

1.1 CONFERENCE COMMITTEE REPORT ON S.F. No. 2082

1.2 A bill for an act

1.3 relating to government operations; modifying provisions for general legislative
1.4 and administrative expenses of state government; regulating state and local
1.5 government operations; establishing a statewide electronic licensing system;
1.6 requiring reports; appropriating money; amending Minnesota Statutes 2008,
1.7 sections 5.12, subdivision 1; 5.29; 5.32; 5A.03; 10A.31, subdivision 4; 16A.133,
1.8 subdivision 1; 16B.24, subdivision 5; 43A.49; 45.24; 270C.63, subdivision 13;
1.9 302A.821; 303.14; 303.16, subdivision 4; 308A.995; 308B.121, subdivisions 1,
1.10 2; 317A.823; 321.0206; 321.0210; 321.0810; 322B.960; 323A.1003; 333.055;
1.11 336A.04, subdivision 3; 336A.09, subdivision 2; 359.01, subdivision 3; 469.175,
1.12 subdivisions 1, 6; proposing coding for new law in Minnesota Statutes, chapters
1.13 5; 16E; repealing Minnesota Statutes 2008, section 240A.08.

1.14 May 13, 2009

1.15 The Honorable James P. Metzen
1.16 President of the Senate

1.17 The Honorable Margaret Anderson Kelliher
1.18 Speaker of the House of Representatives

1.19 We, the undersigned conferees for S.F. No. 2082 report that we have agreed upon
1.20 the items in dispute and recommend as follows:

1.21 That the House recede from its amendments and that S.F. No. 2082 be further
1.22 amended as follows:

1.23 Delete everything after the enacting clause and insert:

1.24 "ARTICLE 1
1.25 STATE GOVERNMENT APPROPRIATIONS

1.26 Section 1. SUMMARY OF APPROPRIATIONS.

1.27 The amounts shown in this section summarize direct appropriations, by fund, made
1.28 in this article.

1.29	<u>2010</u>	<u>2011</u>	<u>Total</u>
1.30 <u>General</u>	\$ 315,558,000	\$ 316,352,000	\$ 631,910,000

2.1	<u>Health Care Access</u>	<u>1,939,000</u>	<u>1,927,000</u>	<u>3,866,000</u>
2.2	<u>State Government Special</u>			
2.3	<u>Revenue</u>	<u>2,227,000</u>	<u>2,227,000</u>	<u>4,454,000</u>
2.4	<u>Environmental</u>	<u>448,000</u>	<u>448,000</u>	<u>896,000</u>
2.5	<u>Remediation</u>	<u>250,000</u>	<u>250,000</u>	<u>500,000</u>
2.6	<u>Special Revenue</u>	<u>4,089,000</u>	<u>3,839,000</u>	<u>7,928,000</u>
2.7	<u>Highway User Tax</u>			
2.8	<u>Distribution</u>	<u>2,183,000</u>	<u>2,183,000</u>	<u>4,366,000</u>
2.9	<u>Workers' Compensation</u>	<u>7,350,000</u>	<u>7,350,000</u>	<u>14,700,000</u>
2.10	<u>Lottery Prize Fund</u>	<u>225,000</u>	<u>225,000</u>	<u>450,000</u>
2.11	<u>Total</u>	<u>\$ 334,269,000</u>	<u>\$ 334,801,000</u>	<u>\$ 669,070,000</u>

2.12 **Sec. 2. STATE GOVERNMENT APPROPRIATIONS.**

2.13 The sums shown in the columns marked "appropriations" are appropriated to the
 2.14 agencies and for the purposes specified in this article. The appropriations are from the
 2.15 general fund, or another named fund, and are available for the fiscal years indicated
 2.16 for each purpose. The figures "2010" and "2011" used in this article mean that the
 2.17 appropriations listed under them are available for the fiscal year ending June 30, 2010, or
 2.18 June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal
 2.19 year 2011. "The biennium" is fiscal years 2010 and 2011.

2.20		<u>APPROPRIATIONS</u>
2.21		<u>Available for the Year</u>
2.22		<u>Ending June 30</u>
2.23		<u>2010</u> <u>2011</u>

2.24	Sec. 3. <u>LEGISLATURE</u>	<u>\$ 67,811,000</u>	<u>\$ 67,785,000</u>
2.25	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 67,811,000</u>	<u>\$ 67,785,000</u>

2.26	<u>Appropriations by Fund</u>		
2.27		<u>2010</u>	<u>2011</u>
2.28	<u>General</u>	<u>67,633,000</u>	<u>67,607,000</u>
2.29	<u>Health Care Access</u>	<u>178,000</u>	<u>178,000</u>

3.1 The amounts that may be spent for each
 3.2 purpose are specified in the following
 3.3 subdivisions.

3.4	<u>Subd. 2. Senate</u>	<u>22,269,000</u>	<u>22,269,000</u>
3.5	<u>Subd. 3. House of Representatives</u>	<u>29,940,000</u>	<u>29,940,000</u>
3.6	<u>Subd. 4. Legislative Coordinating Commission</u>	<u>15,602,000</u>	<u>15,576,000</u>

3.7 Appropriations by Fund

3.8 General 15,424,000 15,398,000

3.9 Health Care Access 178,000 178,000

3.10 (a) \$5,657,000 the first year and \$5,657,000
 3.11 the second year are for the Office of the
 3.12 Revisor of Statutes.

3.13 (b) \$1,379,000 the first year and \$1,379,000
 3.14 the second year are for the Legislative
 3.15 Reference Library.

3.16 (c) \$5,833,000 the first year and \$5,833,000
 3.17 the second year are for the Office of the
 3.18 Legislative Auditor.

3.19 (d) \$10,000 the first year is for purposes
 3.20 of the legislators' forum, through which
 3.21 Minnesota legislators meet with counterparts
 3.22 from South Dakota, North Dakota, and
 3.23 Manitoba to discuss issues of mutual
 3.24 concern. This appropriation is available until
 3.25 June 30, 2011.

3.26 Sec. 4. **GOVERNOR AND LIEUTENANT**

3.27 **GOVERNOR** \$ 3,590,000 \$ 3,590,000

3.28 (a) This appropriation is to fund the Office
 3.29 of the Governor and Lieutenant Governor.
 3.30 \$19,000 the first year and \$19,000 the
 3.31 second year are for necessary expenses in

5.1 \$680,000 the first year is for additional audit
 5.2 activities under the American Recovery
 5.3 and Reinvestment Act of 2009. This
 5.4 appropriation remains available through June
 5.5 30, 2011.

5.6 \$1,000,000 of the balance in the tax
 5.7 increment financing enforcement account
 5.8 established in Minnesota Statutes, section
 5.9 469.177, subdivision 11, is canceled to the
 5.10 general fund on July 1, 2009. This is a
 5.11 onetime cancellation.

5.12 Sec. 6. **ATTORNEY GENERAL** \$ **25,380,000** \$ **25,380,000**

5.13 Appropriations by Fund

	<u>2010</u>	<u>2011</u>
5.14 <u>General</u>	<u>23,158,000</u>	<u>23,158,000</u>
5.16 <u>State Government</u>		
5.17 <u>Special Revenue</u>	<u>1,827,000</u>	<u>1,827,000</u>
5.18 <u>Environmental</u>	<u>145,000</u>	<u>145,000</u>
5.19 <u>Remediation</u>	<u>250,000</u>	<u>250,000</u>

5.20 Sec. 7. **SECRETARY OF STATE** \$ **5,910,000** \$ **5,909,000**

5.21 Any funds available in the account
 5.22 established in Minnesota Statutes, section
 5.23 5.30, pursuant to the Help America Vote Act,
 5.24 are appropriated for the purposes and uses
 5.25 authorized by federal law.

5.26 Sec. 8. **CAMPAIGN FINANCE AND PUBLIC**

5.27 **DISCLOSURE BOARD** \$ **748,000** \$ **748,000**

5.28 Sec. 9. **INVESTMENT BOARD** \$ **151,000** \$ **151,000**

6.1 Sec. 10. OFFICE OF ENTERPRISE
 6.2 TECHNOLOGY \$ 5,758,000 \$ 5,758,000

6.3 \$4,263,000 the first year and \$4,263,000 the
 6.4 second year are for information technology
 6.5 security. The chief information officer,
 6.6 in consultation with the commissioner of
 6.7 finance, shall develop a cost recovery plan
 6.8 for the 2012-2013 biennium to bill certain
 6.9 state agencies, constitutional officers, and
 6.10 other state and local government entities for
 6.11 the cost of information technology security.
 6.12 By March 15, 2010, the chief information
 6.13 officer shall report the plan and the potential
 6.14 for rates to be charged to agencies to the
 6.15 chairs and ranking minority members of
 6.16 the legislative committee divisions with
 6.17 jurisdiction over the budget for the office.

6.18 The requirements imposed on the
 6.19 commissioner of finance and the chief
 6.20 information officer under Laws 2007, chapter
 6.21 148, article 1, section 10, paragraph (e),
 6.22 regarding the determination of the savings
 6.23 attributable to the electronic licensing
 6.24 system and information technology security
 6.25 improvements are inoperative.

6.26 Sec. 11. ADMINISTRATIVE HEARINGS \$ 7,655,000 \$ 7,525,000

6.27	<u>Appropriations by Fund</u>	
6.28	<u>2010</u>	<u>2011</u>
6.29	<u>General</u>	<u>405,000 275,000</u>
6.30	<u>Workers'</u>	
6.31	<u>Compensation</u>	<u>7,250,000 7,250,000</u>

8.1 appropriation, \$10,000 per year is intended
8.2 for preparation of township acreage data in
8.3 Laws 2008, chapter 366, article 17, section
8.4 7, subdivision 3.

8.5 (b) \$74,000 the first year and \$74,000
8.6 the second year are for the Council on
8.7 Developmental Disabilities.

8.8 (c) \$127,000 the first year and \$127,000
8.9 the second year are for transfer to the
8.10 commissioner of human services for a grant
8.11 to the Council on Developmental Disabilities
8.12 for the purpose of establishing a statewide
8.13 self-advocacy network for persons with
8.14 intellectual and developmental disabilities
8.15 (ID/DD). The self-advocacy network shall:
8.16 (1) ensure that persons with ID/DD are
8.17 informed of their rights in employment,
8.18 housing, transportation, voting, government
8.19 policy, and other issues pertinent to the
8.20 ID/DD community; (2) provide public
8.21 education and awareness of the civil and
8.22 human rights issues persons with ID/DD
8.23 face; (3) provide funds, technical assistance,
8.24 and other resources for self-advocacy groups
8.25 across the state; and (4) organize systems of
8.26 communications to facilitate an exchange of
8.27 information between self-advocacy groups.

8.28 This appropriation must be included in the
8.29 base budget for the commissioner of human
8.30 services for the biennium beginning July 1,
8.31 2011.

8.32 (d) \$250,000 the first year and \$170,000 the
8.33 second year are to fund activities to prepare
8.34 for and promote the 2010 census.

9.1 (e) \$206,000 the first year and \$206,000 the
9.2 second year are for the Office of the State
9.3 Archaeologist.

9.4 (f) \$8,388,000 the first year and \$8,388,000
9.5 the second year are for office space costs of
9.6 the legislature and veterans organizations,
9.7 for ceremonial space, and for statutorily free
9.8 space.

9.9 (g) \$3,500,000 of the balance in the facilities
9.10 repair and replacement account in the special
9.11 revenue fund is canceled to the general
9.12 fund on July 1, 2009. This is a onetime
9.13 cancellation.

9.14 (h) The requirements imposed on
9.15 the commissioner of finance and the
9.16 commissioner of administration under
9.17 Laws 2007, chapter 148, article 1, section
9.18 12, subdivision 2, paragraph (b), relating
9.19 to the savings attributable to the real
9.20 property portfolio management system are
9.21 inoperative.

9.22 (i) \$250,000 is appropriated to the
9.23 commissioner of administration from the
9.24 information and telecommunications account
9.25 in the special revenue fund to continue
9.26 planning for data center consolidation,
9.27 including beginning a predesign study
9.28 and lifecycle cost analysis, and exploring
9.29 technologies to reduce energy consumption
9.30 and operating costs.

9.31 Subd. 3. **Administrative Management Support** 1,876,000 1,851,000

9.32 \$125,000 each year is for the Office of
9.33 Grant Management. During the biennium
9.34 ending June 30, 2011, the commissioner

12.1 is expected to result in new general fund
 12.2 revenues of \$20,810,000 for the biennium
 12.3 ending June 30, 2011.

12.4 (b) The department must report to the chairs
 12.5 of the house of representatives Ways and
 12.6 Means and senate Finance Committees by
 12.7 March 1, 2010, and January 15, 2011, on the
 12.8 following performance indicators:

12.9 (1) the number of corporations noncompliant
 12.10 with the corporate tax system each year and
 12.11 the percentage and dollar amounts of valid
 12.12 tax liabilities collected;

12.13 (2) the number of businesses noncompliant
 12.14 with the sales and use tax system and the
 12.15 percentage and dollar amount of the valid tax
 12.16 liabilities collected; and

12.17 (3) the number of individual noncompliant
 12.18 cases resolved and the percentage and dollar
 12.19 amounts of valid tax liabilities collected.

12.20 Subd. 3. **Debt Collection Management** 24,497,000 25,356,000

12.21 \$811,000 the first year and \$1,670,000 the
 12.22 second year are for additional activities
 12.23 to identify and collect tax liabilities from
 12.24 individuals and businesses that currently
 12.25 do not pay all taxes owed. This initiative
 12.26 is expected to result in new general fund
 12.27 revenues of \$20,700,000 for the biennium
 12.28 ending June 30, 2011.

12.29 Sec. 16. **GAMBLING CONTROL** \$ 2,940,000 \$ 2,940,000

12.30 These appropriations are from the lawful
 12.31 gambling regulation account in the special
 12.32 revenue fund.

13.1	Sec. 17. <u>RACING COMMISSION</u>	<u>\$</u>	<u>899,000</u>	<u>\$</u>	<u>899,000</u>
13.2	<u>These appropriations are from the racing</u>				
13.3	<u>and card playing regulation accounts in the</u>				
13.4	<u>special revenue fund.</u>				
13.5	Sec. 18. <u>STATE LOTTERY</u>				
13.6	<u>Notwithstanding Minnesota Statutes, section</u>				
13.7	<u>349A.10, subdivision 3, the operating budget</u>				
13.8	<u>must not exceed \$28,111,000 in fiscal year</u>				
13.9	<u>2010 and \$28,740,000 in fiscal year 2011.</u>				
13.10	Sec. 19. <u>TORT CLAIMS</u>	<u>\$</u>	<u>161,000</u>	<u>\$</u>	<u>161,000</u>
13.11	<u>These appropriations are to be spent by</u>				
13.12	<u>the commissioner of finance according</u>				
13.13	<u>to Minnesota Statutes, section 3.736,</u>				
13.14	<u>subdivision 7. If the appropriation for either</u>				
13.15	<u>year is insufficient, the appropriation for the</u>				
13.16	<u>other year is available for it.</u>				
13.17	Sec. 20. <u>MINNESOTA STATE RETIREMENT</u>				
13.18	<u>SYSTEM</u>				
13.19	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>2,346,000</u>	<u>\$</u>	<u>2,405,000</u>
13.20	<u>The amounts that may be spent for each</u>				
13.21	<u>purpose are specified in the following</u>				
13.22	<u>subdivisions.</u>				
13.23	<u>Subd. 2. Legislators</u>		<u>1,889,000</u>		<u>1,937,000</u>
13.24	<u>Under Minnesota Statutes, sections 3A.03,</u>				
13.25	<u>subdivision 2; 3A.04, subdivisions 3 and 4;</u>				
13.26	<u>and 3A.115.</u>				
13.27	<u>Subd. 3. Constitutional Officers</u>		<u>457,000</u>		<u>468,000</u>
13.28	<u>Under Minnesota Statutes, section 352C.001.</u>				

14.1 If an appropriation in this section for either
 14.2 year is insufficient, the appropriation for the
 14.3 other year is available for it.

14.4 **Sec. 21. MINNEAPOLIS EMPLOYEES**

14.5 **RETIREMENT FUND** **\$ 9,000,000 \$ 9,000,000**

14.6 These amounts are estimated to be needed
 14.7 under Minnesota Statutes, section 422A.101,
 14.8 subdivision 3.

14.9 **Sec. 22. TEACHERS RETIREMENT**

14.10 **ASSOCIATION** **\$ 15,454,000 \$ 15,454,000**

14.11 The amounts estimated to be needed are as
 14.12 follows:

14.13 (a) Special direct state aid. \$12,954,000 the
 14.14 first year and \$12,954,000 the second year
 14.15 are for special direct state aid authorized
 14.16 under Minnesota Statutes, section 354A.12,
 14.17 subdivisions 3a and 3c.

14.18 (b) Special direct state matching aid.
 14.19 \$2,500,000 the first year and \$2,500,000
 14.20 the second year are for special direct state
 14.21 matching aid authorized under Minnesota
 14.22 Statutes, section 354A.12, subdivision 3b.

14.23 **Sec. 23. ST. PAUL TEACHERS**

14.24 **RETIREMENT FUND** **\$ 2,827,000 \$ 2,827,000**

14.25 The amounts estimated to be needed for
 14.26 special direct state aid to first class city
 14.27 teachers retirement funds authorized under
 14.28 Minnesota Statutes, section 354A.12,
 14.29 subdivisions 3a and 3c.

14.30 **Sec. 24. DULUTH TEACHERS**

14.31 **RETIREMENT FUND** **\$ 346,000 \$ 346,000**

15.1 The amounts estimated to be needed for
 15.2 special direct state aid to first class city
 15.3 teachers retirement funds authorized under
 15.4 Minnesota Statutes, section 354A.12,
 15.5 subdivisions 3a and 3c.

15.6 Sec. 25. AMATEUR SPORTS COMMISSION \$ 270,000 \$ 270,000

15.7 The amount available for appropriation to
 15.8 the commission under Laws 2005, chapter
 15.9 156, article 2, section 43, is reduced in the
 15.10 first year and the second year by the amounts
 15.11 appropriated in this section.

15.12 Sec. 26. COUNCIL ON BLACK

15.13 MINNESOTANS \$ 316,000 \$ 316,000

15.14 Sec. 27. COUNCIL ON CHICANO/LATINO

15.15 AFFAIRS \$ 298,000 \$ 298,000

15.16 Sec. 28. COUNCIL ON ASIAN-PACIFIC

15.17 MINNESOTANS \$ 275,000 \$ 275,000

15.18 Sec. 29. INDIAN AFFAIRS COUNCIL

15.19 \$32,000 each year is for activities of the
 15.20 council relating to Indian burial sites,
 15.21 including activities relating to unfunded
 15.22 federal mandates.

15.23 Sec. 30. GENERAL CONTINGENT

15.24 ACCOUNTS \$ 1,750,000 \$ 500,000

15.25 Appropriations by Fund

15.26		<u>2010</u>	<u>2011</u>
15.27	<u>General</u>	<u>1,250,000</u>	<u>0</u>

16.1	<u>State Government</u>		
16.2	<u>Special Revenue</u>	<u>400,000</u>	<u>400,000</u>
16.3	<u>Workers'</u>		
16.4	<u>Compensation</u>	<u>100,000</u>	<u>100,000</u>

16.5 (a) The appropriations in this section
16.6 may only be spent with the approval of
16.7 the governor after consultation with the
16.8 Legislative Advisory Commission pursuant
16.9 to Minnesota Statutes, section 3.30.

16.10 (b) Of the appropriation to the general fund
16.11 contingent account, \$750,000 is a onetime
16.12 appropriation for potential state matching
16.13 requirements needed to maximize receipt of
16.14 federal funds under the American Recovery
16.15 and Reinvestment Act of 2009.

16.16 (c) If an appropriation in this section for
16.17 either year is insufficient, the appropriation
16.18 for the other year is available for it.

16.19 (d) If a contingent account appropriation
16.20 is made in one fiscal year, it should be
16.21 considered a biennial appropriation.

16.22 **Sec. 31. PROBLEM GAMBLING APPROPRIATION.**

16.23 \$225,000 in fiscal year 2010 and \$225,000 in fiscal year 2011 are appropriated from
16.24 the lottery prize fund to the Gambling Control Board for a grant to the state affiliate
16.25 recognized by the National Council on Problem Gambling. The affiliate must provide
16.26 services to increase public awareness of problem gambling, education and training for
16.27 individuals and organizations providing effective treatment services to problem gamblers
16.28 and their families, and research relating to problem gambling. These services must be
16.29 complimentary to and not duplicative of the services provided through the problem
16.30 gambling program administered by the commissioner of human services. Of this
16.31 appropriation, \$50,000 in fiscal year 2010 and \$50,000 in fiscal year 2011 are contingent
16.32 on the contribution of nonstate matching funds. Matching funds may be either cash or
16.33 qualifying in-kind contributions. The commissioner of finance may disburse the state

17.1 portion of the matching funds in increments of \$25,000 upon receipt of a commitment for
17.2 an equal amount of matching nonstate funds. These are onetime appropriations.

17.3 Sec. 32. **INDIRECT COST RECOVERY.**

17.4 To the extent that the federal government allows statewide indirect cost
17.5 recovery against money received under the American Recovery and Reinvestment
17.6 Act (ARRA), money recovered for the central administration, financial oversight,
17.7 or public accountability of federal stimulus money in excess of any direct general
17.8 fund appropriations made for these purposes is appropriated to the commissioner of
17.9 finance. Money received under this section must be spent before any other general fund
17.10 appropriations for ARRA activities. The commissioner of finance must reduce the unspent
17.11 amount of general fund appropriations for federal stimulus money reporting and oversight
17.12 activities by an amount equivalent to the money recovered under this section, up to the
17.13 total amount of the unspent general fund appropriations.

17.14 **ARTICLE 2**

17.15 **STATE GOVERNMENT OPERATIONS**

17.16 Section 1. Minnesota Statutes 2008, section 3.303, subdivision 8, is amended to read:

17.17 Subd. 8. **Ethnic heritage and new Americans.** The commission shall undertake
17.18 activities it determines are necessary to assist state government to foster an understanding
17.19 and appreciation of ethnic and cultural diversity in Minnesota, to identify underutilized
17.20 resources within the immigrant community, and to facilitate the full participation of
17.21 immigrants in social, cultural, and political life in this state. The commission may
17.22 appoint a working group under section 3.305, subdivision 6, to assist the commission in
17.23 these duties. A working group under this subdivision may include legislators and public
17.24 members. The commission may provide compensation for public members as provided
17.25 in section 15.0575. In performing duties under this subdivision, the commission shall
17.26 collaborate with the councils established in sections 3.9223, 3.9225, and 3.9226. This
17.27 subdivision expires June 30, ~~2009~~ 2011.

17.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

17.29 Sec. 2. Minnesota Statutes 2008, section 3.732, subdivision 1, is amended to read:

17.30 Subdivision 1. **Definitions.** As used in this section and section 3.736 the terms
17.31 defined in this section have the meanings given them.

17.32 (1) "State" includes each of the departments, boards, agencies, commissions, courts,
17.33 and officers in the executive, legislative, and judicial branches of the state of Minnesota

18.1 and includes but is not limited to the Housing Finance Agency, the Minnesota Office of
18.2 Higher Education, the Higher Education Facilities Authority, the Health Technology
18.3 Advisory Committee, the Armory Building Commission, the Zoological Board, the Iron
18.4 Range Resources and Rehabilitation Board, the State Agricultural Society, the University
18.5 of Minnesota, the Minnesota State Colleges and Universities, state hospitals, and state
18.6 penal institutions. It does not include a city, town, county, school district, or other local
18.7 governmental body corporate and politic.

18.8 (2) "Employee of the state" means all present or former officers, members, directors,
18.9 or employees of the state, members of the Minnesota National Guard, members of a
18.10 bomb disposal unit approved by the commissioner of public safety and employed by a
18.11 municipality defined in section 466.01 when engaged in the disposal or neutralization of
18.12 bombs or other similar hazardous explosives, as defined in section 299C.063, outside the
18.13 jurisdiction of the municipality but within the state, or persons acting on behalf of the state
18.14 in an official capacity, temporarily or permanently, with or without compensation. It does
18.15 not include either an independent contractor except, for purposes of this section and
18.16 section 3.736 only, a guardian ad litem acting under court appointment, or members of the
18.17 Minnesota National Guard while engaged in training or duty under United States Code,
18.18 title 10, or title 32, section 316, 502, 503, 504, or 505, as amended through December
18.19 31, 1983. Notwithstanding sections 43A.02 and 611.263, for purposes of this section and
18.20 section 3.736 only, "employee of the state" includes a district public defender or assistant
18.21 district public defender in the Second or Fourth Judicial District, ~~and~~ a member of the
18.22 Health Technology Advisory Committee, and any officer, agent, or employee of the state
18.23 of Wisconsin performing work for the state of Minnesota pursuant to a joint state initiative.

