Minnesota House of Representatives

Agriculture

2021-2022 Regular Session

Agriculture law makes policy changes to Board of Animal Health, food regulations and licensing

Among the changes contained in a policy-only omnibus agriculture law are those to the Board of Animal Health, and modification of regulations affecting cottage industries producing certain foods, including baked or dehydrated pet treats.

Rep. Mike Sundin (DFL-Esko) and Sen. Torrey Westrom (R-Elbow Lake) sponsor the law that takes effect Aug. 1, 2021, unless otherwise noted.

The Board of Animal Health, which regulates livestock and domestic animals in Minnesota, will increase from five to six members, including four livestock producers instead of three. At least one of the producers must be a member of a federally recognized Native American tribe located in Minnesota.

Minnesotans who sell homemade, shelf-stable foods and beverages can more than quadruple their calendar year sales — $18,000 to $78,000 — without needing to get a license. The law also exempts certain Minnesotans who sell homemade baked or dehydrated pet treats from obtaining a license from the Agriculture Department. Small meat processors who butcher fowl and game for hunters will be exempt from state food handler license and permit requirements provided their annual sales are less than $20,000 or they process fewer than 200 deer annually.

The law will also:

• require the Department of Agriculture to annually report to the Legislature on a state program to compensate livestock owners for animals killed by wolves;

• allow the Department of Agriculture to hire a publicity representative;

• retroactive to March 31, 2021, exempt people who apply general-use sanitizers or disinfectants for hire in response to COVID-19 from commercial pesticide applicator license requirements;

• allow farmed deer and elk located in chronic wasting disease management or endemic zones to be transported, if they have tested negative for the disease;

• exempt corn kernel fiber and biogas from biomass sourcing plans for advanced biofuel and renewable chemical incentive payments;

• require producers who receive payments under the Bioincentive Program to certify they will not use the funds on lobbyists; and

• allow a person certified by the Emergency Medical Services Regulatory Board to treat police dogs wounded in the line of duty. This took effect May 26, 2021.

HF1524/SF958*/CH28

Agriculture

2021 Special Session

Omnibus agriculture law allocates $139 million for biennium

Biennial appropriations for the Department of Agriculture and other farm-related programs, boards and agencies are included in the omnibus agriculture finance law.

Effective July 1, 2021, the law appropriates $139.3 million from the General Fund for the 2022-23 biennium, an increase of $12.6 million over base. It appropriates:

• $117.97 million to the Department of Agriculture;

• $12.1 million to the Board of Animal Health; and

• $8.6 million to the Agricultural Utilization Research Institute.

[MORE: View the spreadsheet]

The law also appropriates $700,000 for administrative costs to the Department of Employment and Economic Development to manage the Border-to-Border Broadband Development Grant Program (Art. 2, Sec. 2).

Rep. Mike Sundin (DFL-Esko) and Sen. Torrey Westrom (R-Elbow Lake) are the sponsors.

SSHF8*/SSSF25/CH3

Department of Agriculture

The $117.97 million to fund the Department of Agriculture includes money for protection services, agricultural marketing and development, agriculture, bioenergy, bioproduct advancement, and administration and financial assistance. (Art. 1, Sec. 2)

Protection services

Money appropriated in this category includes funds for the department to manage regulatory programs, such as the Pesticide and Fertilizer Management, Laboratory Services, Plant Protection, Dairy and Meat Inspection, and Food and Feed Safety divisions. Appropriations include:

• $1.7 million to upgrade equipment in the department’s analytical laboratory;

• $450,000 in additional funding for the noxious weed and invasive plant program;

• $350,000 for compensation for livestock destroyed or crippled by wolves;

• $310,000 for compensation for crop damage;

• $220,000 for additional meat and poultry inspection services; and

• $50,000 in fiscal year 2022 for the industrial hemp program for IT development.

Agricultural marketing and development

The law appropriates the following amounts for agricultural marketing and development. The appropriations include:

• $1.3 million for continuation of the dairy development and profitability enhancement grant programs;

• $372,000 to fund grants for the Minnesota Grown promotion;

• $200,000 for farm safety grant and outreach programs;

• $100,000 for additional funding for mental health outreach and support to farmers and others in the agricultural community; and

• $50,000 in fiscal year 2022 to expand international marketing opportunities for farmers and value-added processors, including in-market representation in Taiwan.

Agriculture, bioenergy, and bioproduct advancement

The law appropriates $50.7 million for agriculture, bioenergy, and bioproduct advancement, including $18.6 million to fund agriculture research, extension and technology transfer programs at the University of Minnesota, including:

• $4 million to fund grants administered by the Minnesota Agriculture Education Leadership Council;

• $1.2 million for the Minnesota Agricultural Experiment Station’s agriculture rapid response fund;

• $900,000 for the cultivated wild rice breeding project at the North Central Research and Outreach Center; and

• $700,000 for potato breeding projects.

The remaining $11.8 million is for the University of Minnesota to spend on unspecified agriculture programs, with the only stipulation being that up to $2 million must be used for research on avian influenza, salmonella and other turkey-related diseases.

The remaining $32.1 million will fund agricultural growth, research and innovation programs administered by the Department of Agriculture to promote the advancement of the state's agricultural and renewable energy industries.

Some of the incentives and promotions funded include:

• $9 million for incentive payments to advanced biofuel producers, renewable chemical producers, biomass thermal producers and building siding producers;

• $6 million in grants for equipment purchased to meet the state's biofuel replacement goals;

• $2.8 million for livestock investment grants;

• $2 million for distribution in equal amounts to each of the state's county fairs to preserve and promote Minnesota agriculture;

• $1.6 million to develop and enhance farm-to-school markets for Minnesota farmers;

• $1.5 million for grants to facilitate the startup, modernization or expansion of meat, poultry, egg and milk processing facilities; and

• $1.2 million for urban youth agricultural education or urban agriculture community development.

Administration and Financial Assistance

Other appropriations to the Department of Agriculture include $19.8 million for administration and financial assistance programs, including:

• $3.4 million to Second Harvest Heartland for its six food banks in the state;

• $2.9 million for low-interest agriculture loans;

• $948,000 to county and district agricultural societies and associations;

• $724,000 for farm advocate services;

• $500,000 to fund Minnesota Agricultural Education and Leadership Council grant programs;

• $476,000 to state colleges and universities for statewide mental health counseling support for farm families and agricultural business operators;

• $300,000 for grants to the Center for Rural Policy and Development;

• $300,000 to establish an emerging farmer office with a full-time emerging farmer outreach coordinator; and

• $150,000 in fiscal year 2022 for a matching grant to Central Lakes College to develop a meat cutting and butchery program.

Board of Animal Health

The Board of Animal Health will receive $12.1 million in the 2022-23 biennium, a $750,000, or 6.6%, increase over the 2020-21 base.

The law stipulates that $400,000 of the total appropriation must be used to fund "agricultural emergency preparedness and response."

The board's mission is to protect the health of the state's livestock and domestic animals through education and cooperation with veterinarians, producers, owners and communities. (Art. 1, Sec. 3)

Agricultural Utilization Research Institute

The law will fund the Agricultural Utilization Research Institute with $8.6 million to continue its mission "to develop new uses for agricultural products through science and technology."

That figure is $800,000 more than the institute's 2020-21 biennial budget. The law will appropriate $500,000 in fiscal year 2022 for a matching grant "to organizations to acquire, host, and operate a mobile slaughter unit" and $300,000 toward hiring a meat scientist. (Art. 1, Sec. 4)

Bonding
2021 Special Session

Bonding corrections allow projects to continue, grant program added

The fixes needed fixing. That's one way to characterize the 2021 bonding corrections law. Several capital investment projects funded in previous years had been delayed because language in their proposals needed to be amended or extensions were required.

Capital projects

Sponsored by Rep. Fue Lee (DFL-Mpls) and Sen. Tom Bakk (I-Cook), the law amends prior appropriations of general obligation bonds and authorizes a conveyance of state-bond financed property.

Among the plethora of projects amended:

• veterans' cemeteries have their bond sale authorization and appropriation extended until Dec. 31, 2024;

• the non-state match requirement for public infrastructure at the Thief River Falls Airport will now be at least 20% of the total cost of the project rather than a fixed amount;

• the balance of an appropriation to Virginia for a Highway 53 utilities relocation can be used for construction of a Mesabi Trail segment, with the bond sale authorization and appropriation extended until Dec. 31, 2022;

• the balance of an appropriation for Rice Lake's water main replacement can be used for a municipal utility extension, with the appropriation availability extended through Dec. 31, 2022; and

• the bond sale authorization and appropriation to restore water quality in the St. Louis River is extended through Dec. 31, 2023.

The law also:

• amends an appropriation to become a grant to Swift County for a segment of County State-Aid Highway 6, with bond sale authorization and appropriation available until Dec. 31, 2025;

• authorizes the City of Eagle Bend to redevelop and reuse the Eagle Bend High School building and site, contracting with a third party to manage the renovation and operate the housing project, with bond sale authorization and appropriation extended until Dec. 31, 2024;

• removes installation of a new steel fence and pillars from the appropriation for the restoration of the Pioneers and Soldiers Cemetery in Minneapolis;

• extends the bond sale authorization and appropriation for Minneapolis' Norway House through Dec. 31, 2026;

• provides that local road improvement fund grants for Inver Grove Heights may be for the city, Dakota County, or both;

• extends the 2018 bond sale authorization and appropriation for the Wakan Tipi project at St. Paul's Bruce Vento Nature Sanctuary through Dec. 31, 2024;

• allows any unspent portion of the appropriation for the Dietary Building project on the St. Peter Regional Treatment Center campus to be used for asset preservation;

• authorizes the balance of the appropriation of the Anoka Metro Regional Treatment Center project to be used for asset preservation, and extends the availability of the bond sale authorization and appropriation through Dec. 31, 2023;

• extends the bond sale authorization and appropriation for Minneapolis' Upper Harbor Terminal Redevelopment project to Dec. 31, 2024;

• changes Ramsey County to the grantee for a Southeast Asian language job training facility, adds acquisition of a Sycamore Street facility to authorized uses of the appropriation, and authorizes the addition of child care facilities and on-site supportive services to the project;

• allows an appropriation for a drinking water system in Aurora, Biwabik, Hoyt Lakes and White Township to be used for acquisition of a long-term lease, and extends the availability of the bond sale authorization and appropriation to Dec. 31, 2024;

• extends the bond sale authorization and appropriation for South St. Paul's Seidls Lake project to Dec. 31, 2024;

• clarifies that the portion of the flood hazard mitigation appropriation for the Toelle Coulee applies in Traverse County;

• adds "engineer" to the authorized uses of the appropriation for Lake City's Ohuta Beach breakwater;

• adds authorized uses to the construction and renovation of public skate parks, requires designers to be experts in the field of skate park design, and makes the language retroactive to Oct. 21, 2020;

• adds environmental analysis of local road intersections and associated improvements along Trunk Highway 65 in Anoka County to authorized uses of the appropriation;

• amends authorized uses of the appropriation for Golden Valley's project at Douglas Drive and Highway 55;

• removes Scott County as the grantee and adds public utility relocations for the Highway 13 interchange at the intersections of Dakota and Yosemite avenues;

• adds Olmsted County as the grantee for the county's share of general obligation bond eligible portions of the Trunk Highway 14 and County Road 104 interchange construction project, and authorizes the balance of the appropriation to be applied to the county's share of right-of-way acquisition, construction, furnishing and equipping the interchange;

• amends the living units to which the appropriation applies for the Minnesota Correctional Facility — St. Cloud;

• authorizes the Department of Administration to enter into a lease for a term of at least 125 percent of the useful life of any improvements to be constructed on the Minnesota Correctional Facility – Togo site;

• adds design to the authorized uses of the appropriation for Crookston's Colborn Property development;

• deletes an amphitheater from the Fergus Falls riverfront corridor project;

• removes demolition and site work from Hennepin County's Avivo project, and allows any unspent portion of the appropriation to be used for renovation or construction after providing written notice to Minnesota Management and Budget;

• adds predesign to the authorized uses of the appropriation for St. Joseph's Jacob Wetterling Recreation Center, clarifies that it is adjacent to the city community center, and authorizes the city to enter into a lease or management agreement for operation of recreation programs;

• changes the grantee for an access road project in Wadena to Wadena County, Otter Tail County or both;

• amends a project in Willernie to be for replacement of a maintenance building;

• adds acquisition of easements and engineering to authorized uses of an appropriation for a water main in Arden Hills;

• authorizes amounts remaining after substantial completion of a project in Austin to be used to construct a wastewater treatment facility;

• clarifies that an appropriation is for wastewater infrastructure improvements in Mahnomen and deletes erroneous cross-references on a drinking water infrastructure project;

• clarifies that an appropriation is for improvements to the water distribution system in Mendota;

• authorizes a wastewater system infrastructure grant to be used for the restoration of a Zumbro River stream bank in Oronoco;

• adds a well house, water main and other related drinking water improvements to a South Haven wells project;

• clarifies that city utility improvements in Spring Park include an adjacent roadway;

• adds wastewater treatment facilities and sanitary sewer and storm water collection systems to water infrastructure improvements in Vernon Center;

• adds authorized uses to railroad grade separation and flood mitigation projects;

• authorizes the Department of Administration to convey to Isanti County all or a part of certain state-owned property in the county; and

• clarifies that all amendments to appropriations are effective July 1, 2021, unless otherwise specified.

2021 Special Session: SSHF52*/SSSF39/SSCH9

Business and Commerce
2021-2022 Regular Session

New law modifies statutes governing tax-forfeited land sales

A new law extends protections for property in foreclosure in current law to tax-forfeited property, common interest communities and contracts for deed.

Effective July 1, 2021, the Department of Revenue must issue a quitclaim deed to the record owner upon receipt of the certification of the county auditor after tax-forfeited land has been sold.

The deed must state the record owner's estate as grantee if a tax-forfeited sale is made to a personal representative, heir or devisee, and the owner is deceased at the time of the redemption period or certification.

A state deed must also name the assignee as the grantee if the owner at the time of the expiration of the redemption period assigns an installment contract to repurchase and the assignment is registered or recorded.

The law requires a quitclaim deed subject to an installment contract be sent to the county auditor, who must record it before forwarding it to the grantee. Failure to make an installment payment will constitute default, making the sale subject to cancellation.

Rep. Athena Hollins (DFL-St. Paul) and Sen. Mark Johnson (R-East Grand Forks) sponsor the law.

HF418/SF440*/CH7

Business and Commerce
2021-2022 Regular Session

Reverse mortgage loan servicer notification requirements established

Lenders and servicers of a reverse mortgage loan will need to notify borrowers that they can identify an additional person to receive communications regarding loan defaults, under a law that takes effect Aug. 1, 2021.

If a borrower chooses a third-party designee, a reverse mortgage loan servicer must send copies of unanswered communications regarding delinquencies, defaults, and unfulfilled obligations that may result in foreclosure under the loan agreement to that designee.

A reverse mortgage loan default happens when a homeowner fails to pay property taxes or insurance premiums, or fails to return an annual notice to the lender stating the home is still being occupied by the borrower. It can lead to a foreclosure action.

Many homeowners taking out reverse mortgage loans are older adults who may have memory issues, say law proponents, and having a third-party designee to receive default notices can help prevent foreclosures.

Sponsored by Rep. Carlie Kotyza-Witthuhn (DFL-Eden Prairie) and Sen. Zach Duckworth (R-Lakeville), the new law also requires the loan servicer to send communications to the borrower's independent loan counseling agency.

HF333*/SF531/CH9

Business and Commerce
2021-2022 Regular Session

Insurers prohibited from discriminating against people with prescription naloxone

Under a new law, when an insurer is determining whether to issue, renew, cancel or modify a life insurance policy, they cannot make an underwriting determination based solely on information revealing that a proposed insured has a prescription for an opiate antagonist.

An "opiate antagonist" means naloxone hydrochloride or any similarly acting drug approved by the federal Food and Drug Administration for the treatment of a drug overdose.

Effective Aug. 1, 2021, the law is sponsored by Rep. Erin Koegel (DFL-Spring Lake Park) and Sen. Mark Koran (R-North Branch).

HF652*/SF837/CH10

Business and Commerce
2021-2022 Regular Session

New law modifies bad check charges, procedures for opening checking accounts

A new law will increase the amount a financial intermediary can charge for a dishonored check to a person other than the issuer from $4 to $10.

It will also clarify that certain limitations on opening a transaction account due to past financial offenses, such as writing dishonored checks, do not apply to programs designed to expand access to people who do not have access to a transaction account at a bank or credit union.

The law, effective Aug. 1, 2021, is sponsored by Rep. Jim Davnie (DFL-Mpls) and Sen. Karin Housley (R-Stillwater).

HF1067/SF1284*/CH21

Business and Commerce
2021-2022 Regular Session

New law designed to combat ‘appraisal bias’ in real estate valuations

Under part a new law, a real estate property appraiser must complete a continuing education course within two years of receiving a real estate appraiser’s license that teaches how to recognize and prevent valuation bias.

This continuing education provision takes effect Sept. 1, 2021. A real property appraiser who has received a license prior to the effective date of this section must complete the course by Aug. 31, 2023.

The law defines valuation bias as an appraisal methodology or technique that harms a protected class, as defined by the 1968 federal Fair Housing Act that prohibits discrimination concerning the sale, rental, and financing of housing based on race, religion, national origin, sex, handicap and family status.

The law’s sponsors — Rep. Ginny Klevorn (DFL-Plymouth) and Sen. Gary Dahms (R-Redwood Falls) — say valuation bias occurs when homes in minority neighborhoods are undervalued by real estate property appraisers, which widens the generational wealth gap between minority families and white families.

Effective May 7, 2021, state law is clarified to ensure that continuing education courses for real estate appraisers are free from commercial bias, such as by limiting the display of logos from the company offering a course. It also allows real estate appraisal courses to be taught online during a COVID-related peacetime emergency declared by the governor.

Provisions that take effect Aug. 1, 2021, specify that professional real estate appraisal organizations will be permitted to establish requirements for the design and delivery of online continuing education courses and clarify which federal guidelines apply to certain real estate valuations.

HF1768/SF1020*/CH16

Civil Law
2021-2022 Regular Session

Law extends remote marriage license options during pandemic

A new law extends the ability of local registrars to accept electronic filings, mailed or faxed marriage license applications and allows examination of the parties under oath using audio or video during a COVID-19 peacetime emergency declared by the governor in an executive order.

