SESSION WEEKLY

2011 Session Wrap-up

Freshmen: Don't try to keep this group quiet Session photo album

LAW AND VETOES AND MORE TO COME

HF1737 - HF1761

A NONPARTISAN PUBLICATION MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES VOLUME 28, NUMBER 20 • JULY 15, 2011

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Dear Readers:

The Legislature adjourned May 23 and is scheduled to reconvene for the second year of the biennium at noon, Jan. 24, 2012.

This special issue of Session Weekly provides a wrapup of all legislation considered during the final days of session, including Gov. Mark Dayton's veto actions on the major spending bills.

Most likely there will be a special session called to resolve the budget issues, and we will continue our coverage online of the negotiation process and any special session.

To stay informed, we suggest you follow one or all of our online services:

 Session Daily, the House electronic news source, will be updated during the interim and is accessible on the House home page, www.house.mn. Subscribers to Session Daily receive e-mail alerts whenever a new article is posted. To subscribe to Session Daily, log on to www.house.mn/hinfo/sdaily.asp or call 651-296-2146 or 800-657-3550.

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- Session Weekly staff

Contents

FIRST READING: State of Uncertainty • 3-5

New Laws: 'Leo's Law,' 'Hannah's Law,' license plates and more • 6-25

FEATURE: Freshmen zeal for reform influences regular session agenda • 26-28

Resources: Roster of House members • 29

VETOES: Spending bills, cheeseburger, photo ID, abortion issues • 30-37

FEATURE: Pictures tell the story of the regular session • 38-41

AT ISSUES: A closer look at the governor's reaction to bills he vetoed • 42-47

GOVERNOR'S DESK: Charting new laws, vetoes • 48-53

BILL INTRODUCTIONS: HF1737-HF1761 • 54

Resources: Follow House news online • 55

MINNESOTA INDEX: Session 2011 • 56

SESSION WEEKLY

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State of uncertainty

Budget stalemate, government shutdown leave Minnesota in limbo

BY NICK BUSSE

he Land of 10,000 Lakes has entered uncharted waters. Twenty-two thousand state workers are unemployed, millions of Minnesotans are unable to access a multitude of state services, and essential government functions like law enforcement are operating under court order.

First Reading continued on page 4

3



PHOTO BY TOM OLMSCHEID

House Speaker Kurt Zellers recognizes Rep. Kim Norton so she can ask a question of Rep. Dean Urdahl during the May 23 floor debate of the Legacy Funding Conference Committee report.

First Reading continued from page 3

Such is the fallout from one of the most difficult and controversial legislative sessions in recent memory — a session that ended May 23 with no budget deal.

The impact of Minnesota's ongoing state government shutdown is varied and widereaching: state troopers are patrolling the highways, but no one can get new driver's licenses. Nursing homes are open, but 26,000 families are no longer receiving child care assistance. The prisons are open, but state parks are not.

How did we get here?

For the first time in decades, Republicans took control of both houses of the Legislature in 2011, and brought with them a zeal for reining in government. DFL Gov. Mark Dayton wanted to "invest in the future" by raising new revenues for state programs, but pledged to work together with lawmakers to solve the state's looming budget crisis in way that would be fair to everyone.

Initially, there were signs of cooperation. Dayton and the Republicans worked together to streamline environmental permitting for businesses, and enacted an alternative teacher licensure law that House Speaker Kurt Zellers (R-Maple Grove) called "a generational change in Minnesota."

But the tone quickly changed when it came to the state's more than \$5 billion budget gap. Republicans said Minnesota is taxed enough already; that raising taxes would only weaken the state's sluggish economic recovery. DFLers and Dayton argued new revenues are needed to avoid kicking thousands off of health care coverage and inviting higher property taxes and college tuition.

Fast forward to six months later. The legislative session has come and gone without a budget agreement. The two sides' positions are fundamentally the same as they've been all along. They've narrowed the gap to \$1.4 billion with their latest proposals, but the gulf between their two respective philosophies of government is as wide as ever.

Late in the evening on June 30, Dayton announced the bad news.

"I deeply regret that the last week of intense negotiations... have failed to bridge the divide between us," he said.

No agreement

For much of June, Dayton and legislative leaders met off and on behind closed doors

for budget talks. As negotiations intensified ahead of the June 30 deadline to prevent a shutdown, they agreed to a "cone of silence" that prevented either side from divulging details on the discussions.

For weeks, reporters camped outside the negotiating rooms waiting for word on whether progress was being made. But in the end, the cone of silence was lifted only to announce that a shutdown was imminent.

"This is going to be, I think, one of those moments in our state's history we'll look back on and be very disappointed," Zellers said.

On specific budget areas such as K-12 education, Dayton and the leaders made significant progress toward compromise. But on the overall issue of taxation and spending, they remained worlds apart.

From the beginning, Dayton argued the state needed additional revenue, and he proposed raising taxes on high-income earners. He originally proposed \$3.2 billion in new revenues, but later revised it down to \$1.8 billion. He has now reduced it to \$1.4 billion, and says he will go no further.

"I'm willing to compromise, I'm willing to meet halfway, but I'm not willing to give up what I believe and what I was elected by the people of Minnesota to do," he said.

Republican leaders said their proposed budget was already the largest in the state's history and that no new revenue would be needed. Zellers said the governor's proposed spending levels are unsustainable.

"We're talking about runaway spending that we can't afford. And we will not saddle our children and grandchildren with mounds of debts, with promises for funding levels that will not be there in the future," he said.

Republican leaders offered to scrap their original plans for \$200 million in tax relief and put the money instead toward increased spending. Dayton accepted that plan, but rejected Republican proposals to increase the K-12 aid payment shift and bond for future tobacco settlement payments — sources of alternative revenue that Dayton said would only kick the can further down the road.

Endgame remains unclear

On July 1, the state began an unprecedented state government shutdown. A judge ordered that essential government services like law enforcement and payments to school districts continue at their previous funding levels, but other parts of the government remain closed indefinitely.

Republican lawmakers have proposed passing a "lights-on" bill that would fund government services temporarily, and called on Dayton to call a special session for that purpose. Dayton called it a "publicity stunt," and insists that he will not call lawmakers back to St. Paul until there is a global budget agreement.

Republicans argue Dayton "threw in the towel," to use Zellers' words, on budget negotiations at a time when lawmakers were still ready and able to work. He and other Republican leaders laid the responsibility for the shutdown squarely at Dayton's feet, and say his motivation is political.

"This governor has chosen maximum pain — maximum pain for political gain," said Sen. Geoff Michel (R-Edina).

Dayton and lawmakers have met several times since the shutdown began, but have made no progress toward agreeing on a dollar amount for state spending. At their July 6 meeting, Zellers and Senate Majority Leader Amy Koch (R-Buffalo) heard Dayton's latest proposal: a \$1-per-pack tax increase on cigarettes. Zellers called the governor's proposal "very disappointing and a step backwards."

"We've made it very clear that we do not believe we need a tax increase to balance our budget," Zellers said.

Dayton said the Republicans' comments show they are unwilling to compromise. He said he's trying to come up with alternative ways to raise enough revenue to bridge the \$1.4 billion gap that remains between his budget plan and theirs, but that they refuse every plan he offers.

"Once again, it's their proposal or nothing at all. And that's just not responsible leadership," Dayton said.

From the Republicans' perspective, they're only fulfilling their duty to their constituents, to whom they promised a new way of governing that includes no new taxes.

"If that's what we were elected on, how do our members go back home and say we gave up on all of our principles to the governor?" he said.



PHOTO BY TOM OLMSCHEID

With the date and time when the House is scheduled to reconvene on the Vote Register above his head, Rep. Dean Urdahl packs up paperwork and personal items from his Chamber desk after the House adjourned the 2011 legislative session.

Editor's note: The following are the governor's actions on bills through May 31, 2011. Designations used in New Laws and Vetoes summaries: HF-House File; SF-Senate File; CH-Chapter; and *-the bill version considered by the House or the bill language signed by the governor.

Budget

Deficiency spending and claims

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

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

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

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

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

Selected provisions include:

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

• reducing \$11.8 million from the COBRA premium state subsidy program in fiscal year 2011.

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

HF104/SF54*/CH113

— N. BUSSE

Business & Commerce

Elevator upgrade extension

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

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

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

HF664*/SF617/CH26

Insurance paperwork reduced

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

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

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

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

HF895*/SF590/CH52

Microbrew taprooms may open

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

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

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

- allows bed and breakfasts that are permitted to serve two glasses of wine to be able to also serve 12 ounces of Minnesota beer;
- allows a municipality to issue a temporary license to a wine association authorizing them to sell no more than two glasses of wine per customer at an annual festival (effective Aug. 1, 2011);
- sets bond amounts for microdistilleries manufacturing less than 40,000 proof gallons (effective Aug. 1, 2011);
- allows the Metropolitan Airports Commission to issue on-sale liquor licenses;
- permits municipalities to issue a temporary liquor license to farm wineries for on-sale at a county fair in that municipality;
- allows private colleges to obtain liquor licenses for special event liquor sales from the municipality where they are located instead of needing legislative approval;
- clarifies the boundary around Minnesota State University, Moorhead, for purposes of limiting sales of alcohol within a more contiguous area around the campus;
- allows White Bear Township to issue on- and off-sale liquor licenses within the township;
- permits the city of Rochester to issue 26 off-sale liquor licenses;
- allows cities or municipalities to issue liquor licenses at auto racing facilities; and
- provides for an interim study with respect to beer sales at baseball venues (effective Aug. 1, 2011).

HF1326*/SF918/CH55

— K. Berggren

- K. BERGGREN

Insurance, mortgage law updated

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

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

Among its provisions, the law:

- allows the term "negative trend" to be used in relation to a property and casualty insurance company as well as a life and health insurance company;
- eliminates an obsolete reference to farmers mutual fire insurance companies, which no longer exist in Minnesota;
- repeals some language related to creation of certain types of separate financial accounts by life insurance companies;
- effective Jan. 1, 2010, reduces the statutory minimum premium reserve required for domestic title insurance companies from 8 percent to 6.5 percent of the risk borne by the title insurance company;
- repeals a Department of Commerce rule limiting bank accounting rules for improvements made on bank-owned foreclosed property; and
- requires mortgage servicers to disclose to a borrower, upon request, who actually owns their mortgage loan and that entity's contact information. HF1473/SF1208*/CH61

— K. Berggren

Home repair contractors

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

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

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

LEGISLATIVE LEADERS REACT



PHOTO BY TOM OLMSCHEID

House Speaker Kurt Zellers, *left center*, reacts during a June 2 news conference to Gov. Mark Dayton's earlier remarks that the Legislature is unwilling to compromise on a state budget. House Majority Leader Matt Dean, *from left*, Sen. Majority Leader Amy Koch and Sen. Geoff Michel also took part in the news conference.

Rep. Tim Sanders (R-Blaine) and Sen. Benjamin Kruse (R-Brooklyn Park) sponsor the law, which takes effect Aug. 1, 2011. HF1420/SF249*/CH63

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— K. Berggren

Dentist, insurance provider contracts

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

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

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

• provide a written explanation of the reason for the audit and the process the dental organization intends to use to audit patient charts, as well as a written explanation of the processes available to the provider once the dental organization completes its review of the audited patient records;

- allow the provider a reasonable period of time from the date that the provider receives the verified audit or investigation findings to review, meet and negotiate a resolution to the audit or investigation; and
- use a licensed dentist whose license is in good standing to review patient charts.

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

The law takes effect Aug. 1, 2011.

HF122/SF302*/CH64

— H. Long

7

Reverse mortgage redemption

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

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

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

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

- K. BERGGREN

HF395/SF137*/CH66

Pawn shop regulations eased

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

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

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

Except for the standardized redemption period, municipalities may regulate pawn businesses or transactions more restrictively.

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

HF1152/SF955*/CH82

— K. Berggren

Insurance claims law modernized

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

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

The law allows claims processors who

2011 New Laws online

A complete review of all new laws passed this year is available on the New Laws 2011 Web page, www.house.mn/hinfo/NewLaws/ NewLawsmain.asp.

Arranged by category, readers will find userfriendly access to stories that explain the new laws. A link is provided to the bill text passed into law. By typing in a keyword, an index will help readers find under which category the new law is located.

Because this is the first year of the biennium, bills that were introduced but not acted upon, could see new life in the second year of the biennium. Stories on some of the more highprofile bills not making it into law and those that were vetoed are also featured.

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

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

The law, sponsored by Rep. Kurt Daudt (R-Crown) and Sen. Dave Thompson (R-Lakeville), takes effect Jan. 1, 2012. HF1405*/SF1125/CH95

1403/SF1123/CH93

- K. Berggren



PHOTO BY TOM OLMSCHEID

House Speaker Kurt Zellers, *left*, and House Majority Leader Matt Dean leave the governor's residence June 3 after meeting with Gov. Mark Dayton and talking with the press.

8

Employers can organize tip sharing

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

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

The law takes effect Aug. 1, 2011. HF809/SF1280*/CH105

- K. BERGGREN

Easier filing for businesses

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

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

Selected provisions include:

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

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

HF1643/SF1234*/CH106

— N. BUSSE

Insurance law updates are made

A series of provisions in a new law will give some Minnesota businesses easier access

to specialized property-casualty insurance available only through "nonadmitted insurance companies," which are not licensed in Minnesota, or through surplus lines insurance brokers, instead of through an "admitted" or licensed insurer.

