

Senators Tomassoni; Johnson, D.E.; Metzen; Larson and Clark introduced—
S.F. No. 3562: Referred to the Committee on State and Local Government Operations.

A bill for an act
relating to state government; creating a task force to study the feasibility of
Minnesota submitting a bid to host the summer Olympics.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. OLYMPICS BID TASK FORCE.

Subdivision 1. Task force; purpose. A task force is created to study the feasibility
of Minnesota submitting a bid to host the summer Olympics. The task force shall consist
of 17 members, appointed as follows:

(1) 13 members appointed by the governor, representing the amateur sports
community and segments of the corporate, nonprofit, and public sectors that would be
involved in preparing an Olympic bid and making preparations for the summer Olympics
if the bid were successful;

(2) one member appointed by the speaker of the house of representatives;

(3) one member appointed by the minority leader of the house of representatives; and

(4) one member from the majority party and one member from the minority party in
the senate, appointed according to the rules of the senate.

Subd. 2. Duties. The task force shall investigate and report to the legislature and the
governor on the feasibility of Minnesota submitting a bid to host the summer Olympics.

The report shall include at least the following:

(1) an overview of the process for submitting a bid, and an assessment of the costs
and steps required to complete that process;

(2) an assessment of the likely roles of the public and private sectors in preparing a
bid and in preparing to host the summer Olympic games if the bid were successful; and

2.1 (3) a preliminary assessment of the operational and capital costs and the short-term
2.2 and long-term benefits to Minnesota citizens, government, and private sector businesses
2.3 from hosting the summer Olympic games.

2.4 Subd. 3. **Administrative matters.** The commissioner of employment and economic
2.5 development must provide administrative and staff support for the task force. Members
2.6 serve without compensation. Members serve as long as the task force is in existence. The
2.7 task force expires upon submitting the report required by this section.

USE AFTER SENATE COMMITTEE DEADLINE (March 28)

Companion H.F. No. 3643 now in House _____ Committee; Gov Ops Vct Affairs

sent there on 3 23, 2006; **OR** had second reading on _____, 2006

COMMITTEE REPORT - NO AMENDMENTS

Committee on State and Local Gov Ops

S. F. No. 3562

- Resolution
- Re-referred (from another committee)

Committee recommendation:

- do pass.
- do pass and be placed on the Consent Calendar.
- do pass and be re-referred to the Committee on Rules.

No recommendation:

- (be re-referred to the Committee on _____ **OR**
- (be reported to the Senate) .

_____, ____ (date of committee recommendation)

1.1 **Senator Higgins from the Committee on State and Local Government**
1.2 **Operations, to which was referred**

1.3 **S.F. No. 3562:** A bill for an act relating to state government; creating a task force to study the feasibility of Minnesota submitting a bid to host the summer Olympics.

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

1.7
1.8 (Committee Chair)

1.9 March 29, 2006
1.10 (Date of Committee recommendation)

**Senate Counsel, Research,
and Fiscal Analysis**

G-17 STATE CAPITOL
75 REV. DR. MARTIN LUTHER KING, JR. BLVD.
ST. PAUL, MN 55155-1606
(651) 296-4791
FAX: (651) 296-7747
JO ANNE ZOFF SELLNER
DIRECTOR

Senate

State of Minnesota

S.F. No. 2974 - 1st Engrossment - Omnibus Game and Fish

Author: Senator Tom Saxhaug

Prepared by: Greg Knopff, Legislative Analyst *GK*
phone: 651-296-9399 fax: 651-296-7747
e-mail: gregory.knopff@senate.mn

Date: March 28, 2006

Section 1 [Critical Habitat Private Sector Matching Account] allows for donations of personal property as a private match to the critical habitat private sector matching account.

Sections 2 to 8 [Definitions] define "bonus permit," "deer," "intensive deer area," "lottery deer area," "managed deer area," "muzzleloader season," and "regular firearms deer season." to clarify their meanings in the Game and Fish Laws.

Section 9 [Game and Fish Fund Receipts] provides that the income from lands acquired for game and fish purposes must be deposited in the game and fish fund.

Section 10 [Fines and Forfeited Bail; County Reimbursement] eliminates the ability of the Commissioner of Natural Resources to reimburse counties for keeping prisoners prosecuted for game and fish law violations.

Section 11 [Deer and Bear Management Accounts] provides more specificity to the portion of the deer and bear license revenue that is dedicated to specific deer and bear management issues, and provides that the fifty cents for emergency deer feeding and wild cervidae health management is in addition to the \$1 from deer licenses dedicated for deer and bear management.

Section 12 [Lakes Designated for Wildlife Management] specifies the type of restrictions the Commissioner of Natural Resources may place on motorized watercraft and recreational vehicle use of lakes designated for wildlife management. This section also

clarifies that the restrictions on wildlife management lakes are not subject to rulemaking, but must be published in the State Register.

Section 13 [Procedure for Confiscation of Property Seized; Under \$1,000] clarifies that seized property worth less than \$1,000 that is used in a game and fish law violation cannot be confiscated and sold until the time period for appeals of a conviction have expired.

Section 14 [Confiscated Property Disposal; Under \$1,000] requires the Commissioner of Natural Resources to reimburse a person for sold, lost, or damaged property worth less than \$1,000 and seized by the commissioner, if the charged game and fish law violation is acquitted or dismissed.

Section 15 [Procedure for Confiscation of Property Seized; Over \$1,000] clarifies that seized property worth more than \$1,000 that is used in a game and fish law violation cannot be confiscated and sold until the time period for appeals of a conviction have expired.

Section 16 [Confiscated Property Disposal; Over \$1,000] provides that the court shall order the Commissioner of Natural Resources to reimburse a person for sold, lost, or damaged property worth more than \$1,000 and seized by the commissioner, if the charged game and fish law violation is acquitted or dismissed.

Section 17 [Inspection Refusal] makes it a crime for a person while in the field to refuse to submit for inspection to an enforcement officer all equipment used for taking wild animals.

Section 18 [Penalties for Owners of Dogs Pursuing Big Game] eliminates the discretion on the civil citation fine for the owner of a dog pursuing or killing big game animals. With the change, the civil citation fine for a dog pursuing a big game animal is \$100, and for a dog killing a big game animal the fine is \$500.

Section 19 [Replacement License] clarifies that the upgraded license that is allowed for replacement are the multizone or all season deer licenses.

Section 20 [Firearms Deer Licenses] allows a person at least age 12 and under 18 to use the special youth deer license to hunt in any open zone or time period. This section also specifies the names for the multizone and all season licenses for the purpose of the license fees.

Section 21 [Nonresident Multizone License] clarifies the name of the nonresident multizone license for the purpose of the license fee.

Section 22 [Trapping License Fees; Age 65 or Over] reduces the trapping license for a person age 65 or over to \$10 from \$20.

Section 23 [Tagging Big Game Animals] eliminates the need to attach the tag to a big game animal at the site of the kill and replaces it with the requirement that the tag must be on the person accompanying the animal when the animal is being dragged, carried, or carted across the ground. At all other times the tag must be attached to the animal.

Section 24 [Special Fish Management Tags] allows the Commissioner of Natural Resources to prescribe conditions for transporting fish requiring special management tags.

Section 25 [Youth Hunting; Parent or Guardian Supervision] clarifies that the supervision required for a person under age 16 to possess a firearm must be unaided visual and vocal contact.

Section 26 [Parent or Guardian Duties] makes it a violation of the game and fish laws for a parent or guardian to permit a person under the age of 16 to possess a firearm in violation of the restrictions on youth firearms restrictions.

Section 27 [Collecting Antler Sheds] allows a person to possess natural shed antlers without a license, and prohibits the placing of equipment to cause antlers to be shed or removed.

Section 28 [All Season Deer License] clarifies the deer that may be taken under an all season deer license and increases the number of tags under the license to three.

Section 29 [Firearms Use Zones] provides for the firearms use zones in statute instead of rule. The section also changes the current shotgun zone description to eliminate the portion of the state about U.S. Highway 10 along the western border from the shotgun zone.

Section 30 [Fishing Contest Restrictions] allows the Commissioner of Natural Resources to prescribe restrictions on fishing contests to minimize user conflicts.

Section 31 [Fishing Contest Permit Applications] moves up the fishing contest permit application process by one month and defines "established or traditional fishing contest."

Section 32 [Limits on Number of Fishing Contests] provides specific limits for fishing contests in specific pools on the Mississippi River, the St. Croix River, and Lake St. Croix.

Section 33 [Fishing Contest Permit Restrictions] allows the Commissioner of Natural Resources to restrict off-site live release of fish caught in a fishing contest.

Section 34 [Live Fish Transportation Restrictions] prohibits the transportation of live fish in enough water to keep the fish alive, and provides exceptions for aquaculture, fishing contest weigh-ins, minnows, commercial fishing license holders, and other purposes that are authorized under current law.

Section 35 [Fish and Dark House Restrictions on Time and Dates] expands the fish and dark house time and date restrictions for being on the ice to include all shelters.

Section 36 [Spearing Season] extends the open season for spearing game fish through the ice to the last Sunday in February to match the extension of the angling season in 2005.

Section 37 [Ditch Buffer Task Force] directs the Board of Water and Soil Resources to establish a drainage ditch buffer task force to address recommendations and findings in the February 2006 public drainage ditch buffer study. The Board must report the results of the task force to the legislature by January 15, 2007.

Section 38 [Moratorium on Use of New Public Waters for Aquaculture] establishes a moratorium on licensing public waters for aquaculture or the raising of fish until December 31, 2007. Exceptions to the moratorium are:

1. public waters that were licensed during the five-year period prior to April 1, 2006;
2. public waters used for fish rearing as part of a wetland improvement plan approved by the commissioner of natural resources; and
3. public waters that are used as a replacement for waters that were used during the five-year period and are being vacated.

Section 39 [Repealer] repeals special restrictions on nonresidents that prohibit their fish houses from being left unattended.

GK:dv

A bill for an act

relating to game and fish; modifying critical habitat private sector matching account provisions; providing definitions; providing for and modifying disposition of certain revenue; modifying restrictions on motorized watercraft and recreational vehicles in wildlife management areas; modifying procedure for confiscation of property; providing for inspection of equipment used to take wild animals; modifying certain penalty and fee amounts; modifying certain game and fish license provisions; modifying firearms possession provisions for persons under 16; providing for collecting antler sheds; modifying certain provisions for taking and possessing game and fish; providing for arms use areas; modifying provisions for fishing contests; creating a ditch buffer task force; providing for a moratorium on use of public waters for aquaculture; amending Minnesota Statutes 2004, sections 84.943, subdivision 3; 97A.015, by adding subdivisions; 97A.055, subdivision 2; 97A.065, subdivision 2; 97A.075, subdivision 1; 97A.101, subdivision 4; 97A.221, subdivisions 3, 4; 97A.225, subdivisions 2, 5; 97A.251, subdivision 1; 97A.321; 97A.475, subdivisions 2, 20; 97A.535, subdivision 1; 97B.021, subdivision 1, by adding a subdivision; 97B.301, subdivision 7; 97C.081, subdivisions 4, 6, 8, 9; 97C.205; 97C.355, subdivision 7; 97C.371, subdivision 4; Minnesota Statutes 2005 Supplement, sections 97A.405, subdivision 4; 97A.475, subdivision 3; 97A.551, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 97B; repealing Minnesota Statutes 2004, section 97C.355, subdivision 6.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2004, section 84.943, subdivision 3, is amended to read:

Subd. 3. Appropriations must be matched by private funds. Appropriations transferred to the critical habitat private sector matching account and money credited to the account under section 168.1296, subdivision 5, may be expended only to the extent that they are matched equally with contributions ~~to the account~~ from private sources or by funds contributed to the nongame wildlife management account. The private contributions may be made in cash ~~or in contributions of, property, land,~~ or interests in ~~land that are designated by the commissioner of natural resources as program acquisitions.~~

2.1 Appropriations transferred to the account that are not matched within three years from the
2.2 date of the appropriation shall cancel to the source of the appropriation. For the purposes
2.3 of this section, the private contributions of property, land, or interests in land that are
2.4 retained by the commissioner shall be valued in accordance with their appraised value.

2.5 Sec. 2. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision
2.6 to read:

2.7 Subd. 3a. Bonus permit. "Bonus permit" means a license to take and tag deer by
2.8 archery or firearms, in addition to deer authorized to be taken under regular firearms
2.9 or archery licenses.

