

**PUBLIC INFORMATION SERVICES**  
175 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155  
(651) 296-2146  
Fax: (651) 297-8135



**Minnesota  
House of  
Representatives**  
Steve Sviggum, Speaker

FOR IMMEDIATE RELEASE  
Date: Dec. 19, 2005  
Contact: Lee Ann Schutz  
(651) 296-0337  
leeann.schutz@house.mn

## **New Laws Effective Jan. 1, 2006**

*Editor's note: The following is a listing of selected new laws passed during the 2005 regular and special legislative sessions that take effect Jan. 1, 2006. The asterisk following the bill number (HF898\*) denotes the language that became law. A complete summary of new laws, vetoed bills and bills in limbo from the 2005 session is available online from House Public Information Services.*

*Go to [www.house.mn/hinfo/newlaws/newlawsmain.asp](http://www.house.mn/hinfo/newlaws/newlawsmain.asp).*

### **Business**

#### **Criminals barred from serving as mortgage originators**

Beginning Jan. 1, 2006, individuals who have been convicted of a criminal offense involving dishonesty, a breach of trust or money laundering may no longer serve as mortgage originators unless they have prior written consent from the commerce commissioner. The provision is part of an omnibus financial institutions law sponsored by Rep. Rod Hamilton (R-Mountain Lake) and Sen. Dan Sparks (DFL-Austin).

HF1824/SF1636\*/CH118

### **Crime**

#### **New meth laws take effect**

Methamphetamine cooks may have to pay others for cleaning up their mess.

Beginning Jan. 1, 2006, people convicted of manufacturing or attempting to manufacture methamphetamine or similar drugs involving precursor chemicals may be required to pay restitution to police and fire departments and any other government agencies involved in an emergency response to their criminal activity.

In addition, meth makers may be forced to pay restitution to any property owner who "incurred removal or remediation costs" as a result of their crime.

The legislation, sponsored by Rep. Steve Smith (R-Mound) and Sen. Jane B. Ranum (DFL-Mpls), also requires any peace officer who discovers a clandestine meth lab to notify the local health department, state duty officer and child protection services of the location of the site. The site must then be cleaned up according to department guidelines before it can be inhabited or sold.

Anyone selling property that formerly housed a meth lab must inform potential buyers that meth production occurred on the property, according to the law.

HF1\*/SF609/CH136

## **Consumers**

### **Notification needed if security breached**

Beginning Jan. 1, 2006, businesses need to let Minnesota residents know if there has been a security breach putting their personal data at risk.

Under the law, sponsored by Rep. Jeff Johnson (R-Plymouth) and former Sen. David Gaither (R-Plymouth), if a company learns that personal information has been breached, including a person's driver's license or Minnesota identification number, account or credit card numbers or Social Security number, disclosure would need to be made in the "most expedient time possible and without unreasonable delay."

If the breach affects more than 500 people at one time, all consumer reporting agencies would be notified within 48 hours of the discovery.

In most cases, written or electronic notice to the affected parties would be sufficient.

HF2121\*/SF2118/CH167

### **Curbing unemployment tax avoidance**

Changes to the state's unemployment law, effective Jan. 1, 2006, are designed to end "dumping" which occurs when employers use mergers, acquisitions or restructuring schemes to try to lower their unemployment experience ratings.

Sponsored by Rep. Anthony "Tony" Sertich (DFL-Chisholm) and Sen. Ellen R. Anderson (DFL-St. Paul), the new law will change the unemployment law to curb State Unemployment Tax Act avoidance and make Minnesota law consistent with federal law.

Minnesota, like other states, distributes unemployment insurance costs among employers through an unemployment experience rating based on the number of former employees who have received unemployment benefits.

The law will also require a corporation to report workers on a wage-detail report if the corporation is the only member of a limited-liability company that is disregarded for federal income tax purposes.

HF898\*/SF944/CH112

## **Health**

### **MinnesotaCare, child care center changes**

Included in the health and human services law, sponsored by Rep. Fran Bradley (R-Rochester) and Sen. Linda Berglin (DFL-Mpls), are three provisions that take effect Jan. 1, 2006:

- MinnesotaCare will be modified to add mental health telemedicine and psychiatric consultation to its list of covered services;
- the \$500 annual benefit cap on adult dental services in the Medical Assistance, MinnesotaCare and General Assistance medical care programs will be removed; and
- at least one staff member trained in cardiopulmonary resuscitation (CPR) must be present in a child care center or family child care home. The training must be repeated at least once every three years.

