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Minnesota House of Representatives

Melissa Hortman, Speaker

FOR IMMEDIATE RELEASE
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New Laws Effective July 1, 2019

The following is a list of select new laws passed during the 2019 regular and special legislative sessions that take effect July 1, 2019. The asterisk following the bill number denotes the language that became law. Summaries of all laws passed by the 2019 Legislature in regular and special sessions are available online from nonpartisan House Public Information Services at <http://www.house.mn/newlaws/#/search/2019>.

AGRICULTURE

New law includes modest budget increases for agriculture

Sponsored by Rep. Jeanne Poppe (DFL-Austin) and Sen. Torrey Westrom (R-Elbow Lake), the omnibus agricultural finance law will provide \$287.85 million in General Fund appropriations for the 2020-21 biennium, an increase of \$59.51 million over base. The bulk of that, \$40 million, will go to toward broadband infrastructure development in underserved parts of the state.

Among the General Fund appropriations is a nearly \$3.91 million increase (to \$107.6 million) for the Department of Agriculture. It includes funds that will increase farmer mental health outreach and expand agency marketing efforts for agricultural products. Additional increases are to bolster programs for meat inspection, disaster preparedness and response, industrial hemp development, noxious weed control, prevention and mitigation of plant pathogens and pests, agricultural research through the Agricultural Research Education Extension and Technology Transfer program, and new equipment in the department's laboratory.

Other Department of Agriculture changes include:

- authorization for the department to apply enhanced penalties of up to double the base fine in incidents where a person damages state outdoor recreational lands through pesticide use;
- extending the Agriculture Fertilizer Research and Education Council grant program and fertilizer surcharge by five years;
- allocating funding of up to \$5,000 each year to reimburse the University of Minnesota for the time staff spend making determinations on livestock farmers' wolf depredation claims;
- amending the statutory definition of industrial hemp to include derivatives and byproducts, legalizing possession of industrial hemp produced in other states, and granting the department temporary authority to use expedited rulemaking for hemp;
- limiting restrictions on pasture land owned by a feedlot permit holder to only those contained within a manure management plan, as well as expanding the definition of feedlot permit-exempt pastureland to include certain temporary and sacrificial pasture areas.

SSHF7/SSSF1*/SSCH1

ECONOMIC DEVELOPMENT

Wage theft made a crime

The omnibus jobs and economic development finance law will give Minnesota what has been characterized as the toughest wage theft law in the country, along with a range of other finance and policy provisions in the areas of employment, commerce and energy.

Rep. Tim Mahoney (DFL-St. Paul) and Sen. Eric Pratt (R-Prior Lake) are the sponsors.

The law appropriates almost \$2.05 million during the 2020-21 biennium to the Department of Labor and Industry for a Wage Theft Prevention Initiative, makes wage theft a felony and punishes employers who retaliate against employees reporting such theft to the department. Penalties could include up to five years in prison and a \$10,000 fine.

Wage theft is defined as, among other things, when an employer “fails to pay an employee all wages, salary, gratuities, earnings, or commissions at the employee's rate or rates of pay or at the rate or rates required by law.”

The new law will also provide funding for vocational services through grant funding and direct appropriations to support people who may struggle to find or maintain employment, including those with severe disabilities or mental illnesses and senior citizens who are becoming blind. Additionally, in Fiscal Year 2020, \$3 million will be transferred to the Department of Agriculture to provide financial assistance for dairy farmers eligible for the Dairy Assistance, Investment, and Relief Initiative.

SSHF2*/SSSF2/SSCH7

EDUCATION

New law invests an additional \$543 million in E-12 education

Providing a degree of budget predictability that school boards and administrators have been asking for, a \$20.1 billion, two-year E-12 education spending plan has become law.

Sponsored by Rep. Jim Davnie (DFL-Mpls) and Sen. Carla Nelson (R-Rochester), the law will boost the state's education spending by \$543 million over base in the 2020-21 biennium, with the largest investments in general education funding, special education aid and voluntary prekindergarten.

