

New Laws 2011

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Agriculture - New Laws 2011

Green Acres tax law reformed

[HF0012*](#)/SF0037/CH13

House Chief Author: [LeMieur](#)

Senate Chief Author: [Gazelka](#)

Effective Date(s): various

Because of unintended consequences resulting from 2008 and 2009 changes to the Green Acres and Rural Preserves programs, the programs were tweaked again this year. Sponsored by Rep. Mike LeMieur (R-Little Falls) and Sen. Jeremy Miller (R-Winona), the new law applies to taxes payable beginning in 2012. (Sec. 2)

In 2008, legislators created a dual tax classification system for productive agricultural land (2a) and non-productive rural vacant land (2b). Furthermore, the law provided that the non-productive land would only be allowed to remain in the Green Acres program until sale or transfer to a new owner. One year later, the Legislature created a new program called Rural Preserves for the non-productive land, which had tax benefits similar to Green Acres, and provided that no non-productive land would be allowed in Green Acres after taxes payable in 2013. In order for land to be enrolled in Rural Preserves, a farmer was required to develop a conservation plan for the land, and to sign a covenant that the land would not be developed or farmed for a period of years. Property owners and county assessors explained problems with the revisions.

Effective April 16, 2011, the law no longer requires farmers to develop a conservation plan or to sign a covenant agreement to enroll in Rural Preserves. (Secs. 3, 6 and 8)

The law also requires that Rural Preserve land, of any size, be contiguous to property enrolled in Green Acres and under the same ownership. Previously, a minimum 10 acres was required. (Sec. 2)

An aerial photograph or satellite image of the property that clearly defines the land being enrolled is now required as part of the enrollment process. If a property owner wants to remove land from either program before the authorized date, three years of deferred taxes will become due. (Sec. 3)

Effective April 16, 2011, interested parties will work toward an alternative method for determining the taxable value of enrolled agricultural and rural vacant land. A report is due by Feb. 15, 2012. (Sec. 7)

The 2011 enrollment period to get into the Rural Preserves tax relief program was extended until Aug. 1, 2011, due to program reforms made by lawmakers this session.

[HF12*](#)/SF222/CH13

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Agriculture - New Laws 2011

Agriculture law includes final ethanol payments

[SF1016](#)*/[HF1039](#)/[CH14](#)

House Chief Author: [Hamilton](#)

Senate Chief Author: [Magnus](#)

Effective Date(s): various

More than \$13.7 million in expected final ethanol producer payments will be doled out over the next year, ending a 1980s program to incentivize farmers to grow corn for the biofuel, according to a new law.

The new law also authorizes funding for research and innovation for switching from corn to cellulosic materials, such as perennial plants in order to produce bioenergy. The repeal of the ethanol producer payments is effective June 30, 2013. (Secs. 3, 16)

Those are just two parts of the omnibus agriculture and rural development finance law, sponsored by Rep. Rod Hamilton (R-Mountain Lake) and Sen. Doug Magnus (R-Slayton). All portions of the bill are effective July 1, 2011, unless otherwise noted.

The new law will allocate nearly \$79 million during the next two years to fund the Department of Agriculture, the Board of Animal Health and the Agricultural Utilization Research Institute. (Sec. 1)

Two year appropriations to protect agricultural investments include:

- \$776,000 to fund staff for the Agricultural Chemical Response and Reimbursement Program, which is funded through a fertilizer and pesticide surcharge and used to clean-up accidental spills;
- \$150,000 to compensate farmers for livestock killed or injured by a gray wolf, plus the same amount to compensate them for crop damages caused by elk; and
- a one-time \$490,000 appropriation to catch up with an estimated 40 percent backlog of food handling inspections at convenience stores, grocers and other retail outlets. It does not include restaurants, which are inspected by the Department of Health. A progress report is due to the Legislature by Feb. 1, 2013, to address whether higher fees are necessary to eliminate a funding shortfall. (Sec. 3)

Another report due the Legislature at the same time will examine how to pay for increased oversight of anhydrous ammonia, a fertilizer that can be dangerous when improperly stored or applied. Until then, state inspectors are authorized to inspect abiding operations less frequently so that locations with compliance problems can be sufficiently inspected. The law also authorizes the Agriculture Department to hire commercial inspectors to

help conduct inspections. (Secs. 3, 9-10)

Grant programs are funded to develop and market locally grown products for retail sale (. Annual cost-share payments will also be available to those who seek certification status as an organic farmer. (Sec. 3)

Other grant appropriations will support ongoing efforts of the dairy industry, Northern Crops Institute, Livestock Breeders Association, Minnesota Poultry Association and other agriculture-related organizations. (Sec. 3)

The Board of Animal Health, which manages prevention and eradication of animal disease outbreaks such as chronic wasting disease or bovine tuberculosis, will receive \$4.8 million each year during the next biennium. (Sec. 4)

AURI is being funded at \$2.6 million each of the next two years. The institute is an agricultural research organization that provides scientific and technical assistance to Minnesota industries and entrepreneurs. It has offices in Crookston, Marshall and Waseca. (Sec. 5)

Policy changes in the law include allowing farmers to bury on their land concrete and rebar from a former structure. The solid waste burial must be recorded within 90 days with the county and show the boundary of the burial location. (Sec. 6)

A new wholesale produce dealers' account may now be created within the agricultural fund. (Sec. 12)

Another policy provision will enable county fair boards to exchange land, in addition to leasing, selling or renting property as fairgrounds. (Sec. 14)

HF1039/SF1016*/CH14

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Contractors seek more time to comply [SF0139*/HF0166/CH2](#)

House Chief Author: [Clark](#)

Senate Chief Author: [Lillie](#)

Effective Date(s): 02/18/11

The first new law signed by Gov. Mark Dayton, most of which is effective Aug. 1, 2011, will give residential remodelers, building contractors and other construction specialists more time to post their lead certification qualifications on a website, as required by the Environmental Protection Agency.

Sponsored by Rep. Karen Clark (DFL-Mpls) and Sen. Ted Lillie (R-Lake Elmo), the law amends the effective date of last year's law that brought the state building code into compliance with the EPA requirements regarding lead removal certification reporting.

HF166/SF139*/CH2

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Unemployment benefits extended [HF0103*/SF0114/CH6](#)

House Chief Author: [Murray](#)

Senate Chief Author: [Pederson](#)

Effective Date(s): various

Sponsored by Rep. Rich Murray (R-Albert Lea) and Sen. John Pederson (R-St. Cloud), a new law gives Minnesotans access to a federal extension of unemployment insurance benefits passed by Congress and signed by President Obama. Qualifying Minnesotans will now be eligible for a maximum of 86 weeks of benefits, under the change.

The extension is effective retroactively from Dec. 19, 2010.

The extension is federally funded, and will not cost the state's unemployment insurance trust fund, which is \$600 million in deficit. Murray said the law is expected to funnel approximately \$160 million of federal funds into the state's economy.

The law also allows individuals who are laid off from their parents' businesses to receive normal unemployment insurance benefits. Effective retroactively from July 1, 2010, this law repeals a previous one that restricted such individuals to no more than five weeks' worth of benefits.

HF103*/SF114/CH6

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Bank allowed to expand

[SF0125](#)*/HF0305/CH7

House Chief Author: [Persell](#)

Senate Chief Author: [Carlson](#)

Effective Date(s): day after local compliance

An independently owned bank based in Winger may now expand its small office in Northern Township into a full-service bank branch.

Ultima Bank sought an exemption to a 40-year-old law preventing such expansion into a township.

Rep. John Persell (DFL-Bemidji) and Sen. John Carlson (R-Bemidji) sponsor the law. It takes effect upon local compliance with state statute.

The bank just outside the Bemidji city limits is in an area with an annexation plan that is still 10 years out from implementation. The bank holds a lease, so lacks the ability of a property owner to request annexation.

HF305/SF125*/CH7

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Law clarifies broker pricing roles

[HF0323](#)*/SF0167/CH15

House Chief Author: [Hoppe](#)

Senate Chief Author: [Gerlach](#)

Effective Date(s): 8/1/2011

A "broker price opinion," or a market value analysis of a property's likely selling price, is usually considered part of the package of services included in a real estate agent's commission.

A new law clarifies that a broker price opinion is not an appraisal for mortgage loan purposes, and allows those preparing a broker price opinion to charge and collect a fee. Any fee does not apply to a typical home seller or buyer, but may apply to third parties interested in obtaining price opinions, such as banks handling foreclosed properties.

Rep. Joe Hoppe (R-Chaska) and Sen. Chris Gerlach (R-Apple Valley) sponsor the law, which also permits more than one exclusive agreement for representation for different real estate services. For example, if a property stays on the market for months, the seller may simultaneously try to lease it. Those services may be performed by different companies or individuals.

The law takes effect Aug. 1, 2011.

HF323*/SF167/CH15

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Well contractors' licensing clarified

[HF0569](#)*/SF0588/CH21

House Chief Author: [Howes](#)

Senate Chief Author: [DeKruif](#)

Effective Date(s): 8/1/2011

Sponsored by Rep. Larry Howes (R-Walker) and Sen. Al DeKruif (R-Madison Lake), a new law clarifies certain exemptions from licensing and bonding related to some types of outdoor installation duties well contractors perform.

The law also removes a sunset date on a provision regarding installation of control valves on a well water service pipe.

The law takes effect Aug. 1, 2011.

HF569*/SF588/CH21

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Conformity in uniform code

[SF0194](#)*/HF0444/CH31

House Chief Author: [Mazorol](#)

Senate Chief Author:

[Thompson](#)

Effective Date(s): 7/1/2011

Certain provisions of Article 9 of the Uniform Commercial Code have proven troublesome during the decade since it was last amended.

A new law will bring Minnesota into conformity with other states' practices and help avoid errors in filing certain forms.

The law, sponsored by Rep. Pat Mazorol (R-Bloomington) and Sen. Dave Thompson (R-Lakeville), updates the section of code that applies to "secured transactions," or commercial transactions that involve the creation of a security interest, or lien, on collateral such as business inventory, livestock, equipment and accounts.

Among other changes, the law requires a filing form for a personal property lien to include the filer's name as it appears on a driver's license or state-issued identification.

The law has various effective dates.

HF444/SF194*/CH31

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Insurance paperwork reduced

[HF0895*](#)/SF0590/CH52

House Chief Author: [Hoppe](#)

Senate Chief Author: [Gazelka](#)

Effective Date(s): 8/01/2011

A new law requires insurance companies to give or obtain property-casualty insurance notices in the form in which an application is made, whether electronically or in writing.

It also permits verbal authorization in lieu of signed authorization if an insurance company retains an electronic record of the verbal authorization. A company's authorization from the customer to collect personal information must be in writing or in the same form as the application.

The bill also eliminates a requirement that an insurance appraiser be a Minnesota resident.

Rep. Joe Hoppe (R-Chaska) and Sen. Paul Gazelka (R-Brainerd) sponsor the law, which takes effect Aug. 1, 2011.

HF895*/SF590/CH52

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Microbrew taprooms may open

[HF1326*](#)//CH55

House Chief Author: [Atkins](#)

Senate Chief Author: none

Effective Date(s): 5/25/2011

The so-called "Surly Bill" will allow microbreweries to open on-site taprooms where they can hold tasting events and sell their own beer. That option is a cornerstone of the planned expansion of the Surly Brewing Company, which expects to add jobs and draw new business for special events such as beer tastings.

That is the most notable provision in the omnibus liquor law, sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights) and Sen. Chris Gerlach (R-Apple Valley).

The law, effective May 25, 2011, unless otherwise noted, also:

- allows bed and breakfasts that are permitted to serve two glasses of wine to be able to also serve 12 ounces of Minnesota beer;
- allows a municipality to issue a temporary license to a wine association authorizing them to sell no more than two glasses of wine per customer at an annual festival (effective Aug. 1, 2011);
- sets bond amounts for microdistilleries manufacturing less than 40,000 proof gallons (effective Aug. 1, 2011);

- allows the Metropolitan Airports Commission to issue on-sale liquor licenses;
- permits municipalities to issue a temporary liquor license to farm wineries for on-sale at a county fair in that municipality;
- allows private colleges to obtain liquor licenses for special event liquor sales from the municipality where they are located instead of needing legislative approval;
- clarifies the boundary around Minnesota State University, Moorhead, for purposes of limiting sales of alcohol within a more contiguous area around the campus;
- allows White Bear Township to issue on- and off-sale liquor licenses within the township;
- permits the city of Rochester to issue 26 off-sale liquor licenses;
- allows cities or municipalities to issue liquor licenses at auto racing facilities; and
- provides for an interim study with respect to beer sales at baseball venues (effective Aug. 1, 2011).

HF1326*/SF918/CH55

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Insurance, mortgage law updated

[SF1208*](#)/HF1473/CH61

House Chief Author: [Hoppe](#)

Senate Chief Author: [Sparks](#)

Effective Date(s): Various

Certain technical updates to statutes governing insurance and mortgage-related transactions are made in a new law.

Except where otherwise indicated, the law, sponsored by Rep. Joe Hoppe (R-Chaska) and Sen. Dan Sparks (DFL-Austin), takes effect Aug. 1, 2011.

Among its provisions, the law:

- allows the term "negative trend" to be used in relation to a property and casualty insurance company as well as a life and health insurance company;
- eliminates an obsolete reference to farmers mutual fire insurance companies, which no longer exist in Minnesota;
- repeals some language related to creation of certain types of separate financial accounts by life insurance companies;;

- effective Jan. 1, 2010, reduces the statutory minimum premium reserve required for domestic title insurance companies from 8 percent to 6.5 percent of the risk borne by the title insurance company;
- repeals a Department of Commerce rule limiting bank accounting rules for improvements made on bank-owned foreclosed property; and
- requires mortgage servicers to disclose to a borrower, upon request, who actually owns their mortgage loan and that entity's contact information.

HF1473/SF1208*/CH61

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Home repair contractors

[SF0249](#)*/HF1420/CH63

House Chief Author: [Sanders](#)

Senate Chief Author: [Kruse](#)

Effective Date(s): 8/01/2011

Minnesota home repair contractors have been busy during the past few years as homes have taken a beating from hail storms, twisters and other natural disasters.

A new law modifies a 2010 law relating to contracts for residential home repair, and it offers more consumer protection from "fly-by-night" contractors, including those from out of state, who compete for Minnesota contracts after storms or natural disasters.

The law will add siding contractors as well as roofing contractors to those prohibited from offering to pay for an insured's deductible or to compensate an insured as an incentive to gain a contract. It also broadens the current law's language regarding the types of inducements that contractors are forbidden from offering to property owners. It also gives the labor and industry commissioner authority to enforce the law.

Rep. Tim Sanders (R-Blaine) and Sen. Benjamin Kruse (R-Brooklyn Park) sponsor the law, which takes effect Aug. 1, 2011.

HF1420/SF249*/CH63

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Dentists and insurance provider contracts

[SF0302*](#)/HF0122/CH64

House Chief Author: [Davids](#)

Senate Chief Author:

[Vandever](#)

Effective Date(s): 8/01/2011

The Minnesota Dental Association has been pushing for legislation to give its members greater protection from insurance plan auditing practices that some dentists say has become unfair and has negatively impacted their businesses. A new law modifies several provisions that regulate provider agreements between dental insurers and dentists.

Sponsored by Rep. Greg Davids (R-Preston) and Sen. Ray Vandever (R-Forest Lake), the legislation states any changes in terms of an existing contract between a dental organization and a dentist must be disclosed to the dentist at least 90 days before the effective date of the proposed change.

The law also requires an organization conducting an audit of a dental provider to:

- provide a written explanation of the reason for the audit and the process the dental organization intends to use to audit patient charts, as well as a written explanation of the processes available to the provider once the dental organization completes its review of the audited patient records;
- allow the provider a reasonable period of time from the date that the provider receives the verified audit or investigation findings to review, meet and negotiate a resolution to the audit or investigation; and
- use a licensed dentist whose license is in good standing to review patient charts.

The MDA has lobbied for changes in the new law that state dental insurance providers are no longer allowed to set a fee for a particular type of service unless it is covered in a plan they provide to enrollees. Association members said that when dental insurance providers previously placed caps on fees for non-covered services, dental businesses were then forced to shift costs to other services they provide for patients. The new law no longer allows dental insurance providers to place capped fees on dental procedures they do not cover in their plans.

The law takes effect Aug. 1, 2011.

HF122/SF302*/CH64

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Reverse mortgage redemption specified

[SF0137*](#)/HF0395/CH66

House Chief Author: [Wardlow](#)

Senate Chief Author: Scheid

Effective Date(s): Various

A reverse mortgage secures a home loan in which the homeowner receives monthly payments or a lump-sum payment from the lender, and the loan is repaid when the property is sold, often after the owner's death. It's often used by elderly people to secure cash flow from the equity in their home.

A new law specifies that a reverse mortgage foreclosure is subject to a 12-month redemption period instead of six months as with conventional mortgages. A redemption period is the time after the foreclosure sale during which the owner can regain ownership by paying off the mortgage loan in full.

The law also streamlines certain procedures in real estate law that will make it cheaper and easier to correct title defects and terminates purchase agreements that the buyer has failed to fulfill. It clarifies definitions to be used in relationship to the federal estate tax law changes that took effect Feb. 17, 2010, for deaths occurring in 2010 or after. It also delays the effective date of unrelated 2010 legislation that extends the time limits for collecting unpaid child support judgments.

The law is sponsored by Rep. Doug Wardlow (R-Eagan) and Sen. Linda Scheid (DFL-Brooklyn Park).

HF395/SF137*/CH66

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Pawn shop regulations eased

[SF0955*](#)/HF1152/CH82

House Chief Author: [Sanders](#)

Senate Chief Author: [Brown](#)

Effective Date(s): 8/01/2011

In a tough economy, pawnbrokers are a thriving sector. A new law will make it easier for them to manage their inventory.

The law standardizes a 60-day maximum redemption period for a pawn transaction. It allows pawnbrokers to return, sell or remove inventory from display after the redemption period is reached, or after 31 days for inventory purchased other than through a pawn transaction.

It also repeals a state requirement that pawn shops be located at least 10 driving miles from any casino.

Except for the standardized redemption period, municipalities may regulate pawn businesses or

transactions more restrictively.

The law, sponsored by Rep. Tim Sanders (R-Blaine) and Sen. David Brown (R-Becker), takes effect Aug. 1, 2011.

HF1152/ SF955*/CH82

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Insurance claims law modernized

[HF1405](#)*/SF1125/CH95

House Chief Author: [Daudt](#)

Senate Chief Author:

[Thompson](#)

Effective Date(s): 1/01/2012

Consumer insurance claims statutes written decades ago didn't include insurance for products that hadn't been invented such as cell phones and other portable electronic devices, much less computerized claims processing systems.

A new law brings insurance statute covering portable electronics claims into the 21st century.

The law allows claims processors who are not licensed insurance adjusters, but are supervised by one, to enter data into an automated claims adjustment system. The computerized system is designed for data collection, calculation and final resolution of portable electronics insurance claims. A licensed adjuster may supervise up to 25 people for that purpose.

The law makes other clarifications about who is eligible to seek a Minnesota portable electronics claims adjuster license, including those with out-of-state licensure and residents of Canada under certain conditions.

The law, sponsored by Rep. Kurt Daudt (R-Crown) and Sen. Dave Thompson (R-Lakeville), takes effect Jan. 1, 2012.

HF1405*/SF1125/CH95

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Employers can organize tip sharing

[SF1280](#)*/HF0809/CH105

House Chief Author: [Anderson,](#)

[S.](#)

Senate Chief Author:

[Thompson](#)

Effective Date(s): 8/01/2011

Rep. Sarah Anderson (R-Plymouth) worked her way through college as a restaurant server. A new law she sponsors with Sen. Dave Thompson (R-Lakeville) makes it easier for restaurant workers to pool their tips or for a restaurant owner to safeguard them for employees.

The law allows employers, at their employees' request, to safeguard and disburse tips according to a sharing agreement; and to report the amounts received for tax purposes. Employees may not coerce employees to share

gratuities.

The law takes effect Aug. 1, 2011.

HF809/SF1280*/CH105

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Easier filing for businesses

[SF1234*](#)/HF1643/CH106

House Chief Author: [Mazorol](#)

Senate Chief Author: [Kruise](#)

Effective Date(s): 8/01/2011

When businesses register with the state electronically instead of using the paper process, it saves money for taxpayers and business owners alike. A new law will make it easier for businesses to file their records online.

Sponsored by Rep. Pat Mazorol (R-Bloomington) and Sen. Benjamin Kruise (R-Brooklyn Park), the law makes changes recommended by the Office of the Secretary of State's business services division. It removes a number of statutory stumbling blocks to implementing an online filing system. It takes effect Aug. 1, 2011.

Selected provisions include:

- standardizing the types of data required to be printed on certificates issued to businesses;
- streamlining the filing process for business trusts and municipal power and gas agencies; and
- eliminating mandates requiring the Secretary of State to use the U.S. Postal Service rather than electronic means to provide certain notices to businesses.

Some changes made by the law are not directly related to online filing. Some of these include providing for revocation for limited liability partnerships if they fail to maintain a registered agent, and allowing an out-of-state LLP to use an alternate name in Minnesota.

HF1643/SF1234*/CH106

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Business and Commerce - New Laws 2011

Insurance law updates are made

[SF1045*](#)/HF1394/CH108

House Chief Author: [Hoppe](#)

Senate Chief Author:

[Chamberlain](#)

Effective Date(s): Various

A series of provisions in a new law will give some Minnesota businesses easier access to specialized property-casualty insurance available only through "nonadmitted insurance companies," which are not licensed in Minnesota, or through surplus lines insurance brokers, instead of through an "admitted" or licensed insurer. (Secs. 10-30)

Sponsored by Rep. Joe Hoppe (R-Chaska) and Sen. Roger Chamberlain (R-Lino Lakes), the law brings state statute into conformity with 2010 federal law changes made in the Dodd-Frank National Reinsurance Reform Act. The related provisions are effective for nonadmitted insurance policies that take effect after July 20, 2011.

Other provisions make technical changes to health insurance law. They include updates to the list of statutes under which a person is eligible for coverage in the state's high-risk pool, the Minnesota Comprehensive Health Association; plus a new waiver of the preexisting condition limitation for Minnesota residents covered by a community-based health care coverage program who apply for MCHA coverage within 90 days of termination of the community-based coverage (Secs. 34-35).

The law, which has various effective dates, also makes other changes to statutes governing professional licensing, continuing education, health insurance and worker's compensation self-insurance.

HF1394/SF1045*/CH108

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Civil Law - New Laws 2011

Association records copied for a fee

[HF0362](#)*/SF0241/CH10

House Chief Author: [Kahn](#)

Senate Chief Author:

Pogemiller

Effective Date(s): 08/01/11

People living in a condominium, townhouse or other common interest community generally belong to an association that pays for such things as lawn care and snow removal. The association financial records, membership, board minutes, contracts and other agreements are available for owner review but not copies. Under a new law that will change, but there could be a cost.

Effective Aug. 1, 2011, owners will be allowed to have copies of the documents and would permit the association to charge a fee for copies; however, no more than 25 cents per page could be charged for 100 or fewer pages of black and white copies. Excluded from access, however, will be records related to information that was the basis for closing a board meeting.

Rep. Phyllis Kahn (DFL-Mpls) and Sen. Larry Pogemiller (DFL-Mpls) sponsor the law.

HF362*/SF241/CH10

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Civil Law - New Laws 2011

Civil immunity extension for school districts

[HF1343*](#)/SF1068/CH57

House Chief Author: [Dettmer](#)

Senate Chief Author: [Daley](#)

Effective Date(s): 5/25/2011

Research shows that people who have regular access to recreational facilities are more likely to exercise regularly.

That is the contention of the Minnesota chapter of the American Heart Association and the Minnesota Healthy Kids Coalition, organizations that believe adults and children, particularly those in rural communities, would be more likely to engage in physical activity if schools felt more comfortable allowing outside groups to use their recreational amenities.

A new law clarifies a statute that provides civil immunity for school districts that make their facilities available for recreational use by members of the public. That immunity bars a person from holding the district liable for an injury or loss resulting from the use of the school facility for recreational activity.

Sponsored by Rep. Bob Dettmer (R-Forest Lake) and Sen. Ted Daley (R-Eagan), the law states that a school district would still be subject to liability for certain conditions that would entitle a trespasser to seek damages, such as a highly dangerous hazard on the property, if the district knew of its existence but did not remove it or post a warning. The legislation does not affect any existing duty owed by the school district.

Dettmer, a retired physical education teacher, said the law represents one of many small steps in combating obesity among children and adults.

The law is important to many rural communities around the state where public schools are the only indoor facilities to engage in physical activity, American Heart Association officials said.

The law is effective May 25, 2011.

[HF1343*](#)/SF1068/CH57

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Civil Law - New Laws 2011

Ambulance claims left to the state

[HF0258*](#)/SF0217/CH71

House Chief Author: [Davids](#)

Senate Chief Author: [Ortman](#)

Effective Date(s): 5/25/2011

There are two means for licensed ambulance services to obtain the state's help in collecting unpaid charges – by submitting revenue recapture claims directly to the Department of Revenue, or by having the county in which the ambulance service operates submit the claims on behalf of the ambulance service. The Department of Revenue then offsets the claims against any state payments due to the taxpayer who hasn't paid the ambulance service, such as income tax refunds, property tax refunds, or lottery winnings.