18.24 (3) "Scope of office or employment" means that the employee was acting on behalf
18.25 of the state in the performance of duties or tasks lawfully assigned by competent authority.

18.26 (4) "Judicial branch" has the meaning given in section 43A.02, subdivision 25.

18.27 Sec. 3. Minnesota Statutes 2008, section 3.97, is amended by adding a subdivision to
18.28 read:

18.29 Subd. 3b. Review of financial management and internal controls. The
18.30 commission shall review legislative auditor reports and make recommendations, as the
18.31 commission determines necessary, for improvements in the state's system of internal
18.32 controls and financial management.

18.33 Sec. 4. Minnesota Statutes 2008, section 3.971, subdivision 6, is amended to read:

19.1 Subd. 6. **Financial audits.** The legislative auditor shall audit the financial
19.2 statements of the state of Minnesota required by section 16A.50 and, as resources permit,
19.3 shall audit Minnesota State Colleges and Universities, the University of Minnesota, state
19.4 agencies, departments, boards, commissions, courts, and other state organizations subject
19.5 to audit by the legislative auditor, including the State Agricultural Society, Agricultural
19.6 Utilization Research Institute, Enterprise Minnesota, Inc., Minnesota Historical
19.7 Society, Labor Interpretive Center, Minnesota Partnership for Action Against Tobacco,
19.8 Metropolitan Sports Facilities Commission, Metropolitan Airports Commission, and
19.9 Metropolitan Mosquito Control District. Financial audits must be conducted according to
19.10 generally accepted government auditing standards. The legislative auditor shall see that
19.11 all provisions of law respecting the appropriate and economic use of public funds are
19.12 complied with and may, as part of a financial audit or separately, investigate allegations of
19.13 noncompliance ~~by employees of departments and agencies of the state government and~~
19.14 ~~the other organizations listed in this subdivision.~~

19.15 Sec. 5. Minnesota Statutes 2008, section 3.975, is amended to read:

19.16 **3.975 DUTIES CONCERNING MISUSE OF PUBLIC MONEY OR OTHER**
19.17 **RESOURCES.**

19.18 If a legislative auditor's examination discloses that a state official or employee has
19.19 used money for a purpose other than the purpose for which the money was appropriated
19.20 or discloses any other misuse of public money or other public resources, the legislative
19.21 auditor shall file a report with the Legislative Audit Commission, the attorney general, and
19.22 the appropriate county attorney. The attorney general shall seek recovery of money and
19.23 other resources as the evidence may warrant. The county attorney shall cause criminal
19.24 proceedings to be instituted as the evidence may warrant.

19.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

19.26 Sec. 6. Minnesota Statutes 2008, section 4A.01, is amended to read:

19.27 **~~4A.01 OFFICE OF STRATEGIC AND LONG-RANGE PLANNING.~~**

19.28 Subdivision 1. Duties. The Office of Strategic and Long-Range Planning is created,
19.29 with a director appointed by the governor. The commissioner of administration is the state
19.30 planning officer and is responsible for the coordination, development, assessment, and
19.31 communication of information, performance measures, planning, and policy concerning
19.32 the state's future. The commissioner may contract with another agency for the provision of
19.33 administrative services.

20.1 Subd. 2. Long-range plan. By September 15, 2010, and every five years thereafter,
20.2 the Office of Strategic and Long-Range Planning commissioner must develop an integrated
20.3 long-range plan for the state based upon the plans and strategies of state agencies,
20.4 public advice about the future, and other information developed under this chapter. The
20.5 office commissioner must coordinate activities among all levels of government and must
20.6 stimulate public interest and participation in the future of the state.

20.7 The office commissioner must act in coordination with the commissioner of finance,
20.8 affected state agencies, and the legislature in the planning and financing of major public
20.9 programs.

20.10 Subd. 3. Report. The commissioner must submit a report to the governor and chairs
20.11 and ranking minority members of the senate and house of representatives committees
20.12 with jurisdiction on state government finance by January 15 of each year that provides
20.13 economic, social, and environmental demographic information to assist public and elected
20.14 officials with long-term management decisions. The report must identify and assess
20.15 the information important to understanding the state's two-, ten-, and 50-year outlook,
20.16 including the budget implications for those time periods. The report must include the
20.17 demographic forecast required by section 4A.02, paragraph (e), and information to assist
20.18 with the preparation of the milestones report required by section 4A.11, and may include
20.19 policy recommendations based upon the information and assessment provided.

20.20 Sec. 7. Minnesota Statutes 2008, section 4A.02, is amended to read:

20.21 **4A.02 STATE DEMOGRAPHER.**

20.22 (a) The ~~director~~ commissioner shall appoint a state demographer. The demographer
20.23 must be professionally competent in demography and must possess demonstrated ability
20.24 based upon past performance.

20.25 (b) The demographer shall:

20.26 (1) continuously gather and develop demographic data relevant to the state;

20.27 (2) design and test methods of research and data collection;

20.28 (3) periodically prepare population projections for the state and designated regions
20.29 and periodically prepare projections for each county or other political subdivision of the
20.30 state as necessary to carry out the purposes of this section;

20.31 (4) review, comment on, and prepare analysis of population estimates and
20.32 projections made by state agencies, political subdivisions, other states, federal agencies, or
20.33 nongovernmental persons, institutions, or commissions;

21.1 (5) serve as the state liaison with the United States Bureau of the Census, coordinate
21.2 state and federal demographic activities to the fullest extent possible, and aid the
21.3 legislature in preparing a census data plan and form for each decennial census;

21.4 (6) compile an annual study of population estimates on the basis of county, regional,
21.5 or other political or geographical subdivisions as necessary to carry out the purposes of
21.6 this section and section 4A.03;

21.7 (7) by January 1 of each year, issue a report to the legislature containing an analysis
21.8 of the demographic implications of the annual population study and population projections;

21.9 (8) prepare maps for all counties in the state, all municipalities with a population
21.10 of 10,000 or more, and other municipalities as needed for census purposes, according to
21.11 scale and detail recommended by the United States Bureau of the Census, with the maps
21.12 of cities showing precinct boundaries;

21.13 (9) prepare an estimate of population and of the number of households for each
21.14 governmental subdivision for which the Metropolitan Council does not prepare an annual
21.15 estimate, and convey the estimates to the governing body of each political subdivision
21.16 by June 1 of each year;

21.17 (10) direct, under section 414.01, subdivision 14, and certify population and
21.18 household estimates of annexed or detached areas of municipalities or towns after being
21.19 notified of the order or letter of approval by the chief administrative law judge of the
21.20 State Office of Administrative Hearings;

21.21 (11) prepare, for any purpose for which a population estimate is required by law
21.22 or needed to implement a law, a population estimate of a municipality or town whose
21.23 population is affected by action under section 379.02 or 414.01, subdivision 14; and

21.24 (12) prepare an estimate of average household size for each statutory or home rule
21.25 charter city with a population of 2,500 or more by June 1 of each year.

21.26 (c) A governing body may challenge an estimate made under paragraph (b) by filing
21.27 their specific objections in writing with the state demographer by June 24. If the challenge
21.28 does not result in an acceptable estimate, the governing body may have a special census
21.29 conducted by the United States Bureau of the Census. The political subdivision must
21.30 notify the state demographer by July 1 of its intent to have the special census conducted.
21.31 The political subdivision must bear all costs of the special census. Results of the special
21.32 census must be received by the state demographer by the next April 15 to be used in that
21.33 year's June 1 estimate to the political subdivision under paragraph (b).

21.34 (d) The state demographer shall certify the estimates of population and household
21.35 size to the commissioner of revenue by July 15 each year, including any estimates still
21.36 under objection.

22.1 (e) The state demographer shall release a demographic forecast in conjunction with
22.2 the commissioner of finance and the November state economic forecast.

22.3 (f) The state demographer may contract for the development of data and research
22.4 required under this chapter, including, but not limited to, population estimates and
22.5 projections, the preparation of maps, and other estimates.

22.6 **EFFECTIVE DATE.** Paragraph (e) is effective November 1, 2010.

22.7 Sec. 8. **[4A.11] MILESTONES REPORT.**

22.8 The commissioner must review the statewide system of economic, social, and
22.9 environmental performance measures in use under section 16A.10, subdivision 1c, and
22.10 known as Minnesota milestones. The commissioner must provide the economic, social,
22.11 and environmental information necessary to assist public and elected officials with
22.12 understanding and evaluating Minnesota milestones. The commissioner must report on
22.13 the trends and their implications for Minnesota milestones each year and provide the
22.14 commissioner of finance with recommendations for the use of Minnesota milestones in
22.15 budget documents. The commissioner may contract for the development of information
22.16 and measures.

22.17 Sec. 9. **[5.001] DEFINITIONS.**

22.18 Subdivision 1. **Applicability.** As used in this chapter, the terms defined in this
22.19 section have the meanings given them.

22.20 Subd. 2. **Business entity.** "Business entity" means an organization that is formed
22.21 under chapters 300, 301, 302A, 303, 308, 308A, 308B, 315, 317, 317A, 318, 319, 319A,
22.22 321, 322A, 322B, 323, or 323A and that has filed documents with the secretary of state.

22.23 Subd. 3. **Business entity filings.** "Business entity filings" means any filing from a
22.24 business entity and also includes filings made under chapter 333.

22.25 Subd. 4. **Bulk data.** "Bulk data" means data that has commercial value and is a
22.26 substantial or discrete portion of or an entire formula, pattern, compilation, program,
22.27 device, method, technique, process, database, or system.

22.28 Sec. 10. **[5.002] E-MAIL ADDRESSES.**

22.29 (a) The secretary of state is authorized to provide a field on each of the forms and on
22.30 each online entry screen, used to file business entity filings, Uniform Commercial Code
22.31 records, and central notification system filings, for the collection of an e-mail address to
22.32 which the secretary of state can forward official notices required by law and other notices
22.33 to the business entity, assumed name, or the person filing the uniform commercial code or

23.1 central notification system record. The e-mail address may be updated by or on behalf of
23.2 the business entity by sending a notification of the change to the secretary of state. No fee
23.3 shall be charged for an e-mail address update.

23.4 (b) Except as provided in paragraph (c), the business entity, holder of assumed
23.5 name, or other person providing the e-mail address under this section may indicate on
23.6 the screen that they do not wish the e-mail address provided under this section to be
23.7 provided as bulk data.

23.8 (c) If the e-mail address in paragraph (b) is provided as a portion of a digitally
23.9 scanned image, the e-mail address on that image is public.

23.10 **EFFECTIVE DATE.** This section is effective 30 days after the secretary of state
23.11 certifies that the information systems of the Office of the Secretary of State have been
23.12 modified to implement this section.

23.13 Sec. 11. Minnesota Statutes 2008, section 5.12, subdivision 1, is amended to read:

23.14 Subdivision 1. **Fees.** The secretary of state shall charge a fee of \$5 for each
23.15 certificate or certification of a copy or electronically transmitted image of any document
23.16 filed in the Office of the Secretary of State. The secretary of state shall charge a fee of
23.17 \$3 for a copy or electronically transmitted image of an original ~~filing of a corporation,~~
23.18 ~~limited partnership, assumed name, or trade or service mark~~ business entity filing. The
23.19 secretary of state shall charge a fee of \$3 for a copy or electronically transmitted image of
23.20 ~~any or all each~~ subsequent ~~filings of a corporation, limited partnership, assumed name,~~
23.21 ~~or trade or service mark~~ business entity filing. The secretary of state shall charge a fee
23.22 of ~~\$1 per page for copies~~ \$3 for a copy or electronically transmitted image of any other
23.23 ~~nonuniform commercial code documents~~ document filed with the secretary of state. At the
23.24 time of filing, the secretary of state may provide at the public counter, without charge, a
23.25 copy of a filing, ten or fewer pages in length, to the person making the filing.

23.26 **EFFECTIVE DATE.** This section is effective 30 days after the secretary of state
23.27 certifies that the information systems of the Office of the Secretary of State have been
23.28 modified to implement this section.

23.29 Sec. 12. Minnesota Statutes 2008, section 5.29, is amended to read:

23.30 ~~**5.29 BULK AGENT NAME AND ADDRESS CHANGES GLOBAL FILINGS.**~~

23.31 ~~The filing fee charged for filing an amendment is charged for each document~~
23.32 ~~filed~~ (a) When a registered agent for multiple business entities files an instrument that
23.33 changes its name or office address pursuant to sections 302A.123, subdivision 3; 303.10;
23.34 308A.025, subdivision 5; 317A.123, subdivision 3; 318.02; and 322B.135, subdivision

24.1 ~~3; and chapters 321, 323, and 323A, but the cumulative fee shall not exceed \$10,000 for~~
24.2 ~~entities governed by the provisions of chapters 302A, 303, 308A, 317A, 318, 322A, 322B,~~
24.3 ~~323, and 323A, the change for each business entity must be filed online as a separate~~
24.4 ~~transaction, and a separate filing fee charged. The aggregate fee for a filing under this~~
24.5 ~~paragraph shall not exceed \$35,000.~~

24.6 (b) When a secured party wishes to file an amendment to a financing statement
24.7 making a change in secured party or debtor name and address information, each
24.8 amendment must be filed online as a separate transaction and a separate filing fee charged.

24.9 **EFFECTIVE DATE.** This section is effective 30 days after the secretary of state
24.10 certifies that the information systems of the Office of the Secretary of State have been
24.11 modified to implement this section.

24.12 Sec. 13. Minnesota Statutes 2008, section 5.32, is amended to read:

24.13 **5.32 TEMPORARY TECHNOLOGY SURCHARGE.**

24.14 Subdivision 1. **Surcharge.** For fiscal years 2008 ~~and~~, 2009, 2010, and 2011, the
24.15 following technology surcharges are imposed on the filing fees required under the
24.16 following statutes:

24.17 (1) \$25 for articles of incorporation filed under section 302A.151;

24.18 (2) \$25 for articles of organization filed under section 322B.17;

24.19 (3) \$25 for applications for certificates of authority to transact business in Minnesota
24.20 filed under section 303.06;

24.21 (4) \$20 for annual reports filed by non-Minnesota corporations under section
24.22 303.14; and

24.23 (5) \$50 for reinstatements to authority to transact business in Minnesota filed under
24.24 section 303.19.

24.25 Subd. 2. **Deposit.** The surcharges listed in subdivision 1 shall be deposited into the
24.26 uniform commercial code account.

24.27 Subd. 3. **Expiration.** This section expires June 30, ~~2009~~ 2011.

24.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

24.29 Sec. 14. **[5.34] ANNUAL RENEWAL FILINGS.**

24.30 Any business registered with the secretary of state required to file an annual renewal
24.31 in order to maintain its active status, good standing, or existence under Minnesota Statutes
24.32 shall file that renewal, whether online or otherwise, in a format that states:

24.33 (1) the name in Minnesota of the organization for which the renewal is filed;

25.1 (2) the name of the organization in the jurisdiction in which it is organized, if
25.2 different;

25.3 (3) the address of the registered office or designated office and the name of the
25.4 registered agent of the organization for service of process, if any;

25.5 (4) the jurisdiction in which the organization is organized, if that jurisdiction is
25.6 not Minnesota;

25.7 (5) the name and business address of the officer or other person exercising the
25.8 principal functions of the president of a nonprofit corporation, manager of a limited
25.9 liability company, or chief executive officer of a corporation or cooperative;

25.10 (6) the address of the principal executive office of a domestic business corporation
25.11 or of a limited liability company or the principal place of business of a cooperative, if
25.12 different from the registered office address;

25.13 (7) the address of the designated office and the name, street, and mailing address of
25.14 the agent for service of process in Minnesota of a limited partnership or foreign limited
25.15 partnership;

25.16 (8) the street and mailing address of the principal office of a limited partnership;

25.17 (9) the street and mailing address of the chief executive office of a partnership and, if
25.18 different, the street address of an office of a partnership in Minnesota, if any;

25.19 (10) the name, street, mailing address, and telephone number of an individual
25.20 who may be contacted for purposes other than services of process on behalf of a
25.21 limited partnership or a limited liability partnership, if the agent for the limited liability
25.22 partnership, limited partnership, or foreign limited partnership is not an individual; and

25.23 (11) the e-mail address of the organization to which notices from the secretary of
25.24 state will be directed, if the organization has an e-mail address.

25.25 Sec. 15. Minnesota Statutes 2008, section 5A.03, is amended to read:

25.26 **5A.03 ORGANIZATION APPLICATION FOR REGISTRATION.**

25.27 (a) An application for registration as an international student exchange visitor
25.28 placement organization must be submitted in the form prescribed by the secretary of
25.29 state. The application must include:

25.30 (1) evidence that the organization meets the standards established by the secretary of
25.31 state by rule;

25.32 (2) the name, address, and telephone number of the organization, its chief executive
25.33 officer, and the person within the organization who has primary responsibility for
25.34 supervising placements within the state;

25.35 (3) the organization's unified business identification number, if any;

- 26.1 (4) the organization's United States Information Agency number, if any;
26.2 (5) evidence of Council on Standards for International Educational Travel listing, if
26.3 any;
26.4 (6) whether the organization is exempt from federal income tax; and
26.5 (7) a list of the organization's placements in Minnesota for the previous academic
26.6 year including the number of students placed, their home countries, the school districts in
26.7 which they were placed, and the length of their placements.

26.8 (b) The application must be signed by the chief executive officer of the organization
26.9 and the person within the organization who has primary responsibility for supervising
26.10 placements within Minnesota. If the secretary of state determines that the application is
26.11 complete, the secretary of state shall file the application and the applicant is registered.

26.12 (c) Organizations that have registered shall inform the secretary of state of any
26.13 changes in the information required under paragraph (a), clause (1), within 30 days of the
26.14 change. There is no fee to amend a registration.

26.15 (d) Registration under this chapter is valid for one year. The registration may be
26.16 renewed annually. The fee to renew a registration is \$50 per year.

26.17 (e) Organizations registering for the first time in Minnesota must pay an initial
26.18 registration fee of \$150.

26.19 (f) Fees collected by the secretary of state under this section must be deposited in the
26.20 state treasury and credited to the general fund ~~and are added to the appropriation from~~
26.21 ~~which registration costs are paid.~~

26.22 Sec. 16. Minnesota Statutes 2008, section 5A.06, is amended to read:

26.23 **5A.06 COMPLAINTS.**

26.24 The secretary of state may, upon receipt of a complaint regarding an international
26.25 student exchange organization, report the matter to the organization involved, the ~~United~~
26.26 ~~States Information Agency~~, Office of Exchange Coordination and Designation, United
26.27 States Department of State, or the Council on Standards for International Educational
26.28 Travel, as the secretary of state considers appropriate. The secretary may also investigate
26.29 complaints received under this section to determine if the complaint is limited to one
26.30 high school or if there are systemic problems with placements made by a particular
26.31 organization. The secretary of state may terminate an organization's registration if the
26.32 secretary determines the organization has failed to remain in compliance with local, state,
26.33 and federal statutes, rules, and regulations.

26.34 Sec. 17. **[10.49] NAMING.**

27.1 Laws enacted on or after July 1, 2009, must not be named for living people, and laws
27.2 may not name councils, buildings, roads, or other facilities or entities after living people.

27.3 Sec. 18. Minnesota Statutes 2008, section 10A.31, subdivision 4, is amended to read:

27.4 Subd. 4. **Appropriation.** (a) The amounts designated by individuals for the state
27.5 elections campaign fund, less three percent, are appropriated from the general fund, must
27.6 be transferred and credited to the appropriate account in the state elections campaign fund,
27.7 and are annually appropriated for distribution as set forth in subdivisions 5, 5a, 6, and 7.
27.8 The remaining three percent must be kept in the general fund for administrative costs.

27.9 (b) In addition to the amounts in paragraph (a), ~~\$1,250,000~~ \$1,020,000 for each
27.10 general election is appropriated from the general fund for transfer to the general account
27.11 of the state elections campaign fund.

27.12 ~~Of this appropriation, \$65,000 each fiscal year must be set aside to pay assessments~~
27.13 ~~made by the Office of Administrative Hearings under section 211B.37. Amounts~~
27.14 ~~remaining after all assessments have been paid must be canceled to the general account.~~

27.15 Sec. 19. Minnesota Statutes 2008, section 11A.07, subdivision 4, is amended to read:

27.16 Subd. 4. **Duties and powers.** The director, at the direction of the state board, shall:

27.17 (1) plan, direct, coordinate, and execute administrative and investment functions
27.18 in conformity with the policies and directives of the state board and the requirements of
27.19 this chapter and of chapter 356A;

27.20 (2) prepare and submit biennial and annual budgets to the board and with the
27.21 approval of the board submit the budgets to the Department of Finance;

27.22 (3) employ professional and clerical staff as necessary. Employees whose primary
27.23 responsibility is to invest or manage money or employees who hold positions designated
27.24 as unclassified under section 43A.08, subdivision 1a, are in the unclassified service of the
27.25 state. Other employees are in the classified service. Unclassified employees who are
27.26 not covered by a collective bargaining agreement are employed under the terms and
27.27 conditions of the compensation plan approved under section 43A.18, subdivision 3b;

27.28 (4) report to the state board on all operations under the director's control and
27.29 supervision;

27.30 (5) maintain accurate and complete records of securities transactions and official
27.31 activities;

27.32 (6) establish a policy relating to the purchase and sale of securities on the basis of
27.33 competitive offerings or bids. The policy is subject to board approval;

28.1 (7) cause securities acquired to be kept in the custody of the commissioner of finance
28.2 or other depositories consistent with chapter 356A, as the state board deems appropriate;

28.3 (8) prepare and file with the director of the Legislative Reference Library, by
28.4 December 31 of each year, a report summarizing the activities of the state board, the
28.5 council, and the director during the preceding fiscal year. The report must be prepared
28.6 so as to provide the legislature and the people of the state with a clear, comprehensive
28.7 summary of the portfolio composition, the transactions, the total annual rate of return,
28.8 and the yield to the state treasury and to each of the funds whose assets are invested by
28.9 the state board, and the recipients of business placed or commissions allocated among
28.10 the various commercial banks, investment bankers, money managers, and brokerage
28.11 organizations and the amount of these commissions or other fees. The report must contain
28.12 financial statements for funds managed by the board prepared in accordance with generally
28.13 accepted accounting principles. The report must include an executive summary;

28.14 (9) include on the state board's Web site its annual report and an executive summary
28.15 of its quarterly reports;

28.16 ~~(9)~~ (10) require state officials from any department or agency to produce and provide
28.17 access to any financial documents the state board deems necessary in the conduct of
28.18 its investment activities;

28.19 ~~(10)~~ (11) receive and expend legislative appropriations; and

28.20 ~~(11)~~ (12) undertake any other activities necessary to implement the duties and
28.21 powers set forth in this subdivision consistent with chapter 356A.

28.22 Sec. 20. Minnesota Statutes 2008, section 13.64, is amended to read:

28.23 **13.64 DEPARTMENT OF ~~ADMINISTRATION~~ FINANCE DATA.**

28.24 (a) Notes and preliminary drafts of reports created, collected, or maintained by the
28.25 Management Analysis Division, Department of ~~Administration~~ finance, and prepared
28.26 during management studies, audits, reviews, consultations, or investigations are classified
28.27 as confidential or protected nonpublic data until the final report has been published or
28.28 preparation of the report is no longer being actively pursued.

28.29 (b) Data that support the conclusions of the report and that the commissioner of
28.30 ~~administration~~ finance reasonably believes will result in litigation are confidential or
28.31 protected nonpublic until the litigation has been completed or until the litigation is no
28.32 longer being actively pursued.

28.33 (c) Data on individuals that could reasonably be used to determine the identity of an
28.34 individual supplying data for a report are private if:

28.35 (1) the data supplied by the individual were needed for a report; and

29.1 (2) the data would not have been provided to the Management Analysis Division
29.2 without an assurance to the individual that the individual's identity would remain private,
29.3 or the Management Analysis Division reasonably believes that the individual would not
29.4 have provided the data.

