

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 4059

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DATE	D-PG	OFFICIAL STATUS
03/02/2026	6458	Introduction and first reading Referred to State and Local Government
03/04/2026	6489	Author added Lang
03/05/2026	6523	Authors added Kupec; Boldon
03/09/2026	6580	Author added Dornink
04/16/2026	8090a	Comm report: To pass as amended and re-refer to Finance
04/21/2026	8870	Authors stricken Dornink; Lang
05/04/2026	9707	Chief author stricken Xiong Chief author added Marty
	9708a	Comm report: To pass as amended
	9890	Second reading
05/05/2026	9902a	Special Order: Amended
	9932	Third reading Passed as amended

1.1 A bill for an act

1.2 relating to state government finance; appropriating and transferring money for

1.3 prekindergarten through grade 12 education, higher education, state government,

1.4 environment and natural resources, energy, renewable development, jobs and

1.5 economic development, labor, public safety, and corrections; making policy and

1.6 technical changes related to those appropriations; deleting land from a state park;

1.7 authorizing the sale of certain state lands; modifying provisions relating to peace

1.8 officer compensation; renaming a state building; establishing a battery stewardship

1.9 program; modifying the Board of Barber Examiners and Board of Cosmetologist

1.10 Examiners; modifying Medicaid fraud, campaign finance, clemency provisions,

1.11 the Data Practices Act, and consumer protection restitution account; authorizing

1.12 administrative rulemaking; imposing penalties; requiring reports; amending

1.13 Minnesota Statutes 2024, sections 8.16, subdivision 1; 10A.01, by adding

1.14 subdivisions; 10A.02, subdivision 15; 10A.025, subdivisions 2, 3, 4, 5, by adding

1.15 a subdivision; 10A.20, subdivision 12, by adding a subdivision; 16A.152,

1.16 subdivision 2; 115A.03, by adding subdivisions; 115A.554; 115A.9157; 115C.08,

1.17 subdivision 4; 115C.09, by adding a subdivision; 116.92, subdivision 6, by adding

1.18 a subdivision; 122A.20, subdivisions 1, 2; 124D.98, by adding a subdivision;

1.19 126C.10, subdivision 14; 136A.64, subdivision 1; 136A.675, by adding a

1.20 subdivision; 136A.822, subdivision 9; 136A.823, subdivision 1; 154.001,

1.21 subdivision 2; 154.003; 154.01; 154.02, subdivisions 1, 4, by adding subdivisions;

1.22 154.05; 154.07, subdivision 1, by adding a subdivision; 154.08; 154.09; 154.11,

1.23 subdivision 1, by adding a subdivision; 155A.20; 155A.23, subdivisions 4, 5, 8,

1.24 9, 10, 18, by adding a subdivision; 155A.25, subdivisions 1a, 3, 5, 7; 155A.27,

1.25 subdivisions 5a, 10, by adding subdivisions; 155A.271, subdivision 2; 155A.29,

1.26 subdivision 2; 155A.30, subdivisions 3, 4, 5, 6, 7, 8, 9, 11, 12; 155A.31; 155A.32;

1.27 155A.33, subdivisions 1, 2, 3, 4, 5, 6, by adding a subdivision; 177.27, subdivision

1.28 4; 181.03, subdivision 6; 260E.15; 260E.28, subdivision 1; 299A.41, subdivisions

1.29 3, 4, by adding subdivisions; 299D.03, subdivisions 2, 2a; 325E.125, subdivision

1.30 5; 325E.1251, subdivision 2; 471.6161, by adding a subdivision; 609.352,

1.31 subdivisions 1, 4, by adding subdivisions; 609.52, subdivision 2; 638.09, by adding

1.32 a subdivision; 638.12, subdivision 2; 638.14, subdivision 5; 638.16, subdivision

1.33 1; Minnesota Statutes 2025 Supplement, sections 8.37, subdivisions 3, 5; 126C.10,

1.34 subdivision 3; 126C.15, subdivision 2; 136A.69, subdivision 1; 136A.821,

1.35 subdivision 5; 136A.824, subdivisions 1, 2; 136A.833, subdivision 2; 216B.16,

1.36 subdivision 15; 256B.12; 260E.065, by adding a subdivision; 260E.20, subdivision

1.37 1; 609.902, subdivision 4; 628.26; Laws 2023, chapter 40, article 4, section 2,

1.38 subdivision 6, as amended; Laws 2023, chapter 55, article 8, section 19, subdivision

2.1 5, as amended; Laws 2023, chapter 70, article 20, section 12, as amended; Laws
 2.2 2024, chapter 90, article 1, section 52; Laws 2024, chapter 104, article 1, section
 2.3 2; Laws 2025, First Special Session chapter 10, article 8, section 18, subdivision
 2.4 5; article 12, section 8; proposing coding for new law in Minnesota Statutes,
 2.5 chapters 13; 115A; 181; 216B; 216C; 299A; 299D; 609; repealing Minnesota
 2.6 Statutes 2024, sections 115A.9155; 115A.961, subdivisions 1, 2, 3; 136A.657;
 2.7 136A.834, subdivisions 2, 3, 4; 155A.275; 325E.125, subdivisions 1, 2, 2a, 3, 4;
 2.8 325E.1251, subdivision 1; 609.466; Minnesota Statutes 2025 Supplement, section
 2.9 136A.834, subdivisions 1, 5; Laws 2017, First Special Session chapter 4, article
 2.10 1, section 29; Minnesota Rules, parts 2100.2500; 2100.2600; 2100.2900; 2100.3000;
 2.11 2100.3200; 2100.3300; 2100.4500; 2100.5200, subparts 1, 2, 5; 2100.5300;
 2.12 2100.6000.

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

2.14 **ARTICLE 1**

2.15 **PREKINDERGARTEN THROUGH GRADE 12 EDUCATION**

2.16 Section 1. Minnesota Statutes 2024, section 122A.20, subdivision 1, is amended to read:

2.17 Subdivision 1. **Grounds for revocation, suspension, or denial.** (a) The Professional
 2.18 Educator Licensing and Standards Board or Board of School Administrators, whichever
 2.19 has jurisdiction over a teacher's licensure, may, on the written complaint of the school board
 2.20 employing a teacher, a teacher organization, or any other interested person, refuse to issue,
 2.21 refuse to renew, suspend, or revoke a teacher's license to teach for any of the following
 2.22 causes:

2.23 (1) immoral character or conduct;

2.24 (2) failure, without justifiable cause, to teach for the term of the teacher's contract;

2.25 (3) gross inefficiency or willful neglect of duty;

2.26 (4) failure to meet licensure requirements; or

2.27 (5) fraud or misrepresentation in obtaining a license.

2.28 The written complaint must specify the nature and character of the charges.

2.29 (b) The Professional Educator Licensing and Standards Board or Board of School
 2.30 Administrators, whichever has jurisdiction over a teacher's licensure, shall refuse to issue,
 2.31 refuse to renew, or automatically revoke a teacher's license to teach without the right to a
 2.32 hearing upon receiving a certified copy of a conviction showing that the teacher has been
 2.33 convicted of child abuse, as defined in section 609.185, sex trafficking in the first degree
 2.34 under section 609.322, subdivision 1, sex trafficking in the second degree under section
 2.35 609.322, subdivision 1a, engaging in hiring, or agreeing to hire a minor to engage in
 2.36 prostitution under section 609.324, subdivision 1, sexual abuse under section 609.342,

3.1 609.343, 609.344, 609.345, 609.3451, subdivision 3, or 617.23, subdivision 3, solicitation
3.2 of children to engage in sexual conduct or communication of sexually explicit materials to
3.3 children, or grooming under section 609.352, interference with privacy under section 609.746
3.4 or harassment or stalking under section 609.749 and the victim was a minor, using minors
3.5 in a sexual performance under section 617.246, possessing pornographic works involving
3.6 a minor under section 617.247, or any other offense not listed in this paragraph that requires
3.7 the person to register as a predatory offender under section 243.166, or a crime under a
3.8 similar law of another state or the United States. The board shall send notice of this licensing
3.9 action to the district in which the teacher is currently employed.

3.10 (c) A person whose license to teach has been revoked, not issued, or not renewed under
3.11 paragraph (b), may petition the board to reconsider the licensing action if the person's
3.12 conviction for child abuse or sexual abuse is reversed by a final decision of the court of
3.13 appeals or the supreme court or if the person has received a pardon for the offense. The
3.14 petitioner shall attach a certified copy of the appellate court's final decision or the pardon
3.15 to the petition. Upon receiving the petition and its attachment, the board shall schedule and
3.16 hold a disciplinary hearing on the matter under section 214.10, subdivision 2, unless the
3.17 petitioner waives the right to a hearing. If the board finds that, notwithstanding the reversal
3.18 of the petitioner's criminal conviction or the issuance of a pardon, the petitioner is disqualified
3.19 from teaching under paragraph (a), clause (1), the board shall affirm its previous licensing
3.20 action. If the board finds that the petitioner is not disqualified from teaching under paragraph
3.21 (a), clause (1), it shall reverse its previous licensing action.

3.22 (d) For purposes of this subdivision, the Professional Educator Licensing and Standards
3.23 Board is delegated the authority to suspend or revoke coaching licenses.

3.24 Sec. 2. Minnesota Statutes 2024, section 122A.20, subdivision 2, is amended to read:

3.25 Subd. 2. **Mandatory reporting.** (a) A school board, superintendent, charter school
3.26 board, charter school executive director, or charter school authorizer must report to the
3.27 Professional Educator Licensing and Standards Board, the Board of School Administrators,
3.28 or the Board of Trustees of the Minnesota State Colleges and Universities, whichever has
3.29 jurisdiction over the teacher's or administrator's license, when its teacher or administrator
3.30 is discharged or resigns from employment after a charge is filed with the school board under
3.31 section 122A.41, subdivisions 6, paragraph (a), clauses (1), (2), and (3), and 7, or after
3.32 charges are filed that are grounds for discharge under section 122A.40, subdivision 13,
3.33 paragraph (a), clauses (1) to (5), or when a teacher or administrator is suspended or resigns
3.34 while an investigation is pending under section 122A.40, subdivision 13, paragraph (a),

4.1 clauses (1) to (5), or chapter 260E; or 122A.41, subdivisions 6, clauses (1), (2), and (3),
4.2 and 7; or when a teacher or administrator is suspended without an investigation under section
4.3 122A.41, subdivisions 6, paragraph (a), clauses (1), (2), and (3), and 7, or chapter 260E.
4.4 The report must be made to the appropriate licensing board within ten days after the
4.5 discharge, suspension, or resignation has occurred. The licensing board to which the report
4.6 is made must investigate the report for violation of subdivision 1 and the reporting board,
4.7 administrator, or authorizer must cooperate in the investigation. Notwithstanding any
4.8 provision in chapter 13 or any law to the contrary, upon written request from the licensing
4.9 board having jurisdiction over the license, a board, charter school, authorizer, charter school
4.10 executive director, or school superintendent shall provide the licensing board with information
4.11 about the teacher or administrator from the district's files, any termination or disciplinary
4.12 proceeding, any settlement or compromise, or any investigative file. Upon written request
4.13 from the appropriate licensing board, a board or school superintendent may, at the discretion
4.14 of the board or school superintendent, solicit the written consent of a student and the student's
4.15 parent to provide the licensing board with information that may aid the licensing board in
4.16 its investigation and license proceedings. The licensing board's request need not identify a
4.17 student or parent by name. The consent of the student and the student's parent must meet
4.18 the requirements of chapter 13 and Code of Federal Regulations, title 34, section 99.30.
4.19 The licensing board may provide a consent form to the district. Any data transmitted to any
4.20 board under this section is private data under section 13.02, subdivision 12, notwithstanding
4.21 any other classification of the data when it was in the possession of any other agency.

4.22 (b) The licensing board to which a report is made must transmit to the Attorney General's
4.23 Office any record or data it receives under this subdivision for the sole purpose of having
4.24 the Attorney General's Office assist that board in its investigation. When the Attorney
4.25 General's Office has informed an employee of the appropriate licensing board in writing
4.26 that grounds exist to suspend or revoke a teacher's license to teach, that licensing board
4.27 must consider suspending or revoking or decline to suspend or revoke the teacher's or
4.28 administrator's license within 45 days of receiving a stipulation executed by the teacher or
4.29 administrator under investigation or a recommendation from an administrative law judge
4.30 that disciplinary action be taken.

4.31 (c) The Professional Educator Licensing and Standards Board and Board of School
4.32 Administrators must report to the appropriate law enforcement authorities a revocation,
4.33 suspension, or agreement involving a loss of license, relating to a teacher or administrator's
4.34 inappropriate sexual conduct with a minor. For purposes of this section, "law enforcement
4.35 authority" means a police department, county sheriff, or Tribal police department. A report

5.1 by the Professional Educator Licensing and Standards Board to appropriate law enforcement
5.2 authorities does not diminish, modify, or otherwise affect the responsibilities of a school
5.3 board or any person mandated to report abuse under chapter 260E.

5.4 (d) A police department or county sheriff must notify the appropriate licensing board
5.5 when a teacher is criminally charged with an offense listed in subdivision 1, paragraph (b),
5.6 or is charged with any other offense not listed in this section that requires the person to
5.7 register as a predatory offender under section 243.166.

5.8 Sec. 3. Minnesota Statutes 2024, section 124D.98, is amended by adding a subdivision to
5.9 read:

5.10 Subd. 6. **Exclusion of 2025-2026 reading assessments.** Notwithstanding subdivisions
5.11 2 and 3, for purposes of calculating proficiency aid and growth aid for fiscal years 2027,
5.12 2028, and 2029 only, tests administered during the 2025-2026 school year must be excluded
5.13 from the three-year average proficiency percentage and from the three-year average growth
5.14 percentage. The commissioner may adjust the dollar amounts for proficiency aid and growth
5.15 aid for fiscal years 2027, 2028, and 2029 only to ensure that the total aid amount under this
5.16 section is not less than the amount estimated for these fiscal years under the February 2026
5.17 forecast.

5.18 Sec. 4. Minnesota Statutes 2025 Supplement, section 126C.10, subdivision 3, is amended
5.19 to read:

5.20 Subd. 3. **Compensatory education revenue.** (a) A district's compensatory revenue
5.21 equals the sum of its compensatory revenue for each building in the district and the amounts
5.22 designated under Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision
5.23 8, for fiscal year 2017. Revenue shall be paid to the district and must be allocated according
5.24 to section 126C.15, subdivision 2.

5.25 (b) For fiscal years 2024, 2025, and 2026, the compensatory education revenue for each
5.26 building in the district equals the formula allowance minus \$839 times the compensation
5.27 revenue pupil units computed according to section 126C.05, subdivision 3.

5.28 (c) For fiscal year 2027 and later, the compensatory education revenue for each building
5.29 in the district equals its compensatory pupils multiplied by the building compensatory
5.30 allowance.

5.31 (d) When the district contracting with an alternative program under section 124D.69
5.32 changes prior to the start of a school year, the compensatory revenue generated by pupils

6.1 attending the program shall be paid to the district contracting with the alternative program
6.2 for the current school year, and shall not be paid to the district contracting with the alternative
6.3 program for the prior school year.

6.4 (e) When the fiscal agent district for an area learning center changes prior to the start of
6.5 a school year, the compensatory revenue shall be paid to the fiscal agent district for the
6.6 current school year, and shall not be paid to the fiscal agent district for the prior school year.

6.7 (f) Notwithstanding paragraph ~~(e)~~ (b), for fiscal year 2026, if the sum of the amounts
6.8 calculated under paragraph ~~(e)~~ (b) is less than \$838,947,000, the commissioner must
6.9 proportionately increase the revenue to each building until the total statewide revenue
6.10 calculated for each building equals \$838,947,000.

6.11 (g) Notwithstanding paragraph (c), for fiscal year 2027 and later, if the sum of the
6.12 amounts calculated under paragraph (c) is less than \$857,152,000, the commissioner must
6.13 proportionately increase the revenue to each building until the total statewide revenue
6.14 calculated for each building equals \$857,152,000.

6.15 (h) Notwithstanding paragraph (c), for fiscal year 2027 only, the compensatory education
6.16 revenue for each building equals the greater of:

6.17 (1) the amount calculated for the building under paragraphs (c) and (g); or

6.18 (2) the building minimum amount calculated under paragraph (i).

6.19 (i) For purposes of paragraph (h), the building minimum amount equals the product of:

6.20 (1) the compensatory education revenue for the building for fiscal year 2026;

6.21 (2) the lesser of one or the ratio of the number of pupils enrolled in the building on
6.22 October 1, 2025, to the number of pupils enrolled in the building on October 1, 2024; and

6.23 (3) 0.7746.

6.24 Sec. 5. Minnesota Statutes 2024, section 126C.10, subdivision 14, is amended to read:

6.25 Subd. 14. **Uses of total operating capital revenue.** Total operating capital revenue may
6.26 be used only for the following purposes:

6.27 (1) to acquire land for school purposes;

6.28 (2) to acquire or construct buildings for school purposes;

6.29 (3) to rent or lease buildings, including the costs of building repair or improvement that
6.30 are part of a lease agreement;

- 7.1 (4) to improve and repair school sites and buildings, and equip or reequip school buildings
7.2 with permanent attached fixtures, including library media centers and gender-neutral
7.3 single-user restrooms, locker room privacy stalls, or other spaces with privacy features,
7.4 including single-user shower stalls, changing stalls, or other single-user facilities;
- 7.5 (5) for a surplus school building that is used substantially for a public nonschool purpose;
- 7.6 (6) to eliminate barriers or increase access to school buildings by individuals with a
7.7 disability;
- 7.8 (7) to bring school buildings into compliance with the State Fire Code adopted according
7.9 to chapter 299F;
- 7.10 (8) to remove asbestos from school buildings, encapsulate asbestos, or make
7.11 asbestos-related repairs;
- 7.12 (9) to clean up and dispose of polychlorinated biphenyls found in school buildings;
- 7.13 (10) to clean up, remove, dispose of, and make repairs related to storing heating fuel or
7.14 transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section
7.15 296A.01;
- 7.16 (11) for energy audits for school buildings and to modify buildings if the audit indicates
7.17 the cost of the modification can be recovered within ten years;
- 7.18 (12) to improve buildings that are leased according to section 123B.51, subdivision 4;
- 7.19 (13) to pay special assessments levied against school property but not to pay assessments
7.20 for service charges;
- 7.21 (14) to pay principal and interest on state loans for energy conservation according to
7.22 section 216C.37 or loans made under the Douglas J. Johnson Economic Protection Trust
7.23 Fund Act according to sections 298.292 to 298.297;
- 7.24 (15) to purchase or lease interactive telecommunications equipment;
- 7.25 (16) by board resolution, to transfer money into the debt redemption fund to: (i) pay the
7.26 amounts needed to meet, when due, principal and interest payments on certain obligations
7.27 issued according to chapter 475; or (ii) pay principal and interest on debt service loans or
7.28 capital loans according to section 126C.70;
- 7.29 (17) to pay operating capital-related assessments of any entity formed under a cooperative
7.30 agreement between two or more districts;

8.1 (18) to purchase or lease computers and related hardware, software, and annual licensing
 8.2 fees, copying machines, telecommunications equipment, and other noninstructional
 8.3 equipment;

8.4 (19) to purchase or lease assistive technology or equipment for instructional programs;

8.5 (20) to purchase textbooks as defined in section 123B.41, subdivision 2;

8.6 (21) to purchase new and replacement library media resources or technology;

8.7 (22) to lease or purchase vehicles;

8.8 (23) to purchase or lease telecommunications equipment, computers, and related
 8.9 equipment for integrated information management systems for:

8.10 (i) managing and reporting learner outcome information for all students under a
 8.11 results-oriented graduation rule;

8.12 (ii) managing student assessment, services, and achievement information required for
 8.13 students with individualized education programs; and

8.14 (iii) other classroom information management needs;

8.15 (24) to pay personnel costs directly related to the acquisition, operation, and maintenance
 8.16 of telecommunications systems, computers, related equipment, and network and applications
 8.17 software;

8.18 (25) to pay the costs directly associated with closing a school facility, including moving
 8.19 and storage costs;

8.20 (26) to pay the costs of supplies and equipment necessary to provide access to menstrual
 8.21 products at no charge to students in restrooms and as otherwise needed in school facilities;
 8.22 ~~and~~

8.23 (27) to pay the costs of the opiate antagonists required under section 121A.224~~;~~ and

8.24 (28) to pay utility service costs.

8.25 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2027 and later.

8.26 Sec. 6. Minnesota Statutes 2025 Supplement, section 126C.15, subdivision 2, is amended
 8.27 to read:

8.28 Subd. 2. **Building allocation.** (a) A district or cooperative must allocate at least 80
 8.29 percent of its compensatory revenue to each school building in the district or cooperative
 8.30 where the children who have generated the revenue are served unless the school district or

9.1 cooperative has received permission under Laws 2005, First Special Session chapter 5,
 9.2 article 1, section 50, to allocate compensatory revenue according to student performance
 9.3 measures developed by the school board.

9.4 (b) A district or cooperative may allocate no more than 20 percent of the amount of
 9.5 compensatory revenue that the district receives to school sites according to a plan adopted
 9.6 by the school board. The money reallocated under this paragraph must be spent for the
 9.7 purposes listed in subdivision 1, but may be spent on students in any grade, including
 9.8 students attending school readiness or other prekindergarten programs.

9.9 (c) For the purposes of this section and section 126C.05, subdivision 3, "building" means
 9.10 education site as defined in section 123B.04, subdivision 1.

9.11 (d) Notwithstanding section 123A.26, subdivision 1, compensatory revenue generated
 9.12 by students served at a cooperative unit shall be paid to the cooperative unit.

9.13 (e) A district or cooperative with school building openings, school building closings,
 9.14 changes in attendance area boundaries, or other changes in programs or student demographics
 9.15 between the prior year and the current year may reallocate compensatory revenue among
 9.16 sites to reflect these changes. A district or cooperative must report to the department any
 9.17 adjustments it makes according to this paragraph and the department must use the adjusted
 9.18 compensatory revenue allocations in preparing the report required under section 123B.76,
 9.19 subdivision 3, paragraph (c).

9.20 (f) For fiscal years 2026 ~~and~~, 2027, and 2028 only, notwithstanding the percentages
 9.21 specified in paragraphs (a) and (b), a district may allocate up to 40 percent of the amount
 9.22 of compensatory revenue that the district receives to school sites according to a plan adopted
 9.23 by the school board, consistent with the purposes listed in subdivision 1.

9.24 Sec. 7. Minnesota Statutes 2025 Supplement, section 260E.065, is amended by adding a
 9.25 subdivision to read:

9.26 Subd. 4. Commissioner of children, youth, and families; education-related mandated
 9.27 reporter training module on grooming. (a) By August 1, 2027, the commissioner of
 9.28 children, youth, and families must update the existing mandated reporter training that is
 9.29 specifically applicable to professionals or professionals' delegates engaged in education, to
 9.30 include but not be limited to:

9.31 (1) the requirement to report allegations of maltreatment involving students ages 18
 9.32 through 21, including students receiving special education services, up to and including
 9.33 graduation and the issuance of a secondary or high school diploma; and

10.1 (2) addressing grooming and threatened sexual abuse, including the duty to report
10.2 grooming as maltreatment under section 260E.06, and how to identify the signs of grooming.

10.3 (b) The commissioner must consult with the Department of Education while updating
10.4 the training.

10.5 Sec. 8. Minnesota Statutes 2024, section 260E.15, is amended to read:

10.6 **260E.15 SCREENING GUIDELINES.**

10.7 (a) Child protection staff, supervisors, and others involved in child protection screening
10.8 shall follow the guidance provided in the maltreatment screening guidelines issued by the
10.9 commissioner and, when notified by the commissioner, shall immediately implement updated
10.10 procedures and protocols.

10.11 (b) Any modification to the screening guidelines must be preapproved by the
10.12 commissioner and must not be less protective of children than is mandated by statute. The
10.13 county agency must consult with the county attorney before proposing modifications to the
10.14 commissioner. The guidelines may provide additional protection for children but must not
10.15 limit reports that are screened in or provide additional limits on consideration of reports
10.16 that were screened out in making a screening determination.

10.17 (c) The screening guidelines issued by the commissioner must not limit an agency's
10.18 ability to screen in and investigate a report of alleged maltreatment that occurred more than
10.19 three years prior to the date of the report.

10.20 Sec. 9. Minnesota Statutes 2025 Supplement, section 260E.20, subdivision 1, is amended
10.21 to read:

10.22 Subdivision 1. **General duties.** (a) The local welfare agency shall offer services to
10.23 prevent future maltreatment, safeguarding and enhancing the welfare of the maltreated child,
10.24 and supporting and preserving family life whenever possible.

10.25 (b) If the report alleges a violation of a criminal statute involving maltreatment or child
10.26 endangerment under section 609.378, the local law enforcement agency and local welfare
10.27 agency shall coordinate the planning and execution of their respective investigation and
10.28 assessment efforts to avoid a duplication of fact-finding efforts and multiple interviews.
10.29 Each agency shall prepare a separate report of the results of the agency's investigation or
10.30 assessment.

11.1 (c) In cases of alleged child maltreatment resulting in death, the local agency may rely
11.2 on the fact-finding efforts of a law enforcement investigation to make a determination of
11.3 whether or not maltreatment occurred.

11.4 (d) When necessary, the local welfare agency shall seek authority to remove the child
11.5 from the custody of a parent, guardian, or adult with whom the child is living.

11.6 (e) In performing any of these duties, the local welfare agency shall maintain an
11.7 appropriate record.

11.8 (f) In conducting a family assessment, noncaregiver human trafficking assessment, or
11.9 investigation, the local welfare agency shall gather information on the existence of substance
11.10 abuse and domestic violence.

11.11 (g) If the family assessment, noncaregiver human trafficking assessment, or investigation
11.12 indicates there is a potential for abuse of alcohol or other drugs by the parent, guardian, or
11.13 person responsible for the child's care, the local welfare agency must coordinate a
11.14 comprehensive assessment pursuant to section 245G.05.

11.15 (h) The agency may use either a family assessment or investigation to determine whether
11.16 the child is safe when responding to a report resulting from birth match data under section
11.17 260E.03, subdivision 23, paragraph (c). If the child subject of birth match data is determined
11.18 to be safe, the agency shall consult with the county attorney to determine the appropriateness
11.19 of filing a petition alleging the child is in need of protection or services under section
11.20 260C.007, subdivision 6, clause (16), in order to deliver needed services. If the child is
11.21 determined not to be safe, the agency and the county attorney shall take appropriate action
11.22 as required under section 260C.503, subdivision 2.

11.23 (i) When conducting any family assessment, noncaregiver human trafficking assessment,
11.24 or investigation, the agency shall ask the child, if age appropriate; parents; extended family;
11.25 and reporter about the child's heritage, including the child's Tribal lineage pursuant to section
11.26 260.761 and the child's race, culture, and ethnicity pursuant to section 260.63, subdivision
11.27 10.

11.28 (j) Nothing in this chapter shall prevent a local welfare agency or local law enforcement
11.29 agency from investigating alleged maltreatment that occurred more than three years prior
11.30 to the date of the maltreatment report.

11.31 Sec. 10. Minnesota Statutes 2024, section 260E.28, subdivision 1, is amended to read:

11.32 Subdivision 1. **Immediate investigation for alleged maltreatment in a facility.** (a)
11.33 The commissioner of human services; children, youth, and families; health; or education,

12.1 whichever is responsible for investigating the report, shall immediately investigate if the
12.2 report alleges that:

12.3 (1) a child who is in the care of a facility as defined in section 260E.03 is the victim of
12.4 maltreatment in a facility by an individual in that facility or has been the victim of
12.5 maltreatment in a facility by an individual in that facility within the three years preceding
12.6 the report; or

12.7 (2) a child is the victim of maltreatment in a facility by an individual in a facility defined
12.8 in section 260E.03, subdivision 6, while in the care of that facility within the three years
12.9 preceding the report.

12.10 (b) The commissioner of the agency responsible for investigating the report shall arrange
12.11 for the transmittal to the commissioner of reports received by local agencies and may delegate
12.12 to a local welfare agency the duty to investigate reports. The commissioner of the agency
12.13 responsible for investigating the report or local welfare agency may interview any children
12.14 who are or have been in the care of a facility under investigation and the children's parents,
12.15 guardians, or legal custodians.

12.16 (c) In conducting an investigation under this section, the commissioner has the powers
12.17 and duties specified for a local welfare agency under this chapter.

12.18 (d) Nothing in this chapter shall prevent the agency responsible for screening and
12.19 investigating allegations of maltreatment from investigating alleged maltreatment that
12.20 occurred more than three years prior to the date of the maltreatment report.

12.21 Sec. 11. Minnesota Statutes 2024, section 471.6161, is amended by adding a subdivision
12.22 to read:

12.23 Subd. 9. **School districts and charter schools; reports.** (a) For purposes of this
12.24 subdivision, an entity offering or providing group health insurance includes both health
12.25 plan companies and third-party administrators of health plans.

12.26 (b) By July 15, 2026, and July 1 each year thereafter, the Legislative Budget Office must
12.27 send an annual survey regarding health insurance costs to all school districts and charter
12.28 schools in this state.

12.29 (c) The annual survey must be completed by the school district or charter school using
12.30 data from its most recent plan year, be returned to the Legislative Budget Office by September
12.31 1 of each year, and provide the following information about school employees who meet
12.32 the definition of public employee under section 179A.03, subdivision 14:

- 13.1 (1) the total number of salaried employees;
- 13.2 (2) the total number of nonsalaried or hourly employees;
- 13.3 (3) for those participating in the group health insurance offered by the school district or
13.4 charter school, the total number of people, as of May 1, in each of the following categories:
- 13.5 (i) salaried employees;
- 13.6 (ii) nonsalaried or hourly employees; and
- 13.7 (iii) retirees and any other persons who continue to receive coverage through the school
13.8 district's or charter school's health plan after separation from employment;
- 13.9 (4) the total number of employees not participating in the health plan;
- 13.10 (5) the total number of insured persons covered by the health plan;
- 13.11 (6) the total dollar amount the school district or charter school paid in health insurance
13.12 premiums on behalf of all employees, not including employee contributions transmitted to
13.13 an entity providing group health insurance coverage or payments made on behalf of former
13.14 employees;
- 13.15 (7) if a school district or charter school funds an individual coverage health reimbursement
13.16 arrangement, the total amount contributed by the school district or charter school;
- 13.17 (8) the total amount employees paid in health insurance premiums;
- 13.18 (9) an accounting of all forms of compensation, either direct or indirect, including but
13.19 not limited to fees, commissions, incentives, or rewards of any kind paid to a broker or
13.20 agent, regardless of whether it was billed as a flat fee, or percentage of premium and whether
13.21 paid directly by the school district or charter school or through the entity offering group
13.22 health insurance;
- 13.23 (10) the name of any entity providing group health insurance the school district or charter
13.24 school has contracted with and the expiration date of the contract;
- 13.25 (11) the date range of the most recent plan year;
- 13.26 (12) for each type of health plan offered to employees of a school district or charter
13.27 school:
- 13.28 (i) the name of the plan and its actuarial value, using the minimum value calculator
13.29 information required in bid proposals under section 471.6161, subdivision 8, paragraph (d),
13.30 clause (2), and described in the Code of Federal Regulations, title 45, section 156.145. The
13.31 plan data must also delineate amounts for single, family, and two-party plans, if offered;

- 14.1 (ii) the monthly contribution by the school district or charter school for each employee
 14.2 group per plan, including contributions to individual coverage health reimbursement
 14.3 arrangements;
- 14.4 (iii) the amount per month an employee must pay in health insurance premiums for the
 14.5 plan; and
- 14.6 (iv) the plan design for each type of plan including:
- 14.7 (A) in-network deductibles;
- 14.8 (B) in-network out-of-pocket limits;
- 14.9 (C) out-of-network limits;
- 14.10 (D) co-payment;
- 14.11 (E) the employee's share of coinsurance; and
- 14.12 (F) the prescription annual out of pocket maximum, if separate from subitem (B);
- 14.13 (13) the dollar or percentage cost for all prescription levels, commonly generic or tier
 14.14 1, formulary or tier 2, and nonformulary or tier 3;
- 14.15 (14) the total amount of annual contributions, per employee, paid by the school district
 14.16 or charter school to an individual coverage health reimbursement arrangement or health
 14.17 savings account, excluding amounts contributed solely to a health care retirement account;
- 14.18 (15) the total amount assessed by the entity providing group health insurance as an
 14.19 administrative fee and the rate of the fee assessed;
- 14.20 (16) if a school district is self-insured, the total amount that is in a district set aside health
 14.21 insurance reserve account; and
- 14.22 (17) any additional items as determined by the Legislative Budget Office.
- 14.23 (d) The Legislative Budget Office must compile information from the surveys described
 14.24 above and provide a report by December 1 of each year to the chairs and ranking minority
 14.25 members of the legislative committees with jurisdiction over education and health insurance.
 14.26 The Legislative Budget Office must post the report, including the executive summary and
 14.27 all underlying data received from school districts and charter schools, on its public website.
 14.28 Data posted on the Legislative Budget Office's website must be in a standardized format.
- 14.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

15.1 Sec. 12. Minnesota Statutes 2024, section 609.352, subdivision 1, is amended to read:

15.2 Subdivision 1. **Definitions.** As used in this section:

15.3 (a) "child" means a person 15 years of age or younger;

15.4 (b) "pattern" means two or more instances of conduct;

15.5 ~~(b)~~ (c) "sexual conduct" means sexual contact of the individual's primary genital area,
15.6 sexual penetration as defined in section 609.341, or sexual performance as defined in section
15.7 617.246; and

15.8 ~~(e)~~ (d) "solicit" means commanding, entreating, or attempting to persuade a specific
15.9 person in person, by telephone, by letter, or by computerized or other electronic means.