2.10 Sec. 3. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision
2.11 to read:

2.12 Subd. 14a. Deer. "Deer" means white-tailed or mule deer.

2.13 Sec. 4. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision
2.14 to read:

2.15 Subd. 26b. Intensive deer area. "Intensive deer area" means an area of the state
2.16 where taking a deer of either sex is allowed and where multiple bonus permits are
2.17 authorized.

2.18 Sec. 5. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision
2.19 to read:

2.20 Subd. 27b. Lottery deer area. "Lottery deer area" means an area of the state
2.21 where taking antlerless deer is allowed only by either-sex permit and no bonus permits
2.22 are authorized.

2.23 Sec. 6. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision
2.24 to read:

2.25 Subd. 27c. Managed deer area. "Managed deer area" means an area of the state
2.26 where taking a deer of either sex is allowed and where one bonus permit is authorized.

2.27 Sec. 7. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision
2.28 to read:

3.1 Subd. 32a. Muzzle-loader season. "Muzzle-loader season" means the firearms
3.2 deer season option open only for legal muzzle-loading firearms, as prescribed by the
3. commissioner.

3.4 Sec. 8. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision
3.5 to read:

3.6 Subd. 41a. Regular firearms season. "Regular firearms season" means any of the
3.7 firearms deer season options prescribed by the commissioner that begin in November,
3.8 exclusive of the muzzle-loader season.

3.9 Sec. 9. Minnesota Statutes 2004, section 97A.055, subdivision 2, is amended to read:

3.10 **Subd. 2. Receipts.** The commissioner of finance shall credit to the game and fish
3. fund all money received under the game and fish laws and all income from state lands
3.12 acquired by purchase or gift for game or fish purposes, including receipts from:

3.13 (1) licenses and permits issued;

3.14 (2) fines and forfeited bail;

3.15 (3) sales of contraband, wild animals, and other property under the control of the
3.16 division;

3.17 (4) fees from advanced education courses for hunters and trappers;

3.18 (5) reimbursements of expenditures by the division;

3.19 (6) contributions to the division; and

3.20 (7) revenue credited to the game and fish fund under section 297A.94, paragraph
3.21 (e), clause (1).

3.22 Sec. 10. Minnesota Statutes 2004, section 97A.065, subdivision 2, is amended to read:

3.23 **Subd. 2. Fines and forfeited bail.** (a) Fines and forfeited bail collected from
3.24 prosecutions of violations of: the game and fish laws or rules adopted thereunder; sections
3.25 84.091 to 84.15 or rules adopted thereunder; sections 84.81 to 84.91 or rules adopted
3.26 thereunder; section 169A.20, when the violation involved an off-road recreational vehicle
3.27 as defined in section 169A.03, subdivision 16; chapter 348; and any other law relating
3.28 to wild animals or aquatic vegetation, must be paid to the treasurer of the county where
3.29 the violation is prosecuted. The county treasurer shall submit one-half of the receipts to
3.30 the commissioner and credit the balance to the county general revenue fund except as
3.31 provided in paragraphs (b), (c), and (d). In a county in a judicial district under section
3.32 480.181, subdivision 1, paragraph (b), the share that would otherwise go to the county

4.1 under this paragraph must be submitted to the commissioner of finance for deposit in the
4.2 state treasury and credited to the general fund.

4.3 ~~(b) The commissioner may reimburse a county, from the game and fish fund, for the~~
4.4 ~~cost of keeping prisoners prosecuted for violations of the game and fish laws under this~~
4.5 ~~section if the county board, by resolution, directs: (1) the county treasurer to submit all~~
4.6 ~~game and fish fines and forfeited bail to the commissioner; and (2) the county auditor to~~
4.7 ~~certify and submit monthly itemized statements to the commissioner.~~

4.8 ~~(c)~~ (b) The county treasurer shall submit one-half of the receipts collected under
4.9 paragraph (a) from prosecutions of violations of sections 84.81 to 84.91 or rules adopted
4.10 thereunder, and 169A.20, except receipts that are surcharges imposed under section
4.11 357.021, subdivision 6, to the commissioner and credit the balance to the county
4.12 general fund. The commissioner shall credit these receipts to the snowmobile trails and
4.13 enforcement account in the natural resources fund.

4.14 ~~(d)~~ (c) The county treasurer shall indicate the amount of the receipts that are
4.15 surcharges imposed under section 357.021, subdivision 6, and shall submit all of those
4.16 receipts to the commissioner of finance.

4.17 Sec. 11. Minnesota Statutes 2004, section 97A.075, subdivision 1, is amended to read:

4.18 Subdivision 1. **Deer, bear, and lifetime licenses.** (a) For purposes of this
4.19 subdivision, "deer license" means a license issued under section 97A.475, subdivisions
4.20 2, clauses (4), (5), (9), (11), (13), and (14), and 3, clauses (2), (3), and (7), and licenses
4.21 issued under section 97B.301, subdivision 4.

4.22 (b) ~~At least~~ \$2 from each annual deer license and \$2 annually from the lifetime fish
4.23 and wildlife trust fund, established in section 97A.4742, for each license issued under
4.24 section 97A.473, subdivision 4, shall be credited to the deer management account and
4.25 shall be used for deer habitat improvement or deer management programs.

4.26 (c) ~~At least~~ \$1 from each annual deer license and each bear license and \$1 annually
4.27 from the lifetime fish and wildlife trust fund, established in section 97A.4742, for each
4.28 license issued under section 97A.473, subdivision 4, shall be credited to the deer and bear
4.29 management account and shall be used for deer and bear management programs, including
4.30 a computerized licensing system.

4.31 (d) Fifty cents from each deer license is credited to the emergency deer feeding
4.32 and wild cervidae health management account and is appropriated for emergency deer
4.33 feeding and wild cervidae health management. Money appropriated for emergency
4.34 deer feeding and wild cervidae health management is available until expended. When
4.35 the unencumbered balance in the appropriation for emergency deer feeding and wild

5.1 cervidae health management at the end of a fiscal year exceeds \$2,500,000 for the first
5.2 time, \$750,000 is canceled to the unappropriated balance of the game and fish fund.
5.3 The commissioner must inform the legislative chairs of the natural resources finance
5.4 committees every two years on how the money for emergency deer feeding and wild
5.5 cervidae health management has been spent.

5.6 Thereafter, when the unencumbered balance in the appropriation for emergency deer
5.7 feeding and wild cervidae health management exceeds \$2,500,000 at the end of a fiscal
5.8 year, the unencumbered balance in excess of \$2,500,000 is canceled and available for deer
5.9 and bear management programs and computerized licensing.

5.10 **EFFECTIVE DATE.** This section is effective July 1, 2007.

5 Sec. 12. Minnesota Statutes 2004, section 97A.101, subdivision 4, is amended to read:

5.12 Subd. 4. **Restrictions on airboats, watercraft, and recreational vehicles.** (a) The
5.13 use of airboats is prohibited at all times on lakes designated for wildlife management
5.14 purposes under this section unless otherwise authorized by the commissioner.

5.15 (b) The commissioner may restrict the use of motorized watercraft and recreational
5.16 vehicles on lakes designated for wildlife management purposes by posting all public
5.17 access points on the designated lake. Restrictions may include prohibitions or limitations
5.18 on the type of allowable motorized watercraft or recreational vehicle, horsepower or
5.19 thrust of motor, speed of operation, season or area of use, or other restrictions that the
5.20 commissioner determines are necessary to minimize disturbances to wildlife or to protect
5.21 wildlife habitat. Designation of areas, times, and types of restrictions to be posted shall be
5 by written order published in the State Register. Posting of the restrictions is not subject to
5.23 the rulemaking provisions of chapter 14 and section 14.386 does not apply.

5.24 Sec. 13. Minnesota Statutes 2004, section 97A.221, subdivision 3, is amended to read:

5.25 Subd. 3. **Procedure for confiscation of property seized.** The enforcement officer
5.26 must hold the seized property. The property held may be confiscated when:

5.27 (1) the person from whom the property was seized is convicted, the conviction is not
5.28 under appeal, and the time period for appeal of the conviction has expired; or

5.29 (2) the property seized is contraband consisting of a wild animal, wild rice, or other
5.30 aquatic vegetation.

5 Sec. 14. Minnesota Statutes 2004, section 97A.221, subdivision 4, is amended to read:

5.32 Subd. 4. **Disposal of confiscated property.** Confiscated property may be disposed
5.33 of or retained for use by the commissioner, or sold at the highest price obtainable as

6.1 prescribed by the commissioner. Upon acquittal or dismissal of the charged violation for
6.2 which the property was seized;

6.3 (1) all property, other than contraband consisting of a wild animal, wild rice, or other
6.4 aquatic vegetation, must be returned to the person from whom the property was seized; and

6.5 (2) the commissioner shall reimburse the person for the full value of any seized or
6.6 confiscated property that is sold, lost, or damaged.

6.7 **EFFECTIVE DATE.** This section is effective the day following final enactment
6.8 and applies to property seized beginning one year prior to that date.

6.9 Sec. 15. Minnesota Statutes 2004, section 97A.225, subdivision 2, is amended to read:

6.10 Subd. 2. **Procedure for confiscation of property seized.** The enforcement officer
6.11 must hold the seized property, subject to the order of the court having jurisdiction where
6.12 the offense was committed. The property held is confiscated when:

6.13 (1) the commissioner complies with this section and;

6.14 (2) the person from whom it was seized is convicted of the offense; and

6.15 (3) the conviction is not under appeal and the time period for appeal of the
6.16 conviction has expired.

6.17 Sec. 16. Minnesota Statutes 2004, section 97A.225, subdivision 5, is amended to read:

6.18 Subd. 5. **Court order.** (a) If the person arrested is acquitted, the court shall dismiss
6.19 the complaint against the property and:

6.20 (1) order it returned to the person legally entitled to it; and

6.21 (2) order the commissioner to reimburse the person for the full value of any seized
6.22 or confiscated property that is sold, lost, or damaged.

6.23 (b) Upon conviction of the person, the court shall issue an order directed to any
6.24 person that may have any right, title, or interest in, or lien upon, the seized property. The
6.25 order must describe the property and state that it was seized and that a complaint against
6.26 it has been filed. The order shall require a person claiming right, title, or interest in, or
6.27 lien upon, the property to file with the court administrator an answer to the complaint,
6.28 stating the claim, within ten days after the service of the order. The order shall contain a
6.29 notice that if the person fails to file an answer within the time limit, the property may be
6.30 ordered sold by the commissioner.

6.31 (c) The court order must be served upon any person known or believed to have any
6.32 right, title, interest, or lien in the same manner as provided for service of a summons in a
6.33 civil action, and upon unknown persons by publication, in the same manner as provided
6.34 for publication of a summons in a civil action.

7.1 **EFFECTIVE DATE.** This section is effective the day following final enactment
7.2 and applies to property seized beginning one year prior to that date.

7.3 Sec. 17. Minnesota Statutes 2004, section 97A.251, subdivision 1, is amended to read:

7.4 Subdivision 1. **Unlawful conduct.** A person may not:

7.5 (1) intentionally hinder, resist, or obstruct an enforcement officer, agent, or employee
7.6 of the division in the performance of official duties;

7.7 (2) refuse to submit to inspection of ~~firearms~~ equipment used to take wild animals
7.8 while in the field, licenses, or wild animals; or

7.9 (3) refuse to allow inspection of a motor vehicle, boat, or other conveyance used
7.10 while taking or transporting wild animals.

7. Sec. 18. Minnesota Statutes 2004, section 97A.321, is amended to read:

7.12 **97A.321 DOGS PURSUING OR KILLING BIG GAME.**

7.13 The owner of a dog that pursues but does not kill a big game animal is guilty of a
7.14 petty misdemeanor and is subject to a civil penalty of \$100 for each violation. The owner
7.15 of a dog that kills ~~or pursues~~ a big game animal is guilty of a petty misdemeanor and is
7.16 subject to a civil penalty of ~~up to~~ \$500 for each violation.

7.17 Sec. 19. Minnesota Statutes 2005 Supplement, section 97A.405, subdivision 4, is
7.18 amended to read:

7.19 Subd. 4. **Replacement licenses.** (a) The commissioner may permit licensed deer
7.20 hunters to change zone, license, or season options. The commissioner may issue a
7.21 replacement license if the applicant submits the original deer license and unused tags that
7.22 are being replaced and the applicant pays any increase in cost between the original and
7.23 the replacement license. When a person submits both an archery and a firearms license
7.24 for replacement, the commissioner may apply the value of both licenses towards the
7.25 replacement license fee.