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

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

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

HF1394/SF1045*/CH108

— K. Berggren

Civil Law

Civil immunity for school districts

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

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

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

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

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

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

The law is effective May 25, 2011. HF1343*/SF1068/CH57

— H. Long

Ambulance claims left to the state

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

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

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

The law is effective May 25, 2011. HF258*/SF217/CH71

— **L. S**снитz

Targeted misdemeanor term clarified

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

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

The law takes effect Aug. 1, 2011. HF921/SF882*/CH79

— М. Соок

Voters to decide marriage definition

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

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

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

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

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

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

Gottwalt defended the bill, saying current law does not allow same sex marriage, but

BUDGET NUMBERS



PHOTO BY TOM OLMSCHEID

Minnesota Management & Budget team leader Britta Reitan, *left*, points out numbers to Commissioner Jim Schowalter, *center*, as Revenue Commissioner Myron Frans looks on June 7 while the Legislative Commission on Planning and Fiscal Policy debates the latest Republican budget offer made to Gov. Mark Dayton.

that the issue is too important to allow judges or the Legislature the opportunity to change law alone if they felt inclined to do so. "There are people for and against from all walks of life and they should be allowed to vote on it." HF1615/ SF1308*/CH88

F1615/ SF1308*/CH88

— S. Hegarty

Common interest community statutes

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

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

 clarification of language related to recording of a document that modifies the description of an existing tax parcel (that document will require a certification from the county treasurer as to delinquent and current taxes);

- clarification of the process for establishing a new common interest community on property that is severed from an existing common interest community;
- clarification that when certain easements, leases and licenses affecting common elements are amended that the consent of the unit owners is required;
- clarification that when certain documents are recorded in connection with a transfer of special declarant rights they are recorded against title for all units in the common interest community; and
- clarification that the homeownercontrolled association has the authority to terminate certain contracts entered into by the developer, following procedures and with exceptions created in the law.

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

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

that court reporters who serve in the judicial district courts and are appointed by individual judges shall remain under the supervision of the judge who appointed them;

- clarification that a county board will assign one of its officers to process a lien by a hospital or public assistance agency against a patient or client; previous language stated that such a lien should be filed with the district court administrator;
- authorization for an order for dismissal of an order for protection shall be served on a respondent personally or by certified mail;
- addition of language to allow digital images and other electronic methods of copying probate files to be considered as a state archives commission-approved record. A court administrator of any county upon order of the judge exercising probate jurisdiction may destroy all the original documents in any probate proceeding of record provided commission-approved copies are on file.

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

HF1023*/SF874/CH116

- H. Long

Consumers

Steering rental customers clear

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

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

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

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

HF859/SF508*/CH78

- K. BERGGREN

Education

School bus changes made

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

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

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

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

HF1179*/SF939/CH103

- K. BERGGREN

Elections

New process for filling vacancies

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

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

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

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

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

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

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

HF1408/SF1009*/CH65

— N. BUSSE

Employment

Helping libraries assist job-seekers

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

Sponsored by Rep. Carol McFarlane (R-White Bear Lake) and Sen. Carla Nelson (R-Rochester), the law requires Gov. Mark Dayton to appoint a representative from public libraries to the Governor's Workforce Development Council. The individual would serve as an advisor.

The law takes effect May 25, 2011.

The council helps guide the state's workforce development efforts. Among other activities,

it develops policy recommendations to administer the state's 52 workforce centers. Run by the Department of Employment and Economic Development, the workforce centers help Minnesotans look for jobs and prepare for career changes.

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

HF844*/SF1204/CH74

— N. BUSSE

Unemployment insurance changes

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

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

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

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

The minimum requirements to establish a benefit account are modified so that an applicant's wage credits must be at least \$2,400 or roughly 5.3 percent of the state's average annual wage in the preceding oneyear base period. The change will affect benefit applications on or after Oct. 29, 2012. Additionally, the requirements to establish a new benefit account after the expiration of a benefit year on a previous account are changed to conform to these new requirements. This part takes effect May 26, 2011.

Another change will provide that personal time off and sick pay are treated the same as vacation pay for purposes of delaying payment of unemployment insurance benefits.

HF1396/SF1130*/CH84

— N. BUSSE

Workers' compensation changes

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

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

Selected changes made by the law include:

- establishing a new timeline for settlement and pretrial conferences;
- clarifying who may serve as a workers' compensation judge, and that requirements for compensation judges are distinct from temporary administrative law judges;
- establishing that only compensation judges may conduct workers' compensation proceedings;
- providing that only the commissioner of labor and industry or a workers' compensation judge may issue written decisions and assess penalties;
- clarifying when a compensation judge must be removed from a case;
- effective May 28, 2011, providing for exceptions, under certain conditions, from the requirement that an award to a disabled employee for home remodeling or construction to accommodate the individual's disability be certified by a licensed architect;
- also effective May 28, 2011, raising the limit on awards for remodeling or construction to accommodate an employee's disability from \$60,000 to \$75,000; and

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

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

HF1362/SF1159*/CH89

- N. BUSSE

Energy

Ratepayers and utilities policies

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

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

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

Another measure revokes a utility's ability

THISSEN'S MESSAGE



PHOTO BY TOM OLMSCHEID

A paper that House Minority Leader Paul Thissen brought to a June 9 meeting of the Legislative Commission on Planning and Fiscal Policy reflects his caucus' opinion of the Republican majority's budget compromise.

to charge inverted block rates, which are intended to encourage energy conservation by incrementally increasing consumer rates as usage increases.

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

- enabling a utility to propose a multi-year rate plan for up to three years beginning May 31, 2012 (effective May 28, 2011);
- eliminating the Energy Intervention Office and the position of reliability administrator within the Commerce Department and giving the department more flexibility to reallocate a \$1 million appropriation for the former administrator (effective July 1, 2011); and
- allowing a utility to electronically notify customers of their rights and responsibilities with respect to the state's Cold Weather Rule that prohibits winter disconnections under certain conditions (effective May 28, 2011). HF1025/SF1197*/CH97

- S. HEGARTY

If you have Internet access, visit the Legislature's Web page at: www.leg.mn

Env. & Natural Resources

DNR property transaction list OK'd

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

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

HF55*/SF48/CH3

— SUE HEGARTY

Residents can buy public land parcels

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

Sponsored by Rep. Dan Fabian (R-Roseau)

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

Other places where public land will be added include Greenleaf Lake State Recreation Area, the Iron Range Off-Highway Vehicle Recreation Area and Smoky Hills State Forest. The law stipulates that any revenue generated from mineral rights or leases purchased within the Iron Range OHV Recreation Area, other than Trust Fund land, be deposited into a natural resource fund dedicated account.

A portion of Lost River State Forest in Roseau County will be removed from the state forest and redesignated as land within the Roseau Lake WMA. Several acres of land used as a picnic and playground area bordering Town Lake and the Otter Tail River in Becker County may be sold to a local government, provided it remains open to the public.

Several counties and the DNR have taxforfeited land for public sale, including Carlton, Cass, Douglas, Itasca, Pine, St. Louis and Stearns. Private sales of public land is also provided for in Becker, Douglas, Itasca, Marshall, Pine, Otter Tail, St. Louis and Watonwan counties. And in Winona County, about 1.4 acres on Alcorn Island along the south side of Interstate 90 will be conveyed to the U.S. Fish and Wildlife Service after the Dresbach bridge project is completed. Land sales are effective on or after May 28, 2011.

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

HF1230/SF712*/CH98

- S. HEGARTY

Health & Human Services

Nursing home moratorium

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

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

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

Other provisions included in the law:

- allows the health commissioner to approve a request for consolidation of nursing facilities;
- requires the human services commissioner to calculate a property payment rate adjustment, based on the net cost savings to the state of a nursing facility consolidation; and
- amends the law related to nursing home reimbursement by adding a new subdivision that provides a method for determining budget-neutral nursing facility rates for relocated beds. The law is effective May 14, 2011. HF937/SF626*/CH22

CPR requirements at day care centers

- H. Long

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

It takes effect Aug. 1, 2011.

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

The so-called "Hannah's Law" is named

after a 4-year-old girl who died in June 2010 after choking on a grape at a child care center.

Day care centers account for about half of the care for children in the state. HF235*/SF381/CH23

235*/SF381/CH23

— H. Long

Youth psychiatric facility to expand

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

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

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

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

The law is effective Aug. 1, 2011. HF1018/SF749*/CH51

— H. Long

Strict pro athlete drug tests OK

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

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

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

HF1422/SF1265*/CH62

— K. Berggren

Health services provisions modified

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

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

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

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

Provisions contained in the new law include:

- an adult diagnostic assessment update to be completed when an assessment has been completed within three years preceding admission for health services and there has been no marked change in the client's mental health status;
- changes to the consolidated chemical dependency treatment fund section of law due to a provision passed by the Legislature instructing the department to develop a new chemical dependency rate methodology that is uniform statewide;
- changes to the law authorizing Medical Assistance payments for intensive rehabilitation mental health services by requiring the commissioner to streamline the rate setting process of a certified community treatment teams and intensive residential services;
- changes to the definition of "intensive nonresidential rehabilitative mental health

services" and clarifies that these services are for recipients ages 16 to 21 with a serious mental illness or co-occurring mental illness and substance abuse addiction;

- modifing the foster care licensing moratorium by carving out an exception for the commissioner of human services to grant new foster care licenses if needed due to restructuring of state-operated services; and
- requiring that a mobile crisis intervention team must be available to meet face to face with a person in a hospital emergency room in a mental health crisis. The law also adds to the list of issues that must be evaluated in the crisis assessment, including the recipient's preferences as communicated verbally or in a health care directive treatment plan, crisis prevention plan, or a wellness recovery action plan. This law takes effect Aug. 1, 2011. H1500/SF1285*/CH86

-H.LONG

Preventing youth concussion harm

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

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

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

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

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

HF905/SF612*/CH90

- K. Berggren

Food inspection exceptions

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

Sponsored by Rep. Steve Drazkowski





PHOTO BY TOM OLMSCHEID

Minnesota Vikings owner Zygi Wilf talks with the Capitol press corps after a June 14 meeting that included, from left, Metropolitan Sports Facilities Commission Chairman Ted Mondale, Ramsey County Commissioner Tony Bennett, Gov. Mark Dayton, Rep. Morrie Lanning, team president Mark Wilf, Sen. Julie Rosen and Ramsey County Commissioner Rafael Ortega on funding for a new Vikings stadium.

(R-Mazeppa) and Sen. John Sterling Howe (R-Red Wing), the legislation grants certain organizations with tax-exempt status exemption from food regulation statutes. It would also affect organizations that are affiliated with or related to a sportsman organization. It also adds a limitation that events must be held in the organization's building or on the grounds.

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

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

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

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

The law is effective Aug. 1, 2011. HF637/SF477*/CH92

— H. Long

'Leo's Law' to raise awareness

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

The provisions may be cited in statute as "Leo's Law," so named after Leo James Chapman-Nesseth, a 1-year-old who died



PHOTO BY TOM OLMSCHEID

House members of the Legislative Commission on Planning and Fiscal Policy, *from left*, Rep. Ann Lenczewski, Rep. Morrie Lanning, Rep. Mindy Greiling, Rep. Pat Garofalo and Rep. Steve Drazkowski listen as Minnesota Management & Budget Commissioner Jim Schowalter explains Gov. Mark Dayton's listing of critical state employees during a June 15 hearing. from a mitochondrial disorder in 2010. Hamilton said he was contacted by the boy's parents, who suggested legislation to raise awareness of the condition.

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

The law takes effect Aug. 1, 2011. HF287/SF361*/CH104

- N. BUSSE

Nursing home rate formula changes

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

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

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

Two unrelated provisions are included in the law.

Offered by Rep. Tina Liebling (DFL-Rochester), one makes technical and clarifying changes to statutes regarding body art technician licensing and inspection.

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

services to residents of the bordering states.

The law takes effect Jan. 1, 2012. HF1508/SF1286*/CH110

Donation for anatomical gift program

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

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

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

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

The law takes effect Jan. 1, 2012. HF808*/SF892/CH80

— **М.** Соок

- H. Long

Higher Education

Student data protection exemption

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

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

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

All institutions that participate in the

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

The law takes effect Aug. 1, 2011. HF1130/SF799*/CH93

— **М.** Соок

Housing

Foreclosure evictions and renters

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

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

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

HF1443/SF1162*/CH58

— **L. S**снитz

Local Government

Kittson, Marshall appointed offices

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

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

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

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

The law is effective upon local approval. HF954*/SF642/CH99

- N. BUSSE

Red Wing golf course sale authorized

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

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

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

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

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

HF1017/ SF779*/CH43

SPREADSHEET PROPOSAL



House Speaker Kurt Zellers and Senate Majority Leader Amy Koch tell the Capitol press corps June 15 that they will present Gov. Mark Dayton their budget spreadsheet the following day.

Detachment and annexation

Effective Aug. 1, 2011, property owners whose land sits on a municipal boundary line may have an easier time switching cities.

