

(4) the voter is registered and eligible to vote in the precinct or has included a properly completed voter registration application in the signature envelope;

(5) the certificate has been completed as prescribed in the directions for casting an absentee ballot; and

(6) the voter has not already voted at that election, either in person or, if it is after the close of business on the 19th day before the election, as provided by section 203B.081.

The signature envelope from accepted ballots must be preserved and returned to the county auditor.

(c)(1) If a majority of the members of the ballot board examining a signature envelope find that an absentee voter has failed to meet one of the requirements provided in paragraph (b), they shall mark the signature envelope "Rejected," initial or sign it below the word "Rejected," list the reason for the rejection on the envelope, and return it to the county auditor. There is no other reason for rejecting an absentee ballot beyond those permitted by this section. Failure to place the ballot within

the ballot envelope before placing it in the outer white envelope is not a reason to reject an absentee ballot.

(2) If an envelope has been rejected at least five days before the election, the envelope must remain sealed and the official in charge of the ballot board shall provide the voter with a replacement absentee ballot and signature envelope in place of the rejected ballot.

(3) If an envelope is rejected within five days of the election, the envelope must remain sealed and the official in charge of the ballot board must attempt to contact the voter to notify the voter that the voter's ballot has been rejected. ~~The ballot board must contact the voter~~ by the method or methods of communication provided by the voter on the voter's application for an absentee ballot or voter registration. The official must document the attempts made to contact the voter.

(d) The official in charge of the absentee ballot board must mail the voter a written notice of absentee ballot rejection between six and ten weeks following the election. If the official determines that the voter has otherwise cast a ballot in the election, no notice is required. If an absentee ballot arrives after the deadline for submission provided by this chapter, the notice must be provided between six to ten weeks after receipt of the ballot. A notice of absentee ballot rejection must contain the following information:

(1) the date on which the absentee ballot was rejected or, if the ballot was received after the required deadline for submission, the date on which the ballot was received;

(2) the reason for rejection; and

(3) the name of the appropriate election official to whom the voter may direct further questions, along with appropriate contact information.

(e) An absentee ballot signature envelope marked "Rejected" may not be opened or subject to further review except in an election contest filed pursuant to chapter 209.

Sec. 16. Minnesota Statutes 2023 Supplement, section 204B.06, subdivision 1b, is amended to read:

Subd. 1b. Address, electronic mail address, and telephone number. (a) An affidavit of candidacy must state a telephone number where the candidate can be contacted. An affidavit must also state the candidate's or campaign's nongovernment issued electronic mail address or an attestation that the candidate and the candidate's campaign do not possess an electronic mail address. An affidavit must also state the candidate's current address of residence as determined under section 200.031, or at the candidate's request in accordance with paragraph (c), the candidate's campaign contact address. When filing the affidavit, the candidate must present the filing officer with the candidate's valid driver's license or state identification card that contains the candidate's current address of residence, or documentation of proof of residence authorized for election day registration in section 201.061, subdivision 3, paragraph (a), clause (2); clause (3), item (ii); or paragraph (d). If the address on the affidavit and the documentation do not match, the filing officer must not accept the affidavit. The form for the affidavit of candidacy must allow the candidate to request, if eligible, that the candidate's address of residence be classified as private data, and to provide the certification required under paragraph (c) for classification of that address.

(b) If an affidavit for an office where a residency requirement must be satisfied by the close of the filing period is filed as provided by paragraph (c), the filing officer must, within one business day of receiving the filing, determine whether the address provided in the affidavit of candidacy is within the area represented by the office the candidate is seeking. For all other candidates who filed for an office whose residency requirement must be satisfied by the close of the filing period, a registered voter in this state may request in writing that the filing officer receiving the affidavit of candidacy review the address as provided in this paragraph, at any time up to one day after the last day for filing for office. If requested, the filing officer must determine whether the address provided in the affidavit of candidacy is within the area represented by the office the candidate is seeking. If the filing officer determines that the address is not within the area represented by the office, the filing officer must immediately notify the candidate and the candidate's name must be removed from the ballot for that office. A determination made by a filing officer under this paragraph is subject to judicial review under section 204B.44.

(c) If the candidate requests that the candidate's address of residence be classified as private data, the candidate must list the candidate's address of residence on a separate form to be attached to the affidavit. The candidate must also certify on the affidavit that either: (1) a police report has been submitted, an order for protection has been issued, or the candidate has a reasonable fear in regard to the safety of the candidate or the candidate's family; or (2) the candidate's address is otherwise private pursuant to Minnesota law. The address of residence provided by a candidate who makes a request for classification on the candidate's affidavit of candidacy and provides the certification required by this paragraph is classified as private data, as defined in section 13.02, subdivision 12, but may be reviewed by the filing officer as provided in this subdivision.

(d) The requirements of this subdivision do not apply to affidavits of candidacy for a candidate for: (1) judicial office; (2) the office of county attorney; or (3) county sheriff.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 17. Minnesota Statutes 2023 Supplement, section 204B.09, subdivision 3, is amended to read:

Subd. 3. **Write-in candidates.** (a) A candidate for county, state, or federal office who wants write-in votes for the candidate to be counted must file a written request with the filing office for the office sought not more than 84 days before the primary and no later than the seventh day before the general election. The filing officer shall provide copies of the form to make the request. The filing officer shall not accept a written request later than 5:00 p.m. on the last day for filing a written request.

(b) The governing body of a statutory or home rule charter city may adopt a resolution governing the counting of write-in votes for local elective office. The resolution may:

(1) require the candidate to file a written request with the chief election official no later than the seventh day before the city election if the candidate wants to have the candidate's write-in votes individually recorded; or

(2) require that write-in votes for an individual candidate only be individually recorded if the total number of write-in votes for that office is equal to or greater than the fewest number of non-write-in votes for a ballot candidate.

If the governing body of the statutory or home rule charter city adopts a resolution authorized by this paragraph, the resolution must be adopted and the city clerk must notify the county auditor before the first day of filing for office. A resolution adopted under this paragraph remains in effect until a subsequent resolution on the same subject is adopted by the governing body of the statutory or home rule charter city.

(c) The governing body of a township, school ~~board~~ district, hospital district, park district, soil and water district, or other ancillary elected district may adopt a resolution governing the counting of write-in votes for local elective office. The resolution may require that write-in votes for an individual candidate only be individually recorded if the total number of write-in votes for that office is equal to or greater than the fewest number of non-write-in votes for a ballot candidate. If a governing body adopts a resolution authorized by this paragraph, the resolution must be adopted and the clerk must notify the county auditor before the first day of filing for office. A resolution adopted under this paragraph remains in effect until a subsequent resolution on the same subject is adopted by the governing body.

(d) A candidate for president of the United States who files a request under this subdivision must include the name of a candidate for vice president of the United States. The request must also include the name of at least one candidate for presidential elector. The total number of names of candidates for presidential elector on the request may not exceed the total number of electoral votes to be cast by Minnesota in the presidential election.

(e) A candidate for governor who files a request under this subdivision must file jointly with another individual seeking nomination as a candidate for lieutenant governor. A candidate for lieutenant governor who files a request under this subdivision must file jointly with another individual seeking nomination as a candidate for governor.

Sec. 18. Minnesota Statutes 2023 Supplement, section 204B.16, subdivision 1, is amended to read:

Subdivision 1. **Authority; location.** (a) By December 31 of each year, the governing body of each municipality and of each county with precincts in unorganized territory must designate by ordinance or resolution any changes to a polling place location. A polling place must be maintained ~~for the following calendar year~~ unless changed in accordance with this paragraph, or:

(1) ~~by ordinance or resolution by December 31 of the previous year;~~

(2) pursuant to section 204B.175;

(3) ~~(2)~~ because a polling place has become unavailable;

(4) ~~(3)~~ because a township designates one location for all state, county, and federal elections and one location for all township only elections; ~~and~~ or

(5) ~~(4)~~ pursuant to section 204B.14, subdivision 3.

(b) Polling places must be designated and ballots must be distributed so that no one is required to go to more than one polling place to vote in a school district and municipal election held on the same day. The polling place for a precinct in a city or in a school district located in whole or in part

in the metropolitan area defined by section 200.02, subdivision 24, shall be located within the boundaries of the precinct or within one mile of one of those boundaries unless a single polling place is designated for a city pursuant to section 204B.14, subdivision 2, or a school district pursuant to section 205A.11. The polling place for a precinct in unorganized territory may be located outside the precinct at a place which is convenient to the voters of the precinct. If no suitable place is available within a town or within a school district located outside the metropolitan area defined by section 200.02, subdivision 24, then the polling place for a town or school district may be located outside the town or school district within five miles of one of the boundaries of the town or school district.

Sec. 19. Minnesota Statutes 2023 Supplement, section 204B.295, subdivision 1, is amended to read:

Subdivision 1. **Duty.** The secretary of state or county auditor must use the Office of Enterprise Translation established in section 16B.373 or must contract with a translator certified by the American Translators Association to develop voting instructions and sample ballots in languages other than English, to be made available in polling places during elections as required by this section. At a minimum, the secretary of state must prepare voting instructions and make the instructions available in polling places in the three most commonly spoken non-English languages in the state as determined by the state demographer for the previous calendar year. For state elections, the secretary of state must prepare and provide example ballots to county auditors and post voting instructions in print, electronic, and audio-visual formats, on the secretary of state's website in at least the three most commonly spoken non-English languages in the state as determined by the state demographer for the previous calendar year.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 20. Minnesota Statutes 2023 Supplement, section 204B.295, subdivision 2, is amended to read:

Subd. 2. **Designation of language minority districts.** ~~No later than 90 days before an election~~ By January 1 of each year, the secretary of state or county auditor, in consultation with the state demographer, must determine the percentage of residents in each census tract who are members of a language minority and who lack sufficient skills in English to vote without assistance. Language minority districts will be designated if three percent or more of the population in a corresponding census tract speak English "less than very well" according to the most recent census data. The secretary of state must maintain the list of designated language minority districts on its website. The state demographer must consider the identified margin of error in the census data when identifying census tracts. Designations made in January apply to elections for which absentee balloting begins on or after January 1 of each year and continue through the end of the calendar year.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 21. Minnesota Statutes 2023 Supplement, section 204B.295, subdivision 3, is amended to read:

Subd. 3. **Translation required; interpreter required.** (a) If the number of residents determined under subdivision 2 equals three percent or more of a census tract, or if interested citizens or organizations provide information that gives the secretary of state or county auditor sufficient reason to believe a need exists, at least two copies of the translated voting instructions and sample ballots

must be provided to each precinct in that district during any regular or special state election conducted in that district. If more than one language is represented in three percent or more of residents as determined in subdivision 2, translated materials must be provided in, at minimum, the highest determined language and any language representing three percent or more of a census tract.

(b) If the number of residents determined under subdivision 2 equals 20 percent or more of the population of a census tract, or if interested citizens or organizations provide information that gives the secretary of state or county auditor sufficient reason to believe a need exists, at least four copies of the translated voting instructions and sample ballots must be provided to each precinct in that district during any regular or special state election conducted in that district. If more than one language is represented in the 20 or more percent of residents as determined in subdivision 2, translated materials must be provided in, at minimum, the highest determined language and any language representing three percent or more of a census tract. In these precincts, the county auditor or municipal clerk must appoint at least one interpreter to translate in a specified language if ten or more registered voters in the precinct file a request for interpretive services for that language with the secretary of state or county auditor at least 30 days prior to the date of the election. This interpreter must wear a name tag or other badge indicating the interpreter's language certification. For purposes of section 204C.06 and any other applicable law, an interpreter appointed under this section is considered an election official and may be present in a polling place for the purpose of conducting duties assigned by the county auditor or municipal clerk.

(c) The county auditor must maintain a list of the designated language minority districts on its website, including the precinct name, languages that materials will be provided in, and, if applicable, where interpreters will be provided and the language they speak. This list must be posted no later than 90 days after receiving language minority district designations under subdivision 2 and must be updated as it is determined that materials or interpreters will be provided for additional districts.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 22. Minnesota Statutes 2023 Supplement, section 204B.295, is amended by adding a subdivision to read:

Subd. 5. **Sample ballot format requirements.** For the purposes of this section, sample ballots must accurately reflect the offices, candidates, and rotation sequence on the ballots used in that polling place. Sample ballots may deviate from other ballot formatting requirements to the extent required to accommodate the translated content.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 23. Minnesota Statutes 2023 Supplement, section 204B.46, is amended to read:

204B.46 MAIL ELECTIONS; QUESTIONS.

A county, municipality, or school district submitting questions to the voters at a special election may conduct an election by mail with no polling place other than the office of the auditor or clerk. No offices may be voted on at a mail election, except in overlapping school and municipal jurisdictions, where a mail election may include an office when one of the jurisdictions also has a question on the ballot. Notice of the election must be given to the county auditor at least 74 84 days prior to the election. This notice shall also fulfill the requirements of Minnesota Rules, part 8210.3000.

The special mail ballot procedures must be posted at least six weeks prior to the election. Not more than 46 nor later than 14 days prior to the election, the auditor or clerk shall mail ballots by nonforwardable mail to all voters registered in the county, municipality, or school district. No later than 14 days before the election, the auditor or clerk must make a subsequent mailing of ballots to those voters who register to vote after the initial mailing but before the 20th day before the election. Eligible voters not registered at the time the ballots are mailed may apply for ballots pursuant to chapter 203B. The auditor or clerk must appoint a ballot board to examine the mail and absentee ballot return envelopes and mark them "Accepted" or "Rejected" within three days of receipt if there are 14 or fewer days before election day, or within five days of receipt if there are more than 14 days before election day. The board may consist of deputy county auditors, deputy municipal clerks, or deputy school district clerks who have received training in the processing and counting of mail ballots, who need not be affiliated with a major political party. Election judges performing the duties in this section must be of different major political parties, unless they are exempt from that requirement under section 205.075, subdivision 4, or section 205A.10. If an envelope has been rejected at least five days before the election, the ballots in the envelope must remain sealed and the auditor or clerk must provide the voter with a replacement ballot and return envelope in place of the spoiled ballot. If the ballot is rejected within five days of the election, the envelope must remain sealed and the official in charge of the ballot board must attempt to contact the voter by telephone or email to notify the voter that the voter's ballot has been rejected. The official must document the attempts made to contact the voter.

If the ballot is accepted, the county auditor or municipal clerk must mark the roster to indicate that the voter has already cast a ballot in that election. After the close of business on the 19th day before the election, the ballots from return envelopes marked "Accepted" may be opened, duplicated as needed in the manner provided by section 206.86, subdivision 5, initialed by the ballot board, and deposited in the appropriate ballot box.

In all other respects, the provisions of the Minnesota Election Law governing deposit and counting of ballots apply.

The mail and absentee ballots for a precinct must be counted together and reported as one vote total. No vote totals from ballots may be made public before the close of voting on election day.

Sec. 24. Minnesota Statutes 2022, section 204C.06, subdivision 1, is amended to read:

Subdivision 1. **Persons allowed near polling place.** An individual shall be allowed to go to and from the polling place for the purpose of voting without unlawful interference. No one except an election official or an individual who is waiting to register or to vote or an individual who is conducting exit polling shall stand within 100 feet of the building in which a polling place is located. ~~"Exit polling" is defined as approaching voters in a predetermined pattern as they leave the polling place after they have voted and asking voters to fill out an anonymous, written questionnaire.~~

Sec. 25. Minnesota Statutes 2022, section 204C.06, is amended by adding a subdivision to read:

Subd. 1a. **Exit polling.** (a) "Exit polling" is defined as approaching voters in a predetermined pattern as they leave the polling place after they have voted and asking voters to fill out an anonymous, written questionnaire.

(b) An individual conducting exit polling must present photo identification to the head judge upon arrival at the polling place, along with a letter or credential from the news media.

(c) A person must not conduct exit polling in a manner that unlawfully interferes with a person going to or from the polling place or allows any person to view another person's responses to the poll.