15.10 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
15.11 committed on or after that date.

15.12 Sec. 13. Minnesota Statutes 2024, section 609.352, is amended by adding a subdivision
15.13 to read:

15.14 Subd. 2c. **Grooming.** (a) A person 18 years of age or older commits the felony offense
15.15 of grooming, and may be sentenced as provided in subdivision 4, if the person:

15.16 (1) expresses the desire or intent to engage in sexual conduct with a child; and

15.17 (2) engages in a deliberate pattern of conduct to methodically develop a false trusting
15.18 relationship with the child that is intended to strategically manipulate the child to engage
15.19 in sexual conduct with the person at a future time, regardless of whether any sexual conduct
15.20 occurs.

15.21 (b) For purposes of this subdivision, a deliberate pattern of conduct may include but is
15.22 not limited to:

15.23 (1) communications or conversations sharing desires about sexual intimacy or sexual
15.24 contact between the person and the child;

15.25 (2) normalizing sexualized physical conduct or attempts to initiate such conduct;

15.26 (3) watching the child undress or appearing undressed in front of the child; or

15.27 (4) use of threats or control in an attempt to ensure secrecy or compliance from the child.

15.28 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
15.29 committed on or after that date.

16.1 Sec. 14. Minnesota Statutes 2024, section 609.352, is amended by adding a subdivision
16.2 to read:

16.3 Subd. 2d. **Violations by persons in positions of authority.** A person who commits any
16.4 of the acts described in subdivisions 2 through 2c is guilty of a felony if:

16.5 (1) the person is in a current or recent position of authority, as defined in section 609.341,
16.6 subdivision 10, over the victim;

16.7 (2) the person is more than 36 months older than the victim; and

16.8 (3) the victim is under the age of 18 years.

16.9 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
16.10 committed on or after that date.

16.11 Sec. 15. Minnesota Statutes 2024, section 609.352, is amended by adding a subdivision
16.12 to read:

16.13 Subd. 2e. **School violations.** A person who commits any of the acts described in
16.14 subdivisions 2 through 2c is guilty of a felony if:

16.15 (1) the person is a licensed educator employed or contracted to provide service for an
16.16 elementary, middle, or secondary school; and

16.17 (2) the victim, regardless of age, is enrolled as a student at the school.

16.18 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
16.19 committed on or after that date.

16.20 Sec. 16. Minnesota Statutes 2024, section 609.352, subdivision 4, is amended to read:

16.21 Subd. 4. **Penalty.** A person convicted under subdivision 2 ~~or~~, 2a, 2c, 2d, or 2e is guilty
16.22 of a felony and may be sentenced to imprisonment for not more than five years, or to payment
16.23 of a fine of not more than \$10,000, or both.

16.24 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
16.25 committed on or after that date.

16.26 Sec. 17. Laws 2023, chapter 55, article 8, section 19, subdivision 5, as amended by Laws
16.27 2024, chapter 115, article 8, section 4, is amended to read:

16.28 Subd. 5. **Grants for gender-neutral single-user restrooms.** (a) For grants to school
16.29 districts for remodeling, constructing, or repurposing space for gender-neutral single-user
16.30 restrooms:

17.1 \$ 1,000,000 2024

17.2 \$ 1,000,000 2025

17.3 (b) A school district or a cooperative unit under Minnesota Statutes, section 123A.24,
17.4 subdivision 2, may apply for a grant of not more than \$75,000 per site under this subdivision
17.5 in the form and manner specified by the commissioner. The commissioner must award at
17.6 least one grant under this subdivision to Independent School District No. 709, Duluth, for
17.7 a demonstration grant for a project awaiting construction.

17.8 (c) The commissioner must ensure that grants are awarded to schools to reflect the
17.9 geographic diversity of the state.

17.10 (d) Up to \$75,000 each year is available for grant administration and monitoring.

17.11 (e) By February 1 of each year, the commissioner must annually report to the committees
17.12 of the legislature with jurisdiction over education on the number of grants that were awarded
17.13 each year and the number of grant applications that were unfunded during that year.

17.14 (f) Any balance in the first year does not cancel but is available in the second year.

17.15 (g) These appropriations are available until June 30, 2029.

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

17.17 Sec. 18. Laws 2025, First Special Session chapter 10, article 8, section 18, subdivision 5,
17.18 is amended to read:

17.19 **Subd. 5. Grants for gender-neutral single-user restrooms.** (a) For grants to school
17.20 districts for remodeling, constructing, or repurposing space for gender-neutral single-user
17.21 restrooms:

17.22 \$ 1,000,000 2026

17.23 \$ 1,000,000 2027

17.24 (b) A school district or a cooperative unit under Minnesota Statutes, section 123A.24,
17.25 subdivision 2, may apply for a grant of not more than \$75,000 per site under this subdivision
17.26 in the form and manner specified by the commissioner.

17.27 (c) The commissioner must ensure that grants are awarded to schools to reflect the
17.28 geographic diversity of the state.

17.29 (d) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, up to \$75,000
17.30 of the appropriation in each year is available for grant administration.

18.1 (e) By February 1 of each even-numbered year, the commissioner must ~~annually~~ report
 18.2 to the legislative committees with jurisdiction over kindergarten through grade 12 education
 18.3 on the number of grants that were awarded each year and the number of grant applications
 18.4 that were unfunded each year.

18.5 (f) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

18.6 (g) These appropriations are available until June 30, 2031.

18.7 Sec. 19. Laws 2025, First Special Session chapter 10, article 12, section 8, is amended to
 18.8 read:

18.9 Sec. 8. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

18.10 Subdivision 1. **Department of Education.** The sums indicated in this section are
 18.11 appropriated from the general fund to the Department of Education for the fiscal years
 18.12 designated. Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

18.13 Subd. 2. **Department.** (a) For the Department of Education:

18.14 \$ 46,508,000 2026

18.15 ~~41,196,000~~

18.16 \$ 42,647,000 2027

18.17 Of these amounts:

18.18 (1) \$405,000 each year is for the Board of School Administrators;

18.19 (2) \$1,000,000 each year is for regional centers of excellence under Minnesota Statutes,
 18.20 section 120B.115;

18.21 (3) \$720,000 each year is for implementing Minnesota's Learning for English Academic
 18.22 Proficiency and Success Act (LEAPS) under Laws 2014, chapter 272, article 1, as amended;

18.23 (4) \$480,000 each year is for the Department of Education's mainframe update;

18.24 (5) \$6,000,000 in fiscal year 2026 only is for legal fees and costs associated with: (i)
 18.25 litigation in which the department, commissioner, or department employee operating in
 18.26 their official capacity is the defendant, respondent, appellant, or relator; (ii) litigation initiated
 18.27 by the department, commissioner, or department employee operating in their official capacity
 18.28 to stop payment or recover funds in cases of alleged malfeasance or misuse; (iii) expenses
 18.29 for required administrative legal activities, including data practices operations and appeals
 18.30 from administrative decisions; and (iv) legal staff required for clauses (i), (ii), and (iii);

18.31 (6) \$2,359,000 each year is for modernizing district data submissions;

19.1 (7) \$573,000 each year is for engagement and rulemaking related to Specific Learning
19.2 Disability;

19.3 (8) \$2,000,000 each year is for the Office of the Inspector General established under
19.4 Minnesota Statutes, section 127A.21;

19.5 (9) \$800,000 each year is for audit and internal control resources;

19.6 (10) \$175,000 each year is for administrative expenses for unemployment aid, and, in
19.7 consultation with the Department of Employment and Economic Development, guidance
19.8 to educational institutions eligible for reimbursement under Minnesota Statutes 2024, section
19.9 124D.995, including written guidance for school employees on eligibility for unemployment
19.10 benefits between academic terms;

19.11 (11) \$550,000 each year is for General Counsel and Inspector General staff and case
19.12 management and fiscal analysis technology to support program compliance and integrity;
19.13 ~~and~~

19.14 (12) \$572,000 each year is for administration of the Summer Electronic Benefits Transfer
19.15 Program; and

19.16 (13) \$1,451,000 in fiscal year 2027 only is for increasing the capacity of the student
19.17 maltreatment program. The base for the allocation under this clause is \$1,441,000 in fiscal
19.18 year 2028 and \$1,442,000 in fiscal year 2029 and later.

19.19 (b) None of the amounts appropriated under this subdivision may be used for Minnesota's
19.20 Washington, D.C., office.

19.21 (c) The expenditures of federal grants and aids as shown in the biennial budget document
19.22 and its supplements are approved and appropriated and must be spent as indicated.

19.23 (d) The base for fiscal year 2028 ~~and later~~ is ~~\$41,326,000~~ \$42,767,000. The base for
19.24 fiscal year 2029 and later is \$42,768,000.

19.25 Sec. 20. **BASE ADJUSTMENT; DEPARTMENT OF CORRECTIONS.**

19.26 The commissioner of management and budget must increase the total budget base
19.27 established in law for incarceration and prerelease services at the Department of Corrections
19.28 by \$13,000 for fiscal year 2028 and by \$35,000 for fiscal year 2029 and later for bed costs
19.29 related to criminal grooming offenses.

20.1 Sec. 21. APPROPRIATION; DEPARTMENT OF EDUCATION.

20.2 \$25,489,000 in fiscal year 2027 is appropriated from the general fund to the commissioner
20.3 of education for additional general education aid.

20.4 Sec. 22. APPROPRIATION; LEGISLATIVE COORDINATING COMMISSION.

20.5 \$18,000 in fiscal year 2026 and \$74,000 in fiscal year 2027 are appropriated from the
20.6 general fund to the Legislative Coordinating Commission for the Legislative Budget Office
20.7 to complete the annual report required by Minnesota Statutes, section 471.6161, subdivision
20.8 9. The base for this appropriation is \$36,000 in fiscal year 2028 and later.

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

20.10 Sec. 23. SCHOOL DISTRICT FUND TRANSFERS.

20.11 Subdivision 1. Ivanhoe Public Schools. Notwithstanding Minnesota Statutes, section
20.12 123B.79, 123B.80, or 142D.11, subdivision 9, on June 30, 2026, Independent School District
20.13 No. 403, Ivanhoe, may permanently transfer up to \$68,000 from its early childhood family
20.14 education reserve balance in the community service fund to its undesignated balance in the
20.15 general fund, provided that the school board approves the transfer.

20.16 Subd. 2. Maple Lake Public Schools. Notwithstanding Minnesota Statutes, section
20.17 123B.79, 123B.80, or 475.61, subdivision 4, on June 30, 2026, Independent School District
20.18 No. 881, Maple Lake Public Schools, may permanently transfer up to \$1,800,000 from its
20.19 building construction fund to the reserved account for operating capital in the general fund
20.20 without making a levy reduction, provided that the school board approves the transfer.

20.21 Subd. 3. Moorhead Area Public Schools. (a) Notwithstanding Minnesota Statutes,
20.22 section 123B.79, 123B.80, or 124D.20, subdivision 10, on June 30, 2026, Independent
20.23 School District No. 152, Moorhead Area Public Schools, may permanently transfer up to
20.24 \$80,114 from its restricted fund balance in the community service fund to its undesignated
20.25 balance in the general fund, provided that the school board approves the transfer.

20.26 (b) Notwithstanding Minnesota Statutes, section 123B.595, subdivisions 10, 11, and 12;
20.27 123B.79; or 123B.80, on June 30, 2026, Independent School District No. 152, Moorhead
20.28 Area Public Schools, may permanently transfer up to \$150,388 from its long-term facilities
20.29 maintenance reserve account in the general fund to its undesignated balance in the general
20.30 fund, provided that the school board approves the transfer.

20.31 Subd. 4. West St. Paul-Mendota Heights-Eagan. Notwithstanding Minnesota Statutes,
20.32 section 123B.79, 123B.80, or 475.61, subdivision 4, on June 30, 2026, Independent School

21.1 District No. 197, West St. Paul-Mendota Heights-Eagan, may permanently transfer up to
 21.2 \$4,500,000 from its building construction fund to the reserve account for operating capital
 21.3 in the general fund without making a levy reduction, provided that the school board approves
 21.4 the transfer.

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

21.6 **ARTICLE 2**
 21.7 **HIGHER EDUCATION APPROPRIATIONS**

21.8 Section 1. **APPROPRIATION; OFFICE OF HIGHER EDUCATION.**

21.9 \$52,000,000 in fiscal year 2027 is appropriated from the general fund to the commissioner
 21.10 of the Office of Higher Education for the state grant program under Minnesota Statutes,
 21.11 section 136A.121. This appropriation is in addition to the appropriation in Laws 2025, First
 21.12 Special Session chapter 5, article 1, section 2, subdivision 2. This is a onetime appropriation.

21.13 **ARTICLE 3**
 21.14 **HIGHER EDUCATION POLICY**

21.15 Section 1. Minnesota Statutes 2024, section 136A.64, subdivision 1, is amended to read:

21.16 Subdivision 1. **Schools to provide information.** As a basis for registration, schools
 21.17 shall provide the office with such information as the office needs to determine the nature
 21.18 and activities of the school, including but not limited to the following which shall be
 21.19 accompanied by an affidavit attesting to its accuracy and truthfulness:

21.20 (1) articles of incorporation, constitution, bylaws, or other operating documents;

21.21 (2) a duly adopted statement of the school's mission and goals;

21.22 (3) evidence of current school or program licenses granted by departments or agencies
 21.23 of any state;

21.24 (4) compliance audits and audited financial statements that meet the requirements of
 21.25 Code of Federal Regulations, title 34, section 668.23; United States Code, title 20, chapter
 21.26 28, section 1094; Code of Federal Regulations, title 2, subpart A, part 200, subpart F, under
 21.27 200.501 and 200.503; and United States Code, title 31, chapter 75, which shall be submitted
 21.28 to the office on the same schedule stated under section 136A.675, subdivision 1a, paragraph
 21.29 (a);

21.30 (5) all current promotional and recruitment materials and advertisements; ~~and~~

21.31 (6) the current school catalog and, if not contained in the catalog:

- 22.1 (i) the members of the board of trustees or directors, if any;
- 22.2 (ii) the current institutional officers;
- 22.3 (iii) current full-time and part-time faculty with degrees held or applicable experience;
- 22.4 (iv) a description of all school facilities;
- 22.5 (v) a description of all current course offerings;
- 22.6 (vi) all requirements for satisfactory completion of courses, programs, and degrees;
- 22.7 (vii) the school's policy about freedom or limitation of expression and inquiry;
- 22.8 (viii) a current schedule of fees, charges for tuition, required supplies, student activities,
- 22.9 housing, and all other standard charges;
- 22.10 (ix) the school's policy about refunds and adjustments;
- 22.11 (x) the school's policy about granting credit for prior education, training, and experience;
- 22.12 (xi) the school's policies about student admission, evaluation, suspension, and dismissal;
- 22.13 and
- 22.14 (xii) the school's disclosure to students on the student complaint process under section
- 22.15 136A.672; and
- 22.16 (7) enrollment data by academic term or calendar period following the submission
- 22.17 schedules in section 136A.675, subdivision 1a, paragraph (b).
- 22.18 Sec. 2. Minnesota Statutes 2024, section 136A.675, is amended by adding a subdivision
- 22.19 to read:
- 22.20 Subd. 1a. **Institutional reporting schedules for audits and enrollment data.** (a) An
- 22.21 institution must submit to the office the required audit reports under section 136A.64,
- 22.22 subdivision 1, clause (4), by the earlier of 30 days after the issuance date of an audit or nine
- 22.23 months after the last day of the institution's fiscal year.
- 22.24 (b) An institution must submit to the office the enrollment data required under section
- 22.25 136A.64, subdivision 1, clause (7), using one of the two following schedules:
- 22.26 (1) a school with limited program start dates within its academic year shall provide the
- 22.27 office with a copy of the school's internal enrollment report for each academic term as soon
- 22.28 as it is released internally. The school may provide the report with no additional data or
- 22.29 required calculations; or

23.1 (2) a school with multiple or rolling program start dates must provide enrollment data
 23.2 to the office at least four times per year. Each school must determine four reporting dates
 23.3 per year that would result in the most useful data being provided to the office and must
 23.4 provide the office with the school's proposed enrollment reporting schedule.

23.5 Sec. 3. Minnesota Statutes 2025 Supplement, section 136A.69, subdivision 1, is amended
 23.6 to read:

23.7 Subdivision 1. **Registration fees.** (a) The office shall collect reasonable registration fees
 23.8 that are sufficient to recover, but do not exceed, its costs of administering the registration
 23.9 program. At the end of each fiscal year, the office must review the total amount of registration
 23.10 fees collected and the total costs of administering the registration program. The office shall
 23.11 charge the fees listed in paragraphs (b) ~~to (d)~~ and (c) for new registrations.

23.12 (b) A new school must pay registration fees based on the institution's total full-time
 23.13 equivalent enrollment in the following amounts:

23.14 (1) \$5,000 for institutions with 2,500 or fewer full-time equivalent enrollment;

23.15 (2) \$7,500 for institutions with 2,501 to 5,000 full-time equivalent enrollment;

23.16 (3) \$10,000 for institutions with 5,001 to 7,500 full-time equivalent enrollment;

23.17 (4) \$15,000 for institutions with 7,501 to 10,000 full-time equivalent enrollment; and

23.18 (5) \$20,000 for institutions with 10,001 or greater full-time equivalent enrollment, and
 23.19 for institutions with no data on the previous year's full-time equivalent enrollment.

23.20 Full-time equivalent enrollment is established using the previous year's full-time equivalent
 23.21 enrollment as established in the United States Department of Education Integrated
 23.22 Postsecondary Education Data System. If enrollment cannot be established using the United
 23.23 States Department of Education Integrated Postsecondary Education Data System, the office
 23.24 may establish an institution's full-time equivalent enrollment through verification of its
 23.25 enrollment data submitted in accordance with section 136A.64, subdivision 1, clause (7).

23.26 (c) A new school must pay registration fees in an amount equal to the fee under paragraph
 23.27 (b), plus fees for each nondegree program or degree as follows:

23.28 nondegree program \$250

23.29 degree program \$750

23.30 ~~(d) In addition to the fees under paragraphs (b) and (c), a fee of \$600 must be paid for~~
 23.31 ~~an initial application that: (1) has had four revisions, corrections, amendment requests, or~~
 23.32 ~~application reminders for the same application or registration requirement; or (2) cumulatively~~

24.1 ~~has had six revisions, corrections, amendment requests, or application reminders for the~~
 24.2 ~~same license application and the school seeks to continue with the application process with~~
 24.3 ~~additional application submissions. If this fee is paid, the school may submit two final~~
 24.4 ~~application submissions for review prior to application denial under section 136A.65,~~
 24.5 ~~subdivision 8. This provision excludes from its scope nonrepetitive questions or clarifications~~
 24.6 ~~initiated by the school before the submission of the application, initial interpretation questions~~
 24.7 ~~or inquiries from the office regarding a completed application, and initial requests from the~~
 24.8 ~~office for verification or validation of a completed application.~~

24.9 ~~(e)~~ (d) The annual renewal registration fee is based on an institution's total full-time
 24.10 equivalent enrollment in the following amounts:

24.11 (1) \$1,500 for institutions with 2,500 or fewer full-time equivalent enrollment;

24.12 (2) \$3,000 for institutions with 2,501 to 5,000 full-time equivalent enrollment;

24.13 (3) \$5,000 for institutions with 5,001 to 10,000 full-time equivalent enrollment; and

24.14 (4) \$7,500 for institutions with 10,001 or greater full-time equivalent enrollment, and

24.15 for institutions with no data on the previous year's full-time equivalent enrollment.

24.16 Full-time equivalent enrollment is established using the previous year's full-time equivalent
 24.17 enrollment as established in the United States Department of Education Integrated
 24.18 Postsecondary Education Data System. If enrollment cannot be established using the United
 24.19 States Department of Education Integrated Postsecondary Education Data System, the office
 24.20 may establish an institution's full-time equivalent enrollment through verification of its
 24.21 enrollment data submitted in accordance with section 136A.64, subdivision 1, clause (7).

24.22 ~~(f) In addition to the fee under paragraph (e), a fee of \$600 must be paid for a renewal~~
 24.23 ~~application that: (1) has had four revisions, corrections, amendment requests, or application~~
 24.24 ~~reminders for the same application or registration requirement; or (2) cumulatively has had~~
 24.25 ~~six revisions, corrections, amendment requests, or application reminders for the same license~~
 24.26 ~~application and the school seeks to continue with the application process with additional~~
 24.27 ~~application submissions. If this fee is paid, the school may submit two final application~~
 24.28 ~~submissions for review prior to application denial under section 136A.65, subdivision 8.~~
 24.29 ~~This provision excludes from its scope nonrepetitive questions or clarifications initiated by~~
 24.30 ~~the school before the submission of the application, initial interpretation questions or inquiries~~
 24.31 ~~from the office regarding a completed application, and initial requests from the office for~~
 24.32 ~~verification or validation of a completed application.~~

25.1 Sec. 4. Minnesota Statutes 2025 Supplement, section 136A.821, subdivision 5, is amended
25.2 to read:

25.3 Subd. 5. **Private career school.** "Private career school" means a person who maintains
25.4 a physical presence for any program at less than an associate degree level. Private career
25.5 school does not extend to:

25.6 (1) public postsecondary institutions with a physical presence in Minnesota;

25.7 (2) postsecondary institutions registered under sections 136A.61 to 136A.71;

25.8 (3) postsecondary institutions exempt from registration under section 136A.653,
25.9 subdivisions 1b, 2, 3, and 3a; ~~136A.657~~₂; or 136A.658 due to the nature of the institution's
25.10 programs;

25.11 (4) schools exclusively engaged in training physically or mentally disabled persons;

25.12 (5) courses taught to students in an apprenticeship program registered by the United
25.13 States Department of Labor or Minnesota Department of Labor and taught by or required
25.14 by a trade union in which students are not responsible for tuition, fees, or any other charges,
25.15 regardless of payment or reimbursement method;

25.16 (6) programs contracted by persons or government agencies for the training of their own
25.17 employees for which no fee is charged to the employee, regardless of whether that fee is
25.18 reimbursed by the employer or a third party after the employee successfully completes the
25.19 training, except for institutions or programs required to obtain a limited license exclusively
25.20 to receive the dual training grant;

25.21 (7) schools with no physical presence in Minnesota engaged exclusively in offering
25.22 distance programs that are located in and approved by other states or jurisdictions if the
25.23 distance education program does not include internships, externships, field placements, or
25.24 clinical placements for residents of Minnesota;

25.25 (8) schools licensed or approved by other state boards or agencies authorized under
25.26 Minnesota law to issue licenses for institutions or programs, except for institutions or
25.27 programs required to be licensed exclusively to participate in state financial aid or be listed
25.28 on the eligible training provider list, access WIOA funding, or receive the dual training
25.29 grant;

25.30 (9) review classes, courses, or programs intended to prepare students to sit for
25.31 undergraduate, graduate, postgraduate, or occupational licensing, certification, or entrance
25.32 examinations;

26.1 (10) classes, courses, or programs conducted by a bona fide trade, professional, or
 26.2 fraternal organization, solely for that organization's membership and not available to the
 26.3 public. In making the determination that the organization is bona fide, the office may request
 26.4 the school provide three certified letters from persons that qualify as evaluators under section
 26.5 136A.828, subdivision 3, paragraph (1), that the organization is recognized in Minnesota;

26.6 (11) programs ~~in the fine arts provided by organizations~~ exempt from taxation under
 26.7 section 290.05 and registered with the attorney general under chapter 309. ~~For purposes of~~
 26.8 ~~this clause, "fine arts" means activities resulting in artistic creation or artistic performance~~
 26.9 ~~of works of the imagination which are engaged in for the primary purpose of creative~~
 26.10 ~~expression rather than commercial sale, vocational or career advancement, or employment;~~
 26.11 or

26.12 (12) classes, courses, or programs intended to fulfill the continuing education
 26.13 requirements for a bona fide licensure or certification in a profession that have been approved
 26.14 by a legislatively or judicially established board or agency responsible for regulating the
 26.15 practice of the profession or by an industry-specific certification entity and that are offered
 26.16 exclusively to individuals with the professional licensure or certification.

26.17 Sec. 5. Minnesota Statutes 2024, section 136A.822, subdivision 9, is amended to read:

26.18 Subd. 9. **Fees and terms of license.** An application for an initial license under sections
 26.19 136A.821 to 136A.833 shall be accompanied by ~~a nonrefundable~~ an application fee as
 26.20 provided in section 136A.824 that is sufficient to recover, but not exceed, the administrative
 26.21 costs of the office. At the end of each fiscal year, the office must review the total amount
 26.22 of initial licensure application fees collected and the total administrative costs of the office
 26.23 for initial licensures.

26.24 All licenses shall expire one year from the date issued by the office, except as provided
 26.25 in section 136A.823.

26.26 Sec. 6. Minnesota Statutes 2024, section 136A.823, subdivision 1, is amended to read:

26.27 Subdivision 1. **Application.** Application for renewal of a license must be made at least
 26.28 60 days before expiration of the current license on a form provided by the office. A renewal
 26.29 application shall be accompanied by a ~~nonrefundable~~ fee as provided in section 136A.824
 26.30 that is sufficient to recover, but does not exceed, the administrative costs of the office. At
 26.31 the end of each fiscal year, the office must review the total amount of renewal licensure
 26.32 application fees collected and the total administrative costs of the office for renewal
 26.33 licensures.

27.1 Sec. 7. Minnesota Statutes 2025 Supplement, section 136A.824, subdivision 1, is amended
27.2 to read:

27.3 Subdivision 1. **Initial licensure fee.** ~~(a)~~ The office processing fee for an initial licensure
27.4 application is:

27.5 (1) \$3,730 for a private career school that will offer no more than one program during
27.6 its first year of operation;

27.7 (2) \$1,500 for a private career school licensed by another state agency and seeking a
27.8 limited license exclusively in order to participate in state financial aid; and

27.9 (3) \$3,730, plus \$500 for each additional program offered by the private career school,
27.10 for a private career school during its first year of licensed operation.

27.11 ~~(b) In addition to the fee under paragraph (a), a fee of \$600 must be paid for an initial~~
27.12 ~~application that: (1) has had four revisions, corrections, amendment requests, or application~~
27.13 ~~reminders for the same application or licensure requirement; or (2) cumulatively has had~~
27.14 ~~six revisions, corrections, amendment requests, or application reminders for the same license~~
27.15 ~~application and the private career school seeks to continue with the application process with~~
27.16 ~~additional application submissions. If this fee is paid, the private career school may submit~~
27.17 ~~two final application submissions for review prior to application denial under section~~
27.18 ~~136A.829, subdivision 1, clause (2). This provision excludes from its scope nonrepetitive~~
27.19 ~~questions or clarifications initiated by the school before the submission of the application,~~
27.20 ~~initial interpretation questions or inquiries from the office regarding a completed application,~~
27.21 ~~and initial requests from the office for verification or validation of a completed application.~~

27.22 Sec. 8. Minnesota Statutes 2025 Supplement, section 136A.824, subdivision 2, is amended
27.23 to read:

27.24 Subd. 2. **Renewal licensure fee; late fee.** (a) The office processing fee for a renewal
27.25 licensure application is:

27.26 (1) for a private career school, the license renewal fee is \$3,160; and

27.27 (2) for a private career school licensed by another state agency and that also has a limited
27.28 license with the office exclusively in order to participate in state financial aid, the license
27.29 renewal fee is \$1,500.

27.30 (b) If a license renewal application is not received by the office by the expiration of the
27.31 current license, a late fee of \$100 per business day, not to exceed \$3,000, shall be assessed.

28.1 ~~(e) In addition to the fee under paragraph (a), a fee of \$600 must be paid for a renewal~~
 28.2 ~~application that: (1) has had four revisions, corrections, amendment requests, or application~~
 28.3 ~~reminders for the same application or licensure requirement; or (2) cumulatively has had~~
 28.4 ~~six revisions, corrections, amendment requests, or application reminders for the same license~~
 28.5 ~~application and the private career school seeks to continue with the application process with~~
 28.6 ~~additional application submissions. If this fee is paid, the private career school may submit~~
 28.7 ~~two final application submissions for review prior to application denial under section~~
 28.8 ~~136A.829, subdivision 1, clause (2). This provision excludes from its scope nonrepetitive~~
 28.9 ~~questions or clarifications initiated by the school before the submission of the application;~~
 28.10 ~~initial interpretation questions or inquiries from the office regarding a completed application;~~
 28.11 ~~and initial requests from the office for verification or validation of a completed application.~~

28.12 Sec. 9. Minnesota Statutes 2025 Supplement, section 136A.833, subdivision 2, is amended
 28.13 to read:

28.14 Subd. 2. **Exemption reasons.** Sections 136A.821 to 136A.832 shall not apply to the
 28.15 following:

28.16 ~~(1) private career schools engaged exclusively in the teaching of avocational programs~~
 28.17 ~~that are engaged primarily for personal development, recreation, or remedial education, and~~
 28.18 ~~are not generally intended for vocational or career advancement, including adult basic~~
 28.19 ~~education, exercise or fitness teacher programs, modeling, or acting, as determined by the~~
 28.20 ~~office;~~

28.21 ~~(2)~~ classes, courses, or programs providing 40 or fewer clock hours of instruction; and

28.22 ~~(3)~~ (2) private career schools providing training, instructional programs, or courses where
 28.23 tuition, fees, and any other charges for a student to participate do not exceed \$500.