7.26 (b) A replacement license may be issued only if the applicant has not used any tag
7.27 from the original license and meets the conditions of paragraph (c). The original license
7.28 and all unused tags for that license must be submitted to the issuing agent at the time
7.29 the replacement license is issued.

7.30 (c) A replacement license may be issued under the following conditions, or as
7.31 otherwise prescribed by rule of the commissioner:

7.32 (1) when the season for the license being surrendered has not yet opened; or

8.1 (2) when the person is upgrading from a regular firearms or archery deer license to a
8.2 multizone or all season deer license that is valid in multiple zones.

8.3 (d) Notwithstanding section 97A.411, subdivision 3, a replacement license is valid
8.4 immediately upon issuance if the license being surrendered is valid at that time.

8.5 Sec. 20. Minnesota Statutes 2004, section 97A.475, subdivision 2, is amended to read:

8.6 Subd. 2. **Resident hunting.** Fees for the following licenses, to be issued to residents
8.7 only, are:

8.8 (1) for persons age 18 or over and under age 65 to take small game, \$12.50;

8.9 (2) for persons ages 16 and 17 and age 65 or over, \$6 to take small game;

8.10 (3) to take turkey, \$18;

8.11 (4) for persons age 18 or over to take deer with firearms, \$26;

8.12 (5) for persons age 18 or over to take deer by archery, \$26;

8.13 (6) to take moose, for a party of not more than six persons, \$310;

8.14 (7) to take bear, \$38;

8.15 (8) to take elk, for a party of not more than two persons, \$250;

8.16 (9) multizone license to take antlered deer in more than one zone, \$52;

8.17 (10) to take Canada geese during a special season, \$4;

8.18 (11) all season license to take two deer throughout the state in any open deer season,
8.19 except as restricted under section 97B.305, \$78;

8.20 (12) to take prairie chickens, \$20;

8.21 (13) for persons at least age 12 and under age 18 to take deer with firearms during
8.22 the regular firearms season in any open zone or time period, \$13; and

8.23 (14) for persons at least age 12 and under age 18 to take deer by archery, \$13.

8.24 Sec. 21. Minnesota Statutes 2005 Supplement, section 97A.475, subdivision 3, is
8.25 amended to read:

8.26 Subd. 3. **Nonresident hunting.** Fees for the following licenses, to be issued
8.27 to nonresidents, are:

8.28 (1) to take small game, \$73;

8.29 (2) to take deer with firearms, \$135;

8.30 (3) to take deer by archery, the greater of:

8.31 (i) an amount equal to the total amount of license fees and surcharges charged to a

8.32 Minnesota resident to take deer by archery in the person's state or province of residence; or

8.33 (ii) \$135;

8.34 (4) to take bear, \$195;

9.1 (5) to take turkey, \$73;

9.2 (6) to take raccoon, bobcat, fox, or coyote, \$155;

9.3 (7) multizone license to take antlered deer in more than one zone, \$270; and

9.4 (8) to take Canada geese during a special season, \$4.

9.5 Sec. 22. Minnesota Statutes 2004, section 97A.475, subdivision 20, is amended to read:

9.6 Subd. 20. **Trapping license.** The fee for a license to trap fur-bearing animals is:

9.7 (1) for residents over age 13 and under age 18, \$6;

9.8 (2) for residents age 18 ~~and older~~ or over and under age 65, \$20; ~~and~~

9.9 (3) for residents age 65 or over, \$10; and

9.10 (4) for nonresidents, \$73.

9.11 Sec. 23. Minnesota Statutes 2004, section 97A.535, subdivision 1, is amended to read:

9.12 Subdivision 1. **Tags required.** (a) A person may not possess or transport deer,
9.13 bear, elk, or moose taken in the state unless a tag is attached to the carcass in a manner
9.14 prescribed by the commissioner. The commissioner must prescribe the type of tag that has
9.15 the license number of the owner, the year of its issue, and other information prescribed by
9.16 the commissioner.

9.17 (b) The tag and the license must be validated at the site of the kill as prescribed by
9.18 the commissioner.

9.19 (c) Except as otherwise provided in this section, the tag must be attached to the
9.20 deer, bear, elk, or moose at the site of the kill before the animal is removed from the
9.21 site of the kill, ~~and.~~

9.22 (d) The tag must remain attached to the animal until the animal is processed for
9.23 storage.

9.24 (e) A person may move a lawfully taken deer, bear, elk, or moose from the site of the
9.25 kill without attaching the validated tag to the animal only while in the act of manually
9.26 or mechanically dragging, carrying, or carting the animal across the ground and while
9.27 possessing the validated tag on their person. A motor vehicle may be used to drag the
9.28 animal across the ground. At all other times, the validated tag must be attached to the
9.29 deer, bear, elk, or moose:

9.30 (1) as otherwise provided in this section; and

9.31 (2) prior to the animal being placed onto and transported on a motor vehicle, being
9.32 hung from a tree or other structure or device, or being brought into a camp or yard or
9.33 other place of habitation.

10.1 Sec. 24. Minnesota Statutes 2005 Supplement, section 97A.551, subdivision 6, is
10.2 amended to read:

10.3 Subd. 6. **Tagging and registration.** The commissioner may, by rule, require
10.4 persons taking, possessing, and transporting certain species of fish to tag the fish with
10.5 a special fish management tag and may require registration of tagged fish. A person
10.6 may not possess or transport a fish species taken in the state for which a special fish
10.7 management tag is required unless a tag is attached to the fish in a manner prescribed by
10.8 the commissioner. The commissioner shall prescribe the manner of issuance and the
10.9 type of tag as authorized under section 97C.087. The tag must be attached to the fish as
10.10 prescribed by the commissioner immediately upon reducing the fish to possession and
10.11 must remain attached to the fish until the fish is processed or consumed. Species for
10.12 which a special fish management tag is required must be transported undressed, except as
10.13 otherwise prescribed by the commissioner.

10.14 Sec. 25. Minnesota Statutes 2004, section 97B.021, subdivision 1, is amended to read:

10.15 Subdivision 1. **Restrictions.** (a) Except as provided in this subdivision, a person
10.16 under the age of 16 may not possess a firearm, ~~unless accompanied by~~ without maintaining
10.17 unaided visual and vocal contact with a parent or guardian.

10.18 (b) A person under age 16 may possess a firearm ~~without being accompanied by~~
10.19 maintaining unaided visual and vocal contact with a parent or guardian:

10.20 (1) on land owned by, or occupied as the principal residence of, the person or the
10.21 person's parent or guardian;

10.22 (2) while participating in an organized target shooting program with adult
10.23 supervision;

10.24 (3) while the person is participating in a firearms safety program or traveling to
10.25 and from class; or

10.26 (4) if the person is age 14 or 15 and has a firearms safety certificate.

10.27 Sec. 26. Minnesota Statutes 2004, section 97B.021, is amended by adding a
10.28 subdivision to read:

10.29 Subd. 1a. **Parent or guardian duties.** A parent or guardian may not knowingly
10.30 direct, allow, or permit a person under the age of 16 to possess a firearm in violation
10.31 of this section.

10.32 Sec. 27. **[97B.22] COLLECTING ANTLER SHEDS.**

10.33 (a) A person may take and possess naturally shed antlers without a license.

11.1 (b) A person may not place, arrange, or set equipment in a manner that is likely to
 11.2 artificially pull, sever, or otherwise cause antlers of live deer, moose, elk, or caribou to
 11 be shed or removed.

11.4 Sec. 28. Minnesota Statutes 2004, section 97B.301, subdivision 7, is amended to read:

11.5 Subd. 7. **All season deer license.** (a) A resident may obtain an all season deer
 11.6 license. ~~This license that authorizes the resident to take one buck by firearm or archery hunt~~
 11.7 ~~during any season statewide. In addition, a resident obtaining this license may take one~~
 11.8 ~~antlerless deer:~~ the archery, regular firearms, and muzzle-loader seasons. The all season
 11.9 license is valid for taking three deer, no more than one of which may be a legal buck.

11.10 ~~(1) by firearms in the regular firearms season if the resident first obtains an antlerless~~
 11.11 ~~deer permit or if the resident takes the antlerless deer in an area where the commissioner~~
 1. ~~has authorized taking a deer of either sex without an antlerless permit;~~

11.13 ~~(2) by archery in the archery season; or~~

11.14 ~~(3) by muzzleloader in the muzzleloader season.~~

11.15 (b) The all season deer license is valid for taking antlerless deer as follows:

11.16 (1) up to two antlerless deer may be taken during the archery or muzzle-loader
 11.17 seasons in any open area or during the regular firearms season in managed or intensive
 11.18 deer areas; and

11.19 (2) one antlerless deer may be taken during the regular firearms season in a lottery
 11.20 deer area, only with an either-sex permit or statutory exemption from an either-sex permit.

11.21 (c) The commissioner shall issue ~~one tag for a buck and one tag for an antlerless~~
 11.22 deer ~~three tags~~ when issuing a license under this subdivision.

11.23 Sec. 29. **[97B.318] ARMS USE AREAS AND RESTRICTIONS; REGULAR**
 11.24 **FIREARMS SEASON.**

11.25 Subdivision 1. Shotgun use area. During the regular firearms season in the shotgun
 11.26 use area, only legal shotguns loaded with single-slug shotgun shells, legal muzzle-loading
 11.27 long guns, and legal handguns may be used for taking deer. Legal shotguns include
 11.28 those with rifled barrels. The shotgun use area is that portion of the state lying within
 11.29 the following described boundary: Beginning on the west boundary of the state at U.S.
 11.30 Highway 10; thence along U.S. Highway 10 to State Trunk Highway (STH) 32; thence
 11.31 along STH 32 to STH 34; thence along STH 34 to Interstate Highway 94 (I-94); thence
 11.32 along I-94 to County State Aid Highway (CSAH) 40, Douglas County; thence along
 11.33 CSAH 40 to CSAH 82, Douglas County; thence along CSAH 82 to CSAH 22, Douglas
 11.34 County; thence along CSAH 22 to CSAH 6, Douglas County; thence along CSAH 6 to

12.1 CSAH 14, Douglas County; thence along CSAH 14 to STH 29; thence along STH 29 to
12.2 CSAH 46, Otter Tail County; thence along CSAH 46, Otter Tail County, to CSAH 22,
12.3 Todd County; thence along CSAH 22 to U.S. Highway 71; thence along U.S. Highway 71
12.4 to STH 27; thence along STH 27 to the Mississippi River; thence along the east bank of
12.5 the Mississippi River to STH 23; thence along STH 23 to STH 95; thence along STH 95 to
12.6 U.S. Highway 8; thence along U.S. Highway 8 to the eastern boundary of the state; thence
12.7 along the east, south, and west boundaries of the state to the point of beginning.

12.8 Subd. 2. All legal firearms use area. The all legal firearms use area is that part of
12.9 the state lying outside of the shotgun use area.

12.10 Sec. 30. Minnesota Statutes 2004, section 97C.081, subdivision 4, is amended to read:

12.11 Subd. 4. **Restrictions.** The commissioner may by rule establish restrictions on
12.12 fishing contests to protect fish and fish habitat, to minimize user conflicts, and for the
12.13 safety of contest participants.

12.14 Sec. 31. Minnesota Statutes 2004, section 97C.081, subdivision 6, is amended to read:

12.15 Subd. 6. **Permit application process.** (a) Beginning ~~September~~ August 1 each
12.16 year, the commissioner shall accept permit applications for fishing contests to be held in
12.17 the following year.

12.18 (b) If the number of permit applications received by the commissioner from
12.19 ~~September~~ August 1 through the last Friday in ~~October~~ September exceeds the limits
12.20 specified in subdivisions 7 and 8, the commissioner shall notify the affected applicants
12.21 that their requested locations and time period are subject to a drawing. After notification,
12.22 the commissioner shall allow the affected applicants a minimum of seven days to change
12.23 the location or time period requested on their applications, provided that the change is
12.24 not to a location or time period for which applications are already at or above the limits
12.25 specified in subdivisions 7 and 8.

12.26 (c) After the applicants have been given at least seven days to change their
12.27 applications, the commissioner shall conduct a drawing for all locations and time periods
12.28 for which applications exceed limits. First preference in the drawings shall be given
12.29 to applicants for established or traditional fishing contests, and second preference to
12.30 applicants for contests that are not established as traditional fishing contests based on the
12.31 number of times they have been unsuccessful in previous drawings. Except for applicants
12.32 of established or traditional fishing contests, an applicant who is successful in a drawing
12.33 loses all accumulated preference. "Established or traditional fishing contest" means a
12.34 fishing contest that was issued permits in 1999 and 2000 or was issued permits four out of

13.1 five years from 1996 to 2000 for the same lake and time period. Beginning with 2001,
 13.2 established or traditional fishing contests must continue to be conducted at least four out
 1 of five years for the same lake and time period to remain established or traditional.