29.5 Sec. 21. Minnesota Statutes 2008, section 15.01, is amended to read:

29.6 **15.01 DEPARTMENTS OF THE STATE.**

29.7 The following agencies are designated as the departments of the state government:
29.8 the Department of Administration; the Department of Agriculture; the Department of
29.9 Commerce; the Department of Corrections; the Department of Education; the Department
29.10 of Employment and Economic Development; ~~the Department of Finance;~~ the Department
29.11 of Health; the Department of Human Rights; the Department of Labor and Industry;
29.12 the Department of Management and Budget; the Department of Military Affairs; the
29.13 Department of Natural Resources; the Department of Public Safety; the Department of
29.14 Human Services; the Department of Revenue; the Department of Transportation; the
29.15 Department of Veterans Affairs; and their successor departments.

29.16 Sec. 22. Minnesota Statutes 2008, section 15.06, subdivision 1, is amended to read:

29.17 Subdivision 1. **Applicability.** This section applies to the following departments
29.18 or agencies: the Departments of Administration, Agriculture, Commerce, Corrections,
29.19 Education, Employment and Economic Development, ~~Finance,~~ Health, Human Rights,
29.20 Labor and Industry, Management and Budget, Natural Resources, Public Safety, Human
29.21 Services, Revenue, Transportation, and Veterans Affairs; the Housing Finance and
29.22 Pollution Control Agencies; the Office of Commissioner of Iron Range Resources and
29.23 Rehabilitation; the Bureau of Mediation Services; and their successor departments and
29.24 agencies. The heads of the foregoing departments or agencies are "commissioners."

29.25 Sec. 23. Minnesota Statutes 2008, section 15A.0815, subdivision 2, is amended to read:

29.26 Subd. 2. **Group I salary limits.** The salaries for positions in this subdivision may
29.27 not exceed 95 percent of the salary of the governor:

29.28 Commissioner of administration;

29.29 Commissioner of agriculture;

29.30 Commissioner of education;

29.31 Commissioner of commerce;

29.32 Commissioner of corrections;

29.33 ~~Commissioner of finance;~~

- 30.1 Commissioner of health;
- 30.2 Executive director, Minnesota Office of Higher Education;
- 30.3 Commissioner, Housing Finance Agency;
- 30.4 Commissioner of human rights;
- 30.5 Commissioner of human services;
- 30.6 Commissioner of labor and industry;
- 30.7 Commissioner of management and budget;
- 30.8 Commissioner of natural resources;
- 30.9 Director of Office of Strategic and Long-Range Planning;
- 30.10 Commissioner, Pollution Control Agency;
- 30.11 Executive director, Public Employees Retirement Association;
- 30.12 Commissioner of public safety;
- 30.13 Commissioner of revenue;
- 30.14 Executive director, State Retirement System;
- 30.15 Executive director, Teachers Retirement Association;
- 30.16 Commissioner of employment and economic development;
- 30.17 Commissioner of transportation; and
- 30.18 Commissioner of veterans affairs.

30.19 Sec. 24. **[15C.01] DEFINITIONS.**

30.20 Subdivision 1. **Scope.** For purposes of this chapter, the terms in this section have
30.21 the meanings given them.

30.22 Subd. 2. **Claim.** "Claim" includes a request or demand, whether under a contract or
30.23 otherwise, for money or property that is made by a contractor, grantee, or other recipient
30.24 to the state or a political subdivision if the state or the political subdivision has provided or
30.25 will provide a portion of the money or property that is requested or demanded, or if the
30.26 state or the political subdivision has reimbursed or will reimburse the contractor, grantee,
30.27 or other recipient for a portion of the money or property that is requested or demanded.

30.28 Subd. 3. **Knowing and knowingly.** "Knowing" and "knowingly" mean that a
30.29 person, with respect to information:

30.30 (1) has actual knowledge of the information;

30.31 (2) acts in deliberate ignorance of the truth or falsity of the information; or

30.32 (3) acts in reckless disregard of the truth or falsity of the information.

30.33 No proof of specific intent to defraud is required, but in no case is a person who acts
30.34 merely negligently, inadvertently, or mistakenly with respect to information deemed
30.35 to have acted knowingly.

31.1 Subd. 4. **Original source.** "Original source" means a person who has direct and
31.2 independent knowledge of information that is probative of an essential element of the
31.3 allegations in an action brought under this chapter that was not obtained from a public
31.4 source and who either voluntarily provided the information to the state or the political
31.5 subdivision before bringing an action based on the information or whose information
31.6 provided the basis for or caused an investigation, hearing, audit, or report that led to the
31.7 public disclosure of the allegations or transactions upon which an action brought under
31.8 this chapter is based.

31.9 Subd. 5. **Person.** "Person" means a natural person, partnership, corporation,
31.10 association or other legal entity but does not include the state or a political subdivision.

31.11 Subd. 6. **Political subdivision.** "Political subdivision" means a political subdivision
31.12 of the state and includes a department or agency of a political subdivision.

31.13 Subd. 7. **Prosecuting attorney.** "Prosecuting attorney" means:

31.14 (1) the attorney general, if the false or fraudulent claim involves money, property, or
31.15 services provided by the state; or

31.16 (2) the county attorney, city attorney, or other attorney representing a political
31.17 subdivision, if the false or fraudulent claim involves money, property, or services provided
31.18 by the political subdivision.

31.19 Subd. 8. **State.** "State" means the state of Minnesota and includes a department or
31.20 agency of the state.

31.21 **EFFECTIVE DATE.** This section is effective July 1, 2010.

31.22 Sec. 25. **[15C.02] LIABILITY FOR CERTAIN ACTS.**

31.23 (a) A person who commits any act described in clauses (1) to (7) is liable to the
31.24 state or the political subdivision for a civil penalty of not less than \$5,500 and not more
31.25 than \$11,000 per false or fraudulent claim, plus three times the amount of damages that
31.26 the state or the political subdivision sustains because of the act of that person, except
31.27 as otherwise provided in paragraph (b):

31.28 (1) knowingly presents, or causes to be presented, to an officer or employee of the
31.29 state or a political subdivision a false or fraudulent claim for payment or approval;

31.30 (2) knowingly makes or uses, or causes to be made or used, a false record or
31.31 statement to get a false or fraudulent claim paid or approved by the state or a political
31.32 subdivision;

32.1 (3) knowingly conspires to either present a false or fraudulent claim to the state or a
32.2 political subdivision for payment or approval or makes, uses, or causes to be made or used
32.3 a false record or statement to obtain payment or approval of a false or fraudulent claim;

32.4 (4) has possession, custody, or control of public property or money used, or to
32.5 be used, by the state or a political subdivision and knowingly delivers or causes to be
32.6 delivered to the state or a political subdivision less money or property than the amount
32.7 for which the person receives a receipt;

32.8 (5) is authorized to prepare or deliver a receipt for money or property used, or to be
32.9 used, by the state or a political subdivision and knowingly prepares or delivers a receipt
32.10 that falsely represents the money or property;

32.11 (6) knowingly buys, or receives as a pledge of an obligation or debt, public property
32.12 from an officer or employee of the state or a political subdivision who lawfully may
32.13 not sell or pledge the property; or

32.14 (7) knowingly makes or uses, or causes to be made or used, a false record or
32.15 statement to conceal, avoid, or decrease an obligation to pay or transmit money or property
32.16 to the state or a political subdivision.

32.17 (b) The court may assess not less than two times the amount of damages that the
32.18 state or the political subdivision sustains because of the act of the person if:

32.19 (1) the person committing a violation under paragraph (a) furnished an officer or
32.20 employee of the state or the political subdivision responsible for investigating the false or
32.21 fraudulent claim violation with all information known to the person about the violation
32.22 within 30 days after the date on which the person first obtained the information;

32.23 (2) the person fully cooperated with any investigation by the state or the political
32.24 subdivision of the violation; and

32.25 (3) at the time the person furnished the state or the political subdivision with
32.26 information about the violation, no criminal prosecution, civil action, or administrative
32.27 action had been commenced under this chapter with respect to the violation and the person
32.28 did not have actual knowledge of the existence of an investigation into the violation.

32.29 (c) A person violating this section is also liable to the state or the political
32.30 subdivision for the costs of a civil action brought to recover any penalty or damages.

32.31 (d) A person is not liable under this section for mere negligence, inadvertence, or
32.32 mistake with respect to activities involving a false or fraudulent claim.

32.33 (e) An employer is not liable for an act committed by a nonmanagerial employee
32.34 that violates this section, unless the employer had knowledge of the act, ratified the act, or
32.35 was reckless in the hiring or supervision of the employee.

33.1 (f) Except in cases where proof of specific intent to defraud the state or a political
33.2 subdivision is found, a person is not liable under this section if:

33.3 (1) the person has been informed by the original source that single or multiple false
33.4 or fraudulent claims have been made against the state or a political subdivision; and

33.5 (2) the person repays the amount of actual damages to the state or the political
33.6 subdivision within 45 days after being so informed. If the person has a compliance office,
33.7 an original source is not considered to have informed the person of a false or fraudulent
33.8 claim unless the original source reported it to the person's compliance office.

33.9 **EFFECTIVE DATE.** This section is effective July 1, 2010.

33.10 Sec. 26. **[15C.03] EXCLUSION.**

33.11 This chapter does not apply to claims, records, or statements made under portions
33.12 of Minnesota Statutes relating to taxation.

33.13 **EFFECTIVE DATE.** This section is effective July 1, 2010.

33.14 Sec. 27. **[15C.04] RESPONSIBILITIES OF PROSECUTING ATTORNEY.**

33.15 Subdivision 1. **General.** A prosecuting attorney may investigate violations of
33.16 section 15C.02. If a prosecuting attorney finds that a person has violated or is violating
33.17 section 15C.02, the prosecuting attorney may bring a civil action under this chapter
33.18 against the person to enjoin an act in violation of section 15C.02 and to recover damages
33.19 and penalties.

33.20 Subd. 2. **Attorney general investigatory powers.** In connection with an
33.21 investigation under this section, the attorney general has the powers listed in section
33.22 8.31, subdivisions 2 and 3.

33.23 **EFFECTIVE DATE.** This section is effective July 1, 2010.

33.24 Sec. 28. **[15C.05] PRIVATE REMEDIES; COMPLAINT UNDER SEAL; COPY**
33.25 **OF COMPLAINT AND WRITTEN DISCLOSURE OF EVIDENCE TO BE SENT**
33.26 **TO PROSECUTING ATTORNEY.**

33.27 (a) Except as otherwise provided in this section, a person may maintain an action
33.28 under this chapter on the person's own account and that of the state if money, property,
33.29 or services provided by the state are involved; the person's own account and that of a
33.30 political subdivision if money, property, or services provided by the political subdivision
33.31 are involved; or on the person's own account and that of both the state and a political
33.32 subdivision if both are involved. After an action is commenced, it may be voluntarily

34.1 dismissed only if the court and the prosecuting attorney give written consent to the
34.2 dismissal and their reasons for consenting.

34.3 (b) If an action is brought under this section, no other person may bring another
34.4 action under this section based on the same facts that are the subject of the pending action.

34.5 (c) An action may not be maintained under this section:

34.6 (1) against the state, the legislature, the judiciary, the executive branch, or a political
34.7 subdivision, or their respective officers, members, or employees;

34.8 (2) if the action is based upon allegations or transactions that are the subject of a
34.9 civil action or an administrative proceeding for a monetary penalty to which the state or a
34.10 political subdivision is already a party; or

34.11 (3) unless the action is brought by an original source of the information or the
34.12 prosecuting attorney initiates or intervenes in the action, if the action is based upon the
34.13 public disclosure of allegations or transactions: (i) in a criminal, civil, or administrative
34.14 hearing; (ii) in an investigation, report, hearing, or audit conducted by or at the request of
34.15 the house of representatives or the senate; (iii) by an auditor or the governing body of a
34.16 political subdivision; or (iv) by the news media.

34.17 (d) A complaint in an action under this section must be commenced by filing the
34.18 complaint with the court in chambers and the court must place it under seal for at least 60
34.19 days. No service may be made upon the defendant until the complaint is unsealed.

34.20 (e) If a complaint is filed under this section, the plaintiff shall serve a copy of the
34.21 complaint on the prosecuting attorney in accordance with the Minnesota Rules of Civil
34.22 Procedure and at the same time shall serve a written disclosure of all material evidence
34.23 and information the plaintiff possesses.

34.24 **EFFECTIVE DATE.** This section is effective July 1, 2010.

34.25 Sec. 29. **[15C.06] PROSECUTING ATTORNEY INTERVENTION; MOTION**
34.26 **TO EXTEND TIME; UNSEALING OF COMPLAINT.**

34.27 (a) Within 60 days after receiving a complaint and disclosure under section 15C.05,
34.28 the prosecuting attorney shall intervene or decline intervention or, for good cause shown,
34.29 move the court to extend the time for doing so. The motion may be supported by affidavits
34.30 or other submissions in chambers.

34.31 (b) The complaint must be unsealed after the prosecuting attorney decides whether
34.32 or not to intervene.

34.33 (c) Notwithstanding the prosecuting attorney's decision regarding intervention in an
34.34 action brought by a plaintiff under section 15C.05, the prosecuting attorney may pursue
34.35 the claim through any alternate remedy available to the state, including an administrative

35.1 proceeding to determine a civil monetary penalty. If the prosecuting attorney pursues an
35.2 alternate remedy in another proceeding, the person initiating the action has the same rights
35.3 in that proceeding as if the action had continued under section 15C.05. A finding of fact or
35.4 conclusion of law made in the other proceeding that has become final is conclusive on
35.5 all parties to an action under section 15C.05. For purposes of this paragraph, a finding
35.6 or conclusion is final if it has been finally determined on appeal to the appropriate state
35.7 court, if the time for filing an appeal has expired, or if the finding or conclusion is not
35.8 subject to judicial review.

35.9 **EFFECTIVE DATE.** This section is effective July 1, 2010.

35.10 Sec. 30. **[15C.07] SERVICE OF UNSEALED COMPLAINT AND RESPONSE**
35.11 **BY DEFENDANT.**

35.12 When unsealed, the complaint must be served on the defendant pursuant to Rule 3 of
35.13 the Minnesota Rules of Civil Procedure. The defendant must respond to the complaint
35.14 within 20 days after it is served on the defendant.

35.15 **EFFECTIVE DATE.** This section is effective July 1, 2010.

35.16 Sec. 31. **[15C.08] PROSECUTING ATTORNEY AND PRIVATE PARTY ROLES.**

35.17 (a) Except as otherwise provided by this section, if the prosecuting attorney does not
35.18 intervene at the outset in an action brought by a person under section 15C.05, the person
35.19 has the same rights in conducting the action as the prosecuting attorney would have. A
35.20 copy of each pleading or other paper filed in the action and a copy of the transcript of each
35.21 deposition taken must be mailed to the prosecuting attorney if the prosecuting attorney
35.22 so requests and pays the cost of doing so.

35.23 (b) If the prosecuting attorney elects not to intervene at the outset of the action, the
35.24 prosecuting attorney may intervene subsequently, upon timely application and good cause
35.25 shown. If the prosecuting attorney so intervenes, the prosecuting attorney subsequently
35.26 has primary responsibility for conducting the action.

35.27 (c) If the prosecuting attorney elects at the outset of the action to intervene, the
35.28 prosecuting attorney has the primary responsibility for prosecuting the action. The person
35.29 who initially brought the action remains a party but the person's acts do not bind the
35.30 prosecuting attorney.

35.31 (d) Whether or not the prosecuting attorney intervenes in the action, the prosecuting
35.32 attorney may move to dismiss the action for good cause. The person who brought the
35.33 action must be notified of the filing of the motion and may oppose it and present evidence
35.34 at the hearing. The prosecuting attorney may also settle the action. If the prosecuting

36.1 attorney intends to settle the action, the prosecuting attorney shall notify the person who
36.2 brought the action. The state or the political subdivision may settle the action with the
36.3 defendant notwithstanding the objections of the person initiating the action if the court
36.4 determines, after a hearing, that the proposed settlement is fair, adequate, and reasonable
36.5 under all the circumstances. Upon a showing of good cause, the hearing may be held in
36.6 chambers.

36.7 **EFFECTIVE DATE.** This section is effective July 1, 2010.

36.8 Sec. 32. **[15C.09] STAY OF DISCOVERY; EXTENSION.**

36.9 (a) The court may stay discovery by a person who brought an action under section
36.10 15C.05 for not more than 60 days if the prosecuting attorney shows that the proposed
36.11 discovery would interfere with the investigation or prosecution of a civil or criminal
36.12 matter arising out of the same facts, whether or not the prosecuting attorney participates
36.13 in the action.

36.14 (b) The court may extend the stay upon a further showing that the prosecuting
36.15 attorney has pursued the civil or criminal investigation or proceeding with reasonable
36.16 diligence and that the proposed discovery would interfere with its continuation. Discovery
36.17 may not be stayed for a total of more than six months over the objection of the person who
36.18 brought the action, except for good cause shown by the prosecuting attorney.

36.19 (c) A showing made pursuant to this section must be made in chambers.

36.20 **EFFECTIVE DATE.** This section is effective July 1, 2010.

36.21 Sec. 33. **[15C.10] COURT-IMPOSED LIMITATION UPON PARTICIPATION**
36.22 **OF PRIVATE PLAINTIFF IN ACTION.**

36.23 Upon a showing by the prosecuting attorney in an action in which the prosecuting
36.24 attorney has intervened that unrestricted participation by a person under this chapter would
36.25 interfere with or unduly delay the conduct of the action, or would be repetitious, irrelevant,
36.26 or solely for harassment, the court may limit the person's participation by limiting the
36.27 number of witnesses, the length of the testimony of the witnesses, the cross-examination
36.28 of witnesses by the person, or by other measures.

36.29 **EFFECTIVE DATE.** This section is effective July 1, 2010.

36.30 Sec. 34. **[15C.11] LIMITATION OF ACTIONS; REMEDIES.**

36.31 (a) An action under this chapter may not be commenced more than three years after
36.32 the date of discovery of the fraudulent activity by the prosecuting attorney or more than

37.1 six years after the fraudulent activity occurred, whichever occurs later, but in no event
37.2 more than ten years after the date on which the violation is committed.

37.3 (b) A finding of guilt in a criminal proceeding charging a false statement or fraud,
37.4 whether upon a verdict of guilty or a plea of guilty or nolo contendere, stops the person
37.5 found guilty from denying an essential element of that offense in an action under this
37.6 chapter based upon the same transaction as the criminal proceeding.

37.7 (c) In an action under this chapter, the state or the political subdivision and any
37.8 plaintiff under section 15C.05 must prove the essential elements of the cause of action,
37.9 including damages, by a preponderance of the evidence.

37.10 **EFFECTIVE DATE.** This section is effective July 1, 2010.

37.11 Sec. 35. **[15C.12] AWARD OF EXPENSES AND ATTORNEY FEES.**

37.12 If the prosecuting attorney or a person who brought an action under section 15C.05
37.13 prevails in or settles an action under this chapter, the court may authorize the prosecuting
37.14 attorney or person to recover reasonable costs, reasonable attorney fees, and the reasonable
37.15 fees of expert consultants and expert witnesses. These expenses must be awarded against
37.16 the defendant and are not allowed against the state or a political subdivision. If the
37.17 prosecuting attorney does not intervene in the action and the person bringing the action
37.18 conducts the action and the defendant prevails in the action, the court shall award to the
37.19 defendant reasonable expenses and attorney fees against the person bringing the action if
37.20 it finds that the action was clearly frivolous or vexatious or brought in substantial part for
37.21 harassment. The state or a political subdivision is not liable for expenses, attorney fees, or
37.22 other costs incurred by a person in bringing or defending an action under this chapter.

37.23 **EFFECTIVE DATE.** This section is effective July 1, 2010.

37.24 Sec. 36. **[15C.13] DISTRIBUTION TO PRIVATE PLAINTIFF IN CERTAIN**
37.25 **ACTIONS.**

37.26 If the prosecuting attorney intervenes at the outset in an action brought by a person
37.27 under section 15C.05, the person is entitled to receive not less than 15 percent or more
37.28 than 25 percent of any recovery in proportion to the person's contribution to the conduct
37.29 of the action. If the prosecuting attorney does not intervene in the action at any time,
37.30 the person is entitled to receive not less than 25 percent or more than 30 percent of
37.31 any recovery of the civil penalty and damages, or settlement, as the court determines
37.32 is reasonable. If the prosecuting attorney does not intervene in the action at the outset
37.33 but subsequently intervenes, the person is entitled to receive not less than 15 percent or

38.1 more than 30 percent of any recovery, as the court determines is reasonable based on the
38.2 person's participation in the action before the prosecuting attorney intervened.

38.3 **EFFECTIVE DATE.** This section is effective July 1, 2010.

38.4 Sec. 37. **[15C.14] EMPLOYER RESTRICTIONS; LIABILITY.**

38.5 (a) An employer must not adopt or enforce any rule or policy forbidding an
38.6 employee to disclose information to the state, a political subdivision, or a law enforcement
38.7 agency, or to act in furtherance of an action under this chapter, including investigation
38.8 for, bringing, or testifying in the action.

38.9 (b) An employer must not discharge, demote, suspend, threaten, harass, deny
38.10 promotion to, or otherwise discriminate against an employee in the terms or conditions of
38.11 employment because of lawful acts done by the employee on the employee's behalf or
38.12 on behalf of others in disclosing information to the state, a political subdivision, or a law
38.13 enforcement agency in furtherance of an action under this chapter, including investigation
38.14 for bringing or testifying in the action.

38.15 (c) An employer who violates this section is liable to the affected employee in a civil
38.16 action for damages and other relief, including reinstatement, twice the amount of lost
38.17 compensation, interest on the lost compensation, any special damage sustained as a result
38.18 of the discrimination, and punitive damages if appropriate. The employer is also liable for
38.19 expenses recoverable under section 15C.12, including costs and attorney fees.

38.20 **EFFECTIVE DATE.** This section is effective July 1, 2010.

38.21 Sec. 38. **[15C.15] DEPOSIT OF STATE FUNDS; FALSE CLAIMS ACCOUNT.**

38.22 Subdivision 1. **Deposit of funds.** The net proceeds received by the state in an action
38.23 under this chapter, after distributions made to private plaintiffs and as otherwise required
38.24 by federal law, must be deposited in the state treasury and credited as follows:

38.25 (1) the portion of net proceeds equal to the amount of the actual damages that the
38.26 state sustains because of an act specified in section 15C.02 must be credited to the fund
38.27 that sustained the damages;

38.28 (2) the portion of net proceeds equal to the additional recovery of federal money
38.29 authorized by United States Code, title 42, section 1396h, for a recovery under this
38.30 chapter, as determined by the commissioner of finance, must be credited to the false
38.31 claims account under subdivision 2, provided that the amount credited may not exceed
38.32 \$1,000,000 in a fiscal year; and

38.33 (3) the remainder of the net proceeds must be credited to the general fund.

39.1 Subd. 2. **False claims account.** A false claims account is established in the special
39.2 revenue fund in the state treasury. The commissioner of finance may enter into interagency
39.3 agreements to deposit up to \$2,055,000 for litigation and related expenses under this act.
39.4 Money in the account deposited through interagency agreement or under subdivision 1 is
39.5 annually appropriated to the attorney general for purposes of this chapter.

39.6 **EFFECTIVE DATE.** Subdivision 2 is effective the day following final enactment.

39.7 Sec. 39. **[15C.16] REPORTING.**

39.8 The attorney general shall report to the chairs and ranking minority members of the
39.9 senate and house of representatives committees with jurisdiction over state government
39.10 finance by January 15 each year, on activities under this chapter during the prior calendar
39.11 year. The report must include:

39.12 (1) the number of complaints received by the attorney general under section 15C.05;

39.13 (2) the number of times the attorney general intervened and declined to intervene
39.14 after receiving a complaint;

39.15 (3) an estimate of the amount of time spent by attorneys in the attorney general's
39.16 office and an estimate of the amount of time spent by other staff in the attorney general's
39.17 office on activities under this chapter; and

39.18 (4) net proceeds received by the state in each action under this chapter.