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

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

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

HF753*/SF792/CH115

- N. BUSSE

Military & Vet. Affairs

Expired driver license renewals

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

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

HF186*/SF395/CH54

— S. HEGARTY

Gold Star plate options expanded

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

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

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

Effective July 1, 2011, the cost of a Class D driver's license will drop from \$22.25 to

\$17.25. Fees for renewing vehicle licenses will increase from \$4.50 to \$6 and other transactions will increase from \$8.50 to \$10. There will not be a filing fee charged for surrendering a vehicle title.

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

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

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

HF232*/SF179/CH117

- S. HEGARTY

Public Safety

Tougher penalty for fleeing officer

The crime of fleeing a peace officer when the result of doing so results in a death that does not constitute murder or manslaughter has been modified. Current flee-on-foot statute does not address penalties for causing serious harm or death to others if pursuit of a felonious criminal goes from vehicle to foot. However, if the occupants are still in the car, they can be charged for all the harm caused by their actions.

Effective Aug. 1, 2011, a new law extends

current law to situations where a suspect

initially flees police in a motor vehicle, but

abandons the vehicle and continues to flee

in another way.

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

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

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

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

HF361*/SF515/CH32

— **М. С**оок

Safety equipment purchase or lease

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

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

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

Rep. David Hancock (R-Bemidji) and

Sen. Ray Vandeveer (R-Forest Lake) are the sponsors.

HF1139*/SF921/CH33

- N. BUSSE

Synthetic marijuana banned

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

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

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

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

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

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

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

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

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

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

HF57*/SF1166/CH53

— **М. С**оок

Disaster relief technical changes

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

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

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

Selected other changes made by the law include:

- permitting the Board of Water and Soil Resources to use disaster-related funds to address "critical conservation problems" and extend disaster relief grants for up to two years;
- clarifying how disaster enrollment impact aid is to be calculated by the Department of Education;
- restricting the use of money from the Minnesota Investment Fund to address physical damages only;
- providing that organizations receiving forgivable loans from the Minnesota Investment Fund must remain in the community for five years, after which a loan forgiveness schedule must be followed;
- allowing the Health Department to waive the 60-day written notice requirement regarding layaway of nursing home beds;
- allowing certain transportation-related funds to be used for demolition and design purposes for road and bridge reconstruction projects; and
- allowing the Public Safety Department to use flood relief appropriations to help coordinate long-term recovery activities. HF1088/SF1044*/CH67

— N. BUSSE

Sex offender residency restrictions

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

Apparently the judge was wrong.

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

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

The law also states that the residency restriction could be ordered for all or part of the time that the offender is under court jurisdiction. The law is effective Aug. 1, 2011. HF229*/SF76/CH72

— H. Long

Donating public safety equipment

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

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

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

The law is effective Aug. 1, 2011. HF695*/SF735/CH75

— **L. S**снитz

Adding felony theft to racketeering

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

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

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

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

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

In Minnesota, it is estimated that approximately \$33 million is lost in annual

sales tax revenue due to organized retail crime.

HF1001/SF680*/CH81

— **М. С**оок

Protecting law enforcement assistants

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

Sponsored by Rep. Ron Shimanski (R-Silver Lake) and Sen. Scott Newman (R-Hutchinson), a new law adds to the statutory definition of law enforcement reserve officers and will make it a gross misdemeanor to assault such a person. Additionally, horse-mounted reserve officers or trail horses will be given the same protection afforded to mounted peace officer is operating at the direction of, under the control of, or on behalf of a peace officer or a law enforcement agency."

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

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

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

HF506/SF301*/CH85

— **М. С**оок

E-charging expansion authorized

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

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

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

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

HF1270/SF881*/CH91

— М. Соок

Modifying sex offender treatment

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

Some of the changes include:

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

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

RUNNING THE NUMBERS



PHOTO BY ANDREW VONBANK

House Speaker Kurt Zellers, holding a Republican-prepared budget spreadsheet, and Sen. Majority Leader Amy Koch speak to the Capitol press corps June 16 following a budget meeting with Gov. Mark Dayton.

The law is effective May 28, 2011. HF1478/SF1287*/CH102

— H. Long

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Recreation & Tourism

Helping bingo halls survive

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

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

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

HF1633/SF994*/CH77

- N. BUSSE

Definition of a swimming pond

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

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

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

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

HF763*/SF491/CH83

- H. LONG

State Government

Geospatial Advisory Council changes

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

A new law adds tribal governments to the list of organizations that must be represented on the statewide council. It also changes the makeup of the state government council so that its members are appointed by certain designated organizations rather than commissioner of administration. Finally, it extends the life of both councils to June 30, 2015.

The law takes effect June 30, 2011. Rep. Phyllis Kahn (DFL-Mpls) and Sen. Chuck Wiger (DFL-Maplewood) are the sponsors. HF1411/SF1270*/CH68

- N. BUSSE

Statute clarifications, corrections

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

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

The law, which takes effect Aug. 1, 2011, is

sponsored by Rep. Doug Wardlow (R-Eagan) and Sen. Warren Limmer (R-Maple Grove).

HF1220/SF885*CH76

— L. Schutz

Insurance reinstated for one worker

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

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

The law is effective May 28, 2011. HF1144*/SF849/CH100

- N. BUSSE

Taxes

Green Acres tax law reformed

Because of unintended consequences resulting from 2008 and 2009 changes

WHAT'S AT STAKE



PHOTO BY TOM OLMSCHEID

House Minority Leader Paul Thissen, left, and Senate Minority Leader Tom Bakk joined Gov. Mark Dayton June 22 at a news conference on the state's budget.

to the Green Acres and Rural Preserves programs, the programs were again tweaked this year. Sponsored by Rep. Mike LeMieur (R-Little Falls) and Sen. Jeremy Miller (R-Winona), the new law applies to taxes payable beginning in 2012.

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

Effective April 16, 2011, the law no longer requires farmers to develop a conservation plan or to sign a covenant agreement to enroll in Rural Preserves.

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

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

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

The 2011 enrollment period to get into the Rural Preserves tax relief program was extended until Aug. 1, 2011, due to program reforms made by lawmakers this session. HF12*/SF222/CH13

- S. HEGARTY

Tax bill gets support

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

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

Tax treatment for those raising horses prompted concerns in the House Taxes



While House Speaker Kurt Zellers and Sen. Majority Leader Amy Koch address the press after meeting with Gov. Mark Dayton June 22, Kyle Nelson holds his "Be Heros, Compromise" sign outside the governor's office.

Committee as well as on the House floor. Over the years, there has been confusion for some over how to differentiate in the tax code those who have horses as a hobby, and those who use them as part of an agricultural business. While a provision in the House language would have allowed more equine-related enterprises to be classified as agricultural, this was removed by amendment in the Senate.

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

Other provisions in the law include:

- modifying a 2010 law related to owneroccupied resorts to provide that two such properties located in the same town can be combined for tax purposes if they are each owned by different limited liability companies, as long as they have the same membership;
- defining of the word "interns" for use in the angel investment credit program and setting an intern minimum wage requirement. This provision is retroactive to Jan. 1, 2011;
- expanding the definition of "agricultural products" to include the production for sale of game birds and waterfowl by a Department of Natural Resources-licensed game farm, provided that at least 500 birds were raised or used for breeding stock on the property during the year; and
- agricultural land that is owned, and used for the purposes of a homestead by an individual who is a shareholder, member, or partner of the corporation, venture, company or partnership is entitled to receive the first tier homestead class rate, under certain conditions. HF1219*/SF869/CH112

— L. Sснитz

Transportation

Roadway to be returned

About a 4.5-mile stretch of roadway will be transferred from the state's trunk highway system to the county state-aid system.

Sponsored by Rep. Tom Anzelc (DFL-Balsam Township) and Sen. Tom Saxhaug (DFL-Grand Rapids), a new law will turn

back to Koochiching County a portion of Trunk Highway 332, which runs between U.S. Highways 71 and 53 south of International Falls.

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

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

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

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

HF724*/SF520/CH34

— **М. С**оок

Annual hauling permits enacted

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

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

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

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

HF80/SF67*/CH44

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— М. Соок
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Motor vehicle provisions passed

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

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

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

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

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

HF493*/SF341/CH48

— **М. С**оок

Disability motorcycle plates

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

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

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

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

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

HF1094/SF478*/CH60

— М. Соок

Carbon monoxide awareness

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

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

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

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

It is estimated that 15-20 Minnesotans die each year from carbon monoxide poisoning. HF650*/SF1042/CH70

— **М. С**оок

Diversion program expansion

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

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

The law is effective May 28, 2011.

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

Under the program, those charged with

GOVERNOR ARRIVES



PHOTO BY TOM OLMSCHEID

Gov. Mark Dayton makes his way through the Capitol press corps June 24 as he arrives at House Speaker Kurt Zellers' office to begin budget negotiations with Republican legislative leaders. House Minority Leader Paul Thissen, *right*, follows Dayton into the meeting.

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

Duluth, St. Paul, South St. Paul, West St.

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

As of Dec. 31, 2010, the program had 1,781 eligible participants, of which the average participant had seven outstanding citations with an average balance of \$1,700. Supporters noted the program had returned close to \$500,000 back to participating cities. HF387*/SF471/CH87

— М. Соок

Clarifying pickup registration, plates

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

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

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

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

HF1105*/SF1058/CH109

— **М. С**оок

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Freshmen power

Zeal for reform influences session agenda

BY KRIS BERGGREN AND HANK LONG

onventional wisdom holds that the House Class of 2011 "right"-sized the session's agenda. Of the 37 new members, 33 are Republicans who represent what many pundits termed a "wave of political conservatism" in the 2010 election.

Professionally, they're from diverse backgrounds, including farmers, teachers, a soldier, a photographer, a day care provider, insurance agents, a lawyer and small-business owners. Politically, it's been said by supporters and critics alike that they present a united front, which House Minority Leader Paul Thissen (DFL-Mpls), describes as "very conservative and leaning towards the Tea Party position."

How do they describe themselves?

"Headstrong, and a little naïve and a little daring," said Rep. Joe McDonald (R-Delano).

"It's really kind of an even keel group of people that come from all different walks of life," said Rep. Kurt Daudt (R-Crown), elected by his fellow Republican freshmen to represent them on the caucus executive board.

"It's tough to lump us all in a class," said Rep. John Kriesel (R-Cottage Grove), an outspoken war veteran who voted against his caucus majority on the marriage amendment.

The group that arrived at the Capitol in January is often mischaracterized by the media as an organized "Tea Party" bloc, Daudt said.

"But I do think they all campaigned on a message that, 'Hey, let's get Minnesota back into economic prosperity, let's create jobs, let's turn this economy around to get Minnesota back on the right track by attracting businesses and really being a projob creation environment," he said.

Maybe they aren't a "bloc," but the voting power of the freshmen class helped pass bills featuring spending limits, no new revenue and government reform plus an add-on slate of social issues such as abortion limits, a constitutional amendment to define marriage and requiring voters to prove their identity.

Although Rep. Bob Barrett (R-Shafer) said freshmen legislators have made it clear to their caucus where their principles lay — such as smaller government that costs less — he believes first-termers have been productive in understanding their role within the Legislature.

"Anyone who is new in their position can't come in there, guns-a-blazing," he said. "We should be listening a lot more than we are talking, and I think, as the new group of freshmen, we've done that."

The new majority's zeal for conservative reform was countered by the red pen of DFL Gov. Mark Dayton, who vetoed all but one of the budget bills passed by the Legislature during its regular session. As the session closed with a budget stalemate, Dayton said he believed a group of newcomers representing "the extreme right wing" of the Republican Party pressured their caucus leaders to refuse to compromise on a tax increase.

"I don't think leadership needed our coaxing," said McDonald. "If we contributed to their determination to hold the line on the budget then we've done what I think the people elected us to do: cut some wasteful spending, lower taxes and balance the budget."

Leadership views

Are those principles so extreme? They served as a campaign platform – along with creating jobs — for many lawmakers, including House Speaker Kurt Zellers (R-Maple Grove).

The Republican House leader calls most of the new group "center-right" and said their values generally match his own. "My voting record especially when it comes to spending is, I'm as conservative on fiscal issues and probably most issues as anybody here," Zellers said.

He's impressed with his freshmen's chops – they've carried "complicated" bills that he doubted many of his own Class of 2003 could have pulled off.

"On the reform side our freshmen have been dynamic. Our freshmen are interesting in that they're not really freshmen," said Zellers. He said the life experience and personalities of this year's class have given them the tools to carry significant bills through an often heated and very public process.

For example, Rep. Pam Myhra (R-Burnsville) carried a significant education bill proposing a statewide literacy plan featuring a third-grade retention policy for students unable to read. She learned from the give-and-take of the committee process that a bill gets better with the vetting and tweaking throughout the session.

"You take an idea that you feel passionately about or that has come from a constituent and mold it like clay. And as you bring it forward to your colleagues on both sides of the aisle they have really good ideas. One of the things a DFL colleague mentioned was the need for instructing teachers in more effective ways of teaching reading. And that was emphasized in the final bill presented to the governor," Myhra said.

Myhra also said party leaders respected all members' ideas and contributions.

"I've never sensed that because I'm a freshman it's diminished my influence in the caucus," she said.