28.24 Sec. 10. **REPEALER.**

28.25 (a) Minnesota Statutes 2024, sections 136A.657; and 136A.834, subdivisions 2, 3, and
 28.26 4, are repealed.

28.27 (b) Minnesota Statutes 2025 Supplement, section 136A.834, subdivisions 1 and 5, are
 28.28 repealed.

29.1 **ARTICLE 4**

29.2 **ENVIRONMENT AND NATURAL RESOURCES**

29.3 Section 1. Laws 2023, chapter 40, article 4, section 2, subdivision 6, as amended by Laws
29.4 2025, chapter 36, article 4, section 15, is amended to read:

29.5 **Subd. 6. Department of Administration** 17,040,000 14,105,000

29.6 (a) The amounts in this subdivision are
29.7 appropriated to the commissioner of
29.8 administration for grants to the named
29.9 organizations for the purposes specified in this
29.10 subdivision. The commissioner of
29.11 administration may use a portion of this
29.12 appropriation for costs that are directly related
29.13 to and necessary for the administration of
29.14 grants in this subdivision.

29.15 (b) Grant agreements entered into by the
29.16 commissioner and recipients of appropriations
29.17 under this subdivision must ensure that money
29.18 appropriated in this subdivision is used to
29.19 supplement and not substitute for traditional
29.20 sources of funding.

29.21 **(c) Minnesota Public Radio**

29.22 \$2,050,000 each year is for Minnesota Public
29.23 Radio to create programming and expand news
29.24 service on Minnesota's cultural heritage and
29.25 history.

29.26 **(d) Association of Minnesota Public Educational**
29.27 **Radio Stations**

29.28 \$2,050,000 the first year and \$2,050,000 the
29.29 second year are to the Association of
29.30 Minnesota Public Educational Radio Stations
29.31 for production and acquisition grants in
29.32 accordance with Minnesota Statutes, section
29.33 129D.19.

29.34 **(e) Public Television**

30.1 \$5,000,000 the first year and \$4,500,000 the
30.2 second year are to the Minnesota Public
30.3 Television Association for production and
30.4 acquisition grants according to Minnesota
30.5 Statutes, section 129D.18. Of the amount in
30.6 the first year, \$1,000,000 is for producing
30.7 Minnesota military and veterans' history
30.8 stories and unique immigrant stories from
30.9 around the state.

30.10 **(f) Wilderness Inquiry**

30.11 \$500,000 the first year and \$600,000 the
30.12 second year are to Wilderness Inquiry to
30.13 preserve Minnesota's outdoor history, culture,
30.14 and heritage by connecting Minnesota youth
30.15 and families to natural resources.

30.16 **(g) Como Park Zoo**

30.17 \$1,725,000 each year is to the Como Park Zoo
30.18 and Conservatory for program development
30.19 that features educational programs and habitat
30.20 enhancement, special exhibits, music
30.21 appreciation programs, and historical garden
30.22 access and preservation.

30.23 **(h) Science Museum of Minnesota**

30.24 \$825,000 each year is to the Science Museum
30.25 of Minnesota for arts, arts education, and arts
30.26 access and to preserve Minnesota's history and
30.27 cultural heritage, including student and teacher
30.28 outreach, statewide educational initiatives, and
30.29 community-based exhibits that preserve
30.30 Minnesota's history and cultural heritage.

30.31 **(i) Appetite for Change**

30.32 \$200,000 the first year is to the nonprofit
30.33 Appetite for Change for the Community Cooks
30.34 programming, which will preserve the cultural

31.1 heritage of growing and cooking food in
31.2 Minnesota.

31.3 **(j) Lake Superior Zoo**

31.4 \$150,000 each year is to the Lake Superior
31.5 Zoo to develop educational exhibits and
31.6 programs.

31.7 **(k) Great Lakes Aquarium**

31.8 \$250,000 each year is to the Lake Superior
31.9 Center Authority to prepare, fabricate, and
31.10 install a hands-on exhibit with interactive
31.11 learning components to educate Minnesotans
31.12 on the history of the natural landscape of the
31.13 state.

31.14 **(l) State Band**

31.15 \$25,000 the first year and \$25,000 the second
31.16 year are to the Minnesota state band to provide
31.17 free concerts throughout the state.

31.18 **(m) Veterans Memorial Park in Wyoming**

31.19 \$100,000 the first year is for a grant to the city
31.20 of Wyoming to build the Veterans Memorial
31.21 Plaza and related interpretive walk in Railroad
31.22 Park.

31.23 **(n) Great Northern Festival**

31.24 \$75,000 the first year and \$75,000 the second
31.25 year are for a grant to support the Great
31.26 Northern Festival, which connects attendees
31.27 to parks, outdoor spaces, and cultural venues
31.28 through a festival.

31.29 **(o) Governor's Council on Developmental
31.30 Disabilities**

31.31 \$50,000 the first year is to the Minnesota
31.32 Governor's Council on Developmental
31.33 Disabilities to continue to preserve and raise

32.1 awareness of the history of Minnesotans with
32.2 developmental disabilities.

32.3 **(p) Minnesota Council on Disability**

32.4 \$125,000 the first year and \$125,000 the
32.5 second year are to the Minnesota Council on
32.6 Disability to provide educational opportunities
32.7 in the arts, history, and cultural heritage of
32.8 Minnesotans with disabilities in conjunction
32.9 with the 50th anniversary of the Minnesota
32.10 Council on Disability. This appropriation is
32.11 available until June 30, 2027.

32.12 **(q) Keller Regional Park**

32.13 \$500,000 the first year is for a grant to Ramsey
32.14 County to preserve Minnesota's cultural
32.15 heritage by enhancing the tuj lub courts at
32.16 Keller Regional Park.

32.17 **(r) Vietnam War Anniversary**

32.18 \$250,000 the first year is for a grant to the
32.19 commissioner of veterans affairs to prepare
32.20 and host a commemoration program for the
32.21 50th anniversary of the Vietnam War.

32.22 **(s) St. Paul Cultural Art Installation**

32.23 \$500,000 the first year is for a grant to
32.24 ~~Forecast Public Art for an~~ the city of St. Paul
32.25 for a public art installation celebrating
32.26 Olympic gold medalist Suni Lee. The project
32.27 funded by this paragraph must be located in
32.28 St. Paul at the Conway Recreation Center or,
32.29 if that site is not practicable, at Lake Phalen
32.30 at the platform containing the bust of Suni
32.31 Lee. This appropriation is available until June
32.32 30, ~~2027~~ 2028.

32.33 **(t) One Heartland Center**

33.1 \$50,000 each year is for a grant to One
33.2 Heartland Center for programming and
33.3 outdoor activities for families and youth in
33.4 Minnesota.

33.5 **(u) Forest Lake Veterans Memorial**

33.6 \$100,000 the first year is for a grant to the
33.7 Forest Lake Veterans Memorial Committee
33.8 to construct a memorial to veterans of the
33.9 United States armed forces at Lakeside
33.10 Memorial Park in the city of Forest Lake. This
33.11 appropriation is available until June 30, 2027.

33.12 **(v) Hmong Plaza**

33.13 \$450,000 the first year is for a grant to the city
33.14 of St. Paul to construct the Hmong Plaza at
33.15 Phalen Lake.

33.16 **(w) Camille Gage Artist Fellowship**

33.17 \$55,000 the first year and \$55,000 the second
33.18 year are for a grant to YWCA Minneapolis to
33.19 fund an annual fellowship to be known as the
33.20 Camille J. Gage Artist Fellowship. Of this
33.21 amount, up to \$5,000 each year may be used
33.22 for administrative expenses. YWCA
33.23 Minneapolis must select a person for the
33.24 Camille J. Gage Artist Fellowship after an
33.25 application process that allows both
33.26 applications by interested persons and
33.27 nominations of persons by third parties. By
33.28 October 1, 2026, YWCA Minneapolis must
33.29 report to the chairs and ranking minority
33.30 members of the legislative committees and
33.31 divisions with jurisdiction over legacy on the
33.32 use of money appropriated under this
33.33 paragraph and on the activities of the person
33.34 selected for the Camille J. Gage Artist

34.1 Fellowship under this paragraph. This
34.2 appropriation is available until June 30, 2026.

34.3 **(x) Minnesota African American Heritage**
34.4 **Museum and Gallery**

34.5 \$235,000 the first year and \$125,000 the
34.6 second year are for arts and cultural heritage
34.7 programming celebrating African American
34.8 and Black communities in Minnesota. Of the
34.9 amount in the first year, \$110,000 is for C.
34.10 Caldwell Fine Arts for an outdoor mural
34.11 project in North Minneapolis to work with
34.12 young people to develop skills while using art
34.13 as the impetus.

34.14 **(y) Tibetan American Foundation of Minnesota**

34.15 \$25,000 the first year and \$25,000 the second
34.16 year are for a grant to the Tibetan American
34.17 Foundation of Minnesota to celebrate and
34.18 teach the art, culture, and heritage of Tibetan
34.19 Americans in Minnesota.

34.20 **(z) Hong De Wu Guan**

34.21 \$25,000 the first year is for a grant to Hong
34.22 De Wu Guan to create cultural arts projects
34.23 like Lion Dance for after-school programs for
34.24 youth.

34.25 **(aa) Sepak Takraw of USA**

34.26 \$50,000 the first year is for a grant to the
34.27 Sepak Takraw of USA to work with youth and
34.28 after-school programs in the community to
34.29 teach the cultural games of tuj lub and sepak
34.30 takraw. This appropriation may not be used
34.31 to hold events.

34.32 **(bb) 30,000 Feet**

35.1 \$75,000 the first year and \$75,000 the second
35.2 year are for a grant to 30,000 Feet, a nonprofit
35.3 organization, to help youth and community
35.4 artists further develop their artistic skills, to
35.5 create community art and artistic
35.6 performances, and to promote and share
35.7 African American history and culture through
35.8 the arts.

35.9 **(cc) Siengkane Lao Minnesota**

35.10 \$50,000 the first year and \$50,000 the second
35.11 year are for a grant to Siengkane Lao MN to
35.12 create cultural arts projects and to preserve
35.13 traditional performances.

35.14 **(dd) Hmong Cultural Center**

35.15 \$150,000 the first year and \$150,000 the
35.16 second year are for a grant to the Hmong
35.17 Cultural Center of Minnesota for
35.18 museum-related programming and educational
35.19 outreach activities to teach the public about
35.20 the historical, cultural, and folk arts heritage
35.21 of Hmong Minnesotans.

35.22 **(ee) Comunidades Latinas Unidas En Servicio**

35.23 \$250,000 the first year and \$250,000 the
35.24 second year are for a grant to Comunidades
35.25 Latinas Unidas En Servicio (CLUES) to
35.26 expand arts programming to celebrate Latino
35.27 cultural heritage; support local artists; and
35.28 provide professional development, networking,
35.29 and presentation opportunities.

35.30 **(ff) Hmong RPA Writing System**

35.31 \$300,000 the first year and \$300,000 the
35.32 second year are for grants to recipients who
35.33 have demonstrated knowledge and interest in
35.34 preserving Hmong culture to preserve Hmong

36.1 Minnesotans' heritage, history, language, and
36.2 culture. Grants must be used in conjunction
36.3 with Minnesota universities to improve and
36.4 develop a unified and standardized Latin
36.5 alphabet form of the Hmong RPA writing
36.6 system. No portion of this appropriation may
36.7 be used to encourage religious membership
36.8 or to conduct personal ceremonies or events.
36.9 This appropriation is available until June 30,
36.10 2028.

36.11 **(gg) Somali Museum of Minnesota**

36.12 \$125,000 the first year and \$125,000 the
36.13 second year are for a grant to the Somali
36.14 Museum of Minnesota for heritage arts and
36.15 cultural vitality programs to provide classes,
36.16 exhibits, presentations, and outreach about the
36.17 Somali community and heritage in Minnesota.

36.18 **(hh) Minnesota Museum of American Art**

36.19 \$200,000 the first year and \$200,000 the
36.20 second year are for a grant to the Minnesota
36.21 Museum of American Art for exhibit
36.22 programming and for a Native American
36.23 Fellowship at the museum.

36.24 **(ii) Fanka Programs**

36.25 \$250,000 the first year and \$250,000 the
36.26 second year are for a grant to Ka Joog
36.27 statewide Somali-based collaborative
36.28 programs for arts and cultural heritage. The
36.29 funding must be used for Fanka programs to
36.30 provide arts education and workshops, mentor
36.31 programs, and community presentations and
36.32 community engagement events throughout
36.33 Minnesota.

36.34 **(jj) The Bakken Museum**

37.1 \$150,000 the first year is for a grant to The
 37.2 Bakken Museum for interactive exhibits and
 37.3 outreach programs on arts and cultural
 37.4 heritage.

37.5 **(kk) 4-H Shooting Sports**

37.6 \$50,000 the first year is to the University of
 37.7 Minnesota Extension Office to provide grants
 37.8 to Minnesota 4-H chapters that have members
 37.9 participating in state and national
 37.10 4-H-sanctioned shooting sports events.

37.11 Eligible costs for grant money include
 37.12 shooting sports equipment and supplies and
 37.13 event fees associated with participating in state
 37.14 shooting sports events.

37.15 **(ll) Public Art Saint Paul**

37.16 \$75,000 each year is for a grant to Public Art
 37.17 Saint Paul for art programming at the Wakpa
 37.18 Triennial Art Festival to showcase new art
 37.19 across the Twin Cities by Minnesota artists in
 37.20 outdoor and indoor settings and to encourage
 37.21 visitors to experience the arts and culture
 37.22 produced by local arts and culture
 37.23 organizations.

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

37.25 Sec. 2. Laws 2024, chapter 90, article 1, section 52, is amended to read:

37.26 Sec. 52. **EFFECTIVE DATE.**

37.27 (a) Sections 4 to 51, 4, 7, 10 to 12, 14 to 17, and 19 to 51, and the amendments to
 37.28 Minnesota Rules, parts 6100.5002, 6213.0100, 6213.0400, 6213.0500, 6232.0200, 6232.0300,
 37.29 6232.0400, 6232.0500, 6232.0900, 6232.1250, 6232.1300, 6232.1600, 6232.1950, 6232.1970,
 37.30 6232.1980, 6232.2550, 6232.2800, 6232.3100, 6232.4400, 6234.1600, 6234.1700, 6234.2000,
 37.31 6234.2600, 6236.0300, 6236.0500, 6236.0950, 6237.0200, 6262.1000, 6262.3200, 6264.0400,
 37.32 and 6266.0700, and the repealer as adopted by the commissioner of natural resources and

38.1 published in the State Register, volume 49, page 1416, June 30, 2025, are effective upon
38.2 full implementation of the replacement electronic license, permits, and pass portions of the
38.3 electronic license system.

38.4 (b) Sections 5, 6, 8, 9, 13, and 18 are effective upon full implementation of the vehicle
38.5 registration portions of the electronic license system.

38.6 (c) The commissioner of natural resources must notify the revisor of statutes when the
38.7 replacement electronic license system is fully implemented. portions of the replacement
38.8 electronic licensing system governed by the sections and rule modifications described in
38.9 paragraph (a) are fully implemented and when the portions of the replacement electronic
38.10 licensing system governed by the sections described in paragraph (b) are fully implemented.

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

38.12 Sec. 3. **DELETION FROM STATE PARK.**

38.13 **[85.012] [Subd. 42.] Mille Lacs Kathio State Park, Mille Lacs County.** The following
38.14 area is deleted from Mille Lacs Kathio State Park: that part of Government Lot 3, Section
38.15 33, Township 43 North, Range 27 West, Mille Lacs County, Minnesota, lying easterly of
38.16 the easterly right-of-way line of U.S. Trunk Highway 169. Excepting therefrom the following
38.17 described tract of land: commencing at the northwest corner of said Government Lot 3, said
38.18 corner being marked by a 2-½-inch aluminum post with brass cap (Bureau of Land
38.19 Management Monument); thence North 89 degrees 43 minutes 55 seconds East, assumed
38.20 bearing, along the north line of said Government Lot 3, a distance of 1,076.85 feet to the
38.21 point of beginning of the land to be described; thence continuing North 89 degrees 43
38.22 minutes 55 seconds East, along said north line, a distance of 40.88 feet to a ¾-inch iron rod
38.23 with disk stamped MN DNR PROPERTY; thence continuing North 89 degrees 43 minutes
38.24 55 seconds East, along said north line, a distance of 299.64 feet to a ¾-inch rebar with
38.25 plastic cap stamped MN DNR LS 47461; thence South 14 degrees 26 minutes 27 seconds
38.26 East, a distance of 170.18 feet to a ¾-inch iron rod with disk stamped MN DNR PROPERTY;
38.27 thence South 89 degrees 43 minutes 55 seconds West, a distance of 413.14 feet to a ¾-inch
38.28 iron rod; thence continuing South 89 degrees 43 minutes 55 seconds West, a distance of
38.29 10.50 feet; thence North 07 degrees 53 minutes 17 seconds East, a distance of 70.68 feet;
38.30 thence North 18 degrees 01 minute 43 seconds East, a distance of 100.09 feet to the point
38.31 of beginning.

39.1 Sec. 4. **PRIVATE SALE OF SURPLUS LAND BORDERING PUBLIC WATER;**
39.2 **MILLE LACS COUNTY.**

39.3 (a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the
39.4 commissioner of natural resources may sell by private sale the surplus land bordering public
39.5 water that is described in paragraph (c) to a federally recognized Indian Tribe, subject to
39.6 the state's reservation of access and dam easements over the land described in paragraph
39.7 (c) if the state elects to reserve such easements.

39.8 (b) The land must not be sold for less than the appraised value. The buyer must reimburse
39.9 the commissioner for all costs and expenses, including staff costs, incurred by the
39.10 commissioner in making the property salable and in selling the property. The commissioner
39.11 may make necessary changes to the legal description to correct errors and ensure accuracy.

39.12 (c) The land that may be sold is all of or a portion of the land located in Mille Lacs
39.13 County and described as: that part of Government Lot 3, Section 33, Township 43 North,
39.14 Range 27 West, Mille Lacs County, Minnesota, lying easterly of the easterly right-of-way
39.15 line of U.S. Trunk Highway 169. Excepting therefrom the following described tract of land:
39.16 commencing at the northwest corner of said Government Lot 3, said corner being marked
39.17 by a 2-½-inch aluminum post with brass cap (Bureau of Land Management Monument);
39.18 thence North 89 degrees 43 minutes 55 seconds East, assumed bearing, along the north line
39.19 of said Government Lot 3, a distance of 1,076.85 feet to the point of beginning of the land
39.20 to be described; thence continuing North 89 degrees 43 minutes 55 seconds East, along said
39.21 north line, a distance of 40.88 feet to a ¾-inch iron rod with disk stamped MN DNR
39.22 PROPERTY; thence continuing North 89 degrees 43 minutes 55 seconds East, along said
39.23 north line, a distance of 299.64 feet to a ¾-inch rebar with plastic cap stamped MN DNR
39.24 LS 47461; thence South 14 degrees 26 minutes 27 seconds East, a distance of 170.18 feet
39.25 to a ¾-inch iron rod with disk stamped MN DNR PROPERTY; thence South 89 degrees
39.26 43 minutes 55 seconds West, a distance of 413.14 feet to a ¾-inch iron rod; thence continuing
39.27 South 89 degrees 43 minutes 55 seconds West, a distance of 10.50 feet; thence North 07
39.28 degrees 53 minutes 17 seconds East, a distance of 70.68 feet; thence North 18 degrees 01
39.29 minute 43 seconds East, a distance of 100.09 feet to the point of beginning.

39.30 (d) The land to be sold borders on Mille Lacs Lake. The Department of Natural Resources
39.31 has determined that the state's land management interests would best be served if the land
39.32 was conveyed to a federally recognized Indian Tribe.

40.1 Sec. 5. **TIMBER PERMITS; EXTENSIONS.**

40.2 Subdivision 1. Eligibility. For the purpose of this section, an "eligible permit" is a timber
40.3 permit with an expiration date between May 1, 2026, through July 31, 2026, without an
40.4 available regular extension and the permit holder must not be delinquent or have an active
40.5 willful trespass with the state.

40.6 Subd. 2. Extensions. Notwithstanding any provisions to the contrary in Minnesota
40.7 Statutes, chapter 90, upon written request to the commissioner of natural resources by the
40.8 holder of an eligible permit emailed or received with postmark by June 30, 2026, the
40.9 commissioner may grant an extension of the permit for one year without penalty or interest.

40.10 Sec. 6. **APPROPRIATION EXTENSIONS.**

40.11 Subdivision 1. Parks and trails fund appropriation extensions. (a) The availability
40.12 of the grant to the St. Louis and Lake Counties Regional Railroad Authority for the Mesabi
40.13 Trail project from the parks and trails fund fiscal year 2024 appropriation under Laws 2023,
40.14 chapter 40, article 3, section 3, paragraph (c), is extended to June 30, 2027.

40.15 (b) The availability of the grant to Olmsted County for the Oxbow Park and Zollman
40.16 Zoo project from the parks and trails fund fiscal year 2024 appropriation under Laws 2023,
40.17 chapter 40, article 3, section 3, paragraph (c), is extended to June 30, 2027.

40.18 (c) The availability of the grant to Stearns County for the Kraemer Lake and Wildwood
40.19 County Park project from the parks and trails fund fiscal year 2024 appropriation under
40.20 Laws 2023, chapter 40, article 3, section 3, paragraph (c), is extended to June 30, 2027.

40.21 (d) The availability of the grant to Redwood County for the Plum Creek Park project
40.22 from the parks and trails fund fiscal year 2024 appropriation under Laws 2023, chapter 40,
40.23 article 3, section 3, paragraph (c), is extended to June 30, 2027.

40.24 (e) The availability of the grant to the city of Sandstone for the Robinson Quarry Park
40.25 project from the parks and trails fund fiscal year 2025 appropriation under Laws 2023,
40.26 chapter 40, article 3, section 3, paragraph (c), is extended to June 30, 2027.

40.27 (f) The availability of the appropriation for coordination and projects between partners
40.28 from the parks and trails fund in fiscal year 2024 under Laws 2023, chapter 40, article 3,
40.29 section 3, paragraph (f), is extended to June 30, 2027.

40.30 Subd. 2. Department of Natural Resources appropriation extensions. (a) The
40.31 appropriation in Laws 2024, chapter 116, article 1, section 3, subdivision 5, for an electronic
40.32 licensing system is available until June 30, 2027.

41.1 (b) The appropriation in Laws 2023, chapter 60, article 1, section 3, subdivision 6,
41.2 paragraph (h), for a grant to expand Minnesota's wild elk population and range is available
41.3 until June 30, 2027.

41.4 Subd. 3. Metropolitan Council appropriation extensions. (a) The general fund
41.5 appropriation in Laws 2024, chapter 116, article 1, section 5, for community tree-planting
41.6 grants is available until June 30, 2027.

41.7 (b) The natural resources fund appropriation in Laws 2024, chapter 116, article 1, section
41.8 5, for grants to implementing agencies to plant trees is available until June 30, 2027.

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

41.10 Sec. 7. **APPROPRIATION; MINNESOTA ZOOLOGICAL BOARD.**

41.11 \$3,800,000 in fiscal year 2026 is appropriated from the general fund to the Minnesota
41.12 Zoological Board. This is a onetime appropriation.

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

41.14 Sec. 8. **APPROPRIATION; STUDY OF UNLAWFUL SHIPMENT OF INFECTIOUS**
41.15 **OR PATHOLOGICAL WASTE.**

41.16 (a) By January 15, 2027, the commissioner of the Pollution Control Agency must submit
41.17 a study to the chairs and ranking minority members of the senate and house of representatives
41.18 committees and divisions with primary jurisdiction over environment and health and human
41.19 services on the unlawful transportation of infectious or pathological waste to solid waste
41.20 management facilities. The study must include:

41.21 (1) an assessment of the extent and frequency of unlawful transfer of infectious or
41.22 pathological waste to solid waste management facilities and an assessment of the costs
41.23 associated with those unlawful transfers;

41.24 (2) a survey of a representative sample of known generators of infectious and pathological
41.25 waste regarding current practices for ensuring infectious and pathological waste is segregated
41.26 from other waste material as required by Minnesota Statutes, section 116.78; and

41.27 (3) recommendations for legislative or policy changes that could be adopted to reduce
41.28 the frequency and cost of unlawful transfers of infectious or pathological waste, including
41.29 an estimate of the costs to state agencies. In formulating these recommendations, the
41.30 commissioner must consider whether the following measures might contribute to a reduction
41.31 in unlawful transfers of infectious or pathological waste to solid waste management facilities:

42.1 (i) imposing fines on those who unlawfully transport infectious or pathological waste
 42.2 to solid waste management facilities; and

42.3 (ii) undertaking unannounced inspections of infectious or pathological waste generators.

42.4 (b) \$75,000 in fiscal year 2027 is appropriated from the environmental fund to the
 42.5 commissioner of the Pollution Control Agency to conduct the study required by this section.
 42.6 This is a onetime appropriation.

42.7 **Sec. 9. TRANSFER; DEPARTMENT OF NATURAL RESOURCES.**

42.8 Upon request from the commissioner of natural resources, the commissioner of
 42.9 management and budget may transfer up to \$1,600,000 in fiscal year 2026 from any
 42.10 Department of Natural Resources fiscal year 2024 or fiscal year 2025 general fund nongrant
 42.11 operating appropriations that were carried forward to fiscal year 2026 to the Division of
 42.12 Enforcement. This transfer may only be used for nonbudgeted public safety costs that
 42.13 occurred in fiscal year 2026. By September 15, 2026, the commissioner of natural resources
 42.14 must report the amount and source of the transfer authorized under this section to the chairs
 42.15 and ranking minority members of the legislative committees and divisions with jurisdiction
 42.16 over environment and natural resources.

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

42.18 **ARTICLE 5**

42.19 **BATTERY STEWARDSHIP**

42.20 Section 1. Minnesota Statutes 2024, section 115A.03, is amended by adding a subdivision
 42.21 to read:

42.22 Subd. 3b. **Battery.** "Battery" means one or more galvanic cells, including any structural
 42.23 members, casing, and terminals.

42.24 **EFFECTIVE DATE.** This section is effective July 1, 2026.

42.25 Sec. 2. Minnesota Statutes 2024, section 115A.03, is amended by adding a subdivision to
 42.26 read:

42.27 Subd. 10d. **Facilitate a sale.** "Facilitate a sale" means to assist a person in transferring
 42.28 title or possession of a product, regardless of whether title or possession is ever acquired
 42.29 by the person facilitating a sale, such as by operating an online marketplace, publishing an
 42.30 offer for sale on a website, physically storing inventory of products, entering into a contract
 42.31 to allow another person to list a product for sale, processing payment on behalf of another

43.1 person, entering into a contract with a buyer or a seller related to a sale, or otherwise
 43.2 providing a sales process. Facilitate a sale does not include acting solely as:

43.3 (1) an advertiser;

43.4 (2) a payment processor; or

43.5 (3) a common carrier.

43.6 **EFFECTIVE DATE.** This section is effective July 1, 2026.

43.7 **Sec. 3. [115A.1331] STEWARDSHIP PROGRAM FOR COVERED BATTERIES;**

43.8 **DEFINITIONS.**

43.9 (a) The terms used in sections 115A.1331 to 115A.1347 have the meanings given in this
 43.10 section and section 115A.03.

43.11 (b) "Battery-containing product" means a product:

43.12 (1) in which a covered battery is contained;

43.13 (2) to which a covered battery is attached; or

43.14 (3) with which a covered battery is packaged.

43.15 (c) "Brand" means a mark, a registered or unregistered trademark, a logo, a name, a
 43.16 symbol, a word, or an identifier that attributes a product to the owner or licensee of the
 43.17 brand.

43.18 (d) "Collection" means receipt of discarded covered batteries from a person, including
 43.19 sorting and storage that are necessary for receipt and that are performed by the covered
 43.20 battery collector. Collection does not include transport of a covered battery that occurs after
 43.21 a covered battery collector receives the covered battery, except for transport by the covered
 43.22 battery collector to or between a covered battery collection site or sites operated by the
 43.23 covered battery collector.

43.24 (e) "Covered battery" means a loose battery or a battery that is easily removable. A
 43.25 covered battery may be of any brand, type, or chemistry. A covered battery includes a
 43.26 covered small battery or covered medium battery. A covered battery does not include:

43.27 (1) a lead acid battery regulated under sections 325E.115 and 325E.1151;

43.28 (2) a battery designed, manufactured, and intended solely for use in a motor vehicle;

44.1 (3) a battery contained within a medical device, as specified in United States Code, title
44.2 21, section 321(h), as it existed as of the effective date of this section, that is not designed
44.3 and marketed for sale or resale principally to consumers for personal use;

44.4 (4) a battery removed from a permanent, stationary, energy storage system that requires
44.5 installation and removal by an electrician licensed under chapter 326B;

44.6 (5) a battery transported into the state after the battery is collected in another state; or

44.7 (6) a battery subject to recall for safety reasons.

44.8 (f) "Covered battery collection site" means a physical location where a covered battery
44.9 collector collects covered batteries from other persons, regardless of whether the covered
44.10 battery collector operates the location permanently, temporarily, or for purposes of a
44.11 collection event.

44.12 (g) "Covered battery collector" means a person that collects covered batteries on behalf
44.13 of and under agreement with a covered battery stewardship organization and receives
44.14 reimbursement at the rates determined according to section 115A.1335 from a covered
44.15 battery stewardship organization for the covered battery collector's costs for collection of
44.16 the covered batteries.

44.17 (h) "Covered battery producer" means the following person responsible for compliance
44.18 with requirements under sections 115A.1331 to 115A.1347 for a covered battery sold,
44.19 including online sales, offered for sale or promotional purposes, or distributed in or into the
44.20 state:

44.21 (1) for a covered battery:

44.22 (i) if the covered battery is sold, offered, or distributed under a brand owned by the
44.23 person that manufactured the covered battery, the producer is the person that manufactured
44.24 the covered battery;

44.25 (ii) if the covered battery is sold, offered, or distributed under a brand owned by a person
44.26 other than the person that manufactured the covered battery, the producer is the person that
44.27 owned the brand;

44.28 (iii) if the covered battery is sold, offered, or distributed under a brand licensed to a
44.29 person, the producer is the person that is the licensee of the brand under which the covered
44.30 battery is sold, offered, or distributed, whether or not the brand is registered in the state;

45.1 (iv) if there is no person described in items (i) to (iii) within the United States, the
45.2 producer is the person that imported the covered battery into the United States to be sold,
45.3 offered, or distributed; and

45.4 (v) if there is no person described in items (i) to (iv), the producer is the person that first
45.5 sold, offered, or distributed the covered battery in or into the state;

45.6 (2) for a covered battery contained in, attached to, or packaged with a battery-containing
45.7 product:

45.8 (i) if the battery-containing product is sold, offered, or distributed under a brand owned
45.9 by the person that manufactured it, the producer is the person that manufactured the
45.10 battery-containing product;

45.11 (ii) if the battery-containing product is sold, offered, or distributed under a brand owned
45.12 by a person other than the person that manufactured the battery-containing product, the
45.13 producer is the person that owned the brand;

45.14 (iii) if the battery-containing product is sold, offered, or distributed under a brand licensed
45.15 to a person, the producer is the person that is the licensee of the brand under which the
45.16 battery-containing product is sold, offered, or distributed, whether or not the brand is
45.17 registered in the state;

45.18 (iv) if there is no person described in items (i) to (iii) within the United States, the
45.19 producer is the person that imported the battery-containing product into the United States
45.20 to be sold, offered, or distributed; and

45.21 (v) if there is no person described in items (i) to (iv), the producer is the person that first
45.22 sold, offered, or distributed the battery-containing product in or into the state;

45.23 (3) notwithstanding clause (2), a producer does not include any person that manufactured,
45.24 imported into the United States, or sold, offered, or distributed in or into the state a
45.25 battery-containing product if the producer of the only covered batteries contained in, attached
45.26 to, or packaged with the battery-containing product is named as a participant by a covered
45.27 battery stewardship organization and both the person and the participant acknowledge such
45.28 in writing to the covered battery stewardship organization; and

45.29 (4) notwithstanding clauses (1) and (2), a person that voluntarily assumes the
45.30 responsibility of a producer of a covered battery and certifies that they have assumed the
45.31 responsibility of a producer in writing to the commissioner is the producer of the covered
45.32 battery.