39.19 Sec. 40. Minnesota Statutes 2008, section 16A.01, subdivision 1, is amended to read:

39.20 Subdivision 1. **Commissioner.** The commissioner of ~~finance~~ management and
39.21 budget manages the Department of ~~Finance~~ Management and Budget, which may also be
39.22 known as Minnesota Management and Budget. The commissioner is the state's controller
39.23 and chief accounting and financial officer.

39.24 Sec. 41. Minnesota Statutes 2008, section 16A.055, subdivision 1, is amended to read:

39.25 Subdivision 1. **List.** (a) The commissioner shall:

39.26 (1) receive and record all money paid into the state treasury and safely keep it until
39.27 lawfully paid out;

39.28 (2) manage the state's financial affairs;

39.29 (3) keep the state's general account books according to generally accepted
39.30 government accounting principles;

39.31 (4) keep expenditure and revenue accounts according to generally accepted
39.32 government accounting principles;

40.1 (5) develop, provide instructions for, prescribe, and manage a state uniform
40.2 accounting system; and

40.3 (6) provide to the state the expertise to ensure that all state funds are accounted for
40.4 under generally accepted government accounting principles; and

40.5 ~~(7) coordinate the development of, and maintain standards for, internal auditing in~~
40.6 ~~state agencies and, in cooperation with the commissioner of administration, report to the~~
40.7 ~~legislature and the governor by January 31 of odd-numbered years, on progress made.~~

40.8 (b) In addition to the duties in paragraph (a), the commissioner has the powers and
40.9 duties given to the commissioner in chapter 43A.

40.10 Sec. 42. Minnesota Statutes 2008, section 16A.055, is amended by adding a
40.11 subdivision to read:

40.12 Subd. 1a. **Additional duties.** The commissioner may assist state agencies by
40.13 providing analytical, statistical, and organizational development services to state agencies
40.14 in order to assist the agency to achieve the agency's mission and to operate efficiently
40.15 and effectively.

40.16 Sec. 43. **[16A.056] WEB SITE WITH SEARCHABLE DATABASE ON STATE**
40.17 **EXPENDITURES.**

40.18 Subdivision 1. **Web database requirement.** The commissioner, in consultation
40.19 with the commissioners of administration and revenue and the legislative auditor, must
40.20 maintain a Web site with a searchable database providing the public with information on
40.21 state contracts, state appropriations, state expenditures, state tax expenditures, and state
40.22 entities that are the subject of audits. The Web site must not include information that is not
40.23 public data, as defined in section 13.02, subdivision 8a. For each data field identified in
40.24 subdivisions 2 to 6, the searchable database must allow a user of the Web site to:

40.25 (1) perform a search using that field;

40.26 (2) sort by that field;

40.27 (3) obtain information grouped or aggregated by that field, where groups or subtotals
40.28 are feasible; and

40.29 (4) view information in that field by each fiscal year.

40.30 The searchable database may accommodate grouping and aggregating by allowing
40.31 the user to download the data into a user-controlled database.

40.32 Subd. 2. **Contracts.** (a) The searchable database on the Web site must include at
40.33 least the following data fields on state contracts:

40.34 (1) the name of the entity receiving the contract;

- 41.1 (2) the name of the agency entering into the contract;
41.2 (3) an indication if the contract is for (i) goods; (ii) professional or technical services;
41.3 (iii) services other than professional and technical services; or (iv) a grant; and
41.4 (4) the fund or funds from which the entity receiving the contract will be paid.
41.5 (b) For each contract, the database must also include:
41.6 (1) an address for each entity receiving a contract; and
41.7 (2) a brief statement of the purpose of the contract or grant.
41.8 (c) Information on a new contract or grant must be entered into the database within
41.9 30 days after the contract or grant is entered into.
41.10 (d) For purposes of this section, a "grant" is a contract between a state agency and
41.11 a recipient, the primary purpose of which is to transfer cash or a thing of value to the
41.12 recipient to support a public purpose. Grant does not include aid payments to units of local
41.13 government, payments to state employees, or payments made under laws providing for
41.14 assistance to individuals.

41.15 Subd. 3. **Appropriations.** The searchable database on the Web site must include
41.16 at least the following data fields on state appropriations:

- 41.17 (1) the agency receiving the appropriation, or the name of the nonstate entity
41.18 receiving state money;
41.19 (2) the agency program, to the extent applicable;
41.20 (3) the agency activity, to the extent applicable;
41.21 (4) an item within an activity if applicable;
41.22 (5) the fund from which the appropriation is made; and
41.23 (6) the object of expenditure.

41.24 Subd. 4. **State expenditures.** The searchable database on the Web site must include
41.25 at least the following data fields on state expenditures:

- 41.26 (1) the name of the agency or nonstate entity making the expenditure;
41.27 (2) the agency program, to the extent applicable;
41.28 (3) the agency activity, to the extent applicable;
41.29 (4) an item within an activity if applicable;
41.30 (5) the fund from which the expenditure is made; and
41.31 (6) the object of expenditure.

41.32 Subd. 5. **Tax expenditures.** The Web site must include a searchable database of
41.33 state tax expenditures. For each fiscal year, the database must include data fields showing
41.34 the estimated impact on state revenues of each tax expenditure item listed in the report
41.35 prepared under section 270C.11.

42.1 Subd. 6. **Audits.** The Web site required by this section must include a link to a
42.2 Web site containing the findings and results from the audits completed by the legislative
42.3 auditor that have been released to the public.

42.4 Subd. 7. **Retention of data.** The database required under this section must include
42.5 information beginning with fiscal year 2010 appropriations and must retain data for at
42.6 least ten years.

42.7 Subd. 8. **Consultation.** The commissioner of finance must consult with the
42.8 chairs of the house of representatives Ways and Means and senate Finance Committees
42.9 before encumbering any money appropriated on or after July 1, 2009, for the planning,
42.10 development, and implementation of state accounting or procurement systems. No money
42.11 appropriated for these purposes may be spent unless the commissioner certifies that the
42.12 systems will allow compliance with requirements of this section.

42.13 **EFFECTIVE DATE.** This section is effective the day following certification by the
42.14 commissioner of finance that a new statewide accounting and procurement system has
42.15 been implemented.

42.16 Sec. 44. **[16A.057] INTERNAL CONTROLS AND INTERNAL AUDITING.**

42.17 Subdivision 1. **Establishment of system.** The commissioner is responsible for
42.18 the system of internal controls across the executive branch. The commissioner must
42.19 coordinate the design, implementation, and maintenance of an effective system of internal
42.20 controls and internal auditing for all executive agencies. The system must:

42.21 (1) safeguard public funds and assets and minimize incidences of fraud, waste,
42.22 and abuse;

42.23 (2) ensure that programs are administered in compliance with federal and state
42.24 laws and rules; and

42.25 (3) require documentation of internal control procedures over financial management
42.26 activities, provide for analysis of risks, and provide for periodic evaluation of control
42.27 procedures to satisfy the commissioner that these procedures are adequately designed,
42.28 properly implemented, and functioning effectively.

42.29 Subd. 2. **Standards.** The commissioner must adopt internal control standards
42.30 and policies that agencies must follow to meet the requirements of subdivision 1. These
42.31 standards and policies may include separation of duties, safeguarding receipts, time entry,
42.32 approval of travel, and other topics the commissioner determines are necessary to comply
42.33 with subdivision 1.

43.1 Subd. 3. **Training and assistance.** The commissioner shall coordinate training
43.2 for accounting personnel and financial managers in state agencies on internal controls
43.3 as necessary to ensure financial integrity in the state's financial transactions. The
43.4 commissioner shall provide internal control support to agencies that the commissioner
43.5 determines need this assistance.

43.6 Subd. 4. **Sharing internal audit resources.** The commissioner must administer a
43.7 program for sharing internal auditors among executive agencies that do not have their own
43.8 internal auditors and for assembling interagency teams of internal auditors as necessary.

43.9 Subd. 5. **Monitoring Office of the Legislative Auditor audits.** The commissioner
43.10 must review audit reports from the Office of the Legislative Auditor and take appropriate
43.11 steps to address internal control problems found in executive agencies.

43.12 Subd. 6. **Budget for internal controls.** The commissioner of finance may require
43.13 that each executive agency spend a specified percentage of its operating budget on internal
43.14 control systems. The commissioner of finance may require that an agency transfer a
43.15 portion of its operating budget to the commissioner to pay for internal control functions
43.16 performed by the commissioner.

43.17 Subd. 7. **Annual report.** The commissioner must report to the legislative audit
43.18 commission and the governor by January 31 of each odd-numbered year on the system of
43.19 internal controls and internal auditing in executive agencies.

43.20 Subd. 8. **Agency head responsibilities.** The head of each executive agency is
43.21 responsible for designing, implementing, and maintaining an effective internal control
43.22 system within the agency that complies with the requirements of subdivision 1, clauses (1)
43.23 to (4). The head of each executive agency must annually certify that the agency head has
43.24 reviewed the agency's internal control systems, and that these systems are in compliance
43.25 with standards and policies established by the commissioner. The agency head must
43.26 submit the signed certification form to the commissioner of finance, in a form specified by
43.27 the commissioner.

43.28 Subd. 9. **State colleges and universities.** This section does not apply to the
43.29 Minnesota state colleges and universities system.

43.30 Sec. 45. Minnesota Statutes 2008, section 16A.126, subdivision 1, is amended to read:

43.31 Subdivision 1. **Set rates.** The commissioner shall approve the rates an agency must
43.32 pay to a revolving fund for services. Funds subject to this subdivision include, but are
43.33 not limited to, the revolving funds established in sections 4A.05; 14.46; 14.53; 16B.48;

44.1 16B.54; 16B.58; 16B.85; 16C.03, subdivision 11; 16E.14; 43A.55; and 176.591; and the
44.2 fund established in section 43A.30.

44.3 Sec. 46. Minnesota Statutes 2008, section 16A.133, subdivision 1, is amended to read:

44.4 Subdivision 1. **Payroll direct deposit and deductions.** An agency head in the
44.5 executive, judicial, and legislative branch shall, upon written request signed by an
44.6 employee, directly deposit all or part of an employee's pay to those credit unions or
44.7 financial institutions, as defined in section 47.015, designated by the employee.

44.8 An agency head ~~may~~ must, upon written request of an employee, deduct from the
44.9 pay of the employee a requested amount to be paid to the Minnesota Benefit Association,
44.10 or to any ~~organization~~ organizations contemplated by section 179A.06, of which the
44.11 employee is a member. ~~If an employee has more than one account with the Minnesota~~
44.12 ~~Benefit Association or more than one organization under section 179A.06, only the~~
44.13 ~~Minnesota Benefit Association and one organization, as defined under section 179A.06,~~
44.14 ~~may be paid money by payroll deduction from the employee's pay.~~

44.15 Sec. 47. Minnesota Statutes 2008, section 16A.139, is amended to read:

44.16 **16A.139 MISAPPROPRIATION OF MONEY.**

44.17 ~~It is illegal for any~~ (a) No official or head of any state department in the executive,
44.18 legislative, or judicial branches, or any employee thereof of a state department in those
44.19 branches, to may intentionally use moneys money appropriated by law, or fees collected
44.20 knowing that the use is for any other a purpose other than the purpose for which the
44.21 ~~moneys have been~~ money was appropriated, and any such act by any. Unless a greater
44.22 penalty is specified elsewhere in law, a person who violates this paragraph is guilty of a
44.23 gross misdemeanor.

44.24 (b) A violation of paragraph (a) by a head of a department, or any state official, is
44.25 cause for immediate removal of the official or head of a state department from the position
44.26 held with the government of this state. A criminal conviction under paragraph (a) is not a
44.27 prerequisite for removal. This paragraph does not apply to a judge, a constitutional officer,
44.28 or a legislator, except as potential grounds for expulsion, impeachment, or recall in the
44.29 manner specified in article IV, section 7, and article VIII of the Minnesota Constitution.

44.30 **EFFECTIVE DATE.** This section is effective August 1, 2009, and applies to crimes
44.31 committed on or after that date.

44.32 Sec. 48. Minnesota Statutes 2008, section 16A.151, subdivision 2, is amended to read:

45.1 Subd. 2. **Exceptions.** (a) If a state official litigates or settles a matter on behalf of
45.2 specific injured persons or entities, this section does not prohibit distribution of money
45.3 to the specific injured persons or entities on whose behalf the litigation or settlement
45.4 efforts were initiated. If money recovered on behalf of injured persons or entities cannot
45.5 reasonably be distributed to those persons or entities because they cannot readily be
45.6 located or identified or because the cost of distributing the money would outweigh the
45.7 benefit to the persons or entities, the money must be paid into the general fund.

45.8 (b) Money recovered on behalf of a fund in the state treasury other than the general
45.9 fund may be deposited in that fund.

45.10 (c) This section does not prohibit a state official from distributing money to a person
45.11 or entity other than the state in litigation or potential litigation in which the state is a
45.12 defendant or potential defendant.

45.13 (d) State agencies may accept funds as directed by a federal court for any restitution
45.14 or monetary penalty under United States Code, title 18, section 3663(a)(3) or United
45.15 States Code, title 18, section 3663A(a)(3). Funds received must be deposited in a special
45.16 revenue account and are appropriated to the commissioner of the agency for the purpose
45.17 as directed by the federal court.

45.18 ~~(e) Subdivision 1 does not apply to a recovery or settlement of less than \$750,000.~~

45.19 **EFFECTIVE DATE.** This section is effective August 1, 2009, and applies to
45.20 actions commenced on or after that date.

45.21 Sec. 49. Minnesota Statutes 2008, section 16A.152, is amended by adding a
45.22 subdivision to read:

45.23 **Subd. 8. Report on budget reserve percentage.** (a) The commissioner of finance
45.24 must periodically review the formula developed as part of the Budget Trends Study
45.25 Commission authorized by Laws 2007, chapter 148, article 2, section 81, to estimate
45.26 the percentage of the preceding biennium's general fund expenditures and transfers
45.27 recommended as a budget reserve.

45.28 (b) The commissioner must annually review the variables and coefficients in the
45.29 formula used to model the base of the general fund taxes and the mix of taxes that provide
45.30 revenues to the general fund. If the commissioner determines that the variables and
45.31 coefficients have changed enough to result in a change in the percentage of the preceding
45.32 biennium's general fund expenditures and transfers recommended as a budget reserve,
45.33 the commissioner must update the variables and coefficients in the formula to reflect the
45.34 current base and mix of general fund taxes.

46.1 (c) Every ten years, the commissioner must review the methodology underlying the
46.2 formula, taking into consideration relevant economic literature from the past ten years, and
46.3 determine if the formula remains adequate as a tool for estimating the percentage of the
46.4 preceding biennium's general fund expenditures and transfers recommended as a budget
46.5 reserve. If the commissioner determines that the methodology underlying the formula is
46.6 outdated, the commissioner must revise the formula.

46.7 (d) By January 15 of each year, the commissioner must report to the chairs and
46.8 ranking minority members of the house of representatives Committee on Ways and Means
46.9 and the senate Committee on Finance, in compliance with sections 3.195 and 3.197,
46.10 on the percentage of the preceding biennium's general fund expenditures and transfers
46.11 recommended as a budget reserve. The report must specify:

46.12 (1) if the commissioner updated the variables and coefficients in the formula to
46.13 reflect significant changes to either the base of one or more general fund taxes or to the
46.14 mix of taxes that provide revenues to the general fund as provided in paragraph (b);

46.15 (2) if the commissioner revised the formula after determining the methodology was
46.16 outdated as provided in paragraph (c); and

46.17 (3) if the percentage of the preceding biennium's general fund expenditures and
46.18 transfers recommended as a budget reserve has changed as a result of an update of or a
46.19 revision to the formula.

46.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

46.21 Sec. 50. **[16A.81] TECHNOLOGY DEVELOPMENT LEASE-PURCHASE**
46.22 **FINANCING.**

46.23 Subdivision 1. **Definitions.** The following definitions apply to this section.

46.24 (a) "Technology system project" means the development, acquisition, installation,
46.25 and implementation of a technology system that is essential to state operations and is
46.26 expected to have a long useful life.

46.27 (b) "Lease-purchase agreement" means an agreement for the lease and installment
46.28 purchase of a technology system project, or a portion of the project, between the
46.29 commissioner, on behalf of the state, and a vendor or a third-party financing source.

46.30 (c) "Technology development lease-purchase guidelines" means policies, procedures,
46.31 and requirements established by the commissioner for technology system projects that are
46.32 financed pursuant to a lease-purchase agreement.

46.33 Subd. 2. **Lease-purchase financing.** The commissioner may enter into a
46.34 lease-purchase agreement in an amount sufficient to fund a technology system project and

47.1 authorize the public or private sale and issuance of certificates of participation, provided
47.2 that:

47.3 (1) the technology system project has been authorized by law to be funded pursuant
47.4 to a lease-purchase agreement;

47.5 (2) the term of the lease-purchase agreement and the related certificates of
47.6 participation shall not exceed the lesser of the expected useful life of the technology
47.7 system project financed by the lease-purchase agreement and the certificates or ten years
47.8 from the date of issuance of the lease-purchase agreement and the certificates;

47.9 (3) the principal amount of the lease-purchase agreement and the certificates is
47.10 sufficient to provide for the costs of issuance, capitalized interest, credit enhancement, or
47.11 reserves, if any, as required under the lease-purchase agreement;

47.12 (4) funds sufficient for payment of lease obligations have been committed in the
47.13 authorizing legislation for the technology system project for the fiscal year during which
47.14 the lease-purchase agreement is entered into; provided that no lease-purchase agreement
47.15 shall obligate the state to appropriate funds sufficient to make lease payments due under
47.16 such agreement in any future fiscal year; and

47.17 (5) planned expenditures for the technology system project are permitted within the
47.18 technology development lease-purchase guidelines.

47.19 Subd. 3. **Covenants.** The commissioner may covenant in a lease-purchase
47.20 agreement that the state will abide by the terms and provisions that are customary in
47.21 lease-purchase financing transactions, including but not limited to, covenants providing
47.22 that the state:

47.23 (1) will maintain insurance as required under the terms of the lease-purchase
47.24 agreement;

47.25 (2) is responsible to the lessor for any public liability or property damage claims or
47.26 costs related to the selection, use, or maintenance of the technology system project, to the
47.27 extent of insurance or self-insurance maintained by the state, and for costs and expenses
47.28 incurred by the lessor as a result of any default by the state; or

47.29 (3) authorizes the lessor to exercise the rights of a secured party with respect to
47.30 the technology system project or any portion of the project in the event of default or
47.31 nonappropriation of funds by the state, and for the present recovery of lease payments
47.32 due during the current term of the lease-purchase agreement as liquidated damages in
47.33 the event of default.

47.34 Subd. 4. **Credit and appropriation of proceeds.** Proceeds of the lease-purchase
47.35 agreement and certificates of participation must be credited to a technology lease project
47.36 fund in the state treasury. Net income from investment of the proceeds, as estimated by

48.1 the commissioner, must be credited to the appropriate accounts in the technology lease
48.2 project fund. Funds in the technology lease project fund are appropriated for the purposes
48.3 described in the authorizing law for each technology development project and this section.

48.4 Subd. 5. **Transfer of funds.** Before the lease-purchase proceeds are received in the
48.5 technology lease project fund, the commissioner may transfer to that fund from the general
48.6 fund amounts not exceeding the expected proceeds from the lease-purchase agreement
48.7 and certificates of participation. The commissioner shall return these amounts to the
48.8 general fund by transferring proceeds when received. The amounts of these transfers are
48.9 appropriated from the general fund and from the technology lease project fund.

48.10 Subd. 6. **Administrative expenses.** Actual and necessary travel and subsistence
48.11 expenses of employees and all other nonsalary expenses incidental to the sale, printing,
48.12 execution, and delivery of the lease-purchase agreement and certificates of participation
48.13 may be paid from the lease-purchase proceeds. The lease-purchase proceeds are
48.14 appropriated for this purpose.

48.15 Subd. 7. **Treatment of technology lease project fund.** Lease-purchase proceeds
48.16 remaining in the technology lease project fund after the purposes for which the
48.17 lease-purchase agreement was undertaken are accomplished or abandoned, as determined
48.18 by the commissioner, must be transferred to the general fund.

48.19 Subd. 8. **Lease-purchase not public debt.** A lease-purchase agreement does not
48.20 constitute or create a general or moral obligation or indebtedness of the state in excess
48.21 of the money from time to time appropriated or otherwise available for payments or
48.22 obligations under such agreement. Payments due under a lease-purchase agreement during
48.23 a current lease term for which money has been appropriated is a current expense of the
48.24 state.

48.25 Subd. 9. **Tax treatment.** Property purchased subject to a lease-purchase agreement
48.26 under this section is not subject to personal property taxes. The purchaser of property for
48.27 lease to the state under a valid lease-purchase agreement under this section is not subject
48.28 to the sales tax on the purchase of the property or on the payments received under the
48.29 agreement, but the state is subject to the tax under chapter 297A on property acquired
48.30 under the agreement.

48.31 Subd. 10. **Refunding certificates.** The commissioner from time to time may enter
48.32 into a new lease-purchase agreement and issue and sell certificates of participation for the
48.33 purpose of refunding any lease-purchase agreement and related certificates of participation
48.34 then outstanding, including the payment of any redemption premiums, any interest accrued
48.35 or that is to accrue to the redemption date, and costs related to the issuance and sale of such

49.1 refunding certificates. The proceeds of any refunding certificates may, in the discretion of
49.2 the commissioner, be applied to the purchase or payment at maturity of the certificates to
49.3 be refunded, to the redemption of outstanding lease-purchase agreements and certificates
49.4 on any redemption date, or to pay interest on the refunding lease-purchase agreements
49.5 and certificates and may, pending such application, be placed in escrow to be applied to
49.6 such purchase, payment, retirement, or redemption. Any escrowed proceeds, pending such
49.7 use, may be invested and reinvested in obligations that are authorized investments under
49.8 section 11A.24. The income earned or realized on any authorized investment may also be
49.9 applied to the payment of the lease-purchase agreements and certificates to be refunded,
49.10 interest or premiums on the refunded certificates, or to pay interest on the refunding
49.11 lease-purchase agreements and certificates. After the terms of the escrow have been fully
49.12 satisfied, any balance of proceeds and any investment income may be returned to the
49.13 general fund, or if applicable, the technology lease project fund, for use in a lawful manner.
49.14 All refunding lease-purchase agreements and certificates issued under the provisions of
49.15 this subdivision must be prepared, executed, delivered, and secured by appropriations in
49.16 the same manner as the lease-purchase agreements and certificates to be refunded.

49.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

49.18 Sec. 51. **[16A.82] TECHNOLOGY LEASE-PURCHASE APPROPRIATION.**

49.19 \$3,548,000 in fiscal year 2010; \$3,546,000 in fiscal year 2011; and \$10,054,000
49.20 in each fiscal year 2012 through 2019 are appropriated from the general fund to the
49.21 commissioner to make payments under a lease-purchase agreement as defined in section
49.22 16A.81 for replacement of the state's accounting and procurement systems, provided
49.23 that the state is not obligated to continue such appropriation of funds or to make lease
49.24 payments in any future fiscal year. Any unexpended portions of this appropriation cancel
49.25 to the general fund at the close of each biennium. This section expires June 30, 2020.

49.26 Sec. 52. Minnesota Statutes 2008, section 16B.24, is amended by adding a subdivision
49.27 to read:

49.28 Subd. 5b. **Employee fitness and wellness facilities.** An entity in the executive,
49.29 legislative, or judicial branch may use space under its control to offer fitness, wellness,
49.30 or similar classes or activities to its employees, and may allow persons conducting these
49.31 classes or activities to charge employees a fee to participate. Revenue received by a public
49.32 entity under this section is appropriated to the entity. This authorization applies to all state
49.33 space, including property in the Capitol area, and other designated property as defined
49.34 in rules adopted by the commissioner of public safety. Persons conducting these classes

50.1 or activities, and participating employees, waive any and all claims of liability against
50.2 the state for any damage or injury arising from the use of state space for employee fitness
50.3 and wellness classes or similar classes or activities. Persons conducting these classes or
50.4 activities agree to indemnify, save, and hold the state, its agents, and employees harmless
50.5 from any claims or causes of action, including attorney fees incurred by the state that arise
50.6 from these classes or activities.