"Open mic night"

To build communication and trust, Zellers used tools he learned during his early years. For one, he asked first-year Republicans



The House's freshmen members have held considerable sway during their first year in office.

PHOTO BY ANDREW VONBANK

to elect one of their ranks to serve on the executive team.

"It was important they felt not only were they part of the process but they had representation on our leadership team, a seat at the table. I learned that from (former House Speaker) Steve Sviggum."

One practice that helped freshmen find their sea legs was the regular Monday postfloor session "open mic night." During these gatherings, new members could ask anything – and they did, from whether they ought to bring a toothbrush and pajamas for late night sessions to "deep philosophical questions" to demands for justifying budget targets.

"If there's one question we hear time and time again, it's 'Well, why?'"Zellers said. "We're going to spend this much money on this budget, 'Well, why?' This is a priority to us and these dollars are for education, these dollars are for higher ed, 'Well, why?'

"The extra time helped us come along in caucus and as a leadership team," he said.

Social versus spreadsheet priorities

Leaders' attention to new members' needs didn't help them get a budget enacted by the end of session, however.

After tending to spreadsheet priorities by passing a budget that held state spending to \$34 billion without raising revenue, the House took up social issues that drew fire, such as abortion limits and a constitutional amendment to ban gay marriage.

That's where the conservative class's influence came into play, believes Rep. Carly Melin (DFL-Hibbing), one of only four new members of the party currently in the minority.

"I thought that the Republican freshmen went to St. Paul to create jobs too," Melin said. "Yet we wasted how many hours talking about divisive social issues?"

Others downplay that argument. McDonald said he spent just seven hours on the marriage amendment while it was debated on the House floor.

"We're able to do many things at once. ...

There is no reason we can't be working on many projects at one time," McDonald said.

In contrast, Kriesel believes the end-ofsession focus on social issues didn't serve the people of Minnesota. "Right or wrong, what's the thing that sticks out about the end of session? The marriage amendment. And so perception is reality."

Compromise or caving in?

Merely passing fiscal or policy bills isn't enough, and there's the rub. The majority has to pass bills the governor will sign into law.

What to some is pragmatic compromise others might call caving in.

"I think we are willing to compromise to a certain extent," Daudt said, "but the way we are seeing the word used, as it's being used by the governor right now, is not compromise. The term I would use instead is 'playing games."

Days before a possible state shutdown, Rep.

Doug Wardlow (R-Eagan) remained hopeful the governor and Republican leadership could come to a budget solution, but he too, said the word "compromise," as it was used in the context following the legislative session, is the crux of the problem.

"There is no compromise between right and wrong," said Wardlow. "It's difficult sometimes to discern what the right answer and wrong answer is. And people have different opinions about that. So you compromise in your attempts to define what the right or wrong answer is, but that doesn't mean there isn't a right answer."

Melin said sticking to your guns is "admirable, but it doesn't work in politics. You might run on one thing, but when you get to St. Paul, you're trying to strike a deal with hundreds of other people," she said.

Kriesel also called for practicality from both sides of the aisle. "People need to be reasonable right now because there's a lot on the line. Saying we're not budging, that's fine. But it's not reasonable. What do we teach our kids? What do we expect when we're dealing with people? We say, you need to compromise, but then some of us don't?" he said.

Compromise, Thissen said, not only means accepting things that you don't necessarily agree with, "but more importantly, that your base doesn't necessarily agree with.

"What Minnesotans want are legislators who are willing to come to the middle and simply not just appease their base. That's what the Democrats in the Legislature did with Gov. Pawlenty ... and I think that's where the Republicans need to move."

Nobody's immune from the pressures of running for office or of considering whether their vote will cost them at the ballot box. Kriesel said he tries not to think about that but rather, to vote his conscience. "You've got to think about what's right regardless of whether or not if it's going to hurt you or help you in your campaign next year."

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"Anyone who is new in their position can't come in there, guns-a-blazing. We should be listening a lot more than we are talking, and I think, as the new group of freshmen, we've done that." — Rep. Bob Barrett R-Shafer



"I've never sensed that because I'm a freshman it's diminished my influence in the caucus." — Rep. Pam Myhra R-Burnsville



"I thought that the Republican freshmen went to St. Paul to create jobs too. Yet we wasted how many hours talking about divisive social issues?" — Rep. Carly Meline DFL-Hibbing



"I think we are willing to compromise to a certain extent. But the way we are seeing the word used, as it's being used by the governor right now, is not compromise. The term I would use instead is 'playing games."" — Rep. Kurt Daudt R-Crown



"It's difficult sometimes to discern what the right answer and wrong answer is. And people have different opinions about that. So you compromise in your attempts to define what the right or wrong answer is, but that doesn't mean there isn't a right answer." — Rep. Doug Wardlow

R-Eagan

"You've got to think about what's right regardless of whether or not if it's going to hurt you or help you in your campaign next year."

— Rep. John Kriesel R-Cottage Grove

2011-2012 Minnesota House of Representatives Members

District	Member/Party	Room*	Phone 651-296-	District	Member/Party	Room*	Phone 651-296-
48B	Abeler, Jim (R)			57A	Kriesel, John (R)		
19A	Anderson, Bruce (R)			50A	Laine, Carolyn (DFL)		
38A	Anderson, Diane (R)		3533	9A	Lanning, Morrie (R)		
13A	Anderson, Paul (R)			34A	Leidiger, Ernie (R)		
43A	Anderson, Sarah (R)			12B	LeMieur, Mike (R)		
3A	Anzelc, Tom (DFL)			40B	Lenczewski, Ann (DFL)		
39B	Atkins, Joe (DFL)			66A	Lesch, John (DFL)		4224
15B	Banaian, King (R)	411	6612	30A	Liebling, Tina (DFL)		
17B	Barrett, Bob (R)	413	5377	55A	Lillie, Leon (DFL)		1188
35A	Beard, Michael (R)	417		59A	Loeffler, Diane (DFL)		
43B	Benson, John (DFL)			56A	Lohmer, Kathy (R)		
30B	Benson, Mike (R)			42B	Loon, Jenifer (R)		
37B	Bills, Kurt (R)			37A	Mack, Tara (R)		
23B	Brynaert, Kathy (DFL)			67A	Mahoney, Tim (DFL)		
35B	Buesgens, Mark (R)			65B	Mariani, Carlos (DFL)		
45B	Carlson Sr., Lyndon (DFL)			9B	Marquart, Paul (DFL)		
43B 58B	Champion, Bobby Joe (DFL)			41B	Mazorol, Pat (R)		
	Champion, Bobby Joe (DFL)						
61A	Clark, Karen (DFL)			19B	McDonald, Joe (R)		
24B	Cornish, Tony (R)	437	4240	3B	McElfatrick, Carolyn (R)		
8B	Crawford, Roger (R)	421	0518	53B	McFarlane, Carol (R)		
17A	Daudt, Kurt (R)			57B	McNamara, Denny (R)		
31B	Davids, Greg (R)		9278	5B	Melin, Carly (DFL)		0172
62A	Davnie, Jim (DFL)		0173	65A	Moran, Rena (DFL)		5158
52B	Dean, Matt (R)	459		23A	Morrow, Terry (DFL)		
52A	Dettmer, Bob (R)		4124	58A	Mullery, Joe (DFL)		
6A	Dill, David (DFL)		2190	10B	Murdock, Mark (R)		
47A	Dittrich, Denise (DFL)			64A	Murphy, Erin (DFL)		
33B	Doepke, Connie (R)			6B	Murphy, Mary (DFL)		
41A	Downey, Keith (R)			27A	Murray, Rich (R)		
28B	Drazkowski, Steve (R)			40A	Myhra, Pam (R)		
20D 2A	Eken, Kent (DFL)	1040	0019	46A	Nelson, Michael V. (DFL)		
	Ekeli, Kelit (DFL)						
16A	Erickson, Sondra (R)			10A	Nornes, Bud (R)		
1A	Fabian, Dan (R)			29B	Norton, Kim (DFL)		
20A	Falk, Andrew (DFL)			14A	O'Driscoll, Tim (R)		
11B	Franson, Mary (R)			64B	Paymar, Michael (DFL)		
26B	Fritz, Patti (DFL)	253	8237	31A	Pelowski Jr., Gene (DFL)		
36B	Garofalo, Pat (R)			32A	Peppin, Joyce (R)		
7B	Gauthier, Kerry (DFL)			4A	Persell, John (DFL)		
15A	Gottwalt, Steve (R)			49B	Petersen, Branden (R)	577	5369
60A	Greene, Marion (DFL)		0171	45A	Peterson, Sandra (DFL)		4176
54A	Greiling, Mindy (DFL)		5387	27B	Poppe, Jeanne (DFL)		4193
25A	Gruenhagen, Glenn (R)			29A	Quam, Duane (R)		
24A	Gunther, Bob (R)	591	3240	5A	Rukavina, Tom (DFL)	303	0170
48A	Hackbarth, Tom (R)			53A	Runbeck, Linda (R)		
22B	Hamilton, Rod (R)			51A	Sanders, Tim (R)		
2B	Hancock, David (R)			54B	Scalze, Bev (DFL)		
39A	Hansen, Rick (DFL)			22A	Schomacker, Joe (R)		
66B	Hausman, Alice (DFL)				Scott, Peggy (R)		
				49A			
61B	Hayden, Jeff (DFL)			18A	Shimanski, Ron (R)		
46B	Hilstrom, Debra (DFL)			44A	Simon, Steve (DFL)		
8A	Hilty, Bill (DFL)			55B	Slawik, Nora (DFL)		
36A	Holberg, Mary Liz (R)			63B	Slocum, Linda (DFL)		
34B	Hoppe, Joe (R)			33A	Smith, Steve (R)		
60B	Hornstein, Frank (DFL)			42A	Stensrud, Kirk (R)		
47B	Hortman, Melissa (DFL)			21A	Swedzinski, Chris (R)		5374
14B	Hosch, Larry (DFL)			63A	Thissen, Paul (DFL)		5375
4B	Howes, Larry (R)			51B	Tillberry, Tom (DFL)	231	5510
7A	Huntley, Thomas (DFL)			21B	Torkelson, Paul (R)		
67B	Johnson, Sheldon (DFL)			18B	Urdahl, Dean (R)		
59B	Kahn, Phyllis (DFL)			13B	Vogel, Bruce (R)		
26A	Kath, Kory (DFL)			62B	Wagenius, Jean (DFL)		
28A	Kelly, Tim (R)			12A	Wagenius, Jean (DFL)		
56B	Kieffer, Andrea (R)			38B	Wardlow, Doug (R)		
1B	Kiel, Debra (R)			11A	Westrom, Torrey (R)		
16B	Kiffmeyer, Mary (R)			44B	Winkler, Ryan (DFL)		
50B	Knuth, Kate (DFL)			25B	Woodard, Kelby (R)		
20B	Koenen, Lyle (DFL)			32B	Zellers, Kurt (R)		

VETOES JANUARY 4 - MAY 23, 2011

Civil Law

Public defender eligibility statutes

A 2010 legislative auditor's report on the state's public defender system concluded that increasing workloads are affecting the ability of public defenders to represent clients and the operation of state courts.

A bill to address those issues by streamlining the process of issuing public defenders was vetoed by Gov. Mark Dayton, who believes some provisions would have had "serious consequences for low-income individuals seeking counsel."

Sponsored by Rep. Steve Smith (R-Mound) and Sen. Warren Limmer (R-Maple Grove), the bill included recommendations from the legislative auditor's report and the Minnesota Board of Public Defense that would have made changes to provisions regarding public defender representation, including eligibility, appointment and reimbursement obligations. The provisions were also included in the vetoed omnibus judiciary and public safety finance bill.

Included was a provision that would have established criteria to determine eligibility for public defender representation based on the offense level charged and the defendant's income. A defendant charged with a misdemeanor offense would have been eligible for a public defender if their income did not exceed 125 percent of the federal poverty guidelines. Defendants facing a gross misdemeanor or felony charge would have been eligible for a public defender if they had an income no greater than 150 percent or 175 percent of the guidelines, respectively.

In his veto message, Dayton said he believes the legislation's tiered income levels for eligibility to seek a public defender are "far too low," and as a result would have jeopardized the constitutional right to counsel for low-income individuals. Other provisions in the bill would have:

- required the court, prior to appointing a public defender, to inquire whether a prosecutor intends to certify a misdemeanor as a petty misdemeanor, and if an offense is certified as a petty misdemeanor, a defendant would not be eligible for a public defender;
- required a defendant who is or becomes able to make partial payments to reimburse the state for the cost of the public defender, including requiring the court to evaluate a defendant's ability to make partial payments if the court originally determined that the defendant was financially unable to afford counsel due to the private retainer fee;
- allowed the court to appoint a public defender if the defendant, through any combination of liquid assets and current income, would be unable to afford private counsel; and
- prohibited the appointment of a public defender if a defendant is financially able to retain counsel but refuses to do so, refuses to execute the required financial

statement or waives the right to a public defender.

HF988*/SF952/CH94

— H. Long

Consumers

A veto for super-sizing

During the last seven sessions, Rep. Dean Urdahl (R-Grove City) has advocated that if you are what you eat, then you are responsible for the excess poundage that ensues and that should not be cause for a lawsuit.