13.4 (d) The commissioner has until ~~December~~ November 7 to approve or deny permit
 13.5 applications that are submitted by 4:30 p.m. on the last Friday in ~~October~~ September. The
 13.6 commissioner may approve a permit application that is received after 4:30 p.m. on the last
 13.7 Friday in ~~October~~ September if approving the application would not result in exceeding
 13.8 the limits in subdivisions 7 and 8.

13.9 Sec. 32. Minnesota Statutes 2004, section 97C.081, subdivision 8, is amended to read:

13.10 Subd. 8. **Limits on number of fishing contests.** ~~(a)~~ The number of permitted
 13.11 fishing contests allowed each month on a water body shall not exceed the following limits:

(1) Lakes:

	Maximum number of permitted fishing contests	Maximum number of large permitted fishing contests	Maximum number of permitted fishing contest days
13.13 Size/acres			
13.14 less than 2,000	2	0	4
13.15 2,000-4,999	3	1	6
13.16 5,000-14,999	4	2	8
13.17 15,000-55,000	5	3	10
13.18 more than 55,000	no limit	no limit	no limit

13.22 ~~(b)~~ For boundary ~~waters~~ water lakes, the limits on the number of permitted fishing
 13.23 contests shall be determined based on the Minnesota acreage.

(2) Rivers:

	<u>Maximum number of permitted fishing contests</u>	<u>Maximum number of large permitted fishing contests</u>	<u>Maximum number of permitted fishing contest days</u>
13.25 <u>Mississippi River:</u>			
13.26 <u>Pool 1, 2, 3, 5, 5A,</u>			
13.27 <u>6, 7, 8, 9</u>	<u>4 (each pool)</u>	<u>2 (each pool)</u>	<u>8 (each pool)</u>
13.28 <u>Pool 4</u>	<u>5</u>	<u>3</u>	<u>10</u>

14.1	<u>St. Croix River</u>	<u>2</u>	<u>1</u>	<u>4</u>
14.2	<u>Lake St. Croix</u>	<u>4</u>	<u>2</u>	<u>8</u>

14.3 Contest waters identified in the permit for Mississippi River pools are limited to
 14.4 no more than one lockage upstream and one lockage downstream from the pool where
 14.5 the contest access and weigh-in is located.

14.6 Contest waters for Lake St. Croix are bounded by the U.S. Highway 10 bridge at
 14.7 Prescott upstream to the Arcola Bar. Contest waters for the St. Croix River are bounded
 14.8 by the Arcola Bar upstream to the Wisconsin state line.

14.9 For all other rivers, no more than two contest permits, not to exceed four days
 14.10 combined, may be issued for any continuous segment of a river per month. Of the two
 14.11 contests permitted, only one shall be a large permitted fishing contest. Permits issued by
 14.12 the commissioner shall not exceed 60 continuous river miles.

14.13 Sec. 33. Minnesota Statutes 2004, section 97C.081, subdivision 9, is amended to read:

14.14 Subd. 9. **Permit restrictions.** (a) The commissioner may require fishing contest
 14.15 permittees to limit prefishing to week days only as a condition of a fishing contest permit.
 14.16 The commissioner may require proof from permittees that prefishing restrictions on the
 14.17 permit are communicated to fishing contest participants and enforced.

14.18 (b) The commissioner may require permit restrictions on the hours that a permitted
 14.19 fishing contest is conducted, including, but not limited to, starting and ending times.

14.20 (c) The commissioner may require permit restrictions on the number of parking
 14.21 spaces that may be used on a state-owned public water access site. The commissioner may
 14.22 require proof from permittees that parking restrictions on the permit are communicated to
 14.23 fishing contest participants and enforced.

14.24 (d) To prevent undue ~~loss~~ mortality of released fish, the commissioner may require
 14.25 restrictions for off-site weigh-ins and live releases on a fishing contest permit or may deny
 14.26 permits requesting an off-site weigh-in or live release.

14.27 (e) A person may not transfer a fishing contest permit to another person.

14.28 (f) Failure to comply with fishing contest permit restrictions may be considered
 14.29 grounds for denial of future permit applications.

14.30 Sec. 34. Minnesota Statutes 2004, section 97C.205, is amended to read:

14.31 **97C.205 RULES FOR TRANSPORTING AND STOCKING FISH.**

14.32 (a) Except on the water body where taken, a person may not transport a live fish in a
 14.33 quantity of water sufficient to keep the fish alive, unless the fish:

- 15.1 (1) is being transported under an aquaculture license as authorized under sections
 15.2 17.4985 and 17.4986;
- 15.3 (2) is being transported for a fishing contest weigh-in under section 97C.081;
 15.4 (3) is a minnow being transported under section 97C.505 or 97C.515;
 15.5 (4) is being transported by a commercial fishing license holder under section
 15.6 97C.821; or
- 15.7 (5) is being transported as otherwise authorized in this section.
- 15.8 (b) The commissioner may adopt rules to allow and regulate:
- 15.9 (1) the transportation of fish and fish eggs ~~from one body of water to another~~; and
 15.10 (2) the stocking of waters with fish or fish eggs.
- 15.11 ~~(b)~~ (c) The commissioner shall prescribe rules designed to encourage local sporting
 15.12 organizations to propagate game fish by using rearing ponds. The rules must:
- 15.13 (1) prescribe methods to acquire brood stock for the ponds by seining public waters;
 15.14 (2) allow the sporting organizations to own and use seines and other necessary
 15.15 equipment; and
- 15.16 (3) prescribe methods for stocking the fish in public waters that give priority to the
 15.17 needs of the community where the fish are reared and the desires of the organization
 15.18 operating the rearing pond.
- 15.19 ~~(c)~~ (d) A person age 16 or under may, for purposes of display in a home aquarium,
 15.20 transport largemouth bass, smallmouth bass, yellow perch, rock bass, black crappie,
 15.21 white crappie, bluegill pumpkinseed, green sunfish, orange spotted sunfish, and black,
 15.22 yellow, and brown bullheads taken by angling. No more than four of each species may
 15.23 be transported at any one time, and any individual fish can be no longer than ten inches
 15.24 in total length.
- 15.25 **Sec. 35. Minnesota Statutes 2004, section 97C.355, subdivision 7, is amended to read:**
- 15.26 **Subd. 7. Dates and times houses may remain on ice. (a) Except as provided**
 15.27 **in paragraph (d), a shelter, including a fish house or dark house, may not be on the ice**
 15.28 **between 12:00 a.m. and one hour before sunrise after the following dates:**
- 15.29 **(1) the last day of February, for state waters south of a line starting at the**
 15.30 **Minnesota-North Dakota border and formed by rights-of-way of U.S. Route No. 10, then**
 15.31 **east along U.S. Route No. 10 to Trunk Highway No. 34, then east along Trunk Highway**
 15.32 **No. 34 to Trunk Highway No. 200, then east along Trunk Highway No. 200 to U.S. Route**
 15.33 **No. 2, then east along U.S. Route No. 2 to the Minnesota-Wisconsin border; and**
- 15.34 **(2) March 15, for other state waters.**

16.1 A shelter, including a fish house or dark house, on the ice in violation of this
16.2 subdivision is subject to the enforcement provisions of paragraph (b). The commissioner
16.3 may, by rule, change the dates in this paragraph for any part of state waters. Copies of
16.4 the rule must be conspicuously posted on the shores of the waters as prescribed by the
16.5 commissioner.

16.6 (b) A conservation officer must confiscate a fish house ~~or~~, dark house, or shelter in
16.7 violation of paragraph (a). The officer may remove, burn, or destroy the house or shelter.
16.8 The officer shall seize the contents of the house or shelter and hold them for 60 days. If the
16.9 seized articles have not been claimed by the owner, they may be retained for the use of the
16.10 division or sold at the highest price obtainable in a manner prescribed by the commissioner.

16.11 (c) When the last day of February, under paragraph (a), clause (1), or March 15,
16.12 under paragraph (a), clause (2), falls on a Saturday, a shelter, including a fish house or
16.13 dark house, may be on the ice between 12:00 a.m. and one hour before sunrise until
16.14 12:00 a.m. the following Monday.

16.15 (d) A person may have a shelter, including a fish house or dark house, on the ice
16.16 between 12:00 a.m. and one hour before sunrise on waters within the area prescribed in
16.17 paragraph (a), clause (2), but the house or shelter may not be unattended during those
16.18 hours.

16.19 Sec. 36. Minnesota Statutes 2004, section 97C.371, subdivision 4, is amended to read:

16.20 Subd. 4. **Open season.** The open season for spearing through the ice is December 1
16.21 to the ~~third~~ last Sunday in February.

16.22 Sec. 37. **DITCH BUFFER TASK FORCE.**

16.23 The Board of Water and Soil Resources shall convene a task force to address the
16.24 recommendations and findings identified in the February 2006 public drainage ditch
16.25 buffer study, including, but not limited to:

16.26 (1) clarification of the point of beginning for measuring the required grass strip;

16.27 (2) enhancing the ability of drainage authorities to establish and maintain grass strips;

16.28 (3) developing methods and models for drainage records modernization;

16.29 (4) developing a best management practices manual and training for public drainage
16.30 systems and authorities;

16.31 (5) annual reporting by drainage authorities; and

16.32 (6) identifying barriers and promoting incentives for buffer strip implementation
16.33 regarding federal, state, and local programs and requirements.

17.1 The recommendations must be done in consultation with farm groups, watershed
17.2 districts, soil and water conservation districts, counties, industry, and conservation
17 organizations, as well as federal agencies implementing voluntary buffer programs.
17.4 State agencies participating shall include the Minnesota Department of Agriculture,
17.5 Minnesota Pollution Control Agency, and Minnesota Department of Natural Resources.
17.6 The board shall report the results to the senate and house of representatives committees
17.7 with jurisdiction over public drainage systems by January 15, 2007.

17.8 **Sec. 38. MORATORIUM ON LICENSING OR USE OF NEW PUBLIC WATERS**
17.9 **FOR AQUACULTURE.**

17.10 (a) Except as provided in paragraphs (b) and (c), the commissioner of natural
17.11 resources may not license or use public waters, as defined in Minnesota Statutes, section
1. 103G.005, subdivision 15, for aquaculture or the raising of fish that were not licensed by
17.13 the commissioner of natural resources or used for that purpose by the commissioner of
17.14 natural resources during the five-year period prior to April 1, 2006.

17.15 (b) The commissioner of natural resources may annually authorize fish rearing in
17.16 new public waters, if the fish rearing is conducted as part of a wetland improvement plan
17.17 approved by the commissioner.

17.18 (c) The commissioner of natural resources may license or use public waters for
17.19 aquaculture that were not used during the time period prescribed in paragraph (a) as a
17.20 replacement for public waters that were used during that time period and are being vacated
17.21 for use in aquaculture or raising fish. The restrictions in paragraph (a) apply to public
17.22 waters that are replaced under this paragraph.

1. (d) This section expires December 31, 2007.

17.24 **Sec. 39. REPEALER.**

17.25 Minnesota Statutes 2004, section 97C.355, subdivision 6, is repealed.

APPENDIX

Repealed Minnesota Statutes: S2974-1

97C.355 DARK HOUSES AND FISH HOUSES.

Subd. 6. **Restrictions for nonresidents.** A nonresident may obtain a license for a fish house but the house may not be unattended.

USE AFTER SENATE COMMITTEE DEADLINE (March 28)

Companion H.F. No. 3116 now in House _____ Committee; Ag, environment & Nat Resource
Finance
sent there on 3 28, 2006; **OR** had second reading on _____, 2006

COMMITTEE REPORT - NO AMENDMENTS

Committee on State and Local Gov ops

S. F. No. 2974

- Resolution
- Re-referred (from another committee)

Committee recommendation:

- do pass.
- do pass and be placed on the Consent Calendar.
- do pass and be re-referred to the Committee on Finance.

No recommendation:

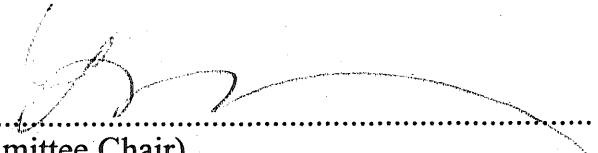
- (be re-referred to the Committee on _____ **OR**
- (be reported to the Senate) .