Permission to accept marriage applications remotely was first extended to local registrars through a provision in the fourth COVID-19 response package passed in 2020. That law took effect on April 16, 2020, and expired on Jan. 15, 2021.

This 2021 law is retroactive to Jan. 1, 2021, and expires May 31, 2021.

It is sponsored by Rep. Jamie Becker-Finn (DFL-Roseville) and Sen. Warren Limmer (R-Maple Grove).

HF17/SF26*/CH1

Civil Law
2021-2022 Regular Session

New law clarifies court deadlines set under first COVID-19 emergency declaration

Gov. Tim Walz's first COVID-19 emergency declaration in March 2020 set deadlines on judicial proceedings in order to allow district and appellate courts to operate safely during the pandemic.

But there was confusion as to when those deadlines would expire.

A new law, effective Feb. 13, 2021, clarifies those court deadlines by specifying they apply only to deadlines that would otherwise have expired between the beginning of the peacetime emergency and April 15, 2021.

The law is sponsored by Rep. Kelly Moller (DFL-Shoreview) and Sen. Mark Johnson (R-East Grand Forks).

HF114*/SF303/CH3

Civil Law
2021-2022 Regular Session

Minnesota can enforce Canadian orders for protection

A new law will permit Minnesota to enforce protection orders issued in Canada while the person under protection is in the state.

Under current law, Minnesota law agencies can only enforce protection orders issued by other states along with the federal and tribal governments that would be an enforceable order for protection if issued in this state.

Under the new law, individuals with Canadian orders for protection could register those orders with the Minnesota Bureau of Criminal Apprehension. Those records would then be available electronically to state law enforcement officers and agencies 24 hours a day. A Canadian order for protection can be enforced even if it is not registered.

Rep. Kelly Moller (DFL-Shoreview) and Sen. Mark Johnson (R-East Grand Forks) sponsor the law, which becomes effective Aug. 1, 2021.

HF113/SF395*/CH6

Civil Law
2021-2022 Regular Session

Temporary provision extended for filing of deeds or trusts for utility or taconite companies

A new law will allow the filing of deeds or trusts for utility or taconite companies with the Office of the Secretary of State instead of county offices.

It extends a temporary provision that had expired Dec. 31, 2020. Effective from that date, the new law changes the expiration to June 30, 2022.

The law is sponsored by Rep. Athena Hollins (DFL-St. Paul) and Sen. Andrew Mathews (R-Princeton).

HF2245/SF1807*/CH18

Education
2021 Special Session

Per-pupil formula increase, more training in E-12 education funding law

Spending per pupil will rise, prekindergarten offerings won't shrink, and training opportunities for teachers and staff will increase under the omnibus E-12 education finance law.

Sponsored by Rep. Jim Davnie (DFL-Mpls) and Sen. Roger Chamberlain (R-Lino Lakes), the law effective July 1, 2021, except where noted, increases the general education basic formula by 2.45% for fiscal year 2022 and 2% for fiscal year 2023. That accounts for $462 million of the law's $554.2 million in new biennial spending.

Other outlays will maintain the state's 4,000 voluntary prekindergarten seats, at a cost of $45.9 million. Funding is also increased for special education, English language learning, and programs to encourage the recruitment and retention of teachers of color and Indigenous teachers.

The state's teachers and staff will also receive more training in suicide prevention, non-exclusionary discipline and early literacy.

The greatest increases in 2022-23 biennial funding are:

• $462 million for the formula allowance increase to 2.45% for fiscal year 2022 and 2% for fiscal year 2023;

• $45.9 million to maintain existing voluntary prekindergarten seats;

• $10.4 million for special education cross-subsidy reduction aid;

• $10 million for the "Grow Your Own" program to recruit and prepare community members to enter teaching;

• $4.5 million for teachers of color mentoring and retention incentive grants;

• $4.5 million to the Department of Education for legal costs adjustment;

• $4 million in English learners cross-subsidy reduction aid through fiscal year 2025;

• $3 million to the Sanneh Foundation for low-performing and chronically absent students;

• $3 million for LETRS grants for programs helping students struggling with early literacy;

• $2.7 million operating adjustment for the Department of Education;

• $1.7 million for non-exclusionary discipline training for teachers;

• $1.5 million to Girls in Action for teachers of color training programs;

• $1 million for digital well-being grants; and

• $1 million for Math Corps (Art. 1, Secs. 9-10; Art. 2, Sec. 4; Art. 3, Sec. 7; Art. 5, Sec. 3).

Some of the law's most significant policy changes will:

General education

• increase the general education basic formula by 2.45% for fiscal year 2022 and 2% for fiscal year 2023;

• supplement English learner revenue for four years with payments of an additional $2 million per year;

• extend the expiring voluntary prekindergarten seats for the next two years only; and

• amend statutes relating to absences for religious observance. (Art. 1, Secs. 1-5, 9)

Education excellence

• modify requirements for grants to establish or expand Advanced Placement courses and international baccalaureate programs;

• suspend implementation of certain academic standards until June 1, 2023; and

• award a grant to LiveMore ScreenLess to promote digital well-being. (Art. 2, Secs. 1-3)

Teachers

• incorporate provisions from the Increase Teachers of Color Act;

• require districts to establish mentorship programs and use staff development revenue for teacher mentorship;

• clarify and modify requirements for the American Indian teacher preparation program; and

• establish grants for Grow Your Own teaching preparation programs to develop a teaching workforce that more closely reflects a diverse student population. (Art. 3, Secs. 1-6)

Charter schools

• prohibit a charter school from engaging in corporal punishment; and

• effective July 1, 2022, modify the commissioner's timeline and the authorizer's requirements for corrective plans. (Art. 4, Secs. 1-2)

Special education

• create a process for schools to follow to amend students' individual education programs in order to provide recovery services to students for services and time lost due to the COVID-19 pandemic;

• require the education and human services commissioners to consult with stakeholders to find strategies to streamline access and reimbursement for behavioral health services for children with an individualized education program or an individualized family service plan who are enrolled in Medical Assistance; and

• provide one-time funding directed at narrowing the special education cross subsidy. (Art. 5, Secs. 1-3)

Health and safety

• modify requirements relating to instruction to prevent suicide or self-harm; and

• require a district or charter school to have a seizure action plan. This provision is effective beginning with the 2022-23 school year. (Art. 6, Secs. 1-2)

Facilities

• require a school to notify staff, students and parents when the school receives notice of environmental hazards from the Department of Health or the Pollution Control Agency. (Art. 7, Sec. 1)

Nutrition

• add language to the school nutrition statutes to prohibit lunch shaming; and

• authorize the Education Department to recalculate school lunch payments to schools to reflect a school's participation in alternative school meal programs during the 2020-21 school year. (Art. 8, Secs. 1-2)

Early education

• extend through fiscal year 2023 the 4,000 voluntary prekindergarten and school readiness plus seats that are set to expire; and

• prohibit a publicly funded preschool or kindergarten program from having a child use an individual-use screen without engagement from a teacher or other students, effective July 1, 2022, and exclude a child with an individualized family service plan, an individualized education program or a 504 plan from this requirement. (Art. 9, Secs. 1-3)

State agencies

• provide funding for state agencies, including the Department of Education, Professional Educator Licensing and Standards Board, Minnesota State Academies, and Perpich Center for Arts Education;

• require all pre-K-12 education grants after July 1, 2022, to be aligned to Minnesota's "World's Best Workforce" and the federal government's student accountability systems; and

• require grant recipients to use evidence-based practices and report their activities to the Department of Education and the Legislature, effective July 1, 2022. (Art. 11, Secs. 1, 3-7)

Forecast adjustments and other provisions

The law makes adjustments to fiscal year 2021 appropriations to match the February 2021 forecast data, matching the best estimates of the state aid required for each K-12 appropriation. And it appropriates money for community education and lifelong learning programs. (Art. 10, Sec. 1; Art. 12, Secs. 1-24)

2021 First Special Session: SSHF2*/SSSF23/SSCH13

Employment

2021 Special Session

$1.7 billion omnibus employment and economic development law aims to boost economic recovery

The omnibus employment and economic development law will spend $1.7 billion on programs ranging from helping businesses recover from COVID-19 restrictions and civil unrest to subsidizing child care so new parents can work.

The appropriations for the 2022-23 biennium are 11.3% above 2020-21 biennial funding.

The new law sets budgets and policies for the Department of Employment and Economic Development, Department of Labor and Industry, Bureau of Mediation Services, and Workers' Compensation Court of Appeals.

Of the total appropriation, $423.5 million will come from the General Fund, $130 million will come from the workforce development fund, $117.1 million will come from the workers' compensation fund and $92.8 million will come from the special revenue fund.

The law also specifies how the state will spend $694.3 million in federal COVID-19 funds and requires the Department of Employment and Economic Development to apply for $70 million from the American Rescue Plan Act of 2021 to fund the department's Border-to-Border Broadband Development Grant Program that expands broadband service in Greater Minnesota.

[MORE: View the spreadsheet]

The law, effective July 1, 2021, unless otherwise noted, is sponsored by Rep. Mohamud Noor (DFL-Mpls) and Sen. Eric Pratt (R-Prior Lake).

$150 million for economic revitalization programs

The law will appropriate $80 million to DEED to distribute grants and guaranteed loans for projects that "address the greatest economic development and redevelopment needs" of a community that have arisen since March 15, 2020, meaning that business damaged by last year's civil unrest would be eligible.

Grants and loans need to be proportionally distributed between the Twin Cities metropolitan area and Greater Minnesota.

Another $70 million will be appropriated to DEED to fund businesses affected by the pandemic. Minnesota businesses employing fewer than the equivalent of 200 full-time workers will be eligible for grants, and priority will be given to businesses that did not receive previous state assistance under certain other economic relief programs.

Grant funds must be used for working capital to support payroll expenses, rent or mortgage payments, utility bills, and other similar expenses. (Art. 1, Secs. 2, 20; Art. 2, Secs. 5, 22)

Other appropriations in the law

Appropriations to DEED include:

• $32.7 million for extended employment services for persons with severe disabilities;

• $20 million for the Minnesota Investment Fund for job creation, efficient use of public transportation and existing infrastructure, provision of affordable housing, community rebuilding, crime reduction, blight reduction and community stabilization, and property tax base maintenance or improvement;

• $16 million for the Job Creation Fund;

• $14.3 million for the Pathways to Prosperity Competitive Grant program;

• $12.9 million for State Services for the Blind;

• $9.9 million for the Business Development Competitive Grant program;

• $8.4 million for the Minnesota Job Skills Partnership program;

• $8.1 million for the Minnesota Youth program;

• $8 million for grants to local communities to increase the number of quality child care providers;

• $5 million for LAUNCH Minnesota;

• $2 million for rural career counseling coordinators;

• $2 million for the Minnesota Emerging Entrepreneur Loan program;

• $1.1 million for the Northeast Entrepreneur Fund, a small-business administration microlender and community development financial institution in northern Minnesota; and

• $1 million to the Minnesota Film and TV Board for a film production jobs program. (Art. 1, Sec. 2)

Appropriations to the Department of Labor and Industry include:

• $4.9 million for wage theft prevention;

• $2.5 million for general apprenticeship programs;

• $2.2 million for youth skills training grants;

• $1.8 million for the department to perform information technology project services and support system upgrades;

• $450,000 for the Helmets to Hard Hats Minnesota initiative;

• $400,000 for a career and technical educator pilot project at Winona State University and Minnesota State College Southeast;

• $302,000 for prevailing wage enforcement; and

• $200,000 for a labor education and advancement program to expand and promote registered apprenticeship training for minorities and women.

The new law also appropriates $4.8 million to the Bureau of Mediation Services and $4.6 million to the Workers' Compensation Court of Appeals. (Art. 1, Sec. 3)

New and modified labor, workplace and unemployment policies

Policy provisions in the new law include:

• effective Jan. 1, 2022, requiring employers to provide new mothers with reasonable accommodations for health conditions related to pregnancy or childbirth, and to provide paid break times to express breast milk;

• requiring high-rise public housing buildings to be retrofitted with automatic sprinkler systems to meet current building codes;

• requiring automatic sprinkler systems in a place of public accommodation if, on or after Aug. 1, 2008, the facility was constructed, added to, or altered, and the facility has an occupant load of 300 or more;

• permitting high school students to qualify for unemployment insurance;

• effective July 3, 2022, expanding options for individuals to receive unemployment benefits while undergoing workforce training;

• effective July 3, 2022, eliminating the Social Security old age and Social Security disability offset from unemployment benefits; and

• determining that a leave of absence is presumed to be due to COVID-19 – and therefore involuntary – for applicants for unemployment benefits applying between Dec. 27, 2020, and Sept. 4, 2021. This is effective retroactively from Dec. 27, 2020. (Art. 3, Secs. 3, 5, 10; Art. 4, Secs. 1-4, 7)

2021 Special Session: SSHF1/SSSF9*/SSCH10

Employment
2021-2022 Regular Session

Unemployment insurance tax rate held constant due to COVID-19 pandemic

A taxpaying employer's experience rating is calculated each year to determine part of their unemployment insurance tax rate.

Generally, the experience rating increases as an employer lays off more workers, and along with it, the employer's unemployment insurance tax rate.

A new law, effective Jan. 30, 2021, temporarily sets employer experience ratings for calendar year 2021 at the employer's 2020 rate.

The COVID-19 pandemic made it difficult for the Department of Employment and Economic Development to determine for every employer which layoffs in 2020 were due to COVID-19 and which were not, and, therefore, which layoffs would be used to calculate an employer's 2021 experience rating.

The law is sponsored by Rep. Mohamud Noor (DFL-Mpls) and Sen. Eric Pratt (R-Prior Lake).

HF135/SF192*/CH2

Employment
2021-2022 Regular Session

Extension of COVID-19 presumption included in workers' comp law change

The 2020 law making employees in certain professions who contract COVID-19 eligible for workers' compensation benefits, based on the presumption that they contracted the virus from their work, has been extended.

Sponsored by Rep. Mike Sundin (DFL-Esko) and Sen. Paul Utke (R-Park Rapids), the law also includes changes to the state's workers' compensation law recommended by the Workers' Compensation Advisory Council.

The 12-person council, which includes six members representing organized labor and six representing Minnesota businesses, addresses issues and makes recommendations pertaining to workers' compensation.

The presumption statute covers health care workers — including home health care workers — paramedics, emergency medical technicians, police officers, firefighters, corrections facility officers and counselors, and child care workers providing care for the children of health care workers and first responders.

That presumption was scheduled to sunset May 1, 2021, but under the law, it will not expire until Dec. 31, 2021.

Other provisions in the law:

• increase weekly minimum disability benefits payable for some low-wage employees who cannot work for a period because of a job-related injury beginning Oct. 1, 2021;

• effective Aug. 1, 2021, stiffen penalties against health care providers who bill injured workers for treatment in violation of the law;

• in most cases, bar the issuance of subpoenas to Department of Labor and Industry employees to testify about providing workers' compensation-related assistance; and

• give the department more time to complete first annual report on workers' compensation claims based on data filed in Work Comp CAMPUS, the new online claims portal.

HF2253*/SF2143/CH12

Employment
2021-2022 Regular Session

Omnibus pension and retirement law

Firefighters, 911 operators and teachers will be affected by the omnibus pension and retirement law.

Sponsored by Rep. Michael Nelson (DFL-Brooklyn Park) and Sen. Julie Rosen (R-Fairmont), the law takes effect July 1, 2021, unless otherwise noted.

The requested changes come from the Legislative Commission on Pensions and Retirement.

Among its provisions, the law will create a working group to consider changes to the pension benefits for 911 operators. A report will be due the pension commission by March 1, 2022. Supporters note 911 operators are not in the correctional plans, which has early retirement, full retirement dates. This section is effective May 26, 2021. (Art. 9, Sec. 1)

Effective June 30, 2021, a working group is to study options for allocating firefighter supplemental aid and report to the commission by Dec. 31, 2022. (Art. 9, Sec. 2)

The law will delay until July 1, 2023, the required employee contribution rate increase from 7.5% to 7.75% of their salary in the St. Paul Teachers Retirement Fund Association to coincide with a similar increase in the Teachers Retirement Association. It is effective May 26, 2021. (Art. 5, Sec. 1)

Other provisions in the law include:

• extending until June 30, 2022, the application of pre-2017 factors used in converting a lump sum to an annuity under the unclassified plan for legislative employees; (Art. 1, Sec. 1)

• beginning Jan. 1, 2022, the Judges Retirement Plan postretirement adjustment will be reduced from 1.75% per year to 1.5% per year and the trigger that automatically increases a cost of living adjustment when certain funding thresholds are met is removed; (Art. 1, Sec. 2)

• effective May 26, 2021, compliance with federal law regarding Minnesota State Retirement System and Public Employees Retirement Association eligibility for H-1B , H-1B1 and E-3 visa holders; (Art. 2, Secs. 1-2)

• current employees and employees who left in the past year are permitted to purchase MSRS service credits for the period they were excluded from coverage; (Art. 2, Sec. 3)

• extending the minimum period from one to three years during which an employee who returns from military service can purchase service credits for a period of military leave, and makes technical changes to PERA statutes; (Art. 3, Sec. 3)

• effective for aids payable in 2022 and thereafter, and only for departments with full-time and volunteer firefighters, municipalities can use part of their fire state aid that would otherwise be paid into PERA's Statewide Volunteer Firefighter Plan upon filing an aid allocation plan with PERA; (Art. 4, Sec. 2)

• effective Jan. 1, 2022, recommendations from the state auditor's Fire Relief Association Working Group, including relief associations can eliminate service credit for former firefighters who leave active service before being vested in their pension benefit and do not return to active service within five years; (Art. 6, Secs. 1-8);

• effective May 26, 2021, providing full vesting and distribution of accounts to firefighters assigned to the new Nowthen Fire Department, whose employment with Ramsey is terminated in 2021; (Art. 6, Secs. 9-11)

• effective May 26, 2021, pension funds and agencies must submit bill drafting requests to the Legislative Commission on Pensions and Retirement by Nov. 1; (Art. 7, Secs. 1-4)

• increased pension payments to a former House of Representatives and Labor Department employee who received an erroneous benefit estimate from MSRS; (Art. 8, Sec. 1) and

• transferring about nine years of service credits from the MSRS General Plan to the MSRS Correctional Plan for a current Department of Human Services employee to reflect an error made when he was hired. This is effective May 26, 2021. (Art. 8, Sec. 2)

HF1758/SF1712*/CH22

Energy

2021 Special Session

Consumer protections, renewable energy projects part of commerce and energy law

The omnibus commerce and energy finance and policy law of 2021 not only has policy provisions and programs for both commerce and energy, but it pays for them from two separate pots of money.