A new law clarifies the department's authority to do what it's already doing – accepting claims directly from ambulance services, according to the law's sponsor, Rep. Greg Davids (R-Preston).

The law, also sponsored by Sen. Julianne Ortman (R-Chanhassen), eliminates the authority for counties to act as collecting agents and charge fees to ambulance service to offset the cost of submitting claims on their behalf. An ambulance service that is owed money could turn to the department to address the claim.

The law is effective May 25, 2011.

HF258*/SF217/CH71

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Civil Law - New Laws 2011

Targeted misdemeanor term clarified

[SF0882*](#)/HF0921/CH79

House Chief Author: [Leidiger](#)

Senate Chief Author: [Hall](#)

Effective Date(s): 8/01/2011

Sponsored by Rep. Ernie Leidiger (R-Mayer) and Sen. Dan Hall (R-Burnsville), a new law reinstates the violation of a domestic abuse no contact order as a targeted misdemeanor. In its direction to the revisor's office last year, the Legislature left out direction to include the new language in the statute recodification.

Under current law, peace officers must fingerprint those arrested for or convicted of a targeted misdemeanor. Those records are then forwarded to the Bureau of Criminal Apprehension. The BCA requested the change.

The law takes effect Aug. 1, 2011.

HF921/SF882*/CH79

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Civil Law - New Laws 2011

Voters to decide marriage definition

SF1308*/HF1613/CH88
House Chief Author: [Gottwalt](#)
Senate Chief Author: [Limmer](#)
Effective Date(s): Pending voter approval.

As Minnesotans watch candidates line up for the 2012 presidential ticket, they can be assured of one ballot question that will likely be a catalyst for high voter turnout.

The House and Senate passed legislation to put a constitutional amendment on the November 2012 ballot asking voters whether to define marriage as “only a union of one man and one woman.”

Sponsored by Rep. Steve Gottwalt (R-St. Cloud) and Sen. Warren Limmer (R-Maple Grove), the measure does not require gubernatorial approval. However, Gov. Mark Dayton issued a "veto" letter as a symbolic gesture of his opposition.

"Although I do not have the power to prevent this ... I urge Minnesotans to reject this mean-spirited, divisive, un-Minnesotan and un-American amendment," he wrote.

Opponents and proponents rallied at the Capitol for several days before and during the floor debate, chanting, singing and displaying signs with their views. During a nearly five-hour debate inside the House Chamber, several legislators gave personal accounts of why they oppose the bill, but few expressed why they favored the measure.

Rep. Karen Clark (DFL-Mpls), who has been in a committed gay relationship for more than 22 years, said she had hoped to one day legally marry her partner in Minnesota while her parents could still attend. Her mother has passed away and now she is considering going to Iowa where gay marriage is legal so her 94-year-old father can bear witness.

Gottwalt defended the bill, saying current law does not allow same sex marriage, but that the issue is too important to allow judges or the Legislature the opportunity to change law alone if they felt inclined to do so. "There are people for and against from all walks of life and they should be allowed to vote on it."

HF1615/ SF1308*/CH88

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Civil Law - New Laws 2011

Changes to common interest community statute

[HF1023](#)*/SF0874/CH116
House Chief Author: [Smith](#)
Senate Chief Author: [Limmer](#)
Effective Date(s): Various

A Minnesota State Bar Association legislative committee found that certain aspects of a 2010 law that repealed particular provisions contained in a statute that regulate common interest communities only applied to common interest communities that were formed after the law went into effect on Aug. 1, 2010. A new law recodifies certain laws that apply to common interest communities created before the 2010 law went into effect.

A common interest community includes a condominium development, a homeowners association or cooperative. Other provisions in the "Minnesota Common Interest Ownership Act," include:

- clarification of language related to recording of a document that modifies the description of an existing tax parcel: that document will require a certification from the county treasurer as to delinquent and current taxes;
- clarification of the process for establishing a new common interest community on property that is severed from an existing common interest community;
- clarification that when certain easements, leases and licenses affecting common elements are amended that the consent of the unit owners is required;
- clarification that when certain documents are recorded in connection with a transfer of special declarant rights they are recorded against title for all units in the common interest community; and
- clarification that the homeowner-controlled association has the authority to terminate certain contracts entered into by the developer, following procedures and with exceptions created in the law. (Art. 2, Secs. 3, 8-9, 11, 13)

The law also contains several court-related provisions, including:

- a court may issue a protective order to prevent disclosure of a "Safe at Home" program participant's location if a participant is involved in a legal proceeding as a party or witness;
- clarification that district court administrators will supervise court reporters as agreed upon with their collective bargaining representatives and that court reporters who serve in the judicial district courts and are

appointed by individual judges shall remain under the supervision of the judge who appointed them;

- clarification that a county board will assign one of its officers to process a lien by a hospital or public assistance agency against a patient or client; previous language stated that such a lien should be filed with the district court administrator;

- authorization for an order for dismissal of an order for protection, shall be served on a respondent personally or by certified mail;

- addition of language to allow digital images and other electronic methods of copying probate files to be considered as a state archives commission-approved record. A court administrator of any county upon order of the judge exercising probate jurisdiction may destroy all the original documents in any probate proceeding of record provided commission-approved copies are on file. (Art. 1, Secs. 1, 5-9)

Rep. Steve Smith (R-Mound) and Sen. Warren Limmer (R-Maple Grove) sponsor the law, which has various effective dates..

HF1023*/SF874/CH116

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Consumers - New Laws 2011

Elevator upgrade extension

Owners who receive a department or municipal inspector's notice that an elevator upgrade is needed before a new law's effective date, which is Aug. 1, 2011, have until Dec. 30, 2011, to submit a compliance plan to the Department of Labor and Industry. Those who receive a notice after that date must submit a plan by the later of Dec. 30, 2011, or 60 days after receiving the notice.

Upgrades must be completed by the later of Jan. 29, 2012, or three years after they submit their plan. If owners don't comply within those deadlines, the elevator may be taken out of service.

The law is sponsored by Rep. Tom Hackbarth (R-Cedar) and Sen. James Metzen (DFL-South St. Paul).

HF664*/SF617/CH26

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

[HF0664*/SF0617/CH26](#)

House Chief Author: [Hackbarth](#)

Senate Chief Author: [Metzen](#)

Effective Date(s): 8/1/2011

Consumers - New Laws 2011

Steering rental customers clear

[SF0508*](#)/HF0859/CH78
House Chief Author: [Atkins](#)
Senate Chief Author:
[Chamberlain](#)
Effective Date(s): 8/01/2011

Minnesota car rental companies will have a level playing field when it comes to temporary rentals to customers whose cars are being repaired.

A new law requires insurance companies to notify consumers they have the right to choose any rental vendor. It will prevent the common practice of insurance companies steering customers toward national car rental companies with whom they have contracts, instead of locally based businesses.

Rep. Joe Atkins (DFL-Inver Grove Heights) sponsors the law with Sen. Roger Chamberlain (R-Lino Lakes).

The law is effective Aug. 1, 2011, and applies to claims incurred on or after that date under insurance policies issued or renewed on or after that date.

HF859/SF508*/CH78

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Education - New Laws 2011

Alternative pathways to teacher licensure created

[SF0040*](#)/HF0063/CH5
House Chief Author: [Garofalo](#)
Senate Chief Author: [Olson](#)
Effective Date(s): various

Most teachers earn a four-year bachelor's degree in education, and then become licensed through examination by the Board of Teaching.

A new law directs the board to approve qualified programs offering alternative pathways to teacher licensure in order to improve academic excellence, improve ethnic and cultural diversity in the classroom, and close the academic achievement gap. It has various effective dates.

Beginning with the 2011-2012 school year, alternative licensure programs may be created by a school district or charter school in partnership with a college or university with a board-approved alternative teacher preparation program, or in consultation with such an institution in partnership with an education-related nonprofit organization. Among other criteria, alternative licensure programs must require 200 student teaching and instructional hours before a teacher is assigned to classroom duties.

Alternative licensure candidates who meet all criteria will be granted a two-year limited license that the board may renew for an additional year, and may prepare for a

standard teaching license. Candidates must have a 3.0 or higher grade-point average or a waiver from the board; pass basic reading, writing and math skills exams; and obtain qualifying scores on board-approved content and pedagogy exams.

The board is directed to streamline the path for teachers holding out-of-state licensure from accredited programs to Minnesota licensure. Candidates who have completed another state's alternative teacher preparation program may apply for a standard Minnesota license.

Effective March 8, 2011, and applicable to those completing a teacher preparation program by the end of the 2013-2014 school year or later, all teacher candidates in traditional and alternative licensure programs must be measured by content-specific examinations and performance-based assessments of teachers focusing on three areas: planning for instruction, engaging students and assessing student learning.

The board may revoke an alternative teacher preparation program that fails to meet requirements.

By Feb. 15, 2013, the board must submit to the Legislature an interim report on the subject, and its final report is due Feb. 15, 2015.

Effective Aug. 1, 2011, current alternative licensure is repealed.

Rep. Pat Garofalo (R-Farmington) and Sen. Gen Olson (R-Minnetrista) sponsor the law.

HF63/SF40*/CH5

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Education - New Laws 2011

Charter school reauthorization deadline extended

[HF1092*](#)/SF1062/CH27
House Chief Author: [Buesgens](#)
Senate Chief Author: [Gerlach](#)
Effective Date(s): 5/19/2011

An important deadline for charter school authorizers has been extended by one year.

A new law gives authorizers that chartered a school before Aug. 1, 2009, more time to submit a required application to the Education Department for approval to continue as an authorizer.

The new deadline is June 30, 2012.

The law also allows school districts to hire retired teachers as athletic coaches without violating pension laws, just as they have been able to hire retirees as substitute teachers.

Sponsored by Rep. Mark Buesgens (R-Jordan) and Sen. Chris Gerlach (R-Apple Valley), the law takes effect May 19, 2011.

HF1092*/SF1062/CH27

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Education - New Laws 2011

School bus changes made

Three changes in pupil transportation enacted in a new law will make it easier for students who attend area learning centers and those requiring lift buses on field trips to get to school or participate in activities.

Rep. Carol McFarlane (R-White Bear Lake) and Sen. Sean Nienow (R-Cambridge) sponsor the law, which allows a school district to provide transportation between buildings for students attending an area learning center, if there is space on an existing bus. This section is effective Aug. 1, 2011.

Effective July 1, 2011, the education commissioner must develop and maintain a list of school bus safety training instructional materials.

It also allows special education transportation expenses to include transportation of pupils for a curricular field trip on a school bus equipped with a power lift when a student's disability requires it. This section is effective for revenue for fiscal year 2012 and later.

HF1179*/SF939/CH103

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Elections - New Laws 2011

Election administration changes

Sponsored by Rep. Tim Sanders (R-Blaine) and Sen. Roger Chamberlain (R-Lino Lakes), a new law modifies election administration laws to provide flexibility and cost savings to local governments. It is effective April 30, 2011.

The law permits municipalities to establish combined polling places for any number of precincts that exist within its borders and that share a common boundary line. It also makes changes to statute that will prevent cities with wards from having to redistrict their wards before the state finishes its own redistricting process.

Other provisions in the law include:

- requiring counties to count absentee and mail-in ballots

[HF1179*/SF0939/CH103](#)

House Chief Author:

[McFarlane](#)

Senate Chief Author: [Nienow](#)

Effective Date(s): Various

[HF0978*/SF0919/CH18](#)

House Chief Author: [Sanders](#)

Senate Chief Author:

[Chamberlain](#)

Effective Date(s): 04/30/11

at the same time and report them as one vote total;

- clarifying that only voters and election judges are allowed within 6 feet of voting booths, ballot counters or electronic voting equipment during voting hours;
- modifying the timeline for county residents to request a court to review a redistricting plan for county commissioner districts; and
- changing the timeline for filing county commissioner redistricting plans.

HF978*/SF919/CH18

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Elections - New Laws 2011

New process for filling vacancies in nomination

[SF1009*](#)/[HF1408](#)/[CH65](#)

House Chief Author: [Sanders](#)

Senate Chief Author: [Limmer](#)

Effective Date(s): Various

It used to be that if a candidate for a nonpartisan office died or withdrew from the race, the process of replacing them could fill the ballot with potentially dozens of replacement candidates. A new law is designed to prevent that from happening.

Sponsored by Rep. Tim Sanders (R-Blaine) and Sen. Warren Limmer (R-Maple Grove), the law is designed to decrease the chance that large number of candidates will show up on the General Election ballot vying for the same office. It affects nonpartisan offices, which include local and judicial races.

Unless otherwise noted, its provisions are effective May 25, 2011.

If only one or two candidates file to run for a particular office, a primary is not required; they both simply appear on the General Election ballot. But under the old statute, if one of those candidates withdrew from the race, anyone who gathered enough signatures for a nominating petition could get on the ballot. The end result was that numerous candidates — more than two dozen, in the case of one judicial race in 2010 — could appear on the General Election ballot.

The law changes the process so that candidates looking to fill a vacancy in nomination no longer enter the race by way of a nominating petition, but rather by filing in the same manner as regular candidates, including a two-day withdrawal period. This will speed up the process and help narrow down the potential field of candidates. It also allows for replacement candidates to run in a primary when one is needed.

The law also changes the process when a candidate dies after winning the primary by providing that the election goes forward anyway. If there were more than one candidate, the other candidate would win; if the deceased was the sole candidate in the race, then a vacancy in office would be created. Laws already in place determine how such a vacancy is to be filled.

The law pushes the filing deadline for candidates in cities and school districts that hold their General Elections in November but do not have primaries back by one week. Effective Aug. 1, 2011, the law also gives county canvassing boards the choice of conducting their canvassing on the second rather than the third day following the state primary.

HF1408/SF1009*/CH65

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Employment - New Laws 2011

Air carrier workers may trade shifts

[SF0488](#)*/HF0571/CH11

House Chief Author: [Lillie](#)

Senate Chief Author: [Daley](#)

Effective Date(s): 04/17/11

Air carrier employees are now exempt from overtime requirements under the state's Fair Labor Act.

A new law, effective April 8, 2011, allows air carriers such as Delta Airlines, which employs 12,000 people in Minnesota, to permit employees to trade shifts with other employees even if they would work more than 48 hours a week.

Normally, work weeks over 48 hours require overtime pay under the state's Fair Labor Act. The ability to trade shifts to balance work and family or other responsibilities is a longstanding practice at Delta and is considered a perk.

Rep. Leon Lillie (DFL-North St. Paul) and Sen. Ted Daley (R-Eagan) sponsor the law.

HF571/SF488*/CH11

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Employment - New Laws 2011

Helping libraries assist job-seekers

[HF0844](#)*/SF1204/CH74

House Chief Author:

[McFarlane](#)

Senate Chief Author: [Nelson](#)

Effective Date(s): 5/25/2011

Out-of-work Minnesotans have increasingly turned to public libraries to look for job openings, post applications and build their resumes online. A new law is designed to help libraries coordinate with workforce centers to help the unemployed.

Sponsored by Rep. Carol McFarlane (R-White Bear Lake) and Sen. Carla Nelson (R-Rochester), the law requires Gov. Mark Dayton to appoint a representative from public

libraries to the Governor's Workforce Development Council. The individual would serve as an advisor. The law takes effect May 25, 2011.

The council helps guide the state's workforce development efforts. Among other activities, it develops policy recommendations to administer the state's 52 workforce centers. Run by the Department of Employment and Economic Development, the workforce centers help Minnesotans look for jobs and prepare for career changes.

Supporters of the new law say libraries have become a kind of information center for those who don't have Internet access at home and need help using computers, especially older Minnesotans.

HF844*/SF1204/CH74

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Employment - New Laws 2011

Unemployment insurance changes

[SF1130](#)*/HF1396/CH84

House Chief Author: [Gunther](#)

Senate Chief Author: [Pederson](#)

Effective Date(s): Various

Effective July 1, 2011, the definition of "immediate family member" under Minnesota unemployment insurance law will include grandparents.

It's one of several changes made under a new law that makes many technical and housekeeping changes to the state's unemployment insurance statutes. Unless otherwise noted, its provisions take effect Aug. 1, 2011. Rep. Bob Gunther (R-Fairmont) and Sen. John Pederson (R-St. Cloud) are the sponsors.

Among the more significant provisions, the law changes the definition of "suitable employment" with regard to temporary staffing services. The definition is used to determine who may collect unemployment insurance benefits. "Suitable employment" will now include jobs with temporary staffing services for those whose wage credits are at least 25 percent from temporary staffing jobs. The threshold under current law is 45 percent. The effect will be to make it harder for those receiving benefits to reject job offers from temporary staffing agencies and still receive benefits. (Art. 1, Sec. 3)

The law removes a minimum 2 percent special assessment on employers' payroll taxes that goes to pay down interest on federal unemployment insurance loans. The effect will be to give the Department of Employment and Economic Development discretion to set the assessment at anywhere from 0 percent to 8 percent, as needs dictate. (Art. 1, Sec. 5)

The minimum requirements to establish a benefit account are modified so that an applicant's wage credits must be at

least \$2,400 or roughly 5.3 percent of the state's average annual wage in the preceding one-year base period. The change will affect benefit applications on or after Oct. 29, 2012. Additionally, the requirements to establish a new benefit account after the expiration of a benefit year on a previous account are changed to conform to these new requirements. This part takes effect May 26, 2011. (Art. 1, Sec. 6)

Another change will provide that personal time off and sick pay are treated the same as vacation pay for purposes of delaying payment of unemployment insurance benefits. (Art. 1, Sec. 8)

HF1396/SF1130*/CH84

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Employment - New Laws 2011

Workers' compensation technical changes

[SF1159*](#)/HF1362/CH89

House Chief Author: [Kieffer](#)

Senate Chief Author: [Lillie](#)

Effective Date(s): Various

Sponsored by Rep. Andrea Kieffer (R-Woodbury) and Sen. Ted Lillie (R-Lake Elmo), the law enacts a series of recommendations of the Workers' Compensation Advisory Council. Unless otherwise noted, its provisions take effect Aug. 1, 2011.

The council is made up of representatives of the state's major business and labor organizations, and recommends changes to statutes governing the workers' compensation program. The legislation they propose is usually considered noncontroversial.

Selected changes made by the law include:

- establishing a new timeline for settlement and pretrial conferences;
- clarifying who may serve as a workers' compensation judge, and that requirements for compensation judges are distinct from temporary administrative law judges;
- establishing that only compensation judges may conduct workers' compensation proceedings;
- providing that only the commissioner of labor and industry or a workers' compensation judge may issue written decisions and assess penalties;
- clarifying when a compensation judge must be removed from a case;
- effective May 28, 2011, providing for exceptions, under certain conditions, from the requirement that an award to a

disabled employee for home remodeling or construction to accommodate the individual's disability be certified by a licensed architect;

- also effective May 28, 2011, raising the limit on awards for remodeling or construction to accommodate an employee's disability from \$60,000 to \$75,000; and

- directing the Department of Labor and Industry to replace the "average wholesale price" standard in Minnesota Rules with the "wholesale acquisition cost" standard in regard to medical fees.

The law also authorizes a one-time appropriation of \$600,000 from the special compensation fund to implement a case management and electronic filing system at the Office of Administrative Hearings.

HF1362/SF1159*/CH89

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Energy - New Laws 2011

Policies enacted for ratepayers, utilities

[SF1197*/HF1025/CH97](#)

House Chief Author: [Beard](#)

Senate Chief Author: [Rosen](#)

Effective Date(s): Various

An omnibus energy policy law ends a renewable development grant program this year and requires the Public Utilities Commission to evaluate spent nuclear fuel storage costs for the next 200 years. The law also repeals a utility's ability to incrementally increase consumer rates based on natural gas usage amounts.

The Initiative for Renewable Energy and the Environment's \$5 million grant program, which was set to expire next year, will instead sunset July 1, 2011. IREE provides grants to the University of Minnesota and at rural campuses and experiment stations for research and development of renewable energy technologies.

Recognizing that the failure of the federal government to establish a national site for the disposal of spent nuclear fuel may result in that material remaining stored at reactor sites for an extended period of time, the law requires Xcel Energy to estimate the impacts on ratepayers if the spent fuel stays in Minnesota for 60, 100, and 200 years after the reactors shut down. In its triennial review of Xcel's required plan describing the amount of funds it is setting aside for eventual decommissioning of its Monticello and Prairie Island nuclear plants, the commission is now required to evaluate the costs storing the spent fuel imposes on the state and the community in which it is located. The commission is required to submit a report to the Legislature that explains its funding decisions regarding decommissioning and any progress made by the federal government to remove spent nuclear fuel from the state.

Another measure revokes a utility's ability to charge inverted block rates, which are intended to encourage energy conservation by incrementally increasing consumer rates as usage increases.

Sponsored by Rep. Mike Beard (R-Shakopee) and Sen. Julie Rosen (R-Fairmont), the other key provisions include:

- enabling a utility to propose a multi-year rate plan for up to three years beginning May 31, 2012 (effective May 28, 2011);
- eliminating the Energy Intervention Office and the position of reliability administrator within the Commerce Department and giving the department more flexibility to reallocate a \$1 million appropriation for the former administrator (effective July 1, 2011); and
- allowing a utility to electronically notify customers of their rights and responsibilities with respect to the state's Cold Weather Rule that prohibits winter disconnections under certain conditions (effective May 28, 2011).

HF1025/SF1197*/CH97

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Environment and Natural Resources - New Laws 2011

DNR property transaction list OK'd

[HF0055*/SF0048/CH3](#)

House Chief Author: [Hackbarth](#)

Senate Chief Author: [Carlson](#)

Effective Date(s): various

Sponsored by Rep. Tom Hackbarth (R-Cedar) and Sen. John Carlson (R-Bemidji), a new law allows the Department of Natural Resources to sell, buy and exchange surplus land in state forests and parks.

Each year, the DNR develops a recommended list of property that it wishes to buy, sell or exchange and the properties are packaged into the lands bill. Several tax-forfeited properties in many counties are included in the law, which was effective March 3, 2011.

HF55*/SF48/CH3

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Environment and Natural Resources - New Laws 2011

Speeding up reviews

[HF0001](#)*/SF0042/CH4

House Chief Author: [Fabian](#)

Senate Chief Author:

[Ingebrigtsen](#)

Effective Date(s): 03/04/11

Major revisions to the environmental permit process within the Department of Natural Resources and the Pollution Control Agency became effective March 4, 2011.

Sponsored by Rep. Dan Fabian (R-Roseau) and Sen. Bill Ingebrigtsen (R-Alexandria), the law establishes a goal for the DNR and PCA to issue or deny environmental and resource management permits within 150 days of a submitted application. The 150-day clock will not start until the proposer's application is considered complete. The DNR and PCA will have 30 days to make that determination.

Some applications can now take months or years to complete and drive would-be projects to neighboring states, said law proponents.

Under the law, statements of need and reasonableness for rulemaking will include an assessment of the difference between the proposed rule and existing federal standards for air, solid waste, hazardous waste and water quality, as well as standards in states within the same Environmental Protection Agency region. The law also allows the review process to bypass district court and go directly to the Court of Appeals.

Concern over allowing a project proposer to draft their own environmental impact statement was a controversial topic. In his letter to the bill sponsors, Dayton said, "To assure the MPCA's heightened vigilance over the projects following the enactment of this legislation, I am preparing an Executive Order that will instruct the MPCA, the DNR, and any other responsible state authorities to develop and implement whatever measures are necessary to assure that neither the quality nor the integrity of ensuing Environmental Impact Statements is compromised, and that there is no weakening of either their or any RGU's performance of their reviews and oversight responsibilities."

HF1*/SF42/CH4

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Environment and Natural Resources - New Laws 2011

Fishing, boating laws fight spread of infested lakes

[SF1115*/HF1097/CH107](#)

House Chief Author:

[McNamara](#)

Senate Chief Author:

[Ingebrigtsen](#)

Effective Date(s): Various

Rep. Denny McNamara (R-Hastings) and Sen. Bill Ingebrigtsen (R-Alexandria) sponsor a new law, which requires anglers to drain bait buckets when they leave any waters.

Watercraft operators will also need to obtain and display a decal on their watercraft after Aug. 1, 2011, that reminds them about the new rules. The Department of Natural Resources is considering sending the free decal to owners when they license their boats, which is once every three years. Beginning Aug. 1, 2014, violations will become a petty misdemeanor. Inspectors will be allowed to inspect water-related equipment for invasive species. (Secs. 25, 27, 40, 105)

Nets, traps and lines used in infested waters by commercial fisherman also need to be tagged, except for those used in Lake Superior. (Sec. 22)

Several other provisions are enacted in law.