46.1 (i) "Covered battery stewardship organization" means an organization that contracts
46.2 with one or more covered battery producers to meet the producers' obligations under sections
46.3 115A.1331 to 115A.1347.

46.4 (j) "Covered battery stewardship plan" or "stewardship plan" means a plan that is prepared
46.5 according to section 115A.1335 and submitted to the commissioner by a covered battery
46.6 stewardship organization.

46.7 (k) "Covered battery stewardship program" means a system implemented by a covered
46.8 battery stewardship organization to manage all covered batteries offered to a covered battery
46.9 collector by arranging and paying for the collection, covered services, and all other activities
46.10 described in a covered battery stewardship plan published on the agency's publicly accessible
46.11 website under section 115A.1335, subdivision 4, paragraph (e), or 5, paragraph (a).

46.12 (l) "Covered medium battery" means a covered battery that weighs more than 11 pounds
46.13 but equal to or less than 25 pounds or has an energy capacity greater than 300 watt-hours
46.14 but equal to or less than 2,000 watt-hours.

46.15 (m) "Covered medium battery collection site" means a covered battery collection site
46.16 that meets the requirements of section 115A.1341, subdivision 1, paragraphs (a), (b), and
46.17 (d).

46.18 (n) "Covered services" means transportation, processing, recycling, and disposal of
46.19 covered batteries and residual materials after collection. Covered services does not include:

46.20 (1) repair or reuse of a covered battery by the collector; or

46.21 (2) transport of a covered battery by the covered battery collector that collected it to or
46.22 between a covered battery collection site or sites that are operated by the covered battery
46.23 collector.

46.24 (o) "Covered small battery" means a covered battery that weighs 11 pounds or less and
46.25 has an energy capacity of 300 watt-hours or less.

46.26 (p) "Covered small battery collection site" means a covered battery collection site that
46.27 meets the requirements of section 115A.1341, subdivision 1, paragraphs (a), (c), and (d).

46.28 (q) "Distribute" means to sell, offer, supply, ship, transport, or deliver a product to a
46.29 person that sells, offers, supplies, ships, transports, or delivers the product in or into the
46.30 state, regardless of whether title to the product is ever acquired by a person distributing the
46.31 product.

47.1 (r) "Easily removable" or "easily removed" means that a battery can be removed by a
47.2 single person from a product by hand or by hand and the use of only:

47.3 (1) a flathead, crosshead, or Phillips screwdriver;

47.4 (2) a paper clip;

47.5 (3) a coin; or

47.6 (4) a hex key.

47.7 (s) "Household hazardous waste management program" means a program established
47.8 under section 115A.96 to collect and manage household hazardous waste, as defined in
47.9 section 115A.96, that is established or operated by the agency or another public entity,
47.10 including but not limited to a political subdivision, state agency, or federally recognized
47.11 Tribe.

47.12 (t) "Independent auditor" means a certified public accountant that:

47.13 (1) holds a current active license under chapter 326A and rules adopted thereunder;

47.14 (2) is retained by a covered battery stewardship organization;

47.15 (3) is not otherwise employed by or affiliated with the commissioner or a covered battery
47.16 stewardship organization; and

47.17 (4) is qualified to conduct an audit under section 115A.1337, subdivision 6, clause (8).

47.18 (u) "Loose battery" means a battery that is not contained in or attached to a product. A
47.19 loose battery does not include a battery that is contained in an enclosure when the enclosure
47.20 is not integral to the operation of the battery.

47.21 (v) "Motor vehicle" has the meaning given in section 168.002.

47.22 (w) "Participant" means a covered battery producer that is named by a covered battery
47.23 stewardship organization as meeting the covered battery producer's obligations under sections
47.24 115A.1331 to 115A.1347. If one covered battery producer is named as a participant by
47.25 voluntarily assuming responsibility for a covered battery on behalf of other covered battery
47.26 producers under paragraph (h), clause (4), then all those covered battery producers are also
47.27 participants.

47.28 (x) "Rechargeable battery" means a battery that is designed and intended to have electrical
47.29 energy added to it by electrical or physical means after use.

47.30 (y) "Residual material" means material and waste resulting from processing, recycling,
47.31 or disposal of a covered battery.

48.1 (z) "Responsible market" means a market for covered batteries, for reclaimed materials
 48.2 from collected covered batteries, or for any other recyclable residual material from collected
 48.3 covered batteries that:

48.4 (1) reuses, recycles, or otherwise recovers materials and disposes of contaminants in a
 48.5 manner that protects the environment and minimizes risks to public health and worker health
 48.6 and safety;

48.7 (2) complies with all applicable federal, state, and local statutes, rules, ordinances, and
 48.8 other laws governing environmental, health, safety, and financial responsibility;

48.9 (3) possesses all licenses and permits required by a federal or state agency or political
 48.10 subdivision;

48.11 (4) if operating in the state, recycles batteries to the maximum extent practicable in
 48.12 accordance with section 115A.02, paragraph (b); and

48.13 (5) minimizes adverse impacts to environmental justice areas.

48.14 (aa) "Specialized covered battery recycler" means a person that, if and as applicable, is
 48.15 properly authorized by the commissioner or, if operating in another state or country, an
 48.16 equivalent state, federal, or other governmental body, to process or recycle useful materials
 48.17 from covered batteries.

48.18 **EFFECTIVE DATE.** This section is effective July 1, 2026.

48.19 Sec. 4. **[115A.1335] COVERED BATTERY STEWARDSHIP PLAN AND BUDGET.**

48.20 Subdivision 1. **Due dates.** (a) By July 1, 2027:

48.21 (1) a covered battery producer must contract with a covered battery stewardship
 48.22 organization to act on the covered battery producer's behalf for purposes of complying with
 48.23 the producer's obligations under sections 115A.1331 to 115A.1347; and

48.24 (2) a covered battery stewardship organization must:

48.25 (i) notify the commissioner that it has been designated by covered battery producers to
 48.26 act on their behalf; and

48.27 (ii) provide to the commissioner its identity and contact information.

48.28 (b) By January 1, 2029, a covered battery stewardship organization must submit to the
 48.29 commissioner a covered battery stewardship plan that meets all requirements of subdivision
 48.30 2 for review under subdivision 4.

49.1 Subd. 2. Plan content; budget requirement. (a) A covered battery stewardship plan
49.2 must include:

49.3 (1) identification of and contact information for the covered battery stewardship
49.4 organization;

49.5 (2) a description and example of contracts, including a list of all parties to the contracts,
49.6 that must:

49.7 (i) clearly grant the covered battery stewardship organization the authority to act on
49.8 behalf of the participants that the covered battery stewardship organization represents to
49.9 implement the covered battery stewardship plan;

49.10 (ii) include a statement of responsibility of the participants that the covered battery
49.11 stewardship organization represents to comply with the approved covered battery stewardship
49.12 plan; and

49.13 (iii) include a statement of responsibility of the participants that the covered battery
49.14 stewardship organization represents to fund the covered battery stewardship organization
49.15 as necessary to implement the covered battery stewardship plan, pay for associated costs,
49.16 and pay for fees and penalties assessed by the commissioner;

49.17 (3) identification of and contact information for all participants in the covered battery
49.18 stewardship program;

49.19 (4) identification of and contact information for each covered battery collector or
49.20 prospective covered battery collector that has agreed to operate covered battery collection
49.21 sites to collect covered batteries on behalf of the covered battery stewardship organization
49.22 and documentation of such agreements. A covered battery collection site may only be
49.23 included in one covered battery stewardship plan at a time;

49.24 (5) identification of and contact information for each person providing covered services
49.25 and the location of all facilities where covered services will be provided;

49.26 (6) identification and contact information for those persons that the covered battery
49.27 stewardship organization has contracted with and that will administer and implement the
49.28 covered battery stewardship program in accordance with section 115A.1337, subdivision
49.29 7. The relationship of the other persons to the covered battery stewardship organization and
49.30 their role in administering and implementing the covered battery stewardship program must
49.31 be described;

49.32 (7) the address, county of location, and, in a form prescribed by the commissioner,
49.33 geolocation data for each covered battery collection site to be served through the covered

- 50.1 battery stewardship organization under the covered battery stewardship program and
50.2 identification of those covered battery collection sites that are operated by a household
50.3 hazardous waste management program;
- 50.4 (8) a list of the brands covered under the covered battery stewardship program;
- 50.5 (9) eligibility criteria for prospective covered battery collectors;
- 50.6 (10) a description of how the covered battery stewardship program will provide
50.7 convenient, statewide collection according to subdivision 3 without collection of covered
50.8 batteries performed by collection sites on behalf of another covered battery stewardship
50.9 organization;
- 50.10 (11) a description of how the covered battery stewardship organization will annually
50.11 monitor and ensure continuing compliance with the convenience standards under subdivision
50.12 3;
- 50.13 (12) a description of how the covered battery stewardship organization will ensure each
50.14 covered battery collector is provided with the materials specified in section 115A.1337,
50.15 subdivision 1;
- 50.16 (13) a description of how covered battery collection sites will be accessible according
50.17 to section 115A.1337, subdivision 2;
- 50.18 (14) the performance standards for persons providing covered services for the covered
50.19 battery stewardship organization and the oversight methods by which the covered battery
50.20 stewardship organization will ensure continuing compliance with the performance standards.
50.21 The covered battery stewardship organization may determine performance standards, which
50.22 at a minimum must:
- 50.23 (i) accord with clauses (17) to (20), (22), (23), and (36);
- 50.24 (ii) ensure that covered services other than transportation are provided only by specialized
50.25 covered battery recyclers; and
- 50.26 (iii) ensure covered batteries and residual materials are managed through responsible
50.27 markets;
- 50.28 (15) a description of the oversight methods by which the covered battery stewardship
50.29 organization will ensure continuing compliance with the performance standards under clause
50.30 (14);
- 50.31 (16) a description of how the covered battery stewardship organization will ensure that
50.32 there are multiple persons providing covered services to ensure resiliency in the system;

51.1 (17) a description of methods by which the covered battery stewardship organization
51.2 will ensure that discarded covered batteries and residual materials managed under the covered
51.3 battery stewardship program are managed while in the state in compliance with rules adopted
51.4 under section 116.07 for managing solid waste and hazardous waste, when applicable, and,
51.5 when outside the state, with all applicable legal requirements for managing solid waste and
51.6 hazardous waste, as applicable;

51.7 (18) a description of the actions the covered battery stewardship organization will take
51.8 upon receiving information of potential or actual noncompliance under clause (17) by any
51.9 person handling covered batteries under the covered battery stewardship program;

51.10 (19) a description of methods by which the covered battery stewardship organization
51.11 will ensure that covered batteries and residual materials managed under the covered battery
51.12 stewardship program are managed in compliance with safety and health requirements for
51.13 employees administered by the Department of Labor and Industry and with fire protection
51.14 requirements administered by the Department of Public Safety while in the state and, when
51.15 outside the state, with all applicable federal, state, and local employee safety and health
51.16 requirements and fire protection requirements;

51.17 (20) a description of the actions the covered battery stewardship organization will take
51.18 upon receiving information of potential or actual noncompliance under clause (19) by any
51.19 person handling covered batteries under the covered battery stewardship program;

51.20 (21) a description of how the covered battery stewardship organization will ensure
51.21 sufficient and timely pickup and transport of covered batteries are provided to each covered
51.22 battery collection site so that the covered battery collection site can continuously and safely
51.23 collect and store covered batteries;

51.24 (22) a description of methods by which the covered battery stewardship organization
51.25 will ensure that covered batteries and residual materials managed under the covered battery
51.26 stewardship program are transported in compliance with applicable regulations incorporated
51.27 by reference under section 221.033 for transporting hazardous materials while in the state
51.28 and, when outside the state, with all applicable legal requirements for transporting hazardous
51.29 materials;

51.30 (23) a description of the actions the covered battery stewardship organization will take
51.31 upon receiving information of potential or actual noncompliance under clause (22) by any
51.32 person handling covered batteries under the covered battery stewardship program;

51.33 (24) a statement of indemnification by the covered battery stewardship organization to
51.34 covered battery collectors for potential liability for improper downstream management of

52.1 covered batteries or residual materials by providers of covered services arranged for by the
52.2 covered battery stewardship organization and identified in the covered battery stewardship
52.3 plan under clause (5);

52.4 (25) a description of how the covered battery stewardship organization will determine
52.5 and annually report the quantity of covered batteries collected under the covered battery
52.6 stewardship program by chemistry by weight;

52.7 (26) a description of the outreach and education methods and activities that the covered
52.8 battery stewardship organization will ensure are provided according to section 115A.1337,
52.9 subdivision 4;

52.10 (27) a description of how the covered battery stewardship organization will ensure that
52.11 there is at least one full-time representative of the covered battery stewardship organization
52.12 who is dedicated to implementing the covered battery stewardship program in this state and
52.13 serves as the primary contact between the covered battery stewardship organization and the
52.14 agency;

52.15 (28) the proposed reimbursement rates for covered battery collectors that are household
52.16 hazardous waste management programs, according to the following:

52.17 (i) the proposed reimbursement rates must cover all costs of collection incurred by the
52.18 covered battery collectors, which include but are not limited to:

52.19 (A) labor, overhead, and supplies;

52.20 (B) necessary collection and storage;

52.21 (C) employee training; and

52.22 (D) necessary safety materials;

52.23 (ii) the covered battery stewardship organization may, on agreement with the covered
52.24 battery collectors, provide materials or services to covered battery collectors in lieu of
52.25 covering specific costs;

52.26 (iii) necessary safety materials described in item (i), subitem (D), do not include fire
52.27 safety infrastructure, such as fire sprinklers or fire detection systems; and

52.28 (iv) the covered battery stewardship organization must meet and agree on the proposed
52.29 reimbursement rates with covered battery collectors and prospective covered battery
52.30 collectors that are household hazardous waste management programs;

52.31 (29) the proposed reimbursement rates for covered battery collectors that are not
52.32 household hazardous waste management programs, according to the following:

- 53.1 (i) the proposed reimbursement rates must cover all of the following costs of collection
53.2 incurred by the covered battery collectors:
- 53.3 (A) necessary collection and storage;
53.4 (B) supplies;
53.5 (C) employee training; and
53.6 (D) necessary safety materials;
- 53.7 (ii) the proposed reimbursement rates may, on agreement with the covered battery
53.8 collectors, cover costs of collection in addition to those described in item (i);
- 53.9 (iii) the covered battery stewardship organization may, on agreement with the covered
53.10 battery collectors, provide materials or services to covered battery collectors in lieu of
53.11 covering specific costs;
- 53.12 (iv) necessary safety materials described in item (i), subitem (C), do not include fire
53.13 safety infrastructure, such as fire sprinklers or fire detection systems; and
- 53.14 (v) the covered battery stewardship organization must meet and agree on the proposed
53.15 reimbursement rates with covered battery collectors and prospective covered battery
53.16 collectors that are not household hazardous waste management programs;
- 53.17 (30) documentation that the covered battery collectors and prospective covered battery
53.18 collectors identified in clause (4) have agreed to the proposed reimbursement rates in clauses
53.19 (28) and (29);
- 53.20 (31) documentation that the number of covered battery collection sites identified in
53.21 clause (7) to be operated by the covered battery collectors identified in clause (4) are
53.22 sufficient to ensure that the covered battery stewardship organization will comply with the
53.23 convenience standards of subdivision 3;
- 53.24 (32) a description of the system by which the covered battery stewardship organization
53.25 will provide advance payment or reimbursement to covered battery collectors in a manner
53.26 that provides:
- 53.27 (i) periodic automatic payment of reimbursements at least annually; or
- 53.28 (ii) a process for submitting reimbursement requests and reasonable timelines for
53.29 reimbursement, at intervals no longer than monthly unless otherwise agreed to by the covered
53.30 battery collector;

54.1 (33) a description of the system by which the covered battery stewardship organization
54.2 will pay persons providing covered services in a manner that provides:

54.3 (i) a clear process for submitting invoices; and

54.4 (ii) reasonable timelines for payment, at intervals agreed to by the person providing
54.5 covered services;

54.6 (34) a description of how the covered battery stewardship program costs will be allocated
54.7 among participants, either individually or among groups of participants identified by the
54.8 covered battery stewardship organization, such that the costs of managing covered batteries
54.9 are allocated equitably. As part of this description, a clear assignment of responsibility for
54.10 costs of managing covered batteries subject to a voluntary or mandatory recall to the
54.11 participant or participants associated with those covered batteries and not other participants
54.12 must be included;

54.13 (35) a description of how the covered battery stewardship organization will comply with
54.14 subdivision 6, paragraph (b);

54.15 (36) a description of how the covered battery stewardship organization will ensure that
54.16 covered batteries and residual materials managed under the covered battery stewardship
54.17 program are managed to the maximum extent practicable in accordance with section 115A.02,
54.18 paragraph (b);

54.19 (37) a description of how the covered battery stewardship organization will take actions
54.20 within its purview and provide feedback for covered battery producers to enable
54.21 improvements in product design and material use, technology, and personnel training that
54.22 could raise the future maximum extent practicable for management described in clause (36),
54.23 including consideration of covered battery reuse, repair, and product life cycle;

54.24 (38) a description of how the covered battery stewardship organization will annually
54.25 report to the commissioner, by chemistry by weight, the end management through recycling
54.26 or disposal of covered batteries for which the covered battery stewardship program was
54.27 responsible during each calendar year; and

54.28 (39) a description of how the covered battery stewardship organization will take action
54.29 to decrease the incidence of covered batteries in solid waste in the state, including providing
54.30 collection opportunities under section 115A.1337, subdivision 2, paragraph (b).

54.31 (b) By January 1, 2029, and annually thereafter, a covered battery stewardship
54.32 organization must submit an anticipated annual budget for the covered battery stewardship
54.33 program for that calendar year, broken down into the covered battery stewardship program's

55.1 estimated costs for administration, collection, sorting after collection, storage after collection,
55.2 transportation after collection, processing, recycling, disposal, and communication, including
55.3 the cost of fees under section 115A.1339. The budget is not subject to review and approval
55.4 under subdivisions 4 and 5.

55.5 Subd. 3. **Convenience standards.** (a) A covered battery stewardship plan must provide
55.6 convenient, statewide collection for all covered batteries that are offered to covered battery
55.7 collectors by a person in the state, regardless of:

55.8 (1) a covered battery's type, physical size, energy capacity, or chemistry;

55.9 (2) a covered battery's brand; or

55.10 (3) the producer of a covered battery.

55.11 (b) A covered battery stewardship plan submitted by a covered battery stewardship
55.12 organization must independently meet the convenience standards in paragraphs (c) to (d)
55.13 without cost sharing, collaboration, or consideration of activities of another covered battery
55.14 stewardship organization.

55.15 (c) For covered small batteries, a covered battery stewardship organization must:

55.16 (1) in each county with a population of 10,000 or less, maintain at least two covered
55.17 small battery collection sites;

55.18 (2) in each county with a population greater than 10,000 but less than or equal to 100,000,
55.19 maintain at least two covered small battery collection sites and at least one additional covered
55.20 small battery collection site for each additional 10,000 in population above a population of
55.21 10,000;

55.22 (3) in each county with a population greater than 100,000, maintain at least 11 covered
55.23 small battery collection sites and at least one additional covered small battery collection
55.24 site for each additional 50,000 in population above a population of 100,000; and

55.25 (4) maintain a covered small battery collection site located within ten miles of the
55.26 household of at least 95 percent of the residents of the state.

55.27 (d) For covered medium batteries, a covered battery stewardship organization must:

55.28 (1) in each county with a population of 100,000 or less, maintain at least one covered
55.29 medium battery collection site;

55.30 (2) in each county with a population greater than 100,000, maintain at least two covered
55.31 medium battery collection sites and at least one additional covered medium battery collection
55.32 site for each additional 100,000 in population above a population of 100,000; and

56.1 (3) maintain a covered medium battery collection site located within ten miles of the
56.2 household of at least 95 percent of the residents of the state.

56.3 (e) When demonstrating compliance with paragraphs (c) and (d), a covered battery
56.4 stewardship organization may count a covered medium battery collection site as a covered
56.5 small battery collection site.

56.6 (f) A covered battery stewardship organization must ensure no net loss in estimated
56.7 collection convenience and capacity for covered batteries from the program in place on
56.8 January 1, 2026.

56.9 (g) Upon a showing by a covered battery stewardship organization that meeting the
56.10 convenience standard of paragraph (c) or (d), for a specific county or development region
56.11 would cause undue hardship to the covered battery stewardship organization, the
56.12 commissioner may approve an alternative convenience standard if the proposed alternative
56.13 convenience standard would reasonably result in equivalent covered battery collection
56.14 convenience.

56.15 **Subd. 4. Review of covered battery stewardship plan; implementation.** (a) Within
56.16 120 days after receiving a complete covered battery stewardship plan submitted under this
56.17 section, the commissioner must determine whether the stewardship plan complies with this
56.18 section and will ensure that elements required by subdivision 2, paragraph (a), will be met
56.19 to the maximum extent practicable. The commissioner must provide a written notice of
56.20 determination according to this subdivision.

56.21 (b) In conducting a review of a covered battery stewardship plan, the commissioner may
56.22 consult with interested parties.

56.23 (c) For at least 30 days before approving a covered battery stewardship plan, the
56.24 commissioner must place the stewardship plan on the agency's publicly accessible website
56.25 for public review and comment.

56.26 (d) If the commissioner determines that a covered battery stewardship plan fails to
56.27 comply with this section or will not ensure that elements required by subdivision 2, paragraph
56.28 (a), will be met to the maximum extent practicable, the commissioner must reject the covered
56.29 battery stewardship plan. The commissioner must provide a written notice of determination
56.30 to the covered battery stewardship organization describing the reasons for the rejection.

56.31 (e) After any consultation under paragraph (b) and review of public comments received
56.32 under paragraph (c), if the commissioner determines that a covered battery stewardship plan
56.33 complies with this section and will ensure that elements required by subdivision 2, paragraph

57.1 (a), will be met to the maximum extent practicable, the commissioner must approve the
57.2 covered battery stewardship plan. The commissioner must provide a written notice of
57.3 determination to the covered battery stewardship organization and must publish the approved
57.4 covered battery stewardship plan on the agency's publicly accessible website within 30 days
57.5 after approval.

57.6 (f) The covered battery stewardship organization must implement the covered battery
57.7 stewardship plan approved by the commissioner, including any amendments to the
57.8 stewardship plan that are approved by the commissioner according to subdivision 5, within
57.9 60 days after receiving written notice of approval.

57.10 (g) For each covered battery stewardship plan or amendment submitted to the
57.11 commissioner for review, the commissioner may consider the data submitted according to
57.12 section 115A.1337, subdivision 6, and other relevant information to establish requirements
57.13 to improve the effectiveness, performance, and awareness of the covered battery stewardship
57.14 program.

57.15 Subd. 5. **Amending or terminating a covered battery stewardship plan.** (a) A covered
57.16 battery stewardship organization may amend a covered battery stewardship plan approved
57.17 under subdivision 4 without review or approval by the commissioner to make the changes
57.18 specified in clauses (1) to (3). Within 30 days after adopting an amendment under this
57.19 paragraph, a covered battery stewardship organization must report the amendment to the
57.20 commissioner and the commissioner must publish the amended stewardship plan on the
57.21 agency's publicly accessible website. A covered battery stewardship organization must
57.22 implement amendments made to a stewardship plan under this paragraph within 60 days
57.23 after adopting the amendment. A covered battery stewardship organization may:

57.24 (1) add; terminate, when authorized under section 115A.1337, subdivision 1, if applicable;
57.25 or replace a covered battery collector, collection site, person providing covered services,
57.26 or facility where covered services will be performed;

57.27 (2) add or remove participants or brands covered under a covered battery stewardship
57.28 plan; or

57.29 (3) change contact staff or contact staff information for a covered battery stewardship
57.30 organization, participants, covered battery collectors, or persons providing covered services.

57.31 (b) Except for an amendment under paragraph (a), a covered battery stewardship plan
57.32 containing any amendment must be submitted to and reviewed and approved by the
57.33 commissioner before it may be implemented by a covered battery stewardship organization.

58.1 The commissioner must review and approve or reject the covered battery stewardship plan
58.2 containing the proposed amendment according to subdivision 4.

58.3 (c) A covered battery stewardship organization must submit an amended covered battery
58.4 stewardship plan for review:

58.5 (1) at least every five years according to this subdivision and subdivision 4; or

58.6 (2) within 60 days if the commissioner determines that an amended stewardship plan is
58.7 necessary to implement sections 115A.1331 to 115A.1347.

58.8 (d) A covered battery stewardship organization may terminate a covered battery
58.9 stewardship plan only:

58.10 (1) by providing at least 90 days' written notice to the commissioner and to all covered
58.11 battery stewardship organizations and participants in the covered battery stewardship
58.12 program; and

58.13 (2) after a replacement covered battery stewardship plan submitted by the covered battery
58.14 stewardship organization or a new covered battery stewardship organization is approved
58.15 by the commissioner under subdivision 4.

58.16 (e) The commissioner may terminate a covered battery stewardship plan for good cause,
58.17 as defined in paragraph (f). If the commissioner terminates a covered battery stewardship
58.18 plan, the commissioner must provide the covered battery stewardship organization with
58.19 written notice of termination describing the good cause for termination. The commissioner
58.20 must also notify all participants in the covered battery stewardship program in writing of
58.21 the termination, using the contact information for the participants provided in the covered
58.22 battery stewardship plan.

58.23 (f) For purposes of paragraph (e), "good cause" includes but is not limited to:

58.24 (1) failure by a covered battery stewardship organization to:

58.25 (i) fully and accurately disclose required or requested information to the commissioner;

58.26 (ii) comply with the terms of sections 115A.1331 to 115A.1347; or

58.27 (iii) pay fees or penalties owed to the commissioner or comply with an order lawfully
58.28 issued by the commissioner; and

58.29 (2) a finding that a covered battery stewardship organization's activities endanger human
58.30 health or the environment and the danger cannot reasonably be removed by an amendment
58.31 to a covered battery stewardship plan.

59.1 Subd. 6. **Compliance.** (a) A covered battery stewardship organization must comply with
 59.2 a covered battery stewardship plan approved by the commissioner, including any amendments
 59.3 to the stewardship plan that are made according to subdivision 5, paragraph (a) or (b). A
 59.4 covered battery stewardship organization must ensure that all participants, covered battery
 59.5 collectors, and persons providing covered services acting on behalf of the covered battery
 59.6 stewardship organization also comply with the stewardship plan and are responsible to the
 59.7 covered battery stewardship organization and to the commissioner for compliance.

59.8 (b) A covered battery stewardship organization must ensure that covered battery collectors
 59.9 are reimbursed according to the reimbursement rates approved by the commissioner according
 59.10 to this section and the system described in a covered battery stewardship plan.

59.11 (c) A covered battery stewardship organization must ensure that all costs of a covered
 59.12 battery stewardship program as specified in sections 115A.1331 to 115A.1347 are fully
 59.13 paid for by participants. All costs of a covered battery stewardship program must be allocated
 59.14 fairly between groups of participants without any fee, charge, surcharge, or any other cost
 59.15 to:

- 59.16 (1) any member of the public;
 59.17 (2) any business other than a covered battery producer;
 59.18 (3) any covered battery collector;
 59.19 (4) any person providing covered services;
 59.20 (5) the state or any political subdivision; or
 59.21 (6) any other person that is not a covered battery producer.

59.22 **EFFECTIVE DATE.** This section is effective July 1, 2026.

59.23 Sec. 5. **[115A.1337] COVERED BATTERY STEWARDSHIP ORGANIZATION;**
 59.24 **DUTIES AND STRUCTURE.**

59.25 Subdivision 1. **Duties to covered battery collectors.** (a) A covered battery stewardship
 59.26 organization must ensure that the following are provided to each covered battery collector:

59.27 (1) reimbursement at the rates determined according to section 115A.1335 and the system
 59.28 described in a covered battery stewardship plan;

59.29 (2) pickup and transport of collected covered batteries from each covered battery
 59.30 collection site in sufficient time and quantity to allow a covered battery collector to safely
 59.31 receive covered batteries without interruption or cost to the covered battery collector;

60.1 (3) appropriate containers for storage and transportation of covered batteries and supplies
60.2 necessary for the collection of covered batteries;

60.3 (4) signage to identify collection sites and the covered batteries accepted at the collection
60.4 sites;

60.5 (5) training for covered battery collection site employees on identifying and safely
60.6 handling and storing covered batteries, including damaged, defective, or recalled batteries,
60.7 also known as DDR batteries; and

60.8 (6) educational materials that address the information described in subdivision 4,
60.9 paragraph (a), clause (3), for distribution to members of the public and businesses in
60.10 Minnesota. The educational materials must be made available in English and at least the
60.11 three languages most commonly spoken at homes in the state other than English, according
60.12 to the state demographer.

60.13 (b) A covered battery stewardship organizations must consider the request of a covered
60.14 battery collector to perform covered services if the covered battery collector meets the
60.15 performance standards in a covered battery stewardship plan under section 115A.1335,
60.16 subdivision 2, paragraph (a), clause (14), and the covered battery collector and the covered
60.17 battery stewardship organization agree after negotiation in good faith on the fees to be paid
60.18 to the covered battery collector for performing the covered services. A covered battery
60.19 stewardship plan must identify the covered battery collector as providing covered services
60.20 according to section 115A.1335, subdivision 2, paragraph (a), clause (5).

60.21 (c) A covered battery stewardship organizations must allow the following persons to
60.22 serve as a covered battery collector:

60.23 (1) a person that agrees to operate or continues to operate a covered battery collection
60.24 site in compliance with:

60.25 (i) section 115A.1341, subdivision 1, paragraphs (a) and (d);

60.26 (ii) section 115A.1341, subdivision 1, paragraph (b) or (c), as applicable;

60.27 (iii) the conditions in section 115A.1335, subdivision 2, paragraph (a), clauses (17) to
60.28 (20), (22), and (23); and

60.29 (iv) any other applicable provisions of a covered battery stewardship plan in section
60.30 115A.1335; and

60.31 (2) a household hazardous waste management program.

61.1 (d) A covered battery stewardship organization may not require a person that sells, offers
61.2 for sale or promotional purposes, distributes, or facilitates a sale of a covered battery or
61.3 battery-containing product in or into the state to be a covered battery collector or operate a
61.4 covered battery collection site.

61.5 (e) A covered battery stewardship organization may terminate a covered battery collector,
61.6 except a household hazardous waste management program, and cease payment to the covered
61.7 battery collector for good cause. Good cause under this paragraph does not include accepting
61.8 a battery subject to recall. A covered battery stewardship organization may suspend a covered
61.9 battery collector that is a household hazardous waste management program and cease
61.10 payment to the covered battery collector for good cause with the approval of the
61.11 commissioner, until the commissioner determines that the household hazardous waste
61.12 management program is compliant with sections 115A.1331 to 115A.1347.

