

CHAPTER 196—S.F.No. 491**VETOED****CHAPTER 197—S.F.No. 969**

An act relating to crimes; extending the attorney general's and county attorney's authority for administrative subpoenas; enabling peace officers to execute search warrants on foreign corporations doing business in Minnesota to search for electronic evidence; allowing Minnesota corporations engaged in electronic communication services or remote computing services to provide electronic evidence when served with search warrants issued from other jurisdictions; enhancing penalties for dissemination and possession of pornographic work involving minors; authorizing private adult correctional facilities to enforce discipline and prevent escapes if licensed by the department of corrections; amending Minnesota Statutes 2000, sections 8.16, subdivision 1; 241.021, subdivision 1; 388.23, subdivision 1; 617.247, subdivisions 3 and 4; proposing coding for new law in Minnesota Statutes, chapter 626.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2000, section 8.16, subdivision 1, is amended to read:

Subdivision 1. **AUTHORITY.** The attorney general, or any deputy, assistant, or special assistant attorney general whom the attorney general authorizes in writing, has the authority in any county of the state to subpoena and require the production of any records of telephone companies, cellular phone companies, paging companies, subscribers of private computer networks including Internet service providers or computer bulletin board systems, electric companies, gas companies, water utilities, chemical suppliers, hotels and motels, pawn shops, airlines, buses, taxis, and other entities engaged in the business of transporting people, and freight companies, self-service storage facilities, warehousing companies, package delivery companies, and other entities engaged in the businesses of transport, storage, or delivery, and records of the existence of safe deposit box account numbers and customer savings and checking account numbers maintained by financial institutions and safe deposit companies. Subpoenas may only be issued for records that are relevant to an ongoing legitimate law enforcement investigation.

Sec. 2. Minnesota Statutes 2000, section 241.021, subdivision 1, is amended to read:

Subdivision 1. **SUPERVISION OVER CORRECTIONAL INSTITUTIONS.**
(1) The commissioner of corrections shall inspect and license all correctional facilities throughout the state, whether public or private, established and operated for the detention and confinement of persons detained or confined therein according to law except to the extent that they are inspected or licensed by other state regulating agencies. The commissioner shall promulgate pursuant to chapter 14, rules establishing

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minimum standards for these facilities with respect to their management, operation, physical condition, and the security, safety, health, treatment, and discipline of persons detained or confined therein. Commencing September 1, 1980, no individual, corporation, partnership, voluntary association, or other private organization legally responsible for the operation of a correctional facility may operate the facility unless licensed by the commissioner of corrections. Private adult correctional facilities shall have the authority of section 624.714, subdivision 13, if the department of corrections licenses the facility with such authority and the facility meets requirements of section 243.52. The commissioner shall review the correctional facilities described in this subdivision at least once every biennium, except as otherwise provided herein, to determine compliance with the minimum standards established pursuant to this subdivision. The commissioner shall grant a license to any facility found to conform to minimum standards or to any facility which, in the commissioner's judgment, is making satisfactory progress toward substantial conformity and the interests and well-being of the persons detained or confined therein are protected. The commissioner may grant licensure up to two years. The commissioner shall have access to the buildings, grounds, books, records, staff, and to persons detained or confined in these facilities. The commissioner may require the officers in charge of these facilities to furnish all information and statistics the commissioner deems necessary, at a time and place designated by the commissioner. The commissioner may require that any or all such information be provided through the department of corrections detention information system. The education program offered in a correctional facility for the detention or confinement of juvenile offenders must be approved by the commissioner of children, families, and learning before the commissioner of corrections may grant a license to the facility.

(2) Any state agency which regulates, inspects, or licenses certain aspects of correctional facilities shall, insofar as is possible, ensure that the minimum standards it requires are substantially the same as those required by other state agencies which regulate, inspect, or license the same aspects of similar types of correctional facilities, although at different correctional facilities.

(3) Nothing in this section shall be construed to limit the commissioner of corrections' authority to promulgate rules establishing standards of eligibility for counties to receive funds under sections 401.01 to 401.16, or to require counties to comply with operating standards the commissioner establishes as a condition precedent for counties to receive that funding.