Effective July 1, 2019, the law will increase the basic funding formula by 2 percent each year, for an additional \$388.8 million in base funding. It will also support the state's earliest learners with a \$46.79 million appropriation to maintain 4,000 voluntary prekindergarten seats that were set to expire.

Addressing one of the governor's top priorities, the law will provide an additional \$90.7 million in special education aid to help address the growing gap between school districts' special education costs and the state and federal funding they receive. Without new investments, it is projected to reach \$793 million statewide by Fiscal Year 2021.

The state's four tribal contract schools, authorized and overseen by the federal Bureau of Indian Education, will receive a \$3.53 million appropriation increase under the law.

Other appropriations for the 2020-21 biennium include:

- \$30 million, one time, for safe schools grants, contingent upon the closing balance for Fiscal Year 2019 exceeding the February Forecast estimated closing balance. The contingent appropriation is available after \$33 million in other contingent appropriations and transfers are funded;
- \$1.5 million for teachers of color mentoring and retention incentive grants;
- \$500,000 for a college savings account pilot program in St. Paul;
- \$265,000 for suicide prevention training for teachers grant; and
- \$240,000 for high school equivalency test fees.

SSHF1*/SSSF4/SSCH11

ELECTIONS

Voter privacy, equipment upgrades

Provisions of the omnibus state government finance law that take effect July 1, 2019 will prohibit publicly available information on voter registration to include the party choice of a voter who voted in a presidential nomination primary. Current statute requires a county auditor to make publicly available a list that includes the party choice of anyone who voted in the most recent presidential nomination primary. However, a list of voters corresponding to each party would be provided to each major political party.

The law also provides a \$2 million one-time appropriation for the Office of the Secretary of State for election equipment grants to update computers and/or software for local election administration, increased polling place accessibility and to create additional storage for local election equipment.

Authorization for the state to accept nearly \$6.6 million in federal Help America Vote Act funds to assist beefing up the state's election security efforts took effect June 1, 2019.

Rep. Michael Nelson (DFL-Brooklyn Park) and Sen. Mary Kiffmeyer (R-Big Lake) sponsor the law. SSHF8/SSSF10*/SSCH10

ENVIRONMENT AND NATURAL RESOURCES

New law designates millions more for state's environment and natural resources

A new law has provided the environment and natural resources related budget appropriations for the 2020-21 biennium. It also includes funding from the Environment and Natural Resources Trust Fund as well as various environment and natural resources related policy provisions.

Sponsored by Rep. Rick Hansen (DFL-South St. Paul) and Sen. Bill Ingebrigtsen (R-Alexandria), the omnibus environment and natural resources finance law provides General Fund appropriations of \$339 million, including an \$11.67 million increase for the Department of Natural Resources and a \$1.7 million increase for the Board of Water and Soil Resources. The Minnesota Zoo receives a \$1.1 million increase and the Board of Tourism an additional \$60,000.

SSHF4/SSSF7*/SSCH4

Legacy money on the way to water, environment, arts

A new law will appropriate millions of dollars for projects aimed at improving the state's water quality, and the state's other natural and cultural resources.

About \$630 million in revenue – or a 0.375 percent slice of state sales taxes – has been or will be allocated to four funds born of the 2008 Legacy Amendment, under a new law sponsored by Rep. Leon Lillie (DFL-North St. Paul) and Sen. Carrie Ruud (R-Breezy Point).

The appropriations include: \$261.26 million for the Clean Water Fund, \$139.77 million for the Arts and Cultural Heritage Fund, \$127.69 million for the Outdoor Heritage Fund and \$101.26 million for the Parks and Trails Fund.

Over half of the Clean Water Fund allocations for the 2020-21 biennium will be to the Board of Water and Soil Resources (\$138.4 million). Within that are the four largest lines on its ledger: \$32 million for surface and drinking water protection and restoration grants; \$27 million for grants to watersheds with multiyear plans; \$24 million in administration grants for soil and water conservation districts; and \$17.3 million for the Conservation Reserve Enhancement Program.