Pesticides used on water are regulated by the Pollution Control Agency. Fearing that pools of water on cropland or in drainage ditches could require a permit to apply pesticide on land, the law states that only the Department of Agriculture can require permits for the terrestrial, or non-aquatic, application of pesticides. (Sec. 2)

Options are expanded for cabin and lake homeowners to obtain a permit to apply pesticides to manage invasive aquatic plants in a lake, such as large lake associations where gathering individual signatures may be arduous. (Sec. 78)

Beginning Jan. 1, 2012, a person may register an off-highway motorcycle also as a motorcycle, provided it is equipped with mirrors, headlight, taillight and a horn. (Sec. 7)

A new state trail pass is required for non-residents who want to ride off-road vehicles on state trails, effective July 1, 2011. The annual \$20 pass must be visible while riding. Three-year passes are available for \$30. Fees collected will go into the off-road vehicle account for trail maintenance costs. (Sec. 8)

The law also allows the DNR to set fees for all-terrain vehicle environmental and safety education and training according to actual program costs, rather than the previously prescribed \$15 fee. (Sec. 10)

As of July 1, 2011, children ages 12-17 can operate a Class 1 ATV but any single passenger must be the person's parent or legal guardian. (Sec. 11)

A new hunting law effective May 28, 2011, expands the definition of wild animal to include a dead one. (Sec. 19)

Parks and trails laws also were modified so that local governments need only a 25 percent match for state grants for regional trails instead of the previous 50 percent. (Sec. 37)

After criticism from some legislators, the law further codifies that the DNR must deposit revenue from leases on school trust lands into the trust fund, after deducting a reasonable portion for processing the lease. (Sec. 46)

An informal volunteer program where individuals or groups of interested persons want to help the DNR maintain wildlife management areas becomes more formalized under a new Adopt-a-WMA program. (Sec. 50)

Technical changes were made to clean water laws. Projects applying for grants from the Clean Water Partnership can now include non-point sources of pollution and local governments are eligible to apply for technical assistance. Certain PCA rulemaking authority is modified, as is a requirement that the agency work through the Environmental Quality Board. A clean water revolving loan fund is also increased to a \$50 million balance, effective Aug. 1, 2011. (Secs. 55-62)

Regulations regarding the location of wetland replacements are eased and standards are streamlined. Decisions of local governments for wetland replacement will be valid for five years, instead of three. (Secs. 67, 68)

Landfill laws are amended, effective Aug. 1, 2011, to allow the owner of a landfill in the Landfill Cleanup Program to transfer only a portion of a landfill over to the PCA if no further cleanup for that portion is necessary. (Sec. 83)

Environmental assessment worksheets for the expansion of an ethanol plant would not be mandatory under certain instances and the threshold for signatures on a petition for an environmental assessment worksheet to be prepared was increased from 25 to 100 and the signatures are required to come from those residing or owning property in the state rather than anywhere. (Sec. 87)

Provisions allowing certain local units of government to permit the use of ATVs, and other vehicles to operate on public roads were amended to modify the definition of ATVs for these purposes and add utility task vehicles

defined in law as a side-by-side four-wheel drive off-road vehicle that has four wheels, an internal combustion engine with a piston displacement capacity of 1,200 cubic centimeters or less, and weighs between 1,800 and 2,600 pounds. (Secs. 89-95)

A law from 2010 providing additional time for counties to amend their subsurface sewage treatment system ordinances is amended to give counties an additional two years until Feb. 4, 2014. (Sec. 98)

The DNR is directed to study and submit a report by next January on the proper management of shallow lakes. (Sec. 100)

Lutsen Ski Resort is granted the legislative approval required for a water use permit to use more than 2 million gallons per day. The permit allows the use of water from the Poplar River and the resort will be required to temporarily suspend taking water from the river for if the water flow drops below 15 cubic feet per second for five consecutive days. When water flow reaches or exceeds that amount, the resort can resume taking water from the river, effective Aug. 1, 2011. (Sec. 101)

The Paul Bunyan Trail bridge that crosses Excelsior Road in Baxter is renamed the Terry McGaughey Memorial Bridge, effective Aug. 1, 2011. McGaughey, a Brainerd Lakes area environmentalist known as the "Father of the Paul Bunyan Trail," died in July 2010. (Sec. 103)

HF1097/SF1115*/CH107

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Health and Human Services - New Laws 2011

Community paramedic law signed

[SF0119*](#)/HF0262/CH12

House Chief Author: [Mack](#)

Senate Chief Author: [Rosen](#)

Effective Date(s): 07/01/11

To help fill gaps in underserved communities, some emergency medical technicians could be certified to expand their roles.

A new law allows the creation of a new health care provider certification, "community paramedics," which could allow paramedics to monitor and provide some treatment to patients with chronic disease, and perform minor medical procedures intended to prevent ambulatory or emergency room services.

Sponsored by Rep. Tara Mack (R-Apple Valley) and Sen. Julie Rosen (R-Fairmont), the law allows experienced paramedics in communities to undergo 120 additional hours of training to become certified by the Emergency Medical Services Regulatory Board as "community paramedics." The Minnesota State Colleges and Universities system recently approved the accredited training program that would teach and certify EMTs as

"community paramedics."

The law requires the human services commissioner, in consultation with representatives of emergency medical service providers, physicians and local public health agencies, to determine specified services and payment rates for community paramedics. Subject to future legislative approval, services provided by community paramedics could be covered by Medical Assistance. Community paramedics would be directed by a local physician.

Community paramedic definition and eligibility portions of the law take effect July 1, 2011; funding and evaluation portions take effect Aug. 1, 2011.

HF262/SF119*/CH12

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Health and Human Services - New Laws 2011

Nursing home moratorium

[SF0626*](#)/HF0937/CH22

House Chief Author:

[Schomacker](#)

Senate Chief Author: [Rosen](#)

Effective Date(s): 5/14/2011

In the fall of 2010, a nursing home in New Richland was evacuated due to rising water levels in the building following the aftermath of an historic rain storm. Storm damage left the New Richland Care Center, a 50-bed facility, closed for three months. The facility still received a state bed surcharge that amounted to \$20,000 for the number of beds it holds even though it was not housing anyone while it was closed for repair.

A new law ensures that nursing homes do not receive a surcharge for the time they are closed or evacuated for flooding or other natural disasters.

Sponsored by Rep. Joe Schomacker (R-Luverne) and Sen. Julie Rosen (R-Fairmont), the legislation also modifies the criteria and process under which the health commissioner, in coordination with the human services commissioner, may approve the addition of new licensed and certified nursing home beds. A moratorium currently exists on new nursing home beds in Minnesota, but the law provides for exception in locations declared as "hardship areas," where there is demonstrated insufficient access to nursing home beds.

Other provisions included in the law:

- allows the health commissioner to approve a request for consolidation of nursing facilities;
- requires the human services commissioner to calculate a property payment rate adjustment, based on the net cost savings to the state of a nursing facility consolidation; and

- amends the law related to nursing home reimbursement by adding a new subdivision that provides a method for determining budget-neutral nursing facility rates for relocated beds.

The law is effective May 14, 2011.

HF937/SF626*/CH22

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Health and Human Services - New Laws 2011

CPR requirements at day care centers [HF0235](#)*/SF0381/CH23

House Chief Author: [Holberg](#)

Senate Chief Author: [Hall](#)

Effective Date(s): 8/1/2011

Sponsored by Rep. Mary Liz Holberg (R-Lakeville) and Sen. Dan Hall (R-Burnsville), a new law requires all teachers and assistant teachers to successfully complete CPR training, including CPR techniques for infants and children. At least one staff person with training must be present during field trips and when transporting children. The training would have to occur within 90 days after the start of employment.

It takes effect Aug. 1, 2011.

Prior to the law, day care centers were required to have at least one trained staff person present in the facility when children are present.

The so-called "Hannah's Law" is named after a 4-year-old girl who died in June 2010 after choking on a grape at a child care center.

Day care centers account for about half of the care for children in the state.

HF235*/SF381/CH23

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Health and Human Services - New Laws 2011

Public health care costs for kids [HF1341](#)*/SF1269/CH29

House Chief Author: [McDonald](#)

Senate Chief Author: [Benson](#)

Effective Date(s): 11/2011

The Department of Human Services currently gathers data on health care costs for families enrolled in Medicaid, but it does not separate out those costs of care for children from their parents.

Sponsored by Rep. Joe McDonald (R-Delano) and Sen. Michelle Benson (R-Ham Lake), a new law will require the department to provide this more specific data in forecasts of health care expenditures, something that hospital representatives said will not only be a useful tool for providers, but also for policymakers. The human services commissioner will be responsible for providing an account of all health care expenditures for those 21 and

under separate from expenditures for enrolled parents, for all services provided in a Minnesota public health care program.

Officials from Gillette Specialty Healthcare board of directors, who testified in support of the legislation, said separated expenditures will serve as a business analysis tool for providers and would not have an effect on those buying coverage.

The law takes effect Nov. 1, 2011.

HF1341*/SF1269/CH29

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Health and Human Services - New Laws 2011

Psychiatric facility for youth can expand

[SF0742*](#)/HF1018/CH51

House Chief Author: [Zellers](#)

Senate Chief Author: [Rosen](#)

Effective Date(s): 8/01/2011

The recently opened PrairieCare children and adolescent psychiatric hospital wants to expand its 20-bed facility in Maple Grove. It needed legislative approval because of an existing moratorium on construction of new hospitals.

Sponsored by House Speaker Kurt Zellers (R-Maple Grove) and Sen. Julie Rosen (R-Fairmont), a new law amends the existing moratorium exception that first allowed construction of the 20-bed hospital specifically geared for individuals age 21 and younger, by adding that the permitted project includes expansion for the hospital for up to 50 beds.

The law states that no further public interest review by the Department of Health is necessary to grant the exception.

The hospital moratorium was enacted in the early 1980s to prevent overbuilding hospital facilities in the Twin Cities metropolitan area. Since that time, the Legislature has granted 24 exceptions, including in 2009 to add the 20-bed PrairieCare children and adolescent psychiatric inpatient facility in Maple Grove.

PrairieCare is affiliated with Prairie St. John's a Fargo/Moorhead-based mental health care provider that asked for an exemption of the hospital moratorium in 2008 when it unveiled plans to build a 66-bed inpatient adolescent psychiatric facility in Woodbury. The House passed a bill to grant an exemption for the facility, but the measure did not get approval in the Senate. Prairie St. John's then proposed its scaled-back PrairieCare facility in Maple Grove.

The law is effective Aug. 1, 2011.

HF1018/SF749*/CH51

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Health and Human Services - New Laws 2011

High standard for pro athlete drug tests

[SF1265*](#)/HF1422/CH62

House Chief Author: [Simon](#)

Senate Chief Author: [Pederson](#)

Effective Date(s): 8/01/2011

Minnesota drug testing laws will recognize labor agreement provisions regarding drug and alcohol testing for professional athletes, under a new law that takes effect Aug. 1, 2011.

Professional sports contracts often include drug testing requirements that are more stringent and tougher than Minnesota laws. The measure has the support of professional teams and labor organizations.

Rep. Steve Simon (DFL-St. Louis Park) and Sen. John Pederson (R-St. Cloud) sponsor the law.

HF1422/SF1265*/CH62

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Health and Human Services - New Laws 2011

Donation for anatomical gift program

[HF0808*](#)/SF0892/CH80

House Chief Author: [Anderson,](#)

[S.](#)

Senate Chief Author: [Senjem](#)

Effective Date(s): 1/01/2012

In addition to being asked if they want to be an organ donor, people applying for a driver's license or state identification card will be asked to contribute financially to an awareness campaign. The same question will be posed when registering and transferring title on a motor vehicle.

Sponsored by Rep. Sarah Anderson (R-Plymouth) and Sen. David Senjem (R-Rochester), a new law establishes a \$2 donation option "for the purposes of public information and education on anatomical gifts."

The money will be used as grants to federally certified organ procurement organizations and nonprofit organizations that advocate for organ and tissue donation. Funds will also cover all Department of Public Safety expenses to implement the program.

Anderson said more than 2 million Minnesotans have already signed up for organ donation, a rate of about 50 percent, but the percentage is much higher in the eight states that have similar programs.

The law takes effect Jan. 1, 2012.

HF808*/SF892/CH80

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Health and Human Services - New Laws 2011

Definition of a swimming pond

[HF0763](#)*/SF0491/CH83

House Chief Author: [Hilty](#)

Senate Chief Author: [Lourey](#)

Effective Date(s): 5/25/2011

Swimming ponds are currently exempt from most of the department regulations that govern operation, maintenance, design, installation and construction of public pools. That exemption was due to expire on June 30, 2011, but a new law, sponsored by Rep. Bill Hilty (DFL-Finlayson) and Sen. Tony Lourey (DFL-Kerrick), removes the exemption expiration.

The legislation was proposed after a December 2010 department report recommended the state continue to regulate public swimming pools and ponds differently.

The Legislature has defined a swimming pond as “an artificial body of water contained within a lined, sand-bottom basin, intended for public swimming, relaxation, or recreational use that includes a water circulation system for maintaining water quality and does not include any portion of a naturally occurring lake or stream.”

There are six public swimming ponds in the Twin Cities metropolitan area: Zimmerman, Osseo, Lake Elmo, Excelsior, Eden Prairie and Shakopee. Public swimming ponds in Greater Minnesota are located in Warroad, Glyndon, Cloquet, Mankato, Blooming Prairie and New Ulm. The law is effective May 25, 2011.

HF763*/SF491/CH83

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Health and Human Services - New Laws 2011

Modifications to health services policy provisions

[SF1285](#)*/HF1500/CH86

House Chief Author: [Anderson, D.](#)

Senate Chief Author: [Newman](#)

Effective Date(s): 8/01/2011

A 2009 law required the Department of Human Services to develop a uniform statewide rate setting methodology to replace the county negotiated rates with providers of mental and chemical health care.

On top of those required changes, the federal Centers for Medicare and Medicaid Services recently instructed the state to modify its rate setting methodology to improve integrity of its continuum of services for individuals with complex needs related to mental and chemical health care services.

A new law, sponsored by Rep. Diane Anderson (R-Eagan) and Sen. Scott Newman (R-Hutchinson), makes notable changes to chemical and mental health care-related statutes in order to reflect the 2009 legislative directive and to streamline the chemical and mental health care-related areas of the department to conform to the recent federal instruction. The changes reflect a three-tiered

Medical Assistance reimbursement system.

Many of the changes were developed from the work of a 2010 Legislature-appointed task force charged with the responsibility of making recommendations to the human services commissioner on ways to improve quality care access for individuals with complex conditions, including mental illness, chemical dependency, traumatic brain injury and developmental disabilities. The result of the task force's work is reflected in the new law that changes existing statutes related to care for such individuals.

Provisions contained in the new law include:

- an adult diagnostic assessment update to be completed when an assessment has been completed within three years preceding admission for health services and there has been no marked change in the client's mental health status;
- modification of the foster care licensing moratorium by carving out an exception for the human services commissioner to grant new foster care licenses if needed due to restructuring of state-operated services;
- changes to the consolidated chemical dependency treatment fund section of law due to a provision passed by the Legislature instructing the department to develop a new chemical dependency rate methodology that is uniform statewide;
- changes to the law authorizing Medical Assistance payments for intensive rehabilitation mental health services by requiring the commissioner to streamline the rate setting process of a certified community treatment teams an intensive residential services;
- changes the definition of "intensive nonresidential rehabilitative mental health services" and clarifies that these services are for recipients ages 16 to 21 with a serious mental illness or co-occurring mental illness and substance abuse addiction;
- modifying the foster care licensing moratorium by carving out an exception for the commissioner of human services to grant new foster care licenses if needed due to restructuring of state-operated services; and
- requiring that a mobile crisis intervention team must be available to meet face to face with a person in a hospital emergency room in a mental health crisis. The law also adds to the list of issues that must be evaluated in the crisis assessment, including the recipient's preferences as communicated verbally or in a health care directive treatment plan, crisis prevention plan, or a wellness recovery action plan.

This law takes effect Aug. 1, 2011.

H1500/SF1285*/CH86

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Health and Human Services - New Laws 2011

Preventing youth concussion harm

[SF0612*](#)/HF0905/CH90

House Chief Author: [Hamilton](#)

Senate Chief Author: [Benson](#)

Effective Date(s): Various

A concussion can have harmful, long-lasting effects on some youth who have had more than one, according to medical experts.

Rep. Rod Hamilton (R-Mountain Lake) and Sen. Michelle Benson (R-Ham Lake) sponsor a new law to boost education and monitoring requirements for adults and young athletes involved in organized sports.

Coaches and youth sports officials must remove athletes from play or practice if they show signs of a concussion or are suspected to have sustained one. The athletes may only return to play if a medical professional experienced in treating concussions determines they are ready.

Organizers of fee-based youth athletics, including cities, businesses, nonprofit organizations, and sports governing bodies organizing school-sponsored sports, must provide all parents, athletes, coaches and officials with Centers for Disease Control information about signs and symptoms of concussion, and protocols if one is suspected. An initial online training with renewal every three years is required for coaches and officials.

The law defines who is an athlete covered under this law, who is a qualified health care provider to make a determination about an athlete's readiness for play, and the responsibilities of the sports governing body with oversight of the sport or team. Most of the law takes effect Sept. 1, 2011, or at the beginning of the 2011-2012 school year.

HF905/SF612*/CH90

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Health and Human Services - New Laws 2011

Food inspection exceptions

[SF0477*](#)/HF0637/CH92

House Chief Author:

[Drazkowski](#)

Senate Chief Author: [Howe](#)

Effective Date(s): 8/01/2011

The efforts of a couple of self-professed "church ladies" from Goodhue County saved their church dinners thanks to a new law that exempts meals served by faith-based organizations from certain Health Department food inspection regulations, including inspections.

Sponsored by Rep. Steve Drazkowski (R-Mazeppa) and Sen. John Sterling Howe (R-Red Wing), the legislation

grants certain organizations with tax-exempt status exemption from food regulation statutes. It would also affect organizations that are affiliated with or related to a sportsman organization. It also adds a limitation that events must be held in the organization's building or on the grounds.

Pat Irrthum and Kathy Theel began their efforts to reform the law that jeopardized their church dinners at St. Paul's Catholic Church in Zumbrota after Goodhue County relinquished its food inspection service for nonprofits last year as a cost saving measure. The Department of Health took over the duties for the county and last spring informed parishioners at the church and other area churches that they were in violation of a state law that requires permits for nonprofit events where homemade food is served. Irrthum testified in House and Senate health committees that her church never received previous communication prior to the health inspector's arrival at their parish.

The law exempts church dinners from inspection provided that a certified food manager, or a volunteer trained in a food safety course, trains the food preparation workers in safe food handling practices. The exemption does not apply to faith-based organizations at the state fair or county fairs or to faith-based organizations that choose to apply for a license.

The law also states that school concession stands that serve commercially prepared, non-potentially hazardous foods are exempt from food inspection.

Additionally, the law adds an exception for food service events following a disaster as long as commercially prepared, non-potentially hazardous food is served.

The law is effective Aug. 1, 2011.

HF637/SF477*/CH92

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Health and Human Services - New Laws 2011

'Leo's Law' to raise awareness of mitochondrial diseases

[SF0361](#)*/HF0287/CH104

House Chief Author: [Hamilton](#)

Senate Chief Author: [Magnus](#)

Effective Date(s): 8/01/2011

Sponsored by Rep. Rod Hamilton (R-Mountain Lake) and Sen. Doug Magnus (R-Slayton), a new law establishes the third week of every September as Mitochondrial Disease Awareness Week. During this time, Minnesotans will be urged to become better informed about mitochondrial diseases, which affect mitochondria — the "power plants" in every cell of the body.

The provisions may be cited in statute as "Leo's Law," so

named after Leo James Chapman-Nesseth, a 1-year-old who died from a mitochondrial disorder in 2010. Hamilton said he was contacted by the boy's parents, who suggested legislation to raise awareness of the condition.

According to the United Mitochondrial Disease Foundation's website, Mitochondrial disorders occur when the power plants in a body's cells fail to convert oxygen and food into energy. They can cause a wide range of serious health problems, from strokes and seizures to organ failure and immune system problems. Mitochondrial diseases can be inherited, or they can develop due to environmental factors.

The law takes effect Aug. 1, 2011.

HF287/SF361*/CH104

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Health and Human Services - New Laws 2011

Nursing home reimbursement rate formula changes

[SF1286*](#)/HF1508/CH110

House Chief Author:

[Schomacker](#)

Senate Chief Author: [Hann](#)

Effective Date(s): 8/01/2011

The state and federal human services departments have been working to adapt reimbursement formulas for nursing homes as the population and needs of nursing home residents continue to change. As a result, the federal government recently updated its requirements for resident reimbursement classification formulas at nursing homes.

A new law conforms state statutes to new federal requirements related to case mix classifications and reimbursement rates at nursing homes. Rep. Joe Schomacker (R-Luverne) and Sen. David Hann (R-Eden Prairie) sponsor the legislation, which makes changes to resident reimbursement classification rates.

The new rates will be based on an updated minimum dataset or any new version mandated by the Centers for Medicare and Medicaid Services that nursing facilities are required to complete for all residents. The new law also states that the health commissioner shall establish resident classes according to updated resource utilization groups.

Two unrelated provisions are included in the law.

Offered by Rep. Tina Liebling (DFL-Rochester), one makes technical and clarifying changes to statutes regarding body art technician licensing and inspection. The language is similar to HF1445, which Liebling sponsors.

The other, offered by Rep. Morrie Lanning (R-Moorhead), permits counties and the state to contract with facilities in a bordering state for detoxification services for Minnesota

residents. It also allows Minnesota detoxification facilities to contract with bordering states to provide services to residents of the bordering states. The language is similar to HF364, which Lanning sponsors.

The law takes effect Jan. 1, 2012.

HF1508/SF1286*/CH110

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Higher Education - New Laws 2011

Student data protection exemption

[SF0799*](#)/HF1130/CH93

House Chief Author: [Nornes](#)

Senate Chief Author: [Miller](#)

Effective Date(s): 8/01/2011

Postsecondary institutions will have increased liability protection when disclosing student data.

Sponsored by Rep. Bud Nornes (R-Fergus Falls) and Sen. Jeremy Miller (R-Winona), a new law exempts an institution of higher education that provides student data or records to the Office of Higher Education from liability related to “any breach of confidentiality, disclosure, use, retention, or destruction of the records” of the data by any of the individuals having access to the data.

Nornes said colleges are very concerned about the increased risks they are taking when sharing required information with the office, especially when improper data disclosure could lead to things like identity theft.

All institutions that participate in the state financial aid program must now submit student record data to the office for the purposes of research and program evaluation. However, the state is creating a state longitudinal education data system that will combine K-12 and higher education data and eventually workforce data. In addition to educational state departments or agencies, the information will be available to the Office of Enterprise Technology and the Department of Employment and Economic Development. School officials are uncomfortable with the increased level of risk as more agencies have data access.

The law takes effect Aug. 1, 2011.

HF1130/SF799*/CH93

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Housing - New Laws 2011

Pole barn safety law signed

A 47-year-old father of seven died after a fall through a skylight on a pole barn roof. A new law could prevent similar accidents.

It directs the state building code to require that skylight panels used with corrugated roofing materials, such as those used in pole barns, have the same load-bearing capacity as the roof surrounding them. It does not apply to skylights with curbs.

The law, sponsored by Rep. Mike LeMieur (R-Little Falls) and Sen. Doug Magnus (R-Slayton), is effective May 14, 2011.

[HF0529](#)*/SF0916/CH20

House Chief Author: [LeMieur](#)

Senate Chief Author: [Magnus](#)

Effective Date(s): 5/14/2011

HF529*/SF916/CH20

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Housing - New Laws 2011

Foreclosure evictions and renters

The increase in foreclosures has caused the need for some statutes to be clarified that were enacted in 2010 to deal with the issue.

A new law, sponsored by Rep. Peggy Scott (R-Andover) and Sen. Bill Ingebrigtsen (R-Alexandria), clarifies situations addressed in a 2010 law related to property that is being rented out, with a lease, at the time of a foreclosure. The new language makes clear that the statute is about eviction action directed at residential property or a dwelling.

The provisions relate to foreclosures on or before Dec. 31, 2012. The law takes effect May 25, 2011.

[SF1162](#)*/HF1443/CH58

House Chief Author: [Scott](#)

Senate Chief Author:

[Ingebrigtsen](#)

Effective Date(s): 8/01/2011

HF1443/SF1162*/CH58

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Local Government - New Laws 2011

Red Wing Port Authority changes

A new law will allow commissioners on the Red Wing Port Authority to serve three-year terms instead of the current six-year terms.

Sponsored by Rep. Tim Kelly (R-Red Wing) and Sen. John Sterling Howe (R-Red Wing), the law was drafted at the request of the port authority. Kelly thinks more people would be willing to serve for three years as opposed to six

[HF0613](#)*/SF0124/CH17

House Chief Author: [Kelly](#)

Senate Chief Author: [Howe](#)

Effective Date(s): Upon local approval

years.

The law is effective upon local approval, and applies retroactively to all terms beginning on or after Jan. 1, 2011.

HF613*/SF124/CH17

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Local Government - New Laws 2011

Zoning variance changes

[HF0052](#)*/SF0013/CH19

House Chief Author: [Peppin](#)

Senate Chief Author: [Olson](#)

Effective Date(s): 5/6/2011

A Minnesota Supreme Court ruling last year made it next to impossible for local governments to grant zoning variances to property owners. A new law is intended to fix the problem.