Sec. 26. Minnesota Statutes 2022, section 204C.19, subdivision 3, is amended to read:

Subd. 3. **Premature disclosure of count results.** No count results from any precinct shall be disclosed by any election judge or other individual until all count results from that precinct are available, nor shall the public media disclose any count results from any precinct before the time when voting is scheduled to end in the state. Count results from absentee ballots received by the county after 3:00 p.m. on election day may be added to the total count results after the initial results reporting of the precinct. If the precinct results do not include all absentee ballots, the county must report to the secretary of state and on the county's website the number of absentee ballots remaining to be processed. After processing the remaining ballots, the county must post on the county's website how many of the remaining ballots were accepted and added to the totals and how many were rejected and therefore not counted.

Sec. 27. Minnesota Statutes 2022, section 204C.20, subdivision 1, is amended to read:

Subdivision 1. **Determination of proper number.** The election judges shall determine the number of ballots to be counted by ~~adding the number of return envelopes from accepted absentee ballots to~~ tallying the number of signed voter's certificates, or ~~to~~ the number of names entered in the election register. The election judges shall then remove all the ballots from the box. Without considering how the ballots are marked, the election judges shall ascertain that each ballot is separate and shall count them to determine whether the number of ballots in the box corresponds with the number of ballots to be counted.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 28. Minnesota Statutes 2022, section 204C.20, is amended by adding a subdivision to read:

Subd. 5. **Precincts with ballot tabulators.** In precincts using ballot tabulators, once the final count of ballots agrees with the number of ballots to be counted, election judges must immediately prepare the summary statement in accordance with section 204C.24 and seal the ballots in accordance with section 204C.25 for return to the county auditor.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 29. Minnesota Statutes 2023 Supplement, section 204C.24, subdivision 1, is amended to read:

Subdivision 1. **Information requirements.** Precinct summary statements shall be submitted by the election judges in every precinct. For all elections, the election judges shall complete three or more copies of the summary statements, and each copy shall contain the following information for each kind of ballot:

(1) the number of ballots delivered to the precinct as adjusted by the actual count made by the election judges, the number of unofficial ballots made, and the number of absentee ballots delivered to the precinct;

(2) the number of votes each candidate received or the number of yes and no votes on each question, the number of undervotes, the number of overvotes, and the number of defective ballots with respect to each office or question;

(3) the number of spoiled ballots, the number of duplicate ballots made, the number of absentee ballots rejected, and the number of unused ballots, presuming that the total count provided on each package of unopened prepackaged ballots is correct;

(4) the number of voted ballots indicating only a voter's choices as provided by section 206.80, paragraph (b), clause (2), item (ii), in precincts that use an assistive voting device that produces this type of ballot;

(5) the number of individuals who voted at the election in the precinct which must equal the total number of ballots cast in the precinct, as required by sections 204C.20 and 206.86, subdivision 1;

(6) the number of voters registering on election day in that precinct;

(7) the signatures of the election judges who counted the ballots certifying that all of the ballots cast were properly piled, checked, and counted; and that the numbers entered by the election judges on the summary statements correctly show the number of votes cast for each candidate and for and against each question;

(8) the number of election judges that worked in that precinct on election day; and

(9) the number of voting booths used in that precinct on election day.

At least two copies of the summary statement must be prepared for elections not held on the same day as the state elections.

Sec. 30. Minnesota Statutes 2022, section 204C.33, subdivision 1, is amended to read:

Subdivision 1. **County canvass.** The county canvassing board shall meet at the county auditor's office between the third and ~~tenth~~ eighth days following the state general election. After taking the oath of office, the board shall promptly and publicly canvass the general election returns delivered to the county auditor. Upon completion of the canvass, the board shall promptly prepare and file with the county auditor a report which states:

(a) the number of individuals voting at the election in the county and in each precinct;

(b) the number of individuals registering to vote on election day and the number of individuals registered before election day in each precinct;

(c) the names of the candidates for each office and the number of votes received by each candidate in the county and in each precinct;

(d) the number of votes counted for and against a proposed change of county lines or county seat; and

(e) the number of votes counted for and against a constitutional amendment or other question in the county and in each precinct.

The result of write-in votes cast on the general election ballots must be compiled by the county auditor before the county canvass, except that write-in votes for a candidate for federal, state, or county office must not be counted unless the candidate has timely filed a request under section 204B.09, subdivision 3. The county auditor shall arrange for each municipality to provide an adequate number of election judges to perform this duty or the county auditor may appoint additional election judges for this purpose. The county auditor may open the envelopes or containers in which the voted ballots have been sealed in order to count and record the write-in votes and must reseal the voted ballots at the conclusion of this process. The county auditor must prepare a separate report of votes received by precinct for write-in candidates for federal, state, and county offices who have requested under section 204B.09 that votes for those candidates be tallied.

Upon completion of the canvass, the county canvassing board shall declare the candidate duly elected who received the highest number of votes for each county and state office voted for only within the county. The county auditor shall transmit a certified copy of the county canvassing board report for state and federal offices to the secretary of state by messenger, express mail, or similar service immediately upon conclusion of the county canvass.

Sec. 31. Minnesota Statutes 2023 Supplement, section 204C.33, subdivision 3, is amended to read:

Subd. 3. **State canvass.** The State Canvassing Board shall meet at a public meeting space located in the Capitol complex area on the ~~third Tuesday~~ 16th day following the state general election to canvass the certified copies of the county canvassing board reports received from the county auditors and shall prepare a report that states:

(1) the number of individuals voting in the state and in each county;

(2) the number of votes received by each of the candidates, specifying the counties in which they were cast; and

(3) the number of votes counted for and against each constitutional amendment, specifying the counties in which they were cast.

If the 16th day falls on a state holiday, the canvassing board shall meet on the next business day.

All members of the State Canvassing Board shall sign the report and certify its correctness. Within three days after completing the canvass, the State Canvassing Board shall declare the result and declare the candidates duly elected who received the highest number of votes for each federal office and for each state office voted on in more than one county.

Sec. 32. Minnesota Statutes 2022, section 204C.35, subdivision 1, is amended to read:

Subdivision 1. **Publicly funded recounts.** (a) In a state primary when the difference between the votes cast for the candidates for nomination to:

(1) a state legislative office is less than one-half of one percent of the total number of votes counted for that nomination or is ten votes or less and the total number of votes cast for the nomination is 400 votes or less; or

(2) a statewide federal office, state constitutional office, statewide judicial office, congressional office, or district judicial office is less than one-quarter of one percent of the total number of votes counted for that nomination or is ten votes or less and the total number of votes cast for the nomination is 400 votes or less;

and the difference determines the nomination, the canvassing board with responsibility for declaring the results for that office shall manually recount the vote upon receiving a written request from the candidate whose nomination is in question.

Immediately following the meeting of the board that has responsibility for canvassing the results of the nomination, the filing officer must notify the candidate that the candidate has the option to request a recount of the votes at no cost to the candidate. This written request must be received by the filing officer no later than 5:00 p.m. on the second day after the canvass of the primary for which the recount is being sought.

(b) In a state general election when the difference between the votes of a candidate who would otherwise be declared elected to:

(1) a state legislative office is less than one-half of one percent of the total number of votes counted for that office or is ten votes or less and the total number of votes cast for the office is 400 votes or less; or

(2) a statewide federal office, state constitutional office, statewide judicial office, congressional office, or district judicial office and the votes of any other candidate for that office is less than one-quarter of one percent of the total number of votes counted for that office or is ten votes or less if the total number of votes cast for the office is 400 votes or less,

the canvassing board shall manually recount the votes upon receiving a written request from the candidate whose election is in question.

Immediately following the meeting of the board that has responsibility for canvassing the results of the general election, the filing officer must notify the candidate that the candidate has the option to request a recount of the votes at no cost to the candidate. ~~This~~ Except as provided in subdivision 2b, the written request must be received by the filing officer no later than 5:00 p.m. on the second day after the canvass of the election for which the recount is being sought.

(c) A recount must not delay any other part of the canvass. The results of the recount must be certified by the canvassing board as soon as possible.

(d) Time for notice of a contest for an office which is recounted pursuant to this section shall begin to run upon certification of the results of the recount by the canvassing board.

Sec. 33. Minnesota Statutes 2022, section 204C.35, subdivision 2, is amended to read:

Subd. 2. **Discretionary candidate recounts.** (a) A losing candidate whose name was on the ballot for nomination or election to a statewide federal office, state constitutional office, statewide judicial office, congressional office, state legislative office, or district judicial office may request a recount in a manner provided in this section at the candidate's own expense when the vote difference is greater than the difference required by this section. The votes shall be manually recounted as provided in this section if the candidate files a request during the time for filing notice of contest of the primary or election for which a recount is sought.

(b) The requesting candidate shall file with the filing officer a bond, cash, or surety in an amount set by the filing officer for the payment of the recount expenses. The requesting candidate is responsible for the following expenses: the compensation of the secretary of state, or designees, and any election judge, municipal clerk, county auditor, administrator, or other personnel who participate in the recount; necessary supplies and travel related to the recount; the compensation of the appropriate canvassing board and costs of preparing for the canvass of recount results; and any attorney fees incurred in connection with the recount by the governing body responsible for the recount.

(c) A discretionary recount of a primary must not delay delivery of the notice of nomination to the winning candidate under section 204C.32.

(d) The requesting candidate may provide the filing officer with a list of up to three precincts that are to be recounted first and may waive the balance of the recount after these precincts have been counted. If the candidate provides a list, the recount official must determine the expenses for those precincts in the manner provided by paragraph (b).

(e) The results of the recount must be certified by the canvassing board as soon as possible.

(f) If the winner of the race is changed by the optional recount, the cost of the recount must be paid by the jurisdiction conducting the recount.

(g) If a result of the vote counting in the manual recount is different from the result of the vote counting reported on election day by a margin greater than ~~the standard for acceptable performance of voting systems provided in section 206.89, subdivision 4,~~ two votes and greater than one-quarter of one percent of the number of ballots counted, the cost of the recount must be paid by the jurisdiction conducting the recount.

Sec. 34. Minnesota Statutes 2022, section 204C.35, is amended by adding a subdivision to read:

Subd. 2b. **Recount for presidential electors.** Any request for recount for the election of presidential electors, whether publicly funded or discretionary, must be made by 5 p.m. on the day after the canvass is completed. Any recount of votes under this section for the election of presidential electors must be completed and certified by the canvassing board no later than six days after the recount is requested.

Sec. 35. Minnesota Statutes 2022, section 204C.36, subdivision 2, is amended to read:

Subd. 2. **Discretionary candidate recounts.** (a) A losing candidate for nomination or election to a county, municipal, or school district office may request a recount in the manner provided in this section at the candidate's own expense when the vote difference is greater than the difference required by subdivision 1, paragraphs (a) to (e). The votes shall be manually recounted as provided in this section if the requesting candidate files with the county auditor, municipal clerk, or school district clerk a bond, cash, or surety in an amount set by the governing body of the jurisdiction or the school board of the school district for the payment of the recount expenses.

(b) The requesting candidate may provide the filing officer with a list of up to three precincts that are to be recounted first and may waive the balance of the recount after these precincts have been counted. If the candidate provides a list, the recount official must determine the expenses for those precincts in the manner provided by paragraph (b).

(c) A discretionary recount of a primary must not delay delivery of the notice of nomination to the winning candidate under section 204C.32.

(d) The results of the recount must be certified by the canvassing board as soon as possible.

(e) If the winner of the race is changed by the optional recount, the cost of the recount must be paid by the jurisdiction conducting the recount.

(f) If a result of the vote counting in the manual recount is different from the result of the vote counting reported on election day by a margin greater than ~~the standard for acceptable performance of voting systems provided in section 206.89, subdivision 4~~ two votes and greater than one-quarter of one percent of the number of ballots recounted, the cost of the recount must be paid by the jurisdiction conducting the recount.

Sec. 36. Minnesota Statutes 2022, section 204C.36, subdivision 3, is amended to read:

Subd. 3. **Discretionary ballot question recounts.** ~~A recount may be conducted for a ballot question when the difference between the votes for and the votes against the question is less than or equal to the difference provided in subdivision 1.~~ A recount for a ballot question may be requested by any person eligible to vote on the ballot question. A written request for a recount must be filed with the filing officer of the county, municipality, or school district placing the question on the ballot and must be accompanied by a petition containing the signatures of 25 voters eligible to vote on the question. Upon receipt of a written request when the difference between the votes for ~~and the votes against~~ the question and the number required for passage is less than or equal to the difference provided in subdivision 1, the county auditor shall recount the votes for a county question at the expense of the county, the governing body of the municipality shall recount the votes for a municipal question at the expense of the municipality, and the school board of the school district shall recount the votes for a school district question at the expense of the school district. If the difference between the votes for ~~and the votes against~~ the question and the number required for passage is greater than the difference provided in subdivision 1, the person requesting the recount shall also file with the filing officer of the county, municipality, or school district a bond, cash, or surety in an amount set by the appropriate governing body for the payment of recount expenses. The written request, petition, and any bond, cash, or surety required must be filed during the time for notice of contest for the election for which the recount is requested.

Sec. 37. Minnesota Statutes 2022, section 205.10, subdivision 6, is amended to read:

Subd. 6. **Cancellation.** A special election ordered by the governing body of the municipality on its own motion under subdivision 1 may be canceled by motion of the governing body, but not less than 74 84 days before the election.

Sec. 38. Minnesota Statutes 2023 Supplement, section 205.16, subdivision 2, is amended to read:

Subd. 2. **Sample ballot, publication.** For every municipal election not held in conjunction with a statewide election, the municipal clerk must, at least two weeks before the election, publish a notice to voters pursuant to section 204D.16 in the official newspaper of the municipality, except that the governing body of a fourth class city or a town not located within a metropolitan county as defined in section 473.121 may dispense with publication.

Sec. 39. Minnesota Statutes 2022, section 205.16, subdivision 4, is amended to read:

Subd. 4. **Notice to auditor.** At least 74 84 days before every municipal election, the municipal clerk shall provide a written notice to the county auditor, including the date of the election, the offices to be voted on at the election, and the title and language for each ballot question to be voted on at the election. At least 74 84 days before every municipal election, the municipal clerk must provide written notice to the county auditor of any special election canceled under section 205.10, subdivision 6.

Sec. 40. Minnesota Statutes 2022, section 205.16, subdivision 5, is amended to read:

Subd. 5. **Notice to secretary of state.** At least 74 84 days before every municipal election for which a notice is provided to the county auditor under subdivision 4, the county auditor shall provide a notice of the election to the secretary of state, in a manner and including information prescribed by the secretary of state.

Sec. 41. Minnesota Statutes 2022, section 205A.05, subdivision 3, is amended to read:

Subd. 3. **Cancellation.** A special election ordered by the school board on its own motion under subdivision 1 may be canceled by motion of the school board, but not less than 74 84 days before ~~an any election held in conjunction with a regularly scheduled election for federal, state, county, city, or school board office or a special election for federal office, or 46 days before any other election.~~

Sec. 42. Minnesota Statutes 2022, section 205A.07, subdivision 3, is amended to read:

Subd. 3. **Notice to auditor.** At least 74 84 days before every school district election, the school district clerk shall provide a written notice to the county auditor of each county in which the school district is located. The notice must include the date of the election, the offices to be voted on at the election, and the title and language for each ballot question to be voted on at the election. For the purposes of meeting the timelines of this section, in a bond election, a notice, including a proposed question, may be provided to the county auditor before receipt of a review and comment from the commissioner of education and before actual initiation of the election. At least 74 84 days before every school district election, the school district clerk must provide written notice to the county auditor of any special election canceled under section 205A.05, subdivision 3.

Sec. 43. Minnesota Statutes 2022, section 205A.07, subdivision 3b, is amended to read:

Subd. 3b. **Notice to secretary of state.** At least ~~74~~ 84 days before every school district election for which a notice is provided to the county auditor under subdivision 3, the county auditor shall provide a notice of the election to the secretary of state, in a manner and including information prescribed by the secretary of state.