The State Arts Board will receive almost half of the Arts and Cultural Heritage Fund's biennial outlay (\$65.7 million). Within its purview is the largest recipient of monies from this fund, the board's

arts and arts access initiatives (\$52.6 million). Other large appropriations include \$12.9 million each to the Minnesota Historical Society's statewide historic and cultural grants and statewide history programs, as well as \$9.9 million for State Arts Board arts education grants, \$8.9 million for Minnesota public television, \$5.1 million for regional public libraries and \$5 million for the Historical Society's history partnerships.

SSH9/SSSF3*/SSCH2

HEALTH AND HUMAN SERVICES

Statewide opiate response to be funded through fees on pharmaceutical industry

The state's response to the opioid crisis, authorized in a new law effective July 1, 2019, unless otherwise noted, consists of a sweeping, multifaceted approach that includes the establishment of an opioid advisory council to establish goals and make funding recommendations; funding for county social service and tribal social service agencies to provide child protection services to families affected by addiction; and increased funding for the Bureau of Criminal Apprehension for additional drug scientists, lab supplies and special agents focused on drug interdiction and trafficking.

To fund these initiatives, registration fees of \$250,000 a year will be assessed on any opiate manufacturer that annually sells, delivers or distributes 2 million or more units within or into the state. The law sets application and renewal fees for drug manufacturers of opiate-containing controlled substances at \$55,000 and increases the fees for drug wholesalers, drug manufacturers and medical gas distributors to \$5,000, from between \$110 to \$235 each.

Registration fees will sunset and the \$55,000 renewal fees shall be reduced once the state recovers at least \$250 million from settlements with pharmaceutical companies after a minimum of five years. Any revenue from settlements will be earmarked specifically for opioid response efforts.

The law also calls on the Board of Pharmacy to evaluate the effectiveness of the fees and determine whether the legislation has had any unintended impact on the availability of opiates for the treatment of chronic or intractable pain. This report must be submitted to the Legislature by March 1, 2024. The Legislature shall review this, as well as reports from the Opiate Epidemic Response Advisory Council, to determine whether the registration fee should continue beyond July 1, 2024.

Other provisions in the law include:

- allowing health care directives to include instructions on the administration, prescription or dispensing of opioids;
- letting patients enter instructions into their health care records related to the administration, prescription and dispensing of opioids;
- allowing sheriffs to provide public education and alternative, free drug disposal methods including at-home deactivation and disposal products;
- imposing restrictions on how much time can elapse between the issuance of a prescription and its initial dispensing and between refills; and
- limiting the quantity of opiates prescribed for acute pain to a seven-day supply for adults and a five-day supply for minors, with some exceptions.

The law is sponsored by Rep. Liz Olson (DFL-Duluth) and Sen. Julie Rosen (R-Vernon Center).
HF400*/SF751/CH63

Preventative strategies encouraged in new health and human services law

The omnibus health and human services law is intended to improve access to health care, provide accountability in public programs and reduce disparities across the state during the upcoming biennium.

Sponsored by Rep. Tina Liebling (DFL-Rochester) and Sen. Michelle Benson (R-Ham Lake), the new law, in part, includes the first increase (\$100 per month beginning Feb. 1, 2020) to the Minnesota Family Investment Program's cash assistance in more than 30 years. It also makes a range of changes to the state's child protection and foster care systems, with the intent of keeping more families together and reducing disparities while improving the children's well-being.

Effective for services provided on or after July 1, 2019, the law increase payments for certified doula services to \$47 per prenatal or postpartum visit, and \$488 for attending a birth.

SSH14/SSSF12*/SSCH9

Provider-patient relationship to be required for ophthalmic prescriptions

A new law, effective July 1, 2019, will require a provider-patient relationship for ophthalmic prescriptions – such as contacts or eyeglasses – to be issued, including for online prescriptions.

This relationship can be established through examinations conducted in person, face-to-face, interactive, real-time communication or through “store-and-forward technologies” if certain conditions are met.