Sponsored by Rep. Joyce Peppin (R-Rogers) and Sen. Gen Olson (R-Minnetrista), the law is designed in response to *Krummenacher v. City of Minnetonka*. In that case, the court interpreted statute to say that cities cannot grant variances to property owners if their properties could be put to reasonable use without a variance.

In effect, this meant local governments could no longer grant variances, except in rare circumstances. Supporters say the law would merely clarify the existing statute so that local governments can go on using the same standards that have been in place for more than 20 years.

In brief, the law states that cities, counties and townships may grant variances in cases where the property owner intends to use the property in a "reasonable manner" that does not conflict with the essential character of the locality.

The law is effective May 3, 2011.

HF52*/SF13/CH19

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Local Government - New Laws 2011

Red Wing golf course sale authorized

[SF0779](#)*/HF1017/CH43

House Chief Author: [Kelly](#)

Senate Chief Author: [Howe](#)

Effective Date(s): Sec. 1 Local Approval; Sec. 2 5/25/2011

The City of Red Wing wants to let a private investor buy its municipally owned golf course, but first it needs permission from state lawmakers. A new law allows the deal to go through.

Red Wing owns Mississippi National Golf Links, a 36-hole public golf course. The city contracts with a private firm to run it, but still ends up paying certain capital and maintenance costs. City officials say selling the course would save local taxpayers money while allowing the

course to continue to operate.

Effective upon local approval, the law gives the city authority to sell the golf course, as long as the facilities remain open for public use. Also, effective May 25, 2011, the law allows the Department of Administration to give the city ownership of the road leading to the course.

The land on which the course resides was declared surplus state property in the 1970s, and Red Wing obtained it from the state by way of a special law passed in 1976. Supporters of the new law said it was unclear whether the law allows the city to sell the land, so city officials needed lawmakers to grant them the authority.

Rep. Tim Kelly (R-Red Wing) and Sen. John Sterling Howe (R-Red Wing) are the sponsors.

HF1017/ SF779*/CH43

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Local Government - New Laws 2011

Kittson, Marshall county offices may be appointed

[HF0954](#)*/SF0642/CH99

House Chief Author: [Fabian](#)

Senate Chief Author: [Stumpf](#)

Effective Date(s): The day after local compliance.

A new law grants the boards of commissioners in Kittson and Marshall counties authority to fill their respective county recorder and county auditor-treasurer positions by appointment instead of by popular vote.

Transitioning certain county offices from elected to appointed positions has become a routine occurrence in recent years. Lawmakers have granted similar authority to many other counties, where officials say the positions have grown more professionalized, and that they have trouble recruiting qualified candidates to run for those offices. Supporters say it's practical, while opponents argue it's undemocratic.

The law provides that the current officeholders may finish their current terms before the county boards appoint replacements. The counties must provide public notice and the opportunity for public comment before adopting resolutions providing for the changes. The resolutions must be approved by at least 80 percent of the respective county boards. The change must be put to a popular vote if a petition is filed.

The law further provides that residents of the county may force the positions to revert back to elected offices by way of a reverse referendum. If the county board members choose to make the offices elective after they've been made appointive, they must wait at least three years until after the initial change.

The law is effective upon local approval.

HF954*/SF642/CH99

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Local Government - New Laws 2011

Moving property from one city to another

[HF0753](#)*/SF0792/CH115

House Chief Author: [Howes](#)

Senate Chief Author: [Nienow](#)

Effective Date(s): 8/01/2011

Sponsored by Rep. Larry Howes (R-Walker) and Sen. Sean Nienow (R-Cambridge), a new law once again makes it easier for a property owner to initiate the process of detaching from one city and being annexed to the adjacent city. Under the provisions, property owners will be able to petition to have their land detached and annexed as long as one of the two affected municipalities supports the switch. Previously, the law stated that both cities must agree to it.

With the support of a resolution from one of the affected cities, a property owner could take his case to an administrative law judge, who would have the power to order the concurrent detachment and annexation.

The law essentially reverses legislation passed in 2006 that took away the ability for individual property owners to initiate a proceeding with only one city's support. The proposed change was one of two recommendations from the Municipal Boundary Adjustment Advisory Task Force — a bipartisan panel assembled by the Legislature to review annexation laws. The task force issued its final report in 2009.

HF753*/SF792/CH115

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Military and Veterans Affairs - New Laws 2011

Expired driver license renewals

[HF0186](#)*/SF0395/CH54

House Chief Author: [Urdahl](#)

Senate Chief Author: [Daley](#)

Effective Date(s): 7/01/2011

Minnesota active military service members serving outside the state will have one year after they are discharged from active duty to renew an expired driver's license

Sponsored by Rep. Dean Urdahl (R-Grove City) and Sen. Ted Daley (R-Eagan), the law extends renewal time from 90 days to one year. The law is effective July 1, 2011, and applies to Minnesota driver's licenses valid on or after that date.

HF186*/SF395/CH54

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Military and Veterans Affairs - New Laws 2011

Gold Star plate, therapy options expand

[HF0232](#)*/SF0179/CH117

House Chief Author: [Kriesel](#)

Senate Chief Author:

[Ingebrigtsen](#)

Effective Date(s): Various

Since October 2009, a surviving spouse or parent of a service member who dies while serving honorably in active service has been eligible to receive a complimentary gold star license plate.

Effective Aug. 1, 2011, a new law expands plate eligibility to surviving legal guardians and the service member's brothers, sisters and children. Rep. John Kriesel (R-Cottage Grove) and Sen. Bill Ingebrigtsen (R-Alexandria) sponsor the law. (Sec. 1)

The law also contains a provision to decrease license and state identification card fees, while increasing vehicle registration filing fees.

Effective July 1, 2011, the cost of a Class D driver's license will drop from \$22.25 to \$17.25. Fees for renewing vehicle licenses will increase from \$4.50 to \$6 and other transactions will increase from \$8.50 to \$10. There will not be a filing fee charged for surrendering a vehicle title.

There are two types of registration centers: state-operated and independently operated deputy registrar locations. Fees paid at state operated locations will go toward the purchase of a Minnesota licensing and registration mainframe to replace the current 30-year-old system. The transaction fees paid at deputy registrar offices can be used to give the employees their first wage increase in eight years. (Secs. 2-3, 6)

Section 4 of the law allows the Department of Veterans Affairs to accept federal funds, effective July 1, 2011.

Also beginning July 1, 2011, residents involved in work therapy programs at state veterans homes may work on a broader array of projects. Kriesel said a project to work on kickstands had to be refused because of current prescriptive language. (Sec. 5)

HF232*/SF179/CH117

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Public Safety - New Laws 2011

Tough penalty for harming police dog

[HF0141](#)*/SF0121/CH9

House Chief Author: [Cornish](#)

Senate Chief Author: [Hall](#)

Effective Date(s): 08/01/11

A new law will increase the penalty for injuring public safety dogs and impose mandatory restitution on offenders who harm these animals.

The law will extend the current two-year felony for killing a public safety dog to offenses of causing "great or substantial bodily harm" to such animals, including those that cause permanent disfigurement of the animal or loss or impairment of a body organ. It also extends the gross misdemeanor offense of harming a public safety dog to cases where the dog suffers demonstrable bodily harm.

An offender shall pay restitution "for the costs and expenses resulting from the crime. Costs and expenses include, but are not limited to, the purchase and training of a replacement dog and veterinary services for the injured dog."

Further, the law, which takes effect Aug. 1, 2011, creates a new offense whereby it is a misdemeanor to assault a public safety dog where the animal does not suffer "demonstrable bodily harm."

Rep. Tony Cornish (R-Good Thunder), who sponsors the law with Sen. Dan Hall (R-Burnsville), said the impetus for the law was Major, a German Shepherd stabbed Nov. 12, 2010, as Roseville police assisted Maplewood officers responding to a break-in.

After finding a suspect, officers heard Major crying in pain. He had been stabbed four times. He was rushed to the University of Minnesota Veterinary Medical Center for emergency surgery. While Major survived, he did not regain use of his back legs.

HF141*/SF121/CH9

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Public Safety - New Laws 2011

Vulnerable adult protections

[HF0447](#)*/SF0195/CH28

House Chief Author: [Kelly](#)

Senate Chief Author: [Limmer](#)

Effective Date(s): 8/1/2011

Sponsored by Rep. Tim Kelly (R-Red Wing) and Sen. Warren Limmer (R-Maple Grove), a new law, effective Aug. 1, 2011, makes reforms to the Vulnerable Adult Act, which was last substantially revised in 1995 to include making it a crime for vulnerable adult care facility workers or caregivers to engage in sexual conduct or penetration with a vulnerable adult in their care. But the law does not include language that requires someone convicted of these crimes to register as a predatory offender.

The law will also increase the fourth-degree assault penalty from a misdemeanor to a gross misdemeanor for those who know or have reason to know their target is a vulnerable adult and still assault that person because of the perceived vulnerability and cause bodily harm in the act. Current statute states that a person who assaults a vulnerable adult receives a misdemeanor penalty unless they were the caregiver of the victim, in which case it is a gross misdemeanor.

In Minnesota, a vulnerable adult is defined as someone who receives nursing home care services or has impairments that make it impossible for them to care for themselves on a daily basis and are sufficiently impaired that they cannot protect themselves from maltreatment.

HF447*/SF195/CH28

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Public Safety - New Laws 2011

Tougher penalty for fleeing peace officer

[HF0361](#)*/SF0515/CH32

House Chief Author: [Kriesel](#)

Senate Chief Author:

[Harrington](#)

Effective Date(s): 8/1/2011

Effective Aug. 1, 2011, a new law extends current law to situations where a suspect initially flees police in a motor vehicle, but abandons the vehicle and continues to flee in another way.

Current flee-on-foot statute does not address penalties for causing serious harm or death to others if pursuit of a felonious criminal goes from vehicle to foot. However, if the occupants are still in the car, they can be charged for all the harm caused by their actions.

The impetus for the bill occurred on Nov. 1, 2007, when Mark Bedard, an officer with the Minneapolis Park Police, was in pursuit of two suspects in a pair of drive-by shootings.

After the suspects bailed from their vehicle, the chase continued on foot until Bedard was hit by a squad car in an alley. He died nine days later.

Because Bedard's injuries occurred during a foot chase, the suspects could not be charged under statute. They did plead guilty to felony drive-by shooting and received sentences of less than four years in prison.

Rep. John Kriesel (R-Cottage Grove) and Sen. John Harrington (DFL-St. Paul) are the sponsors.

HF361*/SF515/CH32

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Public Safety - New Laws 2011

Public safety equipment purchase or lease

[HF1139*](#)/SF0921/CH33

House Chief Author: [Hancock](#)

Senate Chief Author:

[Vandev eer](#)

Effective Date(s): 8/1/2011

It used to be that if a city wanted to buy a used fire truck or police cruiser from another local government, they would have to go through a competitive bidding process. Effective Aug. 1, 2011, local governments can purchase public safety equipment directly from a single source when it makes financial sense.

A new law exempts public safety equipment from municipal contracting statutes, which normally require cities and counties to use competitive bidding or best value alternative processes to buy equipment. Under the provisions, a local government can skip competitive bidding "if the equipment is clearly and legitimately limited to a single source of supply, and the contract price may be best established by direct negotiation."

The law also authorizes local governments to issue certificates of indebtedness or capital notes to lease public safety equipment for up to 15 years.

Rep. David Hancock (R-Bemidji) and Sen. Ray Vandev eer (R-Forest Lake) are the sponsors.

HF1139*/SF921/CH33

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Public Safety - New Laws 2011

Synthetic marijuana banned; bong water weight clarified

[HF0057*](#)/SF1166/CH53

House Chief Author: [Kriesel](#)

Senate Chief Author: [Hall](#)

Effective Date(s): Various

Synthetic marijuana, also known as K2 or Spice, is a mix of common herbs sprayed with synthetic chemicals that mimic the effects of marijuana. It is sold in head shops and in stores as incense or potpourri under names like Demon, Triple X and Mr. Nice Guy, but is being used as an inhalant for people to get high. There is no minimum age to purchase the product.

Effective July 1, 2011, it will be a gross misdemeanor to sell synthetic marijuana and a person in possession of such a substance will be guilty of a misdemeanor.

Rep. John Kriesel (R-Cottage Grove), who sponsors the law with Sen. Dan Hall (R-Burnsville), said it has been known to cause serious health problems, including seizures. In the first 11 months of 2010 there were more than 2,500 calls nationwide to poison control centers because of synthetic marijuana use. It has been banned in 17 countries and 11 other states.

Effective May 25, 2011, the law amends the definition of "mixture" in first- through third-degree controlled substance possession crimes. It establishes that "the weight of fluid used in a water pipe may not be considered in measuring the weight of a mixture except in cases where the mixture contains four or more fluid ounces of fluid." Law enforcement can still charge sale offenses based on total weight of the mixture. This provision is from HF479/SF502, sponsored by Rep. Phyllis Kahn (DFL-Mpls) and Sen. Sandy Pappas (DFL-St. Paul).

The problem came to light in 2008 when a defendant was charged with a first-degree controlled substance offense because they possessed bong water that contained a residue of methamphetamine. Even though the bong water had just a small amount of residue, the mixture's total weight was used to charge the defendant with the more serious drug offense. The Minnesota Supreme Court ruled in 2009 the charge was appropriate under the current definition of mixture.

This provision was overwhelmingly approved in 2010, but vetoed by former Gov. Tim Pawlenty, who said the bill "waters down current criminal justice practices and standards related to the weight of controlled substances found in water pipes."

Substances known as 2C-E and 2C-I, "plant food," "bath salts" and synthetic cannabinoids will be added to the Schedule I drugs in the controlled substances chapter of state law, effective July 1, 2011. This is from HF1359, sponsored by Rep. Bob Barrett (R-Shafer).

These substances, which provide an amphetamine/hallucinogen-like high and can produce severe psychological and behavioral problems, have been accessible through head shops and online. In March 2011, a 19-year-old in Blaine died and 10 others became seriously ill from using these drugs.

Effective July 1, 2011, the definition of "analog" is added to the controlled substances chapter of state law; thereby, allowing the Board of Pharmacy to automatically add a substance to a list of Schedule I drugs that are illegal without having to first get legislative approval. This is from HF1520/SF1333, sponsored by Rep. Joe Mullery (DFL-Mpls) and Sen. Linda Berglin (DFL-Mpls).

Finally, the law eliminates the board's obligation to undertake an annual review of the controlled substance schedules. This is effective Aug. 1, 2011.

HF57*/SF1166/CH53

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Public Safety - New Laws 2011

Disaster relief technical changes now law

[SF1044*/HF1088/CH67](#)

House Chief Author:

[Drazkowski](#)

Senate Chief Author: [Parry](#)

Effective Date(s): Various

Lessons learned from flood relief efforts in the wake of the September 2010 floods in southern Minnesota form the basis for a package of mostly technical changes to the state's disaster relief statutes.

Sponsored by Rep. Steve Drazkowski (R-Mazeppa) and Sen. Mike Parry (R-Waseca), a new law makes a number of changes to how state agencies are allowed to spend disaster relief funds. Unless otherwise noted, it takes effect Aug. 1, 2011.

The law will allow unspent funds from the October 2010 disaster relief law to be used for grants to cover a portion of outstanding municipal bond debt for water and sewer infrastructure in counties affected by the 2010 floods. This provision takes effect May 25 2011. Another provision allows state funds to be used to pay the local share of flood hazard mitigation grants. This section is effective retroactively to Oct. 19, 2010.

Selected other changes made by the law include:

- permitting the Board of Water and Soil Resources to use disaster-related funds to address "critical conservation problems" and extend disaster relief grants for up to two years;
- clarifying how disaster enrollment impact aid is to be calculated by the Department of Education;
- restricting the use of money from the Minnesota Investment Fund to address physical damages only;
- providing that organizations receiving forgivable loans from the Minnesota Investment Fund must remain in the community for five years, after which a loan forgiveness schedule must be followed;
- allowing the Health Department to waive the 60-day written notice requirement regarding layaway of nursing home beds;
- allowing certain transportation-related funds to be used for demolition and design purposes for road and bridge reconstruction projects; and
- allowing the Public Safety Department to use flood relief appropriations to help coordinate long-term recovery activities.

HF1088/SF1044*/CH67

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Public Safety - New Laws 2011

Sex offender residency restriction clarified for courts

[HF0229](#)*/SF0076/CH72

House Chief Author: [Downey](#)

Senate Chief Author: [Michel](#)

Effective Date(s): 8/01/2011

A young girl was molested by her next door neighbor. The juvenile offender received treatment as part of a plea bargain and was released to his family. The victim's family asked for a residency restriction order, but were told by the judge hearing the case that nothing could be done to prevent the offender from living next door upon his completion of treatment.

Apparently the judge was wrong.

A new law authorizes a court to bar a juvenile found guilty of a sex crime from residing within 1,000 feet, or three city blocks, of the victim.

Sponsored by Rep. Keith Downey (R-Edina) and Sen. Geoff Michel (R-Edina), the law inserts permissive language to ensure the court system fully understands that a judge has the option to issue such restraining orders in cases where the juvenile offender is over age 15 and does not live in the same home as the victim.

The law also states that the residency restriction could be ordered for all or part of the time that the offender is under court jurisdiction.

The law is effective Aug. 1, 2011.

HF229*/SF76/CH72

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Public Safety - New Laws 2011

Donating public safety equipment

[HF0695](#)*/SF0735/CH75

House Chief Author: [Mack](#)

Senate Chief Author: [Limmer](#)

Effective Date(s): 8/01/2011

Some larger fire departments receive grants to upgrade their equipment, leaving them with the problem of how to dispose of used equipment that still may be in good working order. Donating to smaller departments is problematic because of the possible liability issue. So some departments simply mothball the equipment and some ship it to other countries.

Rep. Tara Mack (R-Apple Valley) and Sen. Warren Limmer (R-Maple Grove) sponsor a new law that will extend civil immunity to a municipality that donates vehicles and equipment used in firefighting, ambulance and emergency medical treatment services, rescue and hazardous materials response.

The issue of concern to city officials is that equipment exposed to high heat situations may not perform as expected and the donating government jurisdiction could be held liable.

The law is effective Aug. 1, 2011.

HF695*/SF735/CH75

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Public Safety - New Laws 2011

Adding felony theft to racketeering

[SF0680*](#)/HF1001/CH81

House Chief Author: [Woodard](#)

Senate Chief Author: [Newman](#)

Effective Date(s): 8/01/2011

Another tool has been added for law enforcement and prosecutors to go after organized retail crime leaders and those performing the thefts.

Effective Aug. 1, 2011, felony theft will be added the list of eligible offenses for which an offender can be charged with racketeering.

Rep. Kelby Woodard (R-Belle Plaine), who sponsors the law with Sen. Scott Newman (R-Hutchinson), said to be affected by this change a person would have to be part of an organized crime group and have three or more criminal acts within 10 years at the felony level. Felony theft is defined as stealing something valued at more than \$1,000.

The maximum penalty for racketeering is a 20-year felony.

Supporters emphasized the law is not about going after a teenager that steals a compact disc, rather it is about going after teams of sophisticated, well-connected criminals with specific roles who steal high-end products with the intent of reselling them.

In Minnesota, it is estimated that approximately \$33 million is lost in annual sales tax revenue due to organized retail crime.

HF1001/SF680*/CH81

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Public Safety - New Laws 2011

Protecting law enforcement assistants

[SF0301*](#)/HF0506/CH85

House Chief Author:

[Shimanski](#)

Senate Chief Author: [Newman](#)

Effective Date(s): 8/01/2011

New legal protections will be afforded reserve law enforcement officers, horses operated by reserve officers, utility workers and postal carriers.

Sponsored by Rep. Ron Shimanski (R-Silver Lake) and Sen. Scott Newman (R-Hutchinson), a new law adds to the statutory to the definition of a law enforcement reserve

officers and will make it a gross misdemeanor to assault such a person. Additionally, horse-mounted reserve officers or trail horses will be given the same protection afforded to mounted peace officers and their horses, "while the reserve officer is operating at the direction of, under the control of, or on behalf of a peace officer or a law enforcement agency."

The impetus came from an incident last summer when a driver in McLeod County failed to follow the directive given by a volunteer uniformed member of the sheriff department's mounted posse to a proper parking location. The driver drove in such a way that one mounted posse member had to take evasive action so as not to be hit, but the vehicle contacted the horse of another member.

The law, effective Aug. 1, 2011, also expands the gross misdemeanor 4th-degree assault crime to include attacks against utility employees and contractors, as well as postal carriers while involved in their professional duties. This provision was initially HF1103, sponsored by Rep. Joe Mullery (DFL-Mpls).

Supporters said it is a matter of fairness because a person who assaults a city water meter reader can be charged with a gross misdemeanor, but if a gas company technician or a postal carrier is assaulted in the course of his or her duties it is only a misdemeanor.

HF506/SF301*/CH85

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Public Safety - New Laws 2011

E-charging expansion authorized

Currently, e-charging — the electronic transmission of data and documents — can be used by law enforcement, prosecutors and the courts during the process of charging an adult with a crime.

Sponsored by Rep. Joe McDonald (R-Delano) and Sen. Scott Newman (R-Hutchinson), a new law will expand the use of e-charging for apprehending, prosecuting or adjudicating juveniles or adults for a crime, delinquent act or petty misdemeanor. It will also include use by the Department of Public Safety in its administration of license revocations under the implied consent law.

Supporters said that e-charging eliminates paper, eliminates errors made by redundant data entry and reduces the use of officer time for transporting charging documents for signature and filing.

A cost study conducted by Carver County indicated the change could save about \$500,000 over the next five years.

[SF0881](#)*/HF1270/CH91

House Chief Author: [McDonald](#)

Senate Chief Author: [Newman](#)

Effective Date(s): 8/01/2011

HF1270/SF881*/CH91

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Public Safety - New Laws 2011

Modifying sex offender treatment

SF1287*/HF1478/CH102

House Chief Author: [Kiffmeyer](#)

Senate Chief Author: [Hann](#)

Effective Date(s): 5/28/2011

A new law modifies existing statutes to improve efficiencies in the state's sex offender treatment program.

Some of the changes include:

- creating procedures for voluntary readmission to a secure facility for a civilly committed sex offender who has been provisionally discharged;
- strengthening and clarifying state agency and law enforcement authority roles in apprehending and returning a civilly committed sex offender who is absent without authorization;
- streamlining the sexually dangerous persons and sexually psychopathic personality commitment procedures to a single hearing, instead of two;
- modifying the community public notification, which ensures that community notification of the broadest scope available under the law is used when a civilly committed sex offender is going to reside in the community; and
- directing the Department of Human Services to work with the Revisor's Office to develop legislation in 2012 that would reorganize sex offender civil commitment statutes so they are clear and distinguished from statutes that pertain to other civil commitment categories.

Sponsored by Rep. Mary Kiffmeyer (R-Big Lake) and Sen. David Hann (R-Eden Prairie), the legislation was brought forward by program staff.

The law is effective May 28, 2011

HF1478/SF1287*/CH102

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Recreation and Tourism - New Laws 2011

Beer with baseball allowed

[SF0551](#)*/HF0829/CH16

House Chief Author: [Vogel](#)

Senate Chief Author: [Gimse](#)

Effective Date(s): 8/1/2011

Late in the season, you can have a beer with your summer collegiate league baseball team game, if you choose.

A new law, signed will allow a city to issue an on-sale wine and an on-sale malt liquor license to owners of the teams or the concessionaires.

Sponsored by Rep. Bruce Vogel (R-Willmar) and Sen. Joe Gimse (R-Willmar), the bill would allow sales on all days of the week to people attending a game at the park or stadium. It is effective Aug. 1, 2011.

HF829/SF551*/CH16

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Recreation and Tourism - New Laws 2011

Helping bingo halls survive hard times

[SF0994](#)*/HF1633/CH77

House Chief Author: [Norton](#)

Senate Chief Author: [Senjem](#)

Effective Date(s): 5/25/2011

A change to the state's charitable gambling laws is meant to help bingo halls survive an era of shrinking revenues.

Sponsored by Rep. Kim Norton (DFL-Rochester) and Sen. David Senjem (R-Rochester), a new law lowers the minimum percentage of gross profits that bingo halls must pay to charities. Effective May 25, 2011, the minimum requirement is lowered from 30 percent to 20 percent.

Supporters say the state's dwindling number of bingo halls have experienced a decline in business, and risked shuttering permanently under the old requirement. The change would not apply to other forms of charitable gambling like pull tabs.

HF1633/SF994*/CH77

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

State Government - New Laws 2011

State Agency Value Initiate now law

[HF0299](#)*/SF0543/CH24

House Chief Author: [Quam](#)

Senate Chief Author: [Senjem](#)

Effective Date(s): 6/30/2013

Sponsored by Rep. Duane Quam (R-Byron) and Sen. David Senjem (R-Rochester), a new law will let agencies keep 50 percent of any unspent funds at the end of a budget cycle. The funds will carry over into the next biennium, and agencies and their employees will be able to choose how to spend the money.

The program is called the State Agency Value Initiative, or SAVI. It's designed to mitigate the so-called "Christmas in June" effect. In this alleged practice, agencies spend as much money as possible near the end of

a fiscal biennium so as not to appear overfunded.

Quam said he got the idea for the legislation from community college employees who felt that spending money just for the sake of getting the same amount the next time around is wasteful.