61.13 Subd. 2. **Accessibility.** (a) A covered battery stewardship program must provide
61.14 convenient, equitable, and accessible service to all persons in Minnesota, including but not
61.15 limited to people of color; Minnesota Tribal governments as defined in section 10.65,
61.16 subdivision 2; those that are non-English speaking; immigrant and refugee communities;
61.17 those with limited access to transportation; and those in environmental justice areas.

61.18 (b) A covered battery stewardship program must include collection opportunities beyond
61.19 those required under section 115A.1335, subdivision 3, to better serve populations under
61.20 paragraph (a).

61.21 (c) Where feasible, a covered battery stewardship program must encourage establishing
61.22 covered battery collection sites in proximity to local public transit.

61.23 Subd. 3. **Oversight.** A covered battery stewardship organization must ensure that covered
61.24 batteries and residual materials managed under a covered battery stewardship program are
61.25 managed according to the performance standards in section 115A.1335, subdivision 2,
61.26 paragraph (a), clause (14), by all persons providing covered services.

61.27 Subd. 4. **Program effectiveness.** (a) To support the effectiveness of a covered battery
61.28 stewardship program, a covered battery stewardship organization must provide outreach
61.29 and education to:

61.30 (1) persons that might sell, offer for sale or promotional purposes, distribute, or facilitate
61.31 a sale of covered batteries in or into the state, to inform them of the requirements of section
61.32 115A.1347, subdivision 2;

62.1 (2) potential covered battery collectors and persons that are collecting covered batteries
62.2 before the effective date of this section to inform them how to request coverage by a covered
62.3 battery stewardship program; and

62.4 (3) members of the public to raise awareness of:

62.5 (i) public health and safety and environmental risks caused by improperly charging,
62.6 storing, and disposing of covered batteries;

62.7 (ii) the need to safely charge and store covered batteries;

62.8 (iii) the benefits of recycling covered batteries in contrast to disposal; and

62.9 (iv) the existence of a covered battery stewardship program and the ability to manage
62.10 covered batteries at no cost, including the location and convenience of covered battery
62.11 collection sites in the state.

62.12 (b) A covered battery stewardship organization must maintain a publicly accessible
62.13 website to locate covered battery collection sites through map-based and text-based searches.

62.14 (c) The commissioner may determine the effectiveness of a covered battery stewardship
62.15 program using information from waste composition studies under section 115A.412 and
62.16 other information available to the commissioner. The commissioner may require a covered
62.17 battery stewardship organization to submit for approval proposals that when implemented
62.18 would decrease the incidence of covered batteries in solid waste in accordance with section
62.19 115A.1335, subdivision 2, paragraph (a), clause (39). A covered battery stewardship
62.20 organization must implement a proposal that is approved by the commissioner.

62.21 Subd. 5. Stakeholder consultation. (a) A covered battery stewardship organization
62.22 must regularly consult with stakeholders associated with covered batteries. If there is more
62.23 than one covered battery stewardship organization, each covered battery stewardship
62.24 organization must jointly fulfill the requirements of this subdivision. At least one consultation
62.25 meeting must occur before a covered battery stewardship plan is submitted to the
62.26 commissioner.

62.27 (b) A consultation meeting is to:

62.28 (1) assist with drafting and continuous review of a covered battery stewardship
62.29 organization's outreach and education activities, including but not limited to signage and
62.30 educational materials; and

63.1 (2) make recommendations to a covered battery stewardship organization and the
63.2 commissioner to continuously improve the effectiveness of the outreach and education
63.3 activities and maximize participation in a covered battery stewardship program.

63.4 (c) A meeting must include representatives of stakeholders of a covered battery
63.5 stewardship program, including but not limited to the commissioner, household hazardous
63.6 waste management programs, covered battery collectors that are not household waste
63.7 management programs, persons providing or that might provide covered services, producers,
63.8 and other persons providing statewide representation.

63.9 Subd. 6. **Reporting.** By June 1 each year after a covered battery stewardship plan is
63.10 approved under section 115A.1335, subdivision 4, a covered battery stewardship organization
63.11 must report to the commissioner, in a form and manner prescribed by the commissioner,
63.12 on the covered battery stewardship organization's activities during the preceding calendar
63.13 year. A report must include:

63.14 (1) the address, county of location, and geolocation data for each covered battery
63.15 collection site served by the covered battery stewardship program during the preceding
63.16 calendar year;

63.17 (2) the chemistry by weight of covered batteries collected during each calendar year, in
63.18 accordance with section 115A.1335, subdivision 2, paragraph (a), clause (25);

63.19 (3) a description by chemistry by weight of the end management through recycling or
63.20 disposal of the covered batteries shipped from covered battery collection sites under the
63.21 covered battery stewardship program, in accordance with section 115A.1335, subdivision
63.22 2, paragraph (a), clause (38);

63.23 (4) the method or methods of verification used by the covered battery stewardship
63.24 organization to ensure that the description in clause (3) accurately reflects the actual end
63.25 management of the covered batteries;

63.26 (5) the effectiveness of the covered battery stewardship organization's efforts to decrease
63.27 the incidence of covered batteries in solid waste in the state, in accordance with section
63.28 115A.1335, subdivision 2, paragraph (a), clause (39);

63.29 (6) a summary of the results of the oversight according to section 115A.1335, subdivision
63.30 2, paragraph (a), clause (14);

63.31 (7) a description of outreach and education activities provided by the covered battery
63.32 stewardship organization during the preceding calendar year according to subdivision 4;

64.1 (8) a financial report on the covered battery stewardship program, including actual costs
 64.2 and funding compared to the budget for the year submitted under section 115A.1335,
 64.3 subdivision 2, paragraph (b). The financial report must include an audit report of the covered
 64.4 battery stewardship program, including the covered battery stewardship organization and
 64.5 any additional covered battery stewardship organizations, by an independent auditor. The
 64.6 independent auditor may be selected by the covered battery stewardship organization and
 64.7 may be rejected by the commissioner for good cause. If the commissioner rejects an
 64.8 independent auditor, the covered battery stewardship organization must select a different
 64.9 independent auditor, which may be rejected by the commissioner for good cause;

64.10 (9) the proposed and actual budget for the period covered by the report; and

64.11 (10) starting in the second year after the covered battery stewardship organization's first
 64.12 covered battery stewardship plan is approved by the commissioner, and then every third
 64.13 year thereafter, a performance audit of the covered battery stewardship program. The
 64.14 performance audit must conform to audit standards established by the United States
 64.15 Government Accountability Office; the National Association of State Auditors, Comptrollers
 64.16 and Treasurers; or another nationally recognized organization approved by the commissioner.

64.17 Subd. 7. **Organization of a covered battery stewardship organization.** (a) A covered
 64.18 battery stewardship organization must comply with section 5.36.

64.19 (b) A covered battery stewardship organization may contract with any persons to
 64.20 implement or administer a portion or portions of a covered battery stewardship plan or to
 64.21 coordinate with a group or groups of participants.

64.22 (c) A contract established under paragraph (b) must be described under section
 64.23 115A.1335, subdivision 2, paragraph (a), clause (6).

64.24 (d) Notwithstanding any contract established under paragraph (b), a covered battery
 64.25 stewardship organization must:

64.26 (1) submit a covered battery stewardship plan to the commissioner meeting the
 64.27 requirements of sections 115A.1331 to 115A.1347;

64.28 (2) submit a report to the commissioner according to subdivision 6 meeting the
 64.29 requirements of sections 115A.1331 to 115A.1347;

64.30 (3) serve as the single point of contact for reporting, reimbursement, and payment to the
 64.31 agency; and

64.32 (4) maintain all responsibility and liability for compliance with all other requirements
 64.33 of sections 115A.1331 to 115A.1347 applicable to a covered battery stewardship organization.

65.1 **EFFECTIVE DATE.** This section is effective July 1, 2026.

65.2 Sec. 6. **[115A.1339] FEES.**

65.3 Subdivision 1. **Administrative fees.** (a) By October 1, 2027, the commissioner must
65.4 calculate the sum of all costs that the agency incurred to implement and administer sections
65.5 115A.1331 to 115A.1347 from July 1, 2026, to June 30, 2027.

65.6 (b) By December 1, 2027, the commissioner must assess an administrative fee and
65.7 equally split the fee among all covered battery stewardship organizations at an amount that
65.8 is adequate to reimburse the agency's costs calculated under paragraph (a). A covered battery
65.9 stewardship organization must pay the assessed administrative fee by the due date set by
65.10 the commissioner.

65.11 (c) By April 1, 2028, and annually thereafter, the commissioner must calculate the sum
65.12 of all costs that the agency incurred to implement and administer sections 115A.1331 to
65.13 115A.1347 during the six months of July through December of the preceding calendar year.
65.14 By October 1, 2028, and annually thereafter, the commissioner must calculate the sum of
65.15 all costs that the agency incurred to implement and administer sections 115A.1331 to
65.16 115A.1347 during the six months of January through June of that calendar year.

65.17 (d) Notwithstanding section 16A.1283, the commissioner must semiannually assess the
65.18 annual administrative fees and equally split the fees among all covered battery stewardship
65.19 organizations at an amount that is adequate to reimburse the agency's costs calculated under
65.20 paragraph (c). A covered battery stewardship organization must pay the assessed
65.21 administrative fees by the due dates set by the commissioner.

65.22 (e) All agency costs calculated under this subdivision may be recovered in a civil action
65.23 brought by the attorney general against any person that may be liable under this subdivision
65.24 or any other law. Any costs that are recovered by the attorney general, including any award
65.25 of attorney fees, must be deposited in the covered battery stewardship account in the special
65.26 revenue fund.

65.27 Subd. 2. **Disposition of fees.** The total amount of net fees collected under this section
65.28 must not exceed the amount necessary to reimburse agency costs as calculated under
65.29 subdivision 1. All fees received under subdivision 1 must be deposited in the state treasury
65.30 and credited to a covered battery stewardship account in the special revenue fund. The
65.31 amount collected under this section is annually appropriated to the commissioner to
65.32 implement and enforce sections 115A.1331 to 115A.1347.

65.33 **EFFECTIVE DATE.** This section is effective July 1, 2026.

66.1 **Sec. 7. [115A.1341] COVERED BATTERY COLLECTOR DUTIES.**

66.2 **Subdivision 1. Accepting covered batteries.** (a) A covered battery collector must accept
66.3 covered batteries of any brand, type, or chemistry without imposing a fee, charge, surcharge,
66.4 or other cost to any person other than a covered battery stewardship organization.

66.5 (b) At a covered medium battery collection site, a covered battery collector must accept
66.6 from any person daily at least:

66.7 (1) ten covered small batteries; and

66.8 (2) four covered medium batteries.

66.9 (c) At a covered small battery collection site, a covered battery collector must accept
66.10 from any person daily at least ten covered small batteries.

66.11 (d) A covered battery collection site must be open to receiving covered batteries at least
66.12 12 operating hours per week, 50 weeks each calendar year.

66.13 (e) A household hazardous waste management program may accept covered batteries
66.14 at any covered battery collection site that the program operates.

66.15 (f) A covered battery stewardship organization may count a covered battery collection
66.16 site when demonstrating compliance with the convenience standards under section
66.17 115A.1335, subdivision 3, only if the covered battery collection site complies with paragraph
66.18 (b) or (c).

66.19 **Subd. 2. Storing accepted covered batteries.** A covered battery collector must manage
66.20 and store all accepted covered batteries safely and in compliance with all applicable federal,
66.21 state, and local laws, including but not limited to applicable rules adopted under section
66.22 116.07 for managing solid waste and hazardous waste.

66.23 **Subd. 3. Training.** A covered battery collector must ensure and document that training
66.24 is provided for covered battery collection site employees on identifying and safely handling
66.25 and storing covered batteries, including damaged, defective, or recalled batteries, also known
66.26 as DDR batteries. A covered battery collector may provide the training or may receive
66.27 training through a covered battery stewardship organization.

66.28 **Subd. 4. Record keeping.** (a) A covered battery collector must maintain records as
66.29 specified in this paragraph for at least three years and make the records available to the
66.30 commissioner for inspection. The records must include the chemistry by weight of covered
66.31 batteries and any additional information required by the commissioner. The records must
66.32 document for each calendar year the covered batteries:

67.1 (1) accepted at a covered battery collection site; and

67.2 (2) shipped from a covered battery collection site.

67.3 (b) A covered battery collector must maintain documentation of each employee's training
67.4 related to covered batteries starting on the date of training and for at least three years
67.5 following the last day that the employee worked for the covered battery collector.

67.6 **EFFECTIVE DATE.** This section is effective July 1, 2026.

67.7 Sec. 8. **[115A.1345] OTHER AUTHORITIES AND DUTIES.**

67.8 Subdivision 1. **Limited private right of action against producers.** (a) Except as
67.9 provided in paragraph (d), a covered battery stewardship organization may maintain a civil
67.10 action against one or more covered battery producers to recover a portion of the covered
67.11 battery stewardship organization's costs and additional amounts according to this subdivision.

67.12 (b) Damages recoverable under this subdivision may not exceed a fair share of the actual
67.13 costs incurred by the plaintiff covered battery stewardship organization under sections
67.14 115A.1331 to 115A.1347; of managing covered batteries of other covered battery producers
67.15 that were not participants; or that should otherwise have been due to the covered battery
67.16 stewardship organization. Additional amounts recoverable under this subdivision include
67.17 an award of reasonable attorney fees and costs. If a defendant covered battery producer did
67.18 not participate in a covered battery stewardship program during the period when covered
67.19 batteries of the defendant were managed by the plaintiff covered battery stewardship
67.20 organization, a punitive sum of up to three times the damages awarded may be assessed.

67.21 (c) A plaintiff covered battery stewardship organization may establish a defendant
67.22 covered battery producer's fair share of the plaintiff's actual costs by providing the court
67.23 with information establishing the process by which the defendant covered battery producer's
67.24 share of covered battery stewardship program costs would have been allocated had the
67.25 defendant covered battery producer been a participant in the program or paid its allocated
67.26 share if it was a participant. A plaintiff covered battery stewardship organization may use
67.27 data from covered battery producers similar in covered battery, financial status, or market
67.28 share to the defendant covered battery producer to provide the information.

67.29 (d) An action may not be commenced under this subdivision against a potential defendant
67.30 until 60 days after the plaintiff provides to all potential defendants a written notice of the
67.31 claim setting forth the amount of the claim and the basis for the calculation of the amount.

67.32 (e) No action may be brought under this subdivision against a person other than a covered
67.33 battery producer.

68.1 (f) The commissioner may not be a party to or be required to provide assistance or
68.2 otherwise participate in a civil action authorized under this subdivision unless subject to a
68.3 subpoena before a court of jurisdiction.

68.4 Subd. 2. **Conduct authorized.** A covered battery producer or covered battery stewardship
68.5 organization that organizes collection and covered services for covered batteries under
68.6 sections 115A.1331 to 115A.1347 is immune from liability for the conduct under state laws
68.7 relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade
68.8 or commerce only to the extent that the conduct is necessary to plan and implement the
68.9 covered battery producer's or covered battery stewardship organization's chosen system.

68.10 Subd. 3. **Duty to retain and provide information.** (a) Upon request of the commissioner
68.11 for purposes of implementing sections 115A.1331 to 115A.1347, 115A.9157, or 325E.125,
68.12 a person must furnish to the commissioner any information that the person has or may
68.13 reasonably obtain.

68.14 (b) A covered battery stewardship organization must retain any information referenced
68.15 in a covered battery stewardship plan or report required under section 115A.1337 for at
68.16 least three years after the termination of the covered battery stewardship plan.

68.17 Subd. 4. **Contracts.** (a) Any person awarded a contract under chapter 16C for purchase
68.18 or lease of covered batteries that is found to be in violation of sections 115A.1331 to
68.19 115A.1347 is subject to the following sanctions:

68.20 (1) the contract must be voided if the commissioner of administration determines that
68.21 the potential adverse impact to the state is exceeded by the benefit obtained from voiding
68.22 the contract; and

68.23 (2) the contractor is subject to suspension and disbarment under Minnesota Rules, part
68.24 1230.1150.

68.25 (b) If the attorney general establishes that any money, property, or benefit was obtained
68.26 by a contractor as a result of violating sections 115A.1331 to 115A.1347, the court may, in
68.27 addition to any other remedy, order the disgorgement of the unlawfully obtained money,
68.28 property, or benefit.

68.29 Subd. 5. **Multistate implementation.** The commissioner may participate in establishing
68.30 a regional multistate organization or compact to assist in carrying out the requirements of
68.31 sections 115A.1331 to 115A.1347.

69.1 Subd. 6. **Rules.** The commissioner may adopt rules to implement sections 115A.1331
 69.2 to 115A.1347. The 18-month time limit under section 14.125 does not apply to rulemaking
 69.3 under this subdivision.

69.4 Subd. 7. **Batteries subject to recall for safety reasons.** All costs for receipt, sorting,
 69.5 storage, transport, processing, recycling, and disposal of a battery subject to recall for safety
 69.6 reasons that would otherwise be a covered battery are the responsibility of the person that
 69.7 would otherwise be the covered battery producer of the battery. A covered battery stewardship
 69.8 organization may charge that person for any costs incurred by the covered battery stewardship
 69.9 organization managing such a battery. The covered battery stewardship organization may
 69.10 take action under subdivision 1 to recover such costs. A covered battery stewardship
 69.11 organization is responsible only for collection and management of such a battery if received
 69.12 by a covered battery collector, and not any other actions associated with recall of the battery.

69.13 **EFFECTIVE DATE.** This section is effective July 1, 2026.

69.14 Sec. 9. **[115A.1347] DISPOSAL PROHIBITIONS; BATTERY LABELING;**
 69.15 **COVERED BATTERY SALES RESTRICTION.**

69.16 Subdivision 1. **Disposal prohibition.** (a) A person may not place a covered battery into:

69.17 (1) solid waste; or

69.18 (2) a recycling container that a covered battery collector, or another person that will
 69.19 ensure proper management of collected covered batteries, has not clearly marked for use
 69.20 for collecting covered batteries.

69.21 (b) A person must manage a covered battery that is discarded by delivering the covered
 69.22 battery to a covered battery collection site or to a recycling facility for covered batteries.

69.23 (c) Until recycled, covered batteries are not exempt from any applicable rules adopted
 69.24 under section 116.07 for managing hazardous waste.

69.25 (d) An owner or operator of a waste facility or recycling facility may only be found in
 69.26 violation of paragraph (a) or (b) for a covered battery placed by another person if:

69.27 (1) the commissioner first determines that the owner or operator has not complied with
 69.28 the applicable requirements of the solid waste permit issued by the commissioner or
 69.29 established by rule, such as requirements for the management of materials that are prohibited
 69.30 for placement in solid waste; and

69.31 (2) the owner or operator does not immediately remove and properly manage the covered
 69.32 battery when the owner or operator discovers it.

70.1 Subd. 2. Labeling and sale; requirements. (a) A person may not sell, including online
70.2 sales; offer for sale or promotional purposes; distribute; or facilitate a sale of a covered
70.3 battery in or into the state unless the covered battery is labeled as required under clauses
70.4 (1) and (2). Labeling under this paragraph must be permanently marked on or affixed to the
70.5 covered battery and must use language, graphics, or a QR code. A QR code must be
70.6 compliant with International Organization of Standardization 18004:2015 and access
70.7 equivalent data via the Internet that is available without a fee or a requirement to create an
70.8 account. The labeling must identify:

70.9 (1) the battery chemistry employed to store energy in the battery; and

70.10 (2) the manufacturer of the battery or the brand under which the battery will be sold.

70.11 (b) A person may not sell, including online sales; offer for sale or promotional purposes;
70.12 distribute; or facilitate a sale of a covered battery or a battery-containing product in or into
70.13 the state unless:

70.14 (1) the covered battery producer is named as a participant in a covered battery stewardship
70.15 plan published on the agency's publicly accessible website under section 115A.1335,
70.16 subdivision 4, paragraph (e), or 5, paragraph (a);

70.17 (2) the brand is named as covered in a covered battery stewardship plan published on
70.18 the agency's publicly accessible website under section 115A.1335, subdivision 4, paragraph
70.19 (e), or 5, paragraph (a); or

70.20 (3) the covered battery stewardship organization with which the covered battery producer
70.21 is a participant has obtained approval of reimbursement rates according to section 115A.1335.

70.22 (c) A person may not sell, including online sales; offer for sale or promotional purposes;
70.23 distribute; or facilitate a sale of a covered battery or a battery-containing product in or into
70.24 the state if the covered battery stewardship plan under which the covered battery was covered
70.25 has been terminated under section 115A.1335, subdivision 5, until a new covered battery
70.26 stewardship plan is approved under section 115A.1335, subdivision 4.

70.27 (d) This subdivision does not apply to sales, including online sales; offers for sale or
70.28 promotional purposes; distribution; or facilitation of a sale of a used covered battery or used
70.29 battery-containing product.

70.30 (e) A person is not in violation of paragraph (b) or (c) if, within six months before the
70.31 date the person sells, offers for sale or promotional purposes, distributes, or facilitates a sale
70.32 of a covered battery or battery-containing product in or into the state, a covered battery
70.33 stewardship plan published on the agency's publicly accessible website under section

71.1 115A.1335, subdivision 4, paragraph (e), or 5, paragraph (a), identified the covered battery
 71.2 producer as a participant or the brand as covered in a covered battery stewardship program.

71.3 **EFFECTIVE DATE.** This section is effective July 1, 2029.

71.4 Sec. 10. Minnesota Statutes 2024, section 115A.554, is amended to read:

71.5 **115A.554 AUTHORITY OF SANITARY DISTRICTS.**

71.6 A sanitary district has the authorities and duties of counties within the district's boundary
 71.7 for purposes of sections 115A.0716; 115A.46, subdivisions 4 and 5; 115A.48; 115A.551;
 71.8 115A.552; 115A.553; 115A.919; 115A.929; 115A.93; 115A.96, subdivision 6; ~~115A.961;~~
 71.9 116.072; 375.18, subdivision 14; 400.04; 400.06; 400.07; 400.08; 400.16; and 400.161.

71.10 **EFFECTIVE DATE.** This section is effective July 1, 2026.

71.11 Sec. 11. Minnesota Statutes 2024, section 115A.9157, is amended to read:

71.12 **115A.9157 RECHARGEABLE BATTERIES AND PRODUCTS.**

71.13 Subdivision 1. **Definition.** ~~For the purpose of this section, "rechargeable battery" means~~
 71.14 ~~a sealed nickel-cadmium battery, a sealed lead acid battery, or any other rechargeable battery,~~
 71.15 ~~except a rechargeable battery governed by section 115A.9155 or exempted by the~~
 71.16 ~~commissioner under subdivision 9.~~ The terms used in this section have the meanings given
 71.17 in sections 115A.03 and 115A.1331.

71.18 Subd. 2. **Prohibition.** ~~Effective August 1, 1991, a person may not place in mixed~~
 71.19 ~~municipal solid waste a rechargeable battery, a rechargeable battery pack, a product with a~~
 71.20 ~~nonremovable rechargeable battery, or a product powered by rechargeable batteries or~~
 71.21 ~~rechargeable battery pack, from which all batteries or battery packs have not been removed.~~
 71.22 A person may not place a product powered by rechargeable batteries in solid waste unless
 71.23 all batteries have been removed from the product.

71.24 Subd. 3. **Collection and management costs.** A manufacturer of ~~rechargeable batteries~~
 71.25 ~~or products powered by rechargeable batteries~~ that are not easily removable from the products
 71.26 is responsible for the costs of collecting and managing its waste rechargeable batteries and
 71.27 waste products under subdivision 5 to ensure that the products and batteries are not part of
 71.28 the solid waste stream.

71.29 Subd. 5. **Collection and management programs.** (a) ~~By September 20, 1995, the~~
 71.30 ~~manufacturers~~ A manufacturer under subdivision 3 or their representative organization shall
 71.31 implement a permanent programs, based on the results of the pilot projects required in
 71.32 Minnesota Statutes 1994, section 115A.9157, subdivision 4, program that may be reasonably

72.1 expected to collect 90 percent of the ~~waste rechargeable batteries and the~~ participating
 72.2 ~~manufacturers'~~ manufacturer's products powered by rechargeable batteries that are not easily
 72.3 removable from the products and that are generated as waste in the state. The ~~batteries and~~
 72.4 products collected must be recycled or otherwise managed or disposed of properly.

72.5 (b) In every odd-numbered year ~~after 1995~~, each manufacturer or a representative
 72.6 organization shall provide information to the commissioner and the senate and house of
 72.7 representatives committees having jurisdiction over environment and natural resources and
 72.8 environment and natural resources finance that specifies at least the estimated amount of
 72.9 battery-containing products powered by rechargeable batteries that are not easily removed
 72.10 from the products subject to this section ~~and~~ generated as waste in the state by ~~each~~
 72.11 manufacturer ~~and~~, the amount of ~~batteries each~~ such products collected during the previous
 72.12 two years, and the methodology used to calculate those amounts. A representative
 72.13 organization may report the amounts in aggregate for all the members of the organization.

72.14 Subd. 6. ~~List of participants~~ **Program notice.** A manufacturer or its representative
 72.15 organization shall inform the commissioner and the committees listed in subdivision 5 when
 72.16 they begin ~~participating in the projects and programs~~ implementing a program under
 72.17 subdivision 5 and immediately if they ~~withdraw participation~~ stop implementing a program.

72.18 Subd. 7. **Contracts.** A manufacturer or a representative organization of manufacturers
 72.19 may contract with ~~the state or a political subdivision~~ any person to provide collection services
 72.20 under this section. The manufacturer or organization shall fully reimburse the ~~state or~~
 72.21 ~~political subdivision~~ person for the value of any contractual services rendered under this
 72.22 subdivision.

72.23 Subd. 8. **Anticompetitive conduct.** A manufacturer or organization of manufacturers
 72.24 and its officers, members, employees, and agents who participate in ~~projects or programs~~
 72.25 ~~to collect and properly manage waste rechargeable batteries or products powered by~~
 72.26 ~~rechargeable batteries~~ a program under this section are immune from liability under state
 72.27 law relating to antitrust, restraint of trade, unfair trade practices, and other regulation of
 72.28 trade or commerce for activities related to the collection and management of ~~batteries and~~
 72.29 products required under this section.

72.30 Subd. 9. **Exemptions.** ~~To ensure that new types of batteries do not add additional~~
 72.31 ~~hazardous or toxic materials to the mixed municipal solid waste stream, the commissioner~~
 72.32 ~~of the agency may exempt a new type of rechargeable battery from the requirements of this~~
 72.33 ~~section if it poses no unreasonable hazard when placed in and processed or disposed of as~~
 72.34 ~~part of a mixed municipal solid waste.~~

73.1 **EFFECTIVE DATE.** This section is effective July 1, 2026.

73.2 Sec. 12. Minnesota Statutes 2024, section 116.92, subdivision 6, is amended to read:

73.3 Subd. 6. **Mercury thermometers prohibited.** (a) A manufacturer, wholesaler, or retailer
73.4 may not sell or distribute at no cost a thermometer containing mercury that was manufactured
73.5 after June 1, 2001.

73.6 (b) Paragraph (a) does not apply to an electronic thermometer with a battery containing
73.7 mercury if the battery is in compliance with ~~section 325E.125~~ subdivision 81.

73.8 (c) A manufacturer is in compliance with this subdivision if the manufacturer:

73.9 (1) has received an exclusion or exemption from a state that is a member of the Interstate
73.10 Mercury Education and Reduction Clearinghouse (IMERC) for replacement parts when no
73.11 alternative is available or for an application when no feasible alternative is available;

73.12 (2) submits a copy of the approved exclusion or exemption to the commissioner; and

73.13 (3) meets all of the requirements in the approved exclusion or exemption for the
73.14 manufacturer's activities within the state.

73.15 **EFFECTIVE DATE.** This section is effective July 1, 2026.

73.16 Sec. 13. Minnesota Statutes 2024, section 116.92, is amended by adding a subdivision to
73.17 read:

73.18 **Subd. 81. Ban; mercury in batteries.** A person may not sell, offer for sale, or distribute
73.19 in or into the state:

73.20 (1) an alkaline manganese battery that contains mercury that is not a button cell
73.21 nonrechargeable battery;

73.22 (2) a nonrechargeable button cell battery that contains more than 25 milligrams of
73.23 mercury; or

73.24 (3) a dry cell battery containing a mercuric oxide electrode.

73.25 **EFFECTIVE DATE.** This section is effective July 1, 2026.

73.26 Sec. 14. Minnesota Statutes 2024, section 325E.125, subdivision 5, is amended to read:

73.27 Subd. 5. **Prohibitions.** ~~A manufacturer of rechargeable batteries or products powered~~
73.28 ~~by rechargeable batteries that does not participate in the pilot projects and programs required~~
73.29 ~~in section 115A.9157~~ A person may not sell, including online sales, facilitate a sale of,

74.1 distribute, or offer for sale in or into this state rechargeable batteries or products powered
 74.2 by rechargeable batteries ~~after January 1, 1992.~~

74.3 ~~After January 1, 1992, a person who first purchases rechargeable batteries or products~~
 74.4 ~~powered by rechargeable batteries for importation into the state for resale may not purchase~~
 74.5 ~~rechargeable batteries or products powered by rechargeable batteries made by any person~~
 74.6 ~~other than a~~ that are not easily removable unless the manufacturer ~~that~~ participates in the
 74.7 ~~projects and programs~~ program required under section 115A.9157.

74.8 **EFFECTIVE DATE.** This section is effective July 1, 2026.

74.9 Sec. 15. Minnesota Statutes 2024, section 325E.1251, subdivision 2, is amended to read:

74.10 Subd. 2. **Recovery of costs.** Section 325E.125 may be enforced under ~~section~~ sections
 74.11 115.071 and 116.072. In an enforcement action under this section in which the state prevails,
 74.12 the state may recover reasonable administrative expenses, court costs, and attorney fees
 74.13 incurred to take the enforcement action, in an amount to be determined by the court.

74.14 **EFFECTIVE DATE.** This section is effective July 1, 2026.

74.15 Sec. 16. **REPEALER.**

74.16 Minnesota Statutes 2024, sections 115A.9155; 115A.961, subdivisions 1, 2, and 3;
 74.17 325E.125, subdivisions 1, 2, 2a, 3, and 4; and 325E.1251, subdivision 1, are repealed.