(4) When the commissioner finds that any facility described in clause (1), except foster care facilities for delinquent children and youth as provided in subdivision 2, does not substantially conform to the minimum standards established by the commissioner and is not making satisfactory progress toward substantial conformance, the commissioner shall promptly notify the chief executive officer and the governing board of the facility of the deficiencies and order that they be remedied within a reasonable period of time. The commissioner may by written order restrict the use of any facility which does not substantially conform to minimum standards to prohibit the detention of any person therein for more than 72 hours at one time. When, after due notice and

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hearing, the commissioner finds that any facility described in this subdivision, except county jails and lockups as provided in sections 641.26, 642.10, and 642.11, does not conform to minimum standards, or is not making satisfactory progress toward substantial compliance therewith, the commissioner may issue an order revoking the license of that facility. After revocation of its license, that facility shall not be used until its license is renewed. When the commissioner is satisfied that satisfactory progress towards substantial compliance with minimum standard is being made, the commissioner may, at the request of the appropriate officials of the affected facility supported by a written schedule for compliance, grant an extension of time for a period not to exceed one year.

(5) As used in this subdivision, "correctional facility" means any facility, including a group home, having a residential component, the primary purpose of which is to serve persons placed therein by a court, court services department, parole authority, or other correctional agency having dispositional power over persons charged with, convicted, or adjudicated to be guilty or delinquent.

Sec. 3. Minnesota Statutes 2000, section 388.23, subdivision 1, is amended to read:

Subdivision 1. **AUTHORITY.** The county attorney, or any deputy or assistant county attorney whom the county attorney authorizes in writing, has the authority to subpoena and require the production of any records of telephone companies, cellular phone companies, paging companies, the names and addresses of subscribers of private computer networks including Internet service providers or computer bulletin board systems, electric companies, gas companies, water utilities, chemical suppliers, hotels and motels, pawn shops, airlines, buses, taxis, and other entities engaged in the business of transporting people, and freight companies, warehousing companies, self-service storage facilities, package delivery companies, and other entities engaged in the businesses of transport, storage, or delivery, and records of the existence of safe deposit box account numbers and customer savings and checking account numbers maintained by financial institutions and safe deposit companies, insurance records relating to the monetary payment or settlement of claims, and wage and employment records of an applicant or recipient of public assistance who is the subject of a welfare fraud investigation relating to eligibility information for public assistance programs. Subpoenas may only be issued for records that are relevant to an ongoing legitimate law enforcement investigation. Administrative subpoenas may only be issued in welfare fraud cases if there is probable cause to believe a crime has been committed. This provision applies only to the records of business entities and does not extend to private individuals or their dwellings.

Sec. 4. Minnesota Statutes 2000, section 617.247, subdivision 3, is amended to read:

Subd. 3. **DISSEMINATION PROHIBITED.** (a) A person who disseminates pornographic work to an adult or a minor, knowing or with reason to know its content and character, is guilty of a felony and may be sentenced to imprisonment for not more than five ~~seven~~ years and a fine of not more than \$10,000 for a first offense and for not

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more than ten 15 years and a fine of not more than \$20,000 for a second or subsequent offense.

(b) Unless a longer statutory maximum period is specified in paragraph (a), a person who violates paragraph (a) is guilty of a felony and may be sentenced to imprisonment for not more than ten years if the violation occurs when the person is a registered predatory offender under section 243.166.

Sec. 5. Minnesota Statutes 2000, section 617.247, subdivision 4, is amended to read:

Subd. 4. **POSSESSION PROHIBITED.** (a) A person who possesses a pornographic work or a computer disk or computer or other electronic, magnetic, or optical storage system or a storage system of any other type, containing a pornographic work, knowing or with reason to know its content and character, is guilty of a felony and may be sentenced to imprisonment for not more than ~~three~~ five years and a fine of not more than \$5,000 for a first offense and for not more than ~~five~~ ten years and a fine of not more than \$10,000 for a second or subsequent offense.

(b) A person who violates paragraph (a) is guilty of a felony and may be sentenced to imprisonment for not more than ten years if the violation occurs when the person is a registered predatory offender under section 243.166.

Sec. 6. **[626.18] SEARCH WARRANTS RELATING TO ELECTRONIC COMMUNICATION SERVICES AND REMOTE COMPUTING SERVICES.**

Subdivision 1. DEFINITIONS. The definitions in this subdivision apply to this section.

(a) The terms "electronic communication services" and "remote computing services" shall be construed in accordance with United States Code, title 18, sections 2701 to 2711, as amended through March 1, 2001. This section does not apply to corporations that do not provide those services to the general public.

(b) An "adverse result" occurs when notification of the existence of a search warrant results in:

- (1) danger to the life or physical safety of an individual;
- (2) a flight from prosecution;
- (3) the destruction of or tampering with evidence;
- (4) the intimidation of potential witnesses; or
- (5) serious jeopardy to an investigation or undue delay of a trial.

(c) "Applicant" means a peace officer as defined in section 626.05, to whom a search warrant is issued pursuant to chapter 626.