Sec. 44. Minnesota Statutes 2022, section 205A.11, subdivision 2, is amended to read:

Subd. 2. **Combined polling place.** (a) When no other election is being held in a school district, the school board may designate combined polling places at which the voters in those precincts may vote in the school district election.

(b) By December 31 of each year, the school board must designate, by resolution, any changes to combined polling places. The combined polling places designated in the resolution are the polling places for the following calendar year, unless a change is made in accordance with this paragraph or:

- (1) pursuant to section 204B.175; or
- (2) because a polling place has become unavailable.

(c) If the school board designates combined polling places pursuant to this subdivision, polling places must be designated throughout the district, taking into account both geographical distribution and population distribution. A combined polling place must be at a location designated for use as a polling place by a county or municipality.

(d) In school districts that have organized into separate board member election districts under section 205A.12, a combined polling place for a school general election must be arranged so that it does not include more than one board member election district.

Sec. 45. Minnesota Statutes 2023 Supplement, section 206.61, subdivision 1, is amended to read:

Subdivision 1. **Official responsible for providing ballots.** (a) The official charged with providing paper ballots when they are used shall provide all ballot cards, sample ballots, precinct summary statements, and other necessary supplies needed for electronic voting systems, except as otherwise provided by this section.

(b) At general elections and primaries the county auditor of each county in which an electronic voting system is used shall provide all ballot cards and other necessary printed forms and supplies needed for the electronic voting system, including all forms needed for voting on candidates and questions, the ballots for which are required by the election laws to be provided by the state when paper ballots are used.

(c) In precincts using a ballot format as provided by section 206.80, paragraph (b), clause (2), item (ii), voters must be provided the option of voting with a regularly printed optical scan ballot or paper ballot in precincts that hand count ballots.

Sec. 46. Minnesota Statutes 2022, section 206.89, subdivision 2, is amended to read:

Subd. 2. **Selection for review; notice.** At the canvass of the state primary, the county canvassing board in each county must set the date, time, and place for the postelection review of the state general election to be held under this section. The postelection review must not begin before the ~~11th~~ ninth day after the state general election and must be complete no later than the ~~18th~~ 14th day after the state general election.

At the canvass of the state general election, the county canvassing boards must select the precincts to be reviewed by lot. The ballots to be reviewed for a precinct include both the ballots counted at the polling place for that precinct and the absentee ballots counted centrally by a ballot board for that precinct. The county canvassing board of a county with fewer than 50,000 registered voters must conduct a postelection review of a total of at least two precincts. The county canvassing board of a county with between 50,000 and 100,000 registered voters must conduct a review of a total of at least three precincts. The county canvassing board of a county with over 100,000 registered voters must conduct a review of a total of at least four precincts, or three percent of the total number of precincts in the county, whichever is greater. At least one precinct selected in each county must have had more than 150 votes cast at the general election.

The county auditor must notify the secretary of state of the precincts that have been chosen for review and the time and place the postelection review for that county will be conducted, as soon as the decisions are made. If the selection of precincts has not resulted in the selection of at least four precincts in each congressional district, the secretary of state may require counties to select by lot additional precincts to meet the congressional district requirement. The secretary of state must post this information on the office website.

Sec. 47. Minnesota Statutes 2022, section 206.89, subdivision 3, is amended to read:

Subd. 3. **Scope and conduct of review.** The county canvassing board shall appoint the postelection review official as defined in subdivision 1. The postelection review must be conducted of the votes cast for president or governor; United States senator; and United States representative. The postelection review official may conduct postelection review of the votes cast for additional offices.

The postelection review must be conducted in public at the location where the voted ballots have been securely stored after the state general election or at another location chosen by the county canvassing board. The postelection review official for each precinct selected must conduct the postelection review and may be assisted by election judges designated by the postelection review official for this purpose. The party balance requirement of section 204B.19 applies to election judges designated for the review. The postelection review must consist of a manual count of the ballots used in the precincts selected and must be performed in the manner provided by section 204C.21. The postelection review must be conducted in the manner provided for recounts under section 204C.361 to the extent practicable. The review must be completed no later than ~~two days~~ one day before the meeting of the state canvassing board to certify the results of the state general election.

Sec. 48. Minnesota Statutes 2022, section 206.89, subdivision 5, is amended to read:

Subd. 5. **Additional review.** (a) If the postelection review in one of the reviewed precincts reveals a difference greater than the thresholds specified in subdivision 4, the postelection review official must, within ~~two days~~ one day, conduct an additional review of the races indicated in

subdivision 3 in at least three precincts in the same jurisdiction where the discrepancy was discovered. If all precincts in that jurisdiction have been reviewed, the county auditor must immediately publicly select by lot at least three additional precincts for review. The postelection review official must complete the additional review within ~~two days~~ one day after the precincts are selected and report the results immediately to the county auditor. If the second review in any of the reviewed precincts also indicates a difference in the vote totals compiled by the voting system that is greater than the thresholds specified in subdivision 4, the county auditor must conduct a review of the ballots from all the remaining precincts in the county for the races indicated in subdivision 3. This review must be completed and the results must be reported to the secretary of state within ~~one week~~ six days after the second review was completed.

(b) If the results from the countywide reviews from one or more counties comprising in the aggregate more than ten percent of the total number of persons voting in the election clearly indicate that an error in vote counting has occurred, the secretary of state must notify the postelection review official of each county in the district that they must conduct manual recounts of all the ballots in the district for the affected office using the procedure outlined in section 204C.35. The recount must be completed and the results reported to the appropriate canvassing board within ~~two weeks~~ one week after the postelection review official received notice from the secretary of state.

Sec. 49. Minnesota Statutes 2022, section 206.89, subdivision 6, is amended to read:

Subd. 6. **Report of results.** Upon completion of the postelection review, the postelection review official must immediately report the results to the county auditor. The county auditor must then immediately submit the results of the postelection review electronically or in writing to the secretary of state not later than ~~two days~~ one day before the State Canvassing Board meets to canvass the state general election. The secretary of state shall report the results of the postelection review at the meeting of the State Canvassing Board to canvass the state general election.

Sec. 50. Minnesota Statutes 2022, section 208.06, is amended to read:

208.06 ELECTORS AND ALTERNATES TO MEET AT STATE CAPITOL.

The presidential electors and alternate presidential electors, before 12:00 M. on the day before that fixed by Congress for the electors to vote for president and vice president of the United States, shall notify the governor that they are at the State Capitol and ready at the proper time to fulfill their duties as electors. The governor or the governor's designee shall deliver to the electors present a certificate of the names of all the electors. The electors shall meet at 12:00 p.m. in the ~~executive chamber of the State Capitol and~~ unless the governor determines that location to be impracticable and directs the electors to meet at a different location. The governor must alert members of the Capitol Press Corps of the location where the electors will meet. The electors shall perform all the duties imposed upon them as electors by the Constitution and laws of the United States and this state in the manner provided in section 208.46.

Sec. 51. Minnesota Statutes 2022, section 208.44, is amended to read:

208.44 CERTIFICATION OF ELECTORS.

In submitting this state's certificate of ascertainment as required by United States Code, title 3, section 65, the governor shall certify this state's electors and state in the certificate that:

(1) the electors will serve as electors unless a vacancy occurs in the office of elector before the end of the meeting at which elector votes are cast, in which case a substitute elector will fill the vacancy; and

(2) if a substitute elector is appointed to fill a vacancy, the governor will submit an amended certificate of ascertainment stating the names on the final list of this state's electors.

Sec. 52. Minnesota Statutes 2022, section 208.47, is amended to read:

208.47 ELECTOR REPLACEMENT; ASSOCIATED CERTIFICATES.

(a) After the vote of this state's electors is completed, if the final list of electors differs from any list that the governor previously included on a certificate of ascertainment prepared and transmitted under United States Code, title 3, section 6 5, the secretary of state immediately shall prepare an amended certificate of ascertainment and transmit it to the governor for the governor's signature.

(b) The governor immediately shall deliver the signed amended certificate of ascertainment to the secretary of state and a signed duplicate original of the amended certificate of ascertainment to all individuals entitled to receive this state's certificate of ascertainment, indicating that the amended certificate of ascertainment is to be substituted for the certificate of ascertainment previously submitted.

(c) The secretary of state shall prepare a certificate of vote. The electors on the final list shall sign the certificate. The secretary of state shall process and transmit the signed certificate with the amended certificate of ascertainment under United States Code, title 3, sections 9, 10, and 11.

Sec. 53. Minnesota Statutes 2022, section 209.01, subdivision 2, is amended to read:

Subd. 2. **Statewide office.** For purposes of this chapter, "statewide office" means the office of governor, lieutenant governor, attorney general, state auditor, secretary of state, chief justice or associate justice of the supreme court, judge of the court of appeals, or United States senator, ~~or presidential elector or alternate.~~

Sec. 54. **[209A.01] DEFINITIONS.**

The definitions in chapter 200 apply to this chapter.

Sec. 55. **[209A.02] CONTESTANT; GROUNDS.**

Any eligible voter, including a candidate, wishing to contest the election of the presidential elector or alternate in the courts of this state whether over an irregularity in the conduct of an election or canvass of votes, over the question of who received the largest number of votes legally cast, on the grounds of deliberate, serious, and material violations of Minnesota election law, or on any other ground must do so according to this chapter.

Sec. 56. **[209A.03] NOTICE OF CONTEST.**

Subdivision 1. **Manner; time; contents.** Service of a notice of contest must be made in the same manner as the service of summons in civil actions. The notice of contest must specify the grounds on which the contest will be made. The contestant shall serve notice of the contest on the

parties enumerated in this section. Notice must be served and filed on or before 5:00 p.m. one day after the canvass is completed, except that if the election is being recounted pursuant to section 204C.35, the time for notice of a contest shall begin to run upon certification of the results of the recount by the canvassing board.

Subd. 2. **Notice filed with court.** The contestant shall file the notice of contest under this section with the supreme court.

Subd. 3. **Notice served on parties.** The notice of contest must be served on all candidates for the office and on any other party as required by the court. A copy must also be furnished to the governor and secretary of state. If personal or substituted service on any party cannot be made, an affidavit of the attempt by the person attempting to make service and the affidavit of the person who sent a copy of the notice to the contestee by certified mail are sufficient to confer jurisdiction upon the court to decide the contest.

Sec. 57. **[209A.04] CONTESTEE'S ANSWER.**

Subdivision 1. **Contest of vote count.** If a notice of contest questions only which of the parties to the contest received the highest number of votes legally cast at the election, the contestee need not file an answer, unless the contestee desires to raise issues not specified in the notice of contest.

Subd. 2. **Other contests.** For all other election contests the contestee's answer to the notice of contest must be filed and served on all candidates for the office and on any other party as required by the court. A copy must also be furnished to the governor and secretary of state. The answer must so far as practicable conform to the rules for pleading in civil actions. Service and filing of the answer must be made two days after service of the notice of contest. The contestee's answer must be served in the same manner as the answer in a civil action or in the manner the court may order. Any other notices must be served in the manner and within the times the court may order.

Sec. 58. **[209A.05] VENUE.**

The court for the election contest of presidential electors shall be the supreme court.

Sec. 59. **[209A.06] GUARDING AND INSPECTING THE BALLOTS.**

The provisions of sections 209.05 and 209.06 apply to election contests filed under this section. The chief justice of the supreme court shall appoint any inspectors required under this section.

Sec. 60. **[209A.07] PLEADINGS; PROCEDURE.**

The notice of contest and any answer are the pleadings in the case and may be amended in the discretion of the supreme court. The contest proceedings must be brought as soon as practicable. The court shall proceed in the manner provided for the trial of civil actions so far as practicable, but must issue its decision at least one day before the deadline to submit the certificate of ascertainment as required under the laws of the United States.

Sec. 61. **[209A.08] RESULTS OF CONTEST.**

Subdivision 1. **Generally.** When the court decides an election contest under this chapter, the court may invalidate and revoke any election certificate which has been issued to a presidential

elector. If the contest involved an error in the counting of ballots, the official authorized to issue the certificate of election shall issue the certificate to the person entitled to it, but if a contestant succeeds in a contest where there is no question as to which of the candidates received the highest number of votes cast at the election, the contestant is not, by reason of the disqualification of the contestee, entitled to the certificate of election.

Subd. 2. **Defective ballots.** In a contested election, if the court decides that a serious and material defect in the ballots used changed the outcome of the election, the election must be declared invalid.

Subd. 3. **Costs of contest.** If the contestee succeeds, costs of the contest must be paid by the contestant. If the contestant succeeds, costs of the contest must be paid by the contestee, except that if the contestee loses because of an error in the counting of ballots or canvass of the returns or because of any other irregularity in the election procedure, costs must be paid, in the discretion of the judge, by the election jurisdictions responsible for errors which resulted in the reversal of the prior results of the election.

Sec. 62. Minnesota Statutes 2023 Supplement, section 211B.076, subdivision 4, is amended to read:

Subd. 4. **Dissemination of personal information about an election official.** (a) A person may not knowingly and without consent make publicly available, including but not limited to through the Internet, personal information about an election official or an election official's family or household member if:

(1) ~~the dissemination~~ public availability of information poses an imminent and serious threat to the official's safety or the safety of an official's family or household member; and

(2) the person making the information publicly available knows or reasonably should know of any imminent and serious threat.

(b) As used in this subdivision, "personal information" means ~~the~~ a home telephone number, personal cell number, personal email address, name of the official's minor child, photographs of the official's minor child, home address ~~of the election official or a member of an election official's family,~~ directions to ~~that~~ a home, or photographs of ~~that~~ a home.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date.

Sec. 63. Minnesota Statutes 2022, section 211B.17, subdivision 1, is amended to read:

Subdivision 1. **Forfeiture of nomination or office.** Except as provided in subdivision 2, if a candidate is found guilty of violating this chapter or section 609.771 or an offense was committed by another individual with the knowledge, consent, or connivance of the candidate, the court, after entering the adjudication of guilty, shall enter a supplemental judgment declaring that the candidate has forfeited the nomination or office. If the court enters the supplemental judgment, it shall transmit to the filing officer a transcript of the supplemental judgment, the nomination or office becomes vacant, and the vacancy must be filled as provided by law.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to crimes committed on or after that date.

Sec. 64. Minnesota Statutes 2022, section 211B.18, is amended to read:

211B.18 DISQUALIFIED CANDIDATE NOT TO HOLD VARIOUS POSITIONS.

A candidate whose election to office has been set aside for a violation of this chapter or section 609.771 may not be appointed, during the period fixed by law as the term of the office, to fill a vacancy in that office. A candidate or other individual who is convicted of a violation of this chapter or section 609.771 may not be appointed, during the period fixed by law as the term of the office with respect to which the election was held and the offense was committed, to fill a vacancy that may occur in the office. An appointment to an office made contrary to the provisions of this section is void.

A candidate or other individual who is convicted of a violation of this chapter or section 609.771 is not qualified, during the period fixed by law as the term of the office with respect to which the election was held and the offense was committed, to fill a vacancy in an office for which the legislature may establish qualifications under article XII, section 3, of the Minnesota Constitution.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to crimes committed on or after that date.

Sec. 65. Minnesota Statutes 2023 Supplement, section 243.205, is amended by adding a subdivision to read:

Subd. 3a. Form of notice. The notice required by subdivision 2 must include all of the following information:

- (1) the statement "Your right to vote has been restored.";
- (2) a statement that says the person is eligible to vote if the person meets the eligibility requirements;
- (3) a list of the eligibility requirements to vote;
- (4) a statement that a voter registration application is attached to the notice and information on all the ways to register to vote;
- (5) information on where to find a list of documents to be used to provide current proof of residence;
- (6) the statement "If you violate the conditions of release, the commissioner may revoke your release after due process and reimprison you. If that occurs, your right to vote is lost again while you are in prison."; and
- (7) information on where the person may find more information about voting rights.