The law does not apply to the sale of over-the-counter reading glasses.

Supporters said the law is needed to make sure individuals' health needs are being properly met and to keep state statutes up-to-date with technological developments, like vision-testing websites and apps.

Rep. Dave Pinto (DFL-St. Paul) and Sen. Karin Housley (R-St. Marys Point) are the sponsors.

HF559*/SF544/CH31

Law will expand screenings to help protect student athletes

The Patrick Schoonover Heart Foundation works to provide education and free screenings to student-athletes in hopes of preventing deaths caused by undetected heart defects. A new law will enable them to continue pursuing that goal.

Effective July 1, 2019, it will expand a volunteer health care provider program to allow that program to provide liability insurance to organizations that provide free monitoring and screening services to detect undiagnosed diseases and conditions.

Previously, the foundation couldn't access liability insurance for physicians volunteering their time because the primary purpose of the foundation was not the provision of health care services to the uninsured and underinsured.

Rep. Nick Zerwas (R-Elk River) and Sen. Scott Jensen (R-Chaska) are the sponsors.

HF2027/SF2081*/CH46

University of Minnesota asked to create advisory council on rare diseases

The Board of Regents of the University of Minnesota has been requested to establish a rare diseases advisory council.

Dubbed the Chloe Barnes Advisory Council on Rare Diseases at the University of Minnesota, it will provide recommendations for research, diagnosis, treatment and education on diseases that affect less than 200,000 people in the U.S. It can also address diseases with a larger number of diagnoses, but have a cost for developing treatment drugs that wouldn't be recovered from U.S. sales of that drug.

Sponsored by Rep. Alice Mann (DFL-Lakeville) and Sen. Jeremy Miller (R-Winona), the law provides a \$150,000 appropriation in each year of the 2020-21 and 2022-23 biennia from the General Fund to the Department Human Services for transfer to the university. It also requires an annual report to the Legislature.

The law, effective July 1, 2019, mandates the council's first meeting must occur by Oct. 1, 2019.

HF684/SF973*/CH65

HIGHER EDUCATION

Increases in biennium funding provide for public post-secondary institutions

A new law contains \$3.41 billion in appropriations and a new set of policies for the state's public higher education institutions. The funds represent an increase of \$150 million over base.

Rep. Connie Bernardy (DFL-New Brighton) and Sen. Paul Anderson (R-Plymouth) are the sponsors.

Consisting of 30 colleges and seven universities with 54 campuses throughout the state, the Minnesota State system will see a boost of \$81.5 million in funding for the 2020-21 biennium. That will include a general "campus investments" increase of \$64.5 million; \$8 million toward the upgrade of its ISRS system for administering finances, aid, housing, human resources and other school functions; and \$7 million in new funding for workforce development scholarships. The Board of Trustees must not approve tuition increases over 3 percent higher than the previous academic year during the biennium.

The five-campus University of Minnesota system will receive a \$43.5 million increase over base funding. The Office of Higher Education, which oversees the state's financial aid programs will receive \$25 million more in funding, including additions of \$18.2 million for state grants, \$2 million for the new MN Reconnect program to help those between ages 25 and 62 who have left college to return, \$1.8 million for longitudinal education data systems and \$1.5 million for grants to teaching candidates.

HF2544/SF2415*/CH64

HOUSING

Housing sees modest budget increase in omnibus law

For the Minnesota Housing Finance Agency, the \$15 million funding increase in the omnibus agricultural finance law is evenly divided between housing development and redevelopment efforts, and prevention and efforts to end homelessness. Programs where increases are focused include:

- \$5 million for the Challenge program for developing affordable permanent rental housing;
- \$3.5 million for Homework Starts with Home to identify, engage and stabilize students experiencing homelessness and their families; and
- \$500,000 for Bridges Rental Assistance, which provides housing assistance for people with very low incomes and a serious mental illness while they wait for a housing voucher or other rental subsidy.