Gov. Mark Dayton agrees with the intent of the bill's sponsors, Urdahl and Sen. David Hann (R-Eden Prairie), but he vetoed the bill because it goes beyond the goal "to hold individuals responsible for their dietary choices." He wrote in his veto message the bill would give companies too broad an exemption from liability.

Known as the "cheeseburger bill," it would make establishments associated with the production or delivery of a food or

NOTHING TO SAY



House Minority Leader Paul Thissen has nothing to say to the Capitol press corps as he enters a conference room for state budget talks June 26.

PHOTO BY TOM OLMSCHEID

VETOES

nonalcoholic beverage immune from civil liability based on an individual's weight gain, obesity or related heath condition resulting from the long-term purchase or consumption of that food or beverage.

Dayton wrote: "Unfortunately, this bill provides to companies that manufacture, distribute or sell nonalcoholic beverages civil immunity, except for 'any other material violation of federal or state law applicable to the manufacturing, marketing, distribution, advertising, labeling, or sale of food, if the violation is knowing and willful... .' That requirement of beingknowing and willful creates too broad an exemption from liability, according to legal experts with whom I consulted."

The closest any of Urdahl's previous efforts have gotten to becoming law was in 2005, when it passed the Republican controlled House, only to die in the DFL controlled Senate.

HF264*/SF160/CH101

— **L. S**снитz

Education

Teacher basic skills bill vetoed

Although Gov. Mark Dayton hopes teachers eventually will have to pass a basic skills examination in reading, writing and mathematics before they're in charge of a classroom, he vetoed a bill that would have made it law.

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

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

One would have allowed teachers licensed out-of-state to be granted a one-year teaching license, during which period they would have to pass the skills exam. Dayton said that "contradicts efforts in the rest of the bill" to boost rigor, and places fewer requirements on those licensed out-of-state than on Minnesota candidates. The governor also said the bill lacked a requirement that higher education teacher preparation programs provide remediation for teacher candidates who don't pass the skills exam, which he said puts poor testtakers at a disadvantage even if they show promise as future teachers.

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

HF183/SF170*/CH45

- K. Berggren

No early ed? No K-12 policy law

Gov. Mark Dayton agreed with a few provisions in the omnibus education policy bill sponsored by Rep. Sondra Erickson (R-Princeton) and Sen. Gen Olson (R-Minnetrista), such as a statewide plan to promote literacy by third grade. On balance, he could not support the bill and sent it back to lawmakers.

Dayton wrote in his veto letter that other provisions "must be removed or resolved before I can support it" and indicated he was troubled by its lack of an early childhood education plan.

The original literacy proposal sponsored by Rep. Pam Myhra (R-Burnsville) would have ended "social promotion" of children who cannot read at grade level by the end of third grade, and required earlier and frequent literacy assessment, parent notification and targeted reading interventions. By the time the omnibus bill reached the governor, the controversial retention policy was removed but the supports and literacy monitoring were retained.

The governor appreciated proposals regarding principal development and evaluation, but did not support a two-year probationary period for principals and assistant principals while teachers have three years of probation. He called a proposed three-year probationary period any time a teacher switches school districts "excessive and unwarranted, even with the school board's option to modify it."

Dayton also found limitations on the education commissioner's role in rulemaking related to academic standards "unacceptable." The bill would have required the Legislature to approve the standards before their adoption by the Education Department; Dayton wrote that the proposal would add a "layer of bureaucratic delay, which runs contrary to our shared desire to streamline government decision-making and reduce its timelines."

The bill also would have prohibited the commissioner from adopting Common Core Standards without legislative approval. Dayton said U.S. Secretary of Education Arne Duncan called him to urge his support of the standards, already adopted by 42 other states.

The governor wrote that a proposed pilot program allowing small groups of school districts to operate as charter schools "has not been crafted carefully enough to be enacted." The plan triggered his concerns about their governance, funding allocation, accountability for student performance and whether they would honor collective bargaining agreements.

Finally, the governor cited the lack of early childhood funding or programs as a key reason for his lack of support for the bill.

"I am also extremely reluctant to sign any education policy or funding bill, which does not contain language and/or funding for early childhood education. ... Such drastic and misguided actions would wrongfully reverse the state's modest progress in supporting this critically needed service," he stated.

"After all of the rhetoric during the legislative session about closing the achievement gap, it is incomprehensible why early childhood education programming and funding, which educational experts say is the key first step toward education equity, would be eliminated."

HF1381*/SF1167/CH114

- K. Berggren

Elections

Photo ID for voters vetoed

Gov. Mark Dayton nixed a plan to require all Minnesotans to present a valid photo ID card before voting.

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

The issue of whether to require voters to show a photo ID has long been a top priority for

VETOES

AFTER MEETING



Senate Majority Leader Amy Koch, from left, Gov. Mark Dayton and House Speaker Kurt Zellers meet with the Capitol press corps after the trio had more bu

Republicans, who say doing so would prevent illegal voting and boost public confidence in the integrity of elections. In his veto letter, Dayton disagreed, and said the state's election system is already "the best in the nation."

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

Most DFL lawmakers opposed the bill, arguing that requiring a valid photo ID for voting would present a hardship for senior citizens, college students, persons with disabilities and certain other groups. Dayton cited this lack of bipartisan support as among his reasons for vetoing the bill.

The governor further argued that the bill would have created an unfunded mandate on local governments, who would have to shoulder the cost of upgrading their election systems at a time when they are losing state aid. He also said a provision in the bill to change the canvassing date for the state primary would have violated a federal law related to military voters stationed overseas.

Along with his veto, Dayton issued an executive order creating a Task Force on Election Integrity. Made up of lawmakers of both parties and various state and local officials, the group will be charged with finding ways to "modernize the state's elections, while protecting citizens' fundamental right to vote."

In addition to requiring photo ID, the bill would have provided that voters without an ID could cast a provisional ballot. The ballot would have been counted if they verified their identity to local authorities within seven days after an election. The practice of vouching as a means of same-day registration would have been eliminated. Voters without a current photo ID could have applied for a free voter ID card from the state, under the provisions. The bill would also have provided for a system of electronic polling place rosters to replace the current paper-based system; however, adoption of the new rosters would have been optional to each local government.

HF210/SF509*/CH69

- N. BUSSE

Energy

Coal power exemption is vetoed

Gov. Mark Dayton vetoed a measure sponsored by Rep. Mike Beard (R-Shakopee) and Sen. Julie Rosen (R-Fairmont) that would have allowed up to 1,500 megawatts of coal-generated electricity to be imported into the state.



dget discussions June 27.

"Minnesota must continue on the path of progress to a sustainable, clean and safe energy future, rather than increasing our already heavy reliance upon coal-fired electricity, which threatens our health and climate," Dayton wrote in his veto letter. He further made the case that there is no current need for additional baseload power due to the economic downturn.

As introduced, the proposed legislation would have repealed an existing ban on the construction of or purchases from new coal powered plants that contribute to statewide greenhouse gas emissions. The final bill would have simply allowed a 1,500-megawatt exemption to this prohibition, which would have enabled Great River Energy to purchase power from a new coal facility in North Dakota.

Earlier, GRE had requested an exemption from the Public Utilities Commission, as provided for in the existing law, to import electricity from the new Spiritwood coal plant near Jamestown, N.D., scheduled to open next year. GRE proposed to offset the plant's greenhouse gas emissions with carbon reduction projects. But environmental groups objected on the grounds that some of the proposed offsets would have occurred anyway and should not count toward offsetting carbon emissions.

The commission decided it needed more evidence and referred the matter to the Office of Administrative Hearings. A recommendation by an administrative law judge is anticipated by Sept. 19, 2011. Public comments are due in July and a final PUC decision is expected by December 2011.

- S. HEGARTY

HF72/SF86*/CH96

Env. & Natural Resources

Agency reductions unacceptable

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

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

VETOES

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

Sponsored by Rep. Denny McNamara (R-Hastings) and Sen. Bill Ingebrigtsen (R-Alexandria), the bill would have transferred millions of dollars from several dedicated accounts to the General Fund, including \$24.5 million from the worker's compensation assigned risk plan. "These funds are paid by businesses and individuals for specific and limited purposes," Dayton wrote.

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

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

Nearly \$5.7 million from the environment and natural resources fund, combined with \$3.3 million from the General Fund, would have been spent on preventing aquatic invasive species. The Legislative-Citizen Commission on Minnesota Resources makes recommendations to the Legislature about how to spend the environment and natural resources fund, comprised of state lottery receipts. Some LCCMR recommended projects were replaced in committee hearings to address "emerging issues" such as aquatic invasive species prevention efforts. In his veto letter, Dayton said the state needs a long-term and dedicated funding source for prevention.

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

Since fiscal year 2002, the Board of Water and Soil Resources has implemented cost-saving measures and Dayton said the agency was in no position to absorb a \$7 million proposed cut. Likewise, cuts to the Department of Commerce, which protects consumers and investigates fraud allegations in banking, insurance and several other industries, would have serious impacts on the department's ability to perform its core mission, according to Dayton.

In addition, he opposed a planned \$950,000 Insurance Fraud Prevention Account transfer to the General Fund. Restrictions to new coal-fired power were also contained in the bill. "This issue is moving through the legislative process on its own and has no place in an omnibus budget bill," Dayton wrote. A scientific study of the affects of sulfates on wild rice that was supported by the governor and lawmakers also was in the vetoed legislation.

HF1010*/SF1003/CH46

— **S. H**egarty

Game & Fish

ATV definitions kill outdoors bill

Proposed changes to how all-terrain vehicles would be classified for licensing sparked a veto of the omnibus game and fish bill by Gov. Mark Dayton. "Polaris and Arctic Cat employ over 4,000 Minnesotans and generate more than \$2 billion into the state's economy. The provisions in this legislation that modify the definitions of Class 1/Class 2 ATVs will have a detrimental impact on these job providers," Dayton wrote in his veto letter.

Rep. Tom Hackbarth (R-Cedar) and Sen. Bill Ingebrigtsen (R-Alexandria) sponsored the measures.

Hackbarth said a small percentage of ATV trails are designed for smaller machines but that some of the larger, multi-rider machines are being manufactured to fit into the smaller class category, which can lead to increased trail damage on the trails designated for smaller machines. After a stakeholder group had reached consensus on classification rules, Hackbarth amended the language. (Secs. 11-13)

"I hope the Legislature will reconsider the stakeholder recommendations," Dayton continued.

Dayton also hoped legislators could find a compromise on the number of northern pike experimental and special management lakes. The bill would have required the Department of Natural Resources to reduce the number of designated lakes with enhanced regulations from 119 to 90, which the DNR opposed. (Sec. 57) The governor also objected to a section of the bill that would have opened Cass Lake to spearing by those other than tribal nations. It also would have prohibited spearing restrictions of northern pike, "which may diminish the quality of northern pike fishery," Dayton wrote.

An agricultural-related provision would have included harvested cornfields in the definition of a pasture. This would have enabled livestock farmers to let cattle graze in the cornfield without a feedlot permit.

"Changing the state's definition of pasturing ... would be counter to the federal requirement that these facilities be subject to permit if their animals are confined in one location for a long time," Dayton wrote.

Also held up due to the veto are proposed regulations:

- compensating farmers for fence damage caused by elk;
- requiring revised inspection and other standards for fish and bait;
- adding the gray wolf to the definition of small game and eliminating the five-year waiting period for a gray wolf season following federal delisting;
- amending the definition of an "undressed bird";
- adding dead animals to the definition of "wild animals";
- making it a gross misdemeanor to take big game during the time a person is prohibited from obtaining a big game license;
- allowing the commissioner to give Purple Heart medal recipients and those with a service-connected disability rated at 100 percent certain hunting and fishing license preferences;
- allowing motorists who hit and kill a deer first right to keep the animal;
- allowing a certified nurse practitioner or certified physician assistant to certify a visually impaired hunter to use a scope or a disabled hunter to use a crossbow or to shoot from a vehicle;
- eliminating deer stand height restrictions;
- authorizing road authorities to kill beavers that disrupt roadways and enabling counties or townships to set a bounty on coyotes;
- restricting the DNR's ability to establish antler point restrictions for Series 300 deer hunt areas; and
- authorizing Lutsen Ski Resort to take more than 2 million gallons of water

VETOES

per day from the Poplar River. HF984/SF943*/CH111

- S. HEGARTY

Health & Human Services

State funding of abortions

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

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

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

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

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

HF201*/SF103/CH56

— H. Long

Abortions after 20 weeks gestation

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

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

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

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

HF936*/SF649/CH59

— H. Long

Housing

Fire sprinkler bill doused by veto

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

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

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

HF460*/SF297/CH47

- K. BERGGREN

No mobile home park water billing

An estimated 80 percent of the 180,000 Minnesotans who live in manufactured home parks are low-income. Gov. Mark Dayton vetoed a bill he feared could have increased their housing costs.

The bill, sponsored Rep. Tim Sanders (R-Blaine) and Sen. Warren Limmer (R-Maple Grove), would have allowed submetering in manufactured home parks, at the park owner's expense, so residents would pay a separate water charge for what they actually use, rather than an amount rolled into their rent check. However, there was no guarantee the overall monthly rent that now covers utilities would decrease to reflect a separate bill for the cost of water.