Sec. 66. Minnesota Statutes 2022, section 358.645, subdivision 2, is amended to read:

Subd. 2. **Qualifications; registration required.** (a) A remote online notary public:

(1) is a notary public for purposes of chapter 359 and is subject to and must be appointed and commissioned under that chapter;

(2) may perform notarial acts as provided by this chapter and chapter 359 in addition to performing remote online notarizations; and

(3) may perform remote online notarizations authorized under this section.

(b) A notary public commissioned in this state may apply for remote online notarization registration according to this section. Before a notary performs a remote online notarization, the notary must register the capability to perform notarial acts pursuant to section 358.645 with the secretary of state according to section 359.01, subdivision 5, and must certify that the notary intends to use communication technology that conforms to this section.

(c) Unless terminated under this section, the term of registration to perform remote online notarial acts begins on the registration starting date set by the secretary of state and continues as long as the notary public's current commission to perform notarial acts remains valid.

(d) Upon the applicant's fulfillment of the requirements for remote online notarization registration under this section, the secretary of state shall record the registration under the applicant's notary public commission number.

(e) The secretary of state may reject a registration application if the applicant fails to comply with paragraphs (a) to (d). The commissioner of commerce may revoke a registration if the applicant fails to comply with subdivisions 2 to 6.

Sec. 67. Minnesota Statutes 2022, section 358.71, is amended to read:

358.71 DATABASE OF NOTARIES PUBLIC.

The secretary of state shall maintain an electronic database of notaries public:

(1) through which a person may verify the authority of a notary public to perform notarial acts, including notarial acts pursuant to section 358.645₂ and to perform notarial acts on electronic records.

~~(2) which indicates whether a notary public has applied to the commissioning officer or agency to perform notarial acts on electronic records or to perform notarial acts pursuant to section 358.645.~~

Sec. 68. Minnesota Statutes 2022, section 359.01, subdivision 5, is amended to read:

Subd. 5. **Registration to perform electronic notarizations.** Before performing electronic notarial acts, a notary public shall register the capability to notarize electronically with the secretary of state. ~~Before performing electronic notarial acts after recommissioning, a notary public shall reregister with the secretary of state.~~ Unless terminated for any reason, the term of registration to perform electronic notarial acts begins on the registration starting date set by the secretary of state and continues as long as the notary public has a valid commission to perform notarial acts. The

requirements of this chapter relating to electronic notarial acts do not apply to notarial acts performed under sections 358.15, paragraph (a), clause (4), and 358.60, subdivision 1, clause (2).

Sec. 69. Minnesota Statutes 2022, section 359.03, subdivision 3, is amended to read:

Subd. 3. **Specifications.** (a) The official notarial stamp consists of the seal of the state of Minnesota, the name of the notary as it appears on the commission or the name of the ex officio notary, the words "Notary Public," or "Notarial Officer" in the case of an ex officio notary, and the words "My commission expires (or where applicable) My term is indeterminate," with the expiration date shown on it and must be able to be reproduced in any legibly reproducible manner. The official notarial stamp shall be a rectangular form of not more than three-fourths of an inch vertically by 2-1/2 inches horizontally, with a serrated or milled edge border, and shall contain the information required by this subdivision.

(b) A notarial stamp that complied with these requirements at the time of issuance may continue to be used during the remainder of the current term of the notary even if changes to any of these requirements subsequently become effective.

EFFECTIVE DATE. This section is effective retroactively from January 1, 2024.

Sec. 70. Minnesota Statutes 2022, section 375.08, is amended to read:

375.08 BOARD TO FILL VACANCIES IN COUNTY OFFICES.

(a) Except as provided in paragraph (b) or section 375.081, when a vacancy occurs in the office of an elected county auditor, county treasurer, county recorder, sheriff, county attorney, county surveyor, or coroner, the county board shall must fill it by appointment at a regular or special meeting. For that purpose it shall meet at the usual place of meeting, upon one day's notice from the chair or clerk, which shall be served personally upon each member in the same manner as a district court summons. The A person appointed shall to a vacancy pursuant to this paragraph must give the bond and take the oath required by law, and serve the remainder of the term, and until a successor qualifies.

(b) When a vacancy occurs in the office of sheriff or county attorney less than 84 days before the state primary in the year preceding the end of the term, the county board may fill the vacancy by appointment at a regular or special meeting. A person appointed to fill a vacancy pursuant to this paragraph serves only until the successor is elected. The person elected at the general election to the office for the ensuing term must take office immediately after receiving the certificate of election, filing the bond, and taking the oath of office.

(c) When a vacancy occurs in an office that has a chief deputy or first assistant, the chief deputy or first assistant may perform all the duties and functions of the office until it is filled by appointment by the county board.

Sec. 71. [375.081] VACANCY IN OFFICE OF SHERIFF OR COUNTY ATTORNEY; OPTIONAL SPECIAL ELECTION.

As an alternative to the appointment procedure provided in section 375.08, a vacancy in the office of sheriff or county attorney may be filled at a special election as provided in this section. The county board may, by resolution, call for a special election to be held on a date authorized by

section 205.10, subdivision 3a. The person elected at the special election must take office immediately after receipt of the certificate of election and upon filing the bond and taking the oath of office and must serve the remainder of the unexpired term. This section does not apply to a vacancy that occurs less than 84 days before the state primary in the year preceding the end of the term.

Sec. 72. Minnesota Statutes 2022, section 447.32, subdivision 3, is amended to read:

Subd. 3. **Election notices.** At least two weeks before the first day to file affidavits of candidacy, the clerk of the district shall publish a notice stating the first and last day on which affidavits of candidacy may be filed, the places for filing the affidavits and the closing time of the last day for filing. The clerk shall post a similar notice in at least one conspicuous place in each city and town in the district at least ten days before the first day to file affidavits of candidacy.

At least ~~74~~ 84 days prior to every hospital district election, the hospital district clerk shall provide a written notice to the county auditor of each county in which the hospital district is located. The notice must include the date of the election, the offices to be voted on at the election, and the title and language for each ballot question to be voted on at the election. The county auditor shall immediately provide a notice to the secretary of state in a manner and including information prescribed by the secretary of state.

The notice of each election must be posted in at least one public and conspicuous place within each city and town included in the district at least two weeks before the election. It must be published in the official newspaper of the district or, if a paper has not been designated, in a legal newspaper having general circulation within the district, at least two weeks before the election. Failure to give notice does not invalidate the election of an officer of the district. A voter may contest a hospital district election in accordance with chapter 209. Chapter 209 applies to hospital district elections.

Sec. 73. [471.3422] WEBSITE DOMAIN REQUIREMENT FOR CERTAIN COUNTIES, CITIES, AND TOWNS.

(a) By June 1, 2026, every county and each municipality that administers absentee voting must use a .gov domain for the website address used by the county or municipality.

(b) If a municipality subject to this section has applied for a .gov domain but has not fully transitioned to using a .gov domain by June 1, 2026, the municipality is not in violation of this section. Such a municipality is in violation of this section if the municipality has not fully transitioned to using a .gov domain by June 1, 2028.

Sec. 74. Minnesota Statutes 2022, section 609.5151, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** As used in this section:

(1) "family or household member" has the meaning given in section 518B.01, subdivision 2;

(2) "law enforcement official" means both peace officers as defined in section 626.84, subdivision 1, and persons employed by a law enforcement agency; and

(3) "personal information" means a home telephone number, personal cell number, personal email address, name of the official's minor child, photographs of the official's minor child, home address, directions to a home, or photographs of a home.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date.

Sec. 75. Minnesota Statutes 2022, section 609.5151, subdivision 2, is amended to read:

Subd. 2. **Crime described.** (a) It is a misdemeanor for a person to knowingly and without consent make publicly available, including but not limited to through the Internet, personal information about a law enforcement official or an official's family or household member, if:

(1) the ~~dissemination~~ public availability of information poses an imminent and serious threat to the official's safety or the safety of an official's family or household member; and

(2) the person making the information publicly available knows or reasonably should know of the imminent and serious threat.

(b) A person is guilty of a gross misdemeanor if the person violates paragraph (a) and a law enforcement official or an official's family or household member suffers great bodily harm or death as a result of the violation.

(c) A person who is convicted of a second or subsequent violation of this section is guilty of a gross misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date.

Sec. 76. Minnesota Statutes 2023 Supplement, section 609.771, subdivision 2, is amended to read:

Subd. 2. **Use of deep fake to influence an election; violation.** (a) A person who disseminates a deep fake or enters into a contract or other agreement to disseminate a deep fake is guilty of a crime and may be sentenced as provided in subdivision 3 if the person knows or ~~reasonably should know that~~ acts with reckless disregard about whether the item being disseminated is a deep fake and dissemination:

~~(1) takes place within 90 days before an election;~~

~~(2) (1) is made without the consent of the depicted individual; and~~

~~(3) (2) is made with the intent to injure a candidate or influence the result of an election; and~~

(3) takes place either:

(i) within 90 days before a political party nominating convention; or

(ii) after the start of the absentee voting period prior to a presidential nomination primary, or a regular or special state or local primary or general election.

(b) This subdivision does not apply to a broadcaster or cable television system that disseminates a deep fake produced by a candidate if the broadcaster's or cable television system's dissemination is required by federal law.

Sec. 77. Minnesota Statutes 2023 Supplement, section 609.771, subdivision 3, is amended to read:

Subd. 3. **Use of deep fake to influence an election; penalty.** (a) A person convicted of violating subdivision 2 may be sentenced as follows:

(1) if the person commits the violation within five years of one or more prior convictions under this section, to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both;

(2) if the person commits the violation with the intent to cause violence or bodily harm, to imprisonment for not more than 364 days or to payment of a fine of not more than \$3,000, or both; or

(3) in other cases, to imprisonment for not more than 90 days or to payment of a fine of not more than \$1,000, or both.

(b) In the case of a candidate for state or local office convicted of violating subdivision 2, the court must enter a supplemental judgment declaring that the candidate has forfeited the nomination or office in accordance with section 211B.17.

(c) A candidate for state or local office or other individual convicted of violating subdivision 2 is disqualified from being appointed to that office or any other office for which the legislature may establish qualifications under the Minnesota Constitution, article XII, section 3, in accordance with section 211B.18.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to crimes committed on or after that date.

Sec. 78. Minnesota Statutes 2023 Supplement, section 609.771, subdivision 4, is amended to read:

Subd. 4. **Injunctive relief.** A cause of action for injunctive or equitable relief may be maintained against any person who is reasonably believed to be about to violate or who is in the course of violating this section by:

(1) the attorney general;

(2) a county attorney or city attorney;

(3) the depicted individual; or

(4) a candidate for nomination or election to a public office who is injured or likely to be injured by dissemination.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to acts committed on or after that date.

Sec. 79. **TRANSITION TO NEW VOTER REGISTRATION APPLICATIONS.**

Notwithstanding the requirements of this act, a completed voter registration application submitted by a voter is not deficient for purposes of registering that voter if the application form was printed or provided to the voter prior to the effective date of any modification required by this act. Beginning on the effective date of a modification required by this act, an election official must not print or copy a blank voter registration application that does not include the required modification.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 80. **REVISOR INSTRUCTION.**

The revisor of statutes must title Minnesota Statutes, chapter 209A, "Election Contests - Presidential Elections."

Sec. 81. **REPEALER.**

(a) Minnesota Statutes 2022, section 383B.031, is repealed.

(b) Minnesota Statutes 2023 Supplement, section 243.205, subdivision 3, is repealed.

ARTICLE 3

VOTING RIGHTS ACT

Section 1. **[200.50] MINNESOTA VOTING RIGHTS ACT.**

Sections 200.50 to 200.59 may be cited as the "Minnesota Voting Rights Act."

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

Sec. 2. **[200.52] DEFINITIONS.**

Subdivision 1. **Application.** As used in sections 200.50 to 200.59, the terms as defined in this section have the meanings given.

Subd. 2. **Government official.** "Government official" means any individual who is elected or appointed to an office in this state or a political subdivision or who is authorized to act in an official capacity on behalf of the state or a political subdivision.

Subd. 3. **Language minority group.** "Language minority group" means a language minority group as that term is defined in the federal Voting Rights Act of 1965, as amended, as of the effective date of this act.

Subd. 4. **Method of election.** (a) "Method of election" means the method by which candidates are elected to the legislative body of a political subdivision, and includes at-large method of election, district-based method of election, or any alternative method of election. Method of election also

includes the districting or redistricting plan used to elect candidates to the legislative body of a political subdivision.

(b) "At-large method of election" means a method of electing candidates to the legislative body of a political subdivision in which candidates are voted on by all voters of the political subdivision or that combines at-large with district-based methods of elections. At-large method of election does not include any alternative method of election.

(c) "District-based method of election" means a method of electing candidates to the legislative body of a political subdivision in which, for political subdivisions divided into districts, a candidate for any district is required to reside in the district and candidates representing or seeking to represent the district are voted on by only the voters who reside in the district. District-based method of election does not include any alternative method of election.

(d) "Alternative method of election" means a method of electing candidates to the legislative body of a political subdivision other than an at-large method of election or a district-based method of election and includes but is not limited to cumulative voting, limited voting, and proportional ranked choice voting.

Subd. 5. **Political subdivision.** "Political subdivision" means a county, city, town, or school district.

Subd. 6. **Politically cohesive.** "Politically cohesive" means that members of a group tend to prefer the same candidates, electoral choices, or policies.

Subd. 7. **Protected class.** "Protected class" means a class of citizens who are members of a racial, color, or language minority group, or who are members of a federally recognized Indian Tribe, including a class of two or more such groups.

Subd. 8. **Polarized voting.** "Polarized voting" means voting in which the candidate or electoral choice preferred by a protected class diverges from the candidate or electoral choice preferred by other voters.

Subd. 9. **Vote; voting.** "Vote" or "voting" includes any action necessary to cast a ballot and make that ballot count in any election, including but not limited to: registering to vote; applying for an absentee ballot; and any other action required by law as a prerequisite to casting a ballot and having that ballot counted, canvassed, certified, and included in the appropriate totals of votes cast with respect to an election.

Subd. 10. **Voting eligible population.** "Voting eligible population" means those individuals who are eligible to register and vote, regardless of whether the individuals are registered to vote.

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

Sec. 3. **[200.53] CONSTRUCTION AND USE OF AUTHORITY.**

A law, rule, local law, charter provision, local ordinance, or local code relating to the right to vote, or which grants authority to prescribe or maintain voting or elections policies and practices, must be construed or applied liberally in favor of a voter's exercise of the right of suffrage. To the

extent a court is afforded discretion on an issue, including but not limited to discovery, procedure, admissibility of evidence, or remedies, the court must exercise that discretion and weigh other equitable discretion in favor of this right.

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

Sec. 4. **[200.54] VOTER SUPPRESSION AND VOTE DILUTION PROHIBITED.**

Subdivision 1. Voter suppression. (a) A political subdivision or any other government official or entity responsible for election administration must not adopt or apply a qualification for eligibility to vote or other prerequisite to voting; adopt or apply any law, ordinance, rule, standard, practice, procedure, or policy regarding the administration of elections; or take any other action or fail to take any action that results in, is likely to result in, or is intended to result in a denial or abridgement of the right to vote by a member of a protected class.

(b) A violation of this subdivision may be established if it is shown that the challenged qualification, law, ordinance, rule, standard, practice, procedure, policy, or action results in a disparate burden on members of a protected class and the burden is, under the totality of the circumstances, related to social and historical conditions affecting members of the protected class.

Subd. 2. Vote dilution. (a) A political subdivision or any other government official or entity responsible for election administration must not adopt or enforce any method of election, or cause an annexation, incorporation, dissolution, consolidation, or division of a political subdivision, that has the effect of impairing the equal opportunity or ability of members of a protected class to nominate or elect candidates of their choice as a result of diluting the vote of members of that protected class.

(b) A violation of paragraph (a) exists when it is shown that:

(1) either:

(i) elections in a political subdivision exhibit polarized voting resulting in an impairment of the equal opportunity or ability of protected class members to nominate or elect candidates of their choice; or

(ii) based on the totality of the circumstances, the equal opportunity or ability of protected class members to nominate or elect candidates of their choice is impaired; and

(2) one or more new methods of election or changes to the existing method of election exist that the court could order pursuant to section 200.58 would likely mitigate the impairment.