50.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

50.8 Sec. 53. **[16B.242] ENTERPRISE REAL PROPERTY ACCOUNT.**

50.9 The enterprise real property technology system and services account is created
50.10 in the special revenue fund. Receipts credited to the account are appropriated to the
50.11 commissioner of administration for the purpose of funding the personnel and technology
50.12 to maintain the enterprise real property system and services.

50.13 Sec. 54. **[16B.2421] BIRD-SAFE BUILDINGS.**

50.14 Between March 15 and May 31 and between August 15 and October 31 each year,
50.15 occupants of state-owned or state-leased buildings must attempt to reduce dangers posed
50.16 to migrating birds by turning off building lights between midnight and dawn, to the extent
50.17 turning off lights is consistent with the normal use of the buildings. The commissioner of
50.18 administration may adopt policies to implement this requirement.

50.19 Sec. 55. **[16B.99] GEOSPATIAL INFORMATION OFFICE.**

50.20 Subdivision 1. **Creation.** The Minnesota Geospatial Information Office is created
50.21 under the supervision of the commissioner of administration.

50.22 Subd. 2. **Responsibilities; authority.** The office has authority to provide
50.23 coordination, guidance, and leadership, and to plan the implementation of Minnesota's
50.24 geospatial information technology. The office must identify, coordinate, and guide
50.25 strategic investments in geospatial information technology systems, data, and services to
50.26 ensure effective implementation and use of Geospatial Information Systems (GIS) by state
50.27 agencies to maximize benefits for state government as an enterprise.

50.28 Subd. 3. **Duties.** (a) The office must:

50.29 (1) coordinate and guide the efficient and effective use of available federal,
50.30 state, local, and public-private resources to develop statewide geospatial information
50.31 technology, data, and services;

50.32 (2) provide leadership and outreach, and ensure cooperation and coordination for
50.33 all GIS functions in state and local government, including coordination between state

51.1 agencies, intergovernment coordination between state and local units of government, and
51.2 extragovernment coordination, which includes coordination with academic and other
51.3 private and nonprofit sector GIS stakeholders;

51.4 (3) review state agency and intergovernment geospatial technology, data, and
51.5 services development efforts involving state or intergovernment funding, including federal
51.6 funding;

51.7 (4) provide information to the legislature regarding projects reviewed, and
51.8 recommend projects for inclusion in the governor's budget under section 16A.11;

51.9 (5) coordinate management of geospatial technology, data, and services between
51.10 state and local governments;

51.11 (6) provide coordination, leadership, and consultation to integrate government
51.12 technology services with GIS infrastructure and GIS programs;

51.13 (7) work to avoid or eliminate unnecessary duplication of existing GIS technology
51.14 services and systems, including services provided by other public and private organizations
51.15 while building on existing governmental infrastructures;

51.16 (8) promote and coordinate consolidated geospatial technology, data, and services
51.17 and shared geospatial Web services for state and local governments; and

51.18 (9) promote and coordinate geospatial technology training, technical guidance, and
51.19 project support for state and local governments.

51.20 Subd. 4. **Duties of chief geospatial information officer.** (a) In consultation with the
51.21 state geospatial advisory council, the commissioner of administration, the commissioner
51.22 of finance, and the Minnesota chief information officer, the chief geospatial information
51.23 officer must identify when it is cost-effective for agencies to develop and use shared
51.24 information and geospatial technology systems, data, and services. The chief geospatial
51.25 information officer may require agencies to use shared information and geospatial
51.26 technology systems, data, and services.

51.27 (b) The chief geospatial information officer, in consultation with the state
51.28 geospatial advisory council, must establish reimbursement rates in cooperation with
51.29 the commissioner of finance to bill agencies and other governmental entities sufficient
51.30 to cover the actual development, operation, maintenance, and administrative costs of
51.31 the shared systems. The methodology for billing may include the use of interagency
51.32 agreements, or other means as allowed by law.

51.33 Subd. 5. **Fees.** (a) The chief geospatial information officer must set fees under
51.34 section 16A.1285 that reflect the actual cost of providing information products and
51.35 services to clients. Fees collected must be deposited in the state treasury and credited to
51.36 the Minnesota Geospatial Information Office revolving account. Money in the account

52.1 is appropriated to the chief geospatial information officer for providing GIS consulting
52.2 services, software, data, Web services, and map products on a cost-recovery basis,
52.3 including the cost of services, supplies, material, labor, and equipment as well as the
52.4 portion of the general support costs and statewide indirect costs of the office that is
52.5 attributable to the delivery of these products and services. Money in the account must not
52.6 be used for the general operation of the Minnesota Geospatial Information Office.

52.7 (b) The chief geospatial information officer may require a state agency to make an
52.8 advance payment to the revolving account sufficient to cover the agency's estimated
52.9 obligation for a period of 60 days or more. If the revolving account is abolished or
52.10 liquidated, the total net profit from the operation of the account must be distributed to the
52.11 various funds from which purchases were made. For a given period of time, the amount of
52.12 total net profit to be distributed to each fund must reflect the same ratio of total purchases
52.13 attributable to each fund divided by the total purchases from all funds.

52.14 Subd. 6. **Accountability.** The chief geospatial information officer is appointed by
52.15 the commissioner of administration and must work closely with the Minnesota chief
52.16 information officer who shall advise on technology projects, standards, and services.

52.17 Subd. 7. **Discretionary powers.** The office may:

52.18 (1) enter into contracts for goods or services with public or private organizations
52.19 and charge fees for services it provides;

52.20 (2) apply for, receive, and expend money from public agencies;

52.21 (3) apply for, accept, and disburse grants and other aids from the federal government
52.22 and other public or private sources;

52.23 (4) enter into contracts with agencies of the federal government, local government
52.24 units, the University of Minnesota and other educational institutions, and private persons
52.25 and other nongovernment organizations as necessary to perform its statutory duties;

52.26 (5) appoint committees and task forces to assist the office in carrying out its duties;

52.27 (6) sponsor and conduct conferences and studies, collect and disseminate
52.28 information, and issue reports relating to geospatial information and technology issues;

52.29 (7) participate in the activities and conferences related to geospatial information
52.30 and communications technology issues;

52.31 (8) review the GIS technology infrastructure of regions of the state and cooperate
52.32 with and make recommendations to the governor, legislature, state agencies, local
52.33 governments, local technology development agencies, the federal government, private
52.34 businesses, and individuals for the realization of GIS information and technology
52.35 infrastructure development potential;

53.1 (9) sponsor, support, and facilitate innovative and collaborative geospatial systems
53.2 technology, data, and services projects; and

53.3 (10) review and recommend alternative sourcing strategies for state geospatial
53.4 information systems technology, data, and services.

53.5 Subd. 8. **Geospatial advisory councils created.** The chief geospatial information
53.6 officer must establish a governance structure that includes advisory councils to provide
53.7 recommendations for improving the operations and management of geospatial technology
53.8 within state government and also on issues of importance to users of geospatial technology
53.9 throughout the state.

53.10 (a) A statewide geospatial advisory council must advise the Minnesota Geospatial
53.11 Information Office regarding the improvement of services statewide through the
53.12 coordinated, affordable, reliable, and effective use of geospatial technology. The
53.13 commissioner of administration must appoint the members of the council. The members
53.14 must represent a cross-section of organizations including counties, cities, universities,
53.15 business, nonprofit organizations, federal agencies, and state agencies. No more than
53.16 20 percent of the members may be employees of a state agency. In addition, the chief
53.17 geospatial information officer must be a nonvoting member.

53.18 (b) A state government geospatial advisory council must advise the Minnesota
53.19 Geospatial Information Office on issues concerning improving state government services
53.20 through the coordinated, affordable, reliable, and effective use of geospatial technology.
53.21 The commissioner of administration must appoint the members of the council. The
53.22 members must represent up to 15 state government agencies and constitutional offices,
53.23 including the Office of Enterprise Technology and the Minnesota Geospatial Information
53.24 Office. The council must be chaired by the chief geographic information officer. A
53.25 representative of the statewide geospatial advisory council must serve as a nonvoting
53.26 member.

53.27 (c) Members of both the statewide geospatial advisory council and the state
53.28 government advisory council must be recommended by a process that ensures that each
53.29 member is designated to represent a clearly identified agency or interested party category
53.30 and that complies with the state's open appointment process. Members shall serve a
53.31 term of two years.

53.32 (d) The Minnesota Geospatial Information Office must provide administrative
53.33 support for both geospatial advisory councils.

53.34 (e) This subdivision expires June 30, 2011.

53.35 Subd. 9. **Report to legislature.** By January 15, 2010, the chief geospatial
53.36 information officer must provide a report to the chairs and ranking minority members of

54.1 the legislative committees with jurisdiction over the policy and budget for the office. The
54.2 report must address all statutes that refer to the land management information center
54.3 or land management information system and provide any necessary draft legislation to
54.4 implement any recommendations.

54.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

54.6 Sec. 56. Minnesota Statutes 2008, section 16C.16, is amended by adding a subdivision
54.7 to read:

54.8 Subd. 6a. **Veteran-owned small businesses.** (a) The commissioner shall award up
54.9 to a six percent preference, but no less than the percentage awarded to any other group
54.10 under this section, in the amount bid on state procurement to certified small businesses
54.11 that are majority-owned and operated either:

54.12 (1) by recently separated veterans, who are veterans as defined in section 197.447,
54.13 who have served in active military service, at any time on or after September 11, 2001, and
54.14 who have been discharged under honorable conditions from active service, as indicated by
54.15 the person's United States Department of Defense form DD-214 or by the commissioner
54.16 of veterans affairs; or

54.17 (2) by veterans who are veterans as defined in section 197.447, with
54.18 service-connected disabilities, as determined at any time by the United States Department
54.19 of Veterans Affairs.

54.20 (b) The purpose of this designation is to facilitate the transition of veterans from
54.21 military to civilian life, and to help compensate veterans for their sacrifices, including but
54.22 not limited to their sacrifice of health and time, to the state and nation during their military
54.23 service, as well as to enhance economic development within Minnesota.

54.24 (c) For purposes of this section and section 16C.19, "service-connected disability"
54.25 has the meaning given in United States Code, title 38, section 101(16), as determined by
54.26 the United States Department of Veterans Affairs.

54.27 **EFFECTIVE DATE.** This section is effective July 1, 2009, and applies to
54.28 procurement contract bid solicitations issued on and after that date.

54.29 Sec. 57. Minnesota Statutes 2008, section 16C.19, is amended to read:

54.30 **16C.19 ELIGIBILITY; RULES.**

54.31 (a) A small business wishing to participate in the programs under section 16C.16,
54.32 subdivisions 4 to 7, must be certified by the commissioner. The commissioner shall adopt
54.33 by rule standards and procedures for certifying that small businesses, small targeted group
54.34 businesses, and small businesses located in economically disadvantaged areas are eligible

55.1 to participate under the requirements of sections 16C.16 to 16C.21. The commissioner
55.2 shall adopt by rule standards and procedures for hearing appeals and grievances and other
55.3 rules necessary to carry out the duties set forth in sections 16C.16 to 16C.21.

55.4 (b) The commissioner may make rules which exclude or limit the participation of
55.5 nonmanufacturing business, including third-party lessors, brokers, franchises, jobbers,
55.6 manufacturers' representatives, and others from eligibility under sections 16C.16 to
55.7 16C.21.

55.8 (c) The commissioner may make rules that set time limits and other eligibility limits
55.9 on business participation in programs under sections 16C.16 to 16C.21.

55.10 (d) Notwithstanding paragraph (c), for purposes of sections 16C.16 to 16C.21,
55.11 a veteran-owned small business or service-disabled veteran-owned small business, the
55.12 principal place of business of which is in Minnesota, is certified if:

55.13 (1) it has been verified by the United States Department of Veterans Affairs as being
55.14 a veteran-owned small business in accordance with Public Law 109-461 and Code of
55.15 Federal Regulations, title 38, part 74, and a majority of the owners of the business are
55.16 recently separated veterans as provided in section 16C.16, subdivision 6a; or

55.17 (2) it has been verified by the United States Department of Veterans Affairs as being
55.18 a service-disabled veteran-owned small business in accordance with Public Law 109-461
55.19 and Code of Federal Regulations, title 38, part 74.

55.20 **EFFECTIVE DATE.** This section is effective July 1, 2009, and applies to
55.21 procurement contract bid solicitations issued on and after that date.

55.22 Sec. 58. Minnesota Statutes 2008, section 16C.20, is amended to read:

55.23 **16C.20 CERTIFICATION.**

55.24 A business that is certified by the commissioner of administration as a small
55.25 business, small targeted group business, ~~or~~ a small business located in an economically
55.26 disadvantaged area, or a veteran-owned small business is eligible to participate under the
55.27 requirements of sections 137.31 and 161.321 and, if certified as a small business, ~~or~~ small
55.28 targeted group business, or veteran-owned small business, under section 473.142 without
55.29 further certification by the contracting agency.

55.30 **EFFECTIVE DATE.** This section is effective July 1, 2009, and applies to
55.31 procurement contract bid solicitations issued on and after that date.

55.32 Sec. 59. **[16E.22] STATEWIDE ELECTRONIC LICENSING SYSTEM.**

55.33 Subdivision 1. **Account established; appropriation.** The statewide electronic
55.34 licensing account is created in the special revenue fund. Receipts and transfers credited to

56.1 the account are appropriated to the state chief information officer for completion of the
56.2 Minnesota electronic licensing system, for transferring licensing agencies to the system,
56.3 and for operation and maintenance of the system during the completion and transfer period.

56.4 Subd. 2. **Requirements.** The transfer of an existing electronic licensing system
56.5 to the Minnesota electronic licensing system may not reduce the critical functionality
56.6 provided by the existing system.

56.7 Subd. 3. **Temporary licensing surcharge.** (a) Except as provided in this
56.8 subdivision, executive branch state agencies shall collect a temporary surcharge of ten
56.9 percent of the licensing fee, but no less than \$5 and no more than \$150 on each business,
56.10 commercial, professional, or occupational license that:

56.11 (1) requires a fee; and

56.12 (2) will be transferred to the Minnesota electronic licensing system, as determined
56.13 by the state chief information officer.

56.14 The surcharge applies to initial license applications and license renewals. Each agency
56.15 that issues a license subject to this subdivision shall collect the surcharge for the license
56.16 for up to six years between July 1, 2009, and June 30, 2015, as directed by the state
56.17 chief information officer. Receipts from the surcharge shall be deposited in the statewide
56.18 licensing account established in subdivision 1.

56.19 (b) An agency may transfer an amount equivalent to the surcharge imposed under this
56.20 section from existing license accounts to the statewide electronic licensing system account
56.21 in lieu of collecting the surcharge required under this section. If a transfer is made under
56.22 this subdivision or under section 45.24, the temporary surcharge required under paragraph
56.23 (a) does not apply to the relevant license. Transfers received under this paragraph shall be
56.24 deposited in the statewide licensing account established in subdivision 1.

56.25 (c) In lieu of collecting the surcharge imposed in paragraph (a), during each fiscal
56.26 year beginning July 1, 2009, and ending June 30, 2015, one or more health-related boards
56.27 established in chapter 214 may transfer funds from the health occupations licensing
56.28 account in the state government special revenue fund to the statewide electronic licensing
56.29 system account to meet the requirements under paragraph (b). If the commissioner of
56.30 finance determines that the balance of the health occupations licensing account established
56.31 in section 214.06, subdivision 1a, is insufficient to make transfers under paragraph (b),
56.32 then the temporary surcharge required under paragraph (a) must be applied to the relevant
56.33 licenses.

56.34 (d) Department of Commerce licensees who are paying for an existing electronic
56.35 licensing database system under section 45.24 must not be required to pay the surcharge
56.36 under this section.

57.1 Subd. 4. **Contract authority.** The state chief information officer may enter into
57.2 a risk-share or phased agreement with a vendor to complete the Minnesota electronic
57.3 licensing system and to transfer licensing agencies to the system, provided that the
57.4 payment for the vendor's services under the agreement is limited to the revenue from the
57.5 surcharge enacted under subdivision 3, after payment of state operating and maintenance
57.6 costs. The agreement must clearly indicate that the state chief information officer may
57.7 only expend amounts actually collected from the surcharge, after state operations and
57.8 maintenance costs have been paid, in payment for the vendor's services and that the vendor
57.9 assumes this risk when performing work under the contract. This section does not require
57.10 the state chief information officer to pay the vendor the entire amount of the surcharge
57.11 revenue that remains after payment of state operations and maintenance costs. Before
57.12 entering into a contract under this subdivision, the state chief information officer must
57.13 consult with the commissioner of finance regarding the implementation of the surcharge
57.14 and the terms of the contract.

57.15 Subd. 5. **Unused funds.** Money remaining in the statewide electronic licensing
57.16 account after payment of all costs of completing the Minnesota electronic licensing
57.17 system, transferring licensing agencies to the system, and operating and maintaining
57.18 the system during the completion and transfer period is appropriated to the state chief
57.19 information officer for the costs of operating and maintaining the Minnesota electronic
57.20 licensing system after the system has been completed.

57.21 Subd. 6. **Priority.** To the extent possible, in completing the Minnesota electronic
57.22 licensing system, the state chief information officer must give priority to licenses that are
57.23 not issued electronically. Licenses regulated by a health board under chapter 214 must not
57.24 be transferred to the Minnesota electronic licensing system before July 1, 2011.

57.25 Subd. 7. **Expiration.** This section expires on June 30, 2017.

57.26 Sec. 60. Minnesota Statutes 2008, section 31.60, subdivision 1, is amended to read:

57.27 Subdivision 1. **Division duties; director; personnel.** A Meat Industry Division is
57.28 created in the Department of Agriculture which shall enforce and administer laws enforced
57.29 and administered by the commissioner of agriculture relating to meat, fish, and dressed
57.30 poultry, except laws enforced and administered by the Division of Poultry Industries. The
57.31 Meat Industry Division is under the supervision of a director in the classified service. The
57.32 commissioner shall appoint the director ~~from the register as certified by the Minnesota~~
57.33 ~~Department of Finance~~, who shall be experienced and knowledgeable in the meat industry.

57.34 Sec. 61. Minnesota Statutes 2008, section 43A.1815, is amended to read:

58.1 **43A.1815 VACATION DONATION TO SICK LEAVE ACCOUNT.**

58.2 (a) In addition to donations under section 43A.181, a state employee may donate
58.3 a total of up to ~~12~~ 40 hours of accrued vacation leave each fiscal year to the sick leave
58.4 account of one or more state employees. A state employee may not be paid for more than
58.5 80 hours in a payroll period during which the employee uses sick leave credited to the
58.6 employee's account as a result of a transfer from another state employee's vacation account.

58.7 (b) The recipient employee must receive donations, as available, for a life-threatening
58.8 condition of the employee or spouse or dependent child that prevents the employee
58.9 from working. A recipient may use program donations retroactively to when all forms
58.10 of paid leave are exhausted if the employee has sufficient donations to cover the period
58.11 of retroactivity.

58.12 (c) An applicant for benefits under this section who receives an unfavorable
58.13 determination may select a designee to consult with the commissioner or commissioner's
58.14 designee on the reasons for the determination.

58.15 (d) The commissioner shall establish procedures under section 43A.04, subdivision
58.16 4, for eligibility, duration of need based on individual cases, monitoring and evaluation of
58.17 individual eligibility status, and other topics related to administration of this program.

58.18 **Sec. 62. [43A.184] SICK LEAVE FOR VETERANS WITH SERVICE-RELATED**
58.19 **DISABILITIES.**

58.20 On a form prescribed by the commissioner, a state employee who is a veteran with a
58.21 service-related disability may apply to the employee's appointing authority for additional
58.22 sick leave to receive treatment for the disability, as provided in this section. The employee
58.23 must qualify as a veteran under section 197.447, and have a sick leave balance that is
58.24 insufficient to receive treatment for the disability. If the appointing authority approves
58.25 the request, the appointing authority shall authorize up to 40 hours of sick leave for the
58.26 employee in the current fiscal year. The appointing authority may approve sick leave for
58.27 an employee under this section one time in each fiscal year.

58.28 **Sec. 63. [43A.325] BEST PRACTICES FOR INVESTIGATIONS.**

58.29 The commissioner of finance must develop and make available to appointing
58.30 authorities in the executive branch a best practices policy for conducting investigations
58.31 in which the appointing authority compels its employees to answer questions about
58.32 allegedly inappropriate activity. The best practices policy must be designed to facilitate
58.33 effective investigations, without compromising the ability to prosecute criminal cases
58.34 when appropriate. Each appointing authority must follow the best practices policy or, in

59.1 consultation with the attorney general, must develop its own policy for conducting these
59.2 investigations.

59.3 Sec. 64. Minnesota Statutes 2008, section 43A.49, is amended to read:

59.4 **43A.49 VOLUNTARY UNPAID LEAVE OF ABSENCE.**

59.5 (a) Appointing authorities in state government may allow each employee to take
59.6 unpaid leaves of absence for up to 1,040 hours ~~between June 1, 2007, and June 30, 2009.~~
59.7 ~~The 1,040 hour limit replaces, and is not in addition to, limits set in prior laws in each~~
59.8 two-year period beginning July 1 of each odd-numbered year. Each appointing authority
59.9 approving such a leave shall allow the employee to continue accruing vacation and sick
59.10 leave, be eligible for paid holidays and insurance benefits, accrue seniority, and accrue
59.11 service credit and credited salary in ~~the state~~ retirement plans as if the employee had
59.12 actually been employed during the time of leave. An employee covered by the unclassified
59.13 plan may voluntarily make the employee contributions to the unclassified plan during the
59.14 leave of absence. If the employee makes these contributions, the appointing authority
59.15 must make the employer contribution. If the leave of absence is for one full pay period or
59.16 longer, any holiday pay shall be included in the first payroll warrant after return from the
59.17 leave of absence. The appointing authority shall attempt to grant requests for the unpaid
59.18 leaves of absence consistent with the need to continue efficient operation of the agency.
59.19 However, each appointing authority shall retain discretion to grant or refuse to grant
59.20 requests for leaves of absence and to schedule and cancel leaves, subject to the applicable
59.21 provisions of collective bargaining agreements and compensation plans.

59.22 (b) To receive eligible service credit and credited salary in a defined benefit plan, the
59.23 member shall pay an amount equal to the applicable employee contribution rates. If an
59.24 employee pays the employee contribution for the period of the leave under this section,
59.25 the appointing authority must pay the employer contribution. The appointing authority
59.26 may, at its discretion, pay the employee contributions. Contributions must be made in a
59.27 time and manner prescribed by the executive director of the ~~Minnesota State Retirement~~
59.28 applicable retirement Association system.

59.29 Sec. 65. **[43A.55] MANAGEMENT ANALYSIS REVOLVING FUND.**

59.30 Subdivision 1. Creation. The management analysis revolving fund is created in the
59.31 state treasury.

59.32 Subd. 2. Appropriation and use of funds. Money in the management analysis
59.33 revolving fund is appropriated annually to the commissioner to provide analytical,
59.34 statistical, and organizational development services to state agencies, local units of

60.1 government, metropolitan and regional agencies, school districts, and other public entities
60.2 in the state.

60.3 Subd. 3. **Reimbursements.** Except as specifically provided otherwise, each
60.4 agency shall reimburse the management analysis revolving fund for the cost of all
60.5 services, supplies, materials, labor, and depreciation of equipment, including reasonable
60.6 overhead costs, that the commissioner is authorized and directed to furnish an agency.
60.7 The commissioner shall report the rates to be charged for the revolving fund no later than
60.8 July 1 of each year to the chair of the committee or division of the senate or the house of
60.9 representatives with primary jurisdiction over the budget of the Department of Finance.

60.10 Subd. 4. **Cash flow.** The commissioner may make appropriate transfers to the
60.11 revolving fund according to section 16A.126. The commissioner may make allotment
60.12 and encumbrances in anticipation of these transfers. In addition, the commissioner may
60.13 require an agency to make advance payments to the revolving fund sufficient to cover
60.14 the office's estimated obligation for a period of at least 60 days. All reimbursements
60.15 and other money received by the commissioner under this section must be deposited in
60.16 the management analysis revolving fund.

60.17 Subd. 5. **Liquidation.** If the management analysis revolving fund is abolished or
60.18 liquidated, the total net profit from the operation of the fund must be distributed to the
60.19 various funds from which purchases were made. For a given period of time, the amount of
60.20 total net profit to be distributed to each fund shall reflect the same ratio of total purchases
60.21 attributable to each fund divided by the total purchases from all funds.