In addition to appropriating $84.9 million from the General Fund for fiscal years 2021-23, it disburses $103 million over the biennium from the Renewable Development Account, a state-administered fund designed to develop renewable energy sources in Minnesota. Xcel Energy pays into it with annual fees of between $350,000 and $500,000 for each cask of nuclear waste it stores at its Prairie Island and Monticello facilities.

On the commerce side, the law establishes a student loan borrowers' bill of rights and creates a catalytic converter theft prevention pilot project.

In the energy area, it extends the cold weather rule period when utilities may not disconnect customers, establishes an advisory committee to develop a statewide energy transition plan, and establishes an energy transition office to assist communities and workers experiencing the retirement of an electric generating plant.

Sponsored by Rep. Zack Stephenson (DFL-Coon Rapids) and Sen. Gary Dahms (R-Redwood Falls), it appropriates $78.1 million to the Department of Commerce in the 2022-23 biennium. That total would be distributed thus:

• energy resources, $18.7 million;

• administrative services, $18.2 million;

• insurance, $14.2 million;

• enforcement, $11.3 million;

• telecommunications, $6.6 million;

• financial institutions, $3.9 million;

• weights and measures, $3 million; and

• Petroleum Tank Release Compensation Board, $2.1 million (Art. 1, Sec. 2)

The law would also allocate funds to the:

• Public Utilities Commission, $16.5 million;

• Department of Employment and Economic Development, $520,000;

• Department of Education, $300,000;

• Minnesota Management and Budget, $98,000; and

• Department of Health, $74,000 (Art. 1, Secs. 3-7).

Renewable Development Account

Allocations from the Renewable Development Account include:

• a University of Minnesota energy storage systems research project, $10 million;

• expansion of a solar energy products plant in Mountain Iron, $5.5 million;

• a state building energy conservation revolving loan fund, $5.3 million;

• the University of St. Thomas Center for Microgrid Research, $3.6 million;

• the Minneapolis Clean Energy Training Center, $2.5 million;

• solar on state college and university campuses, $1.2 million;

• third-party evaluation of proposals, $1 million;

• an agricultural weather study, $583,000; and

• “Made in Minnesota” solar incentive program administration, $200,000. (Art. 2, Secs. 2-5)

Insurance, collection agencies and debt buyers

The law contains several Commerce Department requirements effective Jan. 1, 2022, that apply to reinsurance contracts renewed or entered into on or after that date.

There are also several provisions that lay out changes in law effective Aug. 1, 2021, for information security programs investigation and notification of a cybersecurity event; and confidentiality.

Effective June 27, 2021, the law changes the minimum interest rate in determining minimum non-forfeiture amounts for annuity contracts from 1% to 0.15%. It also makes changes in prescription drug restrictions, screening and testing for opioids, effective Jan. 1, 2022, and changes the minimum transaction amount that requires gold bullion dealers to have a surety bond from $25,000 to zero.

And it provides that Medical Assistance must cover screenings and urinalysis tests for opioids without lifetime or annual limits, effective Jan. 1, 2022.

The law also adds “debt buyer” to provisions within the sections of statute on collection agencies, effective Aug. 1, 2021. (Art. 3, Secs. 2-3, 6-8, 10, 14-16, 19, 27; Art. 5, Secs. 1-8 and 15-21)

Consumer protection

The law requires licensing of student loan servicers, effective Aug. 1, 2021, as well as requiring them to service loans under one name and one location and renew their licenses annually. It also lays out their duties regarding communication with borrowers, overpayments and partial payments, transfer of loans, income-driven repayment and keeping adequate records.

This “student loan borrowers’ bill of rights” also prohibits student loan servicers from misleading borrowers or misrepresenting information, misapplying payments or providing inaccurate information to a consumer reporting agency. It also prohibits misrepresenting the availability of student loan forgiveness, and lays out the Department of Commerce power to deny, suspend or revoke licenses.

The law also makes several changes regarding volunteer drivers, effective Aug. 1, 2021, including that their private vehicles are not automobiles for hire or compensation, not a commercial vehicle, nor a transportation network company vehicle.

It also makes requirements of any person who purchases or receives a catalytic converter and establishes a catalytic converter theft prevention pilot project. And new protections are instituted for those renting a storage unit.

The law also makes changes to definitions regarding abandoned underground storage tanks; changes language regarding electric cooperatives and broadband infrastructure; requires the Minnesota Council on Economic Education to use Department of Education grants for K-12 teachers relating to economic education, to support finance programs operated by Minnesota teachers and to support higher education based centers for economic operation; and allows collection agency employees to work from home through May 31, 2022. (Art. 6, Secs. 4-8, 10, 12-19, 21-22, 26-31; Art. 7, Secs. 1-4)

Energy policy

New programs created under the law include a state building energy conservation improvement revolving loan account and a closed landfill solar development and reuse account (Art. 8, Secs. 1-4).

The law also:

• extends Xcel Energy’s Solar Rewards program, with $5 million allocations from the Renewable Development Account in both 2023 and 2024;

• establishes an Energy Transition Office in the Department of Employment and Economic Development to assist communities and workers after the retirement of an electric generating plant, and establishes an advisory committee to develop a statewide energy transition plan;

• extends the “cold weather rule” period to Oct. 1-April 30 during which time utilities may not disconnect customers who enter into and are compliant with payment agreements;

• authorizes a nonprofit organization to file a proposal creating an “efficient technology accelerator” whose deployment will result in cost-efficient energy savings for Minnesota consumers;

• require utilities to formulate plans to minimize impacts to workers due to facility retirement;

• effective June 1, 2022, authorizes a natural gas utility to file a plan with the Public Utilities Commission to obtain innovative resources that displace conventional natural gas;

• establishes a Department of Commerce program that awards grants to schools that install solar energy generating systems on or adjacent to school buildings, available through Dec. 31, 2025;

• requires wind energy generating systems to install light-mitigating technology, effective June 27, 2021;

• requires the Public Utilities Commission to evaluate the role of natural gas utilities in achieving state greenhouse gas reduction goals, beginning Aug. 1, 2021;

• requires the Department of Administration to announce an open request for proposals for a new solar-photovoltaic statewide master contract, beginning no later than Feb. 1, 2022;

• requests the University of Minnesota to conduct a study generating state weather model projections at a geographical level as small as three square miles, beginning July 1, 2022;

• requires a grant to be awarded for a pilot project to provide training for clean energy technical careers; and

• requires the Department of Administration to contract with the University of Minnesota’s Center for Sustainable Building Research to examine the environmental impacts of construction materials for state-owned buildings. (Art. 8, Secs. 5-15, 17, 19-21, 23-24, 26-31)

The law also increases and supplements salaries for commerce insurance fraud specialists for fiscal years 2020 and 2021 (Art. 9, Secs. 1-5).

2021 First Special Session: SSHF6*/SSSF19/SSCH4

Energy
2021 Special Session

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The law also increases and supplements salaries for commerce insurance fraud specialists for fiscal years 2020 and 2021 (Art. 9, Secs. 1-5).

2021 First Special Session: SSHF6*/SSSF19/SSCH4

Energy
2021-2022 Regular Session

PUC can approve extension on Xcel-District Energy St. Paul agreement

A new law allows the Public Utilities Commission to extend a power purchase agreement between Xcel Energy and District Energy St. Paul.

Under the agreement, waste wood from ash trees will continue to be used to produce electricity at the District Energy facility, and Xcel Energy can purchase that electricity. The agreement must keep the price of electricity purchased from the facility by Xcel to no more than $98 per megawatt hour. It also must include a proposal to the commission for one or more electrification projects that result in the St. Paul district heating and cooling system being powered by electricity generated from renewable energy technologies. The agreement must also provide a net benefit to the utility’s customers or the state.

The law, effective May 26, 2021, requires the purchase agreement be filed no later than Aug. 1, 2021, and extend no later than Dec. 31, 2024.

Rep. Rick Hansen (DFL-South St. Paul) and Sen. David Senjem (R-Rochester) are the sponsors.

HF1255/SF1047*/CH23

Energy
2021-2022 Regular Session

Conservation Improvement Program is reorganized, enhanced

The state's Conservation Improvement Program, which encourages utility customers to employ energy-saving strategies, has been reorganized and some new language added to the Energy Conservation and Optimization Act of 2021, under a new law that took effect May 26, 2021.

For almost 40 years, the Conservation Improvement Program has required electric and gas utilities to invest in energy conservation measures that save energy at a lower cost than purchasing an additional unit of energy for consumption.

While the majority of the law was already in statute, the new law reorganizes it into one section that applies to co-operatives and municipal utilities, and another that pertains to investor-owned utilities. It requires an increase in annual energy-savings goals, and how much a utility must spend on energy conservation programs for low-income households.

The law increases the state's annual energy savings goal from 1.5% to 2.5%.

For consumer-owned utilities

Under this law, efficient fuel switching improvements may contribute to energy savings above the minimum 1% level. These are defined as measures that substitute electricity or natural gas for a customer's current fuel.

The minimum annual amount a municipal electric utility must spend on energy conservation programs for low-income households increases from 0.1% of its gross operating revenues to at least 0.2%.

For public utilities

The annual energy-savings goal for a public utility providing electric service increases from 1.5% to 1.75%, while the goal for a natural gas utility is lowered from 1.5% to 1%.

A public utility's energy conservation plan must include activities to improve energy efficiency in public schools served by the utility.

The annual amount a public electric utility must spend on energy conservation programs for low-income households increases from 0.1% to 0.4% of its gross operating revenues, rising to 0.6% in 2024. For a natural gas utility, the increase is from 0.4% to 1% of its average gross operating revenues from the previous three years.

The net benefits resulting from the implementation of a fuel-switching improvement may be counted toward the overall net benefits of the public utility's Conservation Improvement Program.

The law also allows a public utility to obtain a financial incentive to encourage load management programs, provided the Public Utilities Commission finds the program in the interest of the utility's ratepayers.

LED lights

The law requires both public and consumer-owned electric utilities to encourage the use of LED lights and to provide cost recovery for the collection of used LEDs by Xcel Energy and any other utility that elects to do so.

Rep. Zack Stephenson (DFL-Coon Rapids) and Sen. Jason Rarick (R-Pine City) sponsor the law.

HF164/SF227*/CH29

Environment and Natural Resources
2021 Special Session

Environment law spends $1.66 billion, makes food packaging safer

A new law aims to help preserve air, water, land and wildlife. It also makes advances in battling emerald ash borer, chronic wasting disease and aquatic invasive species, and eliminates PFAS from food packing beginning in 2024.

Sponsored by Rep. Rick Hansen (DFL-South St. Paul) and Sen. Bill Ingebrigtsen (R-Alexandria), the omnibus environment and natural resources law is effective July 1, 2021 unless otherwise noted.

It spends $1.66 billion, of which $367.08 million is General Fund spending, $35.09 million over base.

It funds, in part, the Department of Natural Resources, Pollution Control Agency, Board of Water and Soil Resources, Explore Minnesota Tourism, Conservation Corps, Minnesota Zoo and the Science Museum of Minnesota.

[MORE: View the spreadsheet]

2021 First Special Session: SSHF5/SSSF20*/SSCH6

Pollution Control Agency

Of the $224.24 million going to the Pollution Control Agency, $179.38 million is from the Environmental Fund, $29.1 million from the Remediation Fund and $15.62 million is General Fund dollars.

New General Fund spending includes just under $2 million to implement a water infrastructure grant program for local governmental units and tribal governments; $600,000 in fiscal year 2022 to develop an initiative to reduce sources of PFAS in the environment that are eventually conveyed to municipal wastewater treatment facilities; and $350,000 in fiscal year 2022 to complete the St. Louis River mercury total maximum daily load study. (Art. 1, Sec. 2)

The law statutorily appropriates $4.5 million annually from the Closed Landfill Investment Fund to the PCA to conduct activities under the Closed Landfill Program. An additional $9 million is allocated each biennium for the PCA to address releases or threatened releases from closed landfills. These appropriations expire June 30, 2025. (Art. 2, Sec. 97)

Department of Natural Resources

The DNR is to receive $256.08 million in General Fund money in the 2022-23 biennium. Of that, almost $25.77 million is new spending, including an operating adjustment of $3.98 million.

Other General Fund increases include:

• $7 million to respond to chronic wasting disease;

• $2.5 million for accelerated tree planting and increasing seed collection and conservation-grade tree seedling production at the state forest nursery and providing cost-share incentives to increase tree planting;

• $2.4 million for emerald ash borer response grants to local communities;

• $500,000 for a flood study of the Cannon River dam system;

• $400,000 for the No Child Left Inside program;

• $400,000 for information technology security and modernization;

• $400,000 to construct the Historic Bruce Mine Park and Mesabi Trailhead and access in Chisholm;

• $300,000 to address aquatic invasive species in and around Upper and Lower Red Lake;

• $300,000 to complete renovation of the Lanesboro Dam; and

• $225,000 to complete Phase II of the restoration of the Hofmann Apiaries honey house and wax shed in Waseca County. (Art. 1, Sec. 3)

No increases in state park fees or hunting and fishing fees are in the law.

Board of Water and Soil Resources

To continue its mission of improving and protecting state water and soil resources by working in partnership with local organizations and private landowners, BWSR is to receive $34.79 million from the General Fund, of which $5.04 million is new spending. Of that, $2 million is for a water quality and storage program for installing pollinator-friendly native plantings in residential lawns; $1.4 million is for septic replacement grants; $1.35 million for soil health practice adoption purposes; and a $291,000 operating adjustment. (Art. 1, Sec. 4)

Other new spending

The law includes $7.73 million for salary increases and retroactive raises for conservation officers and supervisors represented by the Minnesota Law Enforcement Association, effective June 30, 2021. The soil and water conservation district supervisor compensation maximum is upped from $75 to $125 per day.

It also includes $1 million in one-time funding for a recovery grant program, including grants to local and tribal governments for tourism, meetings, conventions, and events assistance and promotions. (Art. 1, Sec. 9; Art. 2, Sec. 79; Art. 4, Secs. 1-6).

Environment and Natural Resources Trust Fund

The law also provides a $70.88 million appropriation in fiscal year 2022 and nearly $61.39 million in fiscal year 2021 from the Environment and Natural Resources Trust Fund, a constitutionally dedicated fund supported by state lottery proceeds. The dollars will be for 165 projects across the state including land acquisition, data collection and research, invasive species management and habitat restoration. All projects are aimed at protection, conservation, preservation and enhancement. (Arts. 5-6)

PFAS out of packaging

The law will, beginning Jan. 1, 2024, prohibit the manufacturing, use or distribution of food packaging containing per- and polyfluoroalkyl substances — better known as PFAs, and provides $600,000 in fiscal year 2022 to identify and reduce sources of PFAs.

PFAS are man-made chemicals used for things like preventing grease and other liquids from seeping into packaging. Example of their usage would be a French fry container or coffee cup. However, such chemicals resist breaking down and have been linked to negative health effects in humans. They've also leaked from landfills and have been shown to contaminate state waters. (Art. 2, Sec. 105)

Fishing and hunting policy

In addition to requiring daily and possession limits for gar, the law will:

• prohibit a person in possession of night vision or thermal imaging equipment convicted of certain violations from obtaining a hunting license or hunting wild animals for five years;

• prohibit a person from shooting a firearm or arrow from a motor vehicle at a decoy of a wild animal placed by a licensed peace officer;

• allow the use of crossbows when hunting deer, bear or turkey during all firearm seasons except the muzzleloader season;

• add to the methods that turtles cannot be taken to include firearms, bow and arrow, crossbow, spears, harpoons or any other implement that impales turtles;

• add additional possession limits for certain turtle species; and

• make various changes to statutes that define fish diseases. (Art. 2, Secs. 2-17, 56, 64-65, 74-76)

Driving under the influence

It will be a crime to authorize or allow an individual a person knows or has reason to believe is under the influence of alcohol, a controlled substance or intoxicating substance to operate an off-road recreational vehicle or motorboat.

Existing laws that require revocation of a person's driver's license for failing or refusing to take a test to determine if the person is under the influence of intoxicating substances will extend to motorboats and off-road recreational vehicles. The same is true of provisions that require revocation of a person's driver's license upon conviction of operating under the influence of intoxicating substances. Persons the ignition interlock program cannot operate a motorboat or off-road recreational vehicle unless the boat or vehicle is equipped with an ignition interlock system. (Art. 3, Secs. 1-2, 4-5, 7-13)

Other policy

To help with chronic wasting disease, the law gives the DNR and Board of Animal Health "concurrent authority to regulate farmed white-tailed deer," and the DNR "may inspect farmed white-tailed deer." Additionally, effective June 30, 2021, the importation of any cervidae carcass into Minnesota is prohibited.

The laws also:

• allows the DNR to convey conservation easements on state-owned land;

• effective June 30, 2021, lets the DNR convey easements for trails, highways or roads to federally recognized Indian tribes;

• allows bond proceeds to provide a match for money in the critical habitat private sector matching account and lets the DNR spend $2 for every $1 of match put into the account;

• provides administrative authority to the DNR to issue courtesy warnings for state park permit violations;

• allows the DNR to develop reasonable policies for special use permits to use state parks, recreation areas, waysides, trails and water access sites;

• provides a free annual state park permit to any member of the 11 federally recognized tribes in the state;

• statutorily establishes Riverlands State Forest;

• extends the Sustainable Forest Resources Act until June 30, 2028;

• requires BWSR to establish a program to provide financial assistance to local units of government to control water volume and flow rates;

• lets the DNR lease state-owned land for conservation planning purposes;

• requires the DNR to establish goals and strategies for increasing carbon sequestration in public and private forests, and report to the Legislature by Jan. 15, 2023; and

• lets the DNR prescribe conditions and issue permits to breed, propagate and sell snakes, lizards and salamanders. (Art. 2, Secs. 2-17, 21-22, 26, 33, 36, 38, 41-42, 45, 48, 54, 80, 118, 132)

Environment and Natural Resources
2021-2022 Regular Session

Dry cleaning solvent perc banned; dry cleaners get priority for cleanup funds

Minnesota is the first state to ban dry cleaners from using the chemical perchloroethylene, which is classified by the Environmental Protection Agency as a "likely carcinogen."