(c) To the extent that a new method of election or change to the existing method of election that is presented under paragraph (b), clause (2), is a proposed district-based plan that provides protected class members with one or more reasonably configured districts in which the protected class members would have an equal opportunity or ability to nominate or elect candidates of the protected class members' choice, it is not necessary to show that members of a protected class comprise a majority of the total population, voting age population, voting eligible population, or registered voter population in any such district or districts.

(d) The fact that members of a protected class are not geographically compact does not preclude a finding of a violation of this subdivision but may be a factor in determining whether an appropriate remedy exists that would likely mitigate the impairment.

(e) For claims brought on behalf of a protected class, including one consisting of two or more racial, color, Tribal, or language minority groups that are politically cohesive in the political subdivision, the court shall consider only the combined electoral preferences of those racial, color, Tribal, or language minority groups in determining whether voting by the protected class is polarized from other voters. It is not necessary to demonstrate that voting by members of each racial, color, Tribal, or language minority group within a protected class, or by any subgroup within a racial, color, or language minority group, is separately polarized from other voters.

(f) Evidence concerning the causes of, or the reasons for, the occurrence of polarized voting is not relevant to the determination of whether polarized voting occurs, or whether candidates or electoral choices preferred by a protected class would usually be defeated. Evidence concerning alternate explanations for polarized voting patterns or election outcomes, including but not limited to partisan explanations, must not be considered.

(g) Evidence concerning projected changes in population or demographics may only be considered when determining whether an appropriate remedy exists that would likely mitigate the impairment.

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

Sec. 5. [200.55] RELEVANT FACTORS FOR DETERMINING VIOLATION.

Subdivision 1. **Factors established.** In determining whether, under the totality of the circumstances, a violation of section 200.54 has occurred with respect to a protected class, a court may consider any of the following factors:

(1) the history of discrimination affecting members of the protected class;

(2) the extent to which members of the protected class are disadvantaged, or otherwise bear the effects of past public or private discrimination, in any areas that may hinder their ability to participate effectively in the political process, including education, employment, health, criminal justice, housing, transportation, land use, or environmental protection;

(3) whether members of the protected class vote at a lower rate than other voters;

(4) the use of overt or subtle racial appeals in political campaigns or by government officials;

(5) the extent to which members of the protected class have been elected to office;

(6) the extent to which candidates who are members of the protected class have faced barriers with respect to accessing the ballot, receiving financial support, or receiving any other support for their candidacies for elective office;

(7) the extent to which candidates who are members of a protected class face hostility or barriers while campaigning due to the protected class membership;

(8) the extent of polarized voting;

(9) the use of any standard, practice, procedure, or policy that may enhance the dilutive effects of a challenged method of election;

(10) the lack of responsiveness by elected officials to the particularized needs of protected class members or a community of protected class members;

(11) whether the challenged method of election, ordinance, resolution, rule, policy, standard, regulation, procedure, or law was designed to advance, and does materially advance, a compelling state interest that is substantiated and supported by evidence; and

(12) other factors the court may deem relevant.

Subd. 2. **Necessity of factors.** No one factor in subdivision 1 is dispositive or necessary to establish the existence of a violation of section 200.54, nor shall any specified number or combination of factors be required in establishing that such a violation has occurred. The court shall consider a particular factor only if and to the extent evidence pertaining to that factor is introduced. The absence of evidence as to any particular factor does not preclude a finding of a violation of section 200.54.

Subd. 3. **Claims involving a political subdivision.** To the extent a claim concerns a political subdivision, evidence of the factors in subdivision 1 is most probative if the evidence relates to the political subdivision in which the alleged violation occurred, but still holds probative value if the evidence relates to the geographic region in which that political subdivision is located or to this state.

Subd. 4. **Evidence of intent.** Evidence concerning the intent of voters, elected officials, or the political subdivision to discriminate against members of a protected class is not required to find a violation of section 200.54.

Subd. 5. **Factors that must be excluded.** In determining whether a violation of section 200.54 has occurred, a court shall not consider any of the following:

(1) the number of protected class members not burdened by the challenged qualification, prerequisite, standard, practice, or procedure;

(2) the degree to which the challenged qualification, prerequisite, standard, practice, or procedure has a long pedigree or was in widespread use at some earlier date;

(3) the use of an identical or similar qualification, prerequisite, standard, practice, or procedure in other states or jurisdictions;

(4) the availability of other forms of voting unimpacted by the challenged qualification, prerequisite, standard, practice, or procedure to all members of the electorate, including members of the protected class;

(5) an impact on potential criminal activity by individual voters, if those crimes have not occurred in the political subdivision in substantial numbers, or if the connection between the challenged policy and any claimed prophylactic effect is not supported by substantial evidence; or

(6) mere invocation of interests in voter confidence or prevention of fraud.

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

Sec. 6. **[200.56] PRESUIT NOTICE.**

Subdivision 1. Notice required. (a) Except as provided in this section, before filing an action a prospective plaintiff shall send a notice letter to the political subdivision identifying the potential violation, the affected protected class, and the type of remedy the potential plaintiff believes may address the potential violation. The party may not file an action related to the violations described in the notice letter until its receipt of a written denial by the political subdivision or within 60 days after sending the letter, whichever is earlier.

(b) A notice letter required by paragraph (a) must identify a potential violation of section 200.54 with specificity, including whether the prospective plaintiff believes the potential violation constitutes voter suppression under section 200.54, subdivision 1, vote dilution under section 200.54, subdivision 2, or both. The letter must include the relevant facts and evidence that the prospective plaintiff relied upon when evaluating whether a potential violation of section 200.54 exists.

Subd. 2. When presuit notice is not required. Notwithstanding subdivision 1, a notice letter is not required if:

(1) the party is seeking preliminary relief with respect to an upcoming election in accordance with section 200.57;

(2) the party is seeking to intervene in or join an existing action; or

(3) following the party's submission of a notice letter, the political subdivision enacted a remedy that would not remedy the violation identified in the letter.

Subd. 3. Responsibility of parties. The political subdivision shall respond in writing to a notice letter submitted under subdivision 1 within 60 days. If the political subdivision does not deny the potential violation, it must work in good faith with the party that submitted the letter to explore and implement any mutually agreed upon remedies to cure the potential violation. If the political subdivision adopts a resolution within 60 days of the filing of the letter identifying a remedy, affirming its intent to enact and implement a remedy, and establishing a timeline and specific steps it will take to do so, the political subdivision shall have 150 days from the submission of the letter to enact and implement a remedy, during which time the party who sent the letter may not file an action related to those violations against that political subdivision. A statement, action, or decision of a political subdivision under this subdivision does not constitute an admission by the political subdivision of its liability or establish the existence of a violation of section 200.54.

Subd. 4. Approval of remedies. If the political subdivision lacks authority to enact or implement an identified remedy, the political subdivision may nonetheless enact and implement the remedy upon approval by the district court. To seek approval, the political subdivision must file a petition in district court that identifies with specificity the law or other authority that prevents the remedy from being enacted or implemented. The venue for a petition under this subdivision is in the district court of the county where the challenged act or practice occurred, or in the District Court of Ramsey County. The district court may authorize the political subdivision to implement or enact the identified remedy notwithstanding the applicable law or authority to the contrary, if the court determines that the prospective plaintiff is likely to succeed in a lawsuit on the merits of the alleged violation; that

the proposed remedy would address the alleged violation; and that the proposed remedy is narrowly tailored to that purpose.

Subd. 5. **Cost sharing.** (a) If a political subdivision enacts or implements a remedy in response to a notice letter submitted under subdivision 1, the political subdivision and the party who sent the notice letter must mutually agree on a reimbursement amount to be paid by the political subdivision to that party. The reimbursement amount must reflect the reasonable costs associated with producing and sending the letter and any accompanying evidence, subject to the limitations of this subdivision.

(b) To be eligible for a reimbursement, the party who submitted the notice letter must submit a request to the political subdivision in writing. The request must:

(1) be received by the political subdivision within 30 days of its enactment or adoption of the remedy; and

(2) be substantiated with financial documentation including, as applicable, detailed invoices for expert analysis and reasonable attorney fees.

(c) The cumulative amount of reimbursements to all parties must not exceed \$30,000. Reimbursement amounts for attorney fees are limited to amounts calculated using a lodestar methodology.

(d) To the extent a party requests reimbursement for a purported notice letter that fails to comply with the requirements in subdivision 1, or the request fails to comply with this subdivision, the political subdivision may dismiss the request. If the request is dismissed, the political subdivision must notify the party in writing of the reasons for the dismissal.

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

Sec. 7. [200.57] RIGHT OF ACTION; VENUE; PRELIMINARY RELIEF.

Subdivision 1. **Right of action.** (a) The attorney general, a county attorney, any individual aggrieved by a violation of this act, any entity whose membership includes individuals aggrieved by a violation of this act, any entity whose mission would be frustrated by a violation of this act, or any entity that would expend resources in order to fulfill its mission as a result of a violation of this act, may file an action in the district court for the county where the challenged act or practice has occurred, or in the district court of Ramsey County. Actions brought under this act are subject to expedited pretrial and trial proceedings and must receive an automatic calendar preference. The state is a necessary party in any action in which an alleged violation is based on a political subdivision's implementation of a state law, if the state law does not afford discretion to the political subdivision in its implementation of the law.

(b) In an action related to a districting or redistricting plan, any individual with standing to challenge any single district shall be deemed to have standing to challenge the districting or redistricting plan as a whole.

Subd. 2. **Preliminary relief prior to election.** In any action seeking a temporary injunction or other preliminary relief under this act before an election, the court shall grant relief if warranted based on the factors considered in seeking a temporary injunction or preliminary relief under

Minnesota law, except that if the court determines that it is possible to implement appropriate relief that would address an alleged violation before an election, such relief shall not be denied on the basis that the election is close in time or that the relief could result in voter confusion.

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

Sec. 8. **[200.58] REMEDIES.**

Notwithstanding any other law, if the court finds a violation of any provision of section 200.54, the court has authority to order remedies that are tailored to best mitigate the violation. Any remedy ordered by the court must be constructed liberally in favor of a voter's exercise of the right of suffrage. The court may consider, among others, any remedy that has been ordered by a federal court or the court of another state jurisdiction, including through a court-approved consent decree or settlement adopted in the context of similar facts or to remedy a similar violation. The court shall consider remedies proposed by any party and may consider remedies proposed by interested nonparties. The court may not provide deference or priority to a proposed remedy offered by a defendant or political subdivision simply because the remedy has been proposed by the defendant or political subdivision.

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

Sec. 9. **[200.59] FEES AND COSTS.**

In any action brought under this act, the court, in its discretion, may allow the prevailing party costs and reasonable attorney fees. If a party prevails on only a portion of their action, the court may award costs and attorney fees attributable to that portion of the action. If the party against whom the action was filed prevails in the action, the court shall not award that party any costs or attorney fees unless the court finds the action is frivolous.

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

Sec. 10. **[200.60] VOTING RIGHTS ACT COST SHARING ACCOUNT.**

Subdivision 1. **Special revenue fund account established.** A Voting Rights Act cost sharing account is established in the special revenue fund. Money in the account is appropriated to the secretary of state for the purpose of reimbursing political subdivisions for presuit notice cost sharing expenses agreed to under section 200.56, subdivision 4, as authorized by this section. The secretary of state may retain up to five percent of the total cost of a reimbursement for administrative costs associated with processing the reimbursement.

Subd. 2. **Eligibility for reimbursement; application and approval.** (a) A political subdivision that implements a remedy in response to a presuit notice letter submitted under section 200.56 and pays a cost sharing amount under that section may apply to the secretary of state for reimbursement of the paid amount.

(b) The secretary of state must establish a form to be used by a political subdivision when applying for the reimbursement. The secretary of state must approve a submitted application, so long as the information provided by the political subdivision demonstrates that the expenses paid are eligible under section 200.56 and that sufficient funds are available in the Voting Rights Act cost sharing account to make the reimbursement payment. The secretary of state must review,

approve, and distribute a reimbursement to an eligible political subdivision within 45 days of receiving its application.

Sec. 11. Minnesota Statutes 2022, section 204B.175, is amended to read:

204B.175 CHANGE OF POLLING PLACE IN AN EMERGENCY.

Subdivision 1. **Application.** When an emergency occurs after the deadline to designate a polling place for the purpose of absentee or early voting pursuant to section 203B.081, or after the deadline to designate a polling place pursuant to section 204B.16 but before the polls close on election day, a new polling place may be designated for that election pursuant to this section. For purposes of this section, an emergency is any situation that prevents the safe, secure, and full operation of a polling place, or when required to remedy a potential violation of section 200.54.

Subd. 2. **Changing polling place.** If a local election official determines that an emergency has occurred or is imminent, the local election official must procure a polling place that is as near the designated polling place as possible and that complies with the requirements of section 204B.16, subdivisions 4 and 5. If it is not possible to locate a new polling place in the precinct, the polling place may be located outside of the precinct without regard to the distance limitations in section 204B.16, subdivision 1. If a polling place location is changed to remedy a potential violation of section 200.54, the location of the polling place must be selected to remedy the violation. The local election official must certify to the appropriate governing body the expenses incurred because of the change. These expenses shall be paid as part of the expenses of the election.

Subd. 2a. **Designation of additional polling places.** A local election official may designate additional polling places, notwithstanding the deadlines in section 203B.081, if additional designations are required to remedy a potential violation of section 200.54. The local election official must certify to the appropriate governing body the expenses incurred because of the change. These expenses shall be paid as part of the expenses of the election.

Subd. 3. **Notice.** (a) Upon making the determination to relocate a polling place, the local election official must immediately notify the county auditor and the secretary of state. The notice must include the reason for the relocation and the reason for the location of the new polling place. As soon as possible, the local election official must also post a notice stating the reason for the relocation and the location of the new polling place. The notice must also be posted on the website of the public body, if there is one. The local election official must also notify the election judges and request that local media outlets publicly announce the reason for the relocation and the location of the polling place. If the relocation occurs more than 14 days prior to the election, the local election official must mail a notice to the impacted voters of the reason for the relocation and the location of the polling place.

(b) On election day, the local election official must post a notice in large print in a conspicuous place at the polling place where the emergency occurred, if practical, stating the location of the new polling place. The local election official must also post the notice, if practical, in a location visible by voters who vote from their motor vehicles as provided in section 204C.15, subdivision 2. If polling place hours are extended pursuant to section 204C.05, subdivision 2, paragraph (b), the posted notices required by this paragraph must include a statement that the polling place hours at the new polling place will be extended until the specified time.

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

Sec. 12. Minnesota Statutes 2022, section 412.02, subdivision 6, is amended to read:

Subd. 6. **Council increased or reduced.** The council may by ordinance adopted at least 60 days before the next regular city election submit to the voters of the city the question of whether the city council should be increased or reduced to seven or five members. The ordinance shall include a schedule of elections and terms and ward boundary changes, if applicable, to accomplish the change. The proposal shall be voted on at the next city general election and, if approved by a majority of those voting on the question, go into effect in accordance with the schedule and ward boundaries, if applicable.

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

Sec. 13. Minnesota Statutes 2022, section 412.02, is amended by adding a subdivision to read:

Subd. 7. **Wards.** (a) A city may adopt an ordinance to elect its city council members by ward in the following circumstances:

(1) if the ordinance is submitted to the voters of the city for approval at a regular or special election, and the ordinance is adopted at least 180 days before that election; or

(2) when approved or ordered to do so by a court of competent jurisdiction acting in response to a challenge to the city's method of conducting elections.

(b) If the city is petitioned by at least 15 percent of the electors voting at the last previous city election asking that the question of city council member election by ward be put to the voters of the city, the city must adopt an ordinance for that purpose and submit the ordinance to the voters of the city for approval at a regular or special election.