_____, _____ (date of committee recommendation)

Senator Higgins from the Committee on State and Local Government Operations, to which was re-referred

S.F. No. 2974: A bill for an act relating to game and fish; modifying critical habitat private sector matching account provisions; providing definitions; providing for and modifying disposition of certain revenue; modifying restrictions on motorized watercraft and recreational vehicles in wildlife management areas; modifying procedure for confiscation of property; providing for inspection of equipment used to take wild animals; modifying certain penalty and fee amounts; modifying certain game and fish license provisions; modifying firearms possession provisions for persons under 16; providing for collecting antler sheds; modifying certain provisions for taking and possessing game and fish; providing for arms use areas; modifying provisions for fishing contests; creating a ditch buffer task force; providing for a moratorium on use of public waters for aquaculture; amending Minnesota Statutes 2004, sections 84.943, subdivision 3; 97A.015, by adding subdivisions; 97A.055, subdivision 2; 97A.065, subdivision 2; 97A.075, subdivision 1; 97A.101, subdivision 4; 97A.221, subdivisions 3, 4; 97A.225, subdivisions 2, 5; 97A.251, subdivision 1; 97A.321; 97A.475, subdivisions 2, 20; 97A.535, subdivision 1; 97B.021, subdivision 1, by adding a subdivision; 97B.301, subdivision 7; 97C.081, subdivisions 4, 6, 8, 9; 97C.205; 97C.355, subdivision 7; 97C.371, subdivision 4; Minnesota Statutes 2005 Supplement, sections 97A.405, subdivision 4; 97A.475, subdivision 3; 97A.551, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 97B; repealing Minnesota Statutes 2004, section 97C.355, subdivision 6.

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


.....
(Committee Chair)

March 29, 2006
(Date of Committee recommendation)

Senator Jungbauer introduced-

S.F. No. 3141: Referred to the Committee on State and Local Government Operations.

1.1 A bill for an act
 1.2 relating to local government; granting port authority powers to the city of
 1.3 Ramsey; proposing coding for new law in Minnesota Statutes, chapter 469.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. **[469.0805] RAMSEY.**

1.6 The governing body of the city of Ramsey may exercise all the powers of a port
 1.7 authority provided by sections 469.048 to 469.068.

USE AFTER SENATE COMMITTEE DEADLINE (March 28)

Companion H.F. No. 3289 now in House _____ Committee; Taxes

sent there on 3 20, 2006; **OR** had second reading on _____, 2006

COMMITTEE REPORT - NO AMENDMENTS

Committee on Budget State and Local Gov ops

S. F. No. 3141

- Resolution
- Re-referred (from another committee)

Committee recommendation:

- do pass.
- do pass and be placed on the Consent Calendar.
- do pass and be re-referred to the Committee on Taxes.

No recommendation:

- (be re-referred to the Committee on _____ **OR**
- (be reported to the Senate) .

_____, ____ (date of committee recommendation)

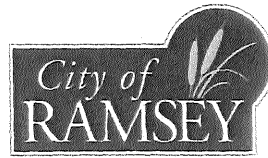
1.1 **Senator Higgins from the Committee on State and Local Government**
1.2 **Operations, to which was referred**

1.3 **S.F. No. 3141:** A bill for an act relating to local government; granting port authority
1.5 powers to the city of Ramsey; proposing coding for new law in Minnesota Statutes,
chapter 469.

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

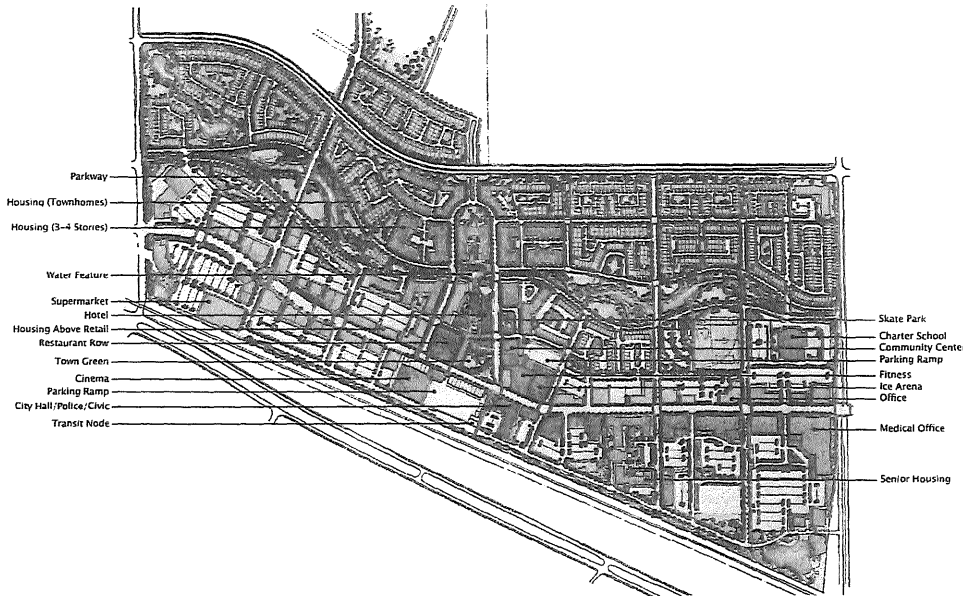
1.8
1.9 
(Committee Chair)

1.10 March 29, 2006
1.11 (Date of Committee recommendation)



A Brief Summary of the Ramsey Town Center Project

Ramsey Town Center is a 370-acre, master planned, mixed-use development located on U.S. Highway 10 between Ramsey Blvd. and Armstrong Blvd. in the City of Ramsey. The Ramsey Town Center will have over 2,800 housing units, 775,000 square feet of commercial, retail, office, and civic uses, a station for the future Northstar Commuter Rail, and 25 acres of new parkland. The Ramsey Town Center design is based on New Urbanist and Transit-Oriented Design principles that emphasize pedestrian orientation, a mix of land uses, and connections to existing trails in Ramsey. The Ramsey Town Center is practical solution that will meet the community's needs for shopping, employment, and residential options and is especially important as the project will create a central and identifiable "downtown" in a city that does not have one.



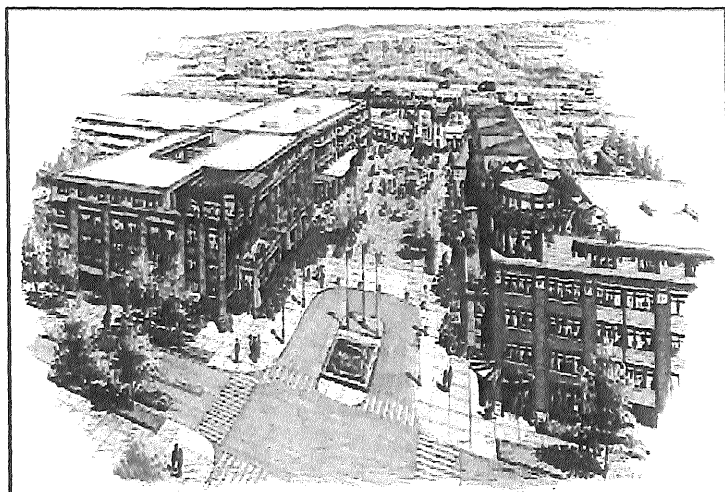
12 March 2004



RAMSEY TOWN CENTER
Ramsey, Minnesota

Site Plan

The Ramsey Town Center project is expected to have a market valuation of \$1.1 billion. At build out, the project is expected to generate an additional \$4 million in tax capacity annually to the City.



City of Ramsey Port Authority Legislation

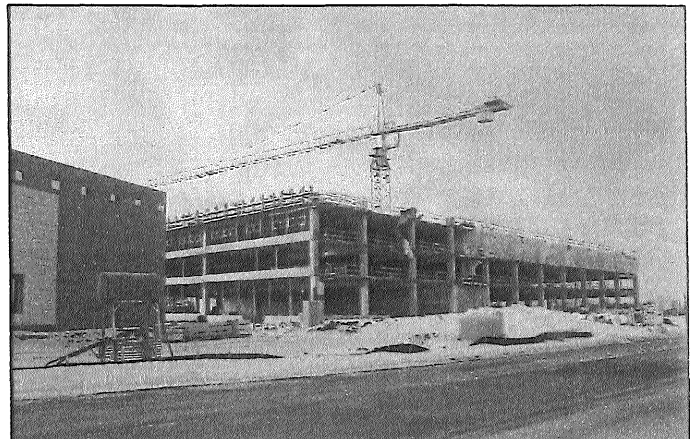
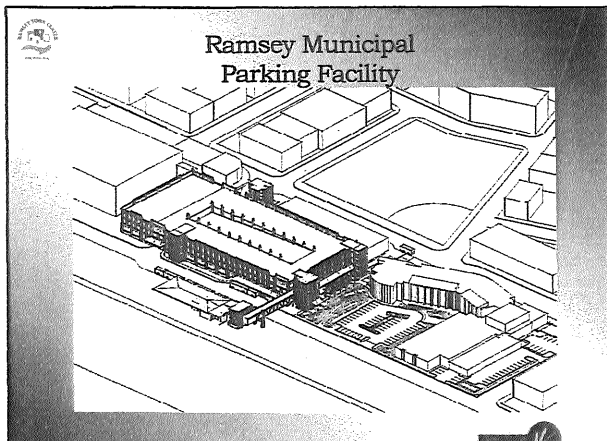
The City of Ramsey has embarked on an exciting master planned, transit oriented development that will require a great deal of City investment. The creation of a Port Authority will allow the City to effectively and efficiently pursue economic and redevelopment opportunities within the City.



- Economic Development Authority (“EDA”) law was a response to frequent requests for Port Authorities powers
- EDA law deliberately gave fewer powers than Port Authorities have – it was “port authorities light”
- Major powers not in the EDA law that Port Authorities provide.
 - Mandatory city levy (in EDA law the levy is optional), plus smaller discretionary levy
 - Issue G.O. bonds without an election (but home rule cities are subject to their charter provisions on referendum on ordinances), outside City’s net debt limit
 - Port facilities and terminals
 - More powers outside “development district” than EDA has outside “economic development district”
 - Powers strongest in “development district”, which is more flexible (based on marginal land) than an EDA’s “economic development district” (which is a TIF-law redevelopment district needing substandard buildings.

The following points summarize why the City of Ramsey is requesting special legislation.

- Acquiring property for community facilities, transportation corridors, redevelopment and affordable housing.
- The city will be developing projects, such as structured parking, a community center, an indoor winter park, and affordable housing.



**Senate Counsel, Research,
and Fiscal Analysis**

G-17 STATE CAPITOL
75 REV. DR. MARTIN LUTHER KING, JR. BLVD.
ST. PAUL, MN 55155-1606
(651) 296-4791
FAX: (651) 296-7747
JO ANNE ZOFF SELLNER
DIRECTOR

Senate

State of Minnesota

**S.F. No. 2622 - Swift County Rural Development Finance
Authority**

Author: Senator Gary Kubly

Prepared by: Daniel P. McGowan, Senate Counsel (651/296-4397)

DPM

Date: March 17, 2006

The proposed bill amends a special law relating to Swift County that established the Swift County Rural Development Finance Authority and provides for an increase in the authority board from seven to nine board members. The bill also increases from two to four the number of directors that must be representatives of various county-based economic development organizations or directors at-large and increases from two to three the number of directors that may reside in any one county commissioner district.

DPM:mvm

Senator Kubly introduced—

S.F. No. 2622: Referred to the Committee on State and Local Government Operations.

A bill for an act

relating to Swift County; increasing the size of the board of the rural development finance authority; amending Laws 1995, chapter 264, article 5, section 39, subdivision 4.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Laws 1995, chapter 264, article 5, section 39, subdivision 4, is amended to read:

Subd. 4. **Board of directors.** (a) The authority consists of a board of ~~seven~~ nine directors. The directors shall be appointed by the Swift county board. Each director shall be appointed to serve for three years or until a successor is appointed and qualified. No director may serve more than two consecutive terms. The initial appointment of directors must be made so that no more than one-third of the directors' positions will require appointment in any one year due to fulfillment of their three-year appointment. The appointment of directors must be made to reflect representation of the entire county by population, appointing one director to represent each of the five county commissioner districts. The other ~~two~~ four directors must be representatives of various county-based economic development organizations or be directors at-large. No more than ~~two~~ three directors may reside in any one county commissioner district.