2005 Special Session: HF139\*/SF107/CH4

### **Medicare drug coverage conforms**

Minnesota law now conforms to recent changes in federal law concerning Medicare prescription drug coverage, also known as Medicare Part D.

A new law makes technical changes in state law involving Medicare supplemental insurance and creates a procedure for licensing and solvency regulation of stand-alone prescription drug plans that could provide prescription drug coverage under Medicare Part D.

The law will bring Minnesota into federal compliance regarding the sale of policies with prescription drug coverage by Medigap carriers after Jan. 1, 2006. The Medicare Part D coverage will be available only through private sector drug plans or as part of a Medicare Advantage plan.

Rep. Paul Gazelka (R-Brainerd) and Sen. Brian LeClair (R-Woodbury) sponsored the legislation.

HF925\*/SF880/CH17

### **Unlicensed social work now a misdemeanor offense**

Beginning Jan. 1, 2006, a person or entity that practices as a social worker or uses the title of social worker when not licensed, or that violates the reporting requirements, will be guilty of a misdemeanor.

Also, social worker license and renewal fees are temporarily reduced from Jan.1, 2006 until June 30, 2009.

The provisions are part of an omnibus health licensing law, sponsored by Rep. Thomas Huntley (DFL-Duluth) and Sen. Sheila M. Kiscaden (IP-Rochester).

HF1161/SF1204\*/CH147

## **Safety**

### **Cribs to have more inspections at day cares**

Beginning Jan. 1, 2006, day care providers will have to maintain documentation and perform safety inspections on their cribs.

Sponsored by Rep. Katie Sieben (DFL-Newport) and Sen. Ellen R. Anderson (DFL-St. Paul), the legislation is designed to prevent the injury and possible death of infants in unsafe baby cribs.

Licensed child care providers will be required to maintain documentation of their cribs, including the brand name and model number. If the information is not available, the crib's usage will be prohibited. Each year, the information must be checked against a U.S. Consumer Product Safety Commission Web site listing of unsafe cribs.

Every month, day care providers will be required to perform safety inspections of their cribs. If an inspection reveals an unsafe condition, the day care provider must immediately remove the crib from use and make it inaccessible to children.

The law also prohibits the sale of unsafe cribs by a commercial user, and lodging establishments will be prohibited from providing an unsafe crib to guests.

HF987\*/SF899/CH139

### **New ATV laws go into effect**

Beginning Jan. 1, 2006, anyone born after July 1, 1987, and who is at least 16 years of age must successfully complete the Minnesota Department of Natural Resources' all-terrain vehicle independent study course component before operating an ATV on public lands.

In addition, anyone convicted of violating an ATV operation law must complete the independent-study course component before resuming operation of an ATV.

The new regulations are part of the omnibus agriculture, jobs and economic opportunity policy and finance law, sponsored by Rep. Dennis Ozment (R-Rosemount) and Sen. Thomas Bakk (DFL-Cook).

2005 Special Session: HF78/SF69\*/CH1

## **Taxes**

### **Tax code changes**

Effective Jan. 1, 2006, a new law requires political subdivisions that impose a local-option sales-and-use tax to inform residents via the local government's Web page and annually through their utility bills of their duty to pay the tax.

Also, an additional 2.5 percent sales tax on alcoholic beverages scheduled to end Dec. 31, 2005 is to be replaced with a 2.5 percent gross receipts tax on retail liquor sales.

The provisions are part of the omnibus tax law, sponsored by Rep. Ron Abrams (R-Minnetonka) and Sen. Lawrence J. Pogemiller (DFL-Mpls).

2005 Special Session: HF138\*/SF106/CH3

### **Local animal-rights societies helped by new tax law**

A section of the omnibus tax law could provide a major boon to local animal-rights societies across the state.

State law permits county or city governments to raise taxes by either \$4,800 total or an amount per capita, whichever figure is greater, with the money appropriated to the local society, as long as it is not used to pay the salary of a society officer.

The legislation, sponsored by Rep. Ron Abrams (R-Minnetonka) and Sen. Lawrence J. Pogemiller (DFL-Mpls), increases the per capita amount from 50 cents to \$1.

HF2498\*/SF2288/CH152

## **Transportation**

### **Underage drivers prohibited from cell phone use**

Drivers under the age of 18 will be prohibited from talking on a handheld or hands-free cell phone while driving, except in emergencies. The law applies to those with learner's permits and provisional licenses.

The provision is part of the omnibus transportation law sponsored by Rep. Mary Liz Holberg (R-Lakeville) and Sen. Steve Murphy (DFL-Red Wing).

2005 Special Session: HF140\*/SF105/CH6

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