60.22 Sec. 66. Minnesota Statutes 2008, section 45.24, is amended to read:

60.23 **45.24 LICENSE TECHNOLOGY FEES.**

60.24 (a) The commissioner may establish and maintain an electronic licensing database
60.25 system for license origination, renewal, and tracking the completion of continuing
60.26 education requirements by individual licensees who have continuing education
60.27 requirements, and other related purposes.

60.28 (b) The commissioner shall pay for the cost of operating and maintaining the
60.29 electronic database system described in paragraph (a) through a technology surcharge
60.30 imposed upon the fee for license origination and renewal, for individual licenses that
60.31 require continuing education.

60.32 (c) The surcharge permitted under paragraph (b) shall be up to \$40 for each two-year
60.33 licensing period, except as otherwise provided in paragraph (f), and shall be payable at the
60.34 time of license origination and renewal.

61.1 (d) The Commerce Department technology account is hereby created as an account
61.2 in the special revenue fund.

61.3 (e) The commissioner shall deposit the surcharge permitted under this section in
61.4 the account created in paragraph (d), and funds in the account are appropriated to the
61.5 commissioner in the amounts needed for purposes of this section. The commissioner of
61.6 finance shall transfer an amount determined by the commissioner of commerce from the
61.7 account to the statewide electronic licensing system account under section 16E.22 for the
61.8 costs of the statewide licensing system attributable to the inclusion of licenses subject
61.9 to this section.

61.10 (f) The commissioner shall temporarily reduce or suspend the surcharge as necessary
61.11 if the balance in the account created in paragraph (d) exceeds \$2,000,000 as of the end of
61.12 any calendar year and shall increase or decrease the surcharge as necessary to keep the
61.13 fund balance at an adequate level but not in excess of \$2,000,000.

61.14 Sec. 67. Minnesota Statutes 2008, section 128C.15, subdivision 3, is amended to read:

61.15 Subd. 3. **Comparable worth.** The league is a political subdivision under sections
61.16 471.992 to 471.999, ~~except that the league must report to the commissioner of employee~~
61.17 ~~relations by February 1, 1989, on its implementation plan.~~ A cause of action against the
61.18 league does not arise before August 1, 1989, for failure to comply with sections 471.992
61.19 to 471.999.

61.20 Sec. 68. Minnesota Statutes 2008, section 144E.40, subdivision 2, is amended to read:

61.21 Subd. 2. **Administration.** (a) Unless paragraph (c) applies, consistent with the
61.22 responsibilities of the State Board of Investment and the various ambulance services, the
61.23 Cooper/Sams volunteer ambulance program must be administered by the Emergency
61.24 Medical Services Regulatory Board. The administrative responsibilities of the board
61.25 for the program relate solely to the record keeping, award application, and award
61.26 payment functions. The State Board of Investment is responsible for the investment
61.27 of the Cooper/Sams volunteer ambulance trust. The applicable ambulance service is
61.28 responsible for determining, consistent with this chapter, who is a qualified ambulance
61.29 service person, what constitutes a year of credited ambulance service, what constitutes
61.30 sufficient documentation of a year of prior service, and for submission of all necessary
61.31 data to the board in a manner consistent with this chapter. Determinations of an ambulance
61.32 service are final.

61.33 (b) The board may administer its assigned responsibilities regarding the program
61.34 directly or may retain a qualified governmental or nongovernmental plan administrator

62.1 under contract to administer those responsibilities regarding the program. A contract with
62.2 a qualified plan administrator must be the result of an open competitive bidding process
62.3 and must be reopened for competitive bidding at least once during every five-year period
62.4 after July 1, 1993.

62.5 (c) The commissioner of ~~employee relations~~ management and budget shall review
62.6 the options within state government for the most appropriate administration of pension
62.7 plans or similar arrangements for emergency service personnel and recommend to the
62.8 governor the most appropriate future pension plan or nonpension plan administrative
62.9 arrangement for this chapter. If the governor concurs in the recommendation, the governor
62.10 shall transfer the future administrative responsibilities relating to this chapter to that
62.11 administrative agency.

62.12 Sec. 69. Minnesota Statutes 2008, section 161.321, is amended to read:

62.13 **161.321 SMALL BUSINESS CONTRACTS.**

62.14 Subdivision 1. **Definitions.** For purposes of this section the following terms have
62.15 the meanings given them, except where the context clearly indicates a different meaning is
62.16 intended.

62.17 (a) "Award" means the granting of a contract in accordance with all applicable laws
62.18 and rules governing competitive bidding except as otherwise provided in this section.

62.19 (b) "Contract" means an agreement entered into between a business entity and the
62.20 state of Minnesota for the construction of transportation improvements.

62.21 (c) "Subcontractor" means a business entity which enters into a legally binding
62.22 agreement with another business entity which is a party to a contract as defined in
62.23 paragraph (b).

62.24 (d) "Targeted group business" means a business designated under section 16C.16,
62.25 subdivision 5.

62.26 (e) "Veteran-owned small business" means a business designated under section
62.27 16C.16, subdivision 6a.

62.28 Subd. 2. **Small business set-asides.** (a) The commissioner may award up to a six
62.29 percent preference in the amount bid for specified construction work to small targeted
62.30 group businesses and veteran-owned small businesses.

62.31 (b) The commissioner may designate a contract for construction work for award only
62.32 to small targeted group businesses if the commissioner determines that at least three small
62.33 targeted group businesses are likely to bid. The commissioner may designate a contract for
62.34 construction work for award only to veteran-owned small businesses if the commissioner
62.35 determines that at least three veteran-owned small businesses are likely to bid.

63.1 (c) The commissioner, as a condition of awarding a construction contract, may
63.2 set goals that require the prime contractor to subcontract a portion of the contract to
63.3 small targeted group businesses and veteran-owned small businesses. The commissioner
63.4 must establish a procedure for granting waivers from the subcontracting requirement
63.5 when qualified small targeted group businesses and veteran-owned small businesses
63.6 are not reasonably available. The commissioner may establish financial incentives for
63.7 prime contractors who exceed the goals for use of subcontractors and financial penalties
63.8 for prime contractors who fail to meet goals under this paragraph. The subcontracting
63.9 requirements of this paragraph do not apply to prime contractors who are small targeted
63.10 group businesses or veteran-owned small businesses.

63.11 (d) The commissioner may award up to a four percent preference in the amount bid
63.12 on procurement to small businesses located in an economically disadvantaged area as
63.13 defined in section 16C.16, subdivision 7.

63.14 Subd. 3. **Awards to small businesses.** At least 75 percent of subcontracts awarded
63.15 to small targeted group businesses must be performed by the business to which the
63.16 subcontract is awarded or another small targeted group business. At least 75 percent
63.17 of subcontracts awarded to veteran-owned small businesses must be performed by the
63.18 business to which the subcontract is awarded or another veteran-owned small business.

63.19 Subd. 4. **Awards, limitations.** Contracts awarded pursuant to this section are
63.20 subject to all limitations contained in rules adopted by the commissioner of administration.

63.21 Subd. 5. **Recourse to other businesses.** If the commissioner is unable to award
63.22 a contract pursuant to the provisions of subdivisions 2 and 3, the award may be placed
63.23 pursuant to the normal solicitation and award provisions set forth in this chapter and
63.24 chapter 16C.

63.25 Subd. 6. **Rules.** The rules adopted by the commissioner of administration to define
63.26 small businesses and to set time and other eligibility requirements for participation in
63.27 programs under sections 16C.16 to 16C.19 apply to this section. The commissioner may
63.28 promulgate other rules necessary to carry out this section.

63.29 Subd. 7. **Noncompetitive bids.** The commissioner is encouraged to purchase
63.30 from small targeted group businesses and veteran-owned small businesses designated
63.31 under section 16C.16 when making purchases that are not subject to competitive bidding
63.32 procedures.

63.33 Subd. 8. **Report by commissioner.** The commissioner of transportation shall report
63.34 to the commissioner of administration on compliance with this section. The information
63.35 must be reported at the time and in the manner requested by the commissioner.

64.1 **EFFECTIVE DATE.** This section is effective July 1, 2009, and applies to
64.2 procurement contract bid solicitations issued on and after that date.

64.3 Sec. 70. Minnesota Statutes 2008, section 176.571, subdivision 1, is amended to read:

64.4 Subdivision 1. **Preliminary investigation.** When the head of a department has filed
64.5 a report or the commissioner of administration has otherwise received information of
64.6 the occurrence of an injury to a state employee for which liability to pay compensation
64.7 may exist, the commissioner of administration shall make a preliminary investigation to
64.8 determine the question of probable liability.

64.9 In making this investigation, the commissioner of administration may require the
64.10 assistance of the head of any department or any employee of the state. The commissioner
64.11 of ~~employee relations~~ management and budget may require that all facts be furnished
64.12 which appear in the records of any state department bearing on the issue.

64.13 Sec. 71. **[270C.145] TECHNOLOGY LEASE-PURCHASE APPROPRIATION.**

64.14 \$855,000 in fiscal year 2010; \$853,000 in fiscal year 2011; and \$2,519,000 in each
64.15 fiscal year 2012 through 2019 is appropriated from the general fund to the commissioner
64.16 to make payments under a lease-purchase agreement as defined in section 16A.81 for
64.17 completing the purchase and development of an integrated tax software package; provided
64.18 that the state is not obligated to continue the appropriation of funds or to make lease
64.19 payments in any future fiscal year. Any unexpended portions of this appropriation cancel
64.20 to the general fund at the close of each biennium. This section expires June 30, 2019.

64.21 Sec. 72. Minnesota Statutes 2008, section 270C.63, subdivision 13, is amended to read:

64.22 Subd. 13. **Lien search fees.** Upon request of any person, the filing officer shall issue
64.23 a certificate showing whether there is recorded in that filing office, on the date and hour
64.24 stated in the certificate, any notice of lien or certificate or notice affecting any lien filed
64.25 on or after ten years before the date of the search certificate, naming a particular person,
64.26 and giving the date and hour of filing of each notice or certificate naming the person. The
64.27 fee for a certificate shall be as provided by section 336.9-525 or 357.18, subdivision 1,
64.28 clause (3). Upon request, the filing officer shall furnish a copy of any notice of state lien,
64.29 or notice or certificate affecting a state lien, for a fee of ~~50 cents~~ \$1 per page, except that
64.30 after the effective date of article 2, section 11, of this act, that section shall govern the fee
64.31 charged by the secretary of state for a copy or electronically transmitted image.

64.32 Sec. 73. Minnesota Statutes 2008, section 302A.821, is amended to read:

65.1 **302A.821 MINNESOTA CORPORATE ~~REGISTRATION~~ RENEWAL.**

65.2 Subdivision 1. **Annual ~~registration~~ renewal.** (a) The secretary of state ~~must~~ may
65.3 send annually to each corporation ~~at the registered office of the corporation a postcard,~~
65.4 using the information provided by the corporation pursuant to section 5.002 or 5.34 or
65.5 the articles of incorporation, a notice announcing the need to file the annual ~~registration~~
65.6 renewal and informing the corporation that the annual ~~registration~~ renewal may be filed
65.7 online and that paper filings may also be made, and informing the corporation that failing
65.8 to file the annual ~~registration~~ renewal will result in an administrative dissolution of the
65.9 corporation.

65.10 (b) Each calendar year beginning in the calendar year following the calendar year
65.11 in which a corporation incorporates, the corporation must file with the secretary of state
65.12 by December 31 of each calendar year a ~~registration~~ renewal containing the information
65.13 listed in subdivision 2.

65.14 Subd. 2. **Information required; manner of filing.** The ~~registration must include:~~
65.15 filing must be made pursuant to section 5.34.

65.16 ~~(1) the name of the corporation;~~

65.17 ~~(2) the address of its principal executive office, if different from the registered~~
65.18 ~~office address;~~

65.19 ~~(3) the address of its registered office and the name of the registered agent, if any;~~

65.20 ~~(4) the state of incorporation; and~~

65.21 ~~(5) the name and business address of the officer or other person exercising the~~
65.22 ~~principal functions of the chief executive officer of the corporation.~~

65.23 Subd. 3. **Information public.** The information required by subdivision 2 is public
65.24 ~~data. Chapter 13 does not apply to this information.~~

65.25 Subd. 4. **Penalty; reinstatement.** (a) A corporation that has failed to file a
65.26 ~~registration pursuant to the requirements of subdivision 2~~ renewal complying with section
65.27 5.34 must be dissolved by the secretary of state as described in paragraph (b).

65.28 (b) If the corporation has not filed the ~~registration~~ renewal during any calendar year,
65.29 the secretary of state must issue a certificate of administrative dissolution and the certificate
65.30 must be filed in the Office of the Secretary of State. The secretary of state must make
65.31 available in an electronic format the names of the dissolved corporations. A corporation
65.32 dissolved in this manner is not entitled to the benefits of section 302A.781. The liability, if
65.33 any, of the shareholders of a corporation dissolved in this manner shall be determined and
65.34 limited in accordance with section 302A.557, except that the shareholders shall have no
65.35 liability to any director of the corporation under section 302A.559, subdivision 2.

66.1 (c) After administrative dissolution, filing a ~~registration~~ renewal complying with
66.2 section 5.34 and the \$25 fee with the secretary of state:

66.3 (1) returns the corporation to good standing as of the date of the dissolution;

66.4 (2) validates contracts or other acts within the authority of the articles, and the
66.5 corporation is liable for those contracts or acts; and

66.6 (3) restores to the corporation all assets and rights of the corporation to the extent
66.7 they were held by the corporation before the dissolution occurred, except to the extent that
66.8 assets or rights were affected by acts occurring after the dissolution or sold or otherwise
66.9 distributed after that time.

66.10 Sec. 74. Minnesota Statutes 2008, section 303.14, is amended to read:

66.11 **303.14 ANNUAL ~~REPORT~~ RENEWAL.**

66.12 Subdivision 1. ~~Filed with secretary of state; contents~~ Notice; filing. Each calendar
66.13 year beginning in the calendar year following the calendar year in which a corporation
66.14 receives a certificate of authority to do business in Minnesota, the secretary of state
66.15 ~~must mail by first class mail an annual registration form to the registered office of each~~
66.16 ~~corporation as shown on the records of the secretary of state. The form must include the~~
66.17 ~~following~~ may send to the corporation, using the information provided by the corporation
66.18 pursuant to section 5.002 or 5.34 or the application for certificate of authority, a notice:
66.19 announcing the need to file the annual renewal and informing the corporation that the
66.20 annual renewal may be filed online and that paper filings may also be made, and informing
66.21 the corporation that failing to file the annual renewal will result in an administrative
66.22 dissolution or revocation of certificate of authority to do business in Minnesota.

66.23 ~~"NOTICE: Failure to file this form by December 31 of this year will result in the~~
66.24 ~~revocation of the authority of this corporation to transact business in Minnesota without~~
66.25 ~~further notice from the secretary of state, pursuant to Minnesota Statutes, section 303.17."~~

66.26 The corporation will submit a \$115 fee with the annual registration renewal and will
66.27 set forth on the form: the items required by section 5.34.

66.28 (1) ~~the name of the corporation, and, if the corporation has designated an alternate~~
66.29 ~~name pursuant to section 303.05, subdivision 1, that alternate name;~~

66.30 (2) ~~the name of the registered agent of the corporation in Minnesota;~~

66.31 (3) ~~the address of its registered office;~~

66.32 (4) ~~the state of incorporation; and~~

66.33 (5) ~~the name and business address of the officer or other person exercising the~~
66.34 ~~principal functions of the chief executive officer of the corporation.~~

67.1 Sec. 75. Minnesota Statutes 2008, section 303.16, subdivision 4, is amended to read:

67.2 Subd. 4. **Approval; filing.** The application for withdrawal shall be delivered to
67.3 the secretary of state. Upon receiving and examining the same, and upon finding that it
67.4 conforms to the provisions of this chapter, the secretary of state shall, when all license
67.5 fees, filing fees, and other charges other than the fee required by section 303.14 have been
67.6 paid as required by law, file the same and shall issue and record a certificate of withdrawal.
67.7 Upon the issuance of the certificate, the authority of the corporation to transact business
67.8 in this state shall cease.

67.9 Sec. 76. Minnesota Statutes 2008, section 308A.995, is amended to read:

67.10 **308A.995 PERIODIC REGISTRATION ANNUAL RENEWAL.**

67.11 Subdivision 1. ~~Periodic registration in certain years~~ Annual renewal. Each
67.12 cooperative governed by this chapter must file ~~a periodic registration~~ an annual renewal
67.13 with the secretary of state in each ~~odd-numbered~~ calendar year following the calendar year
67.14 in which the cooperative was incorporated. ~~In these years,~~ The secretary of state ~~must~~ may
67.15 ~~mail by first class mail a registration form to the registered office of each cooperative as~~
67.16 ~~shown on the records of the secretary of state, or if no such address is in the records, to the~~
67.17 ~~location of the principal place of business shown on the records of the secretary of state.~~
67.18 ~~The form must include the following notice:~~ send annually to the cooperative, using the
67.19 information provided by the cooperative pursuant to section 5.002 or 5.34 or the articles of
67.20 incorporation, a notice announcing the need to file the annual renewal and informing the
67.21 cooperative that the annual renewal may be filed online and that paper filings may also be
67.22 made, and informing the cooperative that failing to file the annual renewal will result in an
67.23 administrative dissolution of the cooperative.

67.24 ~~"NOTICE: Failure to file this form by December 31 of this year will result in the~~
67.25 ~~dissolution of this cooperative without further notice from the secretary of state, pursuant~~
67.26 ~~to Minnesota Statutes, section 308A.995, subdivision 4, paragraph (b)."~~

67.27 Subd. 2. **Minnesota cooperative ~~registration~~ renewal form.** In each calendar year
67.28 in which a ~~registration~~ renewal is to be filed, a cooperative must file with the secretary of
67.29 state ~~a registration~~ an annual renewal by December 31 of that calendar year containing:
67.30 the items required by section 5.34.

67.31 ~~(1) the name of the cooperative;~~

67.32 ~~(2) the address of its registered office;~~

67.33 ~~(3) the address of its principal place of business, if different from the registered~~
67.34 ~~office address; and~~

68.1 ~~(4) the name and business address of the officer or other person exercising the~~
68.2 ~~principal functions of the chief executive officer of the cooperative.~~

68.3 ~~Subd. 3. **Information public.** The information required by subdivision 1 is public~~
68.4 ~~data.~~

68.5 Subd. 4. **Penalty; dissolution.** (a) A cooperative that has failed to file a ~~registration~~
68.6 ~~renewal~~ pursuant to the requirements of this section by December 31 of the calendar year
68.7 for which the ~~registration renewal~~ was required must be dissolved by the secretary of
68.8 state as described in paragraph (b).

68.9 (b) If the cooperative has not filed the ~~registration renewal~~ by December 31 of that
68.10 calendar year, the secretary of state must issue a certificate of involuntary dissolution, and
68.11 the certificate must be filed in the Office of the Secretary of State. The secretary of state
68.12 must make available in an electronic format the names of the dissolved cooperatives. A
68.13 cooperative dissolved in this manner is not entitled to the benefits of section 308A.981.

68.14 Subd. 5. **Reinstatement.** A cooperative may retroactively reinstate its existence
68.15 by filing a single annual ~~registration renewal~~ and paying a \$25 fee. Filing the annual
68.16 ~~registration renewal~~ with the secretary of state:

68.17 (1) returns the cooperative to active status as of the date of the dissolution;

68.18 (2) validates contracts or other acts within the authority of the articles, and the
68.19 cooperative is liable for those contracts or acts; and

68.20 (3) restores to the cooperative all assets and rights of the cooperative and its
68.21 shareholders or members to the extent they were held by the cooperative and its
68.22 shareholders or members before the dissolution occurred, except to the extent that
68.23 assets or rights were affected by acts occurring after the dissolution or sold or otherwise
68.24 distributed after that time.

68.25 **EFFECTIVE DATE.** This section is effective 30 days after the secretary of state
68.26 certifies that the information systems of the Office of the Secretary of State have been
68.27 modified to implement this section.

68.28 Sec. 77. Minnesota Statutes 2008, section 308B.121, subdivision 1, is amended to read:

68.29 Subdivision 1. ~~Periodic registration in certain years~~ **Annual renewal.** Each
68.30 cooperative governed by this chapter ~~and each foreign cooperative registered under~~
68.31 ~~section 308B.151~~ must file a ~~periodic registration~~ an annual renewal with the secretary
68.32 of state ~~with the initial articles and any amendment of the articles~~ in each ~~odd-numbered~~
68.33 calendar year after the calendar year in which the cooperative incorporated. ~~In these years,~~
68.34 The secretary of state ~~must mail by first class mail a registration form to the registered~~

69.1 ~~office of each cooperative and registered foreign cooperative as shown in the records of~~
69.2 ~~the secretary of state, or if no such address is in the records, to the location of the principal~~
69.3 ~~place of business shown in the records of the secretary of state. For a cooperative, the~~
69.4 ~~form must include the following notice:~~ may send annually to each cooperative, using the
69.5 information provided by the cooperative pursuant to section 5.002 or 5.34 or the articles of
69.6 organization, a notice announcing the need to file the annual renewal and informing the
69.7 cooperative that the annual renewal may be filed online and that paper filings may also
69.8 be made, and informing the cooperative that failing to file the annual renewal will result
69.9 in an administrative dissolution.

69.10 ~~"NOTICE: Failure to file this form by December 31 of this year will result in the~~
69.11 ~~dissolution of this cooperative without further notice from the secretary of state, under~~
69.12 ~~Minnesota Statutes, section 308B.121, subdivision 4, paragraph (b)."~~

69.13 ~~For a foreign cooperative, the form must contain the following notice:~~

69.14 ~~"NOTICE: Failure to file this form by December 31 of this year will result in the~~
69.15 ~~loss of good standing and the authority to do business in Minnesota."~~

69.16 **EFFECTIVE DATE.** This section is effective 30 days after the secretary of state
69.17 certifies that the information systems of the Office of the Secretary of State have been
69.18 modified to implement this section.

69.19 Sec. 78. Minnesota Statutes 2008, section 308B.121, subdivision 2, is amended to read:

69.20 Subd. 2. **Registration Renewal form.** In each calendar year in which a ~~registration~~
69.21 renewal is to be filed, a cooperative must file with the secretary of state ~~a registration~~ by
69.22 December 31 of that calendar year a renewal containing: the items required by section
69.23 5.34.

69.24 ~~(1) the name of the cooperative;~~

69.25 ~~(2) the address of its registered office;~~

69.26 ~~(3) the address of its principal place of business, if different from the registered~~
69.27 ~~office address; and~~

69.28 ~~(4) the name and business address of the officer or other person exercising the~~
69.29 ~~principal functions of the chief executive officer of the cooperative.~~

69.30 **EFFECTIVE DATE.** This section is effective 30 days after the secretary of state
69.31 certifies that the information systems of the Office of the Secretary of State have been
69.32 modified to implement this section.

69.33 Sec. 79. Minnesota Statutes 2008, section 317A.823, is amended to read:

69.34 **317A.823 ANNUAL CORPORATE ~~REGISTRATION~~ RENEWAL.**

70.1 Subdivision 1. **Annual registration renewal.** (a) The secretary of state ~~must~~ may
70.2 send annually to each corporation ~~at the registered office of the corporation,~~ using the
70.3 information provided by the corporation pursuant to section 5.002 or 5.34 or the articles of
70.4 incorporation, a ~~postcard~~ notice announcing the need to file the annual registration renewal
70.5 and informing the corporation that the annual registration renewal may be filed online and
70.6 that paper filings may also be made, and informing the corporation that failing to file the
70.7 annual registration renewal will result in an administrative dissolution of the corporation.

70.8 (b) Each calendar year beginning in the calendar year following the calendar year
70.9 in which a corporation incorporates, a corporation must file with the secretary of state
70.10 by December 31 of each calendar year a registration containing the information ~~listed~~
70.11 ~~in paragraph (c)~~ required by section 5.34.

70.12 (c) ~~The registration must include:~~

70.13 ~~(1) the name of the corporation;~~

70.14 ~~(2) the address of its registered office;~~

70.15 ~~(3) the name of its registered agent, if any; and~~

70.16 ~~(4) the name and business address of the officer or other person exercising the~~
70.17 ~~principal functions of president of the corporation.~~

70.18 Subd. 2. **Penalty.** (a) A corporation that has failed to file a registration renewal
70.19 pursuant to ~~the requirements of~~ subdivision 1 must be dissolved by the secretary of state
70.20 as described in paragraph (b).