(b) Two of the directors initially appointed shall serve for terms of one year, two for two years, and three for three years. Each vacancy must be filled for the unexpired term in the manner in which the original appointment was made. A vacancy occurs if a director no longer resides in the county. No director shall be an officer, employee, director, shareholder, or member of any corporation, firm, or association with which the authority has entered into any operating lease, or other agreement. The directors may be

2.1 removed by the county for the reasons and in the manner provided under Minnesota
2.2 Statutes, section 469.010, and shall receive no compensation other than reimbursement
2.3 for expenses incurred in the performance of their duties. Directors shall have no personal
2.4 liability for obligations of the authority or the methods of enforcement and collection
2.5 of the obligations.

2.6

USE AFTER SENATE COMMITTEE DEADLINE (March 28)

Companion H.F. No. 2645 now in House _____ Committee; Ag & Rural Development
sent there on 3 13, 2006; **OR** had second reading on 3 27, 2006

COMMITTEE REPORT - NO AMENDMENTS

Committee on the State and Local Gov ops

S. F. No. 2622

- Resolution
- Re-referred (from another committee)

Committee recommendation:

- do pass.
- do pass and be placed on the Consent Calendar.
- do pass and be re-referred to the Committee on _____.

No recommendation:

- (be re-referred to the Committee on _____ **OR**
- (be reported to the Senate) .

_____, ____ (date of committee recommendation)

1.1 **Senator Higgins from the Committee on State and Local Government**
1.2 **Operations, to which was referred**

1.3 **S.F. No. 2622:** A bill for an act relating to Swift County; increasing the size of the
1.4 board of the rural development finance authority; amending Laws 1995, chapter 264,
1.5 article 5, section 39, subdivision 4.

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

1.8
1.9 (Committee Chair)

1.10 March 29, 2006
1.11 (Date of Committee recommendation)

Senators Robling, Fischbach, Frederickson and Vickerman introduced—
S.F. No. 2602: Referred to the Committee on State and Local Government Operations.

A bill for an act

1.1
 1.2 relating to local government; authorizing towns to contract without competitive
 1.3 bidding in certain circumstances; amending Minnesota Statutes 2004, section
 1.4 471.345, by adding a subdivision.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2004, section 471.345, is amended by adding a
 1.7 subdivision to read:

1.8 Subd. 19. Town road construction and maintenance. Notwithstanding any
 1.9 other procedural requirements of this section, a town may contract for the construction
 1.10 or maintenance of a town road by agreeing to the terms of an existing contract between
 1.11 a vendor and a county for road construction or maintenance on an adjoining road if
 1.12 the existing county contract was made in conformance with all applicable procedural
 1.13 requirements.

USE AFTER SENATE COMMITTEE DEADLINE (March 28)

Companion H.F. No. 2677 now in House _____ Committee; State Gov Finance

sent there on 3 16, 2006; **OR** had second reading on 3 27, 2006

COMMITTEE REPORT - NO AMENDMENTS

Committee on _____

S. F. No. 2602

- Resolution
- Re-referred (from another committee)

Committee recommendation:

- do pass.
- do pass and be placed on the Consent Calendar.
- do pass and be re-referred to the Committee on _____.

No recommendation:

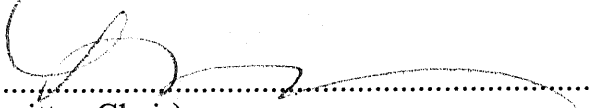
- (be re-referred to the Committee on _____ *OR*
- (be reported to the Senate) .

_____, _____ (date of committee recommendation)

1.1 **Senator Higgins from the Committee on State and Local Government**
1.2 **Operations, to which was referred**

1.3 **S.F. No. 2602:** A bill for an act relating to local government; authorizing towns to
1.5 contract without competitive bidding in certain circumstances; amending Minnesota
Statutes 2004, section 471.345, by adding a subdivision.

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

1.8 
1.9 (Committee Chair)

1.10 March 29, 2006
1.11 (Date of Committee recommendation)

**Senate Counsel, Research,
and Fiscal Analysis**

G-17 STATE CAPITOL
75 REV. DR. MARTIN LUTHER KING, JR. BLVD.
ST. PAUL, MN 55155-1606
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FAX: (651) 296-7747
JO ANNE ZOFF SELLNER
DIRECTOR

Senate

State of Minnesota

**S.F. No. 3359 - Statewide Public Buyers Group Health
Insurance Program**

Author: Senator David Senjem

Prepared by: Thomas S. Bottern, Senate Counsel (651/296-3810) *TSB*

Date: March 28, 2006

This bill makes several changes to the Public Employees Insurance Plan (PEIP), including changing the name of the plan to the Public Buyers Group Program (PBGP). Other major changes include extending the required length of participation from a two-year to a three-year term and providing the Commissioner of Employee Relations with additional flexibility in administering the program. The bill also requires that school districts who are eligible for PBGP must request bids from the program at least every four years, but are not required to purchase coverage. In its current and proposed form, PEIP/PBGP is a group insurance plan administered by the Department of Employee Relations (DOER) that is available to local units of government. It is administered and funded completely separately from the State Employee Group Insurance Plan.

Section 1. INTENT. amends the intent statement for the program to reflect increased emphasis on the use of best-purchasing practices and the availability of the program to school districts.

Section 2. DEFINITIONS. changes the definitions for the program to incorporate new name given to it.

Section 3. PUBLIC BUYERS GROUP PROGRAM. specifies actions that DOER may take in administering the program:

- (1) developing separately rated programs, including one tailored for employees of public school districts;
- (2) developing pilot programs;
- (3) conducting evaluations of the effectiveness of various programs contained within the PBGP;

- (4) testing a variety of strategies to control health care costs within the program, including, but not limited to, certain specified strategies;
- (5) modifying and administering new health benefit designs after consultation with the labor management committee described in section 5 of this bill;
- (6) temporarily suspending or limiting new entrants into the program;
- (7) participating in other joint public/private sector efforts to improve health care purchasing and lower health care costs; and
- (8) developing a Web site for members and the public.

Section 4 authorizes DOER to establish disease management and other health improvement programs.

Section 5. LABOR-MANAGEMENT COMMITTEE. shifts responsibility for appointing the Labor-Management Committee from the Commissioner of Employee Relations to the Governor. The committee is charged with consulting with the commissioner regarding major decisions affecting the program.

Section 6. PUBLIC EMPLOYEE PARTICIPATION. extends the participation term for the program from two to three years and authorizes DOER to modify the participation requirement as part of a demonstration or pilot program. Requires 60 days notice to other members of the program regarding modifications. Authorizes DOER to provide discounts, incentives, or penalties for public employers based on the length of their membership in the program. Requires 180 days notice to other members in the program regarding a change in these incentives. Specifically requires DOER to include discussion regarding the adequacy of participation requirements in annual reports to the legislature and Governor to begin January 15, 2008.

Section 7. PARTICIPATING EMPLOYER RIGHTS TO DATA. provides that employers participating in the program shall not be refused utilization of claims data needed to seek alternative bids for coverage. Specifies that participating employers will not be charged for reports necessary under this subdivision.

Section 8. SCHOOL DISTRICTS. requires any school district that is eligible for the program to request bids for coverage at least once every four years, but does not require them to participate.

Section 9. REPORT. requires a biannual report from DOER regarding this program.

Section 10. EXEMPTION. makes a change necessary to reflect the new name for the program. Also specifies that this law and other insurance laws do not prevent DOER from developing and testing innovative benefit designs for PBGP.

Section 11. APPROPRIATION. appropriates money from the health care access fund to DOER for the onetime administrative costs related to the development of the Public Buyers Group Program.

Section 12. REVISOR INSTRUCTION. instructs the Revisor of Statutes to change a headnote to reflect the new name for the program.

TSB:rdr

Senators Senjem and Michel introduced-

S.F. No. 3359: Referred to the Committee on State and Local Government Operations.

A bill for an act

relating to public employees; modifying public employee insurance provisions; appropriating money; amending Minnesota Statutes 2004, section 43A.316, subdivisions 1, 2, 3, 4, 5, 10, by adding subdivisions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2004, section 43A.316, subdivision 1, is amended to read:

Subdivision 1. **Intent.** The legislature finds that the creation of a statewide program using best purchasing practices and innovative benefit design and administration to provide public employees, school districts employees, and other eligible persons with life insurance and hospital, medical, and dental benefit coverage through provider organizations would result in a ~~greater utilization~~ more efficient use of government resources and would advance the health and welfare of the citizens of the state.

Sec. 2. Minnesota Statutes 2004, section 43A.316, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For the purpose of this section, the terms defined in this subdivision have the meaning given them.

(a) **Commissioner.** "Commissioner" means the commissioner of employee relations.

(b) **Employee.** "Employee" means:

(1) a person who is a public employee within the definition of section 179A.03, subdivision 14, who is insurance eligible and is employed by an eligible employer;

(2) an elected public official of an eligible employer who is insurance eligible;

(3) a person employed by a labor organization or employee association certified as an exclusive representative of employees of an eligible employer or by another public

2.1 employer approved by the commissioner, so long as the plan meets the requirements of a
2.2 governmental plan under United States Code, title 29, section 1002(32); or

2.3 (4) a person employed by a county or municipal hospital.

2.4 (c) **Eligible employer.** "Eligible employer" means:

2.5 (1) a public employer within the definition of section 179A.03, subdivision 15, that
2.6 is a town, county, city, school district as defined in section 120A.05, service cooperative
2.7 as defined in section 123A.21, intermediate district as defined in section 136D.01,
2.8 Cooperative Center for Vocational Education as defined in section 123A.22, regional
2.9 management information center as defined in section 123A.23, or an education unit
2.10 organized under the joint powers action, section 471.59; or

2.11 (2) an exclusive representative of employees, as defined in paragraph (b);

2.12 (3) a county or municipal hospital; or

2.13 (4) another public employer approved by the commissioner.

2.14 (d) **Exclusive representative.** "Exclusive representative" means an exclusive
2.15 representative as defined in section 179A.03, subdivision 8.

2.16 (e) **Labor-Management Committee.** "Labor-Management Committee" means the
2.17 committee established by subdivision 4.

2.18 (f) **Program.** "Program" means the statewide public ~~employees insurance~~ buyers
2.19 group program created by subdivision 3.

2.20 Sec. 3. Minnesota Statutes 2004, section 43A.316, subdivision 3, is amended to read:

2.21 Subd. 3. **Public ~~employee insurance~~ buyers group program.** The commissioner
2.22 shall be the administrator of the public ~~employee insurance~~ buyers group program and
2.23 may determine its funding arrangements. The commissioner shall model the program
2.24 after the plan established in section 43A.18, subdivision 2, but may modify that plan,
2.25 in consultation with the Labor-Management Committee. The commissioner, or the
2.26 commissioner's designated representatives, shall be consulted in discussions or studies
2.27 by state agencies related to improving statewide health care quality, outcomes, and costs.

2.28 The commissioner may:

2.29 (1) Develop and administer separately rated programs within the public buyers
2.30 group program, including a separately rated and administered program for employees of
2.31 public school districts. Separate programs within the public buyers group program may be
2.32 pilot or demonstration programs, or permanent programs.

2.33 (2) Develop, implement, and administer demonstration or pilot programs to help
2.34 explore methods for improving the effectiveness and value of the public buyers group
2.35 program.

3.1 (3) Conduct evaluations and studies to determine the effectiveness and impact of
 3.2 pilot, demonstration, or other programs as part of the public buyers group program.

3.3 (4) Develop, adopt, modify, and implement strategies to control health care costs
 3.4 and to improve health care outcomes, including, but not limited to, health care cost and
 3.5 quality measurement and reporting strategies, pay-for-performance strategies, value-based
 3.6 purchasing strategies, and other demonstrated or emerging best practices in health care
 3.7 purchasing.

3.8 (5) In consultation with the labor management committee described in subdivision
 3.9 5, develop, adopt, modify and administer innovative health benefit designs, including
 3.10 possible tiered arrangements, high-deductible plans with health care savings accounts,
 3.11 special provider networks, limited benefit plans, incentive programs for healthy behaviors
 3.12 and health improvement, and other health benefit designs.

3.13 (6) Temporarily suspend or limit new entrant groups into the public buyers group
 3.14 program if necessary to maintain the quality, effectiveness, and viability of the program.

3.15 (7) Participate as part of broader community, regional, or national alliances or
 3.16 initiatives, including joint public-private sector efforts, improve health care purchasing,
 3.17 and health care costs, quality, and outcomes.