Per a new law, “After December 31, 2025, using perchloroethylene as a dry cleaning solvent is prohibited.”

The new law, effective March 24, 2021, also appropriates $355,000 from the remediation fund for a cost-share program to reimburse owners or operators of dry cleaning facilities for up to $20,000 of the costs of transitioning away from PERC. This onetime appropriation is available until June 30, 2024.

Additionally, the law appropriates $213,000 from the dry cleaning environmental response and reimbursement account for reimbursements for cleanup costs of hazardous dry cleaning solvents that have been released to the environment, and it cancels the unexpended portion of a 2020 appropriation, estimated to be $255,000.

The law also requires the Pollution Control Agency to prioritize reimbursing the costs of environmental response actions undertaken by dry cleaner operators and the agency itself before reimbursing other eligible costs from the dry cleaner environmental response and reimbursement account. Previously, funds were distributed on a first-come, first-served basis.

State law requires dry cleaning facilities to pay annual registration fees, which go to the account, as do fees on dry cleaning solvents.

The law is sponsored by Rep. Rick Hansen (DFL-South St. Paul) and Sen. Bill Ingebrigtsen (R-Alexandra).

HF91*/SF167/CH5

Environment and Natural Resources
2021 Special Session

Legacy funds distribute $645.6 million for clean water, outdoors and the arts

The four funds established by the “Legacy Amendment” in 2008 will distribute $645.6 million in the 2022-23 biennium, allocating receipts from 0.375% of the state’s sales tax to projects promoting clean water, the outdoors, and the arts and cultural heritage.

Sponsored by Rep. Leon Lillie (DFL-North St. Paul) and Sen. Carrie Ruud (R-Breezy Point), the omnibus legacy finance law also extends several appropriations from previous years, many for projects slowed or suspended during the COVID-19 pandemic.

Outdoor Heritage Fund

Based upon recommendations made by the Lessard-Sams Outdoor Heritage Council, this fund receives 33% of the revenues from the sales tax increase. The money may be spent only “to restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife.” The only one of the four funds to be distributed annually rather than biennially, it will provide total appropriations of $127.8 million in fiscal year 2022 and $557,000 in fiscal year 2023 to various organizations and state agencies.

The law also clarifies existing approval requirements for purchasing land subject to conservation easements and expands the approval requirement to all lands with an existing conservation easement.

The changes took effect June 26, 2021.

The law also provides a one-year extension for the fiscal year 2021 conservation partners legacy grant program appropriation. (Art. 1, Secs. 2-4)

Clean Water Fund

The clean water fund receives 33% of the revenues from the sales tax increase and must be spent "only to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation." It's also required that at least 5% of the fund be spent to protect drinking water sources. The law earmarks $126.7 million from the clean water fund in fiscal year 2022 and $130.1 million in fiscal year 2023.

Recipients of the largest appropriations include:

• Board of Water and Soil Resources ($141.8 million);

• Pollution Control Agency ($42.2 million);

• Department of Agriculture ($20.2 million);

• Department of Natural Resources ($17.5 million);

• Public Facilities Authority ($16.1 million); and

• Department of Health ($11.9 million). (Art. 2, Secs. 3-11)

Each of those agencies also receives extensions on certain appropriations from fiscal years 2018 to 2021, as did the Metropolitan Council.

Also extended is the availability of grants under the conservation drainage program to the Greater Blue Earth River Basin Alliance. And the Clean Water Council must submit a report that assesses the implementation of high-resolution digital elevation data developed with previous clean water fund appropriations. (Art. 2, Secs. 2-24)

Parks and Trails Fund

This fund receives 14.25 percent of the revenues from the sales tax increase and must be spent to "support parks and trails of regional or statewide significance." It provides an appropriation of $54.8 million from the fund in fiscal year 2022, and $55.9 million in fiscal year 2023.

The Department of Natural Resources will receive $33.1 million in fiscal year 2022 and $33.7 million in fiscal year 2023 for state parks, state trails and state recreation areas, as well as for regional parks and trails in Greater Minnesota through the parks and trails legacy grant program. The Metropolitan Council will receive $21.7 million in fiscal year 2022 and $22.1 million in fiscal year 2023 for metropolitan regional parks and trails.

The law also appropriates $4,000 in fiscal year 2020 to the Legislative Coordinating Commission for the Legacy website. It also extends the availability of a grant to the city of Hermantown for the Proctor-Hermantown Munger Trail Spur project, and grants that provided coordination of projects between the DNR, the Metropolitan Council, and the Greater Minnesota Regional Parks and Trails Commission; enhanced web-based information for park and trail users; and support of activities of the Parks and Trails Legacy Advisory Committee. (Art. 3, Secs. 2-7)

Arts and Cultural Heritage Fund

Accounting for 19.75% of legacy monies, this fund will appropriate $73.1 million in fiscal year 2022 and $76.6 million in fiscal year 2023 to several state agencies for activities related to arts, cultural heritage and history.

During the 2022-23 biennium, the State Arts Board will receive $70.4 million for grants to artists and arts organizations, arts education and diverse cultural arts traditions, with 30% of the funding earmarked for the state's 13 regional arts councils.

Among the other recipients of arts and cultural heritage fund money during the biennium are:

• Minnesota Historical Society ($33 million);

• Department of Administration for funding to such organizations as public television and radio ($21.1 million);

• Minnesota Humanities Center ($9.5 million); and

• Department of Education for regional library grants ($5 million).

The law also adds historical preservation corps to the list of government entities and nonprofits covered under the Joint Exercise of Powers statute, and extends the availability of the appropriation for the Phalen Park China Garden through June 30, 2023. (Art. 4, Secs. 1-4)

2021 First Special Session: SSHF13*/SSSF21/SSCH1

Health and Human Services
2021 Special Session

Omnibus HHS law increases investments to strengthen public health

The omnibus health and human services policy and finance law appropriates $16.25 billion from the General Fund in the 2022-23 biennium.

In addition to funding the Human Services and Health departments, the law expands access to child care, increases efforts to reduce tobacco and vaping use, extends Medical Assistance coverage, and increases wages for personal care attendants and home care nursing providers.

Other state programs, offices and boards funded by the law include health-related licensing boards, Emergency Medical Services Regulatory Board, Council on Disability, ombudsman for mental health and developmental disabilities, ombudspersons for families and the ombudsperson for American Indian families. Minnesota's reinsurance program, the state's premium security plan, is extended through the 2022 benefit year.

[MORE: View the spreadsheet]

The law is sponsored by Rep. Tina Liebling (DFL-Rochester) and Sen. Michelle Benson (R-Ham Lake), and took effect July 1, 2021, unless otherwise noted.

2021 Special Session: SSHF33*/SSSF37/SSCH7

Child care assistance and protection initiatives include:

• modifying from July 1, 2021 to May 31, 2024, how families are prioritized on the basic sliding free program waiting list;

• effective Jan. 1, 2022, modifying the formula for allocating money to counties for their basic sliding fee programs;

• permitting the Department of Human Services to initiate efforts to recover child care assistance overpayments from families and providers. This is effective Aug. 1, 2021;

• effective Nov. 15, 2021, increasing the maximum rates paid to providers for child care assistance and rates paid to legal, non-licensed family child care providers;

• limiting retroactive payments under the child care assistance program to three months, rather than six;

• directing the Department of Human Services to spend $304.4 million in federal COVID-19 relief money for grants to child care and early learning providers

• ;

• requiring counties to appoint a public defender to all financially eligible parents, guardians and custodians who ask for one prior to a first family court hearing, and at all stages of child protection proceedings where loss of custody is possible; and

• requiring employees and supervisors of public or private youth recreation programs to report certain child abuse to the appropriate local welfare, social services, or law enforcement agency. (Art. 1, Sec. 16; Art. 8, Secs. 1-3, 5-7, 11; Art. 9, Sec. 5; Art. 10, Secs. 1-2)

Task forces, working groups and programs established include:

• a legislative task force on child protection is created to study the child welfare system, maltreatment reports and responses, mandatory reporters, and the intersection of educational neglect and child protection. A report is due to the Legislature and governor by Feb. 1, 2024;

• appropriating $694,000 to the commissioner of health to develop programs to address and better understand racial disparities in maternal and infant mortality and morbidity;

• allocating $31.7 million from the federal community mental health services block grant funds and the federal substance abuse prevention and treatment block grant funds for school-linked mental health services and community-based substance abuse prevention services statewide;

• creating an ombudsperson for American Indian Families;

• establish a competitive grant program in the Department of Human Services to expand access to licensed family child care providers or licensed child care centers for children with disabilities including medical complexities;

• establishing the Great Start for All Minnesota Children Task Force to develop strategies to ensure that a child's access to high-quality, affordable early care and education is not determined by the child's race, family income or ZIP code and that "Minnesota's early childhood educators are qualified, diverse, supported, and equitably compensated regardless of setting";

• spending $5.76 million on statewide tobacco cessation services;

• a legislative task force is established to review statutes relating to human services background study eligibility and disqualifications. A final report is due the Legislature by Dec. 16, 2022;

• funding a task force to develop a plan to phase out subminimum wage to persons with disabilities;

• a Maternal Mortality Review Committee is established to conduct maternal death study reviews, make recommendations and share summary information with the public; and

• a Culturally Informed and Culturally Responsive Mental Health Task Force is established "to evaluate and make recommendations on improving the provision of culturally informed and culturally responsive mental health services throughout Minnesota." (Art, 2, Sec. 73; Art. 3, Secs. 21, 39; Art. 10, Sec. 3; Art. 11, Secs. 8, 42-47; Art. 14, Secs. 1, 15, 18; Art. 16, Secs. 3, 13; Art. 17, Sec. 14)

Department of Human Services-related changes include:

• effective Aug. 1, 2021, requiring implementation of a Supplemental Nutrition Assistance Program employment and training program that meets federal requirements. Nonexempt SNAP recipients who do not meet federal SNAP work requirements are required to participate in an employment and training program, unless residing in an area covered by a time-limited waiver;

• updating a 2007 legislative report on runaway and homeless youth using existing data, studies and analysis provided by state, county and other entities. A report is due to the Legislature by Dec. 15, 2022;

• extending Medical Assistance coverage for pregnant women from 60 days to 12 months postpartum. This takes effect the later of July 1, 2022 or upon federal approval;

• expanding Medical Assistance coverage of dental services to include coverage of nonsurgical treatment for periodontal disease, including scaling and root planing once every two years, plus maintenance procedures;

• allowing a 90-day supply of some prescription medications to be dispensed under Medical Assistance, effective Jan. 1, 2022;

• allowing Medical Assistance to cover drugs or active pharmaceutical ingredients used for weight loss;

• increasing the dispensing fee for prescription drugs from $10.48 to $10.77 and requiring the statewide cost of dispensing to be calculated separately for specialty and non-specialty drugs;

• providing a monthly public transit pass for the nonemergency medical transportation needs of Medical Assistance recipients who are well-served by public transit;

• providing Medical Assistance coverage for enhanced asthma care;

• in conjunction with the Health Department, beginning April 15, 2022, a biennial report must be submitted to the Legislature on the effectiveness of state maternal and infant health policies and programs in addressing disparities in prenatal and postpartum health outcomes; and

• by Dec. 15 of each year, beginning in 2021, the department must report to the Legislature on managed care and county-based purchasing plan provider reimbursement rates. (Art. 1, Secs. 4-8, 11, 13, 16, 20, 23; Art. 2, Secs. 17-18, 33-52, 55; Art. 7, Secs. 1-6, 29)

Department of Health-related provisions include:

• hospitals with obstetric care and birth centers must develop or access a continuing education curriculum on anti-racism training and implicit bias and make the curriculum available to staff who routinely care for pregnant or postpartum women;

• exploring ways to make midwife and doula training more culturally responsive to groups with the most significant disparities in maternal and infant morbidity and mortality; and promote racial, ethnic and cultural diversity in the midwife and doula workforce;

• establishment of The Vivian Act, which requires the department to make available information about congenital CMV (human herpesvirus cytomegalovirus), establish an awareness and education program and consider congenital CMV for addition to the newborn screening program;

• effective July 1, 2025, making alcohol and drug counselors who practice in designated rural areas or underserved urban communities — and persons enrolled in a training or education program to become an alcohol and drug counselor — eligible for loan forgiveness under the health professional education loan forgiveness program;

• for applications for and issuance of certified birth records on or after Jan. 1, 2022, procedures and documentation requirements are established for a homeless youth to obtain a certified birth record;

• requiring notice to the department and the public and a public hearing before a hospital closes, curtails operations, relocates services or stops offering certain services;

• allowing Regions Hospital in St. Paul to add 45 new licensed beds;

• allowing PrairieCare to add up to 30 licensed beds to its psychiatric hospital for children and adolescents in Brooklyn Park;

• until June 30, 2025, the department can award grants under the health professional education loan forgiveness program to alcohol and drug counselors, medical residents and mental health professionals who agree to either deliver at least 25 percent of their patient encounters to patients who are state public health care program enrollees or to patients who receive sliding fee schedule discounts; and

• developing a grant program to fund continuing education for social workers, marriage and family therapists, psychologists and professional clinical counselors to become supervisors for persons pursuing licensure in mental health professions. Eligible persons must be members of a community of color or underrepresented community, work for a community mental health provider and agree to serve certain patient populations. (Art. 3, Secs. 11, 21, 23-24, 27, 30-31, 43-44)

Telehealth

As part of the Minnesota Telehealth Act, a health plan sold, issued, or renewed by a health carrier in Minnesota must cover benefits delivered through telehealth in the same manner as any other benefits covered under the health plan. Private insurers and the Medical Assistance and MinnesotaCare programs are required to cover telemonitoring services in specified situations.

Additionally, a health carrier cannot restrict or deny coverage of a covered health care service because the service is not provided in-person or based on the communication technology or application used to deliver the service through telehealth, provided the technology or application complies with statute.

Health carriers are to reimburse providers for telehealth services on the same basis and at the same rate had the service been delivered in-person.

Per the law, “A health carrier must not require a health care provider to use specific telecommunications technology and equipment as a condition of coverage … provided the health care provider uses telecommunications technology and equipment that complies with current industry interoperable standards and complies with (federal) standards.”

The article expands the use of telehealth in the private sector and for the MA and MinnesotaCare programs, by replacing the definition of “telemedicine” with a new “telehealth” definition, expanding the list of providers who can provide telehealth services, and allowing the use of audio-only communication as a telehealth service, through June 30, 2023.

The Department of Human Services, in consultation with the Health and Commerce departments, is to study the impact of telehealth expansion and payment parity on the coverage and provision of health care services under public health care and private sector programs. The preliminary report due Jan. 15, 2023 must include recommendations on whether audio-only communication should be allowed as a telehealth option beyond June 30, 2023. (Art. 6, Secs. 1-29)

Other changes

• the governor must appoint an ombudsperson to assist family child care providers with licensing, compliance and other issues;

• for issuances starting Jan. 1, 2022, a homeless youth can obtain a state identification card without paying transaction or filing fees;

• establishment of background study requirements for personal care assistance provider agencies enrolled to provide personal care assistance services under Medical Assistance;

• background studies are be conducted of individuals providing direct contact services in residential and detention facilities;

• clarifying who must undergo a background check in areas including individuals providing special transportation services or providers of group residential housing or supplementary services;

• permitting alternative background studies in some instances;

• increase fee caps the department can recover related to background studies;

• adding personal care assistant services to list of activities prohibited prior to receipt of background study notices;

• lists felony-level convictions that permanently disqualify an individual applying for a family foster setting license;

• expand the age range eligibility for intensive nonresidential rehabilitative mental health services from ages 16-20 to ages 8-26;

• require the Department of Human Services to develop protocols to address and attempt to resolve any future overpayment involving tribal nations in Minnesota;

• increase wages for personal care attendants and home care providers;

• effective Sept. 30, 2021, provides a 90-day review for a child's length of stay in residential treatment;

• expands services eligible for children's mental health grant funding to include, as part of mental health services for people from cultural and ethnic minorities, supervision of clinical trainees who are Black, indigenous, or people of color providing services in certain clinics;

• beginning Jan. 1, 2022, provides a 5% rate increase for substance use disorder treatment services provided by culturally specific or culturally responsive programs or disability responsive programs;

• establishes the Minnesota inclusion initiative grant program to encourage self-advocacy groups of persons with intellectual and developmental disabilities to, in part, develop and organize projects that increase the inclusion of persons with intellectual and developmental disabilities in the community;

• requires the commissioner to annually adjust payments for home health agency services and home care nursing services to reflect federal changes;

• provide an additional $50 per month housing benefit for low-income individuals eligible for housing support;

• increase rates for home care nursing, intermediate care facilities and waiver rates for older adults to live independently; and

• provide an ongoing cost of living increase, plus a one-time payment of $435, to individuals in the Minnesota Family Investment Program, which helps low-income families meet basic needs as they seek employment. (Art. 2, Secs. 3, 17-18, 33-52, 55, 73; Art. 10, Sec. 29; Art. 11, Secs. 3, 6, 12, 39; Art. 12, Sec. 8, 11-12; Art. 13, Secs. 55-56, 74; Art. 16, Sec. 21)

Health and Human Services
2021-2022 Regular Session

Medical Assistance COVID vaccination reimbursement rate increased

The Medical Assistance reimbursement rate for COVID-19 vaccination administration will be increased to the Medicare rate for the duration of the federal public health emergency.

The law, aimed at health care professionals who administer a vaccine approved by the Food and Drug Administration, including emergency use, is effective the later of April 1, 2021 or upon federal approval.

It expires "the last day of the first quarter that begins at least one year after the last day of the federal public health emergency."

Rep. Tina Liebling (DFL-Rochester) and Sen. Michelle Benson (R-Ham Lake) are the sponsors.

HF1438*/SF1156/CH8

Health and Human Services
2021-2022 Regular Session

Dentists get the OK to provide COVID-19 vaccine

Dentists are currently qualified to administer influenza vaccine, but they can now also administer a COVID-19 vaccine.

Sponsored by Rep. Mike Freiberg (DFL-Golden Valley) and Sen. Rich Draheim (R-Madison Lake), a new law is meant to support wide scale vaccine distribution efforts across the state, enabling dentists to administer vaccines in community settings and with local public health organizations.

Patients need to be at least 16 years old; dentists must have successfully completed an educational program on vaccine administration approved by the Board of Dentistry; and they must have access to emergency response equipment – including epinephrine.