74.18 **ARTICLE 6**

74.19 **ENERGY FINANCE**

74.20 Section 1. Minnesota Statutes 2024, section 115C.08, subdivision 4, is amended to read:

74.21 Subd. 4. **Expenditures.** (a) Money in the fund may only be spent:

74.22 (1) to administer the petroleum tank release cleanup program established in this chapter;

74.23 (2) for agency administrative costs under sections 116.46 to 116.50, sections 115C.03

74.24 to 115C.06, and costs of corrective action taken by the agency under section 115C.03,

74.25 including investigations;

74.26 (3) for costs of recovering expenses of corrective actions under section 115C.04;

74.27 (4) for training, certification, and rulemaking under sections 116.46 to 116.50;

75.1 (5) for agency administrative costs of enforcing rules governing the construction,
75.2 installation, operation, and closure of aboveground and underground petroleum storage
75.3 tanks;

75.4 (6) for reimbursement of the environmental response, compensation, and compliance
75.5 account under subdivision 5 and section 115B.26, subdivision 4;

75.6 (7) for administrative and staff costs as set by the board to administer the petroleum tank
75.7 release program established in this chapter;

75.8 (8) for corrective action performance audits under section 115C.093;

75.9 (9) for contamination cleanup grants, as provided in paragraph (c);

75.10 (10) to assess and remove abandoned underground storage tanks under section 115C.094
75.11 and, if a release is discovered, to pay for the specific consultant and contractor services
75.12 costs necessary to complete the tank removal project, including, but not limited to, excavation
75.13 soil sampling, groundwater sampling, soil disposal, and completion of an excavation report;
75.14 ~~and~~

75.15 (11) to acquire interests in real or personal property, including easements, environmental
75.16 covenants under chapter 114E, and leases, that the agency determines are necessary for
75.17 corrective actions or to ensure the protectiveness of corrective actions. A donation of an
75.18 interest in real property to the agency is not effective until the agency executes a certificate
75.19 of acceptance. The state is not liable under this chapter solely as a result of acquiring an
75.20 interest in real property under this clause. Agency approval of an environmental covenant
75.21 under chapter 114E is sufficient evidence of acceptance of an interest in real property when
75.22 the agency is expressly identified as a holder in the covenant. Acquisition of real property
75.23 under this clause, except environmental covenants under chapter 114E, is subject to approval
75.24 by the board; and

75.25 (12) to partially reimburse the cost of replacing pressurized single-walled steel piping
75.26 related equipment in underground petroleum storage tank systems under section 115C.09,
75.27 subdivision 31.

75.28 (b) Except as provided in paragraph (c), money in the fund is appropriated to the board
75.29 to make reimbursements or payments under this section.

75.30 (c) In fiscal years 2010 and 2011, \$3,700,000 is annually appropriated from the fund to
75.31 the commissioner of employment and economic development for contamination cleanup
75.32 grants under section 116J.554. Beginning in fiscal year 2012 and each year thereafter,
75.33 \$6,200,000 is annually appropriated from the fund to the commissioner of employment and

76.1 economic development for contamination cleanup grants under section 116J.554. Of this
76.2 amount, the commissioner may spend up to \$225,000 annually for administration of the
76.3 contamination cleanup grant program. The appropriation does not cancel and is available
76.4 until expended. The appropriation shall not be withdrawn from the fund nor the fund balance
76.5 reduced until the funds are requested by the commissioner of employment and economic
76.6 development. The commissioner shall schedule requests for withdrawals from the fund to
76.7 minimize the necessity to impose the fee authorized by subdivision 2. Unless otherwise
76.8 provided, the appropriation in this paragraph may be used for:

76.9 (1) project costs at a qualifying site if a portion of the cleanup costs are attributable to
76.10 petroleum contamination or new and used tar and tar-like substances, including but not
76.11 limited to bitumen and asphalt, but excluding bituminous or asphalt pavement, that consist
76.12 primarily of hydrocarbons and are found in natural deposits in the earth or are distillates,
76.13 fractions, or residues from the processing of petroleum crude or petroleum products as
76.14 defined in section 296A.01; and

76.15 (2) the costs of performing contamination investigation if there is a reasonable basis to
76.16 suspect the contamination is attributable to petroleum or new and used tar and tar-like
76.17 substances, including but not limited to bitumen and asphalt, but excluding bituminous or
76.18 asphalt pavement, that consist primarily of hydrocarbons and are found in natural deposits
76.19 in the earth or are distillates, fractions, or residues from the processing of petroleum crude
76.20 or petroleum products as defined in section 296A.01.

76.21 Sec. 2. Minnesota Statutes 2024, section 115C.09, is amended by adding a subdivision to
76.22 read:

76.23 Subd. 31. **Reimbursement; single-walled steel piping.** (a) For the purposes of this
76.24 subdivision, the following terms have the meanings given:

76.25 (1) "eligible equipment" means all equipment between the underground petroleum storage
76.26 tank and the dispenser, including piping, probes, monitors, pumps, containment, and electrical
76.27 equipment to support the equipment. Eligible equipment does not include underground
76.28 petroleum storage tanks, dispensers, canopies, site improvements, or signage replacement;

76.29 (2) "eligible location" means an underground petroleum storage tank system that is
76.30 located in Minnesota, has pressurized single-walled steel piping, and was installed before
76.31 the effective date of this subdivision; and

77.1 (3) "qualified person" means someone who is registered as a contractor under sections
77.2 115C.11 to 115C.12 and, as part of the person's trade or business, installs or repairs
77.3 pressurized underground petroleum storage tank systems.

77.4 (b) Notwithstanding any other provision of this chapter or any rules adopted under this
77.5 chapter, for replacement projects beginning after January 1, 2027, the board must reimburse
77.6 an owner 50 percent of the cost of replacing existing eligible equipment at eligible locations
77.7 with eligible equipment that meets all current applicable federal and Minnesota regulations
77.8 and standards, provided that:

77.9 (1) the owner considered at least two bids and selected the bid with the lowest total cost;
77.10 and

77.11 (2) the board determines that the costs incurred were reasonable.

77.12 (c) The board must not reimburse costs that the board determines were unreasonable.

77.13 (d) Reimbursement under paragraph (b) must not exceed \$100,000 per eligible location.

77.14 (e) The maximum annual expenditure from the fund established under section 115C.08
77.15 for purposes of this subdivision must not exceed \$4,000,000.

77.16 (f) An owner that owns or operates multiple eligible locations must not receive
77.17 reimbursement for more than two eligible locations per calendar year.

77.18 (g) An owner may be reimbursed for the costs of:

77.19 (1) all eligible equipment;

77.20 (2) labor completed by a qualified person and associated with eligible equipment
77.21 installation;

77.22 (3) labor completed by a qualified person and associated with dirt and concrete work
77.23 directly associated with installing eligible equipment; and

77.24 (4) permits, freight, and shipping directly related to eligible equipment.

77.25 (h) Nothing in this subdivision prohibits an owner from receiving reimbursement from
77.26 other sources for costs that are not reimbursed under this subdivision.

77.27 (i) This subdivision expires June 30, 2037.

78.1 Sec. 3. Minnesota Statutes 2025 Supplement, section 216B.16, subdivision 15, is amended
78.2 to read:

78.3 Subd. 15. **Low-income affordability programs.** (a) The commission must consider
78.4 ability to pay as a factor in setting utility rates and may establish affordability programs for
78.5 low-income residential ratepayers in order to ensure affordable, reliable, and continuous
78.6 service to low-income utility customers. A public utility serving low-income residential
78.7 ratepayers who use natural gas or service from a thermal energy network, as defined in
78.8 section 216B.2427, subdivision 1, for heating must file an affordability program with the
78.9 commission.

78.10 (b) Any affordability program the commission orders a utility to implement must:

78.11 (1) lower the percentage of income that participating low-income households devote to
78.12 energy bills;

78.13 (2) increase participating customer payments over time by increasing the frequency of
78.14 payments;

78.15 (3) decrease or eliminate participating customer arrears;

78.16 (4) lower the utility costs associated with customer account collection activities; and

78.17 (5) coordinate the program with other available low-income bill payment assistance and
78.18 conservation resources.

78.19 (c) In ordering affordability programs, the commission may require public utilities to
78.20 file program evaluations that measure the effect of the affordability program on:

78.21 (1) the percentage of income that participating households devote to energy bills;

78.22 (2) service disconnections; and

78.23 (3) frequency of customer payments, utility collection costs, arrearages, and bad debt.

78.24 (d) The commission must issue orders necessary to implement, administer, and evaluate
78.25 affordability programs, and to allow a utility to recover program costs, including
78.26 administrative costs, on a timely basis. The commission may not allow a utility to recover
78.27 administrative costs, excluding start-up costs, in excess of five percent of total program
78.28 costs, or program evaluation costs in excess of two percent of total program costs. The
78.29 commission must permit deferred accounting, with carrying costs, for recovery of program
78.30 costs incurred during the period between general rate cases.

78.31 (e) Public utilities may use information collected or created for the purpose of
78.32 administering energy assistance to administer affordability programs.

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

79.2 Sec. 4. **[216B.2429] THERMAL ENERGY NETWORKS.**

79.3 Subdivision 1. **Definitions.** For the purposes of this section, "thermal energy network"
79.4 or "TEN" has the meaning given in section 216B.2427, subdivision 1.

79.5 Subd. 2. **Thermal energy network service.** A public utility may offer service by a
79.6 thermal energy network.

79.7 Subd. 3. **Cost recovery.** A public utility must, subject to commission review and
79.8 approval, recover reasonable and prudently incurred costs of implementing an approved
79.9 TEN in a general rate case or, before December 31, 2036, in a thermal energy network
79.10 service rider.

79.11 Subd. 4. **TEN consumer protection.** A utility's provision of service by a TEN is subject
79.12 to the same laws, protections, and commission authority to which a utility's provision of
79.13 natural gas service is subject under this chapter.

79.14 Subd. 5. **TEN siting; priorities.** In assessing locations at which to site a TEN, a utility
79.15 must give preference to an area:

79.16 (1) whose residents have expressed a desire to have a TEN installed;

79.17 (2) whose characteristics resemble those of an area in which a successful TEN was
79.18 completed under a natural gas innovation plan filed under section 216B.2427; or

79.19 (3) that includes or is within an environmental justice area, as defined in section 116.065,
79.20 subdivision 1, paragraph (e).

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

79.22 Sec. 5. **[216C.392] SUPPLEMENTAL ENERGY ASSISTANCE GRANT PROGRAM.**

79.23 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
79.24 the meanings given.

79.25 (b) "Crisis grant" means a grant to a low-income household to prevent shut-off of
79.26 residential energy services, reinstate residential energy services, or enable delivery of
79.27 residential fuels.

79.28 (c) "LIHEAP" has the meaning given in section 142G.02, subdivision 59.

79.29 (d) "Primary energy grant" means a grant to help a low-income household maintain and
79.30 continue affordable energy service.

80.1 Subd. 2. **Establishment.** A supplemental energy assistance grant program is established
80.2 in the department to award grants to eligible applicants. The purpose of the program is to
80.3 assist low-income households experiencing energy burden to pay the costs of heating,
80.4 cooling, and other home energy costs throughout the year.

80.5 Subd. 3. **Applications; procedures.** (a) The commissioner must develop policies and
80.6 procedures governing the grant application and award process, and must leverage existing
80.7 LIHEAP application processes and infrastructure to the maximum degree practicable.

80.8 (b) An eligible applicant must file an application with the commissioner on a form
80.9 developed by the commissioner. The form must be available to eligible applicants in both
80.10 a paper and electronic format.

80.11 Subd. 4. **Eligibility.** (a) A Minnesota resident whose household income is below the
80.12 income eligibility threshold identified in the Minnesota LIHEAP Detailed Model Plan
80.13 submitted to the United States Department of Health and Human Services for the applicable
80.14 program year is eligible to receive a grant award under this section. If the LIHEAP Detailed
80.15 Model Plan is not available, the commissioner may develop a similar income eligibility
80.16 threshold.

80.17 (b) An organization with experience conducting outreach for programs designed for
80.18 low-income households is eligible for grants awarded under subdivision 6, clause (4).

80.19 Subd. 5. **Grant awards.** (a) When awarding grants under this section, the commissioner
80.20 may give priority to expanding the number of households receiving energy assistance over
80.21 increasing grant amounts to households that already received assistance under LIHEAP
80.22 during the same year.

80.23 (b) To the extent practicable, available LIHEAP funds must be awarded to all eligible
80.24 applicants for primary energy and crisis grants before energy and crisis grants are awarded
80.25 under this section.

80.26 Subd. 6. **Types of grants.** The commissioner may award grants under this section for:

80.27 (1) crisis grants to households that received a LIHEAP primary energy grant from federal
80.28 funds but did not receive the maximum crisis grant amount while federal funds allocated
80.29 for crisis grants were available;

80.30 (2) primary energy and crisis grants to eligible households that did not receive LIHEAP
80.31 primary energy and crisis grants from federal funds;

80.32 (3) emergency heating system repair or replacement; and

81.1 (4) outreach activities.

81.2 Subd. 7. **Reporting.** (a) Beginning January 31, 2028, and annually thereafter until January
81.3 31, 2030, the commissioner must submit a report to the chairs and ranking minority members
81.4 of the senate and house of representatives committees with primary jurisdiction over energy
81.5 policy and finance that documents state supplemental energy assistance grant awards made
81.6 under this section during the previous program year from October 1 to September 30.

81.7 (b) To the extent practicable, the following information on grants awarded under this
81.8 section must be reported by statewide total, by county, and by census tract within cities with
81.9 populations over 30,000:

81.10 (1) the number of households awarded a grant;

81.11 (2) the number of households served that did not receive a LIHEAP primary energy
81.12 grant;

81.13 (3) the average primary energy grant award;

81.14 (4) the average crisis grant award; and

81.15 (5) average annual costs of heating and electricity for households served.

81.16 (c) The following information on grants awarded under this section may be reported as
81.17 statewide totals:

81.18 (1) the average household income of grant recipients;

81.19 (2) a distribution of grant awards by grant recipients' household income, expressed as a
81.20 percentage of the federal poverty level established by the United States Department of
81.21 Health and Human Services;

81.22 (3) the number of households that include a person over 60 years old;

81.23 (4) the number of households that include a disabled person;

81.24 (5) the number of households that include a child under six years old; and

81.25 (6) the number of households served by race or ethnicity.

81.26 (d) A report under this section must comply with chapter 13, including provisions
81.27 establishing data on individuals as not public in order to ensure the individual privacy of
81.28 applicants.

82.1 Sec. 6. APPROPRIATION; PUBLIC UTILITIES COMMISSION.

82.2 \$40,000 in fiscal year 2027 is appropriated from the general fund to the Public Utilities
 82.3 Commission for thermal energy network services provided under Minnesota Statutes, section
 82.4 216B.2429.

82.5 Sec. 7. APPROPRIATION; DEPARTMENT OF COMMERCE.

82.6 (a) \$15,000,000 in fiscal year 2027 is appropriated from the general fund to the
 82.7 commissioner of commerce for the supplemental energy assistance grant program under
 82.8 Minnesota Statutes, section 216C.392. This is a onetime appropriation and is available until
 82.9 December 31, 2029.

82.10 (b) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, of the amount
 82.11 appropriated in paragraph (a):

82.12 (1) up to 3.5 percent may be used for staffing and other costs associated with
 82.13 administering the supplemental energy assistance grant program under Minnesota Statutes,
 82.14 section 216C.392, including program planning and preparation, reviewing applications and
 82.15 verifying information, and entering data into a central electronic system maintained by the
 82.16 Department of Commerce. Of this funding, up to .75 percent may be used by the Department
 82.17 of Commerce. The remaining amount allocated under this clause may be used to reimburse
 82.18 reasonable administrative costs incurred under Minnesota Statutes, section 216C.392, by
 82.19 service providers contracted by the Department of Commerce to deliver LIHEAP services;
 82.20 and

82.21 (2) up to 1.5 percent may be used to reimburse the reasonable costs incurred under
 82.22 Minnesota Statutes, section 216C.392, by organizations the department has contracted with
 82.23 to provide outreach and assistance to households to complete grant applications under
 82.24 Minnesota Statutes, section 216C.392. Priority for grants awarded under this clause must
 82.25 be given to organizations that have the ability to conduct outreach to underserved
 82.26 communities and populations, including current service providers and other organizations.

82.27 **ARTICLE 7**

82.28 **RENEWABLE DEVELOPMENT FINANCE**

82.29 Section 1. RENEWABLE DEVELOPMENT FINANCE.

82.30 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 82.31 and for the purposes specified in this article. Notwithstanding Minnesota Statutes, section
 82.32 116C.779, subdivision 1, paragraph (j), the appropriations are from the renewable
 82.33 development account in the special revenue fund established in Minnesota Statutes, section

84.1 **Subd. 3. Green Hydrogen Project**

84.2 \$3,500,000 the second year is for a grant to
84.3 the city of St. Cloud for the Green Hydrogen
84.4 Project to incorporate a battery and renewable
84.5 energy system. This appropriation is available
84.6 until June 30, 2029.

84.7 **Subd. 4. Anaerobic Digester Energy System**

84.8 \$5,000,000 the second year is for a grant to
84.9 Ramsey/Washington Recycling and Energy,
84.10 in partnership with Dem-Con HZI Bioenergy,
84.11 LLC, to construct an anaerobic digester energy
84.12 system in Louisville Township. For the
84.13 purposes of this subdivision, "anaerobic
84.14 digester energy system" means a facility that
84.15 uses diverted food and organic waste to create
84.16 renewable natural gas and biochar. This
84.17 appropriation is available until June 30, 2029.

84.18 **Subd. 5. Como Zoo Geothermal Energy System**

84.19 \$2,250,000 the second year is for a grant to
84.20 Como Zoo in the city of St. Paul to construct
84.21 a geothermal energy system that provides
84.22 space heating and cooling to the large cats
84.23 building. For the purposes of this subdivision,
84.24 "geothermal energy system" means a system
84.25 composed of a heat pump that moves a
84.26 heat-transferring fluid through piping
84.27 embedded in the earth and absorbs the earth's
84.28 constant temperature, a heat exchanger, and
84.29 ductwork to distribute heated and cooled air
84.30 to a building. This appropriation is available
84.31 until June 30, 2029.

84.32 **Subd. 6. Minnesota Energy Alley**

84.33 (a) \$2,000,000 the first year is for a grant to
84.34 Clean Energy Economy Minnesota for the

85.1 Minnesota Energy Alley initiative. The
85.2 initiative is designed to promote energy
85.3 innovation through supporting energy
85.4 entrepreneurs and emerging businesses to
85.5 commercialize energy solutions by matching
85.6 promising innovators with established and
85.7 trustworthy Minnesota-based public and
85.8 private partners to demonstrate emerging
85.9 technologies in real-world applications. The
85.10 grant may be used to provide seed funding for
85.11 businesses, develop a training and
85.12 development program, support recruitment of
85.13 entrepreneurs to Minnesota, and secure
85.14 funding from federal programs and corporate
85.15 partners to establish a self-sustaining,
85.16 long-term revenue model. This appropriation
85.17 is available until June 30, 2028.

85.18 (b) By January 15, 2028, the commissioner of
85.19 commerce must submit a written report to the
85.20 chairs and ranking minority members of the
85.21 house of representatives and senate
85.22 committees with jurisdiction over energy
85.23 finance and policy on the activities and
85.24 accomplishments of the Minnesota Energy
85.25 Alley initiative during the previous fiscal year
85.26 and the disposition of this appropriation,
85.27 including a separate statement of the amount
85.28 of administrative costs.

85.29 **Subd. 7. Ammonia, Hydrogen, and Renewable**
85.30 **Energy Certificate Tracking**

85.31 (a) \$2,000,000 the second year is for a grant
85.32 to CleanCounts for technology that enables
85.33 tradable ammonia, hydrogen, and renewable
85.34 energy certificates.

86.1 (b) Beginning January 1, 2027, and through
86.2 January 1, 2031, an entity that receives a grant
86.3 under this subdivision must submit a report to
86.4 the legislative auditor that details how the
86.5 grant money received has been spent.

86.6 (c) Beginning January 1, 2031, and through
86.7 January 1, 2036, an entity that receives a grant
86.8 under this subdivision must report to the
86.9 commissioners of commerce and agriculture
86.10 regarding the number of ammonia certificates
86.11 issued in Minnesota as a result of the grant
86.12 money received.

86.13 (d) This appropriation is available until June
86.14 30, 2029.

86.15 **Subd. 8. Great Plains Institute**

86.16 \$500,000 the second year is for a grant to the
86.17 Great Plains Institute for work related to
86.18 identifying existing and future areas of the
86.19 state that are suitable for additional distributed
86.20 ammonia production and that have nearby
86.21 wind or other curtailed power. This
86.22 appropriation is available until June 30, 2029.

86.23 **Subd. 9. Macalester College Geothermal Energy**
86.24 **System**

86.25 (a) \$2,570,000 the second year is for a grant
86.26 to Macalester College in St. Paul to construct
86.27 an aquifer-based geothermal energy system
86.28 that provides space heating and cooling to a
86.29 new campus residence hall and welcome
86.30 center, with the capacity for future expansion
86.31 to serve as a district heating and cooling plant
86.32 for all campus buildings north of Grand
86.33 Avenue. This appropriation is available until
86.34 June 30, 2029.

87.1 (b) For purposes of this section, "aquifer-based
87.2 geothermal energy system" means a system
87.3 composed of wells that access underground
87.4 aquifers, heat pumps that transfer thermal
87.5 energy between buildings and the aquifer, heat
87.6 exchangers, and associated distribution
87.7 infrastructure.

87.8 **Subd. 10. Biomass Energy Facility**

87.9 (a) \$715,000 the second year is for a grant to
87.10 Liberty Paper, Inc. to study and plan for an
87.11 anaerobic digester or a biomass thermal
87.12 generation facility in the city of Becker. This
87.13 is a onetime appropriation and is available
87.14 until June 30, 2029.

87.15 (b) For purposes of this section, the following
87.16 terms have the meanings given: (1) "anaerobic
87.17 digester" means a facility that uses diverted
87.18 food and organic waste to generate renewable
87.19 natural gas and biochar; (2) "biochar" means
87.20 a solid substance, made from burning organic
87.21 material, that sequesters carbon and is capable
87.22 of being used as a soil application; and (3)
87.23 "biomass thermal generation facility" means
87.24 a facility that generates energy for commercial
87.25 heat or industrial process heat from the
87.26 combustion of organic material.

87.27 **Subd. 11. Geothermal Energy System; The**
87.28 **Heights Community Energy**

87.29 (a) \$3,000,000 in the second year is for a grant
87.30 to The Heights Community Energy to
87.31 construct a geothermal energy system.

87.32 (b) For purposes of this section, "geothermal
87.33 energy system" means a system composed of
87.34 one or more heat pumps connected to piping
87.35 embedded in the earth that exchanges thermal

88.1 energy with the earth and associated
 88.2 distribution and building mechanical
 88.3 infrastructure to provide heating and cooling
 88.4 to one or more buildings.

88.5 **Subd. 12. Grant Administration**

88.6 Notwithstanding Minnesota Statutes, section
 88.7 16B.98, subdivision 14, the commissioner may
 88.8 use up to \$250,000 of the amount in this
 88.9 section for the administrative costs of the
 88.10 grants in this section.

88.11 **Sec. 3. UNIVERSITY OF MINNESOTA** **\$** **-0-** **\$** **2,900,000**

88.12 (a) \$1,500,000 the second year is for research,
 88.13 development, outreach, and demonstration of
 88.14 energy systems that use hydrogen and
 88.15 ammonia production from renewable energy
 88.16 resources and other sources of clean energy
 88.17 as a means of storing and generating
 88.18 electricity. This appropriation is available until
 88.19 June 30, 2029.

88.20 (b) \$650,000 the second year is for the Natural
 88.21 Resources Research Institute to evaluate the
 88.22 state's geological hydrogen potential. The
 88.23 evaluation must include: (1) the availability
 88.24 of the mined hydrogen resource; (2) the
 88.25 feasibility of extracting the hydrogen from
 88.26 underground deposits; (3) the potential
 88.27 groundwater management challenges; and (4)
 88.28 cost-effective strategies for storing and
 88.29 transporting mined hydrogen. The Natural
 88.30 Resources Research Institute must submit the
 88.31 evaluation and an interim report to the chairs
 88.32 and ranking minority members of the
 88.33 legislative committees with jurisdiction over

89.1 energy policy and finance by May 15, 2028,
 89.2 and a final report by May 15, 2029.

89.3 (c) \$750,000 the second year is for the Natural
 89.4 Resources Research Institute to evaluate new
 89.5 feedstock resources for a globally competitive,
 89.6 next generation iron ore industry. The study
 89.7 must include but is not limited to
 89.8 quantification and characterization of
 89.9 resources related to iron ore, energy, water,
 89.10 hydrogen, biomass, carbon materials, process
 89.11 technologies, transportation, and
 89.12 manufacturing infrastructure that support
 89.13 cross-coupling of iron production with
 89.14 industries such as liquid fuels and ammonia.
 89.15 The Natural Resources Research Institute must
 89.16 submit the results of the study and an interim
 89.17 report to the chairs and ranking minority
 89.18 members of the legislative committees with
 89.19 jurisdiction over energy policy and finance by
 89.20 May 15, 2028, and a final report by May 15,
 89.21 2029.

89.22 **Sec. 4. POLLUTION CONTROL AGENCY \$ -0- \$ 3,000,000**

89.23 \$3,000,000 the second year is for a grant to
 89.24 the owner of a biomass energy generation
 89.25 plant in Shakopee that uses waste heat from
 89.26 the generation of electricity in the malting
 89.27 process to purchase equipment to facilitate the
 89.28 disposal of wood that is infested by emerald
 89.29 ash borer. This appropriation is available until
 89.30 June 30, 2029. Notwithstanding Minnesota
 89.31 Statutes, section 16B.98, subdivision 14, the
 89.32 commissioner of the Pollution Control Agency
 89.33 may use up to \$25,000 of the amount in this
 89.34 section for the administrative costs of this
 89.35 grant.

- 90.1 **Sec. 5. DEPARTMENT OF AGRICULTURE** **\$** **-0-** **\$** **4,000,000**
- 90.2 \$4,000,000 the second year is for a grant to
- 90.3 TalusAg for the production and operation of
- 90.4 at least two green fertilizer production systems
- 90.5 located in Minnesota. This appropriation is
- 90.6 available until June 30, 2029. Notwithstanding
- 90.7 Minnesota Statutes, section 16B.98,
- 90.8 subdivision 14, the commissioner of
- 90.9 agriculture may use up to \$25,000 of the
- 90.10 amount in this section for the administrative
- 90.11 costs of this grant.
- 90.12 **Sec. 6. PUBLIC UTILITIES COMMISSION** **\$** **-0-** **\$** **300,000**
- 90.13 (a) \$300,000 the second year is to contract
- 90.14 with a third party to conduct a study to inform
- 90.15 policymakers regarding the potential impact
- 90.16 of new nuclear generation on the public
- 90.17 interest of Minnesota, including affordability,
- 90.18 reliability, environmental protection, public
- 90.19 health, and equitable outcomes.
- 90.20 (b) The commission must issue a competitive
- 90.21 request for proposals and contract with an
- 90.22 independent, qualified entity or consortium
- 90.23 with demonstrated expertise in relevant subject
- 90.24 matter, and with no material financial interest
- 90.25 in the expansion of nuclear generation. The
- 90.26 commission must ensure balanced
- 90.27 representation of perspectives in the study.
- 90.28 The selected entity must disclose any potential
- 90.29 conflicts of interest to the commission. If the
- 90.30 commission determines that issuing a
- 90.31 competitive request for proposals would
- 90.32 unreasonably delay completion of the study
- 90.33 within the required timeline, the commission
- 90.34 may contract on a sole-source basis, provided
- 90.35 that the selected entity meets the qualifications

91.1 and independence requirements under this
91.2 paragraph.

91.3 (c) The study must be completed no later than
91.4 January 30, 2027, and must include, at a
91.5 minimum, discussion of:

91.6 (1) changes in federal regulations governing
91.7 the licensing of nuclear-powered facilities that
91.8 may speed the review and approval process;

91.9 (2) technological advances made with respect
91.10 to conventional nuclear-powered facilities that
91.11 affect safety and cost;

91.12 (3) full life cycle costs, including capital costs,
91.13 financing costs, construction risk, cost
91.14 overruns, decommissioning costs, waste
91.15 management, and long-term liability exposure
91.16 compared to alternative resource options. The
91.17 analysis must include historical evidence from
91.18 comparable projects in the United States and
91.19 internationally;

91.20 (4) ratepayer impacts where new nuclear
91.21 generation has been developed, including
91.22 effects on electricity rates, cost and schedule
91.23 overruns, and the allocation of financial risk
91.24 between ratepayers and developers;

91.25 (5) public finance protections such as public
91.26 subsidies, tax expenditures, and financial
91.27 incentives required, and the opportunity cost
91.28 of those public investments;

91.29 (6) the prospects for small modular reactors
91.30 and factory-built portable modules with a
91.31 capacity up to 300 megawatts, including:

91.32 (i) the types of technologies available;
91.33 (ii) current licensing status; and

- 92.1 (iii) estimated costs;
- 92.2 (7) siting issues, including:
- 92.3 (i) the degree to which the requirement for
- 92.4 proximity to water resources sufficient for
- 92.5 cooling purposes restricts possible locations
- 92.6 of nuclear facilities, and what locations
- 92.7 meeting that requirement are available in this
- 92.8 state;
- 92.9 (ii) the potential for collocating nuclear
- 92.10 facilities with businesses that demand very
- 92.11 large amounts of electricity;
- 92.12 (iii) the environmental impacts of nuclear
- 92.13 facilities, including impacts on the health of
- 92.14 nearby residents;
- 92.15 (iv) the prospects for acceptance of nuclear
- 92.16 facilities by host communities, and best
- 92.17 practices for engaging communities on this
- 92.18 issue; and
- 92.19 (v) how interconnection and transmission
- 92.20 issues affect potential plant locations;
- 92.21 (8) nuclear waste issues, including:
- 92.22 (i) the amount and toxicity of radioactive
- 92.23 waste produced by both conventional nuclear
- 92.24 technologies and small modular reactors;
- 92.25 (ii) the costs of on-site storage;
- 92.26 (iii) the prospects for developing permanent
- 92.27 storage of radioactive waste at either a
- 92.28 federally owned or privately owned repository
- 92.29 to which Minnesota's waste could be
- 92.30 transported; and
- 92.31 (iv) the feasibility and cost of reprocessing
- 92.32 nuclear waste;

- 93.1 (9) the economic impacts of various nuclear
93.2 technologies on a host community, including:
- 93.3 (i) increased employment levels during
93.4 construction and operations;
- 93.5 (ii) increased local economic activity resulting
93.6 from purchases made by the nuclear-powered
93.7 facility and the facility's employees; and
- 93.8 (iii) potential tax revenue to local
93.9 communities, local schools, and the state;
- 93.10 (10) impacts of new nuclear-powered electric
93.11 generating plants on public safety officials and
93.12 emergency responders in host communities
93.13 and adjacent areas with respect to emergency
93.14 planning efforts;
- 93.15 (11) system integration, including impacts on
93.16 grid flexibility, compatibility with high levels
93.17 of renewable energy, ramping capability, and
93.18 implications for achieving Minnesota's
93.19 greenhouse gas reduction goals;
- 93.20 (12) how new nuclear generation could
93.21 accelerate or delay achievement of, and assist
93.22 or hinder ongoing compliance with,
93.23 Minnesota's statutory greenhouse gas
93.24 reduction and carbon-free electricity goals,
93.25 including comparison of deployment
93.26 timelines;
- 93.27 (13) expected timelines from permitting
93.28 through operation, including historical
93.29 averages and delays for similar projects;
- 93.30 (14) current Minnesota statutes and
93.31 administrative rules that would require
93.32 modification in order to enable the

- 94.1 construction and operation of advanced
 94.2 nuclear reactors;
 94.3 (15) the feasibility of replacing retiring
 94.4 generation assets in host communities with
 94.5 advanced nuclear reactors; and
 94.6 (16) the workforce required and available, and
 94.7 the training capacity necessary to construct
 94.8 and operate new nuclear reactors.
 94.9 (d) The study must be conducted transparently,
 94.10 with all data, assumptions, and models
 94.11 publicly available.
 94.12 (e) No later than February 1, 2027, the
 94.13 commission must submit the study to the
 94.14 chairs and ranking minority members of the
 94.15 senate and house of representatives
 94.16 committees responsible for energy policy and
 94.17 finance.