Under the provisions, a “peer review panel” will be established in each participating agency to give the employees a say in how the savings are spent. The funds must be used toward projects that support the agency’s mission.

The law takes effect June 30, 2013, and expires June 30, 2018.

HF299*/SF543/CH24

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

State Government - New Laws 2011

Charities financial reporting

[HF0786*](#)/SF0615/CH25

House Chief Author: [Davids](#)

Senate Chief Author: [Daley](#)

Effective Date(s): 8/1/2011

Sponsored by Rep. Greg Davids (R-Preston) and Sen. Ted Daley (R-Eagan), a new law simplifies accounting regulations for charitable organizations as defined by statute. Under the provisions, the state’s annual financial reporting requirements would match up more closely with federal requirements, eliminating the need for charitable organizations to report two different sets of numbers.

The law also raises from \$50,000 to \$100,000 the reporting threshold for directors, officers and employees of the organization and related organizations.

The provisions take effect Aug. 1, 2011.

HF786*/SF615/CH25

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

State Government - New Laws 2011

Geospatial Advisory Council changes

[SF1270*](#)/HF1411/CH68

House Chief Author: [Kahn](#)

Senate Chief Author: [Wiger](#)

Effective Date(s): 6/30/2011

The Minnesota Geospatial Information Office, known informally as “MnGeo,” is advised by two groups: the State Government Geospatial Advisory Council, which focuses on agency-related GIS issues, and the Statewide Geospatial Advisory Council, which focuses on the state’s broader GIS community as whole.

A new law adds tribal governments to the list of organizations that must be represented on the statewide council. It also changes the makeup of the state government council so that its members are appointed by certain designated organizations rather than commissioner

of administration. Finally, it extends the life of both councils to June 30, 2015.

The law takes effect June 30, 2011. Rep. Phyllis Kahn (DFL-Mpls) and Sen. Chuck Wiger (DFL-Maplewood) are the sponsors.

HF1411/SF1270*/CH68

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

State Government - New Laws 2011

Clarification and correction of statutes [SF0885*/HF1220/CH76](#)

House Chief Author: [Wardlow](#)

Senate Chief Author: [Limmer](#)

Effective Date(s): Various

Each year, after session ends, the Office of the Revisor of Statutes reviews the statutes and proposes clarifications and corrections to the Legislature the following session. This could include such items as incorrect cross references and grammatical errors.

A new law makes clarifications and corrections from sessions past, not including the 2011 session. Any necessary clarifications and corrections affecting law enacted in 2011 will be proposed in a different bill, to be considered during the special session.

The law, which takes effect Aug. 1, 2011, is sponsored by Rep. Doug Wardlow (R-Eagan) and Sen. Warren Limmer (R-Maple Grove).

HF1220/SF885*CH76

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

State Government - New Laws 2011

Residents can adopt-a-WMA, buy public land parcels

[SF0712*/HF1230/CH98](#)

House Chief Author: [Fabian](#)

Senate Chief Author: [Carlson](#)

Effective Date(s): 5/28/2011

Residents can volunteer to help maintain wildlife management areas, under a new program administered by the Department of Natural Resources. Effective May 28, 2011, the Minnesota adopt-a-WMA program allows individuals, civic and outdoors groups to work in conjunction with DNR officials to make improvements to WMAs and to receive recognition through posted signage. (Sec. 3)

Sponsored by Rep. Dan Fabian (R-Roseau) and Sen. John Carlson (R-Bemidji), the law also includes the addition and deletion of several tracks of public land. State park boundaries will expand for Scenic State Park and William O'Brien State Park. The Hayes Lake State Park boundary will shrink. (Secs. 4, 5)

Other places where public land will be added include Greenleaf Lake State Recreation Area, the Iron Range

Off-Highway Vehicle Recreation Area and Smoky Hills State Forest. The law stipulates that any revenue generated from mineral rights or leases purchased within the Iron Range OHV Recreation Area, other than Trust Fund land, be deposited into a natural resource fund dedicated account. (Secs. 1, 6-7)

A portion of Lost River State Forest in Roseau County will be removed from the state forest and redesignated as land within the Roseau Lake WMA. (Secs. 8, 9)

Several acres of land used as a picnic and playground area bordering Town Lake and the Otter Tail River in Becker County may be sold to a local government, provided it remains open to the public. (Sec. 10)

Several counties and the DNR have tax-forfeited land for public sale, including Carlton, Cass, Douglas, Itasca, Pine, St. Louis and Stearns. Private sales of public land is also provided for in Becker, Douglas, Itasca, Marshall, Pine, Otter Tail, St. Louis and Watonwan counties. (Secs. 10-28)

And in Winona County, about 1.4 acres on Alcorn Island along the south side of Interstate 90 will be conveyed to the U.S. Fish and Wildlife Service after the Dresbach bridge project is completed. Land sales are effective on or after May 28, 2011. (Sec. 29)

There is also a provision that permanently validates Dakota County's reversionary interest in the land deeded to the state for use as the Minnesota Zoo. The agreement is effective when the county board also approves the measure. (Sec. 30)

HF1230/SF712*/CH98

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

State Government - New Laws 2011

State employee's insurance reinstated [HF1144](#)*/SF0849/CH100

House Chief Author: [Cornish](#)

Senate Chief Author: [Carlson](#)

Effective Date(s): 8/01/2011

A retired state employee who accidentally missed payments on his insurance premiums will be let back into the State Employee Group Insurance Program.

A new law sponsored by Rep. Tony Cornish (R-Good Thunder) and Sen. John Carlson (R-Bemidji) will apply to a single former state employee. The individual in question, a 27-year law enforcement officer who took early retirement, lost his eligibility to stay on the SEGIP program after missing a series of premium payments in 2010. Cornish said the man believed someone else was paying his premiums while he was away on business in another state. The law will allow the employee the option to reinstate his coverage after he pays any unpaid back premiums.

The law is effective May 28, 2011.

HF1144*/SF849/CH100

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

State Government - New Laws 2011

Deficiency spending, claims against state

[SF0054*](#)/HF0104/CH113

House Chief Author: [Smith](#)

Senate Chief Author:

[Jungbauer](#)

Effective Date(s): 6/01/2011

Though lawmakers ended the session without an agreement on how to fund state government in the next biennium, a new law puts the finishing touches on the 2010-2011 biennial budget.

Sponsored by Rep. Steve Smith (R-Mound) and Sen. Michael Jungbauer (R-East Bethel), the law makes deficiency appropriations to multiple state agencies and pays out claims against the state. Unless otherwise noted, it is effective June 1, 2011.

Article 1 of the law appropriates \$1,123 in fiscal year 2011 and \$59,683.29 in fiscal year 2012 to settle claims against the state. Recipients include prison inmates who were injured while performing sentence-to-service work (effective July 1, 2011) and an individual whose property tax refund check expired because medical problems prevented her from cashing it.

The claims article represents the work of the Joint House-Senate Subcommittee on Claims.

Article 2 of the law makes changes in state spending for the fiscal biennium, which ended June 30, 2011. These provisions were all originally included in budget bills that were ultimately vetoed by Gov. Mark Dayton.

Selected provisions include:

- slightly more than \$2 million for the Department of Public Safety to provide disaster relief matching funds for communities affected by storms and flooding in western Minnesota in 2009;
- \$471,000 for the Office of the Secretary of State to cover recount costs and legal fees;
- \$38,000 for deficiency funding for the Tax Court;
- reducing by \$3 million the fiscal year 2011 General Fund appropriation to the Minnesota Sex Offender Program; and
- reducing \$11.8 million from the COBRA premium state subsidy program in fiscal year 2011.

Article 3 makes adjustments to the education spending forecast for fiscal year 2011. Article 4 makes similar adjustments to human services spending.

HF104/SF54*/CH113

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Taxes - New Laws 2011

Tax conformity changes now law

[HF0079](#)*/SF0047/CH8

House Chief Author: [Davids](#)

Senate Chief Author: [Ortman](#)

Effective Date(s): various

Sponsored by Rep. Greg Davids (R-Preston) and Sen. Julianne Ortman (R-Chanhassen), a new law adopts most federal tax changes made for the 2010 tax year.

Most notably, it conforms the state to the recently enacted federal Patient Protection and Affordable Care Act that allows the cost of health insurance coverage of adult children to age 26 to be excluded from federal taxable income. This provision is effective for plan years beginning after Sept. 23, 2010.

Employers who have distributed 2010 W-2 statements that reported the amount of health coverage provided to adult children under age 27 are not required to distribute a corrected tax year form.

The law also repeals a provision enacted in the 2010 special session that directed the commissioner of revenue to delay paying corporate franchise tax and sales tax refunds until fiscal year 2012. The positive General Fund balance now projected for fiscal year 2011 makes the delay of refunds unnecessary. This provision is effective March 22, 2010.

Finally, the bill changes Minnesota's practice in recent years and conforms to extension of federal deductions for higher education tuition expenses of up to \$4,000, and elementary and secondary school teacher classroom expenses of up to \$250.

In a release announcing the new law, Gov. Mark Dayton wrote: "This bill gives \$13 million in tax cuts to Minnesota college students and their parents, teachers, businesses and other taxpayers. I am also pleased the Legislature included my recommendation to resume our refunds to businesses for the sales tax exemption on their capital purchases. Those refunds will give Minnesota businesses money they can use to put more Minnesotans to work."

HF79*/SF47/CH8

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Taxes - New Laws 2011

Noncontroversial tax bill gets support [HF1219](#)*/SF0869/CH112

House Chief Author: [Davids](#)

Senate Chief Author: [Ortman](#)

Effective Date(s): Various

Despite the word “taxes” in its title, the omnibus tax policy law received bipartisan support in the Legislature, and was signed into law by Gov. Mark Dayton.

Sponsored by Rep. Greg Davids (R-Preston) and Sen. Julianne Ortman (R-Chanhassen), the law contains mainly noncontroversial tax policy provisions, many put forward by the Revenue Department.

Tax treatment for those raising horses prompted concerns in the House Taxes Committee as well as on the House floor. Over the years, there has been confusion for some over how to differentiate in the tax code those who have horses as a hobby, and those who use them as part of a business. While a provision in the House language would have defined horses as livestock, under certain circumstances, this was removed by amendment in the Senate.

The law addresses some tax increment financing changes and modifications for the cities of Ramsey, Lino Lakes, Cohasset and Sauk Rapids. (Art. 2, Sec. 16-19). It also extends the ability to use TIF for market-rate housing developments to July 31, 2012, for projects that begin before Jan. 1, 2012. (Art. 2, Sec. 11)

Other provisions in the law include:

- modifying a 2010 law related to owner-occupant of two resorts to provide that two properties can be combined for tax purposes if they are each owned by different limited liability companies, as long as they have the same membership (Art. 2, Sec. 4);
- defining of the word “interns” for use in the angel investment credit program and setting an intern minimum wage requirement. This provision is retroactive to Jan. 1, 2011 (Art. 2, Sec. 2-3); and
- expanding the definition of "agricultural products" to include the production for sale of game birds and waterfowl by a Department of Natural Resources-licensed game farm, provided that the licensing report, which must be submitted annually by March 30 to the assessor, indicates that at least 500 birds were raised or used for breeding stock on the property during the year; (Art. 2, Sec. 8); and
- agricultural land that is owned, and used for the purposes of a homestead by an individual who is a shareholder, member, or partner of the corporation, venture, company, or partnership is entitled to receive the first tier homestead

class rate, under certain conditions. (Art. 3, Sec. 3)

HF1219*/SF869/CH112

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Transportation - New Laws 2011

Disability placard usage changes

[HF0721](#)*/SF0430/CH30

House Chief Author: [Kiffmeyer](#)

Senate Chief Author: [Brown](#)

Effective Date(s): 8/1/2011

The allowed placement of disability placards in a vehicle will be changing, as will an exemption from fines when using them far after their expiration date.

A disability placard must be hung from the rearview mirror of a vehicle. However, if there is no rearview mirror or the certificate holder's disability precludes them from placing the certificate on the mirror, the certificate must be displayed on the driver's side dashboard.

Sponsored by Rep. Mary Kiffmeyer (R-Big Lake) and Sen. David Brown (R-Becker), a new law will allow the certificate to be placed anywhere on the dashboard. It takes effect Aug. 1, 2011.

The problem is that when on the driver's side the placard sometimes falls out when the car door is opened — especially on a windy day — setting off a scramble to retrieve the placard. Additionally, the certificate's reflection in the window hinders driver visibility.

Under current law, an original permit holder can get any ticket dismissed if they are cited for using an expired placard. The law limits that to 90 days. If a person is ticketed for this, they will have to surrender the permit if it's more than 90 days expired.

Members of the disability community went to the city of Minneapolis to voice frustration with finding enough handicapped parking spaces in the city. Further examination found a lot of expired handicap placards being used.

HF721*/SF430/CH30

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Transportation - New Laws 2011

Roadway to return to local jurisdiction

[HF0724](#)*/SF0520/CH34

House Chief Author: [Anzelc](#)

Senate Chief Author: [Saxhaug](#)

Effective Date(s): Upon notice from commissioner of transportation

Sponsored by Rep. Tom Anzelc (DFL-Balsam Township) and Sen. Tom Saxhaug (DFL-Grand Rapids), a new law will turn back to Koochiching County a portion of Trunk Highway 332, which runs between U.S. Highways 71 and 53 south of International Falls.

Anzelc said an agreement between the state and county

indicates that this stretch of road is more appropriately under county jurisdiction. Because all trunk highways are listed in state statute, legislation is needed to turn one over to city or county jurisdiction.

Turned back routes are not typically high priorities on the state highway system, but can be high priority for the local community. This way, the local jurisdiction can put the roadway high on its priority list and pick up associated ongoing maintenance costs.

This transfer will be implemented with a one-time payment from the state's turnback account. Whenever the state turns back a road it is brought up to state-aid standards or, if the road is in pretty good shape, a financial agreement is reached with the local entity to give them a lump sum for when the road needs to be rehabilitated.

The law takes effect the day after the transportation commissioner sends notice to the revisor of statutes that conditions necessary to make the transfer have been satisfied.

HF724*/SF520/CH34

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Transportation - New Laws 2011

Annual hauling permits enacted

[SF0067*](#)/HF0080/CH44

House Chief Author: [Nornes](#)

Senate Chief Author: [Hoffman](#)

Effective Date(s): 5/25/2011

When Lake Area Docks & Lifts wants to transport an oversized boat lift or dock between its store and a lake or river via a trunk highway, it will no longer need to get a special permit each time from the Department of Transportation.

Sponsored by Rep. Bud Nornes (R-Fergus Falls) and Sen. Gretchen Hoffman (R-Vergas), a new law will allow the authorization of annual permits for such businesses in the state. A single trip permit costs \$15, while the new annual permit will be \$120, the same as a current rate for hauling boats. The law is effective May 25, 2011.

Nornes said it will make business a little easier because a dealer won't need to apply for a permit each time, and it should make consumers happier because their boat lift or dock can be delivered without delay.

MnDOT officials said they could simply revamp the boat permit, instead of expending money to create a whole new permit.

HF80/SF67*/CH44

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Transportation - New Laws 2011

Motor vehicle provisions passed

[HF0493](#)*/SF0341/CH48

House Chief Author: [Vogel](#)

Senate Chief Author: [Senjem](#)

Effective Date(s): 8/01/2011

More automobile dealers will be permitted to keep vehicle titles in a centralized location in Minnesota for a multi-location auto dealership group, if a request to do so is approved by the Department of Public Safety.

Supporters said this new law will create efficiencies when it comes to storing records. It is effective Aug. 1, 2011.

Sponsored by Rep. Bruce Vogel (R-Willmar) and Sen. David Senjem (R-Rochester), the new law also clears up vehicle registration when coming out of a daily rental fleet, such as when companies like Avis or Hertz want to sell vehicles they'd been using as rentals.

Fleet companies have the ability to register their vehicles for a shorter period than the usual 12 months, such as for four months at a time. However, when a dealer sells a vehicle the registration has to be for 12 months, so there has been some confusion about when a vehicle's registration needs to be renewed by the customer who bought the vehicle.

The law eliminates a provision that a vehicle title be stamped with the end date of the registration period when the vehicle is used for rentals by a vehicle lessor and registered for less than 12 months.

HF493*/SF341/CH48

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Transportation - New Laws 2011

Obtaining a disability motorcycle plate

[SF0478](#)*/HF1094/CH60

House Chief Author:

[Shimanski](#)

Senate Chief Author: [DeKruif](#)

Effective Date(s): 8/01/2011

Things will get easier for those wanting parking privileges for their motorcycle.

Sponsored by Rep. Ron Shimanski (R-Silver Lake) and Sen. Al DeKruif (R-Madison Lake), a new law will modify issuance of disability plates and certificates.

Under current law, persons with a disability are allowed one handicap placard and one set of handicap license plates, although individuals may apply to the State Council on Disability for a second set. The council has generally given its approval when the second set is for a motorcycle.

Effective Aug. 1, 2011, the Driver and Vehicle Services Division of the Public Safety Department can issue disability plates for a motorcycle for a person that may already have disability certification on another motor

vehicle, and must design a certificate that can be secured to a motorcycle.

Supporters said the handicap plates are generally put on a person's personal vehicle, and a placard is not suitable for use on a motorcycle. Without a handicap plate or placard they have to walk from further out in a parking lot.

HF1094/SF478*/CH60

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Transportation - New Laws 2011

Carbon monoxide awareness requirement

[HF0650*](#)/SF1042/CH70

House Chief Author: [Kieffer](#)

Senate Chief Author: [Wiger](#)

Effective Date(s): Various

The Department of Public Safety must include information on carbon monoxide poisoning in driver's education training, must ask a question about carbon monoxide on the driver's exam and is required to include information about carbon monoxide in the driver's manual.

The law is effective May 25, 2011, except for the exam portion, which takes effect Jan. 1, 2012.

Sponsored by Rep. Andrea Kieffer (R-Woodbury) and Sen. Chuck Wiger (DFL-Maplewood), the so-called "Tyler's Law" is the result of a December 2010 tragedy when Tyler Lavers, a sophomore at the University of Minnesota, was accidentally killed when installing stereo speakers in his car.

He backed his car into the garage at the family's cabin to be closer to the tools and best lighting. With the garage door open, he started the car at some point to test his speakers. Despite a ventilated garage, the very cold air created a higher output of carbon monoxide from his engine, and combined with a confined space allowed the deadly poison to concentrate where he was and ultimately kill him.

It is estimated that 15-20 Minnesotans die each year from carbon monoxide poisoning.

HF650*/SF1042/CH70

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Transportation - New Laws 2011

Diversion program expansion gets green light

[HF0387](#)*/SF0471/CH87
House Chief Author: [Kelly](#)
Senate Chief Author: [Newman](#)
Effective Date(s): 5/28/2011

A driver's license reinstatement diversion program established in 2009 has been green-lighted for two more years and expanded.

Sponsored by Rep. Tim Kelly (R-Red Wing) and Sen. Scott Newman (R-Hutchinson), a new law extends the pilot project scheduled to sunset on June 30, 2011, for another two years. It will also permit counties to establish a program, not just cities.

The law is effective May 28, 2011.

The program provides an alternate path of re-licensure for those driving without a license. It is directed at people who want to get valid, but for various reasons, such as limited finances, are unable to do so.

Under the program, those charged with driving after suspension or revocation, but who have not yet entered a plea can participate. In exchange for a diversion driver's license, participants must maintain insurance, make regular payments toward the outstanding fines and complete a class that teaches life and financial management skills. Offenders pay for program costs.

Duluth, St. Paul, South St. Paul, West St. Paul and Inver Grove Heights took part in the pilot program, and Isanti joined in July 2010. The public safety commissioner can permit other cities to establish a program.

As of Dec. 31, 2010, the program had 1,781 eligible participants, of which the average participant had seven outstanding citations with an average balance of \$1,700. Supporters noted the program had returned close to \$500,000 back to participating cities.

HF387*/SF471/CH87

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Transportation - New Laws 2011

Clarifying pickup registration, plates

[HF1105](#)*/SF1058/CH109
House Chief Author: [Kiel](#)
Senate Chief Author: [Jungbauer](#)
Effective Date(s): 8/01/2011

A distinction will be established through a new law in registration and license plate display between commercial and non-commercial pickup trucks.

Pickup trucks with a rated capacity of one ton or more are currently registered as trucks, while smaller pickup trucks are registered as passenger automobiles, meaning the owner pays a registration tax on the same schedule as

other passenger-type vehicles.

According to Rep. Deb Kiel (R-Crookston), who sponsors the law with Sen. Michael Jungbauer (R-East Bethel), one-ton pickup trucks are displayed as Y class truck plates for the purposes of registration and taxation; however, these owners are occasionally stopped by law enforcement and subject to commercial vehicle compliance checks, even if they are not used in commercial vehicle operations. Under the law, a new license plate would identify certain trucks as non-commercial, thereby avoiding unnecessary road compliance checks by law enforcement.

The law, which takes effect Aug. 1, 2011, changes a 2008 law on pickup truck registration that was set to take effect in 2012.

HF1105*/SF1058/CH109

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoes - New Laws 2011

Dayton vetoes budget bill

[HF0130](#)*/SF0060/CH1

House Chief Author: [Holberg](#)

Senate Chief Author: [Robling](#)

The first bill passed by the House and Senate this year became Gov. Mark Dayton's first veto.

The so-called "phase one" budget bill would have cut more than \$901 million in state spending. Republican lawmakers hoped the bill would take an early bite out of the state's projected \$6.2 billion biennial budget deficit, as projected in the November 2010 Economic Forecast.

The bill would have asked Dayton to cut \$100 million in unencumbered state spending between now and June 30. It further required \$824.3 million in reductions in the next two-year budget cycle, including:

- \$594.5 million to various tax aids and credits (primarily city and county aid and the renter's credit);
- \$185.1 million to higher education; and
- \$47.5 million to health and human services programs.

The reductions would have extended cuts that were made during last year's special session.

In his veto message, Dayton cited a Revenue Department estimate that the bill would drive up property taxes by \$428 million in the next biennium. He also said legislators were wrong to make him allocate the \$100 million in cuts rather than doing it themselves.

“(Y)ou would abdicate your responsibility to make those difficult spending choices and your power to determine those cuts to an appointed official of the Executive Department. That is both inappropriate and unconstitutional,” Dayton wrote.

In addition to the \$100 million in executive branch cuts, the bill would have made the following reductions in the current fiscal year:

- \$500,000 to the Office of the Attorney General;
- \$127,000 to the Office of the Secretary of State;
- \$96,000 to the House of Representatives;
- \$72,000 to the Senate; and
- \$41,000 to the Office of the State Auditor.

It also included a number of expenditures related to federal tax conformity. The provisions would cost the state \$24 million in fiscal year 2011 and \$2.6 million in the next fiscal biennium. Dayton requested lawmakers work with the Revenue Department to quickly draft a new bill to address the tax conformity issues.

HF130*/SF60/CH1

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

House, Senate district lines rejected

[HF1425*](#)/SF1248/CH35

House Chief Author: [Anderson,](#)

[S.](#)

Senate Chief Author: [Michel](#)

Redistricting happens every 10 years, and with it comes the partisan rancor — so much so that the state has a long history of the courts completing the task of setting district boundaries, left wanting of a bipartisan agreement and approval from the governor.

It appears configuration of the House/Senate district map will once again be left up to the courts. Gov. Mark Dayton vetoed a bill adopting a legislative district plan for use in 2012 and 10 years after.

His principles that any map have bipartisan support and not be drawn with the intent of protecting or defeating incumbents had not been considered, he wrote in his veto letter.

"This bill violates that principle. It pairs five DFL senators, but only one Republican senator. It pairs 14 DFL representatives, but only six Republicans. In each pair, one incumbent must either move, not run for re-election or

be defeated."

Further, Dayton said the bill lacked bipartisan support. "After all DFL amendments to the districting principles were defeated, both in committee and on the floor. ... and the plan received no DFL votes in either the House or the Senate."

The bill, sponsored by Rep. Sarah Anderson (R-Plymouth) and Sen. Geoff Michel (R-Edina), reflected the state's population migration from the rural areas to the Twin Cities metropolitan area, and the outflow from the cities' central core — all resulting in substantial suburban and exurban growth.

The plan would have kept the number of House and Senate districts the same at 134 and 67 respectively. Based on the 2010 census results, the ideal population in each House district is 39,582 and 79,163 for the Senate. Current numbers are 36,713 and 73,425 respectively.

The deadline for any new map to be in place is Feb. 21, 2012, or 25 weeks before the primary election.

HF1425*/SF1428/CH35

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoes - New Laws 2011

No to new congressional district lines

[HF1426*/SF1246/CH36](#)

House Chief Author: [Anderson,](#)

[S.](#)

Senate Chief Author: [Michel](#)

If the Legislature passed a new congressional map that was drawn to protect or defeat incumbents, Gov. Mark Dayton said that it would be met with a veto.

True to his word, he vetoed a bill adopting a congressional district plan for use beginning in 2012.

"Congressional districts must endure for a decade. They must provide fair representation for voters of all political parties," he wrote in his veto letter. He said the map creates safe seats for six incumbents, while the "First District has been drawn for the purpose of defeating the incumbent."