"I cannot support legislation that could drive up rent for some of the poorest Minnesotans, especially while high unemployment persists," Dayton wrote in his veto message.

Another provision would have repealed the 2007 ban on air admittance valves in plumbing systems. The valves are allowed in 39 states and are used internationally, but are prohibited in Minnesota because of concerns they are unreliable and may allow sewer gas to leak into a home if they fail.

HF562*/SF406/CH73

- K. Berggren

State Government

House, Senate district lines rejected

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

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

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

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

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

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

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

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

HF1425*/SF1428/CH35

No to new congressional district lines

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

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

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

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

The configuration would have significantly changed the 7th and 8th districts, which would

align east to west instead of north-south.

No DFL member voted for the map, prompting Dayton to write that his previous letter had "made clear that, to earn my approval, the plan must be passed with strong bipartisan support, both in committee and on the floor. This bill was not."

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

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

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

HF1426*/SF1246/CH36

— **L. S**снитz

Taxes

— **L. S**снитz

Tax bill's 'destabilizing effects'

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

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

Sponsored by Rep. Greg Davids (R-Preston) and Sen. Julianne Ortman (R-Chanhassen), the bill would have provided \$202.71 million in tax relief during the 2012-2013 fiscal biennium, including a reduction in the state general property tax levy on commercial-industrial property; modification to the K-12 education tax credit to include private school tuition; an increase in the research and development credit; a phased-in income tax subtraction for those receiving military retirement pay; and several sales and use tax exemptions, including on downloadable ringtones. But Dayton contends the bill would make unnecessary and geographically imbalanced cuts to local government aid, including a phaseout of aid to Minneapolis, St. Paul and Duluth. He summarizes that the reductions could mean a \$400 million cut for "critical local services" and increase property taxes by that amount over the next year and by over \$1.2 billion during the next three years. He said this increase would "fall disproportionately on low- and middleincome Minnesotans." Republicans say cuts to LGA do not necessarily translate to higher property taxes.

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

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

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

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

Several income and sales tax conformity issues were addressed in the bill that Dayton lauded. "I appreciate that the Legislature included conformity to most federal tax law changes in the bill and included provisions necessary to maintain Minnesota's
No deal



PHOTO BY ANDREW VONBANK

Surrounded by their Republican colleagues, Senate Majority Leader Amy Koch and House Speaker Kurt Zellers address the Capitol press corps June 30 after Gov. Mark Dayton announced no deal was reached to prevent a state government shutdown.

conformity to the streamlined sales and use tax agreement," he wrote.

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

HF42*/SF27/CH38

— L. Schutz

Transportation

Finance bill gets red light

The omnibus transportation finance bill quickly reached a dead end.

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

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

Dayton took particular aim at the lack of transit funding.

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

But Beard said there has been a rise in Motor Vehicle Sales Tax revenues dedicated to transportation funding, of which at least 40 percent must go to transit operations. Beard said it is forecast to provide \$98 million in new transit funds in the upcoming biennium to be split between metro and Greater Minnesota transit. Opponents noted that in nine of the last 10 years MVST revenues have not met expectations.

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

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

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

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

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

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

The bill did not contain an appropriation to the Department of Transportation for commuter and intercity passenger rail planning. With no money allocated, the bill would likely have resulted in the closing of MnDOT's Passenger Rail Office, according to Dayton.

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

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

HF1140*/SF898/CH49

— **М. С**оок

Pictures tell the story of session

By Kris Berggren

Republicans officially took the leadership gavel Jan. 4 when House Speaker Kurt Zellers (R-Maple Grove) was sworn in by Hennepin County District Court Judge Ron Abrams. The new majority's budget and policy priorities – and reaction to them — characterized the session.

The May 23 adjournment deadline arrived with a balanced budget submitted to the governor featuring significant spending cuts to health and human services, higher education, local government aid and state government. In response, students, union members, people with disabilities and other protesters turned out at the Capitol to protest the proposed cuts and demand a higher income tax on wealthy Minnesotans to lessen the funding reduction impacts.

As the deadline loomed, floor sessions grew longer and lasted later into the night. In the last days of session, a bill to ask voters to constitutionally define marriage came to a vote and the Capitol reverberated with the chants and songs of groups for and against the proposal, arguably the defining social issue of the session. The crowd's din drowned out members' voices each time the massive House Chamber doors opened.

Gov. Mark Dayton signed some bills intended to help create or keep jobs in Minnesota, including one that gives small brewers more tools to compete in a growing national market for craft beer, and HF1, which tightens environmental permitting efficiency and shortens the time businesses must wait to build or expand facilities.



House Speaker Kurt Zellers (R-Maple Grove) is sworn in Jan. 4 by Hennepin County District Court Judge Ron Abrams.



Rep. Jean Wagenius (DFL-Mpls) and Rep. Steve Drazkowski (R-Mazeppa) review a proposed redistricting map of Congressional districts in the retiring room May 13.



House Public Safety and Crime Prevention Policy and Finance Committee Chairman Tony Cornish (R-Good Thunder) sponsors a bill that would give Minnesotans more latitude to use arms in self-defense against home intruders. Here he listens to floor debate on the omnibus public safety and judiciary finance bill.





Rep. Mary Kiffmeyer (R-Big Lake) demonstrates electronic voting equipment during a Feb. 8 hearing on a bill she sponsors that would require voters to show photo identification before receiving their ballot.



PHOTO BY TOM OLMSCHEID

Students from the Minnesota State Colleges and Universities system rallied Feb. 18 against tuition hikes they fear would result from the omnibus higher education finance bill.



PHOTO BY KRISTIN SCHUE

Traditional marriage advocates and gay marriage supporters descended on the Capitol late in the session as legislators voted to put a constitutional amendment question on the 2012 ballot asking if marriage shall be limited to one man and one woman.



PHOTO BY TOM OLMSCHEID

Rep. Jenifer Loon (R-Eden Prairie) sponsors a law that will help create jobs in the growing craft beer industry. With Loon at a House Commerce and Regulatory Reform Committee hearing is Omar Ansari, founder and president of Surly Brewing Co.



PHOTO BY ANDREW VONBANK

Rep. Jim Abeler and Sen. David Hann led the conference committee April 12 on the omnibus health and human services finance bill that proposed to reduce projected General Fund spending.





Former Florida Gov. Jeb Bush spoke to education policymakers April 26 about his state's reforms that served as a model for Minnesota proposals this year, including a third-grade retention policy for struggling readers.



PHOTO BY TOM OLMSCHEID

Minneapolis Mayor R.T. Rybak and St. Paul Mayor Chris Coleman shared their concerns March 16 about how proposed cuts to local government aid would affect the state's two largest cities.

PHOTO BY ANDREW VONBANK

Protesters unfurled a huge banner over the second-floor railing of the Capitol Rotunda May 23, the last night of the 2011 session.

PHOTO BY TOM OLMSCHEID Rep. Dean Urdahl (R-Grove City), sponsor of the Legacy funding bill, holds up seven fingers for the minutes left in the session before midnight May 23. The bill would have appropriated funds raised from a 0.375 percent tax approved by voters in 2008, for arts and environmental purposes.



Too much reform?

Gov. Dayton says bill too aggressive in proposed cuts

BY NICK BUSSE

ne of the session's major omnibus bills included sweeping state government reforms that went too far in the eyes of Gov. Mark Dayton, who vetoed the measure.

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

HF577/SF1047*/CH40

Shared commitment to efficiency

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

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

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

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

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

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

The governor also criticized the bill for booking new General Fund revenues from proposed tax analytics and federal offset programs. He said the bill recognized \$169 million in new revenue from these initiatives that Department of Revenue analysts "cannot substantiate."

Reshaping state government

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

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

A salary freeze would have been required for all state employees until at least June 30, 2013. This provision, and another requiring that the State Employee Group Insurance Program find \$90 million in General Fund savings by making state workers pay a larger share of their health insurance costs, were criticized in Dayton's veto letter. He said the provisions undermined the collective bargaining process by setting statutory goals for labor contracts.

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

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

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

Selected other reform initiatives in the bill included:

- cutting the number of deputy and assistant commissioners at state agencies;
- requiring the Department of Administration to issue requests for proposals for vehicle fleet consolidation, building efficiency improvements and strategic sourcing;
- allowing cities of the first class and all counties to contract with private accounting firms instead of the Office of the State Auditor to do their audits;
- loosening restrictions on outsourcing state services to private contractors; and
- establishing a performance appraisal and performance pay system for state employees.

Jobs and housing bill vetoed

Plan would have reformed how DEED distributes grant money

BY NICK BUSSE

ov. Mark Dayton vetoed the omnibus jobs and economic development finance bill, which proposed reduced funding for all but a handful of jobs and housing programs in the 2012-2013 fiscal biennium.

Sponsored by Rep. Bob Gunther (R-Fairmont) and Sen. Geoff Michel (R-Edina), it would have spent \$138.2 million from the General Fund — a 17.8 percent reduction from base funding levels. HF1049/SF887*/CH39

Deep reductions to important programs

The spending cuts would have been mitigated with \$16.3 million in onetime account transfers. Also, funding for programs that affect vulnerable populations would have largely been preserved.

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

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

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

In addition to a handful of funding

increases, the bill would have kept certain programs from cuts, such as rental assistance for the mentally ill and family homeless prevention.

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

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

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

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

The governor also objected to the transfer of \$16.3 million from accounts funded through penalties on unemployment insurance fraud cases into the General Fund.

Competitive grant programs created

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

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

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

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

Serving more with less

Collegiate funding plan gets failing grade from the governor

ΒΥ ΜΙΚΕ COOK

ov. Mark Dayton gave the Legislature's first attempt at an omnibus higher education finance bill a big "F."

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

It would have cut the University of Minnesota 18.9 percent from its forecast base and the Minnesota State Colleges and Universities system by 14.3 percent, cuts Dayton deemed "too extreme."

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

HF1101*/SF924/CH50

Back to 1998 funding levels

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

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

The university would have also had 1 percent of fiscal year 2013 funding held back until it met three of five criteria: increasing institutional financial aid so it is greater in fiscal year 2012 than it was in fiscal year 2010; producing at least 13,500 degrees on all campuses in fiscal year 2012; increasing four- and six-year graduation rates on the Twin Cities campus; maintaining research and development expenditures as reported to the National Science Foundation; or maintaining sponsored research so that fiscal year 2012 numbers are not below those of fiscal year 2010.

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

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

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

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

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

Prohibiting the use of state or federal funds for state programs to support human cloning or for expenses incidental to human cloning was something else the governor frowned upon.

"It is imperative for Minnesota's biomedical future that both the University of Minnesota and the Mayo Clinic approve of any language affecting this vital area of research, which has the potential to bring thousands of jobs to Minnesota and save many thousands more lives," Dayton wrote.

Other finance and policy provisions in the bill included:

- encouraging MnSCU and the university to offer a guaranteed tuition plan;
- eliminating the matching grant program that is part of the Minnesota College Savings Plan;
- lowering of the eligibility age for the senior citizen higher education program from 66 to 62; and
- repealing the requirement that public institutions sell American-made clothing and apparel in their bookstores to the extent possible.

Governor vetoes public safety bill

At about \$1.8 billion in spending, no cuts to courts were proposed

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

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

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

HF853/SF958*/CH37

Courts and public safety funding

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

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

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

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

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

Nor did the governor like direction that the remaining money be used on enforcement measures while eliminating the department's state-funded education and research responsibilities.

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

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

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

In recent years some of the account balance has been used to help fund the state's deficit. In fiscal year 2010, \$6.9 million was transferred to the General Fund and \$3.6 million in fiscal year 2011. Other fiscal aspects of the bill included:

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

Policy provisions

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

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

Other policy provisions in the vetoed bill included:

- offenders with 60 days or less remaining in their sentences would have been required to serve that time in a county jail or workhouse; and
- an inmate health co-payment of at least \$5 would have been imposed for each inmate visit to a health care provider.

First try at K-12 finance bill fails

Dayton says special education cuts 'would create significant funding gaps'

By Kris Berggren

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

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

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

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

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

Integration aid would have been partially replaced with other targeted spending, including \$72.71 million in innovation achievement transition revenue equal to districts' expected integration revenue for fiscal year 2012, then lowered to their 2012 innovation levy amounts for fiscal year 2013 and later. Aid for Minneapolis, St. Paul and Duluth would have been reduced to levy only for 2012, with aid partly added back in 2013. The bill also would have retained the 70-30 percent state aid payment shift indefinitely.

HF934*/SF1030/CH42

Governor rejects special education cuts

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

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

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

Possible common ground in early literacy

Dayton proposed \$32.2 million to expand all-day kindergarten for low-income children beginning in 2013, plus \$2 million to fund a quality rating system for child care providers. The original House proposals to fund the statewide quality rating system, plus \$10 million for early childhood scholarships for low-income children at their parents' choice of providers, were dropped from the final bill.

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

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

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

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

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

Dayton opposed numerous policies in the bill. He called them "controversial, punitive to teachers, and have little research to support their efficacy in improving student learning and closing achievement gaps."