70.21 (b) If the corporation has not filed the delinquent registration renewal, the secretary
70.22 of state must issue a certificate of involuntary dissolution, and the certificate must be filed
70.23 in the Office of the Secretary of State. The secretary of state must also make available in
70.24 an electronic format the names of the dissolved corporations. A corporation dissolved in
70.25 this manner is not entitled to the benefits of section 317A.781.

70.26 Sec. 80. Minnesota Statutes 2008, section 321.0206, is amended to read:

70.27 **321.0206 DELIVERY TO AND FILING OF RECORDS BY SECRETARY OF**
70.28 **STATE; EFFECTIVE TIME AND DATE.**

70.29 (a) A record authorized or required to be delivered to the secretary of state for filing
70.30 under this chapter must be captioned to describe the record's purpose, be in a medium
70.31 permitted by the secretary of state, and be delivered to the secretary of state. Unless the
70.32 secretary of state determines that a record does not comply with the filing requirements
70.33 of this chapter, and if the appropriate filing fees have been paid, the secretary of state
70.34 shall file the record and:

70.35 (1) for a statement of dissociation, send:

- 71.1 (A) a copy of the filed statement to the person which the statement indicates has
71.2 dissociated as a general partner; and
- 71.3 (B) a copy of the filed statement to the limited partnership;
- 71.4 (2) for a statement of withdrawal, send:
- 71.5 (A) a copy of the filed statement to the person on whose behalf the record was
71.6 filed; and
- 71.7 (B) if the statement refers to an existing limited partnership, a copy of the filed
71.8 statement to the limited partnership; and
- 71.9 (3) for all other records, send a copy of the filed record to the person on whose
71.10 behalf the record was filed.
- 71.11 (b) Upon request and payment of a fee, the secretary of state shall send to the
71.12 requester a certified copy of the requested record.
- 71.13 (c) Except as otherwise provided in sections 321.0116 and 321.0207, a record
71.14 delivered to the secretary of state for filing under this chapter may specify an effective
71.15 time and a delayed effective date. Except as otherwise provided in this chapter, a record
71.16 filed by the secretary of state is effective:
- 71.17 (1) if the record does not specify an effective time and does not specify a delayed
71.18 effective date, on the date and at the time the record is filed as evidenced by the secretary
71.19 of state's endorsement of the date and time on the record;
- 71.20 (2) if the record specifies an effective time but not a delayed effective date, on the
71.21 date the record is filed at the time specified in the record;
- 71.22 (3) if the record specifies a delayed effective date but not an effective time, at 12:01
71.23 a.m. on the earlier of:
- 71.24 (A) the specified date; or
- 71.25 (B) the 30th day after the record is filed; or
- 71.26 (4) if the record specifies an effective time and a delayed effective date, at the
71.27 specified time on the earlier of:
- 71.28 (A) the specified date; or
- 71.29 (B) the 30th day after the record is filed.
- 71.30 (d) The appropriate fees for filings under this chapter are:
- 71.31 (1) for filing a certificate of limited partnership, \$100;
- 71.32 (2) for filing an amended certificate of limited partnership, \$50;
- 71.33 (3) for filing a name reservation for a limited partnership name, \$35;
- 71.34 ~~(3)~~ (4) for filing any other record, other than the annual report renewal required by
71.35 section 321.0210, for which no fee must be charged, required or permitted to be delivered
71.36 for filing, ~~\$35~~ \$50;

72.1 ~~(4)~~ (5) for filing a certificate requesting authority to transact business in Minnesota
72.2 as a foreign limited partnership, ~~\$85~~ \$100;
72.3 ~~(5)~~ (6) for filing an application of reinstatement, \$25;
72.4 ~~(6)~~ (7) for filing a name reservation for a foreign limited partnership name, \$35; and
72.5 ~~(7)~~ (8) for filing any other record, other than the annual ~~report~~ renewal required by
72.6 section 321.0210, for which no fee must be charged, required or permitted to be delivered
72.7 for filing on a foreign limited partnership authorized to transact business in Minnesota,
72.8 \$50.

72.9 Sec. 81. Minnesota Statutes 2008, section 321.0210, is amended to read:

72.10 **321.0210 ANNUAL ~~REPORT~~ RENEWAL FOR SECRETARY OF STATE.**

72.11 (a) Subject to subsection (b):

72.12 (1) in each calendar year following the calendar year in which a limited partnership
72.13 becomes subject to this chapter, the limited partnership must deliver to the secretary of
72.14 state for filing an annual ~~registration~~ renewal containing the information required by
72.15 subsection (c); and

72.16 (2) in each calendar year following the calendar year in which there is first on file
72.17 with the secretary of state a certificate of authority under section 321.0904 pertaining to a
72.18 foreign limited partnership, the foreign limited partnership must deliver to the secretary
72.19 of state for filing an annual ~~registration~~ renewal containing the information required by
72.20 subsection (c).

72.21 (b) A limited partnership's obligation under subsection (a) ends if the limited
72.22 partnership delivers to the secretary of state for filing a statement of termination under
72.23 section 321.0203 and the statement becomes effective under section 321.0206. A foreign
72.24 limited partnership's obligation under subsection (a) ends if the secretary of state issues
72.25 and files a certificate of revocation under section 321.0906 or if the foreign limited
72.26 partnership delivers to the secretary of state for filing a notice of cancellation under
72.27 section 321.0907(a) and that notice takes effect under section 321.0206. If a foreign
72.28 limited partnership's obligations under subsection (a) end and later the secretary of state
72.29 files, pursuant to section 321.0904, a new certificate of authority pertaining to that foreign
72.30 limited partnership, subsection (a)(2), again applies to the foreign limited partnership and,
72.31 for the purposes of subsection (a)(2), the calendar year of the new filing is treated as the
72.32 calendar year in which a certificate of authority is first on file with the secretary of state.

72.33 (c) The annual ~~registration~~ renewal must contain: the items required by section 5.34.

72.34 ~~(1) the name of the limited partnership or foreign limited partnership;~~

73.1 ~~(2) the address of its designated office and the name and street and mailing address~~
73.2 ~~of its agent for service of process in Minnesota and, if the agent is not an individual, the~~
73.3 ~~name, street and mailing address, and telephone number of an individual who may be~~
73.4 ~~contacted for purposes other than service of process with respect to the limited partnership;~~

73.5 ~~(3) in the case of a limited partnership, the street and mailing address of its principal~~
73.6 ~~office; and~~

73.7 ~~(4) in the case of a foreign limited partnership, the name of the state or other~~
73.8 ~~jurisdiction under whose law the foreign limited partnership is formed and any alternate~~
73.9 ~~name adopted under section 321.0905(a).~~

73.10 (d) The secretary of state shall:

73.11 (1) administratively dissolve under section 321.0809 a limited partnership that has
73.12 failed to file a ~~registration~~ renewal pursuant to subsection (a); and

73.13 (2) revoke under section 321.0906 the certificate of authority of a foreign limited
73.14 partnership that has failed to file a ~~registration~~ renewal pursuant to subsection (a).

73.15 Sec. 82. Minnesota Statutes 2008, section 321.0810, is amended to read:

73.16 **321.0810 REINSTATEMENT FOLLOWING ADMINISTRATIVE**
73.17 **DISSOLUTION.**

73.18 (a) A limited partnership that has been administratively dissolved or a foreign
73.19 limited partnership that has had its certificate of authority revoked may apply to the
73.20 secretary of state for reinstatement reinstate after the effective date of dissolution. ~~The~~
73.21 ~~application~~ To reinstate, the annual renewal required by section 5.34 must be delivered to
73.22 the secretary of state for filing and state: with the reinstatement fee of \$25.

73.23 ~~(1) the name of the limited partnership and the effective date of its administrative~~
73.24 ~~dissolution;~~

73.25 ~~(2) that the grounds for dissolution either did not exist or have been eliminated; and~~

73.26 ~~(3) that the limited partnership's name satisfies the requirements of section 321.0108.~~

73.27 ~~The application must also include any documents that were required to be delivered~~
73.28 ~~for filing to the secretary of state but which were not so delivered.~~

73.29 (b) If the secretary of state determines that ~~an application~~ an annual renewal contains
73.30 the information required by subsection (a) and that the information is correct and ~~the~~
73.31 ~~application includes~~ is accompanied by the appropriate fee, the secretary of state shall file
73.32 the reinstatement application and serve the limited partnership with a copy renewal and
73.33 reinstate the limited partnership or foreign limited partnership.

73.34 (c) When reinstatement becomes effective, it relates back to and takes effect as of the
73.35 effective date of the administrative dissolution or revocation and the limited partnership

74.1 may resume its activities as if the administrative dissolution or revocation had never
74.2 occurred, except that for the purposes of section 321.0103(c) and (d) the reinstatement
74.3 is effective only as of the date the reinstatement is filed.

74.4 Sec. 83. Minnesota Statutes 2008, section 322B.960, is amended to read:

74.5 **322B.960 ANNUAL ~~REGISTRATION~~ RENEWAL.**

74.6 Subdivision 1. **Annual ~~registration~~ renewal form.** (a) The secretary of state
74.7 ~~must~~ may send annually to each limited liability company ~~at the registered office of the~~
74.8 ~~corporation a postcard,~~ using the information provided by the limited liability company
74.9 pursuant to section 5.002 or 5.34 or the articles of organization, a notice announcing the
74.10 need to file the annual ~~registration~~ renewal and informing the limited liability company
74.11 that the annual ~~registration~~ renewal may be filed online and that paper filings may also be
74.12 made, and informing the limited liability company that failing to file the annual ~~registration~~
74.13 renewal will result in an administrative termination of the limited liability company or the
74.14 revocation of the authority of the limited liability company to do business in Minnesota.

74.15 (b) Each calendar year beginning in the calendar year following the calendar year in
74.16 which a limited liability company files articles of organization, a limited liability company
74.17 must file with the secretary of state by December 31 of each calendar year a ~~registration~~
74.18 renewal containing the ~~information listed in subdivision 2~~ items required by section 5.34.

74.19 ~~Subd. 2. **Information required; fees.** The registration must include:~~

74.20 ~~(1) the name of the limited liability company or the name under which a foreign~~
74.21 ~~limited liability company has registered in this state;~~

74.22 ~~(2) the address of its principal executive office, if different from the registered~~
74.23 ~~address;~~

74.24 ~~(3) the address of its registered office;~~

74.25 ~~(4) the name of its registered agent, if any;~~

74.26 ~~(5) the state or jurisdiction of organization; and~~

74.27 ~~(6) the name and business address of the manager or other person exercising the~~
74.28 ~~principal functions of the chief manager of the limited liability company.~~

74.29 Subd. 4. **Penalty.** (a) A domestic limited liability company that has not filed
74.30 a ~~registration~~ renewal pursuant to ~~the requirements of subdivision 2,~~ this section is
74.31 administratively terminated. The secretary of state shall issue a certificate of administrative
74.32 termination which must be filed in the office of the secretary of state. The secretary of
74.33 state must also make available in an electronic format the names of the terminated limited
74.34 liability companies.

75.1 (b) A non-Minnesota limited liability company that has not filed a ~~registration~~
75.2 renewal pursuant to the requirements of subdivision 2, this section shall have its authority
75.3 to do business in Minnesota revoked. The secretary of state must issue a certificate of
75.4 revocation which must be filed in the Office of the Secretary of State. The secretary
75.5 of state must also make available in an electronic format the names of the revoked
75.6 non-Minnesota limited liability companies.

75.7 Subd. 5. **Reinstatement.** If a limited liability company is administratively
75.8 terminated or has its authority to do business in Minnesota revoked, it may retroactively
75.9 reinstate its existence or authority to do business by filing a single annual ~~registration~~
75.10 renewal and paying a \$25 fee.

75.11 (a) For a domestic limited liability company, filing the annual ~~registration~~ renewal
75.12 with the secretary of state:

75.13 (1) returns the limited liability company to active status as of the date of the
75.14 administrative termination;

75.15 (2) validates contracts or other acts within the authority of the articles, and the
75.16 limited liability company is liable for those contracts or acts; and

75.17 (3) restores to the limited liability company all assets and rights of the limited
75.18 liability company and its members to the extent they were held by the limited liability
75.19 company and its members before the administrative termination occurred, except to the
75.20 extent that assets or rights were affected by acts occurring after the termination, sold, or
75.21 otherwise distributed after that time.

75.22 (b) For a non-Minnesota limited liability company, filing the annual ~~registration~~
75.23 renewal restores the limited liability company's ability to do business in Minnesota and
75.24 the rights and privileges which accompany that authority.

75.25 Sec. 84. Minnesota Statutes 2008, section 323A.1003, is amended to read:

75.26 **323A.1003 ANNUAL ~~REGISTRATION~~ RENEWAL.**

75.27 (a) Each calendar year beginning in the calendar year following the calendar year
75.28 in which a partnership files a statement of qualification or in which a foreign partnership
75.29 becomes authorized to transact business in this state, the secretary of state ~~must mail by~~
75.30 ~~first class mail an annual registration form to the street address of the partnership's chief~~
75.31 ~~executive office, if located in Minnesota, the office in this state, if the chief executive~~
75.32 ~~office is not located in Minnesota, or address of the registered agent of the partnership~~
75.33 ~~as shown on the records of the secretary of state when the chief executive office is not~~
75.34 ~~located in Minnesota and no other Minnesota office exists~~ may send annually to the
75.35 partnership or foreign partnership, using the information provided by the limited liability

76.1 partnership pursuant to section 5.002 or 5.34 or the limited liability partnership statement
 76.2 of qualification, a notice. The form must include the following notice: will announce the
 76.3 need to file the annual renewal and will inform the partnership or foreign partnership that
 76.4 the annual renewal may be filed online and that paper filings may also be made and that
 76.5 ~~"NOTICE: failure to file this form the notice by December 31 of this year will result~~
 76.6 ~~in the revocation of the statement of qualification of this limited liability partnership,~~
 76.7 ~~without further notice from the secretary of state pursuant to Minnesota Statutes, section~~
 76.8 ~~323A.1003, subsection (d)."~~

76.9 (b) A limited liability partnership, and a foreign limited liability partnership
 76.10 authorized to transact business in this state, shall file an annual registration renewal in the
 76.11 office of the secretary of state which contains: the information required by section 5.34.

76.12 ~~(1) the name of the limited liability partnership and the state or other jurisdiction~~
 76.13 ~~under whose laws the foreign limited liability partnership is formed;~~

76.14 ~~(2) the street address, including the zip code, of the partnership's chief executive~~
 76.15 ~~office and, if different, the street address, including the zip code, of an office of the~~
 76.16 ~~partnership in this state, if any;~~

76.17 ~~(3) if the partnership does not have an office in this state, the name and street address,~~
 76.18 ~~including the zip code, of the partnership's current agent for service of process; and~~

76.19 ~~(4) if the agent for service of process under clause (3) is not an individual, the name,~~
 76.20 ~~street address, and telephone number of an individual who may be contacted for purposes~~
 76.21 ~~other than service of process with respect to the limited liability partnership.~~

76.22 (c) An annual registration renewal must be filed once each calendar year beginning
 76.23 in the year following the calendar year in which a partnership files a statement of
 76.24 qualification or a foreign partnership becomes authorized to transact business in this state.

76.25 (d) The secretary of state must revoke the statement of qualification of a partnership
 76.26 that fails to file an annual registration renewal when due or pay the required filing fee. The
 76.27 secretary of state must issue a certificate of revocation which must be filed in the office
 76.28 of the secretary of state. The secretary of state must also make available in an electronic
 76.29 format the names of the revoked limited liability companies.

76.30 (e) A revocation under subsection (d) only affects a partnership's status as a limited
 76.31 liability partnership and is not an event of dissolution of the partnership.

76.32 (f) A partnership whose statement of qualification has been revoked may apply
 76.33 to the secretary of state for reinstatement ~~within one year after the effective date of~~
 76.34 ~~the revocation.~~ A partnership must file an annual registration renewal to apply for
 76.35 reinstatement and pay a reinstatement fee of ~~\$135~~ \$160.

77.1 (g) A reinstatement under subsection (f) relates back to and takes effect as of
77.2 the effective date of the revocation, and the partnership's status as a limited liability
77.3 partnership continues as if the revocation had never occurred.

77.4 Sec. 85. Minnesota Statutes 2008, section 333.055, is amended to read:

77.5 **333.055 TERM OF CERTIFICATE.**

77.6 Subdivision 1. **Application and renewal.** Filing of a certificate hereunder shall be
77.7 effective ~~for a term of ten years from the date of filing and upon application filed within~~
77.8 ~~the six-month period prior to the expiration of such term or a renewal thereof, on a form~~
77.9 ~~prescribed by the secretary of state, upon filing and shall remain in effect as long as an~~
77.10 annual renewal for the certificate ~~may be renewed for additional ten-year terms. A renewal~~
77.11 ~~fee as specified herein, payable to the secretary of state, shall accompany the application~~
77.12 ~~for renewal.~~ is filed in each calendar year following the calendar year in which the original
77.13 filing was filed. The certificate expires in the calendar year following a calendar year in
77.14 which the annual renewal was not filed. Notice of the annual renewal requirement must be
77.15 provided to the person or entity submitting the certificate at the time of the original filing.

77.16 ~~The secretary of state shall notify each business holding a certificate hereunder of~~
77.17 ~~the necessity of renewal thereof by writing to the last known address of the business at~~
77.18 ~~least six months prior to the certificate's expiration date.~~

77.19 Assumed name certificates on file with the secretary of state upon the effective
77.20 date of this section are exempt from the renewal requirements of this section until the
77.21 expiration of the original ten-year term.

77.22 Subd. 2. ~~Existing certificates~~ **Reinstatement.** Any assumed name certificate ~~of~~
77.23 ~~record in the district courts and in force on July 1, 1978 shall continue in force without~~
77.24 ~~the necessity of another filing under section 333.01 until July 31, 1979, at which time all~~
77.25 ~~such certificates shall expire unless renewed as hereinafter provided. Any certificate~~
77.26 ~~may be renewed by filing an application with the secretary of state on a form prescribed~~
77.27 ~~by the secretary and paying the renewal fee prescribed by subdivision 3 within the six~~
77.28 ~~month period prior to the expiration of the certificate~~ that expires as a result of failing
77.29 to file the annual renewal may be reinstated by filing the annual renewal with the \$25
77.30 reinstatement fee.

77.31 Subd. 2a. Annual renewal; contents. The annual renewal filed under subdivision 1
77.32 must include the assumed name and the address of the principal place of business.

78.1 Subd. 3. **Fees.** The secretary of state shall charge and collect: a fee of \$30 for
78.2 each filing submitted with respect to an assumed name except for the annual renewal,
78.3 for which no fee will be charged.

78.4 ~~(a) for the filing of each certificate or amended certificate of an assumed name - \$25;~~
78.5 ~~(b) certificate renewal fee - \$25.~~

78.6 Subd. 4. **Secretary of state duties.** The secretary of state shall accept for filing all
78.7 certificates and renewals thereof which comply with the provisions of sections 333.001 to
78.8 333.06 and which are accompanied by the prescribed fees, notwithstanding the fact that
78.9 the assumed name disclosed therein may not be distinguishable from one or more other
78.10 assumed names already filed with the secretary of state. The secretary of state shall not
78.11 accept for filing a certificate that discloses an assumed name that is not distinguishable
78.12 from a corporate, limited liability company, limited liability partnership, cooperative, or
78.13 limited partnership name in use or reserved in this state by another or a trade or service
78.14 mark registered with the secretary of state, unless there is filed with the certificate a written
78.15 consent, court decree of prior right, or affidavit of nonuser of the kind required by section
78.16 302A.115, subdivision 1, clause (d). The secretary of state shall determine whether a name
78.17 is distinguishable from another name for purposes of this subdivision.

78.18 **EFFECTIVE DATE; APPLICATION.** This section is effective 30 days after the
78.19 secretary of state certifies that the information systems of the Office of the Secretary of
78.20 State have been modified to implement this section, and this section applies to all existing
78.21 and new assumed name certificates on and after that date.

78.22 Sec. 86. Minnesota Statutes 2008, section 336A.04, subdivision 3, is amended to read:

78.23 Subd. 3. **Fees.** The fee for filing and indexing a standard form or format for a lien
78.24 notice, effective financing statement, or continuation statement, and stamping the date and
78.25 place of filing on a copy of the filed document furnished by the filing party is ~~\$15 until~~
78.26 ~~June 30, 2005. Effective July 1, 2005, the fee for each filing will be~~ as follows:

78.27 (1) \$20 for each effective financing statement and \$15 for each lien notice or other
78.28 filing made through the Web interface of the Office of the Secretary of State; and

78.29 (2) \$25 for each effective financing statement and \$20 for each lien notice or other
78.30 filing submitted in any other manner; and

78.31 (3) no fee will be charged for filing a termination statement.

78.32 Filing fees collected by a satellite office must be deposited in the general fund of the
78.33 county in which the satellite office is located.

78.34 Sec. 87. Minnesota Statutes 2008, section 336A.09, subdivision 2, is amended to read:

79.1 Subd. 2. **Searches; fees.** (a) If a person makes a request, the filing officer shall
79.2 conduct a search of the computerized filing system for effective financing statements or
79.3 lien notices and statements of continuation of a particular debtor. The filing officer shall
79.4 produce a report including the date, time, and results of the search by issuing:

79.5 (1) a listing of the file number, date, and hour of each effective financing statement
79.6 found in the search and the names and addresses of each secured party on the effective
79.7 financing statements or of each lien notice found in the search and the names and address
79.8 of each lienholder on the lien notice; or

79.9 (2) upon request, both the report and photocopies of the effective financing
79.10 statements or lien notices.

79.11 (b) The uniform fee for conducting a search and for preparing a report is \$20 per
79.12 debtor name. ~~If an oral or facsimile response is requested, there is an additional fee of \$5~~
79.13 ~~per debtor name requested.~~ A fee of \$1 per page as set by section 5.12 will be charged for
79.14 photocopies of effective financing statements, lien notices, continuation statements, or
79.15 termination statements.

79.16 (c) Search fees collected by a satellite office must be deposited in the general fund of
79.17 the county where the satellite office is located.

79.18 Sec. 88. Minnesota Statutes 2008, section 359.01, subdivision 3, is amended to read:

79.19 Subd. 3. **Fees.** (a) When making application for a commission the applicant must
79.20 submit, along with the information required by the secretary of state, a nonrefundable
79.21 fee of \$40.

79.22 (b) All fees shall be retained by the secretary of state and are nonreturnable, except
79.23 ~~that~~ for an overpayment of a fee ~~is the subject of a refund upon proper application.~~

79.24 Sec. 89. Minnesota Statutes 2008, section 383B.72, is amended to read:

79.25 **383B.72 LAND ACQUISITION; TOWN CONSENT.**

79.26 Notwithstanding the provisions of section 398.09, the Board of Park District
79.27 Commissioners of the Three Rivers Park District, before acquiring by purchase or
79.28 condemnation real estate located within the boundaries of any organized town in Hennepin
79.29 County, ~~other than real estate located within an area designated for development of a park~~
79.30 ~~in the most recent revised plan which has been prepared by the district in accordance with~~
79.31 ~~section 398.19, and is on file on June 9, 1971, with the state department of parks,~~ shall
79.32 secure the consent of the town board of such town to such acquisition, by resolution duly
79.33 adopted by such board.