Sponsored by Rep. Sarah Anderson (R-Plymouth) and Sen. Geoff Michel (R-Edina), the bill laid out the state's eight congressional districts, each with an ideal population, based on the 2010 census results, of 662,991.

The configuration would have significantly changed the 7th and 8th districts, which would align east to west instead of north-south.

No DFL member voted for the map, prompting Dayton to write that his previous letter had "made clear that, to earn

my approval, the plan must be passed with strong bipartisan support, both in committee and on the floor. This bill was not.”

He also upheld DFL criticism that the map, as he wrote, “was unveiled and adopted with little opportunity for public analysis and reaction.”

Every 10 years after the census, the Legislature is charged with changing the legislative and congressional lines to reflect the population shifts. However, for decades, the contentious political process has led the courts to redraw the lines. It appears this year will be no different.

The deadline for any new map to be in place is Feb. 21, 2012, or 25 weeks before the primary election.

HF1426*/SF1246/CH36

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoes - New Laws 2011

Governor vetoes public safety funding bill

[SF0958](#)*/HF0440/CH37

House Chief Author: [Smith](#)

Senate Chief Author: [Limmer](#)

Gov. Mark Dayton used his veto power on the omnibus public safety and judiciary finance bill.

“If enacted, this legislation would cut programs that hold felons accountable, would negatively affect crime victims, and would compromise our ability to protect the rights and freedoms of all Minnesotans,” Dayton wrote in his veto letter.

A number of policy provisions were also included in the bill that was sponsored by Rep. Tony Cornish (R-Good Thunder) and Sen. Warren Limmer (R-Maple Grove).

HF853/SF958*/CH37

Courts and public safety funding

Coming in at about \$1.8 billion in General Fund spending, the bill would have mostly held the courts harmless, as Dayton had proposed in his budget.

The Supreme Court (0.8 percent), district courts (1.28 percent), Court of Appeals (0.98 percent) and Board of Public Defense (1.16 percent) would have received slight increases from their projected baseline for the 2012-2013 biennium, while the Tax Court (4.4 percent) and Board on Judicial Standards (3.2 percent) would have seen slightly greater increases. The Sentencing Guidelines Commission and Uniform Laws Commission were to be held at base

levels.

Civil Legal Services would have been reduced by \$4 million, or 16.9 percent, to shift those resources into the courts. However, after a Minnesota Supreme Court decision, it would have still received approximately \$1.2 million in special revenue from attorney registration fees. The Guardian ad Litem Board would have been reduced \$1.5 million, or 6.1 percent, with a directive to prioritize cases of abuse and neglect over family law cases. (Art. 1, Secs. 3-10)

“Civil Legal Services makes our courts more efficient by keeping over 3,000 non-meritorious cases out of the courts and helping thousands of Minnesotans to settle before trial,” Dayton wrote. “More importantly, they help ensure fair and equal access to Minnesota courts for all people regardless of race, ethnicity, income or language abilities. This cut would be harmful to victims of domestic violence, families experiencing foreclosure, and seniors and disabled Minnesotans attempting to secure access to healthcare and disability benefits.”

Another Dayton target was a 65 percent proposed reduction to the Department of Human Rights, something the governor said would “eviscerate our ability to investigate human rights violations.”

Nor did the governor like direction that the remaining money be used on enforcement measures while eliminating the department’s state-funded education and research responsibilities. “For citizens this bill would lengthen the time needed to complete investigations and make determination on charges. Education and outreach on diversity and discrimination would lessen possibly causing unfair discriminatory practices,” Dayton wrote. (Art. 1, Sec. 14; Art. 2, Sec. 3)

The bill would have cut the Office of Justice Programs by \$12 million; something that Dayton wrote could have a “significant impact on crime victim services, prevention and reparations programs, and violent crime enforcement teams.” The bill would have limited reductions to domestic abuse shelters to 5 percent, and would have prohibited cutting grants to youth intervention programs. (Art. 1, Sec. 11)

The bill would have transferred \$13.2 million from the fire safety account to the General Fund.

Since 2006, a 0.65 percent surcharge on homeowner and commercial fire insurance has been directed to the state fire safety account. Prior to that, Minnesota had a 0.5 percent state fire marshal tax, although it was not specifically identified on consumer policies.

The money is used for the Minnesota Board of Firefighter Training and Education, staffing and operations of the State Fire Marshal Division and fire-related regional response teams and other fire service programs that have the potential for statewide impact.

In recent years some of the account balance has been used to help fund the state's deficit. In fiscal year 2010, \$6.9 million was transferred to the General Fund and \$3.6 million in fiscal year 2011. (Art. 1, Sec. 11; Art. 2, Sec. 2)

Other fiscal aspects of the bill included:

- transferring \$5.2 million from a 911 emergency system account to the General Fund, something Dayton said is contrary to federal law;
- cutting \$1.86 million more than Dayton proposed for community corrections, which the governor said would "jeopardize their effectiveness"; and
- a \$1.54 million cut to the Department of Corrections Operational Support Division, with a requirement that line officer positions could not be cut. (Art. 1, Secs. 11, 15)

Policy provisions

The bill aimed to address sexually exploited youth by creating a safe harbor policy to protect juveniles involved in prostitution and sex trafficking. It provided that a juvenile under age 16 couldn't be prosecuted for a prostitution offense under the state's delinquency code. A 16- or 17-year-old alleged to have committed a first-time prostitution offense would be referred to diversion or child protection.

The Department of Public Safety would have been directed to develop a statewide victim services model for sexually exploited youth, if funding were provided through a private donor or gift. (Art. 4, Secs. 1-6, 8-9)

The minimum and maximum penalty amounts imposed on adults convicted of violating prostitution laws, while acting other than as a prostitute, would have increased, and courts would have been prohibited from waiving the payment. A minimum assessment of \$100 would be imposed on indigent persons or those where the assessment would create an undue hardship, and paying in installments would have been permitted. Assessment amounts would have been distributed in a different way, including 40 percent to DPS for crime victim service organizations that provide services to sexually exploited youth. (Art. 4, Sec. 7)

Definitions of patron, prostitute and prostitution would have been amended. The crimes of general prostitution

and prostitution in a public place would have been amended to separate and create new subdivisions to distinguish and track prosecution of prostitutes versus patrons. (Art. 5, Secs. 1-7)

Other policy provisions in the vetoed bill included:

- offenders with 60 days or less remaining in their sentences would have been required to serve that time in a county jail or workhouse;
- an inmate health co-payment of at least \$5 would have been imposed for each inmate visit to a health care provider;
- peace officers would have been required to be trained in police pursuit every five years, instead of four years;
- the state would have been required to participate in the Department of Homeland Security's Secure Communities Initiative;
- a process would have been established for administrative dismissal of a citation for failure to provide vehicle insurance; and
- courts could have sought partial payment or reimbursement of court fees from a party proceeding without the funds to pursue the normal costs of a lawsuit if the person is later able to pay a portion of the fees and costs. (Art. 2, Secs. 1, 5-8, 10; Art. 3, Secs. 1, 4)

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

Tax bill's 'destabilizing effects'

[HF0042](#)*/SF0027/CH38

House Chief Author: [Davids](#)

Senate Chief Author: [Ortman](#)

The session-long debate over new revenue to solve the state's projected \$5.1 billion deficit ended with Gov. Mark Dayton vetoing the omnibus tax bill.

"Your tax proposal would require most Minnesota property owners and renters to pay higher property tax," he wrote in his veto letter. By contrast, he reiterated that his proposal to balance the budget by a combination of cuts and raising taxes on the top 2 percent of Minnesota income earners is a more equitable approach. He said the bill shifts the state's budget problem to local units of government and property taxpayers.

Sponsored by Rep. Greg Davids (R-Preston) and Sen. Julianne Ortman (R-Chanhassen), the bill would have provided \$202.71 million in tax relief during the 2012-2013 fiscal biennium, including a reduction in the state general property tax levy on commercial-industrial property; modification to the K-12 education tax credit to

include private school tuition; an increase in the research and development credit; a phased-in income tax subtraction for those receiving military retirement pay; and several sales and use tax exemptions, including on downloadable ringtones.

But Dayton contends the bill would make unnecessary and geographically imbalanced cuts to local government aid, including a phase-out of aid to Minneapolis, St. Paul and Duluth. He summarizes that the reductions could mean a \$400 million cut for “critical local services” and increase property taxes by that amount over the next year and by over \$1.2 billion during the next three years. He said this increase would “fall disproportionately on low- and middle-income Minnesotans.” Republicans say cuts to LGA do not necessarily translate to higher property taxes.

A new Minnesota Science and Technology Authority to provide grants for research projects received bipartisan support from the Legislature and was included in the vetoed bill. While Dayton did not reference the proposal, he did highlight the bill’s attempt to address other business concerns. “We agree on the importance of expanding and improving the Research and Development Tax Credit and the Angel Investor’s Tax Credit,” he wrote in his veto letter. He left open the possibility of supporting similar measures. He noted the bill would also raise property taxes on Minnesota businesses by \$89 million in fiscal year 2012.

The bill would have reduced payments to individuals over the biennium by \$925.26 million. The greatest amount (\$198.95 million) would come from reductions to the renters’ property tax refund, repeal of the Sustainable Forest Incentive Act and elimination of the political contribution refund.

Changes to the state’s local government aid and county program aid programs would save \$382.74 million in the biennium, Republicans say.

The bill would also extend limits on the ability for local units of government to raise their levies for two years. It would use \$60 million from the Douglas J. Johnson Fund, an Iron Range economic development fund, to help balance the budget. Dayton pointed to the irony of cutting local government aid, while extending authority for nine cities to impose local option sales taxes, which he noted could increase sales taxes by \$17 million.

Several income and sales tax conformity issues were addressed in the bill that Dayton lauded. “I appreciate that the Legislature included conformity to most federal tax law changes in the bill and included provisions necessary to maintain Minnesota’s conformity to the streamlined sales and use tax agreement,” he wrote.

Dayton summarized the bill as having a destabilizing effect on the state-local finance system and that it would “exacerbate our ongoing budget challenges by beginning new tax expenditures in future years and eliminating state budget reserves.”

HF42*/SF27/CH38

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

Jobs and housing bill vetoed

[SF0887*](#)/HF1049/CH39

House Chief Author: [Gunther](#)

Senate Chief Author: [Michel](#)

A bill that would have funded programs designed to put Minnesotans back to work will instead put lawmakers back to work.

Gov. Mark Dayton vetoed the omnibus jobs and economic development finance bill, which proposed reduced funding for all but a handful of jobs and housing programs in the 2012-2013 fiscal biennium. Sponsored by Rep. Bob Gunther (R-Fairmont) and Sen. Geoff Michel (R-Edina), it would have spent \$138.2 million from the General Fund — a 17.8 percent reduction from base funding levels. (Art. 1)

The spending cuts would have been mitigated with \$16.3 million in one-time account transfers. Also, funding for programs that affect vulnerable populations would have largely been preserved. (Art. 1, Sec. 13; Art. 2, Secs. 5-7)

In his veto letter, Dayton said the cuts were still too onerous. “(The bill) contains deep reductions to important programs that help spur economic development and job growth,” he wrote.

Overall, the bill would have provided biennial funding for the Housing Finance Agency, Department of Employment and Economic Development, Department of Labor and Industry and a number of smaller agencies. Most programs would have been reduced, with a few exceptions.

The bill would have infused \$2 million of new money in the first year of the biennium into vocational rehabilitation services, in order to fully leverage federal dollars to help the disabled. The Housing Trust Fund, which funds rental assistance, would have received a \$2 million boost. Finally, State Services for the Blind would have been given an extra \$150,000, under the provisions. (Art. 1, Secs. 3, 4)

In addition to a handful of funding increases, the bill would have kept certain programs from cuts, such as rental assistance for the mentally ill and family homeless

prevention. (Art. 1, Sec. 4)

Dayton praised the bill's emphasis on preserving funding for programs that serve disabled and vulnerable populations; however, he criticized the proposed budget cuts, which were far more numerous.

In the letter, Dayton detailed his objections to many of the proposed cuts, including:

- the elimination of the Minnesota Trade Office (\$3.1 million total), which he said would damage businesses who need help exporting their products;
- a \$1.6 million reduction to the Contamination Cleanup and Investigation Grant Program, which helps prepare contaminated land for redevelopment;
- a 12 percent (\$1.1 million) cut to the Job Skills Partnership Program, which helps businesses pay for their employees to retrain;
- a 6.1 percent (\$1.4 million) cut to Extended Employment, which he said would result in as many as 600 disabled Minnesotans losing their jobs; and
- a \$107,000 reduction to the Minnesota Science and Technology Authority, which he said is needed to support entrepreneurial job growth. (Art. 1, Sec. 3)

According to Dayton, the cuts in the bill would have been "compounded" by the 15 percent reduction in the number of state workers required in the omnibus state government finance bill (HF577/SF1047*/CH40), which he also vetoed. He said a 15 percent cut would mean 266 fewer workers at DEED, 64 fewer at DOLI and 32 fewer at HFA. He said the General Fund savings from these reductions would be minimal, because the agencies are only partially funded through General Fund dollars.

The governor also objected to the transfer of \$16.3 million from accounts funded through penalties on unemployment insurance fraud cases into the General Fund. In particular, he said he opposed a provision that permanently transfers money from a UI administrative account to a UI contingency account. (Art. 1, Sec. 13; Art. 2, Secs. 5-7)

Competitive grant programs created

Many of the reductions in the bill are tied to a plan to reform the way grant money is distributed through DEED. Currently, DEED serves as a pass-through agency for grant money that lawmakers earmark for specific nonprofit organizations. These nonprofits generally perform workforce and economic development-related

services.

Under the bill's provisions, beginning in fiscal year 2013, the current system of earmarking grant money would end. In its place, a series of three new competitive grant programs would be established: one for business development, one for adult workforce development and another for youth workforce development. (Art. 1, Sec. 3).

In part, the move toward a competitive grant process is intended to address concerns raised in a 2010 report from the Office of the Legislative Auditor on the state's workforce programs. Among other key findings, the report stated that workforce grant recipients should be selected through a competitive process.

Though the organizations currently funded by DEED via pass-through grants would be able to compete for grant money under the new system, overall funding for these budget areas would be reduced. Programs rolled into the adult and youth workforce competitive grant processes would be reduced 15 percent, while those rolled into the business development competitive grant process would be reduced 17 percent.

In his veto letter, Dayton said he supported the concept of competitive grants for workforce programs, but said the cuts would harm "strong programs that help to spur economic growth."

HF1049/SF887*/CH39

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoes - New Laws 2011

Plans to cut spending, reform government vetoed

[SF1047](#)*/[HF0577](#)/[CH40](#)

House Chief Author: [Lanning](#)

Senate Chief Author: [Parry](#)

Sponsored by Rep. Morrie Lanning (R-Moorhead) and Sen. Mike Parry (R-Waseca), the first omnibus state government finance bill would have slashed General Fund spending by more than one-third on core state government operations. It also proposed reducing the state workforce by 15 percent over four years and cutting \$90 million from employer contributions to the state employees' health insurance program (Art. 1; Art. 3, Secs.48, 66).

In his veto message, Dayton said he shared lawmakers' commitment to more efficient, streamlined government services; however, he said the bill was too aggressive in cutting agencies' budgets and staff complements.

"Such extreme reductions to agency operations would jeopardize core government functions and substantially impair the state workforce," he wrote.

Overall, the bill would have provided funding for core state government operations and veterans programs for the 2012-2013 biennium. Affected agencies included Minnesota Management & Budget as well as the departments of Revenue, Administration, Veterans Affairs and Military Affairs. Funding for the Legislature and the state's constitutional offices was also provided in the bill, along with many smaller state agencies and quasi-state agencies (i.e. the Minnesota Historical Society).

It proposed a total of \$600.3 million in General Fund spending — a 34.2 percent reduction from the projected base. In general, most agencies would have received a 5 percent to 15 percent operating budget reduction. Only two agencies — the departments of Veterans and Military Affairs — would have had their funding increased, under the provisions. (Arts. 1, 2)

Dayton said the reductions would make many of the proposed reforms difficult to implement. As an example, he cited MMB, which would have its budget cut by 10 percent while being asked to implement zero-based budgeting, an employee gain-sharing program and other reforms — all while simultaneously reducing the number of agency staff.

“This bill makes substantial reductions in operating funding even as it establishes multiple, new requirements for state agencies,” Dayton wrote.

The governor also criticized the bill for booking new general fund revenues from proposed tax analytics and federal offset programs. He said the bill recognized \$169 million in new revenue from these initiatives that Department of Revenue analysts “cannot substantiate.” (Art. 3, Secs. 42, 44, 57, 58, 67)

Reshaping state government

Though the bill's funding provisions did not touch all state government agencies, many of its policy provisions would have. Among these were many proposals to fundamentally reshape state government.

The bill would have impacted the state's workforce in a number of ways. The 15 percent reduction in the state's workforce would have been required by June 30, 2015. Rather than an across-the-board cut across all state agencies, Dayton and his administration would have been authorized to distribute the reduction among the agencies however they saw fit, using attrition, layoffs, furloughs and a hiring freeze. (Art. 3, Sec. 48)

A salary freeze would have been required for all state employees until at least June 30, 2013. This provision, and another requiring that the State Employee Group

Insurance Program find \$90 million in General Fund savings by making state workers pay a larger share of their health insurance costs, were criticized in Dayton's veto letter. He said the provisions undermined the collective bargaining process by setting statutory goals for labor contracts. (Art. 3, Secs. 63, 66)

The bill would have established a Sunset Advisory Commission to explore opportunities to eliminate, combine or reorganize state agencies. A rotating 12-year schedule would have been established for the commission to review each agency. Following the review, the agencies would expire unless lawmakers took action to continue their existence. (Art. 3, Secs. 2-22)

State budget officials would have been required to phase in the use of zero-based budgeting, under the bill's provisions. Agencies would have been required to present lawmakers with detailed budgets including multiple alternative funding levels and performance data for each individual program being funded. (Art. 3, Secs. 28-33)

A pilot project was proposed to use appropriation bonds to fund nonprofits whose work results in measurable cost savings to the state. The program would have created a pool of money to pay organizations whose work demonstrates a net return on investment for the state. (Art. 3, Secs. 36-38)

The Office of Enterprise Technology would have assumed control of all of the state's information technology operations, procurement and staff. The goal was to save money, streamline services and improve the security and stability of critical IT infrastructure. (Art. 4)

Selected other reform initiatives in the bill included:

- cutting the number of deputy and assistant commissioners at state agencies (Art. 3, Secs. 25, 39, 49-56);
- requiring the Department of Administration to issue requests for proposals for vehicle fleet consolidation, building efficiency improvements and strategic sourcing (Art. 3, Secs. 61, 62, 68);
- allowing cities of the first class and all counties to contract with private accounting firms instead of the Office of the State Auditor to do their audits (Art. 3, Secs. 23, 59);
- loosening restrictions on outsourcing state services to private contractors (Art. 3, Secs. 26, 41, 43); and
- establishing a performance appraisal and performance

pay system for state employees (Art. 3, Sec. 47).

HF577/SF1047*/CH40

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

Dayton cites concerns with HHS finance bill

[SF0760](#)*/HF0927/CH41

House Chief Author: [Abeler](#)

Senate Chief Author: [Hann](#)

Health and human services, the second largest slice of the state spending pie, is often considered to be a major sticking point in budget negotiations at the Capitol. Gov. Mark Dayton confirmed that notion when he vetoed an omnibus health and human services finance bill that would have appropriated \$10.9 billion over the next biennium.

Which portions of the legislation led Dayton to send it back to the Legislature without his approval? Several, according to the veto letter explaining his opposition to the bill that would have cut \$1.8 billion in projected spending for the 2012-2013 biennium.

"A reduction of this size jeopardizes the progress Minnesota has made in providing health coverage for the uninsured, supporting our seniors in their communities, offering treatment and community support for people with mental illness, and establishing a public health infrastructure that protects all Minnesotans," Dayton wrote in his veto letter. The governor's budget recommended \$600 million in projected spending reductions for the next biennium.

Republicans pointed out that, although the bill would have made some serious reforms in health and human services spending, it would have increased overall spending by \$500 million from the current budget cycle to the 2012-2013 biennium.

The bill's biggest spending reduction would have come from the elimination of Medical Assistance eligibility for adults without children beginning Oct. 11, 2011. That reduction would have accounted for \$921 million in biennial savings. Dayton contended that provision, along with several others, would have eliminated health care coverage for more than 140,000 people.

Rep. Jim Abeler (R-Anoka), who sponsored the bill with Sen. David Hann (R-Eden Prairie), said Dayton's claim is untrue. He said the bill would have shifted certain individuals from existing programs into other venues, such as General Assistance Medical Care (GAMC), and would have utilized a Coordinated Care Delivery Systems (CCDS) program to maintain care for the majority of the Medical Assistance population. The bill's reinstatement of CCDS and GAMC programs would have put \$330 million

back into the health and human services budget, but Dayton said he believes the CCDS program is underfunded and is a step back from the Medical Assistance program the bill would have repealed. (Art. 1, Secs. 85, 86)

"The voucher approach, with its significant cost-sharing, garners much of its budget savings because about one-third of the (125,000) people (who qualify for the program) cannot afford it and will simply go without coverage," Dayton wrote.

The legislation would have modified eligibility for GAMC by removing several categories of eligibility that would have eliminated an aspect of the program that provides \$203 a month for 20,000 Minnesotans who cannot support themselves due to illness, age or disability. Dayton said the provision "would severely strain the basic safety net our already over-extended counties are trying to maintain" and likely lead to homelessness for the many Minnesotans who use the program. (Art. 1, Sec. 12)

The governor pointed to several other provisions contained in the legislation that he opposes, including:

- reductions to the Medical Education Research Fund that supports reimbursement grants for hospitals and clinics that volunteer as training sites; (Art. 2, Sec. 5)
- reductions to home- and community-based long-term care services; (Art. 5, Sec. 46)
- reductions in the home visiting program; (Art. 10, Sec. 4) and
- reductions to family planning grants. (Art. 2, Sec. 18)

In addition to its fiscal implications, the bill contained several policy provisions that Dayton said he opposes, including:

- a prohibition human cloning (Art. 2, Sec. 17);
- the repeal of the nursing home rate equalization (Art. 6, Sec. 32);
- inclusion of residency requirements related to the Minnesota Family Investment Program; (Art. 1, Secs. 23, 24);
- Minnesota's entrance into a multi-state nursing licensure compact (Art. 4, Secs. 8-12); and
- restrictions on the state's ability to fully implement the federal Affordable Care Act. (Art. 5, Sec. 84)

The bill also would have reduced the administrative budget for the Department of Human Services by \$13.9 million resulting in the loss of 123 full-time equivalent positions. The Department of Health would have received a \$3 million reduction in its operational budget, resulting in a loss of 20 full-time equivalent positions. (Art. 10, Sec. 12)

Dayton was encouraged by the shared interest his administration and Republican leaders have in reforming managed care organizations and reducing fraud to improve the integrity of the health care system, provisions included in the bill. (Art. 6, Sec. 18)

"I also support initiatives that lead to more efficiency and coordination among state agencies in our licensing, regulation and data collection efforts," he wrote.

HF927/SF760*/CH41

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoes - New Laws 2011

First try at K-12 finance bill fails

[HF0934](#)*/CH42

House Chief Author: [Garofalo](#)

Senate Chief Author: none

Despite its \$14.16 billion target, just shy of his own \$14.19 billion proposal, Gov. Mark Dayton vetoed the omnibus education finance bill because it contained "damaging cuts and harmful policy items."

Sponsored by Rep. Pat Garofalo (R-Farmington) and Sen. Gen Olson (R-Minnetrista), the bill would have boosted schools' basic formula allowance by \$41 per adjusted marginal cost pupil unit during the next biennium, or an additional \$46.6 million. Dayton proposed a \$100 per pupil increase over the biennium which, added to \$36 million in other new spending he proposed, would have added \$164 million to base funding levels.

The governor said the bill would cut \$44 million below current base funding level, with "very harmful effects on students, on teachers and on schools."

"Within those reductions, it unfairly and disproportionately shifts funding among school districts," he wrote in his veto letter.

For example, he said proposals to freeze compensatory education revenue at \$4,709 times eligible pupil units, and to repeal integration rule and aid would "wrongfully (harm) poor children and children of color, which I will not accept." (Art. 1, Sec. 12; Art. 2, Sec. 64)

Integration aid would have been partially replaced with other targeted spending, including \$72.71 million in innovation achievement transition revenue equal to

districts' expected integration revenue for fiscal year 2012, then lowered to their 2012 innovation levy amounts for fiscal year 2013 and later. Aid for Minneapolis, St. Paul and Duluth would have been reduced to levy only for 2012, with aid partly added back in 2013.

The bill also would have retained the 70-30 percent state aid payment shift indefinitely. (Art. 5, Sec. 3)

HF934*/SF1030/CH42

Governor rejects special education cuts

Dayton particularly opposed the bill's special education cuts, which he stated "would create significant funding gaps that would force school districts to shift funds from general education programs, increase class sizes, or raise property taxes, just to maintain their current levels of special education services."

In their first omnibus bills, both the House and Senate proposed eliminating the growth factors for the two main categories of special education revenue, regular aid and excess cost aid, but revisited the issue in a conference committee.