Delivery of health and human services

Governor says proposal puts too many people in health care jeopardy

BY HANK LONG

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

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

HF927/SF760*/CH41

Medical Assistance reductions

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

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

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

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

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

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

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

- reductions to the Medical Education Research Fund that supports reimbursement grants for hospitals and clinics that volunteer as training sites;
- reductions to home- and communitybased long-term care services;
- reductions in the home visiting program; and
- reductions to family planning grants.

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

- the repeal of the nursing home rate equalization;
- inclusion of residency requirements related to the Minnesota Family Investment Program;
- Minnesota's entrance into a multi-state nursing licensure compact; and
- restrictions on the state's ability to fully implement the federal Affordable Care Act.

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

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

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

Bills not acted upon in 2011 could come to life in 2012

hen the gavel came down on the legislative session at midnight May 23, it didn't put an end to the business of the 87th session.

Minnesota is one of several states operating on a biennium: the first year is used to set the state budget, and the second year is generally used to consider capital investment projects.

Unlike the second year, when legislators adjourn sine die, which means "without a day," in the first year a date for return is established. The Legislature is scheduled to reconvene Jan. 24, 2012, at noon.

Of the 1,761 bills introduced in the House and 1,477 in the Senate, only 117 were passed by both bodies and sent to the governor. So, what happened to the remaining bills? Some were duplicates, some were folded into other bills, but most are sitting in limbo, waiting for possible action in the 2012 session. The future of any bill depends upon where it was in the process when session ended:

- Bills on the General Register return to the last standing committee or division where they were acted upon. The rules also apply to any bill up for consideration on the Consent Calendar, Calendar for the Day or the Fiscal Calendar.
- For appointed conference committees that have not submitted a report upon adjournment, the bill returns to the body where it originates and is laid on the table. The conference committee is discharged.
- Bills that passed one body and not the other remain alive for the second year of the biennium. The house that approved the bill in the first year need not repass the bill in the second.
- House files amended by the Senate coming back for concurrence are available to take up when session begins.

- Bills pending before the rules committee of either body return to the standing committee to which the bill was previously referred.
- Bills vetoed by the governor are returned to the body where the bill originated and tabled.
- Bills remaining in standing committees can be taken up in the second year of the biennium in the committee to which they were referred.

For information on how a bill becomes law, go to www.house.mn/hinfo/govser/ GOVSER6.pdf or call House Public Information Services at 651-296-2146 or 800-657-3550 and request the Minnesota State Government Series State Law Process. — L. SCHUTZ

Editor's note: The following chart includes the 117 bills that passed both the House and the Senate and were sent to the governor for consideration. The bills are, for the most part, sorted according to the committee of origin. An asterisk marks the version of the bill the House and Senate approved and sent on to the governor.

Here are definitions of some of the terms used in the chart.

Governor's options

• Enactment

The date the governor signed the bill into law.

• Line-item veto

The power or action of the governor to reject individual items within an appropriations bill while approving the rest of the bill.

• Veto

The governor did not approve the bill.

Effective dates for new laws

Each act takes effect at 12:01 a.m. on the day stated in the act itself, unless it specifies a different time. Examples:

New Laws and their effective dates

• Aug. 1, 2011

Each act the governor signs into law, except those that make appropriations, take effect on Aug. 1 following final enactment, unless the act specifies a different date.

• July 1, 2011

An appropriations act, an act spending money, takes effect at the beginning of the first day of July following its final enactment, unless the act specifies a different date.

• Day after enactment

The act becomes effective the day after the governor signs it.

• Upon local approval

A special law requiring approval from the local government unit it affects becomes effective the day after the local government unit's governing body files a certificate with the secretary of state, unless the act specifies a later date.

• Various

Different parts of the act have different effective dates.

- With exceptions
- Act includes other effective dates. • With qualifications
- Act adds conditions to the effective date.
- Retroactive

Act goes into effect as of a specified date in the past.

	—House Fil —Senate Fil	-		esolution Chapter	we—with exceptions wq—with qualifications	
СН	Bill that passed	Author	Companion	Author	Description	Effective date

Agri	culture					
13	HF12	LeMieur	SF37	Gazelka	Green Acres and Rural Preserve program changes made, and study required.	Various
14	SF1016	Magnus	HF1039	Hamilton	Omnibus agriculture and rural development finance bill.	Various
Busi	ness and	Commerce	1			1
2	SF139	Lillie	HF166	Clark	Lead poisoning prevention provided.	2/18/2011
6	HF103	Murray	SF114	Pederson	Unemployment insurance eligibility and extension provisions modified.	Various
7	SF125	Carlson	HF305	Persell	Northern Township detached facility authorized.	Day after loca compliance
15	HF323	Норре	SF167	Gerlach	Residential real estate broker price opinion provisions regulated.	8/1/2011
21	HF569	Howes	SF588	DeKruif	Well contractor licensing requirements modified.	8/1/2011
31	SF194	Thompson	HF444	Mazorol	Uniform Commercial Code Article 9 amendments enacted by the adoption of the National Conference of Commissioners on Uniform State Laws, and conforming changes made.	7/1/2011
52	HF895	Норре	SF590	Gazelka	Insurance notices and authorization collected information modified; insurance appraisers regulated.	8/1/2011
55	HF1326	Atkins	none	none	Microdistillery and brewer taproom licenses provided; temporary and on-sale municipal licenses authorized; technical, clarifying, and other changes made to license provisions; on-sale and off-sale licenses authorized by White Bear Township; off-sale licenses authorized by the City of Rochester, and legislative review of community baseball alcohol issues provided.	5/25/2011
61	SF1208	Sparks	HF1473	Норре	Insurance definitions modified, life insurance and title insurance reserves modified, accounts and funding agreements regulated, obsolete and conflicting provisions repealed, and conforming changes made.	Various
63	SF249	Kruse	HF1420	Sanders	Residential contractors' provision of goods and services regulated, and enforcement provided.	8/1/2011
64	SF302	Vandeveer	HF122	Davids	Dental provider contracts and provider audits regulated.	8/1/2011
66	SF137	Scheid	HF395	Wardlow	Deeds clarified to correct title and certain acknowledgments, cancellation of residential purchase agreements provided, and redemption period clarified for foreclosure of certain mortgages.	Various
77	SF994	Senjem	HF1633	Norton	Gross profit use clarified.	5/25/2011
82	SF955	Brown	HF1152	Sanders	Pawnbrokers pledged goods return and location restrictions regulated.	8/1/2011
95	HF1405	Daudt	SF1125	Thompson	Claims processing regulated for insurance on portable electronics products, and automated claims processing system use permitted to requirements and safeguards.	1/1/2012
105	SF1280	Thompson	HF809	Anderson, S.	Gratuity sharing notice provided; employers authorized to safeguard and disburse shared gratuities.	8/1/2011
106	SF1234	Kruse	HF1643	Mazorol	Certificates issued to business entities simplified, effective date of agent resignations modified, notice provided to organizations revised, alternative names allowed, business entities redefined, certificates to business trusts and municipal power agencies eliminated, and an inadvertent error corrected regarding nonprofit directors' conflicts of interest.	8/1/2011
108	SF1045	Chamberlain	HF1394	Норре	Continuing education and prelicensing requirements, insurance coverages, nonadmitted insurers, insolvencies, adjusters, and appraisers regulated.	Various
Civil	Law					
10	HF362	Kahn	SF241	Pogemiller	Common interest community unit owners allowed to obtain copies of association records, and access to and charges for copying records specified.	8/1/2011
57	HF1343	Dettmer	SF1068	Daley	Immunity provided in cases involving the use of school facilities for recreational activities.	5/25/2011
71	HF258	Davids	SF217	Ortman	Licensed ambulance services authorized to submit claims directly to the state.	5/25/2011
79	SF882	Hall	HF921	Leidiger	Targeted misdemeanor clarified to include no contact order misdemeanor violations for the purpose of requiring fingerprinting.	8/1/2011
88	SF1308	Limmer	HF1613	Gottwalt	Marriage recognized as only a union between one man and one woman, and constitutional amend- ment proposed.	5/24/2011

	HF—House File R—Resolution SF—Senate File CH—Chapter		we—with exceptions wq—with qualifications			
СН	Bill that passed	Author	Companion	Author	Description	Effective date

116	HF1023	Smith	SF874	Limmer	Courts and common interest ownership provisions modified.	Various
Cons	sumers					
26	HF664	Hackbarth	SF617	Metzen	Elevator compliance provisions modified.	8/1/2011
78	SF508	Chamberlain	HF859	Atkins	Auto insurers required to inform insureds of the right to select any rental vehicle, and advisory required.	8/1/2011
Educ	ation					
5	SF40	Olson	HF63	Garofalo	Teacher licensure provisions amended, alternative teacher preparation program and limited-term teacher license established, and report required.	Various
27	HF1092	Buesgens	SF1062	Gerlach	Teachers taking early retirement allowed to continue coaching, and application deadline modified for certain charter school authorizers.	5/19/2011
93	SF799	Miller	HF1130	Nornes	Student record and data use provided.	8/1/2011
103	HF1179	McFarlane	SF939	Nienow	Pupil transportation provisions modified, Department of Education's role clarified in maintaining training programs, lift bus use included in the category or revenue authorized for reimbursement, and actual contracted transportation costs included as a method for allocating pupil transportation costs.	Various
Elect	tions					
18	HF978	Sanders	SF919	Chamberlain	Election administration and districting procedures modified.	4/30/2011
65	SF1009	Limmer	HF1408	Sanders	Vacancies in nomination procedures and requirements changed.	Various
Emp	loyment					
11	SF488	Daley	HF571	Lillie	Overtime requirements modified for air carrier employees.	4/17/2011
74	HF844	McFarlane	SF1204	Nelson	Public library adviser provided for the Governor's Workforce Development Council.	5/25/2011
84	SF1130	Pederson	HF1396	Gunther	Unemployment insurance and workforce development provisions modified.	Various
89	SF1159	Lillie	HF1362	Kieffer	Workers' Compensation Advisory Council recommendations adopted, and duties, benefits, and requirements changed, rulemaking required, and money appropriated.	Various
Ener	gy					
97	SF1197	Rosen	HF1025	Beard	Utility report filing, weatherization programs, and public utility commission assessment technical changes made and provisions modified; obsolete and redundant language removed; and reporting requirements provided.	Various
Envi	ronmenta	and Natural	Resources	1		1
3	HF55	Hackbarth	SF48	Carlson	State lands; stream easement acquisition provisions modified; state park, state forest, and land exchange provisions modified; state parks and state forests added to and deleted from; and public and private sales, conveyances, and exchanges of state land authorized.	Various
4	HF1	Fabian	SF42	Ingebrigtsen	Environmental permitting efficiency provided, and environmental review requirements modified.	3/4/2011
107	SF1115	Ingebrigtsen	HF1097	McNamara	Natural resources provisions modified relating to nonnative species, public waters work permit re- quirements, and aquatic plant control and harvest permits; and criminal and civil penalties provided.	Various
Heal	th and Hu	iman Service	es			
12	SF119	Rosen	HF262	Mack	Community paramedic certification created, commissioner required to determine Medical Assistance- covered services performed by community paramedics, and commissioner required to evaluate the effect of coverage of services by a community paramedic.	7/1/2011
22	SF626	Rosen	HF937	Schomacker	Nursing facility provisions modified.	5/14/2011
23	HF235	Holberg	SF381	Hall	Hannah's Law enacted by modifying CPR requirements for child care center staff.	8/1/2011
29	HF1341	McDonald	SF1269	Benson	Health services to children under Minnesota public health care programs fiscal information reporting required.	8/1/2011
51	SF742	Rosen	HF1018	Zellers	Hospital moratorium exception provided.	8/1/2011

	⁻ —House F —Senate F			solution Chapter	we—with exceptions wq—with qualifications	
СН	Bill that passed	Author	Companion	Author	Description	Effective date