94.18 **Sec. 7. TRANSFERS.**

94.19 (a) \$2,000,000 in fiscal year 2027 is transferred from the renewable development account
 94.20 in the special revenue fund to the geothermal planning grant account under Minnesota
 94.21 Statutes, section 216C.47, subdivision 3. This is a onetime transfer.

94.22 (b) \$4,465,000 in fiscal year 2027 is transferred from the renewable development account
 94.23 in the special revenue fund to the preweatherization account under Minnesota Statutes,
 94.24 section 216C.264, subdivision 1c. This is a onetime transfer.

94.25 **ARTICLE 8**

94.26 **JOBS AND ECONOMIC DEVELOPMENT APPROPRIATIONS**

94.27 **Section 1. WORKFORCE DEVELOPMENT FUND APPROPRIATIONS.**

94.28 Subdivision 1. **Appropriations.** The amounts specified in the following subdivisions
 94.29 are appropriated from the workforce development fund to the commissioner of employment
 94.30 and economic development for the purposes specified in each subdivision. The appropriations
 94.31 are in fiscal year 2027 and onetime. Notwithstanding Minnesota Statutes, sections 16B.98,

95.1 subdivision 14, and 116J.035, subdivision 7, the commissioner may use up to three percent
95.2 of the amounts appropriated for administrative costs.

95.3 Subd. 2. **Wallin Education Partners.** \$100,000 is for a grant to Wallin Education
95.4 Partners to support its career development program, which provides career exploration, skill
95.5 building, mentoring, direct talent pipeline development, and early employment readiness
95.6 for underresourced participants. Money may also be used to expand Wallin's construction
95.7 and health care pathways programs, which offer advising, hands-on learning, and work-based
95.8 experience to prepare participants for careers in construction and health care.

95.9 Subd. 3. **New Pathways.** \$130,000 is for a grant to New Pathways in Cambridge to
95.10 support preemployment and job readiness programming for families with children
95.11 experiencing homelessness. Money may be used to provide individualized employment
95.12 preparation, resume and job application assistance, interview readiness, and connections to
95.13 local employers and training programs. This programming must help parents overcome
95.14 barriers to employment while working toward stable housing and self-sufficiency through
95.15 case management, family education, and partnerships with community resources.

95.16 Subd. 4. **People Serving People.** \$250,000 is for a grant to People Serving People in
95.17 Minneapolis to provide preemployment and job readiness services for parents and adults
95.18 experiencing homelessness. Money may be used for resume and cover letter writing support,
95.19 job search and application assistance, mock interviews, interview and work clothing, uniform
95.20 and licensure fee assistance, technology access, financial fitness classes, and child care and
95.21 transportation support to help families overcome barriers to employment, achieve financial
95.22 stability, and build pathways to long-term self-sufficiency.

95.23 Subd. 5. **Local News Talent Pipeline Program.** \$250,000 is for a grant to the Minnesota
95.24 News Media Institute for a local news talent pipeline program, a statewide initiative to
95.25 encourage Minnesotans to seek careers in journalism and local news operations and
95.26 strengthen the capacity of Minnesota news outlets. Grant money must be used by the
95.27 recipients to provide paid internships with Minnesota newspapers, television and radio
95.28 broadcasters, and digital news platforms for individuals to gain experience in reporting,
95.29 editing, media design, and other operational functions. To the extent practicable, the
95.30 Minnesota News Media Institute should seek a balanced geographic distribution of grants
95.31 and allocation of grants across different news mediums. The Minnesota News Media Institute
95.32 must consult with local Minnesota-based news organization associations, including the
95.33 Minnesota Broadcasters Association and Minnesota Newspaper Association, on the
95.34 administration of the grant program. The Minnesota News Media Institute may retain up
95.35 to five percent of funding to cover administrative expenses of operating the grant program.

96.1 Subd. 6. **Appetite for Change.** \$150,000 is for a grant to Appetite For Change for the
 96.2 Youth Training and Opportunities Program to provide workforce training for local youth
 96.3 in urban agriculture, culinary arts, and leadership development.

96.4 Subd. 7. **180 Degrees.** \$250,000 is for a grant to 180 Degrees, serving teens in Hennepin,
 96.5 Ramsey, Stearns, Carver, and Olmsted Counties and surrounding areas, to support youth
 96.6 and young adult employment readiness and exposure to career opportunities. Money may
 96.7 be used for career exploration, resume development, mock interviews, and work readiness
 96.8 training that fosters hope, self-sufficiency, and positive career pathways for young people
 96.9 at risk of or experiencing homelessness, helping them break cycles of poverty and avoid
 96.10 exploitation or chronic instability.

96.11 Subd. 8. **The Cookie Cart.** \$300,000 is for a grant to The Cookie Cart for earn and learn
 96.12 workforce training for youth ages 14 to 18 to provide life, leadership, and employment skills
 96.13 through on-the-job and classroom experiences in a nonprofit bakery.

96.14 Subd. 9. **Hmong American Partnership.** \$500,000 is for a grant to the Hmong American
 96.15 Partnership for job training and employment services.

96.16 Subd. 10. **Getting to Work Grant Program.** \$1,000,000 is for the getting to work grant
 96.17 program under Minnesota Statutes, section 116J.545.

96.18 Subd. 11. **Enterprise Minnesota, Inc.** \$2,000,000 is for a grant to Enterprise Minnesota,
 96.19 Inc., to directly invest in Minnesota manufacturers under the Made in Minnesota program
 96.20 under Minnesota Statutes, section 116O.115, and for operations of Enterprise Minnesota,
 96.21 Inc.

96.22 **Sec. 2. RURAL CANCER INSTITUTE PILOT PROGRAM APPROPRIATION**
 96.23 **MODIFICATION.**

96.24 (a) The appropriation for the Rural Cancer Institute pilot program in Laws 2025, First
 96.25 Special Session chapter 6, article 1, section 2, subdivision 3, paragraph (bbb), must prioritize
 96.26 Minnesota clinicians and students. The Rural Cancer Institute may work with clinicians and
 96.27 students from elsewhere in the United States if the clinician or student receives the
 96.28 recommendation of a practicing Minnesota oncologist and all care is provided in Minnesota.

96.29 (b) The appropriations in fiscal years 2026 and 2027 for the Rural Cancer Institute pilot
 96.30 program in Laws 2025, First Special Session chapter 6, article 1, section 2, subdivision 3,
 96.31 paragraph (bbb), are available until June 30, 2028.

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

97.1

ARTICLE 9

97.2

LABOR APPROPRIATIONS

97.3

Section 1. **APPROPRIATIONS.**

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Subdivision 1. Appropriations. The amounts specified in the following subdivisions are appropriated from the general fund to the commissioner of labor and industry for the purposes specified in each subdivision.

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Subd. 2. Additional support for Safe Workplaces for Meat and Poultry Processing Workers Act. \$163,000 in fiscal year 2027 is for one added full-time equivalent position to support activities under the Safe Workplaces for Meat and Poultry Processing Workers Act under Minnesota Statutes, sections 179.87 to 179.877.

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97.12

Subd. 3. Suitable seating enforcement. \$200,000 in fiscal year 2027 is for enforcement of Minnesota Statutes, section 181.995.

97.13

ARTICLE 10

97.14

LABOR POLICY

97.15

Section 1. Minnesota Statutes 2024, section 177.27, subdivision 4, is amended to read:

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Subd. 4. Compliance orders. The commissioner may issue an order requiring an employer to comply with sections 177.21 to 177.435, 177.50, 179.86, 181.02, 181.03, 181.031, 181.032, 181.10, 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.165, 181.172, paragraph (a) or (d), 181.214 to 181.217, 181.275, subdivision 2a, 181.635, 181.64, 181.722, 181.723, 181.79, 181.85 to 181.89, 181.939 to 181.943, 181.9445 to 181.9448, 181.987, 181.991, 181.995, 268B.09, subdivisions 1 to 6, and 268B.14, subdivision 3, with any rule promulgated under section 177.28, 181.213, or 181.215. The commissioner shall issue an order requiring an employer to comply with sections 177.41 to 177.435, 181.165, or 181.987 if the violation is repeated. For purposes of this subdivision only, a violation is repeated if at any time during the two years that preceded the date of violation, the commissioner issued an order to the employer for violation of sections 177.41 to 177.435, 181.165, or 181.987 and the order is final or the commissioner and the employer have entered into a settlement agreement that required the employer to pay back wages that were required by sections 177.41 to 177.435. The department shall serve the order upon the employer or the employer's authorized representative in person or by certified mail at the employer's place of business. An employer who wishes to contest the order must file written notice of objection to the order with the commissioner within 15 calendar days after being served with the order. A contested case proceeding must then be held in accordance with

98.1 sections 14.57 to 14.69 or 181.165. If, within 15 calendar days after being served with the
 98.2 order, the employer fails to file a written notice of objection with the commissioner, the
 98.3 order becomes a final order of the commissioner. For the purposes of this subdivision, an
 98.4 employer includes a contractor that has assumed a subcontractor's liability within the meaning
 98.5 of section 181.165.

98.6 Sec. 2. Minnesota Statutes 2024, section 181.03, subdivision 6, is amended to read:

98.7 Subd. 6. **Retaliation.** An employer shall not discharge, discipline, penalize, interfere
 98.8 with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee
 98.9 for asserting rights or remedies under this section, sections 177.21 to 177.44, 181.01 to
 98.10 181.723, ~~or 181.79,~~ or 181.995, including, but not limited to, filing a complaint with the
 98.11 department or telling the employer of the employee's intention to file a complaint. In addition
 98.12 to any other remedies provided by law, an employer who violates this subdivision is liable
 98.13 for a civil penalty of not less than \$700 nor more than \$3,000 per violation.

98.14 Sec. 3. **[181.995] SUITABLE SEATING FOR EMPLOYEES.**

98.15 Subdivision 1. **Suitable seating for employees required.** An employer must provide
 98.16 suitable seating for employees and must permit the use of those seats by employees when
 98.17 the nature of the work reasonably permits the use of seats. For purposes of this section,
 98.18 "suitable seating" means an adequate number of seats placed in reasonable proximity to the
 98.19 work area and includes chairs, benches, or stools.

98.20 Subd. 2. **Enforcement.** This section shall be enforced by the commissioner under section
 98.21 177.27. A violation of this section is subject to a penalty of up to \$250 for each violation.

98.22 Subd. 3. **Effect on other laws.** Nothing in this section shall be construed to affect any
 98.23 provision of law relating to occupational health and safety or in any way diminish the
 98.24 coverage of laws relating to pregnancy, disability, or health conditions related to pregnancy
 98.25 or childbirth under any other provisions of any other law.

98.26 ARTICLE 11

98.27 STATE GOVERNMENT APPROPRIATIONS

98.28 Section 1. Laws 2023, chapter 70, article 20, section 12, as amended by Laws 2023, chapter
 98.29 75, section 13, and Laws 2024, chapter 127, article 67, section 15, is amended to read:

98.30	Sec. 12. COMMISSIONER OF		3,412,000
98.31	MANAGEMENT AND BUDGET	\$ 12,932,000	\$ <u>2,412,000</u>

99.1 (a) **Outcomes and evaluation consultation.**
 99.2 \$450,000 in fiscal year 2024 and \$450,000 in
 99.3 fiscal year 2025 are for outcomes and
 99.4 evaluation consultation requirements.

99.5 (b) **Department of Children, Youth, and**
 99.6 **Families.** \$11,931,000 in fiscal year 2024 and
 99.7 ~~\$2,066,000~~ \$1,066,000 in fiscal year 2025 are
 99.8 to establish the Department of Children,
 99.9 Youth, and Families. This is a onetime
 99.10 appropriation.

99.11 (c) **Health care subcabinet.** \$551,000 in fiscal
 99.12 year 2024 and \$664,000 in fiscal year 2025
 99.13 are to hire an executive director for the health
 99.14 care subcabinet and to provide staffing and
 99.15 administrative support for the health care
 99.16 subcabinet.

99.17 (d) **Base level adjustment.** The general fund
 99.18 base is \$1,114,000 in fiscal year 2026 and
 99.19 \$1,114,000 in fiscal year 2027.

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

99.21 Sec. 2. **APPROPRIATION; ATTORNEY GENERAL.**

99.22 \$1,231,000 in fiscal year 2027 is appropriated from the general fund to the attorney
 99.23 general for the Medicaid Fraud Control Unit.

99.24 Sec. 3. **APPROPRIATION; DEPARTMENT OF ADMINISTRATION.**

99.25 \$1,925,000 in fiscal year 2026 is appropriated from the general fund to the commissioner
 99.26 of administration for grants to public television stations for operations. Of this amount,
 99.27 \$350,000 is for a grant to Pioneer PBS; \$475,000 is for a grant to Lakeland PBS; \$650,000
 99.28 is for a grant to KSMQ; \$250,000 is for a grant to PBS North; and \$200,000 is for a grant
 99.29 to Prairie Public television.

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

100.1

ARTICLE 12

100.2

BOARD OF BARBER EXAMINERS

100.3 Section 1. Minnesota Statutes 2024, section 154.001, subdivision 2, is amended to read:

100.4 Subd. 2. **Board of Barber Examiners.** (a) A Board of Barber Examiners is established
 100.5 to consist of four barber members and one public member, as defined in section 214.02,
 100.6 appointed by the governor.

100.7 (b) The barber members shall be persons who have practiced as registered barbers in
 100.8 this state for at least five years immediately prior to their appointment; shall be graduates
 100.9 from the 12th grade of a high school or have equivalent education, and shall have knowledge
 100.10 of the matters to be taught in registered barber schools, as set forth in section 154.07. ~~One~~
 100.11 ~~of the barber members shall be a member of, or recommended by, a union of journeymen~~
 100.12 ~~barbers that has existed at least two years, and one barber member shall be a member of,~~
 100.13 ~~or recommended by, a professional organization of barbers.~~

100.14 Sec. 2. Minnesota Statutes 2024, section 154.003, is amended to read:

154.003 FEES.

100.16 (a) The fees collected, as required in this chapter, chapter 214, and the rules of the board,
 100.17 shall be paid to the board. The board shall deposit the fees in the general fund in the state
 100.18 treasury.

100.19 (b) The board shall charge the following fees:

100.20 (1) practical examination and certificate, registered barber, ~~\$85~~ \$80;

100.21 ~~(2) retake of written examination, \$10;~~

100.22 (2) initial barber registration, \$80;

100.23 (3) examination and certificate, instructor, \$180;

100.24 (4) certificate, instructor, \$65;

100.25 (5) temporary teacher permit, \$80;

100.26 (6) temporary registered barber, military, \$85;

100.27 (7) temporary barber instructor, military, \$180;

100.28 (8) renewal of registration, registered barber, \$80;

100.29 (9) renewal of registration, instructor, \$80;

100.30 (10) renewal of temporary teacher permit, \$65;

- 101.1 (11) student permit, \$45;
- 101.2 (12) renewal of student permit, \$25;
- 101.3 (13) initial shop registration, \$85;
- 101.4 (14) initial school registration, \$1,030;
- 101.5 (15) renewal shop registration, \$85;
- 101.6 (16) renewal school registration, \$280;
- 101.7 (17) restoration of registered barber registration, \$95;
- 101.8 (18) restoration of shop registration, \$105;
- 101.9 (19) change of ownership or location, \$55;
- 101.10 (20) duplicate registration, \$40;
- 101.11 (21) home study course, \$75;
- 101.12 (22) letter of registration verification, \$25; and
- 101.13 (23) reinspection, \$100.

101.14 (c) If the board uses a board-approved examination provider for any portion of the
 101.15 comprehensive registered barber examination and the provider charges a fee, an examinee
 101.16 must pay the fee directly to the provider. A fee charged by a provider under this paragraph
 101.17 is separate from and not included in the fees that an examinee pays to the board.

101.18 Sec. 3. Minnesota Statutes 2024, section 154.01, is amended to read:

101.19 **154.01 REGISTRATION MANDATORY.**

101.20 (a) The registration of the practice of barbering serves the public health and safety of
 101.21 the people of the state of Minnesota by ensuring that individuals seeking to practice the
 101.22 profession of barbering are appropriately trained in the use of the chemicals, tools, and
 101.23 implements of barbering and demonstrate the skills necessary to conduct barber services in
 101.24 a safe, sanitary, and appropriate environment required for infection control.

101.25 (b) No person shall practice, offer to practice, or attempt to practice barbering without
 101.26 a current certificate of registration as a registered barber, issued pursuant to provisions of
 101.27 sections ~~154.001, 154.002, 154.003, 154.01 to 154.162, 154.19 to 154.21, and 154.24 to~~
 101.28 ~~154.28~~ by the Board of Barber Examiners.

101.29 (c) A registered barber must only provide barbering services in a registered barber shop
 101.30 or barber school, unless prior authorization is given by the board.

102.1 (d) No person shall operate a barber shop unless it is at all times under the direct
 102.2 supervision and management of a registered barber and the owner or operator of the barber
 102.3 shop possesses a current shop registration card, issued to the barber shop establishment
 102.4 address, ~~under sections 154.001, 154.002, 154.003, 154.01 to 154.162, 154.19 to 154.21,~~
 102.5 ~~and 154.24 to 154.28~~ by the Board of Barber Examiners.

102.6 (e) No person shall serve, offer to serve, or attempt to serve as an instructor of barbering
 102.7 without a current certificate of registration as a registered instructor of barbering or a
 102.8 temporary permit as an instructor of barbering, as provided for the board by rule, issued
 102.9 ~~under sections 154.001, 154.002, 154.003, 154.01 to 154.162, 154.19 to 154.21, and 154.24~~
 102.10 ~~to 154.28~~ by the Board of Barber Examiners. Barber instruction must be provided in
 102.11 registered barber schools only.

102.12 (f) No person shall operate a barber school unless the owner or operator possesses a
 102.13 current certificate of registration as a barber school, issued ~~under sections 154.001, 154.002,~~
 102.14 ~~154.003, 154.01 to 154.162, 154.19 to 154.21, and 154.24 to 154.28~~ by the Board of Barber
 102.15 Examiners.

102.16 Sec. 4. Minnesota Statutes 2024, section 154.02, subdivision 1, is amended to read:

102.17 Subdivision 1. **What constitutes barbering.** Any one or any combination of the
 102.18 following practices when done upon the head, face, and neck for cosmetic purposes and not
 102.19 for the treatment of disease or physical or mental ailments and when done for payment
 102.20 directly or indirectly or without payment for the public generally constitutes the practice of
 102.21 barbering within the meaning of ~~sections 154.001, 154.002, 154.003, 154.01 to 154.162,~~
 102.22 ~~154.19 to 154.21, and 154.24 to 154.28~~ this chapter: to shave the face or neck using a straight
 102.23 razor or other tool, trim the beard, clean, condition, cut, color, shape, or straighten the hair
 102.24 of any person of either sex for compensation or other reward received by the person
 102.25 performing such service or any other person; to give facial and scalp massage with oils,
 102.26 creams, lotions, or other preparations either by hand or mechanical appliances; to singe,
 102.27 shampoo the hair, or apply hair tonics; or to apply cosmetic preparations, antiseptics,
 102.28 powders, oils, clays, or lotions to hair, scalp, face, or neck. The removal of hair through the
 102.29 process of waxing is not barbering.

102.30 Sec. 5. Minnesota Statutes 2024, section 154.02, subdivision 4, is amended to read:

102.31 Subd. 4. **Certificate of registration.** A "certificate of registration" means the certificate
 102.32 issued to an individual, a barber shop, or a barber school that is in compliance with ~~the~~

103.1 ~~requirements of sections 154.001, 154.002, 154.003, 154.01 to 154.162, 154.19 to 154.21,~~
 103.2 ~~and 154.24 to 154.28~~ this chapter.

103.3 Sec. 6. Minnesota Statutes 2024, section 154.02, is amended by adding a subdivision to
 103.4 read:

103.5 Subd. 7. **Straight razor.** A straight razor is a razor with a rigid steel cutting blade or a
 103.6 replaceable blade that is hinged to a case that forms a handle when the razor is open for use.

103.7 Sec. 7. Minnesota Statutes 2024, section 154.02, is amended by adding a subdivision to
 103.8 read:

103.9 Subd. 8. **Waxing.** Waxing is the process of removing hair from a part of the body by
 103.10 applying wax and peeling off the wax.

103.11 Sec. 8. Minnesota Statutes 2024, section 154.05, is amended to read:

103.12 **154.05 WHO MAY RECEIVE CERTIFICATES OF REGISTRATION AS A**
 103.13 **REGISTERED BARBER.**

103.14 ~~(a)~~ A person is qualified to receive a certificate of registration as a registered barber if
 103.15 the person:

103.16 (1) ~~has successfully completed ten grades of education~~ is at least 17 years of age;

103.17 (2) has successfully completed 1,500 hours of study of which 281 hours are classroom
 103.18 hours and 1,219 hours are practical hours in a board-approved barber school; and

103.19 (3) has passed ~~an~~ a comprehensive examination ~~conducted by the board~~ in accordance
 103.20 with section 154.09 to determine the person's fitness to practice barbering.

103.21 ~~(b) A first-time applicant for a certificate of registration to practice as a registered barber~~
 103.22 ~~who fails to pass the comprehensive examination conducted by the board and who fails to~~
 103.23 ~~pass a onetime retake of the written examination, shall complete an additional 500 hours~~
 103.24 ~~of barber education before being eligible to retake the comprehensive examination as many~~
 103.25 ~~times as necessary to pass.~~

103.26 Sec. 9. Minnesota Statutes 2024, section 154.07, subdivision 1, is amended to read:

103.27 Subdivision 1. **Admission requirements; course of instruction.** No barber school shall
 103.28 be approved by the board unless it the barber school requires, ~~as a prerequisite to admission,~~
 103.29 ~~ten grades of an approved school or its equivalent, as determined by educational transcript,~~
 103.30 ~~high school diploma, high school equivalency certificate, or an examination conducted by~~

104.1 ~~the commissioner of education, which shall issue a certificate that the student has passed~~
 104.2 ~~the required examination, and unless it requires,~~ as a prerequisite to graduation, a course of
 104.3 instruction of at least 1,500 hours of not more than ten hours of schooling in any one working
 104.4 day. The course of instruction must include the following subjects: scientific fundamentals
 104.5 for barbering; hygiene; practical study of the hair, skin, muscles, and nerves; structure of
 104.6 the head, face, and neck; elementary chemistry relating to sanitation; disinfection; sterilization
 104.7 and antiseptics; diseases of the skin, hair, and glands; massaging and manipulating the
 104.8 muscles of the face and neck; haircutting; shaving; trimming the beard; bleaching, tinting
 104.9 and dyeing the hair; and the chemical waving and straightening of hair.

104.10 Sec. 10. Minnesota Statutes 2024, section 154.07, is amended by adding a subdivision to
 104.11 read:

104.12 Subd. 7. **Application review process.** (a) Upon receipt of an application to establish a
 104.13 barber school, the board must consider the application during a meeting that is open to the
 104.14 public. At the meeting, the applicant must demonstrate that:

104.15 (1) the contents of the application are true, as required by chapter 154 and the rules of
 104.16 the board; and

104.17 (2) the applicant has sufficient financial resources to fund the barber school.

104.18 (b) The board may deny an application if the board determines that the applicant's
 104.19 financial resources would be insufficient to:

104.20 (1) maintain and operate a barber school; and

104.21 (2) ensure that the barber school would be open long enough for all registered students
 104.22 to graduate from the barber school.

104.23 Sec. 11. Minnesota Statutes 2024, section 154.08, is amended to read:

104.24 **154.08 APPLICATION; FEE.**

104.25 Each applicant for an examination shall:

104.26 (1) make an application to the Board of Barber Examiners or a board-approved
 104.27 examination provider on blank forms prepared and furnished by it, the application to the
 104.28 board or the board-approved provider. The application must contain proof under the
 104.29 applicant's oath of the particular qualifications and identity of the applicant;

104.30 (2) provide all documentation required in support of the application;

104.31 (3) pay to the board the required fee; ~~and~~

105.1 (4) upon acceptance of the notarized application, present a corresponding
 105.2 government-issued photo identification when the applicant appears for the examination;
 105.3 and

105.4 (5) file an application with the board no later than the twentieth day of the month
 105.5 preceding the month when the practical portion of the exam is administered.

105.6 Sec. 12. Minnesota Statutes 2024, section 154.09, is amended to read:

105.7 **154.09 EXAMINATIONS, CONDUCT AND SCOPE.**

105.8 Subdivision 1. Examination dates. The board or a board-approved examination provider
 105.9 shall conduct practical examinations of applicants for certificates of registration to practice
 105.10 as registered barbers not more than ~~six~~ eight times each year, at such time and place as the
 105.11 board may determine. ~~Additional~~ Written examinations may be scheduled ~~by the board~~ and
 105.12 conducted by board staff or a board-approved provider as designated by the board.

105.13 Subd. 2. Documentation required. The ~~proprietor~~ owner or operator of a barber school
 105.14 must file an affidavit with the board of hours completed by students applying to take the
 105.15 ~~registered barber~~ comprehensive examination. Students must complete the full 1,500-hour
 105.16 curriculum in a barber school approved by the board ~~within the past four years~~ to be eligible
 105.17 for the examination. ~~Barber students who have completed barber school more than four~~
 105.18 ~~years prior to application, that have not obtained a barber registration, license, or certificate~~
 105.19 ~~in any jurisdiction must complete an additional 500 hours of barber school education to be~~
 105.20 ~~eligible for the registered barber examination.~~

105.21 Subd. 3. Examinations for registration restoration. ~~Registered barbers that fail~~ An
 105.22 individual who fails to renew ~~their~~ the individual's barber registration for four or more years
 105.23 ~~are~~ is required to purchase and complete the "Home Study Course for Barbers" program
 105.24 that was prepared and approved by the board before the individual is eligible to apply to
 105.25 take the registered barber comprehensive examination to reinstate the individual's registration.

105.26 Subd. 4. Examinations for individuals seeking reciprocity. An individual who must
 105.27 pass the comprehensive examination under section 154.11 must purchase and complete the
 105.28 "Home Study Course for Barbers" program that was prepared and approved by the board
 105.29 before the individual is eligible to take the comprehensive examination.

105.30 Subd. 5. Contents of examination. The comprehensive examination of applicants for
 105.31 ~~certificates of registration as barbers shall~~ must include:

106.1 (1) a practical demonstration portion that consists of a haircut and three of the following
 106.2 practical services that the board shall determine: a shave, a beard trim, a shampoo, a perm
 106.3 wrap, a facial, or a color application; and

106.4 (2) a written test. The examination must cover portion that covers the subjects taught in
 106.5 barber schools registered with the board, including as required by this chapter, applicable
 106.6 state statute statutes, and rule rules.

106.7 Subd. 6. Examination grading. The comprehensive examination must be graded as
 106.8 follows:

106.9 (1) the grading for the practical portion of the examination must be on a scale of one to
 106.10 100, with 100 representing a perfect score. A score of 75 must be the minimum passing
 106.11 grade for the haircut portion and 75 must be the minimum passing score for the average of
 106.12 the remaining parts of the practical examination; and

106.13 (2) the minimum passing score for the written portion of the examination is 75 percent.

106.14 Subd. 7. Failure of examination. (a) An individual who does not pass one portion of
 106.15 the comprehensive examination within a year of passing the other portion of the
 106.16 comprehensive examination must retake the entire comprehensive examination.

106.17 (b) An individual who has failed a portion of the comprehensive examination may retake
 106.18 that portion of the examination within a year of passing the other portion after meeting the
 106.19 requirements of this chapter, paying any required fees, and making an application to the
 106.20 board as required by section 154.08.

106.21 Sec. 13. Minnesota Statutes 2024, section 154.11, subdivision 1, is amended to read:

106.22 Subdivision 1. Examination of nonresidents. (a) A person who meets all of the
 106.23 requirements for barber registration in sections 154.001, 154.002, 154.003, 154.01 to
 106.24 154.162, 154.19 to 154.21, and 154.24 to 154.28 this chapter and either has a currently
 106.25 active license, certificate of registration, or equivalent as a practicing barber or instructor
 106.26 of barbering as verified from another state or, if presenting foreign country credentials as
 106.27 verified by a board-approved professional credential evaluation provider, which in the
 106.28 discretion of the board has substantially the same requirements for registering barbers and
 106.29 instructors of barbering as required by sections 154.001, 154.002, 154.003, 154.01 to
 106.30 154.162, 154.19 to 154.21, and 154.24 to 154.28 in this chapter shall, upon payment of the
 106.31 required fee, be issued a certificate of registration without examination.

106.32 (b) Individuals without a current documented license, certificate of registration, or
 106.33 equivalent, as verified in paragraph (a), must have a minimum of 1,500 hours of barber

107.1 education as verified by the barber school attended in the other state or if presenting foreign
107.2 country education as verified by a board-approved professional credential evaluation provider,
107.3 completed within the previous four years, which, in the discretion of the board, has
107.4 substantially the same requirements as required in ~~sections 154.001, 154.002, 154.003,~~
107.5 ~~154.01 to 154.162, 154.19 to 154.21, and 154.24 to 154.28~~ this chapter will be eligible for
107.6 examination.

107.7 (c) Individuals unable to meet the requirements in paragraph (a) or (b) shall be subject
107.8 to all the requirements of section 154.05.

107.9 Sec. 14. Minnesota Statutes 2024, section 154.11, is amended by adding a subdivision to
107.10 read:

107.11 Subd. 4. Examination of cosmetologists. (a) A person may be credited with up to 1,000
107.12 hours of study toward the 1,500 hours of study required under section 154.05 if the person:

107.13 (1) has hours of study that the board determines are substantially similar to the
107.14 requirements in section 154.07;

107.15 (2) has a currently active license verified by the issuing state or a certificate of registration
107.16 verified by the issuing state, or equivalent, as a practicing cosmetologist; or

107.17 (3) has credentials as a practicing cosmetologist from a foreign country that are verified
107.18 by a board-approved professional credential evaluation provider and the board has determined
107.19 that the foreign country's curriculum requirements are substantially similar to the
107.20 requirements in section 154.07.

107.21 (b) After a person with credited hours under paragraph (a) completes the remaining
107.22 required hours in a board-approved barber school and meets the requirements of section
107.23 154.05, clause (1), the person is eligible for the comprehensive examination.

107.24 Sec. 15. REPEALER.

107.25 Minnesota Rules, parts 2100.2500; 2100.2600; 2100.2900; 2100.3000; 2100.3200;
107.26 2100.3300; 2100.4500; 2100.5200, subparts 1, 2, and 5; 2100.5300; and 2100.6000, are
107.27 repealed.

108.1

ARTICLE 13

108.2

BOARD OF COSMETOLOGIST EXAMINERS

108.3 Section 1. Minnesota Statutes 2024, section 155A.20, is amended to read:

108.4 **155A.20 BOARD OF COSMETOLOGIST EXAMINERS CREATED; TERMS.**

108.5 (a) A Board of Cosmetologist Examiners is established to consist of seven members,
108.6 appointed by the governor as follows:

108.7 (1) two cosmetologists, one of whom is recommended by a professional association of
108.8 cosmetologists, nail technicians, and estheticians;

108.9 (2) two school instructors, one of whom is teaching at a public cosmetology school in
108.10 the state and one of whom is teaching at a private cosmetology school in the state;

108.11 (3) one advanced practice esthetician;

108.12 (4) one nail technician; and

108.13 (5) one public member, as defined in section 214.02.