The bill sent to the governor would have lowered the growth factor for regular special education revenue from 4.6 percent to 2 percent, capping the appropriation at \$1.63 billion for the 2012-2013 biennium. The growth factor for special education excess cost aid would have risen from 2 percent to 3 percent, capped at \$230.2 million for the biennium. Excess aid is for districts with unusually high unreimbursed expenses. (Art. 3, Secs. 8-9, 12)

Special education services are federally mandated to make education fair and accessible for students with a wide range of cognitive, physical, mental or behavioral disabilities or disorders from birth through age 21, though federal funds cover only about 17 percent of excess costs beyond the state's 60 percent responsibility. State appropriations don't fully cover special education costs for most districts. About 15 percent of the state's public K-12 students receive some special education services. According to the Education Department, it would have taken an additional \$143 million to fully fund special education in fiscal year 2011.

Possible common ground in early literacy

The governor expressed disappointment the bill disregarded early childhood education, but indicated he appreciated its early literacy provisions.

Dayton proposed \$32.2 million to expand all-day kindergarten for low-income children beginning in 2013,

plus \$2 million to fund a quality rating system for child care providers. The original House proposals to fund the statewide quality rating system, plus \$10 million for early childhood scholarships for low-income children at their parents' choice of providers, were dropped from the final bill.

Legislators offered \$34 million for a new category of literacy incentive aid in fiscal year 2013, to be distributed according to formulas for proficiency aid based on schools' third graders meeting or exceeding proficiency on the reading Minnesota Comprehensive Exam, and growth aid based on fourth graders making medium or high growth on the reading MCA. (Art. 2, Secs. 50-51)

The Minnesota Reading Corps would have expanded with \$8.25 million for reading specialists to work with struggling readers, \$5.5 million more than the original House bill. (Art. 2, Sec. 45)

The governor had proposed \$11.9 million in excellence in education awards for schools boosting student proficiency and growth, plus \$5.5 million in achievement gap innovation funding for the biennium for school districts to try new ways to close the academic gap between poor children, mostly American Indian, Asian, black or Hispanic, and those from more affluent backgrounds, mostly white.

Although Dayton did not support an "A-to-F" school district grading system proposed at a cost of \$3 million, he liked a provision offering \$100 per pupil for schools earning an "A" or improving their grade. (Art. 2, Sec. 5)

"I am encouraged by the potential to find common ground in this bill in early reading proficiency and recognition of high-achieving schools. I am hopeful we can build on those areas of agreement," he wrote.

Included in the bill was an enrollment options scholarship for low-income students attending low-performing schools to fund their tuition at a nonpublic school for up to the basic revenue per pupil allowance. It would have reduced the general education appropriation by \$15.87 million while costing \$17.5 million to implement for 1,000 students estimated to participate. (Art. 2, Sec. 33)

"Until our public schools are funded at adequate and sustainable levels, a diversion of public dollars to private schools is unwise," wrote Dayton.

Although the governor appreciated that budget cuts to the Education Department were limited to 5 percent per year, he said that in combination with eight years of budget cuts and reductions to state government staff of 15 percent as proposed in the state government finance bill, the agency

would be faced with the loss of at least 30 full-time employees, leaving it with "limited capacity to provide technical assistance, support and oversight to schools through Minnesota." (Art. 10, Sec. 1)

The Perpich Center for Arts Education budget would have been cut 5 percent per year, but not entirely eliminated as a state agency, which had been proposed in the original House bill. (Art. 10, Sec. 3)

Dayton opposed those policies, plus limitations on collective bargaining and a prohibition on adopting Common Core academic standards. In short, he said numerous policies in the bill are "controversial, punitive to teachers, and have little research to support their efficacy in improving student learning and closing achievement gaps." (Art. 2, Secs. 2, 6-7, 9, 16, 20, 53)

HF934*/SF1030/CH42

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoes - New Laws 2011

Teacher basic skills bill vetoed

[SF0170](#)*/[HF0183](#)/CH45

House Chief Author: [Kieffer](#)

Senate Chief Author: [Daley](#)

The bill, sponsored by Rep. Andrea Kieffer (R-Woodbury) and Sen. Ted Daley (R-Eagan), would have required those entering teacher preparation programs on or after Jan. 1, 2014, to pass a basic skills exam first. Those entering such a program before that date would have had to pass it as one of several requirements for earning an initial teaching license.

"Increasing the rigor of standards for Minnesota teacher candidates is a goal I share with the Legislature," Dayton wrote in his veto message, but added that two "problematic provisions" in the bill prevented him from signing it.

One would have allowed teachers licensed out of state to be granted a one-year teaching license, during which period they would have to pass the skills exam. Dayton said that "contradicts efforts in the rest of the bill" to boost rigor, and places fewer requirements on those licensed out-of-state than on Minnesota candidates.

The governor also said the bill lacked a requirement that higher education teacher preparation programs provide remediation for teacher candidates who don't pass the skills exam, which he said puts poor test-takers at a disadvantage even if they show promise as future teachers.

"If you were to include language in an education bill during special session that would eventually require individuals to pass the Basic Skills Test before they enter a teacher preparation program, I would support it," he

wrote.

HF183/SF170*/CH45

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

Proposed agency reductions unacceptable

[HF1010*/SF1003/CH46](#)

House Chief Author:

[McNamara](#)

Senate Chief Author:

[Ingebrigtsen](#)

A bill to fund state environment, energy and commerce departments was vetoed by Gov. Mark Dayton, who felt the budget reductions to the agencies were too steep and would have "harmful effects" on Minnesotans.

The governor, who had recommended less than a 7 percent reduction to the Pollution Control Agency, objected to a 67 percent General Fund reduction to the agency. He said the cuts would delay, rather than streamline, the permitting process because of staff reductions. The agency's overall reduction was less than 20 percent when adjusted for fund transfers, which he also opposed. (Art. 1, Sec. 3)

"Some of the cuts will directly undo the gains made in the timely environmental review and permitting of projects my executive order and House File 1 accomplished earlier this year," Dayton wrote in his veto letter.

Sponsored by Rep. Denny McNamara (R-Hastings) and Sen. Bill Ingebrigtsen (R-Alexandria), the bill would have transferred millions of dollars from several dedicated accounts to the General Fund, including \$24.5 million from the worker's compensation assigned risk plan. (Art. 2, Secs. 6-7)

"These funds are paid by businesses and individuals for specific and limited purposes," Dayton wrote.

The biennial budget would have contained appropriations for the Department of Natural Resources, the Pollution Control Agency, Board of Water and Soil Resources, Department of Commerce, the Metropolitan Council and the Minnesota Zoo.

Within the DNR, \$93.7 million of the \$439.5 million budget would have been from the General Fund. The rest would have come from dedicated sources, such as the Game and Fish, Permanent School, and Remediation funds. The governor objected to General Fund reductions for the forest management programs and the elimination of one of the state's forest nurseries. (Art. 1, Sec. 4; Art. 4, Sec. 43)

Nearly \$5.7 million from the environment and natural resources fund, combined with \$3.3 million from the

General Fund, would have been spent on preventing aquatic invasive species. The Legislative-Citizen Commission on Minnesota Resources makes recommendations to the Legislature about how to spend the environment and natural resources fund, comprised of state lottery receipts. Some LCCMR recommended projects were replaced in committee hearings to address "emerging issues" such as aquatic invasive species prevention efforts. In his veto letter, Dayton said the state needs a long-term and dedicated funding source for prevention. (Art. 3, Sec. 2)

Legislators refrained from increasing or establishing new fees in the Game and Fish fund, even at the request of stakeholder groups. Dayton supported fee increases and had projected \$18 million in additional revenue from hunting and fishing license fees.

Since fiscal year 2002, the Board of Water and Soil Resources has implemented cost-saving measures and Dayton said the agency was in no position to absorb the \$7 million proposed cut. (Art. 1, Sec. 5)

Likewise, cuts to the Department of Commerce, which protects consumers and investigates fraud allegations in banking, insurance and several other industries, would have serious impacts on the department's ability to perform its core mission, according to Dayton.

In addition, he opposed a planned \$950,000 Insurance Fraud Prevention Account transfer to the General Fund. (Art 2, Sec. 6)

Restrictions to new coal-fired power were also contained in the bill. "This issue is moving through the legislative process on its own and has no place in an omnibus budget bill," Dayton wrote. (Art. 4, Sec. 35, 52)

A scientific study of the affects of sulfates on wild rice that was supported by the governor and lawmakers also was in the vetoed legislation. (Art. 4, Sec. 47)

HF1010*/SF1003/CH46

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

Fire sprinkler bill doused by veto

Adding home fire sprinklers can cost between \$1.60 and \$8 per square foot – but sprinklers are the most effective way to prevent fatalities in the event of a house fire, both for residents and firefighters. That's especially true with new construction methods and materials which are more highly flammable than much older home construction.

[HF0460*](#)/SF0297/CH47

House Chief Author: [Peppin](#)

Senate Chief Author: [Limmer](#)

The goal of preventing fatal fires was a key reason for Gov. Mark Dayton's veto of a bill sponsored by Rep. Joyce Peppin (R-Rogers) and Sen. Warren Limmer (R-Maple Grove) that would have prohibited the state building or fire code or a local political subdivision from requiring sprinklers be installed in new single family home construction, but would have required contractors to offer prospective homeowners the option to install sprinklers.

"Any objections to such a policy are best considered in the regular code adoption process," Dayton wrote in his veto message. The governor also noted the requirement is part of the International Residential Building Code that will soon be considered for adoption in Minnesota.

HF460*/SF297/CH47

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoes - New Laws 2011

Finance bill gets red light from governor

[HF1140*/SF0898/CH49](#)

House Chief Author: [Beard](#)

Senate Chief Author: [Gimse](#)

The omnibus transportation finance bill quickly reached a dead end.

Although Gov. Mark Dayton liked part of the package presented to him, he took a red pen to the proposed legislation.

Sponsored by Rep. Michael Beard (R-Shakopee) and Sen. Joe Gimse (R-Willmar), the proposal checked in at \$4.5 billion in total spending, although just \$62.16 million would have come from the General Fund. User fees, and taxes, and federal aid were to make up much of the remaining funds. However, the General Fund spending would have been a \$118 million reduction from current biennial funding.

Dayton took particular aim at the lack of transit funding.

The bill included a \$109.44 million reduction to the Metropolitan Council and \$7.62 million reduction to Greater Minnesota transit for the biennium. Funding for elderly and disabled transit in Greater Minnesota would have been held level, as would special transportation services under the Metropolitan Council.

But Beard said there has been an uptick a rise in Motor Vehicle Sales Tax revenues dedicated to transportation funding, of which at least 40 percent must go to transit operations. Beard said it is forecast to provide \$98 million in new transit funds in the upcoming biennium to be split between metro and Greater Minnesota transit. Opponents noted that in nine of the last 10 years MVST revenues

have not met expectations.

"I believe that providing comprehensive and reliable transit services, both in the Metro Area and in Greater Minnesota, are essential components of the transportation system in Minnesota," Dayton wrote in his veto letter. "Transit services improve labor market efficiency, freeway performance, and air quality in the metro area, while sustaining economic viability in Greater Minnesota. The draconian cuts to transportation in this bill are unacceptable to me."

Transit officials warned the cuts could result in sizeable fare increases, significant route reductions and the laying off of hundreds of employees.

The governor noted that cuts to Greater Minnesota transit would mean 101,000 fewer hours of service, about a 10 percent cut, and would result in the loss of about 50 jobs.

"People who use local public transit are disproportionately elderly, disabled, or low income," Dayton wrote.

To help backfill a portion of its funding reduction, the bill would have permitted the Met Council to transfer uncommitted money in its livable communities fund — used to address affordable and lifecycle housing needs and provide funds to assist communities in carrying out their development plans — and the amounts levied and collected under the right-of-way acquisition loan fund program — used to preserve right-of-way in rapidly growing areas — for transit, paratransit, light rail and commuter rail services. It also allowed for use of other portions of the Met Council budget to fund transit operations. Dayton opposes the idea of using non-transit funds generated from property taxes for transit activities.

Permissive language was included that would permit money from the Counties Transit Improvement Board be transferred to the Metropolitan Council for regular-route bus transit operations, subject to a referendum. Beard said the board, whose activities to improve transit are funded with a quarter-percent sales tax in five Twin Cities metropolitan area counties, has about \$90 million in reserves available funds. He said when the board was authorized in 2008, its first \$30 million went to the Met Council to help with an operating deficit.

The bill would have prohibited did not contain an appropriation to the Department of Transportation from expending funds for commuter and intercity passenger rail planning unless there are special circumstances. With no money allocated for passenger rail activities, the bill would likely have resulted in the closing of MnDOT's Passenger Rail Office, according to Dayton.

Sans the office, the governor said federal funding for rail activity would be relinquished. In order to receive federal funding, the office must administer existing agreements to ensure federal grant requirements are met.

Dayton was not entirely critical of the bill. For example, he liked that it would have provided some funds for his recently proposed Better Roads initiative , and for a new trunk highway development account.

HF1140*/SF898/CH49

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoes - New Laws 2011

First collegiate funding plan fails

[HF1101*](#)//CH50

House Chief Author: [Nornes](#)

Senate Chief Author: none

Sponsored by Rep. Bud Nornes (R-Fergus Falls) and Senate President Michelle Fischbach (R-Paynesville), the \$2.51 billion higher education budget bill would have reduced \$411.1 million in funding from the forecast base, about an 11 percent reduction from current biennium spending. Dayton's plan called for a \$170.9 million base reduction.

It would have cut the University of Minnesota 18.9 percent from forecast base and the Minnesota State Colleges and Universities system by 14.3 percent, cuts Dayton deemed "too extreme." (Art. 1, Secs. 4-5)

"The total appropriations leave both the University of Minnesota and MnSCU with substantially lower levels of state funding at the same time they are serving 50,000 more students," Dayton wrote in his veto letter.

The original Senate bill called for an 18.9 percent General Fund reduction to the university; the House, 17.7 percent; and the governor, 6 percent. The respective percentages for MnSCU were 13.3 percent, 15.9 percent and 6 percent.

One percent of fiscal year 2013 funding for MnSCU would have been contingent on meeting three of five specific criteria: increasing the enrollment of students of color by at least 10 percent compared to fiscal year 2010, increasing by 7 percent the number of credentials conferred versus fiscal year 2009; increasing by at least 15 percent compared to fiscal year 2010 the number of students taking online or blended courses or the number of online or blended sections; increasing persistence and completion rates for students entering in the fall of 2009 and 2010; or decreasing by at least 2 percent compared to calendar year 2009 energy consumption per square foot. (Art. 1, Sec. 4)

The university would have also had 1 percent of fiscal year 2013 funding held back until it meets three of five

criteria: increasing institutional financial aid so it is greater in fiscal year 2012 than it was in fiscal year 2010; producing at least 13,500 degrees on all campuses in fiscal year 2012; increasing four- and six-year graduation rates on the Twin Cities campus; maintaining research and development expenditures as reported to the National Science Foundation; or maintaining sponsored research so that fiscal year 2012 numbers are not below those of fiscal year 2010. (Art. 1, Sec. 5)

Officials from both systems noted that the proposed funding levels would be comparable to those from 1998. They said the cuts would lead to hundreds of faculty layoffs, thousands of reduced course offerings, program closures, millions of dollars in lost research opportunities and would hurt Minnesota's competitiveness in future years because of fewer qualified workers.

Under the legislative plan, the state grant program would have seen an additional \$21.1 million, a 7.3 percent increase. The House proposed increasing base funding for the state grant program by \$27.1 million; the Senate \$7.2 million and the governor kept state grant funding at base levels. The bill also would have provided stable funding for child care assistance grants that help students who have children to continue their education. (Art. 1, Sec. 3)

In an effort to ensure students would not bear the brunt of state monetary reductions, MnSCU could not have raised tuition by more than 3 percent per year at the two-year state colleges, and by no more than 5 percent in the first academic year and 4 percent in the second academic at the state universities. Under the bill, the annual increase in mandatory fees would have been limited to 4 percent, unless a higher rate was approved by student associations. (Art. 1, Sec. 7)

The university was requested to adhere to the 5 percent/4 percent tuition increases and 4 percent fee increase. Because of its autonomy, the Legislature can only request the university to take actions that are not directly related to state appropriations. (Art. 1, Sec. 8)

"The proper entities to make final tuition decisions within our two state systems are the University of Minnesota's Board of Regents and MnSCU's Board of Trustees," Dayton wrote.

Prohibiting the use of state or federal funds, for state programs to support human cloning or for expenses incidental to human cloning was something else the governor frowned upon. (Art. 2, Sec. 14)

"It is imperative for Minnesota's bio-medical future that both the University of Minnesota and the Mayo Clinic approve of any language affecting this vital area of research, which has the potential to bring thousands of

jobs to Minnesota and save many thousands more lives," Dayton wrote.

Other finance and policy provisions in the bill include:

- encouraging MnSCU and the university to offer a guaranteed tuition plan (Art. 2, Secs. 5, 13);
- eliminating the matching grant program that is part of the Minnesota college savings plan (Art. 2, Secs 6-12, 17);
- lowering of the eligibility age for the senior citizen higher education program from 66 to 62 (Art. 2, Sec. 2); and
- repealing the requirement that public institutions sell American-made clothing and apparel in their bookstores to the extent possible (Art. 2, Sec. 17).

HF1101*/SF924/CH50

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

Legislation would prohibit state funding of abortions

[HF0201*/SF0103/CH56](#)

House Chief Author: [Scott](#)

Senate Chief Author:

[Thompson](#)

Supporters of proposed legislation to end state funding for abortion believe taxpayers shouldn't have to foot the bill for an "abhorrent" act. Those who oppose it argue that it not only takes choice away from Minnesota's poorest residents, but comes in conflict with the state constitution.

Gov. Mark Dayton vetoed the bill, saying it infringes upon a woman's basic right to health and safety and that its language does not contain a clear definition of a "state-sponsored health program."

Sponsored by Rep. Peggy Scott (R-Andover) and Sen. Dave Thompson (R-Lakeville), the legislation would have prohibited the use of funding for state-sponsored health programs for abortions, except to the extent required for continued participation in a federal program.

The bill contained a severability clause, stating that if any portion of the legislation were to be found unconstitutional, that portion would be declared to be severable and the balance of the legislation would remain effective notwithstanding such unconstitutionality.

"The legislature intends that it would have passed this section, and each provision, section, subdivision, sentence, clause, phrase, or word irrespective of the fact that any one provision, section, subdivision, sentence, clause, phrase, or word is declared unconstitutional," the

bill states.

HF201*/SF103/CH56

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

No prohibition on abortions after 20 weeks gestation

[HF0936](#)*/SF0649/CH59

House Chief Author: [Holberg](#)

Senate Chief Author: [Hoffman](#)

Developments over the last few decades in prenatal medical technology have found that at as early as 20 weeks gestation, a human fetus can feel pain. That's the contention of those who support the so-called "Pain-capable Unborn Child Protection Act." But critics, including Gov. Mark Dayton, believe the legislation would have infringed upon a woman's basic right to health and safety. Dayton, who vetoed the bill, said it would have forced doctors to make critical medical decisions, but prevented them from considering the best interests of their patients.

Sponsored by Rep. Mary Liz Holberg (R-Lakeville) and Sen. Gretchen Hoffman (R-Vergas), the bill would have made an exception for instances where it can be medically proven that the survival of the fetus poses a greater risk of death to the woman or of substantial and irreversible physical impairment of a major bodily function. Findings of fact related to scientific research that supports the legislation were contained within the bill.

Doctors who perform an abortion after 20 weeks post-fertilization would have been charged with a felony offense, under the bill. No penalty would have been assessed against the woman upon whom the abortion is performed or induced or attempted to be performed or induced.

The bill would have created in the special revenue fund an account entitled the "Pain-Capable Unborn Child Protection Act" litigation account for the purpose of providing funds to pay for any costs and expenses incurred by the state attorney general in relation to actions surrounding its defense.

HF936*/SF649/CH59

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

Photo ID requirement for voters vetoed [SF0509](#)*/HF0210/CH69

Gov. Mark Dayton nixes plan to require all Minnesotans to present a valid photo ID card before voting as costly and unnecessary.

House Chief Author: [Kiffmeyer](#)
Senate Chief Author: [Limmer](#)

Sponsored by Rep. Mary Kiffmeyer (R-Big Lake) and Sen. Warren Limmer (R-Maple Grove), the bill would have required all voters to present a valid state -issued photo ID with their current address before casting their ballots. Limited exceptions would have been made for those in nursing homes, battered women's shelters and similar facilities.

The issue of whether to require voters to show a photo ID has long been a top priority for Republicans, who say doing so would prevent illegal voting and boost public confidence in the integrity of elections. In his veto letter, Dayton disagreed, and said the state's election system is already "the best in the nation."

"The push to require photo identification in order to vote has been based on the premise that voter fraud is a significant problem in Minnesota," he wrote. "I do not believe that to be the case."

Most DFL lawmakers opposed the bill, arguing that requiring a valid photo ID for voting would present a hardship for senior citizens, college students, persons with disabilities and certain other groups. Dayton cited this lack of bipartisan support as among his reasons for vetoing the bill.

The governor further argued that the bill would have created an unfunded mandate on local governments, who would have to shoulder the cost of upgrading their election systems at a time when they are losing state aid. He also said a provision in the bill to change the canvassing date for the state primary would have violated a federal law related to military voters stationed overseas.

Along with his veto, Dayton issued an executive order creating a Task Force on Election Integrity. Made up of lawmakers of both parties and various state and local officials, the group will be charged with finding ways to "modernize the state's elections, while protecting citizens' fundamental right to vote."

In addition to requiring photo ID, the bill would have provided that voters without an ID could cast a provisional ballot. The ballot would have been counted if they verify their identity to local authorities within seven days after an election. The practice of vouching as a means of same-day registration would have been eliminated.

Voters without a current photo ID could have applied for a free voter ID card from the state, under the provisions.

The bill would also have provided for a system of electronic polling place rosters to replace the current paper-based system; however, adoption of the new rosters would have been optional to each local government.

HF210/SF509*/CH69

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

No mobile home park water billing

[HF0562*](#)/SF0406/CH73

House Chief Author: [Sanders](#)

Senate Chief Author: [Limmer](#)

An estimated 80 percent of the 180,000 Minnesotans who live in manufactured home parks are low-income. Gov. Mark Dayton vetoed a bill he feared could have increased their housing costs.

The bill, sponsored Rep. Tim Sanders (R-Blaine) and Sen. Warren Limmer (R-Maple Grove), would have allowed submetering in manufactured home parks, at the park owner's expense, so residents would pay a separate water charge for what they actually use, rather than an amount rolled into their rent check. However, there was no guarantee the overall monthly rent that now covers utilities would decrease to reflect a separate bill for the cost of water.

"I cannot support legislation that could drive up rent for some of the poorest Minnesotans, especially while high unemployment persists," Dayton wrote in his veto message.

Another provision would have repealed the 2007 ban on air admittance valves in plumbing systems. The valves are allowed in 39 states and are used internationally, but are prohibited in Minnesota because of concerns they are unreliable and may allow sewer gas to leak into a home if they fail.

HF562*/SF406/CH73

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

No changes to public defender eligibility statutes

[HF0988*](#)//CH94

House Chief Author: [Smith](#)

Senate Chief Author: none

A 2010 legislative auditor's report on the state's public defender system concluded that increasing workloads are affecting the ability of public defenders to represent clients and the operation of state courts.

A bill to address these issues by streamlining the process of issuing public defenders was vetoed by Gov. Mark Dayton, who believes some of its provisions would have had "serious consequences for low-income individuals

seeking counsel."

Sponsored by Rep. Steve Smith (R-Mound) and Sen. Warren Limmer (R-Maple Grove), the bill included recommendations from the legislative auditor's report and the Minnesota Board of Public Defense that would have made changes to provisions regarding public defender representation, including eligibility, appointment and reimbursement obligations. The provisions were also included in the vetoed omnibus judiciary and public safety finance bill.

Included was a provision that would have established criteria to determine eligibility for public defender representation based on the offense level charged and the defendant's income. A defendant charged with a misdemeanor offense would have been eligible for a public defender if their income did not exceed 125 percent of the federal poverty guidelines. Defendants facing a gross misdemeanor or felony charge would have been eligible for a public defender if they had an income no greater than 150 percent or 175 percent of the guidelines, respectively.

In his veto message, Dayton said he believes the legislation's tiered income levels for eligibility to seek a public defender are "far too low," and as a result would have jeopardized the constitutional right to counsel for low-income individuals.

Other provisions in the bill would have:

- required the court, prior to appointing a public defender, to inquire whether a prosecutor intends to certify a misdemeanor as a petty misdemeanor, and if an offense is certified as a petty misdemeanor, a defendant would not be eligible for a public defender;
- required a defendant who is or becomes able to make partial payments to reimburse the state for the cost of the public defender, including requiring the court to evaluate a defendant's ability to make partial payments if the court originally determined that the defendant was financially unable to afford counsel due to the private retainer fee;
- allowed the court to appoint a public defender if the defendant, through any combination of liquid assets and current income, would be unable to afford private council; and
- prohibited the appointment of a public defender if a defendant is financially able to retain a counsel but refuses to do so, refuses to execute the required financial statement or waives the right to a public defender.