(c) An ordinance must designate the boundaries of the wards. The ordinance must also state whether the city will otherwise operate as a statutory standard plan city or statutory optional plan city, subject to voter approval as may be required under this chapter. If submitted to the voters by ballot question, the ordinance shall go into effect at the next regular city election if it is approved by a majority of those voting on the question. Except as provided by this subdivision, section 205.10 applies to a ballot question submitted to the voters at a special election under this subdivision.

(d) A city that elects its council members by ward is subject to the requirements of sections 204B.135 and 205.84.

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

Sec. 14. **LEGISLATIVE FINDINGS.**

(a) The legislature finds that election practices, procedures, and methods that deny or impair the equal opportunity of racial, color, or language minority groups and Tribal communities to participate in the political process or elect candidates of their choice are inconsistent with the fundamental right to vote, and the rights and privileges guaranteed by the Minnesota Constitution as well as protections found in the Fourteenth and Fifteenth Amendments to the United States Constitution.

(b) The legislature finds that there is a history in Minnesota, as in the United States overall, of discrimination based on race, color, language-minority status, and Tribal membership, including in access to the political process. For example, that:

(1) the state constitution of 1857 limited the right to vote to white residents and Native American voters "who have adopted the customs and habits of civilization," and invoked a cultural purity test for Native American residents, requiring only Native American applicants to appear before a district court to determine whether each individual was "capable of enjoying the rights of citizenship within the State";

(2) Minnesota voters twice rejected expanding suffrage to Black residents, voting down proposed constitutional amendments to do so in 1865 and again in 1867, and only granted nonwhite men the right to vote in 1868, three years after the end of the Civil War;

(3) civil rights plaintiffs and the federal government have filed litigation and taken other action against political subdivisions in Minnesota under the Federal Voting Rights Act of 1965, as amended, alleging violations of section 2 of that act;

(4) individuals who are members of racial, color, or language minority groups have faced voter intimidation and disinformation in Minnesota, and that, for example, voters of color in 2020 in the cities of Minneapolis and St. Paul were targeted by a plan to hire and deploy armed paramilitia to polling locations, an attempt that was enjoined by a federal district court judge; and

(5) the history of discrimination in Minnesota further includes but is not limited to discrimination in housing, including the use of redlining, racially restrictive covenants on housing deeds, and predatory lending practices; education; employment; health; criminal justice; public works; transportation; land use; environmental protection; and other areas of life.

(c) As a result of this history and persistent discrimination and socioeconomic inequities that bear on the right to vote, members of racial, color, or language minority groups and Tribal communities continue to face unequal barriers in exercising the franchise and participating effectively in the political process.

(d) In light of these conditions, it is the legislature's intent by this act to encourage participation in the elective franchise by all eligible voters and to provide voters in this state with a means to secure their constitutional right to vote free from discrimination.

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

ARTICLE 4

CAMPAIGN FINANCE

Section 1. Minnesota Statutes 2022, section 10A.01, subdivision 7, is amended to read:

Subd. 7. **Ballot question.** "Ballot question" means a question or proposition that is placed on the ballot and that may be voted on by:

(1) all voters of the state; or

(2) all voters of ~~Hennepin County~~;

~~(3) all voters of any home rule charter city or statutory city located wholly within Hennepin County and having a population of 75,000 or more; or~~

~~(4) all voters of Special School District No. 1~~ a county, city, school district, township, or special district.

"Promoting or defeating a ballot question" includes activities, other than lobbying activities, related to qualifying the question for placement on the ballot.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 2. Minnesota Statutes 2022, section 10A.01, subdivision 10d, is amended to read:

Subd. 10d. **Local candidate.** "Local candidate" means an individual who seeks nomination or election to:

~~(1) any county office in Hennepin County;~~

~~(2) any city office in any home rule charter city or statutory city located wholly within Hennepin County and having a population of 75,000 or more; or~~

~~(3) the school board in Special School District No. 1~~ a county, city, school district, township, or special district office.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 3. Minnesota Statutes 2022, section 10A.01, is amended by adding a subdivision to read:

Subd. 16b. **Employee of a political subdivision.** "Employee of a political subdivision" includes an individual hired or appointed by the political subdivision. An individual is also an employee of a political subdivision if the individual is:

(1) hired to provide the political subdivision services as a consultant or independent contractor;
or

(2) employed by a business that has contracted with the political subdivision to provide legal counsel, professional services, or policy recommendations to the political subdivision.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to activities occurring on or after that date.

Sec. 4. Minnesota Statutes 2023 Supplement, section 10A.01, subdivision 21, is amended to read:

Subd. 21. **Lobbyist.** (a) "Lobbyist" means an individual:

(1) engaged for pay or other consideration of more than \$3,000 from all sources in any year:

(i) for the purpose of attempting to influence legislative or administrative action, or the official action of a political subdivision, by communicating ~~or urging others to communicate~~ with public or local officials; or

(ii) from a business whose primary source of revenue is derived from facilitating government relations or government affairs services if the individual's job duties include offering direct or indirect consulting or advice that helps the business provide those services to clients; or

(2) who spends more than \$3,000 of the individual's personal funds, not including the individual's own traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action, or the official action of a political subdivision, by communicating ~~or urging others to communicate~~ with public or local officials.

(b) "Lobbyist" does not include:

(1) a public official;

(2) an employee of the state, including an employee of any of the public higher education systems;

(3) an elected local official;

(4) a nonelected local official or an employee of a political subdivision acting in an official capacity, unless the nonelected official or employee of a political subdivision spends more than 50 hours in any month attempting to influence legislative or administrative action, or the official action of a political subdivision other than the political subdivision employing the official or employee, by communicating or urging others to communicate with public or local officials, including time spent monitoring legislative or administrative action, or the official action of a political subdivision, and related research, analysis, and compilation and dissemination of information relating to legislative or administrative policy in this state, or to the policies of political subdivisions;

(5) a party or the party's representative appearing in a proceeding before a state board, commission, or agency of the executive branch unless the board, commission, or agency is taking administrative action;

(6) an individual while engaged in selling goods or services to be paid for by public funds;

(7) a news medium or its employees or agents while engaged in the publishing or broadcasting of news items, editorial comments, or paid advertisements which directly or indirectly urge official action;

(8) a paid expert witness whose testimony is requested by the body before which the witness is appearing, but only to the extent of preparing or delivering testimony; ~~or~~

(9) a party or the party's representative appearing to present a claim to the legislature and communicating to legislators only by the filing of a claim form and supporting documents and by appearing at public hearings on the claim; or

(10) an individual providing information or advice to members of a collective bargaining unit when the unit is actively engaged in the collective bargaining process with a state agency or a political subdivision.

(c) An individual who volunteers personal time to work without pay or other consideration on a lobbying campaign, and who does not spend more than the limit in paragraph (a), clause (2), need not register as a lobbyist.

(d) An individual who provides administrative support to a lobbyist and whose salary and administrative expenses attributable to lobbying activities are reported as lobbying expenses by the lobbyist, but who does not communicate or urge others to communicate with public or local officials, need not register as a lobbyist.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to activities occurring on or after that date.

Sec. 5. Minnesota Statutes 2022, section 10A.01, subdivision 33, is amended to read:

Subd. 33. **Principal.** "Principal" means an individual or association that:

(1) spends more than ~~\$500~~ \$3,000 in the aggregate in any calendar year to engage a lobbyist, compensate a lobbyist, or authorize the expenditure of money by a lobbyist; or

(2) ~~is not included in clause (1) and~~ spends a total of at least \$50,000 in any calendar year ~~on efforts to influence legislative action, administrative action, or the official action of metropolitan governmental units~~ political subdivisions, as described in section 10A.04, subdivision 6.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to activities occurring on or after that date.

Sec. 6. Minnesota Statutes 2023 Supplement, section 10A.04, subdivision 6, is amended to read:

Subd. 6. **Principal reports.** (a) A principal must report to the board as required in this subdivision by March 15 for the preceding calendar year.

(b) The principal must report the total amount, rounded to the nearest ~~\$9,000~~ \$5,000, spent by the principal during the preceding calendar year on each type of lobbying listed below:

(1) lobbying to influence legislative action;

(2) lobbying to influence administrative action, other than lobbying described in clause (3);

(3) lobbying to influence administrative action in cases of rate setting, power plant and powerline siting, and granting of certificates of need under section 216B.243; and

(4) lobbying to influence official action of a political subdivision.

(c) For each type of lobbying listed in paragraph (b), the principal must report a total amount that includes:

(1) the portion of all direct payments for compensation and benefits paid by the principal to lobbyists in this state for that type of lobbying;

(2) the portion of all expenditures for advertising, mailing, research, consulting, surveys, expert testimony, studies, reports, analysis, compilation and dissemination of information, communications and staff costs used for the purpose of urging members of the public to contact public or local officials to influence official actions, social media and public relations campaigns, and legal counsel used to support that type of lobbying in this state; and

(3) a reasonable good faith estimate of the portion of all salaries and administrative overhead expenses attributable to activities of the principal for that type of lobbying in this state.

(d) The principal must report disbursements made and obligations incurred that exceed \$2,000 for paid advertising used for the purpose of urging members of the public to contact public or local officials to influence official actions during the reporting period. Paid advertising includes the cost to boost the distribution of an advertisement on social media. The report must provide the date that the advertising was purchased, the name and address of the vendor, a description of the advertising purchased, and any specific subjects of interest addressed by the advertisement.

Sec. 7. Minnesota Statutes 2023 Supplement, section 10A.20, subdivision 2a, is amended to read:

Subd. 2a. **Local election reports.** (a) This subdivision applies to a political committee, political fund, or political party unit that during a non-general election year:

(1) spends in aggregate more than \$200 to influence the nomination or election of local candidates;

(2) spends in aggregate more than \$200 to make independent expenditures on behalf of local candidates; or

(3) spends in aggregate more than \$200 to promote or defeat ballot questions defined in section 10A.01, subdivision 7, clause (2), (3), or (4).

(b) In addition to the reports required by subdivision 2, the entities listed in paragraph (a) must file the following reports in each non-general election year:

(1) a first-quarter report covering the calendar year through March 31, which is due April 14;

(2) a report covering the calendar year through May 31, which is due June 14;

(3) a ~~pre-primary-election~~ July report due 15 days before the local primary election date specified in section 205.065;

(4) a pre-general-election report due 42 days before the local general election; and

(5) a pre-general-election report due ten days before a local general election.

The reporting obligations in this paragraph begin with the first report due after the reporting period in which the entity reaches the spending threshold specified in paragraph (a). The ~~pre-primary~~

July report required under clause (3) is required for all entities required to report under paragraph (a), regardless of whether the candidate or issue is on the primary ballot or a primary is not conducted.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 8. Minnesota Statutes 2023 Supplement, section 10A.20, subdivision 12, is amended to read:

Subd. 12. **Failure to file; late fees; penalty.** (a) If an individual or association fails to file a report required by this section or section 10A.202, the board may impose a late filing fee and a civil penalty as provided in this subdivision.

(b) If an individual or association a candidate, political committee, political fund, principal campaign committee, or party unit fails to file a report required by this section that is due January 31, the board may impose a late filing fee of \$25 per day, not to exceed \$1,000, commencing the day after the report was due.

(c) Except for reports governed by paragraph (b), if an individual, political committee, political fund, principal campaign committee, party unit, or association fails to file a report required by subdivision 2, 2a, or 5, or by section 10A.202, the board may impose a late filing fee of \$50 per day, not to exceed \$1,000, commencing on the day after the date the statement was due, provided that. If the total receipts received expenditures or disbursements that occurred during the reporting period or total expenditure reportable under section 10A.202 exceeds \$25,000, then the board may also impose a late filing fee of up to two percent of the amount expenditures or disbursements that should have been reported, per day, commencing on the day after the report was due, not to exceed 100 percent of the amount that should have been reported.

(d) If an individual, political committee, political fund, principal campaign committee, party unit, or association has been assessed a late filing fee or civil penalty under this subdivision during the prior four years, the board may impose a late filing fee, a civil penalty, or both of up to twice the amount otherwise authorized by this subdivision. If an individual, political committee, political fund, principal campaign committee, party unit, or association has been assessed a late filing fee under this subdivision more than two times during the prior four years, the board may impose a late filing fee of up to three times the amount otherwise authorized by this subdivision.

(e) Within ten business days after the report was due or receipt by the board of information disclosing the potential failure to file a report required by this section, the board must send notice by certified mail that the individual or association may be subject to a civil penalty for failure to file the report. An individual who fails to file the report within seven days after the certified mail notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000 \$2,000 in addition to the late filing fees imposed by this subdivision.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to penalties assessed on or after that date.

Sec. 9. Minnesota Statutes 2023 Supplement, section 10A.201, subdivision 3, is amended to read:

Subd. 3. ~~Can be received by 10,000 or more individuals~~ **Targeted to the relevant electorate.**

(a) ~~"Can be received by 10,000 or more individuals"~~ "Targeted to the relevant electorate" means that a communication can be received in the district the candidate seeks to represent, in the case of a candidate for representative, senator, or other office represented by district; or in the entire state, if the candidate seeks a statewide office, as follows:

(1) in the case of a communication transmitted by an FM radio broadcast station or network, where the district lies entirely within the station's or network's protected or primary service contour, that the population of the district is 10,000 or more;

(2) in the case of a communication transmitted by an FM radio broadcast station or network, where a portion of the district lies outside of the protected or primary service contour, that the population of the part of the district lying within the station's or network's protected or primary service contour is 10,000 or more;

(3) in the case of a communication transmitted by an AM radio broadcast station or network, where the district lies entirely within the station's or network's most outward service area, that the population of the district is 10,000 or more;

(4) in the case of a communication transmitted by an AM radio broadcast station or network, where a portion of the district lies outside of the station's or network's most outward service area, that the population of the part of the district lying within the station's or network's most outward service area is 10,000 or more;

(5) in the case of a communication appearing on a television broadcast station or network, where the district lies entirely within the station's or network's Grade B broadcast contour, that the population of the district is 10,000 or more;

(6) in the case of a communication appearing on a television broadcast station or network, where a portion of the district lies outside of the Grade B broadcast contour:

(i) that the population of the part of the district lying within the station's or network's Grade B broadcast contour is 10,000 or more; or

(ii) that the population of the part of the district lying within the station's or network's broadcast contour, when combined with the viewership of that television station or network by cable and satellite subscribers within the district lying outside the broadcast contour, is 10,000 or more;

(7) in the case of a communication appearing exclusively on a cable or satellite television system, but not on a broadcast station or network, that the viewership of the cable system or satellite system lying within a district is 10,000 or more; ~~or~~

(8) in the case of a communication appearing on a cable television network, that the total cable and satellite viewership within a district is 10,000 or more; or

(9) in the case of a communication disseminated by telephone, in a digital format online, or by other electronic means that:

(i) the communication is capable of generating 2,500 or more contacts within a district at any time during the electioneering communication period identified in subdivision 6, paragraph (a), clause (2), in which it is disseminated; or

(ii) if multiple communications are disseminated by the same person, the communications:

(A) refer to the same candidate; and

(B) are capable of generating 2,500 or more contacts within a district, in aggregate, at any time during the electioneering communication period identified in subdivision 6, paragraph (a), clause (2), in which they are disseminated.

(b) Cable or satellite television viewership is determined by multiplying the number of subscribers within a district, or a part thereof, as appropriate, by the current average household size for Minnesota, as determined by the Bureau of the Census.

(c) A determination that a communication ~~can be received by 10,000 or more individuals~~ is targeted to the relevant electorate based on the application of the formula in this section shall create a rebuttable presumption that may be overcome by demonstrating that:

(1) one or more cable or satellite systems did not carry the network on which the communication was publicly distributed at the time the communication was publicly distributed; and

(2) applying the formula to the remaining cable and satellite systems results in a determination that the cable network or systems upon which the communication was publicly distributed could not be received by 10,000 individuals or more.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to communications disseminated on or after that date.