Of the policy changes, several are intended to increase renter protections, including leases for buildings with more than 12 units will be required to specify the unit to be rented. They will also need to specify move in and out dates and prorate rent when full months are not part of those terms.

The new law also amends a number of regulations relating to manufactured homes, including allowing modular homes to be placed in manufactured home parks, extending the conversion notice requirements to 12 months and the vacate period to 90 days after the public hearing, prohibiting conversion of a manufactured home park for one year if the conversion was not noticed properly; and prohibiting a manufactured home park owner from entering into a purchase agreement for 45 days, during which time the park residents can negotiate an offer to purchase.

Rep. Jeanne Poppe (DFL-Austin) and Sen. Torrey Westrom (R-Elbow Lake) sponsor the law.

SSHF7/SSSF1*/SSCH1

Subprime references removed in residential mortgage originator and servicer laws

A new law amends state statute to remove references to “subprime” relating to residential mortgage originators and services.

Effective July 1, 2019, the law removes the language from laws governing residential mortgage originators and services. It also restricts residential mortgage originators from applying a prepayment penalty if the interest rates of the loan are structured in a certain manner.

Rep. Tim O’Driscoll (R-Sartell) and Sen. Eric Pratt (R-Prior Lake) are the sponsors.

HF1840*/SF1673/CH19

PUBLIC SAFETY

Funding for more prison officers in omnibus public safety/judiciary law

Additional dollars for the judiciary, public defenders, corrections officers and the Department of Human Rights are included in the omnibus public safety law that details how the state will fund those state functions and others for the 2020-21 biennium.

Sponsored by Rep. Carlos Mariani (DFL-St. Paul) and Sen. Warren Limmer (R-Maple Grove), the law calls for \$2.48 billion in spending, a \$123.6 million increase over base.

Among the spending increases are:

- \$11.93 million for the Public Defense Board primarily to raise salaries of the approximately 580 public defenders across the state along with other staff, and \$6 million to hire new attorneys and support staff;
- \$7.6 million to hire an additional 78 prison correctional officers;
- \$5.34 million to maintain full funding of the offender health care contract;
- almost \$2.68 million for prison staffing recruitment and retention;
- \$1.48 million for cybersecurity enhancements;
- \$1.31 million to re-establish a prison ombudsman office that was eliminated in 2003;
- \$366,000 in the first year of the biennium for critical technology needs associated with prison security; and
- \$150,000 for a Task Force on Missing and Murdered Indigenous Women.

A 2.5 percent annual salary increase for judges and staff of the Supreme Court, appellate and district courts is included.

Among the law’s policy provisions that take effect July 1, 2019, a city or county will be allowed to establish a license reinstatement diversion program for individuals charged with driving after suspension or driving after revocation and defines which offenses are eligible offenses.

SSH3/SSSF8*/SSCH5

So-called ‘marital rape exception’ is repealed

The effect of a new law is to remove the so-called “marital rape exception” or “voluntary relationship defense” and permit the prosecution of individuals accused of committing sexual crimes against a spouse or a long-standing sexual partner.

The law will repeal statutory language that a person does not commit criminal sexual conduct if the conduct is between “adults cohabiting in an ongoing voluntary sexual relationship at the time of the alleged offense, or if the complainant is the actor’s legal spouse, unless the couple is living apart and one of them has filed for legal separation or dissolution of the marriage.”

Sponsored by Rep. Zack Stephenson (DFL-Coon Rapids) and Sen. Michelle Benson (R-Ham Lake), the law takes effect July 1, 2019.

HF15*/SF235/CH16

STATE GOVERNMENT

Omnibus state government law contains \$75.5 million base increase, election security

Operating increases for many state departments, the Legislature and state ethnic councils are part of the omnibus state government finance law.

Sponsored by Rep. Michael Nelson (DFL-Brooklyn Park) and Sen. Mary Kiffmeyer (R-Big Lake), the nearly \$1.16 billion law represents a \$75.5 million base increase.