HF988*/SF952/CH94

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

Coal power exemption is vetoed

[SF0086*](#)/HF0072/CH96

House Chief Author: [Beard](#)

Senate Chief Author: [Rosen](#)

Gov. Mark Dayton vetoed a measure sponsored by Rep. Mike Beard (R-Shakopee) and Sen. Julie Rosen (R-Fairmont) that would have allowed up to 1,500 megawatts of coal-generated electricity to be imported into the state.

"Minnesota must continue on the path of progress to a sustainable, clean and safe energy future, rather than increasing our already heavy reliance upon coal-fired electricity, which threatens our health and climate," Dayton wrote in his veto letter. He further made the case that there is no current need for additional baseload power due to the economic downturn.

As introduced, the proposed legislation would have repealed an existing ban on the construction of or purchases from new coal powered plants that contribute to statewide greenhouse gas emissions. The final bill would have simply allowed a 1,500-megawatt exemption to this prohibition, which would have enabled Great River Energy to purchase power from a new coal facility in North Dakota.

Earlier, GRE had requested an exemption from the Public Utilities Commission, as provided for in the existing law, to import electricity from the new Spiritwood coal plant near Jamestown, N.D., scheduled to open next year. GRE proposed to offset the plant's greenhouse gas emissions with carbon reduction projects. But environmental groups objected on the grounds that some of the proposed offsets would have occurred anyway and should not count toward offsetting carbon emissions.

The commission decided it needed more evidence and referred the matter to the Office of Administrative Hearings. A recommendation by an administrative law judge is anticipated by Sept. 19, 2011. Public comments are due in July and a final PUC decision is expected by December 2011.

HF72/SF86*/CH96

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

A veto for super-sizing

[HF0264*](#)/SF0160/CH101

House Chief Author: [Urdahl](#)

Senate Chief Author: [Hann](#)

During the last seven sessions, Rep. Dean Urdahl (R-

Grove City) has advocated that if you are what you eat, then you are responsible for the excess poundage that ensues and that should not be cause for a lawsuit.

Gov. Mark Dayton agrees with the intent of the bill's sponsors, Urdahl and Sen. David Hann (R-Eden Prairie), but he vetoed the bill because it goes beyond the goal "to hold individuals responsible for their dietary choices." He wrote in his veto message the bill would give companies too broad an exemption from liability.

Known as the "cheeseburger bill," it would make establishments associated with the production or delivery of a food or nonalcoholic beverage immune from civil liability based on an individual's weight gain, obesity or related health condition resulting from the long-term purchase or consumption of that food or beverage.

Dayton wrote: "Unfortunately, this bill provides to companies that manufacture, distribute or sell nonalcoholic beverages civil immunity, except for 'any other material violation of federal or state law applicable to the manufacturing, marketing, distribution, advertising, labeling, or sale of food, if the violation is knowing and willful' That requirement of being knowing and willful creates too broad an exemption from liability, according to legal experts with whom I consulted."

The closest any of Urdahl's previous efforts has gotten to becoming law was in 2005, when it passed the Republican-controlled House, only to die in the DFL-controlled Senate.

HF264*/SF160/CH101

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

ATV definitions kill hunting, fishing bill [SF0943](#)*/HF0984/CH111

House Chief Author: [Hackbarth](#)

Senate Chief Author:

[Ingebrigtsen](#)

Proposed changes to how all-terrain vehicles would be

classified for licensing sparked a veto of the omnibus game and fish bill by Gov. Mark Dayton.

"Polaris and Arctic Cat employ over 4,000 Minnesotans and generate more than \$2 billion into the state's economy. The provisions in this legislation that modify the definitions of Class 1/Class 2 ATVs will have a detrimental impact on these job providers," Dayton wrote in his veto letter.

Rep. Tom Hackbarth (R-Cedar) and Sen. Bill Ingebrigtsen (R-Alexandria) sponsor the measures.

Hackbarth said a small percentage of ATV trails are designed for smaller machines but that some of the larger, multi-rider machines are being manufactured to fit into the smaller class category, which can lead to increased trail damage on the trails designated for smaller machines. After a stakeholder group had reached consensus on classification rules, Hackbarth amended the language. (Secs. 11-13)

"I hope the Legislature will reconsider the stakeholder recommendations," Dayton continued.

Dayton also hoped legislators could find a compromise on the number of northern pike experimental and special management lakes. The bill would have required the Department of Natural Resources to reduce the number of designated lakes with enhanced regulations from 119 to 90, which the DNR opposed. (Sec. 57)

Another section of the bill that the governor objected to would have opened Cass Lake to spearing by those other than tribal nations. It also would have prohibited spearing restrictions of northern pike "which may diminish the quality of northern pike fishery," Dayton wrote. (Sec. 72)

An agricultural-related provision would have included harvested cornfields in the definition of a pasture. This would have enabled livestock farmers to let cattle graze in the cornfield without a feedlot permit. "Changing the state's definition of pasturing . . . Would be counter to the federal requirement that these facilities be subject to permit if their animals are confined in one location for a long time," Dayton wrote. (Sec. 66)

Also held up due to the veto are proposed regulations:

- compensating farmers for fence damage caused by elk (Secs. 1, 22);
- requiring revised inspection and other standards for fish

and bait (Secs. 3-10, 16, 63-64);

- adding the gray wolf to the definition of small game and eliminating the five-year waiting period for a gray wolf season following federal delisting (Secs. 18, 53);
- amending the definition of an "undressed bird" (Sec. 19);
- adding dead animals to the definition of "wild animals" (Sec. 21);
- making it a gross misdemeanor to take big game during the time a person is prohibited from obtaining a big game license (Sec. 27);
- allowing the commissioner to give Purple Heart medal recipients and those with a service-connected disability rated at 100 percent certain hunting and fishing license preferences (Sec. 34);
- allowing motorists who hit and kill a deer first right to keep the animal (Sec. 36);
- allowing a certified nurse practitioner or certified physician assistant to certify a visually impaired hunter to use a scope or a disabled hunter to use a crossbow or to shoot from a vehicle (Secs. 41, 44, 46);
- eliminating deer stand height restrictions (Secs. 48, 76);
- authorizing road authorities to kill beavers that disrupt roadways and enabling counties or townships to set a bounty on coyotes (Secs. 54, 67);
- restricting the DNR's ability to establish antler point restrictions for Series 300 deer hunt areas (Sec. 73); and
- authorizing Lutsen Ski Resort to take more than 2 million gallons of water per day from the Poplar River (Sec. 74).

HF984/SF943*/CH111

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Vetoed - New Laws 2011

Lack of early education hinders K-12 policy law

**[HF1381](#)*/SF1167/CH114
House Chief Author: [Erickson](#)**

Although Gov. Mark Dayton agreed with a few provisions in the omnibus education policy bill sponsored by Rep. Sondra Erickson (R-Princeton) and Sen. Gen Olson (R-Minnetrista), on balance he could not support the bill because it contained more policies of concern to him and it lacked early childhood education initiatives. **Senate Chief Author: [Olson](#)**

"We share the goal of ensuring that all students be reading by the end of third grade," Dayton wrote in his veto letter. The bill would have required school districts to adopt literacy plans including regular literacy assessment beginning in kindergarten, parent notification and targeted reading interventions. He also agreed with proposed changes to English language learner standards and the charter schools statute. However, other provisions in the bill "must be removed or resolved before I can support it," he wrote. (Art. 2, Secs. 7, 46, 49)

For example, he appreciated proposals to boost principal development and evaluation, but did not support a two-year probationary period for principals and assistant principals while teachers have three years of probation. He called a proposed three-year probationary period any time a teacher switches school districts "excessive and unwarranted, even with the school board's option to modify it." (Art. 2, Secs. 17-18, 46)

Dayton also found limitations on rulemaking related to academic standards "unacceptable." The bill would have required the Legislature to approve the standards before their adoption by the Education Department; Dayton wrote that the proposal would add a "layer of bureaucratic delay, which runs contrary to our shared desire to streamline government decision-making and reduce its timelines." (Art. 2, Sec. 5)

The bill also would have prohibited Education Commissioner Brenda Cassellius from adopting Common Core Standards without legislative approval. Dayton said U.S. Secretary of Education Arne Duncan called him to urge his support of the standards, which Dayton said have been adopted by 42 other states. (Art. 2, Sec. 5)

The governor also expressed concerns about proposals to lift some home school reporting laws, including the striking of a statute requiring that a home-schooling parent seek additional evaluation of a child if under certain conditions and no requirement assuring oversight for compulsory attendance (Art. 2, Secs. 2-3).

"There must be at least minimal accountability to ensure all Minnesota's children are receiving a high quality education, especially when public funding is used through nonpublic pupil aids," he wrote.

Another provision that would create a pilot program

allowing small groups of school districts to operate as charter schools "has not been crafted carefully enough to be enacted" and prompted his concerns about their governance, funding allocation, accountability for student performance and whether they would honor collective bargaining agreements. (Art. 2, Sec. 47)

He also cited the lack of early childhood funding or programs as a key reason for his lack of support for the bill.

"I am also extremely reluctant to sign any education policy or funding bill, which does not contain language and/or funding for early childhood education. ... Such drastic and misguided actions would wrongfully reverse the state's modest progress in supporting this critically needed service," he stated.

"After all of the rhetoric during the legislative session about closing the achievement gap, it is in comprehensible why early childhood education programming and funding, which educational experts say is the key first step toward education equity, would be eliminated."

HF1381*/SF1167/CH114

* The legislative bill marked with an asterisk denotes the file submitted to the governor.

Bills in Limbo - New Laws 2011

Nuclear ban discussion halted

Both the House and Senate passed legislation to repeal a moratorium to potentially allow additional nuclear power generation in the state. However, the nuclear plant disaster caused by a tsunami in Japan halted forward progress of the bill.

Sponsored by Rep. Joyce Peppin (R-Rogers) and Senate Majority Leader Amy Koch (R-Buffalo), HF9/SF4* would remove the ban on allowing the Public Utilities Commission to issue a certificate of need for the construction or expansion of nuclear power facilities. Although a conference committee was called to work out the difference, it did not meet.

Peppin said nuclear power needs to be one of the options for future energy needs but the ban has prevented, or discouraged, stakeholders from having those discussions.

Xcel Energy operates nuclear power plants in Monticello and Prairie Island.

Rep. Phyllis Kahn (DFL-Mpls) successfully amended the bill to prohibit the PUC from issuing a certificate of need if the proposer plans to reprocess spent fuel produced by the plant into weapons-grade plutonium either at the plant or elsewhere in the state.

Although federal law prohibits reprocessing of plutonium, which is a byproduct, Kahn said there are some French plants that store plutonium on site, and she feared that doing so in Minnesota would be too dangerous.

Xcel Energy has been allowed, however, to store its radioactive nuclear waste on site until a

national repository for the waste opens.

Bills in Limbo - New Laws 2011

Workforce training tax credits

Tax credits could be provided for employees looking to better their skills.

Sponsored by Rep. Kim Norton (DFL-Rochester) and Sen. David Senjem (R-Rochester), HF40/SF843 would create a Lifelong Learning Account program within the Department of Employment and Economic Development.

It would create for a 50 percent refundable tax credit for individual and business contributions to accounts used for worker education and training expenses. The maximum credit would be \$1,000 for individuals and \$500 for businesses.

Like 401(k) retirement accounts, employees would be permitted to contribute to the account and employers would match their contributions up to an annual cap. A 25 percent penalty would be imposed if the money were withdrawn for a purpose other than education.

Approved by the House Higher Education Policy and Finance Committee, the bill was awaiting action by the House Jobs and Economic Development Finance Committee when session ended. The Senate version awaits action by the Senate Jobs and Economic Growth Committee.

Norton said higher education institutions would benefit because money would be coming into the colleges; however, the tax credit would be a cost to the state. No fiscal note was provided.

“We always see educating our young people as a public good, but we often talk about educating adults as a private good. I would say I’m not certain that’s true,” Norton said. “Both our young and our old deserve an education, and we know it will benefit our state’s economy the more people — whether they be young or old — that get educated.”

Bills in Limbo - New Laws 2011

Ending political contributions refund

Calling the political contribution refund program “an illegitimate function of government,” Rep. Steve Drazkowski (R-Mazeppa) said its repeal would save the state approximately \$12 million per biennium.

A bill he sponsors to do just that, HF66, passed the House, but was laid on the table in the Senate where Sen. David Senjem (R-Rochester) is the sponsor.

The bill would eliminate the refund program, which was suspended by 2010 legislation, and was scheduled to be reinstated on July 1, 2011.

Under the program, contributions to a Minnesota political party or candidates qualified for a state-paid refund of up to \$50 a year for individuals or \$100 for a married couple. Only contributions to candidates who signed an agreement with the Minnesota Campaign Finance and Public Disclosure Board to observe state campaign spending limits qualified for the refund.

Drazkowski said Minnesota is one of five other states to have such a program.

Rep. Larry Howes (R-Walker) spoke against the bill. "It is an incumbency protection bill. This bill makes it more difficult for a challenger to raise money and makes it difficult to get elected."

"The PCR program is a model that elections groups look to be emulated, because it increases the power and influence of regular people," said Rep. Kent Eken (DFL-Twin Valley). "It pushes candidates and constituents to connect with each other. ... Not only are you limiting the voice of the people, you are expanding the power of deep pockets."

The bill was also part of the omnibus tax bill (HF42*/SF27) that was vetoed by the governor.

Bills in Limbo - New Laws 2011

General Fund donations could be accepted

In February, Gov. Mark Dayton received a \$1,677.97 check from a resident with direction that the money goes toward reducing the state deficit. The donor calculated the amount as their share of the deficit.

In an effort to make it easier to make contributions to the state coffers, Rep. Greg Davids (R-Preston) sponsors HF247 that would authorize tax filers to make a \$10 minimum donation contribution to state government either through designating a portion of their refund or adding an amount to their tax liability.

Passed by the House, the bill was amended and passed by the Senate. Although a conference committee was called, it was not considered. Sen. Julianne Ortman (R-Chanhassen) sponsors the companion, SF872.

Monetary gifts to the state's General Fund are not common, according to Minnesota Management & Budget. Current department records show the largest donation was a December 2008 check for \$22,685 "to help the needy and sick."

In 2010, the state received \$12,087.29 from the Minnesota Historical Society as the balance from unspent donations made to the Minnesota Sesquicentennial Commission.

Bills in Limbo - New Laws 2011

Bonding bill is laid over

Gov. Mark Dayton's billion-dollar capital investment proposal got a cool reception from Republicans when it was released.

However, House Capital Investment Committee Chairman Larry Howes (R-Walker) not only scheduled a hearing on the proposal, but he sponsors the bill.

However, HF607 was laid over for further consideration.

The bill lays out \$531 million in projects that are "shovel-ready, paint and repair projects," According to the governor, his proposal leaves the remaining amount for the Legislature to fill.

Dayton's projects include:

- \$51.33 million for a new physics and nanotechnology building at the University of Minnesota;

- \$30 million for asset preservation and maintenance at the Minnesota State Colleges and Universities system;
- \$28 million for Department of Natural Resources designated flood mitigation;
- \$28 million to renovate and expand the Mayo Civic Center Complex in Rochester; and
- \$20 million for a new baseball stadium in downtown St. Paul.

Rep. Bev Scalze (DFL-Little Canada) questioned Howes about the future of proposed capital projects. Howes said the bills most likely have been forwarded to the appropriate finance committee, and, if they are referred to his committee, they would get a hearing.

A companion, SF459, sponsored by Sen. Keith Langseth (DFL-Glyndon), awaits action by the Senate Capital Investment Committee.

Bills in Limbo - New Laws 2011

Reversing parental terminations calls for caution

There are approximately 1,200 Minnesota children in foster care where parents have had their rights terminated. In many cases, the parents of these children are incarcerated or have some addiction issues. Minnesota could join nine other states in providing a mechanism to have the parental rights reinstated when certain conditions are met.

Sponsored by Rep. Steve Smith (R-Mound) and Sen. Dan Hall (R-Burnsville), HF749/SF1339, the proposed Family Reunification Act of 2011, was approved as amended by the House Civil Law Committee, but went no further. The Senate bill awaits action by the Senate Judiciary and Public Safety Committee.

“One of the target audiences (for the bill) is teen parents who have messed up and lost their rights,” said Ron Elwood, representing Mid-Minnesota Legal Assistance.

The bill would affect few petitioners because of the clear and convincing standard that would need to be met. “For those for whom this works and deserve to be a reunited family, they should have a second chance,” Elwood said.

The bill would allow the court to reestablish parental rights 24 months following termination. That concerns Rep. Debra Hilstrom (DFL-Brooklyn Center), who questioned the lack of services available to parents in that situation, and whether they would be adequately prepared to have the children back.

“If you believe, that after 24 months, these parents can get their act together so they (the child) can be reunified with the parents, why don’t you change the process of termination, rather than do it backwards. Because once those rights are terminated there are no support services available to the parents,” she said.

Bills in Limbo - New Laws 2011

Proposals could be submitted for private prisons

Closed in 2010, the privately owned Prairie Correctional Facility in Appleton could once again

house inmates, under bills sponsored by Rep. Torrey Westrom (R-Elbow Lake) and Sen. Bill Ingebriksen (R-Alexandria).

HF939/SF101 would allow the commissioner of administration to seek proposals from private entities to operate correctional facilities.

“This is a policy to allow private prisons to be part of the solution to save money and house inmates. ... The idea is how can we have a private-public mix of corrections and potentially save the taxpayers’ money,” Westrom told the House Civil Law Committee.

The bill was approved and referred to the House Public Safety and Crime Prevention Policy and Finance Committee. The Senate version awaits action by the Senate Judiciary and Public Safety Committee.

The western Minnesota facility is owned by Corrections Corporation of America and previously housed inmates from Washington and Minnesota. It closed when the states had room in their own facilities to house inmates.

Under Westrom’s bill, a committed person could be placed in either a privately run facility or one operated by the Department of Corrections. Current law specifies that the person be placed in a state-run facility. To be considered, a private institution would have to house prisoners at a cost at least 5 percent below the current per diem of the Department of Corrections.

Rep. Bill Hilty (DFL-Finlayson) thinks the bill is an attempt to privatize prisons.

Westrom said the Department of Corrections could submit a proposal if it met the 5 percent threshold.

Hilty countered: “You know as well as I do how savings can take place — employing fewer staff, paying them as little as possible. And there is another possibility; you could cut back on how you treat prisoners ... quality of food, medical treatment.

Bills in Limbo - New Laws 2011

Updated ‘Emily’s Law’ on hold

A 13-year-old who commits a felony-level violent juvenile offense might be prosecuted as an extended jurisdiction juvenile, but not certified as an adult.

Through EJJ, an offender is sentenced as both a juvenile and an adult. If the offender violates terms of the juvenile disposition or commits a new offense, the stayed adult sentence may be executed. Under current law, the minimum age is 14.

Under a bill awaiting action by the full House when session ended, a 13-year-old who has the adult sentence executed may be held in a county jail, but not at a state correctional facility for adults.

Rep. Torrey Westrom (R-Elbow Lake) is the sponsor of HF1428. A companion, SF1218, sponsored by Sen. Gretchen Hoffman (R-Vergas), awaits action by the Senate Judiciary and Public Safety Committee.

A “violent juvenile offense” is defined in the bill as first- through third-degree murder, first- and second-degree manslaughter, first- through fourth-degree criminal sexual conduct and malicious

punishment of a child.

“The proposed legislative change certainly would be appropriate in those most serious cases involving a 13-year-old offender,” Assistant Otter Tail County Attorney Michelle Eldien wrote in a letter to the House Public Safety and Crime Prevention Policy and Finance Committee. “The current law limits jurisdiction of 13-year-old offenders until the age of 19. Extended Juvenile Jurisdiction of the juvenile in this situation would allow for supervision until 21 years of age.”

The impetus for Westrom’s bills is the case of 2-year-old Emily Johnson, who, in June 2006, was sexually assaulted and violently thrown against a wall by the 13-year-old son of her day care provider. Emily was taken off life support the next day. Because the offender was 19 days shy of his 14th birthday, he could not be tried as an adult.

Opponent’s arguments include that the bill could institute cruel and unusual punishment, it would disproportionately affect minorities and that youthful offenders are less able to comprehend the long-term consequences of their actions.

The bill also restricts a court’s ability to expunge a juvenile record if a child is adjudicated delinquent for a violent juvenile offense. A court may now expunge a juvenile record at any time, unless the juvenile is transferred to the Department of Corrections’ custody.

Bills in Limbo - New Laws 2011

Gun law expansion gets House OK

At what point should a person be permitted to use lethal force in self defense or to protect their properties?

That is the primary question in a gun debate that ended with the House passage of HF1467 on a 79-50 vote. Sponsored by Rep. Tony Cornish (R-Good Thunder), the bill was awaiting action by the full Senate when session ended. Sen. Gretchen Hoffman (R-Vergas) is the Senate sponsor.

As amended, the bill would, in part, change state law governing the use of force in self defense, including that an individual using deadly force is presumed to possess a reasonable belief that there exists an imminent threat of substantial or great bodily harm or death. It also broadens the definition of a dwelling to include, any building or conveyance that a person is using or intending to use as an overnight resting place, including a deck or porch, tent, motor vehicle or watercraft.

Proponents say the bill better lets law-abiding citizens defend their property and stand their ground. “I like to refer to this as a self-defense bill,” Cornish said.

Opponents argue that the bill would essentially allow a person to shoot first and ask questions later.

“People should have the right to defend themselves in their homes,” said Rep. John Lesch (DFL-St. Paul). “But by opening up this law so much there will be situations where individuals are not held accountable for the law. You will have situations in this state where you think to yourself, ‘Wow, maybe we shouldn’t have opened the door that wide because this idiot who wielded this gun at this time was not in his right mind, was not in the right state to reasonably expect to defend himself because reasonable is no longer the standard.’”

Lesch noted that most people in the law enforcement community have spoken against the bill, but Cornish countered that some police do support it, while other officers have been afraid to speak out against their association for fear of being blackballed. “They’re not unified at all,” he said.

The bill also defines and delimits the authority of peace officers to disarm law abiding individuals during a state of disaster declared by the governor, and requires Minnesota to recognize a permit-to-carry issued by any other state, provided that the permit holder conforms to Minnesota's pistol carry laws while carrying a pistol within Minnesota.

Bills in Limbo - New Laws 2011

Establishing a sex offender task force

A March 2011 report by the Office of the Legislative Auditor was critical of the state's sex offender program.

“Basically they said that the sex offender program was not in meltdown, but it would be soon; it would meet the curve of capacity,” said Rep. Tony Cornish (R-Good Thunder). “In other words we’re committing so many people that pretty soon we’re going to have to make a decision on what to do with millions of dollars in bonding and additional or places to put this people.

“We need to find a new solution for the commitment process, the treatment of sex offenders, how they get into the program, how they come out of it.”

Sponsored by Cornish, HF1577 would establish a sex offender policy task force. Passed 132-1 by the House, it was awaiting action by the full Senate when session ended.

According to the auditor's report, “We found that the state's increased use of civil commitment for certain sex offenders has resulted in a significant growth in costs. We also found variations across the state in the use of civil commitment. We recommend improvements to the program used to treat civilly committed sex offenders and suggest the state consider supplementing its current approach to civil commitment of sex offenders with some less costly alternatives.”

The task force, whose membership would have included legislators, state officials, law enforcement, attorneys and a privately employed sex offender treatment provider, would have been charged with reporting back to the Legislature by Jan. 15, 2012, including any proposed legislative changes.

Topics that would have been addressed include: sex offender sentencing, including the use of indeterminate sentencing; treatment in prison and the community; civil commitment, including less costly alternatives; best practices for supervising sex offenders; and community notification and registration, including the effectiveness or posting offender information on the Internet.

Bills in Limbo - New Laws 2011

Voters permission to raise revenue

Voters could decide whether the number of legislators needed to pass a bill to increase revenue should be changed from a simple majority to three-fifths of each house's membership.

Similar amendments have been placed on constitutions in 15 other states, said Rep. Steve Drazkowski (R-Mazeppa). HF1598, which he sponsors, comes from constituents who "clear and loudly say that we need to rein-in spending."

The bill, awaiting action by the House Ways and Means Committee, would put before the voters at the 2012 general election a question of whether to approve an amendment to the state constitution that any bill that increases the state income, sales or property taxes require three-fifths of each house of the Legislature to vote in the affirmative.

Norann Dillon of Plymouth is frustrated that it seems easier for legislators to raise taxes than to focus on the spending component. "You are going to have to build consensus to raise taxes, and I don't see that as a bad thing. I see this as a good thing for taxpayers. There will be more cooperation here among legislators."

Former State Finance Commissioner Jay Kiedrowski opposes the bill, saying it would put Minnesota on a very "slippery slope of governance." If implemented, it could negatively affect state and local credit ratings, increase the cost of borrowing and the impingements on raising revenue could also affect how quickly the state could respond financially to emergency situations, he said.

A companion, SF1384, sponsored by Sen. Benjamin Kruse (R-Brooklyn Park), awaits action by the Senate Taxes Committee.