The law took effect March 4, 2021.

HF789/SF475*/CH4

Health and Human Services
2021-2022 Regular Session

Minnesota joins interstate compact to expand access to mental health services

To expand access to mental health services and create better continuity of care, a new law effective May 26, 2021, allows Minnesota to join several other states in a Psychology Interjurisdictional Compact.

With Minnesota as a member of the interstate compact, psychologists licensed in Minnesota will be allowed to provide telepsychology services, or temporary, in-person psychological services in other compact member states without having to become licensed in those states.

The new law will also provide reciprocity for psychologists licensed in other member states to provide telepsychology or temporary, in-person psychological services in Minnesota without being licensed by the Board of Psychology, which may help address the unmet need for mental health services.

Anyone practicing as part of the compact is required to maintain an awareness of local resources, should an emergency arise, and must be culturally competent to serve within a community.

Sponsored by Rep. Kelly Morrison (DFL-Deephaven) and Sen. Michelle Benson (R-Ham Lake), the law also aims to improve continuity of care by allowing Minnesota psychologists to continue working with patients who move out of state for college, serve in the military and are highly mobile, or live in another state part of the year.

Other components of the new law aim to:

• improve access to care in underserved or geographically isolated communities;

• promote cooperation between states regarding regulation and licensure;

• improve consumer protection across state lines; and

• decrease the logistical burden for psychologists.

HF269/SF193*/CH27

Health and Human Services
2021-2022 Regular Session

Omnibus health and human services policy law changes several state programs, rules

An omnibus health and human services law contains several provisions related to Department of Human Services health care programs, Health Department programs and activities, child protection programs and policy, community supports policy, and several other areas.

Sponsored by Rep. Tina Liebling (DFL-Rochester) and Sen. Michelle Benson (R-Ham Lake), the law does not include any appropriations. It takes effect July 1, 2021, unless otherwise noted.

Notable provisions in the law include language that:

• modifies membership and procedures for the Health Services Advisory Council and the opioid prescribing work group (Art. 1, Secs. 8-10, 12-13);

• establishes a directed payment arrangement for Hennepin County for Medical Assistance and MinnesotaCare programs, effective Jan. 1, 2022, or upon federal approval, whichever is later (Art. 1, Sec. 17);

• modifies MinnesotaCare eligibility determination procedures to reflect federal decisions (Art. 1, Secs. 19-21);

• requires development of Medical Assistance recuperative care services (Art. 1, Sec. 23);

• modifies the process and requirements for new substance use disorder treatment program licensure by removing the requirement for a statement of need (Art. 2, Secs. 1-5);

• eliminates state certification of health data intermediaries (Art. 3, Sec. 3);

• modifies reporting requirements for prescription drug price transparency (Art. 3, Secs. 5-9);

• modifies licensure fees for radioactive material (Art. 3, Secs. 11-15);

• modifies membership of the Rural Health Advisory Committee (Art. 3, Sec. 16);

• removes race from the list of data on marriage licenses that local registrars and county board designees are required to report to the state registrar (Art. 3, Secs. 18 and 51);

• changes who may obtain a certified copy of a birth or death record (Art. 3, Sec. 19);

• makes changes to requirements regarding access to outdoor space for residents of assisted living facilities with dementia care (Art. 3, Sec. 20);

• establishes requirements for home visiting programs for pregnant women and families with young children (Art. 3, Sec. 21);

• makes changes to statutes governing the Women, Infants and Children program (Art. 3, Secs. 22-25);

• modifies labeling requirements for products containing cannabinoids (Art. 3, Sec. 27);

• modifies the medical cannabis program, allowing manufacturers to acquire hemp productions, modifying pharmacist consultation requirements and allowing distribution to people in cars, with most of the changes effective May 26, 2021 (Art. 3, Secs. 28-41);

• changes fees for asbestos-related work (Art. 3, Secs. 44-47);

• establishes licensing requirements for medical gas manufacturers, wholesalers and dispensers (Art. 4, Secs. 1-6);

• modifies limitations on pharmacy gag clauses (Art. 5, Sec. 1);

• makes changes in the operation of the drug repository program, effective May 26, 2021 (Art. 5, Secs. 2-5);

• establishes requirements for health plan companies to make timely determinations of provider credentialing (Art. 6, Sec. 1);

• modifies the Minnesota Family Investment Program and diversionary work program application procedures to permit online and telephone applications (Art. 7, Secs. 1-4);

• allows tribal governments to access the Minnesota food shelf program (Art. 8, Secs. 1, 3);

• makes changes to Northstar kinship and adoption assistance and reimbursement provisions, and updates adoption provisions, with some effective Aug. 1, 2021 (Art. 9, Secs. 1-15);

• modifies provisions related to child safety and permanency and adoption requirements and procedures, with most effective May 26, 2021 (Art. 10, Secs. 1-9);

• establishes certification requirements for children’s residential facilities or child foster residence settings to receive federal Title IV-E funding, effective May 26, 2021 (Art. 10, Sec. 10);

• exempts health care professionals from reporting prenatal substance use in specified circumstances (Art. 10, Sec. 56);

• provides for parent notification of contested case hearings related to maltreatment (Art. 10, Sec. 57);

• removes interest charging requirements for child support judgments, effective Aug. 1, 2022 (Art. 10, Sec. 61);

• modifies child support guidelines and other child support provisions, with some changes effective Aug. 1, 2022, others Jan. 1, 2023 (Art. 10, Secs. 62-78);

• modifies and updates provisions relating to certified community behavioral health clinics, pending federal approval (Art. 11, Secs. 1-4);

• requires the Department of Human Services to issue a monthly statement of the amounts deposited for the compulsive gambling treatment program and provide an annual report to the Legislature (Art. 11, Secs. 5 and 6);

• modifies the definition of long-term care facilities in statutes governing the Ombudsman for Long-Term Care, effective Aug. 1, 2021 (Art. 12, Sec. 1);

• modifies home- and community-based services assessment requirements for people temporarily entering an inpatient health care facility, effective upon federal approval (Art. 12, Sec. 2);

• permits tribes to access cost-neutral housing support allocations, effective May 26, 2021 (Art. 12, Secs. 3-4);

• extends the Governor's Council on an Age-Friendly Minnesota (Art. 12, Sec. 5);

• makes changes to children's mental health screening collection (Art. 13, Sec. 1);

• makes changes to the State Advisory Council on Mental Health (Art. 13, Sec. 2);

• updates statutes governing public guardianship for persons with developmental disabilities (Art. 13, Secs. 4-12);

• makes changes to consolidated chemical dependency fund payments and terminology (Art. 13, Sec. 48);

• updates and clarifies statutes governing community first services and supports (Art. 13, Secs. 57-72);

• prohibits discrimination, based on an individual's disability, in health plan coverage for organ transplants and anatomical gifts and in eligibility for organ transplants, anatomical gifts, and related treatment and services (Art. 14, Secs. 1-2);

• moves various statutes and rules related to mental health service standards into a new chapter and updates, aligns, and streamlines definitions and standards for providing a range of mental health services, effective July 1, 2022, or upon federal approval, whichever is later (Art. 15, Secs. 1-19);

• modifies provisions related to crisis response services for adults and children by unifying service, eligibility, provider, and staff requirements, adding clinical trainees, and adding language to include family members and other third parties, effective July 1, 2022, or upon federal approval, whichever is later (Art. 16, Secs. 1-5); and

• adjusts Department of Human Services' appropriations in fiscal year 2021 for forecasted programs (Art. 18).

The law also makes clarifications, technical corrections, conforming and technical changes, updates terminology and definitions, and addresses consistency issues in current law.

HF2128*/SF2360/CH30

Higher Education
2021 Special Session

New grant programs, increased protection against closures among higher education changes

Increased funding for the Minnesota State system of colleges and universities and the University of Minnesota are part of the omnibus higher education law, which also includes new grant and scholarship programs and procedures to identify schools at risk of closure.

Sponsored by Rep. Connie Bernardy (DFL-New Brighton) and Sen. David Tomassoni (I-Chisholm), the law, mostly effective July 1, 2021, appropriates funds to the Office of Higher Education, Minnesota State, University of the Minnesota, and the Mayo Clinic's education programs. It also initiates several new grant programs.

2021 Special Session: SSHF7*/SSSF18/SSCH2

Office of Higher Education

The law appropriates $271.7 million from the state's General Fund in fiscal year 2022 and $274.2 million in fiscal year 2023 to the Office of Higher Education. For fiscal year 2022, the largest funding totals go to:

• state grants, $210 million;

• work-study grants, $14.5 million;

• interstate tuition reciprocity, $8.5 million;

• child care grants, $6.7 million;

• Minitex and MNLink library resource sharing networks, $5.9 million;

• agency administration, $4.5 million;

• American Indian scholarships, $3.5 million;

• a spinal cord injury and traumatic brain injury research grant program, $3 million;

• dual training competency grants, $2 million;

• Statewide Longitudinal Education Data System, $1.8 million;

• aspiring teachers of color scholarship pilot program, $1.5 million;

• Minnesota Independence College and Community, $1.2 million;

• intervention for college attendance program grants, $1.1 million; and

• grants to underrepresented student teachers, $1 million. (Art. 1, Sec. 2)

Minnesota State

Minnesota State will be appropriated $792 million in fiscal year 2022, and $789.5 million in fiscal year 2023. Of its biennial total, $1.5 billion is for general operations and maintenance, while $58.2 million is for the system's central office and shared systems unit.

Under the law, undergraduate tuition rates for Minnesota State cannot rise more than 3.5% per year for the 2021-22 and 2022-23 academic years.

Among specific Minnesota State appropriations for fiscal year 2022 are:

• upgrading the Integrated Statewide Record System, $8 million;

• supplemental aid to state colleges with campuses outside of a metropolitan county, $5.7 million;

• workforce development scholarships, $4.5 million;

• the Learning Network of Minnesota, a statewide telecommunications and technology network, $4.1 million;

• mental health awareness, $1.5 million; and

• student basic needs, $1 million. (Art. 1, Sec. 3)

University of Minnesota

The University of Minnesota will receive $692.8 million per year during the 2022-23 biennium. Of that, $622 million is for operations and maintenance, with the following base-level amounts established among the appropriations:

• agricultural and extension service, $42.9 million;

• the Academic Health Center, $22.2 million from a portion of cigarette taxes;

• medical school, $15 million;

• health sciences, $9.2 million;

• partnership with the Mayo Foundation, $8 million;

• health training restoration to support faculty physicians, the mobile dental clinic, and expansion of geriatric and family programs, $7.8 million;

• general research, the Labor Education Service, Natural Resources Research Institute, Center for Urban and Regional Affairs, Bell Museum of Natural History, and the Humphrey exhibit, $7.4 million;

• MnDrive to advance research for cancer care, $4 million;

• training primary care physicians, $2.1 million from the health care access fund; and

• the College of Science and Engineering geological survey and talented youth mathematics program, $1.1 million. (Art. 1, Sec. 4)

Mayo Clinic

The Mayo Foundation will receive $1.35 million in fiscal years 2022 and 2023. That includes base-level funding of $686,000 per year to the family practice and graduate residency program to pay stipend support for up to 27 residents each year, and $665,000 per year to the medical school, with the intention of increasing the number of doctors practicing in rural areas. (Art. 1, Sec. 5)

[MORE: View the spreadsheet]

Policy changes

The law makes several changes related to the risk of closure, particularly of private career schools. It codifies specific and detailed procedures the Office of Higher Education will undertake in its analysis to determine if an institution is at risk of precipitous failure and closure. It also requires an institution to submit a registration renewal application when it enters receivership, requires institutions to submit a licensure renewal application when there is a "change of ownership" of the institution and requires institutions to maintain student records required for professional licensure for at least 10 years. (Art. 2, Secs. 25-26, 28-32)

Among its 47 policy provisions the law will:

• require the Office of Higher Education to, by Feb. 15, 2022, annually post on its website a summary data on students who withdraw from enrollment without completing a degree;

• lower the assigned family responsibility element of the state grant formula by three percentage points for each category of student, effectively raising state grant awards;

• increase the default amount of the living and miscellaneous expense allowance from 106% to 109% of federal poverty guidelines for a one-person household;

• effective June 27, 2021, establish a higher education grant program for students currently or formerly in foster care, beginning in the 2022-23 academic year;

• remove the eligibility caps regarding enrollment for child care grants, and increase the maximum annual grant award for each eligible child from $3,000 to $6,500;

• expand eligibility and specify maximum awards for American Indian scholarships to students who are enrolled in or citizens of a federally recognized or Canadian recognized tribe;

• create a grant program for student teachers who belong to a racial or ethnic group underrepresented in the state's teacher workforce;

• expand the student teacher candidate grants program to student teachers who intend to teach in a rural school district;

• increase the total amount of loans that can be refinanced under the SELF Refi program from $100 million to $300 million;

• establish a teacher shortage loan repayment program;

• set several criteria for dual training competency grants;

• establish a Office of Higher Education program to award matching grants to postsecondary institutions on a competitive basis in order to expand concurrent enrollment offerings;

• require Minnesota State to implement a mental health awareness program at each college and university by fall of 2022;

• create new requirements for Minnesota State to inform students about assistance programs;

• expand the existing hunger-free campus designation program and incorporate a competitive grant program;

• make various changes to the Z-Degree statute, a zero-textbook-cost associate's degree requirement at state colleges;

• expand programs of study or certification eligible for workforce development scholarships by allowing a Minnesota State institution to designate a program as eligible based on regional workforce shortage data from the Department of Employment and Economic Development;

• require Minnesota State to expand credit for prior learning for work-based experiences and make students aware of the opportunity to receive credit for prior learning;

• create a non-statutory direct admissions pilot program to automatically offer conditional state college or university admittance to eligible graduating high school seniors;

• require Minnesota State, and request the University of Minnesota, to provide a report by Jan. 1, 2022, on expense patterns of public higher education institutions;

• prohibit schools from attaching transcript release to payment of student debts; and

• establish a scholarship pilot program for aspiring Minnesota teachers of color to be administered by the Office of Higher Education (Art. 2, Secs. 1-2, 4, 7-24, 31-45).

Housing
2021-2022 Regular Session

New law modifies online continuing education requirements for manufactured home installers

Internet continuing education courses for manufactured home installers must be approved by the federal Department of Housing and Urban Development or by the Department of Labor and Industry.

That is a new requirement under a law effective April 17, 2021.

Sponsored by Rep. Rob Ecklund (DFL-International Falls) and Sen. Rich Draheim (R-Madison Lake), the law requires the approval to accompany the course completion certificate issued to the student by the course sponsor.

For other areas of construction trades, online courses must be approved by the International Distance Education Certification Center or the International Association for Continuing Education and Training, before the course is submitted for department approval.

HF682/SF659*/CH11

Housing
2021 Special Session

Eviction moratorium lifted, $100 million in housing bonding in new law

Improving housing affordability, closing the homeownership gap and ending the governor’s emergency powers eviction moratorium are all components of the omnibus housing finance and policy law.

Sponsored by Rep. Alice Hausman (DFL-St. Paul) and Sen. Rich Draheim (R-Madison Lake), the law is effective July 1, 2021, unless otherwise noted.

Gov. Tim Walz enacted the state’s eviction moratorium via an executive order in March 2020 to ensure renters do not lose their housing during the COVID-19 pandemic.

Finding an off-ramp has resulted in an approach that includes support for housing providers and connects renters needing financial help with available resources.

Beginning June 29, 2021 and completed in stages over the next 105 days, the law prohibits renters who have applied for but haven’t yet received assistance from the state’s federally funded RentHelpMN program from being evicted until June 1, 2022.

Among the details, a landlord cannot terminate or fail to renew a lease until Oct. 12, 2021, except in cases where the tenant is endangering others, engaging in certain criminal activities, materially violating the lease or when the tenant requests the termination of the lease.

However, a landlord can terminate or not renew a lease beginning Aug. 13, 2021 if the tenant has not paid rent and is not eligible for the COVID-19 emergency rental assistance program.

Further, a landlord cannot file an eviction notice before Oct. 12, 2021 unless the tenant is a danger to others, there is significant property damage or they engage in criminal activity. Evictions would be allowed beginning July 14, 2021 for situations where a tenant materially violates the lease. An eviction notice can be filed beginning Sept. 12, 2021 if the tenant has not paid rent, nor is eligible for the COVID-19 emergency rental assistance program.

A landlord must provide a 15-day notice to a tenant before filing an eviction if the eviction is for nonpayment of rent during the 105 days following enactment of the law — Oct. 12, 2021. (Art. 5, Secs. 1-4)

The $125 million law includes $10 million in new General Fund spending:

• $3.25 million to the Workforce Homeownership Program;

• $2.8 million for the Housing Challenge Program;

• $1.75 million for manufactured home park infrastructure grants;

• $1 million for the Home Ownership Assistance Fund;

• $1 million for local housing trust fund grants; and

• $200,000 to establish a shelter provider task force to “develop standards for the provision of shelter; and examine the need for, and the feasibility and cost of, establishing state oversight of shelter.” (Art. 1, Secs. 2-3; Art. 6, Sec. 1)

Additionally, the law will provide $100 million in housing infrastructure bonds, designating $18.33 million of that total for single-family homes and $15 million for manufactured home park acquisition, improvement and infrastructure. The other $66.67 million is not specifically allocated. This takes effect Jan. 16, 2022. (Art. 4, Secs. 1-3)

If the state receives federal funds appropriated and dedicated from a federal infrastructure bill enacted between June 1, 2021, and Dec. 31, 2021 for loans and grants for the same purposes for which housing infrastructure bonds may be issued, the $100 million of housing infrastructure bonds is to be reduced by that amount. (Art. 4, Sec. 5)

Policy provisions, effective Aug. 1, 2021 unless otherwise noted, will:

• allow federally recognized American Indian tribes in Minnesota and tribal housing corporations to be eligible for housing grants in a natural disaster area;

• no longer require window fall prevention devices in one- and two-family dwellings and townhouses if windows meet certain criteria;

• clarify it is an unfair discriminatory practice for the owner of housing to deny a person with a disability the use of a service animal even when the physical identification is not present;

• prohibit a landlord from charging additional fees or rent for a service or support animal;

• allow a landlord to request supporting documentation for a licensed professional verifying a disability when a tenant makes a reasonable accommodation request for a service or support animal; however, no documentation is necessary when the disability is apparent to the landlord;

• increase from $27,000 to $37,500 the maximum rehabilitation loan for existing owner-occupied residential housing and permit such loans to be used for manufactured home replacement;

• increase the income limitation under the definition of “persons and families of low and moderate income” to 115% of the greater of state median income, or area or county median income;

• effective Sept. 1, 2021, require leases to have prorated rent when a lease ends before the last day of the month;

• create a process to affix a manufactured home to real property when the park the home is located in is owned by a nonprofit cooperative; and

• repeal the current process, and create new language, for making a manufactured home an improvement to real property. (Art. 2, Secs. 1, 4-5, 7, 9-11; Art. 3, Secs. 1-2, 4-5)

2021 First Special Session: SSHF4*/SSSF16/SSCH8

Local Government
2021-2022 Regular Session

More remote governing by video

Changes to the process for government meetings during certain emergencies, such as the COVID-19 pandemic, are now law.