The following are some funding increases taking effect July 1, 2019:

- \$11.5 million for the House of Representatives, in part for members' \$1,500 annual pay increases based on a Legislative Salary Council report, staff salary adjustments and changes associated with redistricting;
- \$10.5 million for the Revenue Department to maintain current services;
- \$10 million to MN.IT Services for cybersecurity enhancements across state government;
- \$6.3 million for the Senate (It also received \$5 million for Fiscal Year 2019 activity, effective May 31, 2019);
- \$1.95 million for the Office of the Attorney General to maintain and stabilize experienced employees, who make less than other public law offices, such as county attorney staff;
- \$850,000 for the Minnesota Historical Society to maintain current services; and
- \$400,000 to the Administration Department for a grant to Minnesota Public Radio for upgrades to the state's emergency and AMBER alert systems.

A \$20 registration fee for the practice of hair braiding is abolished and the law provides that hair braiding is not subject to regulation or oversight by the Board of Cosmetologist Examiners.

SSHf8/SSSF10*/SSCH10

TRANSPORTATION

MNLARS replacement, minimal new spending, and various policies in omnibus transportation law

The omnibus transportation finance law will appropriate roughly \$6.7 billion over the next two years for the Department of Transportation, transportation-related functions within the Department of Public Safety, and the transportation division of the Metropolitan Council, including Metro Transit.

Sponsored by Rep. Frank Hornstein (DFL-Mpls) and Sen. Scott Newman (R-Hutchinson), the law will appropriate just shy of \$100 million in additional transportation spending from the General Fund over the 2020-21 biennium.

The one-time increase in General Fund spending includes \$52.7 million to replace the error-prone Minnesota Licensing and Registration System, known as MNLARS, and \$13 million in reimbursement to deputy registrars that were hit hard by the problematic rollout of the system in July 2017. It also includes \$23 million for Metro Mobility, the metro region's increasingly busy transit service for the elderly and people with disabilities. The MNLARS provision took effect May 31, 2019.

The largest share of spending in the bill is \$6.06 billion over two years to MnDOT (counting all funds), including appropriations of roughly \$1.86 billion in state road construction funding, \$1.68 billion for county state-aid highways, \$728 million for agency operations and maintenance, \$420 million for municipal state-aid streets and \$50 million for the Corridors of Commerce program.

Other major appropriations for the 2020-21 biennium include:

- \$465.3 million in funding for the Department of Public Safety, including \$229.3 million for the state patrol; and

- \$203 million for the transportation functions of the Metropolitan Council, with the appropriations newly divided between Metro Mobility at \$137.5 million and \$65.5 million for other transit operations.

Among the policy provisions that take effect July 1, 2019 are renaming various stretches of state highway in memoriam to Minnesotans of note, like former Rep. Tom Rukavina, and those who died in the line of duty; permitting a city to establish speed limits on local streets that differ from speed limits provided in state law; and amending traffic regulations related to school buses re-entering traffic from a shoulder, right-turn lane or other location used for passenger pick-up or drop-off.

SSH6*/SSSF5/SSCH3

VETERANS AND MILITARY AFFAIRS

Additional veterans-related funding is included in the omnibus state government finance law sponsored by Rep. Michael Nelson (DFL-Brooklyn Park) and Sen. Mary Kiffmeyer (R-Big Lake).

Among its increased appropriations, the law will allot:

- \$2 million for the Department of Military Affairs to sustain state enlistment incentive and retention bonus programs, such as tuition reimbursement;
- \$775,000 for an operating adjustment for state veterans cemeteries;
- \$544,000 in program and service operating adjustments for the Department of Veterans Affairs;
- \$516,000 to sustain reintegration programs for deployed service members;
- \$500,000 to expand Minnesota Service Core that provides free essential, community-based services directly to veterans and their families; and
- \$100,000 to help upgrade the Armed Forces Service Center at Minneapolis-St. Paul International Airport. The nonprofit center is a 24/7 operation staffed by approximately 200 volunteers that serves more than 1,500 active duty military members per month, offering free food and even beds for overnight stays when needed.

SSH6*/SSSF10*/SSCH10