62	SF1265	Pederson	HF1422	Simon	Professional athlete drug and alcohol testing provisions modified.	8/1/2011
80	HF808	Anderson, S.	SF892	Senjem	Anatomical gift \$2 donation provided for public information and education, anatomical gift account created, and money appropriated.	1/1/2012
86	SF1285	Newman	HF1500	Anderson, D.	Chemical and mental health services changes made, and rate reforms made.	8/1/2011
90	SF612	Benson	HF905	Hamilton	Youth athletes with concussions resulting from participation in youth athletic activities policies established.	Various
92	SF477	Howe	HF637	Drazkowski	Food, beverage, and lodging establishment statutes exemption modified.	8/1/2011
104	SF361	Magnus	HF287	Hamilton	Mitochondrial Disease Awareness Week proposed.	8/1/2011
110	SF1286	Hann	HF1508	Schomacker	Resident case mix classification changed.	8/1/2011
Hous	ing					
20	HF529	LeMieur	SF916	Magnus	Agricultural building roof panels equivalent load bearing capacity required.	5/14/2011
58	SF1162	Ingebrigtsen	HF1443	Scott	Foreclosure provisions for residential tenants application clarified.	8/1/2011
Loca	Governr	nent				
17	HF613	Kelly	SF124	Howe	Red Wing Port Authority member terms provided.	Upon local approval
19	HF52	Peppin	SF13	Olson	City, county, and town zoning control and ordinance variances provided.	5/6/2011
43	SF779	Howe	HF1017	Kelly	Red Wing; property conveyance authorized, and surplus state land conveyance provided.	Sec. 1 Local approval; Sec. 2 5/25/2011
87	HF387	Kelly	SF471	Newman	Counties allowed to participate in driver's license reinstatement diversion pilot program, and diversion pilot program extended.	5/28/2011
99	HF954	Fabian	SF642	Stumpf	Kittson and Marshall counties; process for making certain county offices appointive provided.	Day after local compliance
115	HF753	Howes	SF792	Nienow	Concurrent detachment and annexation provided.	8/1/2011
Milita	ary and V	eterans Affa	irs			
54	HF186	Urdahl	SF395	Daley	Driver's license expiration period extended while person is serving in active military service.	7/1/2011
117	HF232	Kriesel	SF179	Ingebrigtsen	Gold star license plates eligibility expanded.	Various
Publi	c Safety					
9	HF141	Cornish	SF121	Hall	Public safety dog injury penalty increased.	8/1/2011
28	HF447	Kelly	SF195	Limmer	Investigation, review, and hearing governing provisions modified, crime of criminal abuse of a vulnerable adult made a registrable offense under the predatory offender registration law, terminol- ogy changed, criminal penalty increased for assaulting a vulnerable adult, and criminal penalties provided.	8/1/2011
32	HF361	Kriesel	SF515	Harrington	Fleeing a police officer crime modified.	8/1/2011
33	HF1139	Hancock	SF921	Vandeveer	Public safety equipment single source acquisition and long-term leasing authorized.	8/1/2011
53	HF57	Kriesel	SF1166	Hall	Synthetic cannabinoid sale or possession crime established.	Various
67	SF1044	Parry	HF1088	Drazkowski	State agency natural disaster response provisions modified.	Various
72	HF229	Downey	SF76	Michel	Child certified as an adult provided to be detained in a juvenile facility pending the outcome of criminal proceedings, and judges authorized to prohibit juvenile sex offenders from residing near their victims.	8/1/2011
75	HF695	Mack	SF735	Limmer	Civil immunity extended to municipalities that donate public safety equipment.	8/1/2011
81	SF680	Newman	HF1001	Woodard	"Criminal act" definition expanded in the racketeering crime.	8/1/2011

				esolution Chapter	we—with exceptions wq—with qualifications	
СН	Bill that passed	Author	Companion	Author	Description	Effective date

85	SF301	Newman	HF506	Shimanski	Fourth-degree assault crime and the assaulting a police horse crime expanded to provide more	8/1/2011
					protection to law enforcement assistants.	
91	SF881	Newman	HF1270	McDonald	E-charging expanded to include citations, juvenile adjudication, and implied test refusal or failure.	8/1/2011
102	SF1287	Hann	HF1478	Kiffmeyer	Minnesota sex offender program provisions modified.	5/28/2011
Recr	eation an	d Tourism				
16	SF551	Gimse	HF829	Vogel	Summer collegiate league baseball stadium or ballpark license issued to cities.	8/1/2011
83	HF763	Hilty	SF491	Lourey	Swimming pool pond exemption expiration date removed.	5/25/2011
State	Governr	nent				
24	HF299	Quam	SF543	Senjem	Executive branch agency retained savings program established.	6/30/2013
25	HF786	Davids	SF615	Daley	Charitable organization financial statement requirements modified, and compensation information reporting consistency provided for federal and state purposes.	8/1/2011
68	SF1270	Wiger	HF1411	Kahn	Geospatial advisory council provisions changed and expiration date extended.	6/30/2011
76	SF885	Limmer	HF1220	Wardlow	Legislative enactments; erroneous, ambiguous, and omitted text and obsolete reference corrections made to laws, statutes, and rules.	Various
98	SF712	Carlson	HF1230	Fabian	State land disposition of receipts modified.	5/28/2011
100	HF1144	Cornish	SF849	Carlson	State employee group insurance program limited reinstatement of coverage provided.	8/1/2011
113	SF54	Jungbauer	HF104	Smith	Department of Corrections claim settlements provided, and money appropriated.	6/1/2011
Тахе	s					
8	HF79	Davids	SF47	Ortman	Internal Revenue Code changes conformed, and corporate refund delay requirement repealed.	Various
112	HF1219	Davids	SF869	Ortman	Omnibus technical tax bill.	Various
Tran	sportatio	n				
30	HF721	Kiffmeyer	SF430	Brown	Disability parking provisions modified.	8/1/2011
34	HF724	Anzelc	SF520	Saxhaug	Route No. 332 removed from trunk highway system.	Upon notice from commissioner of trans.
44	SF67	Hoffman	HF80	Nornes	Waterfront structure transportation on trunk highways authorized with annual special permits.	5/25/2011
48	HF493	Vogel	SF341	Senjem	Motor vehicle dealer record alternative site authorized; motor vehicle registration provision modified.	8/1/2011
60	SF478	DeKruif	HF1094	Shimanski	Disability motorcycle plate provided.	8/1/2011
70	HF650	Kieffer	SF1042	Wiger	Driver education and examination provisions regulated relating to carbon monoxide poisoning.	Various
109	HF1105	Kiel	SF1058	Jungbauer	Pickup truck provisions modified.	8/1/2011

	—House F —Senate F			solution Chapter	we—with exceptions wq—with qualifications	
СН	Bill that passed	Author	Companion	Author	Description	Effective date

Veto	es					
1	HF130	Holberg	SF60	Robling	Fiscal year 2011 appropriations reduced, policies changed, and appropriation reductions made for fiscal years 2012 and 2013; tax aid, credits and payment reductions provided, and changes conformed in the Internal Revenue Code.	
35	HF1425	Anderson, S.	SF1248	Michel	Legislative districting plan for use in 2012 and thereafter adopted.	
36	HF1426	Anderson, S.	SF1246	Michel	Congressional districting plan for use in 2012 and thereafter adopted, and districting principles adopted for legislative and congressional districts.	
37	SF958	Limmer	HF853	Cornish	Omnibus public safety and judiciary finance bill.	
38	HF42	Davids	SF27	Ortman	Omnibus tax bill.	
39	SF887	Michel	HF1049	Gunther	Omnibus Jobs, economic development, and housing funding provided, and money appropriated.	
40	SF1047	Parry	HF577	Lanning	Omnibus state government and military and veterans affairs finance bill.	
41	SF760	Hann	HF927	Abeler	Omnibus health and human services finance bill.	
42	HF934	Garofalo	none	none	Omnibus education finance bill.	
45	SF170	Daley	HF183	Kieffer	Teacher candidates required to pass basic skills exam.	
46	HF1010	McNamara	SF1003	Ingebrigtsen	Omnibus environment, energy and natural resources finance bill.	
47	HF460	Peppin	SF297	Limmer	Sprinkler requirements prohibited in single-family dwellings, and licensee offer of option to install fire sprinklers required before entering into a written contract.	
49	HF1140	Beard	SF898	Gimse	Omnibus transportation finance bill.	
50	HF1101	Nornes	none	none	Omnibus higher education finance bill	
56	HF201	Scott	SF103	Thompson	Abortion funding limited for state-sponsored health programs.	
59	HF936	Holberg	SF649	Hoffman	Abortions at or after 20 weeks postfertilization age prohibited unless exceptions apply, and civil and criminal penalties provided.	
69	SF509	Limmer	HF210	Kiffmeyer	Voter picture identification required before receiving a ballot, identification cards provided at no charge.	
73	HF562	Sanders	SF406	Limmer	Manufactured home parks water and sewer charges regulated, and air admittances valve prohibition repealed.	
94	HF988	Smith	none	none	Public defender representation provision modified.	
96	SF86	Rosen	HF72	Beard	Carbon dioxide emissions by utilities ban removed.	
101	HF264	Urdahl	SF160	Hann	Personal Responsibility in Food Consumption Act; actions against persons for weight gain as a result of consuming certain foods prohibited.	
111	SF943	Ingebrigtsen	HF984	Hackbarth	Game and fish; aquaculture provisions modified; compensation and assistance provisions for crop damage by elk modified; fish and wildlife management plan requirements modified; taking, pos- sessing, and transporting wild animal provisions modified; acquisition procedures modified; penalty and license provisions modified; Board of Water and Soil Resources duties modified; and landowner liability for state walk-in access program limited.	
114	HF1381	Erickson	SF1167	Olson	Prekindergarten through grade 12 education policy provided.	

BILL INTRODUCTIONS

MAY 20 - 23, 2011 HOUSE FILES 1737 - 1761

Friday, May 20

HF1737-Kelly (R)

Government Operations & Elections

Jurisdictions authorized to adopt ranked-choice voting, and procedures established for adoption, implementation and use of rank-choice voting.

HF1738-Howes (R)

Government Operations & Elections

Municipality detachment provided.

HF1739-Hayden (DFL)

Jobs & Economic Development Finance

Housing definitions added, Minnesota Housing Finance Agency provisions amended and eligibility and selection criteria for agency funding changed.

HF1740-Westrom (R)

Environment, Energy and Natural Resources Policy & Finance

Douglas County; flood hazard funding provided, bonds issued and money appropriated.

HF1741-Clark (DFL) Government Operations & Elections

American Indian education committees reestablished

HF1742-Hayden (DFL)

Commerce & Regulatory Reform

Residential mortgage loans special mortgage payoffs regulated and independent loan counselor certification requirements modified.

HF1743-Laine (DFL)

Commerce & Regulatory Reform

Maximum financial reserves specified for nonprofit health plan companies.

HF1744-Kath (DFL)

Health & Human Services Reform Coroner or medical examiner duties changed.

HF1745-Poppe (DFL)

Jobs & Economic Development Finance

Hormel Institute funding provided, bonds issued and money appropriated.

HF1746-Mullery (DFL)

Civil Law

Civil union relationships provided and civil union substituted for marriage for purposes of Minnesotalaw.

HF1747-Hackbarth (R)

Commerce & Regulatory Reform

State lottery director authorized to establish gaming machines, tax imposed on gaming machine revenue, powers and duties provided to director, and multistadium revenue fund established and money dedicated in the fund for financing and construction of a stadium for the Minnesota Vikings and a ballpark for the St. Paul Saints.

Saturday, May 21

HF1748-Holberg (R) Ways & Means

State agency funding provided if the major appropriation bill to fund that agency has not been enacted by July 1, 2011, and money appropriated.

HF1749-Murphy, M. (DFL)

Taxes

Proctor; local taxes authorized.

HF1750-Simon (DFL)

Taxes

Substandard building determinations modified for redevelopment districts and renewal and renovation districts in the tax increment financing law.

HF1751-Anderson, P. (R) Transportation Policy & Finance

Railroad common carriers regulated and employee safety protected at a roadway intersection.

HF1752-Howes (R)

Capital Investment St. Paul; Minnesota Telecenter Building renovation funding provided, bonds issued and money appropriated.

HF1753-Daudt (R) Ways & Means

Appropriations provided to continue in effect at 70 percent rate unless eliminated or otherwise modified.

Sunday, May 22

HF1754-Gunther (R)

Health & Human Services Reform Personal care assistance choice option modified.

HF1755-Loon (R) Health & Human Services Finance

Restaurant Recovery and Jobs Creation Act; sales tax exemption for meals and drinks expanded, capital equipment exemption expanded, application of gratuities in calculating the minimum wage provided for, calculation of unemployment taxes and license fees modified.

HF1756-Drazkowski (R)

Government Operations and Elections

Government shutdown provisions made.

HF1757-Hayden (DFL)

Health and Human Services Reform

Children in families experiencing homelessness comprehensive evaluation and assistance provided for.

HF1758-Gauthier (DFL)

Education Reform

Sexual violence working group established and school violence prevention curriculum amended.

HF1759-Smith (R)

Government Operations and Elections

Public Employees Retirement Association privatizations augmentation rates applicable to new privatizations decreased.

Monday, May 23

HF1760-Franson (R) Environment, Energy & Natural Resources Policy & Finance

Recreational prospecting rulemaking required.

HF1761-Laine (DFL)

Civil Law Civil union contracts provided.



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MINNESOTA INDEX

2011 regular session

Number of House seats held by Republicans, DFLers in 2011	
Last year Republicans had control of the House	
House files introduced during the 2011 regular session	
In 2009	
In 2007	
Senate files introduced during the 2011 regular session	
In 2009	2,166
In 2007	
Bills sent to the governor in 2011	
In 2009	
In 2007	
Bills signed into law in this year's regular session	
Number of full gubernatorial vetoes in 2011	
Full vetoes in the eight years Tim Pawlenty was governor (2003-2010)	
When Jesse Ventura was governor (1999-2002)	
When Arne Carlson was governor (1991-98)	
When Rudy Perpich was governor (1983-90)	
Maximum number of legislative days that lawmakers can meet in reg	
during the biennium	
Days used in 2011	
In 2009	
In 2007	
Pages in the 2011 House Journal	
In 2009 regular session	
In 2007 regular session	
Time lawmakers are scheduled to reconvene Jan. 24, 2012	
Date members reconvened in 2010	
Date members reconvened in 2008	
Days from the May 23, 2011, regular-session adjournment until legisla	
reconvene in 2012	
	— М. С оок

Sources: House Public Information Services; Legislative Reference Library; Governor's Log 2011; Journal of the House.