3.18 (8) Develop, implement, and administer a Web site and related capabilities to
 3.19 provide members and the public with information and a means to make inquiries to the
 3.20 public buyers group program. The Web site may include information on the program's
 3.21 goals and its performance in reaching the goals.

2 Sec. 4. Minnesota Statutes 2004, section 43A.316, is amended by adding a subdivision
 3.23 to read:

3.24 Subd. 3a. Health improvement programs. The commissioner is authorized to plan,
 3.25 develop, purchase, administer, and evaluate disease management and other programs,
 3.26 strategies, and incentives to improve the health and health outcomes of members.

3.27 Sec. 5. Minnesota Statutes 2004, section 43A.316, subdivision 4, is amended to read:

3.28 **Subd. 4. Labor-Management Committee.** The Labor-Management Committee
 3.29 consists of ten members appointed by the ~~commissioner~~ governor. The Labor-Management
 3.30 Committee must comprise five members who represent employees, including at least
 3.31 one retired employee, and five members who represent eligible employers. Committee
 3.32 members are eligible for expense reimbursement in the same manner and amount as
 3.33 authorized by the commissioner's plan adopted under section 43A.18, subdivision 2. The
 3.34 commissioner shall consult with the labor-management committee in major decisions that

4.1 affect the program. The committee shall study issues relating to the insurance program
4.2 including, but not limited to, flexible benefits, utilization review, quality assessment, and
4.3 cost efficiency. The committee continues to exist while the program remains in operation.

4.4 Sec. 6. Minnesota Statutes 2004, section 43A.316, subdivision 5, is amended to read:

4.5 Subd. 5. **Public employee participation.** (a) Participation in the program is subject
4.6 to the conditions in this subdivision.

4.7 (b) Each exclusive representative for an eligible employer determines whether the
4.8 employees it represents will participate in the program. The exclusive representative shall
4.9 give the employer notice of intent to participate at least 30 days before the expiration date
4.10 of the collective bargaining agreement preceding the collective bargaining agreement that
4.11 covers the date of entry into the program. The exclusive representative and the eligible
4.12 employer shall give notice to the commissioner of the determination to participate in the
4.13 program at least 30 days before entry into the program. Entry into the program is governed
4.14 by a schedule established by the commissioner.

4.15 (c) Employees not represented by exclusive representatives may become members
4.16 of the program upon a determination of an eligible employer to include these employees
4.17 in the program. Either all or none of the employer's unrepresented employees must
4.18 participate. The eligible employer shall give at least 30 days' notice to the commissioner
4.19 before entering the program. Entry into the program is governed by a schedule established
4.20 by the commissioner.

4.21 (d) Participation in the program is for a ~~two-year~~ three-year term. Participation is
4.22 automatically renewed for an additional two-year term unless the exclusive representative,
4.23 or the employer for unrepresented employees, gives the commissioner notice of
4.24 withdrawal at least 30 days before expiration of the participation period. A group that
4.25 withdraws must wait two years before rejoining. An exclusive representative, or employer
4.26 for unrepresented employees, may also withdraw if premiums increase 50 percent or more
4.27 from one insurance year to the next. The commissioner may modify the participation
4.28 requirement as part of a demonstration or pilot effort. Any modifications must be clearly
4.29 communicated to all employers who are members of the public buyers group program, and
4.30 incorporated in any information about the program, at least 60 days prior to the change
4.31 becoming effective. The modifications must apply on an equal basis to all current and
4.32 prospective employers enrolled in the program.

4.33 (e) The commissioner, in consultation with the Labor-Management Committee and
4.34 other experts, may explore mutual gain-sharing arrangements, discounts, incentives,
4.35 or penalties for public employers based on the length of their continuous membership

5.1 in the public buyers group program and other factors. Any incentives for long-term
 5.2 membership in the program must be consistent with the program's goals; maintaining the
 5.3 overall integrity and viability of the program; other applicable laws, rules, and policies;
 5.4 and available to all groups on equal terms. The terms of any incentives for long-term
 5.5 participation in the program must be clearly communicated to all employers who are
 5.6 members of the public buyers group program, and incorporated in any information about
 5.7 the program. Any administration of, or changes to the incentives, must be communicated
 5.8 at least 180 days prior to each employer's renewal date before the change may become
 5.9 effective. The commissioner, in consultation with the Labor-Management Committee,
 5.10 shall report to the legislature and the governor by January 15, 2008, and annually
 5.11 thereafter, on the adequacy of the participation requirement and any special incentives
 5.12 based on the length of participation, in helping maintain the stability and effectiveness of
 5.13 the public buyers group program.

5.14 (e) (f) The exclusive representative shall give the employer notice of intent to
 5.15 withdraw to the commissioner at least 30 days before the expiration date of a collective
 5.16 bargaining agreement that includes the date on which the term of participation expires.

5.17 (f) (g) Each participating eligible employer shall notify the commissioner of
 5.18 names of individuals who will be participating within two weeks of the commissioner
 5.19 receiving notice of the parties' intent to participate. The employer shall also submit other
 5.20 information as required by the commissioner for administration of the program.

5.21 Sec. 7. Minnesota Statutes 2004, section 43A.316, is amended by adding a subdivision
 5.22 to read:

5.23 Subd. 5a. Participating employer rights to data. Employers participating in
 5.24 the public buyers group program shall not be refused or impeded by the program in
 5.25 their efforts to obtain the utilization or claims data needed by the employer to seek
 5.26 alternative bids for insurance coverage. The ability of participating employers to secure
 5.27 their data for the purposes of seeking alternative bids for coverage exists regardless of
 5.28 any other program participation requirements or incentives for long-term participation
 5.29 in the program. Participating employers will not be charged for the report generated to
 5.30 satisfy this subdivision.

5.31 Sec. 8. Minnesota Statutes 2004, section 43A.316, is amended by adding a subdivision
 5.32 to read:

5.33 Subd. 5b. School districts. School districts eligible for the public buyers group
 5.34 program must request bids for insurance coverage through the public buyers group

6.1 program at least once every four years. This subdivision does not require school districts
6.2 eligible for the program to purchase coverage through the program. Other public
6.3 employers are encouraged to seek bids from the public buyers group program at least
6.4 once every four years.

6.5 Sec. 9. Minnesota Statutes 2004, section 43A.316, is amended by adding a subdivision
6.6 to read:

6.7 Subd. 9a. Report. The commissioner shall report biennially to the governor and
6.8 legislature on March 1 of each odd-numbered year. The report will include information on
6.9 membership, finances, operations, effectiveness, and impact of the public buyers group
6.10 program. The report may include discussion of changes and innovations, particularly with
6.11 respect to improving health care costs, quality, and outcomes, and any issues or challenges
6.12 faced by the program and how they might be addressed. The report will be posted on a
6.13 Web site maintained by or for the public buyers group program, and must be available
6.14 to the public.

6.15 Sec. 10. Minnesota Statutes 2004, section 43A.316, subdivision 10, is amended to read:

6.16 Subd. 10. Exemption. The public ~~employee insurance~~ buyers group program
6.17 and, where applicable, the employers participating in it are exempt from chapters 60A,
6.18 62A, 62C, 62D, 62E, and 62H, section 471.617, subdivisions 2 and 3, and the bidding
6.19 requirements of section 471.6161. Nothing in this statute or other statutes shall limit the
6.20 commissioner's ability to develop and test innovative health insurance benefit designs for
6.21 the public buyers group program.

6.22 Sec. 11. APPROPRIATION.

6.23 Notwithstanding Minnesota Statutes, section 295.581, \$60,000 in fiscal year 2006
6.24 and \$2,260,000 in fiscal year 2007 are appropriated from the health care access fund to
6.25 the commissioner of employee relations for onetime administrative costs for marketing,
6.26 communication, plan administration, and the development of a data warehouse to support
6.27 the Public Buyers Group.

6.28 Sec. 12. REVISOR'S INSTRUCTION.

6.29 The revisor of statutes shall change the headnote for Minnesota Statutes, section
6.30 43A.316, to read "PUBLIC BUYERS GROUP PROGRAM."

USE AFTER SENATE COMMITTEE DEADLINE (March 28)

Companion H.F. No. 3025 now in House _____ Committee; Health Policy & Finance
sent there on 3 27, 04 OR had second reading on _____,

COMMITTEE REPORT - WITH AMENDMENTS

Committee on

S .F. No. ~~3359~~ BB950 3359

- Resolution
- Re-referred (from another committee)

Amendments: pg 3, line 9, delete "5" insert "4"

Committee recommendation:

- And when so amended the bill do pass.
- And when so amended the bill do pass and be placed on the Consent Calendar.
- And when so amended the bill do pass and be re-referred to the Committee on
Health & Family Security

No recommendation: And when so amended the bill be

- (re-referred to the Committee on _____ OR
- (reported to the Senate).

_____, ____ (date of committee recommendation)

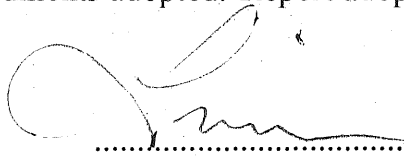
1.1 **Senator Higgins from the Committee on State and Local Government**
1.2 **Operations, to which was referred**

1.3 **S.F. No. 3359:** A bill for an act relating to public employees; modifying public
employee insurance provisions; appropriating money; amending Minnesota Statutes 2004,
section 43A.316, subdivisions 1, 2, 3, 4, 5, 10, by adding subdivisions.

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

1.7 Page 3, line 9, delete "5" and insert "4"

1.8 And when so amended the bill do pass and be re-referred to the Committee on
1.9 Health and Family Security. Amendments adopted. Report adopted.



1.10
1.11 (Committee Chair)

1.12 March 29, 2006
3 (Date of Committee recommendation)

Senators Betzold, Metzen, Rohling, Solon and Kiscaden introduced—

S.F. No. 3183: Referred to the Committee on State and Local Government Operations.

1.1 A bill for an act
 1.2 relating to local government; authorizing political subdivisions to establish
 1.3 accounts to pay for postemployment benefits owed to officers and employees;
 1.4 proposing coding for new law in Minnesota Statutes, chapter 353.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. [353.95] ACCOUNTS FOR POSTEMPLOYMENT BENEFITS.

1.7 Subdivision 1. Establishment. The Public Employees Retirement Association
 1.8 must establish two funds that political subdivisions may use to hold money to pay for
 1.9 postemployment benefits owed to officers and employees after termination of service. One
 1.10 of the funds must provide that each account within the fund is irrevocable, and that money
 1.11 may be withdrawn only as permitted in this section. The other fund must provide that a
 1.12 political subdivision may revoke its account within the fund and withdraw some or all of
 1.13 the money in its account for any reason. All money in the two funds is appropriated to the
 1.14 Public Employees Retirement Association for purposes of this section.

1.15 Subd. 2. Definitions. For purposes of this section:

1.16 (1) "political subdivision" means any entity authorized by section 471.61 to provide
 1.17 benefits to its retired officers and employees; and

1.18 (2) "postemployment benefit" does not include benefits to be paid by a Minnesota
 1.19 public pension plan listed in section 356.20, subdivision 2, or 356.30, subdivision 3.

1.20 Subd. 3. Exclusivity. After the effective date of this section, except as authorized in
 1.21 this section, a political subdivision may not establish a trust or equivalent arrangement
 1.22 to pay for postemployment benefits owed to officers and employees after termination
 1.23 of service.

2.1 Subd. 4. Account maintenance and investment. (a) A political subdivision
2.2 may establish an account in one or both of the funds created in this section. The Public
2.3 Employees Retirement Association shall maintain a separate account within each fund for
2.4 each participating political subdivision. The Public Employees Retirement Association
2.5 may charge participating political subdivisions fees for reasonable administrative costs,
2.6 and the amount of those fees is appropriated to the association from the accounts. The
2.7 Public Employees Retirement Association may establish other terms and conditions for
2.8 participation in the funds.

2.9 (b) The Public Employees Retirement Association must certify all money in the
2.10 funds to the state board of investment for investment in the combined investment funds
2.11 established in section 11A.14. Investment earnings must be credited to the account of each
2.12 individual political subdivision.

2.13 Subd. 5. Limit on deposit in revocable account. A political subdivision may not
2.14 deposit money in a revocable account if the deposit would cause the total amount in
2.15 the political subdivision's revocable and irrevocable accounts to exceed the political
2.16 subdivision's actuarially determined liabilities for postretirement benefits due to officers
2.17 and employees, as determined under standards of the Government Accounting Standards
2.18 Board.