Sponsored by Rep. Erin Koegel (DFL-Spring Lake Park) and Sen. John Jasinski (R-Faribault), a new law temporarily removes a statutory limit to allow a member of a public body to participate remotely more than three times in the first six months of 2021.

Where local units of government are holding in-person meetings, concern was raised by participants who may be at a greater risk of serious complications if they or a family member contact COVID-19. A medical exemption allowing remote participation is permitted under state law; however, it has a three-meeting cap per year.

The new law also updates provisions of the Open Meeting Law to reflect modern technology used by public bodies for remote meetings and ensure the public can comment remotely during a public comment period if in-person attendance is not feasible due to a health pandemic or emergency.

Most of the provisions are effective on Aug. 1, 2021. The temporary removal of the remote participation cap is effective retroactively for meetings occurring on or after Jan. 1, 2021.

HF820*/SF852/CH14

Local Government
2021-2022 Regular Session

Lake City can establish a port authority

A new law will permit Lake City to establish a port authority commission.

According to state statute, “A port authority may study and analyze industrial development needs in its port district, and ways to meet the needs. A port authority may study the desirable patterns for industrial land use and community growth and other factors affecting local industrial development in the district and … may engage in research and disseminate information on river, harbor, and industrial development in the port district.”

Sponsored by Rep. Barb Haley (R-Red Wing) and Sen. Michael Goggin (R-Red Wing), the law is effective upon local approval and completing the required filings with the secretary of state.

If a commission is established, it may also exercise the same powers as a municipal housing and redevelopment authority.

HF738/SF1091*/CH19

Public Safety
2021 Special Session

Omnibus public safety, judiciary law funds — and makes changes to— courts, cops, and corrections

The omnibus public safety and judiciary policy and finance law appropriates $2.64 billion in the 2022-23 biennium to fund the Department of Public Safety, Department of Corrections, Minnesota courts, civil legal services, Guardian ad Litem Board, Tax Court, Uniform Laws Commission, Board on Judicial Standards, Board of Public Defense, Human Rights Department, Peace Officers Standards and Training Board and sets funding in the Disaster Assistance Contingency Account.

The wide-ranging law makes several policy changes in these areas, including reforming civil asset forfeiture laws, establishing new procedures for using confidential jailhouse informants, prohibiting the use of restraints on children appearing in court, strengthening jail safety rules and changing criminal sexual assault statutes to permit prosecution of cases where victims were intoxicated through voluntary consumption.

Sponsored by Rep. Carlos Mariani (DFL-St. Paul) and Sen. Warren Limmer (R-Maple Grove), the law took effect July 1, 2021, unless otherwise noted.

All budget figures are for the 2022-23 biennium unless otherwise noted.

[MORE: View the spreadsheet]

2021 Special Session: SSHF63*/SSSFnone/SSCH11

Judiciary, civil law and courts

The law will give a 2.5% boost in salary to Supreme Court, District Court and Court of Appeals judges and employees, and a $5.7 million raise for civil legal services, which provides legal representation for low-income defendants in civil proceedings.

The law funds all the state courts:

• $655.5 million for District Courts;

• $122.1 million for the Supreme Court;

• $27.1 million for the Court of Appeals; and

• $1.8 million for the Tax Court.

Other judiciary appropriations are:

• $217.8 million for the Board of Public Defense;

• $44 million for the Guardian Ad Litem Board (includes a 2.5% salary increase);

• $10.9 million for the Department of Human Rights;

• $1.5 million for the Sentencing Guidelines Commission;

• $1.2 million for the Board of Judicial Standards; and

• $200,000 for the Uniform Laws Commission.

The law includes a fiscal year 2022 grant of $500,000 to improve courthouse security, $400,000 to increase salaries for courtroom foreign language interpreters and $931,000 to add a judge in the Fifth Judicial District.

Mostly effective July 1, 2021, collectively bargained salary increases for state employees represented by the Minnesota Law Enforcement Association is funded in the law. Also funded is salary supplements dating to July 1, 2019. (Art. 8, Secs. 1-16)

The law makes several crime-related changes, including:

• modifying rules for participating in the ignition interlock program;

• exempting a victim and someone acting in good faith who contacts a 911 operator or first responder to report a sexual assault victim is in need of assistance from charges and prosecution for the possession of a controlled substance or drug paraphernalia or underage consumption of alcohol;

• effective Aug. 1, 2021, requiring the Bureau of Criminal Apprehension to investigate criminal sexual conduct cases in the Minnesota National Guard;

• effective Sept. 15, 2021, establishes new crimes of assaulting a peace officer or other criminal justice partner and inflicting great bodily harm, when committed with a dangerous weapon or through the use or attempted use of deadly force;

• effective Sept. 15, 2021, establishing a child torture crime with a maximum penalty of 25 years in prison and a $35,000 fine;

• making it a gross misdemeanor to trespass at a facility that provides emergency shelter services for sex trafficking victims, or a facility that provides transitional housing to sex trafficking victims and their children;

• effective Sept. 15, 2021, making it a misdemeanor “to knowingly and without consent make publicly available, including but not limited to through the Internet, personal information about a law enforcement official or an official's family or household member”;

• establishing a crime of sexual extortion with a maximum penalty of 15 years in prison and a $30,000 fine;

• the Sentencing Guidelines Commission is to increase the severity rankings on the sex offender grid for certain child pornography cases;

• effective Sept. 15, 2021, changing criminal sexual assault statutes to permit prosecution of cases of victims intoxicated through voluntary consumption;

• effective July 1, 2022, a court can reduce or waive the surcharge imposed on criminal and traffic offenders based on their ability to pay. Community work service may be imposed in lieu of the surcharge;

• law enforcement agencies are to timely process a specific immigration-related request from victims of certain crimes who are foreign nationals;

• effective Sept. 15, 2021, adds new crimes for sexual extortion, first-degree criminal sexual misconduct, criminalizes additional situations involving educators who engage in sexual acts with secondary school students, expands the definition of significant relationship and increases penalties for caregivers and others who engage in sexual acts with patient;

• a predatory offender working group is to “examine and assess the predatory offender

registration (POR) laws, including, but not limited to, the requirements placed on offenders,

the crimes for which POR is required, the method by which POR requirements are applied

to offenders, and the effectiveness of the POR system in achieving its stated purpose”;

• effective Jan. 1, 2022, reforming civil asset forfeiture laws; and

• prohibiting the use of restraints on children appearing in court. (Art. 1, Sec. 14; Art. 2, Secs. 3-9, 16, 27, 31, 34, 39-41, 52; Art. 3, Sec. 11; Art. 4, Secs. 16-20, 23, 30; Art. 5, Secs. 1-22; Art. 9, Sec. 20)

A Legislative Commission on Data Practices and Personal Data Privacy is created “to study issues relating to government data practices and individuals' personal data privacy rights and to review legislation impacting data practices, data security, and personal data privacy.” This took effect July 1, 2021. (Art. 3, Secs. 1, 36)

Public Safety

The law funds the Department of Public Safety with a $427.2 million appropriation in the 2022-23 biennium.

Notable appropriations include:

• $155.3 million for the Bureau of Criminal Apprehension;

• $135.8 million for Emergency Communication Networks;

• $94.6 million for Office of Justice Programs;

• $8 million to create a “Hometown Heroes” assistance program to, in part, provide a onetime critical illness monetary support payment to a firefighter diagnosed with cancer or heart disease and who applies for the payment, and develop a psychotherapy program customized to address emotional trauma experienced by firefighters;

• $6.2 million for the Homeland Security and Emergency Management;

• $5.4 million for Alcohol and Gambling Enforcement;

• $2 million for additional violent crime enforcement teams;

• $1 million to establish the Office of Missing and Murdered Indigenous Relatives;

• $570,000 for the Private Detective Board; and

• $150,000 to implement a new Task Force on Missing and Murdered African American Women.

BCA funding includes $4.2 million for staff and technology costs to meet FBI cybersecurity requirements, $3.7 million for salary increases and $602,000 to purchase and maintain body cameras for special agents.

The new law also provides $876,000 to fund body cameras for DNR conservation officers and $32,000 for Alcohol and Gambling Enforcement Division officer body cameras.

Several policy provisions in the law are police reform measures, including:

• requiring 911 operators to refer calls to mental health crisis teams in certain situations;

• regulating the use of no-knock warrants, effective Sept. 1, 2021;

• requiring “sign and release” warrants for certain infractions, such as missing a court appearance. This applies to warrants issued on or after Jan. 1, 2024; and

• mandating policy reforms and strengthening standards to improve safety for inmates and staff in state and local correctional facilities – the Hardel Sherrell Act. This is effective Aug. 1, 2021. (Art. 2, Secs. 12, 22, 50; Art. 9, Secs. 5-10, 23, 30)

Other public safety policy changes include:

• directing the state fire marshal and Department of Labor and Industry to issue building-specific waivers for any elements of the state fire or building codes that conflict with a federally recognized tribe’s religious beliefs, traditional building practices or established teachings;

• the state court administrator is to conduct a feasibility study on requiring the courts to order individuals convicted of felonies to undergo a neuropsychological examination;

• establishment of a 911 telecommunicator working group to, in part, recommend standards, training and continuing education requirements for certification of 911 telecommunicators; and

• creating a task force on aiding and abetting felony murder “to collect and analyze data on the charging, convicting, and sentencing of people for aiding and abetting felony murder; assess whether current laws and practices promote public safety and equity in sentencing; and make recommendations to the legislature.” (Art. 2, Secs. 17, 19, 46-47, 53)

Board of Peace Officer Standards and Training

Of the $23.1 million the POST Board is to receive to regulate education, selection, licensing and training standards for the state’s more than 11,800 police officers, $5.9 million is to be used to reimburse local governments for police officer training costs.

The POST Board must use $12 million of its funds to support and strengthen law enforcement training and implement best practices such as crisis intervention, de-escalation and cultural competency. The “Philando Castile Memorial Training Fund” will receive another $12 million in the 2024-25 biennium.

The new law mandates several new duties and policy changes for the POST Board, including:

• personal phone numbers and email addresses of law enforcement officers is classified as private data;

• effective Aug. 1, 2021, police chiefs must report all disciplinary actions taken against police officers for the purpose of identifying patterns of behavior suggesting an officer is in crisis or may violate a board-mandated model policy;

• effective Aug. 1, 2021, creation of a list of approved trainers and training courses related to police officers responding to individuals with mental illness or Alzheimer’s disease; and

• establishing new policies addressing the use of confidential informants by law enforcement – Matthew’s Law. (Art. 9, Secs. 26-30)

Corrections

The Department of Corrections will receive $1.27 billion to operate the state’s 11 prisons, of which $931 million is for incarceration and pre-release services, $276 million for community supervision and post-release services and $63.2 million for general operations.

Of the total Department of Corrections appropriation, the new law specifies spending:

• $418 million for salary increases;

• $3.2 million for ongoing technology needs;

• $2.3 million for supplemental probation officer reimbursements to Meeker, Mille Lacs and Renville counties;

• $1.5 million to expand and improve oversight of jails;

• $300,000 for a grant to a nonprofit organization to provide curriculum and corporate mentors to inmates and assist inmates in finding meaningful employment upon release;

• $200,000 to implement the “Healthy Start Act” to create a release program for pregnant women and new mothers; and

• $37,000 to provide a one-month supply of medications and a refillable prescription to inmates at the time of their release.

New or modified policies for the Department of Corrections, each effective Aug. 1, 2021, unless noted, include:

• requiring the department to maintain annual statistics and provide them in an annual report;

• establishing a clear process for the department to revoke a license of any correctional facility in the state for inmate safety violations;

• requiring the department to prepare an annual report to the Legislature with statistics on inmate deaths, the use of force, suicide attempts and other data;

• mandating that inmate death reports must use an objective, medical expert and/or mental health expert, assess for preventable mortality and morbidity within 90 days of death and report to the department any recommendations for changes in policy, procedure, or training to reduce the number of future fatalities; and

• effective July 1, 2021, limiting when harmful or deadly force can be used on an inmate, and adds a duty to report within 24 hours if an employee witnesses an impermissible use of such force. (Art. 9, Sec. 4, 7-11, 16, 18)

Disaster Assistance Contingency Account

The Disaster Assistance Contingency Account was created in 2014 to provide immediate disaster response funding without further legislative action. Prior to its creation, the Legislature would need to convene, often in a special session, every time a disaster was declared to appropriate money toward response efforts.

The new law appropriates $30 million to the account, but only if the fiscal year 2021 final closing balance in the General Fund exceeds the closing balance projected at the end of the 2021 first special legislative session by at least $30 million. (Art. 1, Sec. 21)

Public Safety
2021-2022 Regular Session

Law enforcement receives funding to respond to potential civil unrest

A new law appropriates $7.8 million in fiscal year 2021 to support law enforcement agencies required to respond to recent incidents of civil unrest.

The law, effective April 28, 2021, appropriates $6.3 million from the General Fund to the Department of Public Safety to pay for state trooper and DNR conservation officer expenses related to civil unrest response, including costs arising from restoring or maintaining civil order.

Another $1.5 million from the General Fund goes to the to the public safety commissioner for costs directly attributable to additional public safety assistance for civil unrest response. Rules describing how this money can be spent are outlined in the Interstate Emergency Management Assistance Compact.

The law is sponsored by Rep. Carlos Mariani (DFL-St. Paul).

HF729*/none/CH13

Public Safety
2021-2022 Regular Session

‘Healthy Start Act’ offers conditional release to inmates who give birth

Pregnant inmates will be able to spend more time with their baby.

Dubbed the “Healthy Start Act,” and effective Aug. 1, 2021, a new law authorizes the Department of Corrections to conditionally release for up to one year postpartum, an inmate who gave birth within eight months of the date of commitment; and for the duration of the pregnancy and up to one year postpartum, an inmate who is pregnant.

The department must develop policy and criteria for such conditional releases, which may include community-based programming providing prenatal or postnatal care, parenting skills classes, working at paid employment, seeking employment, educational programming, or chemical dependency or mental health treatment services.

A report is due to the Legislature by April 1 each year on the number of inmates released under this law and the duration of their release.

The law is sponsored by Rep. Jamie Becker-Finn (DFL-Roseville) and Sen. Mary Kiffmeyer (R-Big Lake).

HF1403/SF1315*/CH17

Public Safety

2021 Special Session

Omnibus public safety and judiciary law funds, and makes changes to courts, cops, and corrections

The omnibus public safety and judiciary policy and finance law appropriates $2.64 billion in the 2022-23 biennium to fund the Department of Public Safety, Department of Corrections, Minnesota courts, civil legal services, Guardian ad Litem Board, Tax Court, Uniform Laws Commission, Board on Judicial Standards, Board of Public Defense, Human Rights Department, Peace Officers Standards and Training Board and sets funding in the Disaster Assistance Contingency Account.

The wide-ranging law makes several policy changes in these areas, including reforming civil asset forfeiture laws, establishing new procedures for using confidential jailhouse informants, prohibiting the use of restraints on children appearing in court, strengthening jail safety rules and changing criminal sexual assault statutes to permit prosecution of cases where victims were intoxicated through voluntary consumption.

Sponsored by Rep. Carlos Mariani (DFL-St. Paul) and Sen. Warren Limmer (R-Maple Grove), the law took effect July 1, 2021, unless otherwise noted.

All budget figures are for the 2022-23 biennium unless otherwise noted.

[MORE: View the spreadsheet]

2021 Special Session: SSHF63*/SSSFnone/SSCH11

Judiciary, civil law and courts

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Other judiciary appropriations are:

• $217.8 million for the Board of Public Defense;

• $44 million for the Guardian Ad Litem Board (includes a 2.5% salary increase);

• $10.9 million for the Department of Human Rights;

• $1.5 million for the Sentencing Guidelines Commission;

• $1.2 million for the Board of Judicial Standards; and

• $200,000 for the Uniform Laws Commission.

The law includes a fiscal year 2022 grant of $500,000 to improve courthouse security, $400,000 to increase salaries for courtroom foreign language interpreters and $931,000 to add a judge in the Fifth Judicial District.

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Other public safety policy changes include:

• directing the state fire marshal and Department of Labor and Industry to issue building-specific waivers for any elements of the state fire or building codes that conflict with a federally recognized tribe’s religious beliefs, traditional building practices or established teachings;

• the state court administrator is to conduct a feasibility study on requiring the courts to order individuals convicted of felonies to undergo a neuropsychological examination;

• establishment of a 911 telecommunicator working group to, in part, recommend standards, training and continuing education requirements for certification of 911 telecommunicators; and

• creating a task force on aiding and abetting felony murder “to collect and analyze data on the charging, convicting, and sentencing of people for aiding and abetting felony murder; assess whether current laws and practices promote public safety and equity in sentencing; and make recommendations to the legislature.” (Art. 2, Secs. 17, 19, 46-47, 53)

Board of Peace Officer Standards and Training

Of the $23.1 million the POST Board is to receive to regulate education, selection, licensing and training standards for the state’s more than 11,800 police officers, $5.9 million is to be used to reimburse local governments for police officer training costs.

The POST Board must use $12 million of its funds to support and strengthen law enforcement training and implement best practices such as crisis intervention, de-escalation and cultural competency. The “Philando Castile Memorial Training Fund” will receive another $12 million in the 2024-25 biennium.