(d) "Minnesota corporation" refers to any corporation or other entity that is subject to section 5.25, excluding foreign corporations.

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(e) A "foreign corporation" is considered to be doing business in Minnesota if it makes a contract or engages in a terms of service agreement with a resident of Minnesota to be performed in whole or in part by either party in Minnesota. The making of the contract or terms of service agreement is considered to be the agreement of the foreign corporation that any administrative subpoena or search warrant properly served on it has the same legal force and effect as if served personally on it within the state of Minnesota.

(f) "Properly served" means that a search warrant has been delivered by hand, or in a manner reasonably allowing for proof of delivery if delivered by United States mail, overnight delivery service, or facsimile to a person or entity listed in section 5.25 or covered by this statute.

Subd. 2. APPLICATION. (a) The following provisions shall apply to any search warrant issued under this chapter allowing a search for records that are in the actual or constructive possession of a foreign corporation that provides electronic communication services or remote computing services to the general public, where those records would reveal the identity of the customers using those services; data stored by, or on behalf of, the customer; the customer's usage of those services; the recipient or destination of communications sent to or from those customers; or the content of those communications.

(b) When properly served with a search warrant issued by the Minnesota court, a foreign corporation subject to this section shall provide to the applicant all records sought pursuant to that warrant within eight business days of receipt, including those records maintained or located outside this state.

(c) Where the applicant makes a showing and the judge finds that failure to produce records within less than eight business days would cause an adverse result, the warrant may require production of records within less than eight business days. A court may reasonably extend the time required for production of the records upon finding that the foreign corporation has shown good cause for that extension and that an extension of time would not cause an adverse result.

(d) A foreign corporation seeking to quash the warrant must seek relief from the court that issued the warrant within the time required for production of records under this section. The issuing court shall hear and decide that motion no later than eight court days after the motion is filed.

(e) The foreign corporation shall verify the authenticity of records that it produces by providing a written affidavit or statement to that effect.

Subd. 3. WARRANT OF ANOTHER STATE. A Minnesota corporation that provides electronic communication services or remote computing services to the general public, when served with a warrant issued by another state to produce records that would reveal the identity of the customers using those services; data stored by, or on behalf of, the customer; the customer's usage of those services; the recipient or destination of communications sent to or from those customers; or the content of those communications, shall produce those records as if that warrant had been issued by a Minnesota court.

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Subd. 4. IMMUNITY. No cause of action shall lie against any foreign or Minnesota corporation subject to this section, its officers, employees, agents, or other specified persons for providing records, information, facilities, or assistance in accordance with the terms of a warrant issued pursuant to this chapter.

Sec. 7. EFFECTIVE DATE.

Sections 1 to 6 are effective August 1, 2001. Sections 4 and 5 apply to crimes committed on or after that date.

Presented to the governor May 25, 2001

Signed by the governor May 29, 2001, 11:32 a.m.

CHAPTER 198—S.F.No. 1367

An act relating to counties; providing a new standard of market value for new counties; providing for signatures from both affected areas on a petition to change county boundaries; requiring the secretary of state to certify the validity of the signatures; providing for canvass, proclamation, and certification of the vote on the proposition; providing for a special election to fill vacancies or add members to a county board after the change of county boundaries; amending Minnesota Statutes 2000, sections 370.01; 370.02; 370.03; 370.07; 370.10; 370.12; 370.13; repealing Minnesota Statutes 2000, section 370.11.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2000, section 370.01, is amended to read:

370.01 CHANGE OF BOUNDARIES; CREATION OF NEW COUNTIES.

The boundaries of counties may be changed by taking territory from a county and attaching it to an adjoining county, and new counties may be established out of territory of one or more existing counties. A new county shall contain at least 400 square miles, and have at least ~~2,000~~ 4,000 inhabitants, and have a market value of at least ~~\$17,000,000~~. A proposed new county must have a total taxable market value of at least 35 percent of (i) the total taxable market value of the existing county, or (ii) the average total taxable market value of the existing counties, included in the proposition. The determination of the taxable market value of a county must be made by the commissioner of revenue. An existing county shall not be reduced in area below 400 square miles, have less than ~~2,000~~ 4,000 inhabitants, or have a total taxable market value of less than ~~\$17,000,000~~ that required of a new county.

In existing counties having an area of more than 3,500 and less than 6,000 square miles, boundaries may be changed and new counties established having a market value of at least \$10,000,000.

No change in the boundaries of any county having an area of more than 2,500 square miles, whether by the creation of a new county, or otherwise, shall detach from the existing county any territory within 12 miles of the county seat.

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