2.19 Subd. 6. Withdrawal of funds and termination of account. (a) For a revocable
2.20 account, a political subdivision may withdraw some or all of its money or terminate the
2.21 account for any reason. Money withdrawn from a revocable account must be deposited
2.22 in a fund separate and distinct from any other funds of the political subdivision, and this
2.23 money, with accrued investment earnings, must be used only to pay postemployment
2.24 benefits to former officers and employees.

2.25 (b) For an irrevocable account, a political subdivision may withdraw money only:

2.26 (1) as needed to pay postemployment benefits owed to former officers and
2.27 employees of the political subdivision; or

2.28 (2) to the extent that a change in federal or state health care laws has caused the
2.29 amount in the account to exceed 120 percent of the political subdivision's actuarially
2.30 determined liabilities for postemployment benefits due to officers and employees, as
2.31 determined under standards of the Government Accounting Standards Board.

2.32 (c) A political subdivision requesting withdrawal of money from an account created
2.33 under this section must do so at a time and in the manner required by the executive director
2.34 of the Public Employees Retirement Association. The executive director must ensure that
2.35 withdrawals comply with the requirements of this section.

3.1 Subd. 7. Status of irrevocable fund. (a) All money in the irrevocable fund created
3.2 in this section are held in trust for the exclusive benefit of former officers and employees
3.3 of the participating political subdivisions, and are not subject to claims by creditors of
3.4 the state, the participating political subdivisions, or the officers and employees of those
3.5 political subdivisions.

3.6 (b) The irrevocable fund created in this section shall be deemed an arrangement
3.7 equivalent to a trust for all legal purposes.

adopted 3-27-06

1.1 Senator *Wiger*..... moves to amend S.F. No. 3183 as follows:

2. Page 1, line 17, delete "and"

1.3 Page 1, line 19, delete the period and insert "; and"

1.4 Page 1, after line 19, insert:

1.5 "(3) "plan administrator" means third party agent or administrator handling the
1.6 payment of benefits on behalf of the political subdivision consistent with the requirements
1.7 of the Government Accounting Standards Board."

1.8 Page 1, line 23, after the period insert "This section shall not affect an employer's
1.9 ability to contribute to individual medical savings or reimbursement accounts that are
1.10 given preferential tax treatment under the internal revenue code, and established for the
1.11 benefit of current or former employees or officers."

1.12 Page 2, delete lines 25 to 31 and insert:

1.13 "(b) For an irrevocable account:

1.14 (1) the plan administrator may withdraw money only as needed to pay post
1.15 employment benefits owed to former officers and employees of the political subdivision; or

1.16 (2) the political subdivision may withdraw money only to the extent the political
1.17 subdivision's actuarial liability is satisfied or otherwise defeased."

1.18 Page 2, line 32, after "A" insert "plan administrator or"

1.19 Page 3, line 4, after the third "the" insert "current and former"

*Amend Accordingly
Pg 1, delete lines 8-11*

Adopted 3-27-06

1.1 Senator *Senjem*..... moves to amend S.F. No. 3183 as follows:

1.2 Page 1, line 18, delete everything after "(2)" and insert "postemployment benefit"
1.3 means a benefit giving rise to a liability under statement 45 of the Government Accounting
1.4 Standards Board, and therefore does not include benefits to be paid by a Minnesota public
1.5 pension plan listed in section 356.20, subdivision 2, or section 356.30, subdivision 3, and
1.6 benefits provided on a defined contribution, individual account basis."

1.7 Page 1, delete line 19

*Adopted
3/29/06*

- 1.1 Senator *Tomasz* moves to amend S.F. No. 3183 as follows:
- Page 1, delete lines 20 to 23
- 1.3 Page 2, line 1, delete "4" and insert "3"
- 1.4 Page 2, line 13, delete "5" and insert "4"
- 1.5 Page 2, line 19, delete "6" and insert "5"
- 1.6 Page 3, line 1, delete "7" and insert "6"
- 1.7 Amend the title accordingly

[Handwritten signature]

USE AFTER SENATE COMMITTEE DEADLINE (March 28)

Companion H.F. No. 3380 now in House Local Gov Committee;

sent there on 3 22; **OR** had second reading on _____,

COMMITTEE REPORT - WITH AMENDMENTS

Committee on

S.F. No. 3183

- Resolution
- Re-referred (from another committee)

Amendments:

A-1
A-2
A-3

Committee recommendation:

- And when so amended the bill do pass.
- And when so amended the bill do pass and be placed on the Consent Calendar.
- And when so amended the bill do pass and be re-referred to the Committee on

Finance

No recommendation: And when so amended the bill be

- (re-referred to the Committee on _____ **OR**
- (reported to the Senate).

_____, _____ (date of committee recommendation)

1.1 Senator Higgins from the Committee on State and Local Government
1.2 Operations, to which was referred

1.3 S.F. No. 3183: A bill for an act relating to local government; authorizing political
subdivisions to establish accounts to pay for postemployment benefits owed to officers
and employees; proposing coding for new law in Minnesota Statutes, chapter 353.

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

1.7 Page 1, line 17, delete "and"

1.8 Page 1, delete lines 18 to 23 and insert:

1.9 "(2) "postemployment benefit" means a benefit giving rise to a liability under
1.10 statement 45 of the Government Accounting Standards Board, and therefore does not
1.11 include benefits to be paid by a Minnesota public pension plan listed in section 356.20,
1.12 subdivision 2, or section 356.30, subdivision 3, and benefits provided on a defined
1.13 contribution, individual account basis; and

1.14 (3) "plan administrator" means third party agent or administrator handling the
1.15 payment of benefits on behalf of the political subdivision consistent with the requirements
1.16 of the Government Accounting Standards Board."

1.17 Page 2, line 1, delete "4" and insert "3"

1.18 Page 2, line 13, delete "5" and insert "4"

1.19 Page 2, line 19, delete "6" and insert "5"

1.20 Page 2, delete lines 25 to 31 and insert:

1.21 "(b) For an irrevocable account:

1.22 (1) the plan administrator may withdraw money only as needed to pay
1.23 postemployment benefits owed to former officers and employees of the political
1.24 subdivision; or

1.25 (2) the political subdivision may withdraw money only to the extent the political
1.26 subdivision's actuarial liability is satisfied or otherwise defeased."

1.27 Page 2, line 32, after "A" insert "plan administrator or"

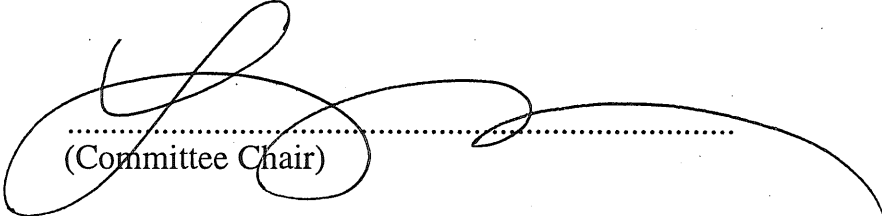
1.28 Page 3, line 1, delete "7" and insert "6"

1.29 Page 3, line 4, after the third "the" insert "current and former"

1.30 Amend the title accordingly

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

1.33
1.34


.....
(Committee Chair)

1.35
1.36

March 29, 2006
(Date of Committee recommendation)

SF 3183

Volunteer Fire Reliefs Investments vs. SBI Income Share

Rates of Return	Volunteer Fire Relief	SBI Income Share	Fire Relief % of assets at SBI
2004	7.8%	9.2%	24%
1997-2004 8 Year Average	5.3%	7.7%	19%

Beginning of Year Volunteer Fire Relief Assets (In Millions)

Volunteer Fire Relief Assets	1997	2005	2027 (estimated)
Actual	\$226	\$345	\$1,155
If Invested in SBI Income Share	\$226	\$392	\$2,115

Potential OPEB Funding (in billions)

Initial Funding	Assumed Average Annual Return	Assumed Annual Admin Costs	1 Year Balance	10 Year Balance	30 Year Balance
\$0.580	5.3%	2.00%	\$0.6	\$0.8	\$1.5
\$0.580	7.7%	0.25%	\$0.6	\$1.2	\$5.0
\$0.580	7.7%	2.00%	\$0.6	\$1.0	\$3.0

“OPEB”

Other Post-Employment Benefits (excluding pension benefits)

SF3183 (Betzold) Metzen, Robling, Solon, Kiscaden

HF3380 (Buesgens) Murphy, Wardlow, Huntley, Seifert, Tingelstad, Olson

THE PROBLEM

- Local government entities have incurred huge unfunded liabilities for post-employment benefits promised to employees. These liabilities probably total several *billion* dollars statewide.
- No current requirement in state law that the local government employer set up a method of funding these obligations or even determine their actuarial liability.
- Starting in 2007, the Government Accounting Standards Board (GASB) is going to require almost all Minnesota government entities to 1) Determine their actuarial liability; and 2) Reflect that amount as a liability in their audited financial statements
- The upcoming disclosure requirement of these unfunded liabilities may harm the bond rating of some entities not to mention causing “sticker shock” among taxpayers.

THE SOLUTION

- Under the new GASB standards, one way government entities can responsibly address these actuarial obligations is by placing funds in an irrevocable trust; however there is no current statutory authorization to create such trusts.
- This legislation does two things: 1) authorizes local entities to create trusts to meet these liabilities in keeping with GASB, and 2) defines the investment standard (risk level) by specifying that the funds are administered by PERA and invested through SBI.
- The State Board of Investment has a track record of extremely low investment costs and reasonable rates of return. SBI takes advantage of its economies of scale (it has \$50 billion under investment) to get lower investment advisor services, transaction costs and custodial services. The trusts are purely voluntary.

CONCLUSION

- This bill is a proactive measure to allow government entities to protect their bond rating and put funding mechanisms in place prior to the new GASB changes.
- These unfunded liabilities are a huge and widespread problem throughout the state, but this legislation is a logical and needed first step in addressing the issue.

Stricken

Senator Bachmann introduced—

S.F. No. 2985: Referred to the Committee on State and Local Government Operations.

1.1 A bill for an act
 1.2 relating to local government; limiting local government requirements for use of
 1.3 certain nonconforming lots; amending Minnesota Statutes 2004, section 394.36,
 1.4 by adding a subdivision; Minnesota Statutes 2005 Supplement, section 462.357,
 1.5 subdivision 1e.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2004, section 394.36, is amended by adding a
 1.8 subdivision to read:

1.9 Subd. 4. Ownership of nonconforming parcel not relevant. A county must not
 1.10 make a permit or other approval for use, development, or sale or other disposition of a
 1.11 nonconforming lot or parcel of land dependent on the ownership, or the relationship of
 1.12 the buyer to the seller, of the lot or parcel.

1.13 Sec. 2. Minnesota Statutes 2005 Supplement, section 462.357, subdivision 1e, is
 1.14 amended to read:

1.15 Subd. 1e. **Nonconformities.** (a) Any nonconformity, including the lawful use or
 1.16 occupation of land or premises existing at the time of the adoption of an additional control
 1.17 under this chapter, may be continued, including through repair, replacement, restoration,
 1.18 maintenance, or improvement, but not including expansion, unless:

1.19 (1) the nonconformity or occupancy is discontinued for a period of more than one
 1.20 year; or

1.21 (2) any nonconforming use is destroyed by fire or other peril to the extent of greater
 1.22 than 50 percent of its market value, and no building permit has been applied for within
 1.23 180 days of when the property is damaged. In this case, a municipality may impose

2.1 reasonable conditions upon a building permit in order to mitigate any newly created
2.2 impact on adjacent property.

2.3 (b) Any subsequent use or occupancy of the land or premises shall be a conforming
2.4 use or occupancy. A municipality may, by ordinance, permit an expansion or impose upon
2.5 nonconformities reasonable regulations to prevent and abate nuisances and to protect the
2.6 public health, welfare, or safety. This subdivision does not prohibit a municipality from
2.7 enforcing an ordinance that applies to adults-only bookstores, adults-only theaters, or
2.8 similar adults-only businesses, as defined by ordinance.

2.9 (c) Notwithstanding paragraph (a), a municipality shall regulate the repair,
2.10 replacement, maintenance, improvement, or expansion of nonconforming uses and
2.11 structures in floodplain areas to the extent necessary to maintain eligibility in the National
2.12 Flood Insurance Program and not increase flood damage potential or increase the degree
2.13 of obstruction to flood flows in the floodway.

2.14 (d) A municipality must not make a permit or other approval for use, development,
2.15 or sale or disposition of a nonconforming lot or parcel of land dependent on the ownership,
2.16 or the relationship of the buyer to the seller, of the lot or parcel.