The new law mandates several new duties and policy changes for the POST Board, including:

• personal phone numbers and email addresses of law enforcement officers is classified as private data;

• effective Aug. 1, 2021, police chiefs must report all disciplinary actions taken against police officers for the purpose of identifying patterns of behavior suggesting an officer is in crisis or may violate a board-mandated model policy;

• effective Aug. 1, 2021, creation of a list of approved trainers and training courses related to police officers responding to individuals with mental illness or Alzheimer’s disease; and

• establishing new policies addressing the use of confidential informants by law enforcement – Matthew’s Law. (Art. 9, Secs. 26-30)

Corrections

The Department of Corrections will receive $1.27 billion to operate the state's 11 prisons, of which $931 million is for incarceration and pre-release services, $276 million for community supervision and post-release services and $63.2 million for general operations.

Of the total Department of Corrections appropriation, the new law specifies spending:

• $418 million for salary increases;

• $3.2 million for ongoing technology needs;

• $2.3 million for supplemental probation officer reimbursements to Meeker, Mille Lacs and Renville counties;

• $1.5 million to expand and improve oversight of jails;

• $300,000 for a grant to a nonprofit organization to provide curriculum and corporate mentors to inmates and assist inmates in finding meaningful employment upon release;

• $200,000 to implement the "Healthy Start Act" to create a release program for pregnant women and new mothers; and

• $37,000 to provide a one-month supply of medications and a refillable prescription to inmates at the time of their release.

New or modified policies for the Department of Corrections, each effective Aug. 1, 2021, unless noted, include:

• requiring the department to maintain annual statistics and provide them in an annual report;

• establishing a clear process for the department to revoke a license of any correctional facility in the state for inmate safety violations;

• requiring the department to prepare an annual report to the Legislature with statistics on inmate deaths, the use of force, suicide attempts and other data;

• mandating that inmate death reports must use an objective, medical expert and/or mental health expert, assess for preventable mortality and morbidity within 90 days of death and report to the department any recommendations for changes in policy, procedure, or training to reduce the number of future fatalities; and

• effective July 1, 2021, limiting when harmful or deadly force can be used on an inmate, and adds a duty to report within 24 hours if an employee witnesses an impermissible use of such force. (Art. 9, Sec. 4, 7-11, 16, 18)

Disaster Assistance Contingency Account

The Disaster Assistance Contingency Account was created in 2014 to provide immediate disaster response funding without further legislative action. Prior to its creation, the Legislature would need to convene, often in a special session, every time a disaster was declared to appropriate money toward response efforts.

The new law appropriates $30 million to the account, but only if the fiscal year 2021 final closing balance in the General Fund exceeds the closing balance projected at the end of the 2021 first special legislative session by at least $30 million. (Art. 1, Sec. 21)

Public Safety
2021-2022 Regular Session

Hospice workers will be notified if they are caring for registered predatory offenders

Effective Aug. 1, 2021, hospice providers will be notified if a patient under their care is a registered predatory offender.

The new law will require that notice of a predatory offender be given to hospice providers in the same manner that other in-home health care providers receive notice.

The law is sponsored by Rep. Heather Edelson (DFL-Edina) and Sen. Mark Johnson (R-East Grand Forks).

HF331/SF443*/CH20

Public Safety
2021-2022 Regular Session

Technical change to identity theft law

A new law makes a technical change to criminal identity theft statutes, separating penalties for identity theft from child pornography crimes by placing them in two different paragraphs.

The law, effective Aug. 1, 2021, is sponsored by Rep. John Huot (DFL-Rosemount) and Sen. Greg Clausen (DFL-Apple Valley).

HF809*/SF104/CH25

Public Safety
2021-2022 Regular Session

New law aims to help newly released inmates reintegrate into the community

The Department of Corrections will be required to provide several additional types of assistance to inmates released from state correctional facilities to help facilitate a successful reentry into the community.

A new law, effective Sept. 1, 2021, unless otherwise noted, requires the department to provide released inmates:

• a copy of the inmate's unofficial criminal history compiled by the department;

• information on how to obtain the inmate's full official criminal history from the Bureau of Criminal Apprehension;

• general information describing the laws and processes for obtaining an expungement of the inmate's criminal record;

• general information on the inmate's right to vote;

• current information on local career workforce centers;

• a record of the programs the inmate completed while in prison;

• an accounting of any court-ordered payments, fines and fees owed upon release of which the department has knowledge;

• assistance in obtaining a Social Security card;

• a medical discharge summary;

• effective July 1, 2022, information on how to obtain a complete copy of the inmate's medical record at no charge;

• general information on the Supplemental Nutrition Assistance Program benefits, eligibility criteria and application process;

• assistance securing copies of a birth certificate, upon request of an inmate;

• assistance in working with the Department of Public Safety to provide no-fee state ID cards;

• assistance applying for government-funded medical insurance prior to release from incarceration; and

• help developing a homelessness mitigation plan.

These requirements do not apply to inmates imprisoned for a release violation.

Regardless of the reason for imprisonment, the Department of Corrections must provide all inmates in need of non-narcotic prescription medications a 30-day supply upon release.

The law also establishes that a valid Department of Corrections or Federal Bureau of Prisons identification card, containing the released inmate's full name, date of birth, and photograph is an acceptable secondary form of proof of identity in an application for a state ID card, instruction permit or driver's license.

Effective July, 1, 2021, the new law also requires the Department of Corrections to submit a report to the Legislature on the department's homelessness mitigation plan by Oct. 31, 2022, and a report detailing the number of inmates released to homelessness from prison by Feb. 15, 2022, and annually thereafter.

Rep. Erin Koegel (DFL-Spring Lake Park) and Sen. David Osmek (R-Mound) sponsor the law.

HF553/SF519*/CH24

State Government

2021-2022 Regular Session

Powerball, other lottery winners can keep names private

Someone who wins a lottery game with a cash payment exceeding $10,000 will be able to keep their name private. The same is true of a second chance drawing winner.

Sponsored by Rep. Carlie Kotyza-Witthuhn (DFL-Eden Prairie) and Sen. Mary Kiffmeyer (R-Big Lake), a new law adds to state statute that allows lottery officials to not disclose a winner’s phone number and address.

A winner's city of residence, prize amount and where the ticket was purchased remains public information.

According to the law, “The name of the winner of a lottery prize … may be made public if the winner provides written consent after the director has informed the winner of the director's intended use of the winner's name.”

The law takes effect Sept. 1, 2021.

HF832/SF151*/CH15

State Government

2021 Special Session

Law includes end to peacetime emergency, create absentee ballot drop box requirements

Representatives and senators are tasked with passing a state budget for areas of state government activity from agriculture to zoos. Then the governor has to give his approval.

A new law will fund all those elected folks and other state operations.

Rep. Michael Nelson (DFL-Brooklyn Park) and Sen. Mary Kiffmeyer (R-Big Lake) sponsor the law that, in addition to appropriations for various agencies, boards and commissions, contains a handful of elections provisions, including a process for absentee ballot drop boxes and policy issues related to veterans. The law took effect July 1, 2021, unless otherwise noted.

It also terminates the March 23, 2020, peacetime emergency declaration by Gov. Tim Walz to address the state’s response to the COVID-19 pandemic.

2021 First Special Session: SSHF12/SSSF2*/SSCH12

State government spending

The law calls for $1.25 billion in General Fund spending in the 2022-23 biennium, a $78.5 million increase over the 2020-21 biennium. The Office of the Attorney General is to receive $7.86 million more. Nearly $5 million of that is for investments in critical litigation technology resources necessary in modern litigation for a public law office. Other increases include $1.03 million for security upgrades, $700,000 for wage theft enforcement, $600,000 to help maintain experienced staff and $578,000 for enhanced antitrust resources.

Other changes include an $11.03 million increase for the Department of Revenue, mainly for an operating adjustment; $4.52 million for Minnesota Management and Budget; $4.37 million for MN.IT, mostly to implement recommendations from the Governor’s Blue Ribbon Council on Information Technology; $2.8 million for the state auditor’s office, including almost $1.49 million to create a School Finance Accountability team; and $2.39 million more for the Administration Department. Many small agencies will receive slight operating adjustments.

Included in the funding is a $3.67 million operating adjustment for the Senate, $2.65 million for the House, $1.08 million for the Legislative Coordinating Commission and $579,000 for the Legislative Budget Office. Legislators are due to a $1,750 annual salary bump approved in March by the Legislative Salary Council.

The Health Eating, Here at Home program — known as Market Bucks — which matches Supplemental Nutrition Assistance Program spending dollar-for-dollar (up to $10) at participating farmers markets, will again be funded at $650,000 for the biennium. Funding for the program that helps low-income residents make more purchases at farmers’ markets was formerly funded in the agriculture law.

Fiscal year 2021 cancellations of nearly $10.41 million in unspent funds are included in the law, as is $198,000 from the information and telecommunications technology systems and services account. On July 1, 2023, $1.2 million from the data security account will be canceled to the General Fund (Art. 1, Secs. 2-40)

[MORE: View the spreadsheet]

To maximize federal CARES Act fund usage, a COVID-19 flexible response account is created to pay expenditures that will later be reimbursed with federal dollars. A Legislative COVID-19 Response Commission will review proposed allocations from the account. (Art. 5, Secs. 1-5)

Elections

The law contains a $4.25 million funding increase for the Office of the Secretary of State, including $2 million for local grants for absentee ballot drop boxes and $1.5 million for election equipment grants.

Additionally, the law gives the office authority to distribute grants to local governments totaling $3 million in federal funds for election security upgrades.

The law formalizes a process for a municipality or county to use absentee ballot drop boxes, including security measures to enable round-the-clock access. A drop box must be:

• placed in an outdoor location and affixed to a building or bolted to a concrete pad;

• recorded at all times during the absentee voting period;

• secured against unauthorized access or weather damage; and

• emptied at least once per business day.

The agreement also includes language regarding storage of collected ballots, drop box locations, hours, signage and when a list of locations must be published on specific websites.

Establishment of standards for a manual recount of votes on a proposed constitutional amendment are included in the law. A recount will be required if the number of affirmative votes is within 0.25% of the number of all other ballots cast.

The law also establishes a deadline for county auditors to report information on undeliverable postal verification card data to the secretary of state, requires a jurisdiction providing election supplies to ensure a pen or other marking device suitable for the voting system being used is available in each voting booth, and requires election records and materials retained after an election to be stored in a locked container or other secured and locked space. (Art. 1, Secs. 6, 41-42; Art. 4, Secs. 3-6, 9-10, 12)

Veterans and Military Affairs

A nearly $30.9 million increase is slotted for the Department of Veterans Affairs, including $8.69 million to operate new veterans homes in Bemidji, Montevideo and Preston. Another $4.5 million would be a state match to construct a veteran’s cemetery in Redwood Falls.

The department will also receive an $8.22 million operating adjustment, $6.33 million will be for an initiative to end veteran homelessness and $1.65 million aims “to address the problem of death by suicide among veterans in Minnesota.”

The law permits the Department of Veterans Affairs to establish a stable housing initiative to provide resources to assist veterans experiencing homelessness. To more quickly help a veteran experiencing or at the risk of homelessness, the department can share a veteran’s data to coordinate homelessness prevention efforts with the Minnesota Interagency Council on Homelessness and Homeless Veterans Registry partners.

The law will also:

• create an alternative-sentencing option for veterans with service-connected trauma, substance abuse or mental health conditions who commit certain crimes;

• rename the first Saturday in October from Veterans Suicide Awareness Day to Veterans Suicide Prevention and Awareness Day to raise awareness and promote prevention of suicides by veterans;

• let the Department of Veterans Affairs hire a publicity representative, a position that exists in some other state agencies;

• explicitly authorize the department to operate adult day care programs for veterans;

• allow the department to directly provide dental services for veteran’s homes resident.

• update the adjutant general appointment process, including that it must occur within 120 days of the position becoming vacant, term limit and rank requirement;

• correct ambiguities in, and clarify eligibility benefits, under the Minnesota GI bill; and

• establish requirements for the department to calculate the personal needs allowance for domiciliary residents. (Art. 3, Secs. 1-10, 12-13, 15)

Other policy provisions include:

• creation of a Capitol Area building account that could lead to a renovation or update of capitol complex buildings built before 1940, to address critical health, life safety, and security needs. Funds could come from issuance of lease revenue bonds or certificates of participation;

• the legislative auditor’s office is requested to conduct a review of the state's response to COVID-19;

• Minnesota Management and Budget shall procure a contract for the services of a pharmacy benefit manager to administer the prescription drug benefit and pharmacy benefit management services for members of the State Employees Group Insurance Program, effective Jan. 1, 2023;

• MMB can establish a virtual payments program to allow state payments to vendors through an electronic credit rather than a check;

• MMB is to contract with a qualified auditor to conduct an annual audit of the state’s use of federal grant funds, something managed by the Office of the Legislative Auditor since 1983;

• creation of a Legislative Commission on Cybersecurity;

• payment of an electric service fee for someone using a charging station in the State Capitol Complex to charge a private electric vehicle;

• recognizing Daylight Saving Time as the standard of time all year, provided federal legislation permits this change;

• eliminating a requirement that the manager of a salon school be a cosmetologist; and

• designating Aug. 15 as India Day “to commemorate and celebrate the diverse culture, heritage, traditions, and contributions of Minnesotans of Indian ancestry.” (Art. 2, Secs. 1-2, 4-8, 10, 20-22)

State Government
2021-2022 Regular Session

Claims law totals nearly $110,000 in payouts

Each year, a joint House-Senate Subcommittee on Claims decides which claims against the state it should fund.

This year's law calls for $109,865.28 in payments in fiscal year 2022.

The largest part of this year’s law is $108,684.65 to Nicholas Peterson who sought relief under the Imprisonment and Exoneration Remedies Act that provides a compensation process for cases where a person is exonerated of a felony for which they were wrongfully incarcerated. He served 572 days in prison and 220 days on supervised release.

The other $1,180.63 is for sentence-to-service and community work service claims under $7,000 and other claims already paid out by the Corrections Department.

Rep. Mary Murphy (DFL-Hermantown) and Sen. Bruce Anderson (R-Buffalo Township) sponsor the law that takes effect July 1, 2021.

HF2360*/SF2269/CH26

State Government
2021-2022 Regular Session

State government, MN.IT, elections and campaign finance changes in new law

A new law contains numerous mostly technical and conforming policy provisions that address elections and campaign finance, information technology and state government operations.

Sponsored by Rep. Michael Nelson (DFL-Brooklyn Park) and Sen. Mary Kiffmeyer (R-Big Lake), it takes effect Aug. 1, 2021, unless otherwise noted.

HF1952*/SF1831/CH31

Information technology

The most public-facing change is the renaming of Office of MN.IT Services to the Department of Information Technology Services, conforming statutory references and listing the department among the state government cabinet level departments. (Art. 2, Secs. 1-5, 13-14, 16-17)

The current Technology Advisory Committee will be renamed Technology Advisory Council and the law adds nine new appointees to its membership for a total of 15. Of the new members, the governor shall select six “with private-sector or public-sector IT experience or experience in academia pertaining to IT.” Additionally, four legislators will be ex-officio nonvoting members. (Art. 2, Sec. 9)

Other IT changes include:

• allowing the chief information officer to appoint a delegate to approve a proposed technology project;

• eliminating certain requirements related to the development of data processing systems and how those systems are defined;

• eliminating a requirement that up to 10 percent of a proposed budget for a project may be spent until a risk assessment and risk mitigation plan is in place; and

• restructuring language regarding the method of encumbering appropriations for certain large IT projects. (Art. 2, Secs. 7-8, 10-11)

State Government Policy

A number of changes to the Office of the Legislative Auditor are included in the law. For example, the law provides statutory authorization to conduct a “special review,” and more clearly details the type of work conducted during a special review.

It also updates language and terminology regarding the office’s authority to conduct financial audits of executive branch and judicial branch agencies and offices; the authority to request inspection of an audit subject’s records and to require cooperation with the auditor’s requests; and it eliminates specific mandates related to audits of the Department of Human Services. (Art. 1, Secs. 3-8)

A Capitol flag program will be established to “make a Minnesota state flag and an American flag that were flown over the Minnesota State Capitol available to the family members of a public safety officer killed in the line of duty or a member of the United States armed forces who died while in active service.” This flag would be available for a free, or may require a fee, depending on the date of the death and the number of flags requested. (Art. 1, Sec. 11)

Other parts of the law will:

• allow the state to access federal funds received in fiscal years 2021-23 for construction of veterans homes in Preston, Montevideo and Bemidji;

• allow handlers to take ownership of a state service dog after the canine retires;

• ensure the Legislative Reference Library is entitled to receive a copy of all documents published by the state at no cost to the Legislature or library;

• authorize the Legislative Coordinating Commission to coordinate the activities of joint legislative commissions, committees, offices and task forces;

• eliminate an obsolete requirement to direct a portion of any surplus funds at the end of a biennium to be transferred to the clean water fund, up to a total of $22 million;

• eliminate references to the materials handling services and the state recycling center from the list of authorized uses of the general services revolving fund;

• define “passenger motor vehicle” in the law authorizing the commissioner of administration to manage a central fleet of vehicles for use by state agencies;

• change "central motor pool" to "enterprise fleet" in state statutes;

• allow inmate community work crew programs administered by the Department of Corrections to use unmarked state vehicles;

• update technical references related to state historic preservation; and

• Gambling Control Board members can remain in their position until a successor is appointed. (Art. 1, Secs. 1-2, 4, 9, 12-15, 17-27)

Elections

Most elections changes are numerous technical and conforming changes for the Office of the Secretary of State, but a few other changes are in the law.