80.1 Sec. 90. Minnesota Statutes 2008, section 469.175, subdivision 1, is amended to read:

80.2 Subdivision 1. **Tax increment financing plan.** (a) A tax increment financing plan
80.3 shall contain:

80.4 (1) a statement of objectives of an authority for the improvement of a project;

80.5 (2) a statement as to ~~the development program for the project, including~~ the property
80.6 within the project, if any, that the authority intends to acquire, identified by parcel number,
80.7 identifiable property name, block, or other appropriate means indicating the area in which
80.8 the authority intends to acquire properties;

80.9 (3) a list of any development activities that the plan proposes to take place within
80.10 the project, ~~for which contracts have been entered into at the time of the preparation of~~
80.11 ~~the plan,~~ for which the authority has entered into an agreement or designated a developer
80.12 including the names of the parties ~~to the contract~~ or designated developer, the activity
80.13 governed by the ~~contract~~ the agreement or designation, ~~the cost stated in the contract,~~ and
80.14 the expected date of completion of that activity;

80.15 (4) identification or description of the type of any other specific development
80.16 reasonably expected to take place within the ~~project~~ district, and the date when the
80.17 development is likely to occur;

80.18 (5) estimates of the following:

80.19 (i) cost of the project, including administrative expenses, ~~except that if part of the~~
80.20 ~~cost of the project is paid or financed with increment from the tax increment financing~~
80.21 ~~district, the tax increment financing plan for the district must contain an estimate of the~~
80.22 ~~amount of the cost of the project, including administrative expenses, that~~ and interest as a
80.23 financing cost, which will be paid or financed with tax increments from the district, but
80.24 not to exceed the estimated tax increment generated by the development activity;

80.25 (ii) amount of ~~bonded indebtedness to be incurred~~ bonds to be issued;

80.26 (iii) ~~sources of revenue to finance or otherwise pay public costs;~~

80.27 ~~(iv) the most recent~~ original net tax capacity of taxable real property within the tax
80.28 increment financing district and within any subdistrict;

80.29 ~~(v) (iv)~~ (iv) the estimated captured net tax capacity of the tax increment financing district
80.30 at completion; and

80.31 ~~(vi) (v)~~ (v) the duration of the tax increment financing district's and any subdistrict's
80.32 existence;

80.33 (6) statements of the authority's alternate estimates of the impact of tax increment
80.34 financing on the net tax capacities of all taxing jurisdictions in which the tax increment
80.35 financing district is located in whole or in part. For purposes of one statement, the
80.36 authority shall assume that the estimated captured net tax capacity would be available to

81.1 the taxing jurisdictions without creation of the district, and for purposes of the second
81.2 statement, the authority shall assume that none of the estimated captured net tax capacity
81.3 would be available to the taxing jurisdictions without creation of the district or subdistrict;

81.4 (7) identification and description of studies and analyses used to make the
81.5 determination set forth in subdivision 3, clause (2); and

81.6 (8) identification of all parcels to be included in the district or any subdistrict.

81.7 (b) The authority may specify in the tax increment financing plan the first year in
81.8 which it elects to receive increment, up to four years following the year of approval of the
81.9 district. This paragraph does not apply to an economic development district.

81.10 **EFFECTIVE DATE.** This section is effective for tax increment financing plans
81.11 approved after June 30, 2009.

81.12 Sec. 91. Minnesota Statutes 2008, section 469.175, subdivision 6, is amended to read:

81.13 Subd. 6. **Annual financial reporting.** (a) The state auditor shall develop a uniform
81.14 system of accounting and financial reporting for tax increment financing districts. The
81.15 system of accounting and financial reporting shall, as nearly as possible:

81.16 (1) provide for full disclosure of the sources and uses of ~~public funds in tax~~
81.17 increments of the district;

81.18 (2) permit comparison and reconciliation with the affected local government's
81.19 accounts and financial reports;

81.20 (3) permit auditing of the funds expended on behalf of a district, including a single
81.21 district that is part of a multidistrict project or that is funded in part or whole through
81.22 the use of a development account funded with tax increments from other districts or
81.23 with other public money;

81.24 (4) be consistent with generally accepted accounting principles.

81.25 (b) The authority must annually submit to the state auditor a financial report
81.26 in compliance with paragraph (a). Copies of the report must also be provided to the
81.27 county auditor and to the governing body of the municipality, if the authority is not
81.28 the municipality. To the extent necessary to permit compliance with the requirement
81.29 of financial reporting, the county and any other appropriate local government unit or
81.30 private entity must provide the necessary records or information to the authority or the
81.31 state auditor as provided by the system of accounting and financial reporting developed
81.32 pursuant to paragraph (a). The authority must submit the annual report for a year on or
81.33 before August 1 of the next year.

81.34 (c) The annual financial report must also include the following items:

- 82.1 (1) the original net tax capacity of the district and any subdistrict under section
82.2 469.177, subdivision 1;
- 82.3 (2) the net tax capacity for the reporting period of the district and any subdistrict;
- 82.4 (3) the captured net tax capacity of the district;
- 82.5 (4) any fiscal disparity deduction from the captured net tax capacity under section
82.6 469.177, subdivision 3;
- 82.7 (5) the captured net tax capacity retained for tax increment financing under section
82.8 469.177, subdivision 2, paragraph (a), clause (1);
- 82.9 (6) any captured net tax capacity distributed among affected taxing districts under
82.10 section 469.177, subdivision 2, paragraph (a), clause (2);
- 82.11 (7) the type of district;
- 82.12 (8) the date the municipality approved the tax increment financing plan and the
82.13 date of approval of any modification of the tax increment financing plan, the approval of
82.14 which requires notice, discussion, a public hearing, and findings under subdivision 4,
82.15 paragraph (a);
- 82.16 (9) the date the authority first requested certification of the original net tax capacity
82.17 of the district and the date of the request for certification regarding any parcel added
82.18 to the district;
- 82.19 (10) the date the county auditor first certified the original net tax capacity of the
82.20 district and the date of certification of the original net tax capacity of any parcel added
82.21 to the district;
- 82.22 (11) the month and year in which the authority has received or anticipates it will
82.23 receive the first increment from the district;
- 82.24 (12) the date the district must be decertified;
- 82.25 (13) for the reporting period and prior years of the district, the actual amount
82.26 received from, at least, the following categories:
- 82.27 (i) tax increments paid by the captured net tax capacity retained for tax increment
82.28 financing under section 469.177, subdivision 2, paragraph (a), clause (1), but excluding
82.29 any excess taxes;
- 82.30 (ii) tax increments that are interest or other investment earnings on or from tax
82.31 increments;
- 82.32 (iii) tax increments that are proceeds from the sale or lease of property, tangible or
82.33 intangible, purchased by the authority with tax increments;
- 82.34 (iv) tax increments that are repayments of loans or other advances made by the
82.35 authority with tax increments;
- 82.36 (v) bond ~~or loan~~ proceeds; and

83.1 (vi) ~~special assessments;~~
83.2 ~~(vii) grants;~~
83.3 ~~(viii) transfers from funds not exclusively associated with the district; and~~
83.4 ~~(ix) the market value homestead credit paid to the authority under section 273.1384;~~
83.5 (14) for the reporting period and for the prior years of the district, the actual amount
83.6 expended for, at least, the following categories:
83.7 (i) acquisition of land and buildings through condemnation or purchase;
83.8 (ii) site improvements or preparation costs;
83.9 (iii) installation of public utilities, parking facilities, streets, roads, sidewalks, or
83.10 other similar public improvements;
83.11 (iv) administrative costs, including the allocated cost of the authority; and
83.12 (v) ~~public park facilities, facilities for social, recreational, or conference purposes, or~~
83.13 ~~other similar public improvements; and~~ for housing districts, construction of affordable
83.14 housing;
83.15 ~~(vi) transfers to funds not exclusively associated with the district;~~
83.16 (15) the amount of any payments for activities and improvements located outside of
83.17 the district that are paid for or financed with tax increments;
83.18 (16) the amount of payments of principal and interest that are made during the
83.19 reporting period on any nondefeased:
83.20 (i) general obligation tax increment financing bonds;
83.21 (ii) other tax increment financing bonds, including pay-as-you-go contracts and
83.22 notes; and
83.23 ~~(iii) notes and pay-as-you-go contracts;~~
83.24 (17) the principal amount, at the end of the reporting period, of any nondefeased:
83.25 (i) general obligation tax increment financing bonds;
83.26 (ii) other tax increment financing bonds, including pay as you go contracts and
83.27 notes; and
83.28 ~~(iii) notes and pay-as-you-go contracts;~~
83.29 (18) the amount of principal and interest payments that are due for the current
83.30 calendar year on any nondefeased:
83.31 (i) general obligation tax increment financing bonds; and
83.32 (ii) other tax increment financing bonds, including pay-as-you-go contracts and
83.33 notes; and
83.34 ~~(iii) notes and pay-as-you-go contracts;~~
83.35 (19) if the fiscal disparities contribution under chapter 276A or 473F for the district
83.36 is computed under section 469.177, subdivision 3, paragraph (a), the amount of total

84.1 increased property taxes ~~imposed on other properties in the municipality that approved the~~
84.2 ~~tax increment financing plan as a result of the fiscal disparities contribution; to be paid~~
84.3 ~~from outside the tax increment financing district; and~~

84.4 ~~(20) the estimate, if any, contained in the tax increment financing plan of the amount~~
84.5 ~~of the cost of the project, including administrative expenses, that will be paid or financed~~
84.6 ~~with tax increment; and~~

84.7 ~~(21) any additional information the state auditor may require.~~

84.8 ~~(d) The commissioner of revenue shall prescribe the method of calculating the~~
84.9 ~~increased property taxes under paragraph (c), clause (19), and the form of the statement~~
84.10 ~~disclosing this information on the annual statement under subdivision 5.~~

84.11 ~~(e) The reporting requirements imposed by this subdivision apply to districts~~
84.12 ~~certified before, on, and after August 1, 1979.~~

84.13 **EFFECTIVE DATE.** This section is effective for tax increment financing reports
84.14 due after December 31, 2009.

84.15 Sec. 92. Minnesota Statutes 2008, section 471.345, subdivision 15, is amended to read:

84.16 Subd. 15. **Cooperative purchasing.** (a) Municipalities may contract for the
84.17 purchase of supplies, materials, or equipment by utilizing contracts that are available
84.18 through the state's cooperative purchasing venture authorized by section 16C.11 . For a
84.19 contract estimated to exceed \$25,000, a municipality must consider the availability, price
84.20 and quality of supplies, materials, or equipment available through the state's cooperative
84.21 purchasing venture before purchasing through another source.

84.22 (b) If a municipality does not utilize the state's cooperative purchasing venture, a
84.23 municipality may contract for the purchase of supplies, materials, or equipment without
84.24 regard to the competitive bidding requirements of this section if the purchase is through
84.25 a national municipal association's purchasing alliance or cooperative created by a joint
84.26 powers agreement that purchases items from more than one source on the basis of
84.27 competitive bids or competitive quotations.

84.28 Sec. 93. Minnesota Statutes 2008, section 473.142, is amended to read:

84.29 **473.142 SMALL BUSINESSES.**

84.30 (a) The Metropolitan Council and agencies specified in section 473.143, subdivision
84.31 1, may award up to a six percent preference in the amount bid for specified goods
84.32 or services to small targeted group businesses and veteran-owned small businesses
84.33 designated under section 16C.16.

85.1 (b) The council and each agency specified in section 473.143, subdivision 1, may
85.2 designate a purchase of goods or services for award only to small targeted group businesses
85.3 designated under section 16C.16 if the council or agency determines that at least three
85.4 small targeted group businesses are likely to bid. The council and each agency specified in
85.5 section 473.143, subdivision 1, may designate a purchase of goods or services for award
85.6 only to veteran-owned small businesses designated under section 16C.16 if the council or
85.7 agency determines that at least three veteran-owned small businesses are likely to bid.

85.8 (c) The council and each agency specified in section 473.143, subdivision 1, as a
85.9 condition of awarding a construction contract or approving a contract for consultant,
85.10 professional, or technical services, may set goals that require the prime contractor
85.11 to subcontract a portion of the contract to small targeted group businesses and
85.12 veteran-owned small businesses designated under section 16C.16. The council or agency
85.13 must establish a procedure for granting waivers from the subcontracting requirement
85.14 when qualified small targeted group businesses and veteran-owned small businesses are
85.15 not reasonably available. The council or agency may establish financial incentives for
85.16 prime contractors who exceed the goals for use of subcontractors and financial penalties
85.17 for prime contractors who fail to meet goals under this paragraph. The subcontracting
85.18 requirements of this paragraph do not apply to prime contractors who are small targeted
85.19 group businesses and veteran-owned small businesses. At least 75 percent of the value of
85.20 the subcontracts awarded to small targeted group businesses under this paragraph must
85.21 be performed by the business to which the subcontract is awarded or by another small
85.22 targeted group business. At least 75 percent of the value of the subcontracts awarded to
85.23 veteran-owned small businesses under this paragraph must be performed by the business
85.24 to which the subcontract is awarded or another veteran-owned small business.

85.25 (d) The council and each agency listed in section 473.143, subdivision 1, are
85.26 encouraged to purchase from small targeted group businesses and veteran-owned small
85.27 businesses designated under section 16C.16 when making purchases that are not subject to
85.28 competitive bidding procedures.

85.29 (e) The council and each agency may adopt rules to implement this section.

85.30 (f) Each council or agency contract must require the prime contractor to pay any
85.31 subcontractor within ten days of the prime contractor's receipt of payment from the
85.32 council or agency for undisputed services provided by the subcontractor. The contract
85.33 must require the prime contractor to pay interest of 1-1/2 percent per month or any
85.34 part of a month to the subcontractor on any undisputed amount not paid on time to the
85.35 subcontractor. The minimum monthly interest penalty payment for an unpaid balance of
85.36 \$100 or more is \$10. For an unpaid balance of less than \$100, the prime contractor shall

86.1 pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil
86.2 action to collect interest penalties from a prime contractor must be awarded its costs and
86.3 disbursements, including attorney fees, incurred in bringing the action.

86.4 (g) This section does not apply to procurement financed in whole or in part
86.5 with federal funds if the procurement is subject to federal disadvantaged, minority, or
86.6 women business enterprise regulations. The council and each agency shall report to the
86.7 commissioner of administration on compliance with this section. The information must be
86.8 reported at the time and in the manner requested by the commissioner.

86.9 **EFFECTIVE DATE.** This section is effective July 1, 2009, and applies to
86.10 procurement contract bid solicitations issued on and after that date.

86.11 Sec. 94. Minnesota Statutes 2008, section 480.181, subdivision 2, is amended to read:

86.12 Subd. 2. **Election to retain insurance and benefits; retirement.** (a) Before a
86.13 person is transferred to state employment under this section, the person may elect to do
86.14 either or both of the following:

86.15 (1) keep life insurance; hospital, medical, and dental insurance; and vacation and
86.16 sick leave benefits and accumulated time provided by the county instead of receiving
86.17 benefits from the state under the judicial branch personnel rules; or

86.18 (2) remain a member of the Public Employees Retirement Association or the
86.19 Minneapolis employees retirement fund instead of joining the Minnesota State Retirement
86.20 System.

86.21 Employees who make an election under clause (1) remain on the county payroll,
86.22 but the state shall reimburse the county on a quarterly basis for the salary and cost of the
86.23 benefits provided by the county. The state shall make the employer contribution to the
86.24 Public Employees Retirement Association or the employer contribution under section
86.25 422A.101, subdivision 1a, to the Minneapolis Employees Retirement Fund on behalf of
86.26 employees who make an election under clause (2).

86.27 (b) An employee who makes an election under paragraph (a), clause (1), may revoke
86.28 the election, once, at any time, but if the employee revokes the election, the employee
86.29 cannot make another election. An employee who makes an election under paragraph (a),
86.30 clause (2), may revoke the election at any time within six months after the person becomes
86.31 a state employee. Once an employee revokes this election, the employee cannot make
86.32 another election.

86.33 (c) The Supreme Court, after consultation with the Judicial Council, the
86.34 commissioner of employee relations management and budget, and the executive directors

87.1 of the Public Employees Retirement Association and the Minnesota State Retirement
87.2 Association, shall adopt procedures for making elections under this section.

87.3 (d) The Supreme Court shall notify all affected employees of the options available
87.4 under this section. The executive directors of the Public Employees Retirement
87.5 Association and the Minnesota State Retirement System shall provide counseling to
87.6 affected employees on the effect of making an election to remain a member of the Public
87.7 Employees Retirement Association.

87.8 Sec. 95. Laws 2005, chapter 162, section 34, subdivision 2, is amended to read:

87.9 Subd. 2. **Optical scan equipment.** \$6,000,000 is appropriated from the Help
87.10 America Vote Act account to the secretary of state for grants to counties to purchase
87.11 optical scan voting equipment. Counties are eligible for grants to the extent that they
87.12 decide to purchase ballot marking machines and as a result do not have sufficient Help
87.13 America Vote Act grant money remaining to also purchase a compatible precinct-based
87.14 optical scan machine or central-count machine. These grants must be allocated to counties
87.15 at a rate of \$3,000 per eligible precinct until the appropriation is exhausted, with priority
87.16 in the payment of grants to be given to counties currently using hand- and central-count
87.17 voting systems and counties using precinct-count optical scan voting systems incompatible
87.18 with assistive voting systems or ballot marking machines. This appropriation is available
87.19 until June 30, ~~2009~~ 2012.

87.20 **EFFECTIVE DATE.** This section is effective June 30, 2009.

87.21 Sec. 96. Laws 2006, chapter 218, section 6, is amended to read:

87.22 Sec. 6. **SUNSET.**

87.23 The implementation and steering task force established in section 2 expires on
87.24 December 31, ~~2009~~ 2011.

87.25 Sec. 97. **RULE AMENDMENT.**

87.26 The commissioner of public safety must amend Minnesota Rules, part 7525.0400,
87.27 and any other rules as necessary to conform to section 16B.24, subdivision 5b. The
87.28 commissioner may use the good cause exemption, under authority of Minnesota Statutes,
87.29 section 14.388, subdivision 1, clause (3), to amend rules to conform with section 16B.24,
87.30 subdivision 5b.

87.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

87.32 Sec. 98. **RACING LICENSE FEE RATIFICATION.**

88.1 The changes in license fees proposed for Minnesota Rules, part 7877.0120, subpart
88.2 1, as published in the State Register on Monday, November 10, 2008, are ratified.

88.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

88.4 Sec. 99. **TRAINING SERVICES.**

88.5 During the biennium ending June 30, 2011, state executive branch agencies must
88.6 consider using services provided by government training services before contracting with
88.7 other outside vendors for similar services.

88.8 Sec. 100. **RENTAL COST SAVINGS.**

88.9 The commissioner of administration must report to the chairs and ranking minority
88.10 members of the senate and house committees with jurisdiction over state government
88.11 finance by January 15, 2010, on savings in state agency costs for rental space in
88.12 state-owned and state-leased buildings that can be achieved by expected decreases in
88.13 agency complement and that could be achieved by encouraging or requiring increased
88.14 telecommuting by state employees. The report must estimate savings by agency and by
88.15 fund, and must estimate when these savings can be realized.

88.16 Sec. 101. **CASH FLOW STUDY.**

88.17 By January 15, 2010, the commissioner of finance must submit to the chair
88.18 and ranking minority member of the Finance Committee in the senate and the chair
88.19 and ranking minority member of the Ways and Means Committee in the house of
88.20 representatives, a report on the cash flow condition of the general fund for the fiscal
88.21 year 2010-2011 biennium and the following biennium, including an assessment of the
88.22 options for improving the long-term cash flow of the state through changes in the timing
88.23 of general fund payment dates, revenue collections, or other changes. In addition, the
88.24 report should identify all major provisions of law that result in state expenditures or
88.25 revenues being recognized in budget documents in a fiscal year earlier or later than the
88.26 fiscal year in which the obligation to pay state expenses was incurred or the liability
88.27 to pay state taxes was incurred.

88.28 Sec. 102. **COLOCATION REPORT.**

88.29 The Management Analysis Division of the Department of Finance must study and
88.30 report to the legislature by January 15, 2010, on possible colocation of the offices of the
88.31 Council on Black Minnesotans, the Council on Affairs of Chicano/Latino People, the
88.32 Council on Asian-Pacific Minnesotans, and the metropolitan area office of the Indian
88.33 Affairs Council. The report must include analysis of potential cost savings, when those

89.1 savings could be realized, and the effect of potential colocation on operations of the
89.2 councils.

89.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

89.4 Sec. 103. **TRANSFER OF ASSETS, EMPLOYEES, EQUIPMENT, AND**
89.5 **SUPPLIES.**

89.6 The existing funds, assets, employees, equipment, and supplies of the Land
89.7 Management Information Center are transferred to the Minnesota Geospatial Information
89.8 Office according to Minnesota Statutes, section 15.039.

89.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

89.10 Sec. 104. **TECHNOLOGY LEASE-PURCHASE AUTHORIZATION.**

89.11 Subdivision 1. **Lease-purchase agreements.** The commissioner of finance shall
89.12 enter into one or more lease-purchase agreements as defined in Minnesota Statutes, section
89.13 16A.81, to finance the two projects in subdivisions 2 and 3.

89.14 Subd. 2. **Replacement of state's accounting and procurement systems.**
89.15 Proceeds of lease-purchase agreements and the issuance and sale of related certificates
89.16 of participation are appropriated to the commissioner of finance for development and
89.17 implementation of a new statewide accounting and procurement system.

89.18 Subd. 3. **Completion of integrated tax system.** Proceeds of lease-purchase
89.19 agreements and the issuance and sale of related certificates of participation are appropriated
89.20 to the commissioner of revenue for completing the purchase and implementation of an
89.21 integrated tax software package.

89.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

89.23 Sec. 105. **INFORMATION TECHNOLOGY STUDY.**

89.24 The chief information officer of the Office of Enterprise Technology, in consultation
89.25 with heads of other executive agencies, must report to the chairs and ranking members
89.26 of the senate and house of representatives committees on state government finance by
89.27 January 15, 2010, on an interim basis and by July 1, 2010, on a plan to transfer from
89.28 other state agencies to the Office of Enterprise Technology state employees whose work
89.29 primarily relates to development, upgrading, replacement, help desk, problem resolution,
89.30 or maintenance of state data centers, system software, data networks, servers, workstations
89.31 and office systems. The report must include an estimate of the number of employees who
89.32 would be transferred, an estimate of enterprise costs savings, an analysis of potential

90.1 improvements in operations and agency-required service levels, a cost comparison of
90.2 alternatives to the transfer plan including insourcing, shared services, outsourcing, and
90.3 co-sourcing, and a proposed transition plan and schedule. State agencies must participate
90.4 and provide information necessary for the Office of Enterprise Technology to comply
90.5 with this section.

90.6 Sec. 106. **ENTERPRISE REAL PROPERTY CONTRIBUTIONS.**

90.7 On or before June 1, 2009, the commissioner of administration shall determine the
90.8 amount to be contributed by each executive agency to maintain the enterprise real property
90.9 technology system for the fiscal year 2010 and fiscal year 2011 biennium. On or before
90.10 June 15, 2009, each executive agency shall enter into an agreement with the commissioner
90.11 of administration setting forth the manner in which the executive agency shall make its
90.12 contribution to the enterprise real property system, either from uncommitted fiscal year
90.13 2009 funds or by contributing from fiscal year 2010 and fiscal year 2011 funds to the real
90.14 property enterprise system and services account to fund the total amount of \$399,000 for
90.15 the biennium. Funds contributed under this section must be credited to the enterprise real
90.16 property technology system and services account.

90.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

90.18 Sec. 107. **REVISOR'S INSTRUCTION.**

90.19 In the next edition of Minnesota Statutes and Minnesota Rules, the revisor of
90.20 statutes shall substitute the term "Land Management Information Center" with the term
90.21 "Minnesota Geospatial Information Office," wherever they appear in Minnesota Statutes
90.22 and Minnesota Rules.

90.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

90.24 Sec. 108. **REVISOR'S INSTRUCTION.**

90.25 In the next edition of Minnesota Statutes, the revisor of statutes shall substitute the
90.26 term "United States Information Agency" with the term "Office of Exchange Coordination
90.27 and Designation, United States Department of State" wherever the term appears in
90.28 Minnesota Statutes.

90.29 Sec. 109. **REVISOR'S INSTRUCTION.**

90.30 The revisor of statutes shall change any reference to the commissioner of finance
90.31 or the Department of Finance, or any derivation of those terms, to the commissioner of
90.32 management and budget or the Department of Management and Budget wherever these
90.33 terms appear in Minnesota Statutes or Minnesota Rules.

92.1 We request the adoption of this report and repassage of the bill.

92.2 Senate Conferees: (Signed)

92.3
92.4 Don Betzold Ann H. Rest

92.5
92.6 Rick Olseen Gary Kubly

92.7
92.8 Michael Jungbauer

92.9 House Conferees: (Signed)

92.10
92.11 Phyllis Kahn Ryan Winkler

92.12
92.13 Steve Simon Loren Solberg

92.14
92.15 Keith Downey