Sec. 10. Minnesota Statutes 2023 Supplement, section 10A.201, subdivision 4, is amended to read:

Subd. 4. **Direct costs of producing or airing electioneering communications.** "Direct costs of producing or airing electioneering communications" means:

(1) costs charged by a vendor, including studio rental time, staff salaries, costs of ~~video or audio recording media~~ visual or audio media creation or recording, and talent; ~~and~~

(2) the cost of airtime on broadcast, cable, or satellite radio and television stations, studio time, material costs, and the charges for a broker to purchase the airtime; and

(3) the cost to disseminate messages, to access any platform used to disseminate messages, or to promote messages on any platform used to disseminate messages by telephone, in a digital format online, or by other electronic means.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to communications disseminated on or after that date.

Sec. 11. Minnesota Statutes 2023 Supplement, section 10A.201, subdivision 6, is amended to read:

Subd. 6. **Electioneering communication.** (a) "Electioneering communication" means any broadcast, cable, ~~or~~ satellite, telephone, or digital communication that:

(1) refers to a clearly identified candidate for state office;

(2) is publicly distributed within 60 days before a general election for the office sought by the candidate; ~~or, within 30 days before a primary election for the office sought by the candidate, or within 30 days before a convention or caucus of a political party unit that has authority to nominate, endorse a candidate, for the office sought by the candidate, and the candidate referenced is seeking the nomination of that political party;~~ and

(3) is targeted to the relevant electorate.

(b) A communication is not an electioneering communication if it:

(1) is publicly disseminated through a means of communication other than a broadcast, cable, ~~or~~ satellite television, or radio station, by telephone, in a digital format online, or by other electronic means;

(2) appears in a news story, commentary, or editorial distributed through the facilities of any broadcast, cable, or satellite television or radio station, unless such facilities are owned or controlled by any political party, political committee, or candidate, provided that a news story distributed through a broadcast, cable, or satellite television or radio station owned or controlled by any political party, political committee, or candidate is not an electioneering communication if the news story meets the requirements described in Code of Federal Regulations, title 11, section 100.132 (a) and (b);

(3) constitutes an expenditure or independent expenditure, provided that the expenditure or independent expenditure is required to be reported under this chapter;

(4) constitutes a candidate debate or forum, or that solely promotes such a debate or forum and is made by or on behalf of the person sponsoring the debate or forum; ~~or~~

(5) is paid for by a candidate;;

(6) is a noncommercial solicitation for the purposes of opinion research, including but not limited to opinion research designed for understanding the impact of exposure to political messages and content, provided that the solicitation is not designed to influence respondents' views by presenting biased or manipulative content under the guise of it being an opinion poll, survey, or other form of scientific data collection; or

(7) is a communication disseminated by telephone, in a digital format online, or by other electronic means that the recipient has affirmatively and voluntarily consented to receive from the sender.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to communications disseminated on or after that date.

Sec. 12. Minnesota Statutes 2023 Supplement, section 10A.201, subdivision 9, is amended to read:

Subd. 9. **Publicly distributed.** "Publicly distributed" means aired, broadcast, cablecast, or otherwise disseminated through the facilities of a television station, radio station, cable television system, or satellite system, or disseminated to a recipient by telephone, in a digital format online, or by other electronic means.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to communications disseminated on or after that date.

Sec. 13. Minnesota Statutes 2023 Supplement, section 10A.202, subdivision 1, is amended to read:

Subdivision 1. **Reports required.** Any person who has made an electioneering communication, as defined in section 10A.201, aggregating in excess of \$10,000 during any calendar year shall file a statement with the board no later than 11:59 p.m. on the day following the disclosure date. The statement shall be filed under penalty of perjury, and must contain the information set forth in subdivision 2. Political committees, political funds, and political party units that make a communication described in section 10A.201 must report the communication as a campaign expenditure or independent expenditure as otherwise provided by this chapter and are not required to file a report under this section.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to penalties assessed on or after that date.

Sec. 14. Minnesota Statutes 2022, section 10A.27, subdivision 8, is amended to read:

Subd. 8. **Excess loans prohibited; limitation on interest.** (a) A candidate must not permit the candidate's principal campaign committee to accept a loan from other than a financial institution for an amount in excess of the contribution limits imposed by this section. A candidate must not permit the candidate's principal campaign committee to accept a loan from a financial institution for which the financial institution may hold an endorser of the loan liable to pay an amount in excess of the amount that the endorser may contribute to that candidate.

(b) A candidate's principal campaign committee must not accept a loan from the candidate if the terms of the loan require the candidate's principal campaign committee to pay interest to the candidate.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 15. Minnesota Statutes 2022, section 10A.27, subdivision 17, is amended to read:

Subd. 17. **Penalty.** (a) An association that makes a contribution under subdivision 15 and fails to provide the required statement within the time specified is subject to a late filing fee of \$100 a day not to exceed \$1,000, commencing the day after the statement was due. The board must send notice by certified mail that the individual or association may be subject to a civil penalty for failure to file the statement. An association that fails to provide the required statement within seven days

after the certified mail notice was sent by the board is subject to a civil penalty of up to four times the amount of the contribution, but not to exceed \$25,000, except when the violation was intentional.

(b) An independent expenditure political committee or an independent expenditure political fund that files a report without including the statement required under subdivision 15 is subject to a late filing fee of \$100 a day not to exceed \$1,000, commencing the day after the report was due. The board must send notice by certified mail that the independent expenditure political committee or independent expenditure fund may be subject to a civil penalty for failure to file the statement. An association that fails to provide the required statement within seven days after the certified mail notice was sent by the board is subject to a civil penalty of up to four times the amount of the contribution for which disclosure was not filed, but not to exceed \$25,000, except when the violation was intentional.

(c) If an independent expenditure political committee or an independent expenditure political fund has been assessed a late filing fee under this subdivision during the prior four years, the board may impose a late filing fee of up to twice the amount otherwise authorized by this subdivision. If an independent expenditure political committee or an independent expenditure political fund has been assessed a late filing fee under this subdivision more than two times during the prior four years, the board may impose a late filing fee of up to three times the amount otherwise authorized by this subdivision.

~~(e)~~ (d) No other penalty provided in law may be imposed for conduct that is subject to a civil penalty under this section.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to penalties assessed on or after that date.

Sec. 16. Minnesota Statutes 2022, section 211A.01, subdivision 3, is amended to read:

Subd. 3. **Candidate.** "Candidate" means an individual who seeks nomination or election to a county, municipal, school district, or other political subdivision office. This definition does not include an individual seeking a judicial office. ~~For purposes of sections 211A.01 to 211A.05 and 211A.07, "candidate" also includes a candidate for the United States Senate or House of Representatives.~~

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 17. Minnesota Statutes 2022, section 211A.01, is amended by adding a subdivision to read:

Subd. 4a. **Committee.** "Committee" means a group established by a candidate of two or more persons working together to support the election of the candidate to a political subdivision office. A committee may accept contributions and make disbursements on behalf of the candidate.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 18. Minnesota Statutes 2022, section 211A.01, subdivision 7, is amended to read:

Subd. 7. **Filing officer.** "Filing officer" means the officer authorized by law to accept affidavits of candidacy or nominating petitions for an office ~~or the officer authorized by law to place a ballot question on the ballot.~~

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 19. Minnesota Statutes 2022, section 211A.01, subdivision 8, is amended to read:

Subd. 8. **Political purposes.** An act is done for "political purposes" if it is of a nature, done with the intent, or done in a way to influence or tend to influence, directly or indirectly, voting for a candidate at a primary or an election or if it is done because a person is about to vote, has voted, or has refrained from voting for a candidate at a primary or an election.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 20. Minnesota Statutes 2023 Supplement, section 211A.02, subdivision 1, is amended to read:

Subdivision 1. **When and where filed by committees or candidates.** (a) A committee or a candidate who receives contributions or makes disbursements of more than \$750 in a calendar year shall submit an initial report to the filing officer within 14 days after the candidate or committee receives or makes disbursements of more than \$750 and ~~shall~~ must continue to make the reports ~~listed in paragraph (b) required by this subdivision~~ until a final report is filed.

(b) ~~The committee or~~ In a year in which a candidate must file a report by January 31 of each year following the year when the initial report was filed and in a year when receives contributions or makes disbursements of more than \$750 or the candidate's name or a ballot question appears on the ballot, the candidate or committee shall must file a report:

(1) ten days before the primary or special primary. ~~This report is required if a primary is held in the jurisdiction, regardless of whether the candidate or issue is on the primary ballot or. If a primary is not conducted,~~ the report is due ten days before the primary date specified in section 205.065;

(2) ten days before the general election or special election; and

(3) 30 days after a general or special election.

The reporting obligations in this paragraph begin with the first report due after the reporting period in which the candidate reaches the spending threshold specified in paragraph (a). A candidate who did not file for office is not required to file reports required by this paragraph that are due after the end of the filing period. A candidate whose name will not be on the general election ballot is not required to file the reports required by clauses (2) and (3).

(c) Until a final report is filed, a candidate must file a report by January 31 of each year. Notwithstanding subdivision 2, clause (4), the report required by this subdivision must only include the information from the previous calendar year.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 21. Minnesota Statutes 2022, section 211A.02, subdivision 2, is amended to read:

Subd. 2. **Information required.** The report to be filed by a candidate or committee must include:

- (1) the name of the candidate ~~or ballot question~~ and office sought;
- (2) the printed name, address, telephone number, signature, and email address, if available, of the person responsible for filing the report;
- (3) the total cash on hand designated to be used for political purposes;
- (4) the total amount of contributions received and the total amount of disbursements for the period from the last previous report to five days before the current report is due;
- (5) the amount, date, and purpose for each disbursement if disbursements made to the same vendor exceed \$100 in the aggregate during the period covered by the report, the name and address for the vendor and the amount, date, and purpose for each disbursement; and
- (6) the name, address, and employer, or occupation if self-employed, of any individual or ~~committee~~ entity that during the ~~year~~ period covered by the report has made one or more contributions that in the aggregate exceed \$100, and the amount and date of each contribution. The filing officer must restrict public access to the address of any individual who has made a contribution that exceeds \$100 and who has filed with the filing officer a written statement signed by the individual that withholding the individual's address from the financial report is required for the safety of the individual or the individual's family.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 22. Minnesota Statutes 2022, section 211A.05, subdivision 1, is amended to read:

Subdivision 1. **Penalty.** A candidate who intentionally fails to file a report required by section 211A.02 or a certification required by this section is guilty of a misdemeanor. The treasurer of a committee ~~formed to promote or defeat a ballot question~~ who intentionally fails to file a report required by section 211A.02 or a certification required by this section is guilty of a misdemeanor. Each candidate or treasurer of a committee ~~formed to promote or defeat a ballot question shall~~ must certify to the filing officer that all reports required by section 211A.02 have been submitted to the filing officer or that the candidate or committee has not received contributions or made disbursements exceeding \$750 in the calendar year. The certification ~~shall~~ must be submitted to the filing officer no later than seven days after the general or special election. The secretary of state ~~shall~~ must prepare blanks for this certification. An officer who issues a certificate of election to a candidate who has not certified that all reports required by section 211A.02 have been filed is guilty of a misdemeanor.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 23. Minnesota Statutes 2022, section 211A.06, is amended to read:

211A.06 FAILURE TO KEEP ACCOUNT; PENALTY.

A candidate, treasurer, or other individual who receives money for a committee is guilty of a misdemeanor if the individual:

- (1) fails to keep a correct account as required by law;
- (2) mutilates, defaces, or destroys an account record; or
- (3) in the case of a committee, refuses upon request to provide financial information to a candidate; and
- (4) does any of these things with the intent to conceal receipts or disbursements, the purpose of receipts or disbursements, or the existence or amount of an unpaid debt or the identity of the person to whom it is owed.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 24. Minnesota Statutes 2022, section 211A.07, is amended to read:

211A.07 BILLS WHEN RENDERED AND PAID.

A person who has a bill, charge, or claim against a ~~candidate's~~ candidate or a committee ~~shall~~ must render it in writing to the candidate or committee within 60 days after the material or service is provided. A bill, charge, or claim that is not presented within 60 days after the material or service is provided must not be paid.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 25. Minnesota Statutes 2022, section 211A.12, is amended to read:

211A.12 CONTRIBUTION LIMITS.

(a) A candidate or ~~a candidate's~~ committee may not accept aggregate contributions made or delivered by an individual or an association, a political committee, political fund, or political party unit in excess of \$600 in an election year for the office sought and \$250 in other years; except that a candidate or a candidate's committee for an office whose territory has a population over 100,000 may not accept aggregate contributions made or delivered by an individual or an association, a political committee, political fund, or political party unit in excess of \$1,000 in an election year for the office sought and \$250 in other years.

(b) The following deliveries are not subject to the bundling limitation in this section:

(1) delivery of contributions collected by a member of the candidate's committee, such as a block worker or a volunteer who hosts a fundraising event, to the committee's treasurer; and

(2) a delivery made by an individual on behalf of the individual's spouse.

(c) Notwithstanding sections 211A.02, subdivision 3, and 410.21, this section supersedes any home rule charter.

(d) For purposes of this section, the terms "political committee," "political fund," and "political party unit" have the meanings given in section 10A.01.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 26. Minnesota Statutes 2022, section 211A.14, is amended to read:

211A.14 CONTRIBUTIONS AND SOLICITATIONS DURING LEGISLATIVE SESSION.

A legislator or state constitutional officer who is a candidate for a county, city, or town office, under this chapter, and the candidate's principal campaign committee, and any other political committee with the candidate's name or title may not solicit or accept a contribution from a political committee, political fund, or registered lobbyist during a regular session of the legislature. For purposes of this section, the terms "political committee," "political fund," and "lobbyist" have the meanings given in section 10A.01.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 27. STATE AND LOCAL LOBBYING ACTIVITY; STUDY REQUIRED; REGISTRATION REQUIREMENTS STAYED.

(a) The Campaign Finance and Public Disclosure Board must study and make recommendations to the legislature on the definitions of "lobbyist," "local official," "public official," and "official action of a political subdivision" for purposes of Minnesota Statutes, chapter 10A. The study and recommendations must focus on whether the law does or should distinguish between activities that constitute lobbying of a public official and activities that constitute lobbying of a local official. If the study determines that a distinction between these activities is appropriate and is not adequately articulated within current law, then the board must recommend options for the legislature to consider in adopting that distinction by law. The board must submit a report describing the study, its results, and any associated recommendations from the board to the chairs and ranking minority members of the legislative committees with jurisdiction over campaign finance and lobbyist registration policy no later than January 15, 2025.

(b) Registration requirements under Minnesota Statutes, section 10A.03, for an individual attempting to influence the official action of a political subdivision that is not a metropolitan governmental unit are stayed until June 1, 2025. An individual who attempts to influence the official action of a "metropolitan governmental unit," as defined in Minnesota Statutes, chapter 10A, must comply with the registration and reporting requirements in Minnesota Statutes, sections 10A.03 and 10A.04. A lobbyist principal that is represented by a lobbyist who attempts to influence the official action of a metropolitan governmental unit must comply with the reporting requirement in Minnesota Statutes, section 10A.04.

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

Sec. 28. REPEALER.

(a) Minnesota Statutes 2022, sections 211A.01, subdivisions 2 and 4; and 211A.02, subdivision 4, are repealed.

(b) Minnesota Statutes 2023 Supplement, section 10A.201, subdivision 11, is repealed.

EFFECTIVE DATE. Paragraph (a) is effective January 1, 2025. Paragraph (b) is effective for communications disseminated on or after January 1, 2025.

ARTICLE 5**CENSUS AND REDISTRICTING**

Section 1. Minnesota Statutes 2023 Supplement, section 2.92, subdivision 4, is amended to read:

Subd. 4. **Applicability.** This section applies ~~from January 1 to July 1 in any year during which a to all~~ decennial census ~~is~~ activities conducted under the authority of the United States Constitution, article 1, section 2.

Sec. 2. **[2.93] INCARCERATED PERSONS IN DISTRICT PLANS.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the definitions have the meanings given.

(b) "Commissioner" means the commissioner of corrections.

(c) "Director" means the director of the Legislative Coordinating Commission.

(d) "Legislative Coordinating Commission" means the Legislative Coordinating Commission established in section 3.303.