Provisions in the law include:

• establishing thresholds for determining acceptable performance by a voting system, and requiring additional review of the election results if the thresholds are exceeded;

• effective May 26, 2021, a special election cannot be held on a holiday or during the four days before or after a holiday;

• a deadline for contesting a special primary election for a state legislative office is provided;

• a request a publicly funded recount may not be filed before a canvass of the election results is complete;

• expanding the definition of military for the state's absentee voting laws;

• lists of people applying for an absentee ballot — and voters who have submitted absentee ballots that have not been accepted — must be made available to the public in the same manner as the public information lists;

• requiring ballots for a special election to include a space for write-in votes;

• candidates for president and vice president and candidates for governor and lieutenant governor must jointly file a request to have write-in votes counted;

• a town clerk and must notify the secretary of state if voting hours in the town will start later than required elsewhere;

• registered voters in an unorganized territory must present a petition for shorter polling place hours to the secretary of state at least 30 days before the election, in addition to the county auditor;

• authorizing election judges to presume that unopened, prepackaged ballots contain the number of ballots indicated by the package; and

• a person elected at a town special election must take the oath of office within 10 days after receiving a certificate of election or appointment. (Art. 3, Secs. 3, 7-11, 13, 16-17, 21, 26)

Campaign Finance

A campaign can spend up to $3,000 annually for specific security-related expenses for a candidate, "including home security hardware, maintenance of home security hardware, identity theft monitoring services, and credit monitoring services" and report them as non-campaign disbursements. This is effective May 26, 2021 and applies to payments made on or after Jan. 1, 2021. (Art. 4, Sec. 10)

Other changes in the law include:

• effective Aug. 1, 2021, a candidate, treasurer or chair can file alternate contact information with the Campaign Finance Board solely for the board to contact the candidate, treasurer or chair for administering campaign finance laws. The information is private data;

• effective Jan. 1, 2022, establishment of a reporting schedule for campaign expenditures related to local candidates and local ballot questions;

• effective Jan. 1, 2022, transferring campaign finance reporting requirements for certain Hennepin County elections and Minneapolis school district elections from the county to the Campaign Finance and Public Disclosure Board;

• adding the chancellor and members of the Board of Trustees of the Minnesota State system to the public official definition;

• updating language related to the annual statement of economic interest, including an increase from $50 to $250 in the threshold for requiring a report on an honorarium;

• references to local candidates are added in law governing political fund organizational requirements; and

• recodification of language related to the period of time required to be reported on a statement of economic interest. (Art. 4, Secs. 1-9, 11-13, 17-26, 32-33)

Taxes

2021 Special Session

New tax law has exemptions, aids — and a lot more than taxes

Conforming to federal tax law concerning the Paycheck Protection Program and unemployment benefits is only the beginning for the 2021 omnibus tax law, which covers a lot of territory that isn't just about taxation.

Sponsored by Rep. Paul Marquart (DFL-Dilworth) and Sen. Carla Nelson (R-Rochester), the law is estimated to produce $49.1 billion in revenue in the 2022-23 biennium and provide $4.2 billion in refunds, aids and credits, including $761 million in new tax cuts and credits.

The biggest portion of that $761 million comes from pulling state tax law into conformity with the federal government on tax exempt status for forgiven Paycheck Protection Program loans and unemployment benefits up to $10,200. The Revenue Department is expected to provide guidance to taxpayers on amending their 2020 tax returns.

Here are the chief changes to tax policy as a result of the law, along with several miscellaneous items added in the final days of the June special session. All changes are effective for tax year 2021, except where indicated.

2021 Special Session: SSHF9*/SSSF26/CH14

Individual income and corporate franchise taxes

Among the changes the law makes to Minnesota's individual income and corporate franchise taxes, it:

• extends the small business investment credit (or "angel credit") and historic structure rehabilitation credit for one year each, effective July 1, 2021;

• establishes new state tax credits for film production (effective for tax years 2021-24) and charitable contributions to a housing investment account at Minnesota Housing, effective for tax years 2023-28;

• adopts selected federal tax changes enacted by Congress since Dec. 31, 2018, including tax provisions affecting unemployment compensation and the Paycheck Protection Program, effective for tax year 2020;

• clarifies elements of the state's itemized deduction for casualty losses, effective July 1, 2021;

• establishes a state subtraction for payments from charitable contributions to volunteer drivers;

• allows taxpayers ages 19 to 21 without children to qualify for the Minnesota working family credit;

• modifies the student loan credit calculation to reduce the marriage penalty; and

• eliminates the state addition for section 179 carryovers for property placed into service prior to tax year 2020. (Art. 1, Secs. 1-17)

Partnership audits

The law modifies Minnesota's reporting and payment requirements generated by federal audits and assessments in response to federal changes enacted in 2015. Those changes provide for conducting audits at the partnership level, rather than the partner level.

It also requires state reporting of federal adjustments from a partnership-level audit and allows assessments to be paid at the entity level. All changes are effective when effective for federal purposes. (Art. 2, Secs. 1-15)

Pass-through entity tax

The law establishes a fully refundable pass-through entity tax that allows electing pass-through businesses to pay state income tax at the entity level and deduct this tax for federal income tax purposes. Under federal law, taxes on pass-through income are subject to a cap on state and local income taxes of $10,000. (Art. 3, Secs. 1-8)

Sales and use taxes

Effective July 1, 2021, unless indicated otherwise, this section of the law makes several changes to the requirement of certain vendors to remit June accelerated sales tax liabilities, and provides exemptions for:

• the extra price paid to sit in a "preferred viewing location" for season tickets to a college sporting event;

• fundraising sales made by school-associated student groups;

• supplies and materials used in and equipment incorporated into construction or remodeling of public safety facilities and other various capital projects owned by a local government; and

• materials used in the reconstruction of properties destroyed or damaged by fire in Melrose (the exemption expiring July 1, 2023) and Alexandria, expiring Feb. 28, 2023. (Art. 4, Secs. 1-11, 13-15 and Art. 11, Sec. 46)

Vapor and tobacco taxes

The law makes conforming changes concerning the cigarette and tobacco products tax and regulations surrounding the distribution of tobacco products. The changes, effective Jan. 1, 2022, include:

• clarifying administrative requirements imposed on retailers and out-of-state retailers making sales into Minnesota;

• clarifying the definition of “nicotine solution products” to include other commonly used terms for nicotine solution product devices; and

• amending provisions that regulate distribution of tobacco products to align with changes made in the cigarette and tobacco taxes chapter regarding retailers and out-of-state retailers making sales into Minnesota. (Art. 5, Secs. 1-11)

Property taxes

Changes related to property taxes include:

• authorizing the creation of fire protection and emergency medical services special taxing districts, effective July 1, 2021;

• exempting from property taxes approximately 35 parcels owned by the Leech Lake Band of Ojibwe in Cass County, effective with assessment year 2021 and providing a refund of any state general taxes paid in 2020 and 2021;

• expanding the list of qualifying relatives for the agricultural relative homestead, effective for property taxes payable in 2022 and thereafter;

• moving the homestead application deadline to Dec. 31, effective with assessments in 2021;

• clarifying provisions of the Sustainable Forest Incentive Act;

• setting the first-tier valuation limit for 4d low-income rental housing property at $100,000 for assessment years 2022 and 2023;

• increasing the commercial-industrial market value excluded from the state general tax to $150,000, beginning with property taxes payable in 2023, and decreasing the state general levy by $20.1 million;

• adding a supplemental statement to the notice of proposed property taxes with the percent change in levy proposed and summary budget information for the county, city and school district, effective for property taxes payable in 2023 and thereafter;

• excluding veterans disability compensation from income used for the homestead credit refund and the renter’s property tax refund, effective beginning with property taxes payable in 2022 and rent paid in 2021;

• authorizing the use of special assessments for energy improvement projects, effective for assessments in 2022 and thereafter;

• requiring a report on the 4d affordable housing program to be completed by Jan. 15, 2022; and

• requiring the Department of Revenue to review the process by which utility and pipeline properties are valued, effective July 1, 2021. (Art. 6, Secs. 1-20)

Aids and credits

Among the law’s changes related to state aids are:

• transferring the portion of county program aid designated to public defender costs to the Board of Public Defense;

• providing additions to the Lake Vermillion-Soudan Underground Mine State Park, effective July 1, 2021;

• creating a new local homeless prevention aid to counties, effective beginning with aids payable in 2023 and thereafter;

• providing supplemental aid to cities losing local government aid in 2022;

• providing a grant to the City of Floodwood in fiscal year 2022; and

• providing grants to counties affected by a pipeline property tax appeal that must be paid by Aug. 15, 2021 (Art. 7, Secs. 1-7).

Local taxes

Among changes in local tax laws, the law:

• creates a definition of “capital project” for which revenues collected from a general local tax may be used, effective July 1, 2021;

• removes the expiration of the Sartell food and beverage tax, effective July 1, 2021; and

• authorizes general local sales taxes for Carlton County, Cloquet, Edina, Fergus Falls, Grand Rapids, Hermantown, Itasca County, Litchfield, Little Falls, Maple Grove, Mille Lacs County, Moorhead, Oakdale, St. Cloud, St. Peter, Staples, Wadena, Waite Park and Warren, all effective upon city compliance with approval and notice requirements for special laws (Art. 8, Secs. 1-21).

Tax increment financing

Effective July 1, 2021, general law surrounding tax increment financing is modified by:

• providing temporary flexibility of the use of unencumbered TIF increment;

• expanding the pooling rules to allow for expenditure of increment on certain housing projects;

• extending the five-year rule to eight years for redevelopment districts certified after Dec. 31, 2017, through June 30, 2020, and providing a corresponding extension of the six-year rule; and

• providing special tax increment financing authority to the cities of Bloomington, Burnsville, Minnetonka, Mountain Lake, Ramsey, Richfield, St. Louis Park, Wayzata and Windom, effective upon local approval and compliance with filing requirements for special laws (Art. 9, Secs. 1-12).

Public finance

The law modifies several municipal finance provisions, including allowing counties to use funds from county transportation sales taxes for buildings and facilities used for transportation or transit maintenance, and allowing municipalities to use street reconstruction bond proceeds to construct bicycle lanes, sidewalks and paths that are incidental to street reconstruction (Art. 10, Secs. 1, 6).

Other provisions

Among other changes, the law:

• prohibits a sitting member of the Legislature from accepting employment or compensation for services from any business that employs or contracts with lobbyists, government relations or government affairs professionals, effective Jan. 3, 2023;

• sets an expiration date for new tax expenditures of no more than eight years beyond adoption, effective beginning with the 2022 legislative session;

• establishes a legislative Tax Expenditure Review Commission;

• codifies an executive order recognizing the legal relationship between Tribal Nations and the state of Minnesota;

• increases the budget reserve amount;

• adds an incentive for the production of oriented strand board at a facility meeting certain qualifications;

• creates a $24 million targeted community capital project grant program for nonprofit organizations and government entities, with priority given to applicants without a history of receiving capital grants from the state, or that represent or serve underserved communities, effective Aug. 1, 2021;

• alters state dental reimbursement policy and requires private nonprofit hospitals to make their lease agreements with local governments public;

• requires contractors with access to federal tax information to undergo background checks;

• requires the Department of Revenue to file a biennial tax incidence report to the Legislature;

• makes changes to the production tax and solid waste management tax;

• makes changes in production taxes related to iron ore;

• authorizes the Seaway Port Authority of Duluth to form a nonprofit corporation;

• provides a $1.4 million grant to the Victoria Theater Arts Center in St. Paul;

• appropriates $250,000 in fiscal year 2022 to Explore Minnesota Tourism for a grant to the Grand Portage Band to focus on tourism to Grand Portage;

• authorizes the commissioners of human services or health to declare a public health disaster if either determines that the state must take action to protect the public health as part of the state's response to the ongoing COVID-19 infectious disease outbreak;

• creates a working group to make recommendations to the Legislature on how to disburse $250 million in direct financial support to frontline workers;

• provides appropriations to the Department of Revenue, Legislative Coordinating Commission and City of Biwabik;

• authorizes $6 million in grants for meat processing businesses in redevelopment areas in South St. Paul; and

• appropriates $6.2 million to the Department of Transportation in fiscal year 2022 for project development of a land bridge over Interstate 94 in the Rondo area of St. Paul. (Art. 11, Secs. 1-14, 16-24, 26-34, 36-38, 40-45)

Transportation
2021 Special Session

Omnibus transportation law appropriates billions for infrastructure, public transit

Infrastructure, public transit and much more will receive billions of dollars in funding under the provisions of a new law that also contains dozens of policy updates and changes.

Sponsored by Rep. Frank Hornstein (DFL-Mpls) and Sen. Scott Newman (R-Hutchinson), the omnibus transportation law is generally effective July 1, 2021.

The omnibus transportation finance and policy law appropriates $7.27 billion and includes funding for the Department of Transportation, Department of Public Safety and the Metropolitan Council during the upcoming 2022-23 biennium.

The funding includes $220.4 million in net General Fund spending over base during the biennium. The total appropriations by agency are:

• $6.49 billion for the Department of Transportation;

• $516.3 million for the Department of Public Safety; and

• $235.7 million for the Metropolitan Council.

[MORE: View the spreadsheet]

The law includes hundreds of millions of dollars for road and bridge work around the state, and also makes a number of one-time General Fund appropriations above the base. Those for MnDOT include:

• $18 million for the Small Cities Assistance program;

• $14 million for the Local Bridge program;

• $12 million for town roads (above the formula-based distribution);

• $10 million for a second daily Amtrak train between Minneapolis/St. Paul and Chicago;

• $5.6 million for an airport runway in Karlstad;

• $5.5 million for the Local Road Improvement program;

• $5 million for the Safe Routes to School program (above the base appropriations of $500,000 annually);

• $5 million for the Active Transportation program; and

• $300,000 for a grant to the Interstate Highway 494 Corridor Commission;

One-time General Fund appropriations above base for the Metropolitan Council include:

• $57.5 million for arterial bus rapid transit projects;

• $250,000 for a zero-emission transit vehicle transition plan; and

• $250,000 for an analysis of transit service in a Trunk Highway 55 corridor.

The Department of Public Safety will also receive a one-time General Fund appropriation of $14.8 million for grants to install school bus stop-arm cameras.

There is also $213 million in trunk highway bonding authorized in fiscal year 2022 and an additional $100 million in each year of the 2024-25 biennium for the Corridors of Commerce program. A provision in the law also revises selection criteria and requirements for the program.

The fiscal year 2022 appropriation from trunk highway bond proceeds allocates $100 million for state road construction. It also provides $113 million for “Regional and Community Investment Priorities,” which the Department of Transportation has indicated will be allocated:

• $31 Million for Ramsey Gateway/U.S. Highway 10;

• $30 million for U.S. Highway 10 in Wadena;

• $27 million for Interstate 94 Westbound in Albertville; and

• $25 million for U.S. Highway 212 in Carver County.

A $30.9 million General Fund appropriation to the Department of Transportation was also made for trunk highway corridor studies and local projects. While not specified in the legislation, the projects anticipated to be funded include:

• $8 million for the expansion of U.S. Highway 8 from two to four lanes in Chisago County;

• $7 million for 99th Avenue and Trunk Highway 65 in Blaine;

• $3.5 million for a bridge over Interstate 694 in Washington County;

• $3.03 million for Sherburne street and utility reconstruction;

• $2.5 million for U.S. Highway 169, Trunk Highway 282 and County State Aid Highway 9 in Scott County;

• $2.5 million for studies of Trunk Highways 3, 77 and 55;

• $1.5 million for a roundabout on Trunk Highway 41 in Chanhassen;

• $1.4 million for a study of Interstate 35 in Dakota County;

• $1 million for a study of U.S. Highway 10 in St. Cloud; and

• $500,000 for a study of I-35 and County State Aid Highway 9 in Rice County.

Policy

The law contains a number of policy provisions meant to address public safety issues, such as ending driver’s license suspensions for some violations including unpaid traffic tickets and fines (effective Jan. 1, 2022), and reducing the fee for some license reinstatements, which supporters say will allow more people to drive legally and safely.

There is also money to outfit state troopers with body cameras and for beefed up security around the State Capitol Complex.

Some of the other notable policy provisions in the law will:

• establish that, beginning in fiscal year 2026, the amount of funding needed for Metro Mobility will be included in the state’s budget forecasts with the expectation that program will be fully funded moving forward;

• set school bus inspection standards to national standards;

• require MnDOT to make information on requirements and the selection process for the Safe Routes to School program available on its website;

• direct the Department of Public Safety to implement a process to provide self-service kiosks for motor vehicle registration renewals;

• establish a $20 fine for people who miss a driver's knowledge or road test, or cancel it within 24 hours of the appointment time (effective Nov. 1, 2021, or on completion of the necessary programming). Requirements for who can monitor an online driver's license knowledge test are also modified;

• modify fees for various types of license plates;

• clarify that electric bicycles are not defined in state statute as "off-road" or "all-terrain" or "motor" vehicles, and create three different classifications for e-bikes based on their pedal assist top speed;

• reduce the maximum power of an electric bicycle motor from 1,000 to 750 watts, and set certain equipment and labeling requirements;

• establish that bicycle lanes are part of the roadway, not the shoulder;

• require that someone appointed by the court to serve on an eminent domain property valuation panel must reside in Minnesota;

• increase the fee for a motorcycle endorsement on a driver's license;

• eliminate a requirement that an appointed county highway engineer must be a citizen and resident of Minnesota;

• require a study of speed management in work zones;

• broaden the prohibitions list on use of Trunk Highway Fund dollars for specified purposes (effective July 1, 2025);

• require a same-day driver's license pilot project in Lakeville and Moorhead (effective Oct. 1, 2022);

• require state agencies to detail their proposed Trunk Highway Fund and Highway User Tax Distribution Fund spending in their biennial budget proposals;

• prevent the Metropolitan Council from using newly authorized regional transit capital bond proceeds for light rail transit lines or expansion;

• change the motor vehicle sales tax revenue available to MnDOT to administer Greater Minnesota transit from a fixed dollar amount to up to 2% of annual revenue;

• direct the Metropolitan Council to develop a zero-emission plan for its transit vehicle fleet;

• allow single-occupant vehicles to operate in MnPASS lanes during certain specified holidays;

• provide for an independent review of the MNDRIVE system's performance and processes;

• allow Minneapolis to use previously authorized value capture district funds for other types of transit lines beyond streetcars;

• authorize the Minneapolis Park and Recreation Board to set the speed limit on parkways within the parks (effective the day after the board's approval);

• create several new specialty license plates, including agriculture, honorary consul and Minnesota 100 club plates;

• revise the 30-day trip-permit fee to be one-twelfth the registration tax amount on trucks and tractors; and

• direct MnDOT to arrange a study of the impact COVD-19 has had on public transportation and commuters, to be done by the Center for Transportation Studies at the University of Minnesota.

The law also designates new memorial highways and bridges, including:

• a segment of Trunk Highway 13 that runs through and in the vicinity of Waseca as the "Corporal Caleb L. Erickson Memorial Highway";

• a segment of U.S. Highway 12 within Howard Lake as the "Chief Daryl "Taddy" Drusch Memorial Highway";

• a bridge on U.S. Highway 52, at Wentworth Avenue in West Saint Paul, as the "Private Joseph Marthaler Memorial Bridge";

• Trunk Highway 11 from Roseau to Warroad as the "Patrol Inspector Robert H. Lobdell Memorial Highway"; and

• a portion of Trunk Highway 310 from Roseau to Canada, as the "Deputy Richard K. Magnuson Memorial Highway."

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