Subd. 2. **Reallocation and exclusion of incarcerated persons.** (a) For purposes of drawing congressional, legislative, and all other election districts, the legislature and local governments must use the population from the federal decennial census as modified by reallocating and excluding persons who are incarcerated.

(b) A person who was incarcerated in a state or federal correctional facility, as determined by the decennial census, and who has a last known address in Minnesota must be reallocated to the census block of the last known address.

(c) A person who was incarcerated in a state or federal correctional facility, as determined by the decennial census, and who has a last known address outside of Minnesota or does not have a last known address must:

(1) be excluded from the population count for purposes of drawing congressional, legislative, or political subdivision districts; and

(2) be counted as part of the statewide population total.

Subd. 3. **Department of Corrections duties.** (a) On or before June 1 in a year ending in zero, the commissioner must provide to the director of the Legislative Coordinating Commission the following information, in electronic form, for each person incarcerated in a state correctional facility on April 1 in the year of the decennial census:

(1) a unique identifier that does not include the person's name, Department of Corrections identification number, or other identifying information;

(2) the street address of the correctional facility in which the person was incarcerated at the time of the report;

(3) the residential address of the person immediately prior to incarceration, if known, or if the person resided in an area lacking a specific physical address immediately prior to incarceration, a description of the physical location where the person regularly stayed immediately prior to being incarcerated;

(4) the following demographic information, if known: the racial and ethnic information collected by the census and whether the person is over the age of 18; and

(5) any additional information the director of the Legislative Coordinating Commission deems necessary.

(b) Notwithstanding any law to the contrary, the commissioner must provide the director with access to the best available data necessary to conduct the reallocations and exclusions required by this section.

Subd. 4. **Federal correctional facilities.** By April 15 in a year ending in zero, the director must request each agency that operates a federal facility in Minnesota that incarcerates persons convicted of a criminal offense to provide the director with a report, including the information listed in subdivision 3. The information must reflect the persons incarcerated in the federal facility on April 1 of that year. If information is provided pursuant to this subdivision, the information must be provided by June 1 of the year ending in zero. If information is not provided pursuant to this subdivision, persons incarcerated at federal facilities must be treated as having no known last address and must be excluded as provided in subdivision 2, paragraph (c).

Subd. 5. **Legislative Coordinating Commission duties.** (a) The director must reallocate and exclude people who are incarcerated in state or federal correctional facilities as provided in this subdivision and subdivision 2. Within 30 calendar days of receiving the Public Law 94-171 data from the United States Census Bureau, the director must post the population counts that reflect all required reallocations and exclusions on the Legislative Coordinating Commission's website.

(b) The director must, in consultation with the commissioner, develop a standardized format and technical guidelines to be used in collecting addresses from incarcerated persons. The commissioner must use this format and follow the guidelines in collecting addresses. The commissioner and the director may enter a memorandum of understanding detailing the additional details regarding the methodology to be used and the format and manner in which the data will be provided. Notwithstanding any law to the contrary, the commissioner must provide the director with access to the best available data necessary to conduct the reallocations and exclusions required by this section.

(c) Prior to reallocating and excluding incarcerated persons, the director must geocode addresses received from the commissioner. When geocoding addresses, the director must accept an address that is an exact match or is approximated to the street level and reject any address that is approximated to the center of a zip code, city, county, or state. The director must only reallocate those addresses that are accepted pursuant to this paragraph. The director must not reallocate any person at an address that was rejected but must instead count that person as part of the statewide population total.

(d) The director must not disseminate data received pursuant to this section in any manner, except as explicitly required by state or federal law.

EFFECTIVE DATE. This section is effective January 1, 2030, and applies to population counts used for redistricting conducted on or after that date.

Sec. 3. [241.062] COLLECTION OF INCARCERATED PERSON'S ADDRESS.

(a) As part of an incarcerated person's intake process, the commissioner of corrections must make all reasonable efforts to ensure that the information listed in section 2.93, subdivision 3, clauses (1) to (5), is collected and recorded. The information must be collected in compliance with the format and guidelines developed pursuant to section 2.93, subdivision 5. An incarcerated person who was participating in the Safe at Home program established in chapter 5B, who has safety concerns about providing a last residential address, or who has safety concerns for people residing at that address may decline to provide an address.

(b) The incarcerated person's last residential address and the information listed in section 2.93, subdivision 3, clauses (1) to (5), collected on intake and maintained by the commissioner are private data on individuals as defined in section 13.02, subdivision 12.

(c) Beginning in 2030, the commissioner must provide the information described in this section electronically to the director of the Legislative Coordinating Commission as required in section 2.93.

Sec. 4. COLLECTION OF CURRENT INCARCERATED PERSON'S ADDRESS.

Prior to April 1, 2030, the commissioner of corrections must make reasonable efforts to collect from or confirm with each incarcerated person the following information:

(1) the residential address of the person immediately prior to incarceration or, if the person resided in an area lacking a specific physical address immediately prior to incarceration, a description of the physical location where the person regularly stayed immediately prior to being incarcerated; and

(2) the following demographic information: the racial and ethnic information collected by the census and whether the person is over the age of 18.

This section only applies to an incarcerated person who was incarcerated prior to the date the commissioner started routinely collecting the information in clauses (1) and (2) as part of the intake process."

Delete the title and insert:

"A bill for an act relating to state government; providing for funding and policy and technical changes to elections and campaign finance provisions, including elections administration, campaign finance and lobbying, and census and redistricting; establishing the Minnesota Voting Rights Act; modifying the crime of using deep fakes to influence elections; modifying certain notary provisions; requiring reports; modifying transfers and appropriations; appropriating money; amending Minnesota Statutes 2022, sections 10A.01, subdivisions 7, 10d, 33, by adding a subdivision; 10A.27, subdivisions 8, 17; 123B.09, subdivision 5b; 201.071, subdivision 3; 201.13, subdivision 1a; 204B.175; 204C.06, subdivision 1, by adding a subdivision; 204C.19, subdivision 3; 204C.20, subdivision 1, by adding a subdivision; 204C.33, subdivision 1; 204C.35, subdivisions 1, 2, by adding a subdivision; 204C.36,

subdivisions 2, 3; 205.10, subdivision 6; 205.16, subdivisions 4, 5; 205A.05, subdivision 3; 205A.07, subdivisions 3, 3b; 205A.11, subdivision 2; 206.89, subdivisions 2, 3, 5, 6; 208.06; 208.44; 208.47; 209.01, subdivision 2; 211A.01, subdivisions 3, 7, 8, by adding a subdivision; 211A.02, subdivision 2; 211A.05, subdivision 1; 211A.06; 211A.07; 211A.12; 211A.14; 211B.17, subdivision 1; 211B.18; 358.645, subdivision 2; 358.71; 359.01, subdivision 5; 359.03, subdivision 3; 375.08; 412.02, subdivision 6, by adding a subdivision; 447.32, subdivision 3; 609.5151, subdivisions 1, 2; Minnesota Statutes 2023 Supplement, sections 2.92, subdivision 4; 5.305, subdivision 5; 10A.01, subdivision 21; 10A.04, subdivision 6; 10A.20, subdivisions 2a, 12; 10A.201, subdivisions 3, 4, 6, 9; 10A.202, subdivision 1; 200.02, subdivision 7; 201.061, subdivisions 3, 3a; 201.071, subdivision 1; 201.091, subdivision 4; 201.1611, subdivision 1; 203B.04, subdivision 1; 203B.07, subdivision 3; 203B.081, subdivision 4; 203B.121, subdivision 2; 204B.06, subdivision 1b; 204B.09, subdivision 3; 204B.16, subdivision 1; 204B.295, subdivisions 1, 2, 3, by adding a subdivision; 204B.46; 204C.24, subdivision 1; 204C.33, subdivision 3; 205.16, subdivision 2; 206.61, subdivision 1; 211A.02, subdivision 1; 211B.076, subdivision 4; 243.205, by adding a subdivision; 609.771, subdivisions 2, 3, 4; Laws 2021, First Special Session chapter 12, article 1, section 6; Laws 2023, chapter 62, article 1, sections 6; 43; proposing coding for new law in Minnesota Statutes, chapters 2; 200; 203B; 241; 375; 471; proposing coding for new law as Minnesota Statutes, chapter 209A; repealing Minnesota Statutes 2022, sections 211A.01, subdivisions 2, 4; 211A.02, subdivision 4; 383B.031; Minnesota Statutes 2023 Supplement, sections 10A.201, subdivision 11; 243.205, subdivision 3."

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

House Conferees: Mike Freiberg, Emma Greenman, Bianca Virnig

Senate Conferees: Jim Carlson, Bonnie Westlin, Liz Boldon

Senator Carlson moved that the foregoing recommendations and Conference Committee Report on H.F. No. 4772 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Pursuant to Joint Rule 2.06, Senator Rasmusson raised a point of order that consideration of the Conference Committee Report on H.F. No. 4772 was out of order.

The President ruled the point of order not well taken.

Senator Rasmusson appealed the ruling of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 34 and nays 33, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |
| Fateh | Kunesh | Mitchell | Port | |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic, Hawj, Marty, Port, and Rest.

Those who voted in the negative were:

| | | | | |
|----------|------------|----------|---------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Rasmusson |
| Anderson | Duckworth | Jasinski | Lucero | Utke |
| Bahr | Eichorn | Johnson | Mathews | Weber |
| Coleman | Farnsworth | Koran | Miller | Wesenberg |
| Dahms | Green | Kreun | Nelson | Westrom |
| Dornink | Gruenhagen | Lang | Pratt | |
| Draheim | Housley | Lieske | Rarick | |

So the decision of the President was sustained.

Senator Koran moved that the recommendations and Conference Committee Report on H.F. No. 4772 be rejected and that the bill be re-referred to the Conference Committee as formerly constituted for further consideration.

ADJOURNMENT

Senator Drazkowski moved that the Senate do now adjourn until 11:00 a.m., Friday, May 17, 2024.

The question was taken on the adoption of the Drazkowski motion.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|------------|----------|---------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Rasmusson |
| Anderson | Duckworth | Jasinski | Lucero | Utke |
| Bahr | Eichorn | Johnson | Mathews | Weber |
| Coleman | Farnsworth | Koran | Miller | Wesenberg |
| Dahms | Green | Kreun | Nelson | Westrom |
| Dornink | Gruenhagen | Lang | Pratt | |
| Draheim | Housley | Lieske | Rarick | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Dahms.

Those who voted in the negative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |
| Fateh | Kunesh | Mitchell | Port | |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Hawj, Marty, Port, and Rest.

The motion did not prevail.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Farnsworth moved that the Conference Committee Report on H.F. No. 4772 be laid on the table.

The question was taken on the adoption of the Farnsworth motion.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|------------|----------|---------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Rasmusson |
| Anderson | Duckworth | Jasinski | Lucero | Utke |
| Bahr | Eichorn | Johnson | Mathews | Weber |
| Coleman | Farnsworth | Koran | Miller | Wesenberg |
| Dahms | Green | Kreun | Nelson | Westrom |
| Dornink | Gruenhagen | Lang | Pratt | |
| Draheim | Housley | Lieske | Rarick | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Dahms.

Those who voted in the negative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |
| Fateh | Kunesh | Mitchell | Port | |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Hawj, Marty, Port, and Rest.

The motion did not prevail.

The question recurred on the adoption of the Koran motion.

President Champion called Senator Westlin to preside.

CALL OF THE SENATE

Senator Drazkowski imposed a call of the Senate for the balance of the proceedings on the Koran motion. The Sergeant at Arms was instructed to bring in the absent members.

President Champion resumed the Chair.

The question was taken on the adoption of the Koran motion.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|---------|---------|------------|-----------|
| Abeler | Bahr | Dahms | Draheim | Duckworth |
| Anderson | Coleman | Dornink | Drazkowski | Eichorn |

| | | | | |
|------------|----------|---------|-----------|-----------|
| Farnsworth | Jasinski | Lieske | Nelson | Weber |
| Green | Johnson | Limmer | Pratt | Wesenberg |
| Gruenhagen | Koran | Lucero | Rarick | Westrom |
| Housley | Kreun | Mathews | Rasmusson | |
| Howe | Lang | Miller | Utke | |

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Dahms.

Those who voted in the negative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |
| Fateh | Kunesh | Mitchell | Port | |

Pursuant to Rule 40, Senator Boldon cast the negative vote on behalf of the following Senators: Dziedzic, Hawj, Marty, Pha, Port, and Rest.

The motion did not prevail.

The question recurred on the adoption of the Carlson motion that the foregoing recommendation and Conference Committee Report on H.F. No. 4772 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H.F. No. 4772 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 34 and nays 33, as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|-----------|------------|----------------|-----------|
| Boldon | Frentz | Kupec | Mohamed | Putnam |
| Carlson | Gustafson | Latz | Morrison | Rest |
| Champion | Hauschild | Mann | Murphy | Seeberger |
| Cwodzinski | Hawj | Marty | Oumou Verbeten | Westlin |
| Dibble | Hoffman | Maye Quade | Pappas | Wiklund |
| Dziedzic | Klein | McEwen | Pha | Xiong |
| Fateh | Kunesh | Mitchell | Port | |

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic, Hawj, Marty, Pha, Port, and Rest.

Those who voted in the negative were:

| | | | | |
|----------|------------|----------|---------|-----------|
| Abeler | Drazkowski | Howe | Limmer | Rasmusson |
| Anderson | Duckworth | Jasinski | Lucero | Utke |
| Bahr | Eichorn | Johnson | Mathews | Weber |
| Coleman | Farnsworth | Koran | Miller | Wesenberg |
| Dahms | Green | Kreun | Nelson | Westrom |
| Dornink | Gruenhagen | Lang | Pratt | |
| Draheim | Housley | Lieske | Rarick | |

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senator: Dahms.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Messages From the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

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

S.F. No. 716: A bill for an act relating to human services; establishing the Minnesota African American Family Preservation and Child Welfare Disproportionality Act; modifying child welfare provisions; requiring reports; appropriating money; amending Minnesota Statutes 2022, section 260C.329, subdivisions 3, 8; proposing coding for new law in Minnesota Statutes, chapter 260.

Senate File No. 716 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 15, 2024

Senator Murphy, for Senator Champion, moved that the Senate do not concur in the amendments by the House to S.F. No. 716, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 5363.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 15, 2024

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 5363: A bill for an act relating to employees; modifying paid leave provisions; amending Minnesota Statutes 2023 Supplement, sections 268B.01, subdivisions 3, 5, 8, 15, 23, 44, by adding

subdivisions; 268B.04; 268B.06, subdivisions 2, 3, 4, 5, by adding a subdivision; 268B.07, subdivisions 1, 2, 3; 268B.085, subdivision 3; 268B.09, subdivisions 1, 6, 7; 268B.10, subdivisions 1, 2, 3, 6, 12, 16, 17, by adding subdivisions; 268B.14, subdivisions 3, 7, by adding subdivisions; 268B.15, subdivision 7; 268B.155, subdivision 2; 268B.185, subdivision 2; 268B.19; 268B.26; 268B.27, subdivision 2; 268B.29; proposing coding for new law in Minnesota Statutes, chapter 268B; repealing Minnesota Statutes 2023 Supplement, sections 268B.06, subdivision 7; 268B.08; 268B.10, subdivision 11; 268B.14, subdivision 5.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 5430, now on General Orders.

RECESS

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

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

APPOINTMENTS

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

S.F. No. 716: Senators Champion, Oumou Verbeten, and Abeler.

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

MEMBERS EXCUSED

Senator Abeler was excused from the Session of today from 11:00 a.m. to 1:05 p.m. Senator Dahms was excused from the Session of today from 12:40 to 1:10 p.m. Senator Wesenberg was excused from the Session of today from 8:15 to 9:15 p.m.

ADJOURNMENT

Senator Murphy moved that the Senate do now adjourn until 11:00 a.m., Friday, May 17, 2024. The motion prevailed.

Thomas S. Bottern, Secretary of the Senate

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