108.14 (b) All cosmetologist, advanced practice esthetician, and nail technician members must
108.15 be currently licensed in the field of cosmetology, nail technology, or ~~esthetology~~, advanced
108.16 practice esthiology in Minnesota; ~~have practiced in the licensed occupation for at least five~~
108.17 ~~years immediately prior to their appointment, be graduates from grade 12 of high school or~~
108.18 ~~have equivalent education;~~ and have knowledge of sections 155A.21 to 155A.36 and
108.19 Minnesota Rules, chapters 2105 and 2110.

108.20 (c) Membership terms, compensation of members, removal of members, the filling of
108.21 membership vacancies, and fiscal year and reporting requirements ~~shall~~ must be as provided
108.22 in sections 214.07 to 214.09. The provision of staff, administrative services, and office
108.23 space; the review and processing of complaints; the setting of board fees; and other provisions
108.24 relating to board operations ~~shall~~ must be as provided in chapter 214.

108.25 (d) Members appointed to fill vacancies caused by death, resignation, or removal ~~shall~~
108.26 must serve during the unexpired term of their predecessors.

108.27 Sec. 2. Minnesota Statutes 2024, section 155A.23, subdivision 4, is amended to read:

108.28 Subd. 4. **Cosmetologist.** A "cosmetologist" is any person who, for compensation,
108.29 performs ~~the personal services, as defined in subdivision 3 for the cosmetic care of the hair,~~
108.30 nails, and stratum corneum of the epidermal layer of the skin surface.

109.1 Sec. 3. Minnesota Statutes 2024, section 155A.23, subdivision 5, is amended to read:

109.2 Subd. 5. **Esthetician.** An "esthetician" is any person who, for compensation, performs
109.3 personal services for the cosmetic care of the stratum corneum of the epidermal layer of the
109.4 skin surface only.

109.5 Sec. 4. Minnesota Statutes 2024, section 155A.23, subdivision 8, is amended to read:

109.6 Subd. 8. **Manager.** A "manager" is any person who is a cosmetologist, esthetician,
109.7 advanced practice esthetician, hair technician, nail technician ~~practitioner~~, or eyelash
109.8 technician, and who has a manager license and provides any services under that license, as
109.9 defined in subdivision 3.

109.10 Sec. 5. Minnesota Statutes 2024, section 155A.23, subdivision 9, is amended to read:

109.11 Subd. 9. **Salon.** A "salon" is an indoor area, room, or rooms employed to offer personal
109.12 services, as defined in subdivision 3. ~~"Salon"~~ Salon does not include the home of a customer
109.13 but the board may adopt health and infection control rules governing practice in the homes
109.14 of customers.

109.15 Sec. 6. Minnesota Statutes 2024, section 155A.23, subdivision 10, is amended to read:

109.16 Subd. 10. **School.** A "school" is a place where ~~any person operates and maintains a class~~
109.17 ~~to teach~~ cosmetology instruction or training is offered to the public for compensation.
109.18 ~~"School"~~ School does not include a place ~~where the only teaching of cosmetology is done~~
109.19 ~~by a licensed cosmetologist as part of a community education program of less than ten hours~~
109.20 ~~duration, provided that the program does not permit practice on persons other than students~~
109.21 ~~in the program, and provided that the program is intended solely for the self-improvement~~
109.22 ~~of the students~~ that only offers continuing education according to this chapter, additional
109.23 instruction or training to licensees on services within the licensee's scope of practice, or
109.24 community education programs for personal enrichment and not as preparation for
109.25 professional practice.

109.26 Sec. 7. Minnesota Statutes 2024, section 155A.23, is amended by adding a subdivision to
109.27 read:

109.28 Subd. 10a. **School administrator.** "School administrator" means the proprietor, if the
109.29 applicant is a proprietorship; the managing partner, if the applicant is a partnership; the
109.30 authorized officers, if the applicant is a corporation, association, company, firm, society,

110.1 or trust; or the dean, principal, or other authorized signatory, if the applicant is a school in
110.2 the Minnesota State Colleges and Universities system or a secondary school.

110.3 Sec. 8. Minnesota Statutes 2024, section 155A.23, subdivision 18, is amended to read:

110.4 Subd. 18. **Practitioner.** A "practitioner" is any person licensed as an operator or manager
110.5 in the practice of cosmetology, esthiology, advanced practice esthiology, hair technology
110.6 services, nail technology services, or eyelash technology services.

110.7 Sec. 9. Minnesota Statutes 2024, section 155A.25, subdivision 1a, is amended to read:

110.8 Subd. 1a. **Schedule.** (a) The schedule for fees and penalties is as provided in this
110.9 subdivision.

110.10 (b) Three-year license fees are as follows:

110.11 (1) \$195 initial practitioner, manager, or instructor license, divided as follows:

110.12 (i) \$155 for each initial license; and

110.13 (ii) \$40 for each initial license application fee;

110.14 (2) \$115 renewal of practitioner license, divided as follows:

110.15 (i) \$100 for each renewal license; and

110.16 (ii) \$15 for each renewal application fee;

110.17 (3) \$145 renewal of manager or instructor license, divided as follows:

110.18 (i) \$130 for each renewal license; and

110.19 (ii) \$15 for each renewal application fee;

110.20 (4) \$350 initial salon license, divided as follows:

110.21 (i) \$250 for each initial license; and

110.22 (ii) \$100 for each initial license application fee;

110.23 (5) \$225 renewal of salon license, divided as follows:

110.24 (i) \$175 for each renewal; and

110.25 (ii) \$50 for each renewal application fee;

110.26 (6) \$4,000 initial school license, divided as follows:

110.27 (i) \$3,000 for each initial license; and

- 111.1 (ii) \$1,000 for each initial license application fee; and
- 111.2 (7) \$2,500 renewal of school license, divided as follows:
- 111.3 (i) \$2,000 for each renewal; and
- 111.4 (ii) \$500 for each renewal application fee.
- 111.5 (c) Penalties may be assessed in amounts up to the following:
- 111.6 (1) reinspection fee, \$150;
- 111.7 (2) manager and owner with expired practitioner or instructor found on inspection, \$150
- 111.8 each;
- 111.9 (3) expired practitioner or instructor found on inspection, \$200;
- 111.10 (4) expired salon found on inspection, \$500;
- 111.11 (5) expired school found on inspection, \$1,000;
- 111.12 (6) failure to display current license, \$100;
- 111.13 (7) failure to dispose of single-use equipment, implements, or materials as provided
- 111.14 under section 155A.355, subdivision 1, \$500;
- 111.15 (8) use of prohibited razor-type callus shavers, rasps, or graters under section 155A.355,
- 111.16 subdivision 2, \$500;
- 111.17 ~~(9) performing nail or cosmetology services in esthetician salon, or performing esthetician~~
- 111.18 ~~or cosmetology services in a nail salon, \$500;~~
- 111.19 ~~(10) owner and manager allowing an operator to work as an independent contractor,~~
- 111.20 ~~\$200;~~
- 111.21 ~~(11) operator working as an independent contractor, \$100;~~
- 111.22 ~~(12)~~ (9) refusal or failure to cooperate with an inspection, \$500;
- 111.23 ~~(13)~~ (10) practitioner late renewal fee, \$45; and
- 111.24 ~~(14)~~ (11) salon or school late renewal fee, \$50.
- 111.25 (d) Administrative fees are as follows:
- 111.26 (1) homebound service permit, \$50 three-year fee;
- 111.27 (2) name change, \$20;
- 111.28 (3) certification of licensure, \$30 each;

- 112.1 (4) duplicate license, \$20;
- 112.2 ~~(5) special event permit, \$75 per year;~~
- 112.3 ~~(6) \$100~~ (5) no fee for each a temporary military license for a cosmetologist, nail
 112.4 technician, esthetician, ~~or~~ advanced practice esthetician ~~one-year fee~~, or eyelash technician;
- 112.5 ~~(7)~~ (6) expedited initial individual license, \$150;
- 112.6 ~~(8)~~ (7) expedited initial salon license, \$300;
- 112.7 ~~(9)~~ (8) instructor continuing education provider approval, \$150 each year; and
- 112.8 ~~(10)~~ (9) practitioner continuing education provider approval, \$150 each year.

112.9 Sec. 10. Minnesota Statutes 2024, section 155A.25, subdivision 3, is amended to read:

112.10 Subd. 3. **Other licenses.** A licensee who applies for licensing in a second category ~~shall~~
 112.11 must pay the full license fee and application fee for the second category of license. If
 112.12 maintaining more than one license, a licensee must pay the renewal and application fee for
 112.13 each license except as provided in section 155A.27, subdivision 6b.

112.14 Sec. 11. Minnesota Statutes 2024, section 155A.25, subdivision 5, is amended to read:

112.15 Subd. 5. **Board must approve or deny application; timeline.** Within 15 working days
 112.16 of receiving a complete application and the required fees, if any, to apply for or renew an
 112.17 individual or salon license that is not an expedited license or a military license, the board
 112.18 must (1) issue the license, (2) deny the license and notify the applicant of the denial, or (3)
 112.19 if the conditions in subdivision 6 are met, notify the applicant that the board must conduct
 112.20 additional review.

112.21 Sec. 12. Minnesota Statutes 2024, section 155A.25, subdivision 7, is amended to read:

112.22 Subd. 7. **Temporary military license or expedited license.** Within five business days
 112.23 of receiving a completed application and the required fees, if any, for an individual or salon
 112.24 license that meets requirements for an expedited license or a temporary military license,
 112.25 the board must: (1) issue the license; (2) deny the license and notify the applicant of the
 112.26 denial; or (3) notify the applicant that the board must conduct additional review if the
 112.27 application meets the conditions in subdivision 8.

113.1 Sec. 13. Minnesota Statutes 2024, section 155A.27, subdivision 5a, is amended to read:

113.2 Subd. 5a. **Temporary military license.** The board ~~shall~~ must establish temporary licenses
 113.3 for a cosmetologist, a hair technician, a nail technician, an eyelash technician, an esthetician,
 113.4 and an advanced practice esthetician in accordance with section 197.4552, subdivision 2.
 113.5 A temporary license issued under section 197.4552, subdivision 2, is valid for a three-year
 113.6 licensing period. The board must only issue one temporary license per applicant.

113.7 Sec. 14. Minnesota Statutes 2024, section 155A.27, is amended by adding a subdivision
 113.8 to read:

113.9 Subd. 6a. **Instructor license renewal.** (a) When issuing an instructor license to an
 113.10 individual who holds an operator or a salon manager license in the same classification, the
 113.11 board must extend the expiration date of the operator or salon manager license so that both
 113.12 licenses in the same classification expire on the same date.

113.13 (b) When an individual simultaneously renews an instructor license and an operator or
 113.14 a salon manager license in the same classification, the board must charge the individual
 113.15 only the instructor renewal license and renewal application fee according to section 155A.25,
 113.16 subdivision 1a, paragraph (b), clause (3), and must not charge a fee for renewing the operator
 113.17 or salon manager license.

113.18 **EFFECTIVE DATE.** This section is effective January 1, 2028.

113.19 Sec. 15. Minnesota Statutes 2024, section 155A.27, subdivision 10, is amended to read:

113.20 Subd. 10. **Nonresident licenses.** (a) A nonresident cosmetologist, a hair technician, an
 113.21 advanced practice esthetician, a nail technician, an esthetician, or an eyelash technician may
 113.22 be licensed in Minnesota if the individual has completed cosmetology school in a state or
 113.23 country with the same or greater school hour requirements, has an active license in that state
 113.24 or country, ~~and~~ has passed a board-approved theory and practice-based examination, and
 113.25 has passed the Minnesota-specific written operator examination ~~for cosmetologist, hair~~
 113.26 ~~technician, nail technician, esthetician.~~ If a test is used to verify the qualifications ~~of trained~~
 113.27 ~~cosmetologists,~~ the test ~~should~~ must be translated into the nonresident's native language
 113.28 within the limits of available resources. Licenses ~~shall~~ must not be issued under this
 113.29 subdivision for managers or instructors.

113.30 (b) If an individual has less than the required number of school hours, the individual
 113.31 must have had a current active license in another state or country for at least three years and
 113.32 have passed a board-approved theory and practice-based examination; and the

114.1 Minnesota-specific written operator examination ~~for cosmetologist, hair technician, nail~~
 114.2 ~~technician, esthetician~~. If a test is used to verify the qualifications of ~~trained cosmetologists,~~
 114.3 the test ~~should~~ must be translated into the nonresident's native language within the limits
 114.4 of available resources. Licenses must not be issued under this subdivision for managers or
 114.5 instructors.

114.6 (c) Applicants claiming training and experience in a foreign country ~~shall~~ must supply
 114.7 official English-language translations of all required documents from a board-approved
 114.8 source.

114.9 Sec. 16. Minnesota Statutes 2024, section 155A.27, is amended by adding a subdivision
 114.10 to read:

114.11 Subd. 11. Reciprocity for barbers. A person who is a registered barber under chapter
 114.12 154 may be granted credit up to 500 hours, as determined by a Minnesota-licensed
 114.13 cosmetology school, toward the required hours of study for a license in cosmetology or hair
 114.14 technology if the person:

114.15 (1) provides the cosmetology school with a verification of registration issued from the
 114.16 Minnesota Board of Barber Examiners verifying that the person has an active Minnesota
 114.17 barber registration; and

114.18 (2) holds an active Minnesota barber registration at the time that the person applies for
 114.19 a license in cosmetology or hair technology.

114.20 **EFFECTIVE DATE.** This section is effective on January 1, 2027.

114.21 Sec. 17. Minnesota Statutes 2024, section 155A.271, subdivision 2, is amended to read:

114.22 Subd. 2. **Continuing education providers.** (a) Only a board-licensed school of
 114.23 cosmetology, a postsecondary institution as ~~defined~~ described in section 136A.103,
 114.24 subdivision 1, paragraph (a), or a board-recognized professional association organized under
 114.25 chapter 317A may be approved by the board to offer continuing education for credit under
 114.26 subdivision 1, paragraph (a). Continuing education under subdivision 1, paragraph (b), may
 114.27 be offered by a:

114.28 (1) board-licensed school of cosmetology;

114.29 (2) board-recognized professional association organized under chapter 317A; or

114.30 (3) board-licensed salon.

115.1 An approved school or professional association may offer web-based continuing education
 115.2 instruction to achieve maximum involvement of licensees. Continuing education providers
 115.3 are encouraged to offer classes available in foreign language formats.

115.4 (b) Board approval of any continuing education provider is valid for one calendar year
 115.5 and is contingent upon submission and preapproval of the lesson plan or plans with learning
 115.6 objectives for the class to be offered and the payment of the application fee in section
 115.7 155A.25, subdivision 1a, paragraph (d), clause ~~(10)~~ (9). The board ~~shall~~ must maintain a
 115.8 list of approved providers and courses on the board's website. The board may revoke
 115.9 authorization of a continuing education provider at any time for just cause and the board
 115.10 may demand return of documents required under subdivision 3.

115.11 Sec. 18. Minnesota Statutes 2024, section 155A.29, subdivision 2, is amended to read:

115.12 Subd. 2. **Requirements.** The conditions and process by which a salon is licensed ~~shall~~
 115.13 must be established by the board by rule. In addition to those requirements, ~~no~~ a license
 115.14 ~~shall~~ must not be issued unless the board first determines that the conditions in clauses (1)
 115.15 to (4) have been satisfied:

115.16 (1) compliance with all local and state laws, particularly relating to matters of infection
 115.17 control, health, and safety;

115.18 (2) the ~~employment~~ appointment of a manager, as defined in section 155A.23, subdivision
 115.19 8;

115.20 (3) if applicable, evidence of compliance with workers' compensation section 176.182;
 115.21 and

115.22 (4) evidence of continued professional liability insurance coverage of at least \$25,000
 115.23 for each claim and \$50,000 total coverage for each policy year for each ~~operator~~ practitioner.

115.24 Sec. 19. Minnesota Statutes 2024, section 155A.30, subdivision 3, is amended to read:

115.25 Subd. 3. **Applications.** Application for a license ~~shall~~ must be prepared on forms
 115.26 furnished by the board and ~~shall~~ must contain the following and such other information as
 115.27 may be required:

115.28 (1) the name of the school, together with ownership and controlling officers, members,
 115.29 and managing employees;

115.30 (2) the specific fields of instruction which will be offered and reconciliation of the course
 115.31 content and length to meet the minimum standards, as prescribed in subdivision 2;

- 116.1 (3) the place or places where instruction will be given;
- 116.2 (4) a listing of the equipment available for instruction in each course offered;
- 116.3 (5) the maximum enrollment to be accommodated;
- 116.4 (6) a listing of instructors, all of whom ~~shall~~ must be licensed as provided in section
- 116.5 155A.27, subdivision 2, except that any school may use occasional instructors or lecturers
- 116.6 who would add to the general or specialized knowledge of the students but who need not
- 116.7 be licensed;
- 116.8 (7) a current balance sheet, income statement or documentation to show sufficient
- 116.9 financial worth and responsibility to properly conduct a school and to assure financial
- 116.10 resources ample to meet the school's financial obligations;
- 116.11 (8) other financial guarantees ~~which~~ that would assure protection of the public as
- 116.12 determined by rule; and
- 116.13 (9) a copy of all written ~~material which~~ materials that the school uses ~~to solicit prospective~~
- 116.14 ~~students, including but not limited to a tuition and fee schedule, and all catalogues, brochures~~
- 116.15 ~~and other recruitment advertisements. Each school shall annually, on a date determined by~~
- 116.16 ~~the board, file with the board any new or amended materials which it has distributed during~~
- 116.17 ~~the past year~~ for prospective student enrollment, including the enrollment contract, the
- 116.18 student handbook, and tuition and fee information.

116.19 Sec. 20. Minnesota Statutes 2024, section 155A.30, subdivision 4, is amended to read:

116.20 Subd. 4. **Verification of application.** Each application ~~shall~~ must be signed and certified

116.21 to under oath by ~~the proprietor if the applicant is a proprietorship, by the managing partner~~

116.22 ~~if the applicant is a partnership, or by the authorized officers of the applicant if the applicant~~

116.23 ~~is a corporation, association, company, firm, society or trust~~ a school administrator as defined

116.24 in section 155A.23, subdivision 10a.

116.25 Sec. 21. Minnesota Statutes 2024, section 155A.30, subdivision 5, is amended to read:

116.26 Subd. 5. **Conditions precedent to issuance.** A license must not be issued unless the

116.27 board first determines that the applicant has met the requirements in clauses (1) to (9):

- 116.28 (1) the applicant must have a sound financial condition with sufficient resources available
- 116.29 to meet the school's financial obligations; to refund all tuition and other charges, within a
- 116.30 reasonable period of time, in the event of dissolution of the school or in the event of any

117.1 justifiable claims for refund against the school; to provide adequate service to its students
117.2 and prospective students; and to maintain proper use and support of the school;

117.3 (2) the applicant must have satisfactory training facilities with sufficient tools and
117.4 equipment and the necessary number of work stations to adequately train the students
117.5 currently enrolled, and those proposed to be enrolled;

117.6 (3) the applicant must employ a sufficient number of qualified instructors trained by
117.7 experience and education to give the training contemplated;

117.8 (4) the premises and conditions under which the students work and study must be sanitary,
117.9 healthful, and safe according to modern standards;

117.10 (5) each occupational course or program of instruction or study must be of such quality
117.11 and content as to provide education and training that will adequately prepare enrolled
117.12 students for testing, licensing, and entry level positions;

117.13 (6) the school must have coverage by professional liability insurance of at least \$25,000
117.14 per incident and an accumulation of \$150,000 for each premium year;

117.15 (7) the applicant ~~shall~~ must provide evidence of the school's compliance with section
117.16 176.182;

117.17 (8) the applicant, except the state and its political subdivisions as described in section
117.18 13.02, subdivision 11, must file with the board a continuous corporate surety bond in the
117.19 amount of no less than ten percent of the preceding year's gross income from student tuition,
117.20 fees, and other required institutional charges, but in no event less than \$10,000, conditioned
117.21 upon the faithful performance of all contracts and agreements with students made by the
117.22 applicant. New schools must base the bond amount on the anticipated gross income from
117.23 student tuition, fees, and other required institutional charges for the third year of operation,
117.24 but in no event less than \$10,000. The applicant must compute the amount of the surety
117.25 bond and verify that the amount of the surety bond complies with this subdivision. The
117.26 bond ~~shall~~ must run to the board and to any person who may have a cause of action against
117.27 the applicant arising at any time after the bond is filed and before it is canceled for breach
117.28 of any contract or agreement made by the applicant with any student. The surety of the bond
117.29 may cancel it upon giving 60 days' notice in writing to the board and ~~shall~~ must be relieved
117.30 of liability for any breach of condition occurring after the effective date of cancellation;
117.31 and

117.32 (9) the applicant must appoint a designated school manager.

118.1 Sec. 22. Minnesota Statutes 2024, section 155A.30, subdivision 6, is amended to read:

118.2 Subd. 6. **Fees; renewals.** (a) Applications for initial license under sections 155A.21 to
118.3 155A.36 ~~shall~~ must be accompanied by a nonrefundable application fee set forth in section
118.4 155A.25.

118.5 (b) License duration ~~shall~~ must be three years. Each renewal application ~~shall~~ must be
118.6 accompanied by a nonrefundable renewal fee set forth in section 155A.25.

118.7 (c) Application for renewal of license ~~shall~~ must be made as provided in rules adopted
118.8 by the board and on forms supplied by the board.

118.9 Sec. 23. Minnesota Statutes 2024, section 155A.30, subdivision 7, is amended to read:

118.10 Subd. 7. **Inspections.** All schools may be inspected as often as the board considers
118.11 necessary to affirm compliance. The board ~~shall have~~ has the authority to assess the cost of
118.12 the inspection to the school.

118.13 Sec. 24. Minnesota Statutes 2024, section 155A.30, subdivision 8, is amended to read:

118.14 Subd. 8. **List of licensed schools; availability.** The board ~~shall~~ must maintain and make
118.15 available to the public a list of licensed schools.

118.16 Sec. 25. Minnesota Statutes 2024, section 155A.30, subdivision 9, is amended to read:

118.17 Subd. 9. ~~Separation of School and professional departments~~ salon separation. A
118.18 school ~~shall~~ must display in the entrance reception room of ~~its~~ the school's student section
118.19 a sign prominently and conspicuously indicating that all work therein is ~~done~~ performed
118.20 exclusively by students. ~~Professional departments of a school shall be run~~ Any salon or
118.21 business on the same premises as a school must be operated as an entirely separate and
118.22 distinct businesses business and shall must have a separate entrance. entrance from the
118.23 school. If a salon or business is located on the same premises as a school: (1) staff of the
118.24 salon or business must not provide services or training in the space used by the school; and
118.25 (2) staff and students of the school must not provide services or training in the space used
118.26 by the salon or business.

118.27 Nothing contained in sections 155A.21 to 155A.36 ~~shall prevent~~ prevents a school from
118.28 charging for student work done in the school to cover the cost of materials used and expenses
118.29 incurred in and for the operation of the school. All of the student work ~~shall~~ must be
118.30 prominently and conspicuously advertised and held forth as being student work and not
118.31 otherwise.

119.1 Sec. 26. Minnesota Statutes 2024, section 155A.30, subdivision 11, is amended to read:

119.2 Subd. 11. **Instruction requirements.** (a) Instruction may be offered for no more than
119.3 ten hours per day per student.

119.4 (b) Instruction must be given within a licensed school building except as provided in
119.5 paragraphs (c) and (d). ~~Online instruction is permitted for board-approved theory-based~~
119.6 ~~classes.~~

119.7 (c) A school may offer online instruction for theory-based portions of training. A school
119.8 must not give practice-based classes ~~must not be given~~ training online.

119.9 (d) A school may offer activities related to the training for industry educational purposes
119.10 outside of a school building when accompanied by an instructor for a maximum of one
119.11 percent of the total training hours for a course.

119.12 Sec. 27. Minnesota Statutes 2024, section 155A.30, subdivision 12, is amended to read:

119.13 Subd. 12. **Minnesota state authorization.** A cosmetology school licensed or applying
119.14 for licensure under this section ~~shall~~ must maintain recognition as an institution of
119.15 postsecondary study by meeting the following conditions, in addition to Minnesota Rules,
119.16 part 2110.0310:

119.17 (1) the school must admit as regular students only those individuals who have a high
119.18 school diploma or a diploma based on passing commissioner of education-selected high
119.19 school equivalency tests or their equivalent, or who are beyond the age of compulsory
119.20 education as prescribed by section 120A.22; and

119.21 (2) the school must be licensed by name and authorized by the Office of Higher Education
119.22 and the board to offer one or more training programs beyond the secondary level.

119.23 Sec. 28. Minnesota Statutes 2024, section 155A.31, is amended to read:

119.24 **155A.31 INSPECTIONS.**

119.25 The board is responsible for inspecting salons and schools licensed pursuant to sections
119.26 155A.21 to 155A.36 to assure compliance with the requirements of sections 155A.21 to
119.27 155A.36. The board ~~shall~~ must direct board resources first to the inspection of those licensees
119.28 who fail to meet the requirements of law, have indicated that they present a greater risk to
119.29 the public, or have otherwise, in the opinion of the board, demonstrated that they require a
119.30 greater degree of regulatory attention.

120.1 Sec. 29. Minnesota Statutes 2024, section 155A.32, is amended to read:

120.2 **155A.32 DISPLAY OF LICENSE.**

120.3 Every holder of a license granted by the board ~~shall~~ must display ~~it~~ the license in a
120.4 conspicuous place in the place of business.

120.5 Sec. 30. Minnesota Statutes 2024, section 155A.33, subdivision 1, is amended to read:

120.6 Subdivision 1. **Proceedings.** If the board, or a complaint committee if authorized by the
120.7 board, has a reasonable basis for believing that a person has engaged in or is about to engage
120.8 in a violation of a statute, rule, or order that the board has adopted or issued or is empowered
120.9 to enforce, the board or complaint committee may proceed as provided in subdivision 2 or
120.10 3. Except as otherwise provided in this section, all hearings must be conducted in accordance
120.11 with ~~the Administrative Procedure Act~~ chapter 14.

120.12 Sec. 31. Minnesota Statutes 2024, section 155A.33, subdivision 2, is amended to read:

120.13 Subd. 2. **Legal actions.** (a) When necessary to prevent an imminent violation of a statute,
120.14 rule, or order that the board has adopted or issued or is empowered to enforce, the board,
120.15 or a complaint committee if authorized by the board, may bring an action in the name of
120.16 the state in the District Court of Ramsey County in which jurisdiction is proper to enjoin
120.17 the act or practice and to enforce compliance with the statute, rule, or order. On a showing
120.18 that a person has engaged in or is about to engage in an act or practice that constitutes a
120.19 violation of a statute, rule, or order that the board has adopted or issued or is empowered
120.20 to enforce, the court ~~shall~~ must grant a permanent or temporary injunction, restraining order,
120.21 or other appropriate relief.

120.22 (b) For purposes of injunctive relief under this subdivision, irreparable harm exists when
120.23 the board shows that a person has engaged in or is about to engage in an act or practice that
120.24 constitutes violation of a statute, rule, or order that the board has adopted or issued or is
120.25 empowered to enforce.

120.26 (c) Injunctive relief granted under paragraph (a) does not relieve an enjoined person
120.27 from criminal prosecution by a competent authority, or from action by the board under
120.28 subdivision 3, 4, 5, or 6 with respect to the person's license or registration, or application
120.29 for examination, license, registration, or renewal.

121.1 Sec. 32. Minnesota Statutes 2024, section 155A.33, subdivision 3, is amended to read:

121.2 Subd. 3. **Cease and desist orders.** (a) The board, or complaint committee if authorized
121.3 by the board, may issue and have served upon an unlicensed or unregistered person, or a
121.4 holder of a license or registration, an order requiring the person to cease and desist from an
121.5 act or practice that constitutes a violation of a statute, rule, or order that the board has adopted
121.6 or issued or is empowered to enforce. The order must (1) give reasonable notice of the rights
121.7 of the person named in the order to request a hearing, and (2) state the reasons for the entry
121.8 of the order. No order may be issued under this subdivision until an investigation of the
121.9 facts has been conducted under section 214.10.

121.10 (b) Service of the order under this subdivision is effective when the order is personally
121.11 served on the person or counsel of record, or served by certified mail to the most recent
121.12 address provided to the board for the person or counsel of record.

121.13 (c) The board must hold a hearing under this subdivision not later than 30 days after the
121.14 board receives the request for the hearing, unless otherwise agreed between the board, or
121.15 complaint committee if authorized by the board, and the person requesting the hearing.

121.16 (d) Notwithstanding any rule to the contrary, the administrative law judge must issue a
121.17 report within 30 days of the close of the contested case hearing. Within 30 days after
121.18 receiving the report and subsequent exceptions and argument, the board ~~shall~~ must issue a
121.19 further order vacating, modifying, or making permanent the cease and desist order. If no
121.20 hearing is requested within 30 days of service of the order, the order becomes final and
121.21 remains in effect until modified or vacated by the board.

121.22 Sec. 33. Minnesota Statutes 2024, section 155A.33, subdivision 4, is amended to read:

121.23 Subd. 4. **Licensing and registration actions.** (a) With respect to a person who is a
121.24 holder of or applicant for a license or registration under this chapter, the board may by order
121.25 deny, refuse to renew, suspend, temporarily suspend, or revoke the application, license, or
121.26 registration, censure or reprimand the person, refuse to permit the person to sit for
121.27 examination, or refuse to release the person's examination grades, if the board finds that
121.28 such an order is in the public interest and that, based on a preponderance of the evidence
121.29 presented, the person has:

121.30 (1) violated a statute, rule, or order that the board has adopted or issued or is empowered
121.31 to enforce;

121.32 (2) engaged in conduct or acts that are fraudulent, deceptive, or dishonest, related to the
121.33 practice of a profession regulated by this chapter, if the fraudulent, deceptive, or dishonest

122.1 conduct or acts reflect adversely on the person's ability or fitness to engage in the practice
122.2 of the profession;

122.3 (3) engaged in conduct or acts that constitute malpractice, are negligent, demonstrate
122.4 incompetence, or are otherwise in violation of the standards in the rules of the board, where
122.5 the conduct or acts relate to the practice of a profession regulated by this chapter;

122.6 (4) employed fraud or deception in obtaining a license, registration, renewal, or
122.7 reinstatement, or in passing all or a portion of the examination;

122.8 (5) had a license, registration, right to examine, or other similar authority revoked in
122.9 another jurisdiction;

122.10 (6) failed to meet any requirement for issuance or renewal of the person's license or
122.11 registration;

122.12 (7) advertised by means of false or deceptive statements;

122.13 (8) performed licensed services while consuming or under the influence of an intoxicant
122.14 or controlled substance;

122.15 (9) demonstrated unprofessional conduct or practice;

122.16 (10) permitted an unlicensed person under the person's supervision or control to offer
122.17 or practice services regulated by this chapter for compensation;

122.18 (11) practices, offered to practice, or attempted to practice by misrepresentation;

122.19 (12) failed to display a license or permit as required by rules adopted by the board;

122.20 (13) violated the board's rules governing infection control;

122.21 (14) refused to permit the board to make an inspection permitted or required by this
122.22 chapter, or failed to provide the board or the attorney general on behalf of the board with
122.23 any documents or records they request; or

122.24 (15) with respect to temporary suspension orders, has committed an act, engaged in
122.25 conduct, or committed practices that the board, or complaint committee if authorized by
122.26 the board, has determined may result or may have resulted in an immediate threat to the
122.27 public.

122.28 (b) In lieu of or in addition to any remedy under paragraph (a), the board may, as a
122.29 condition of continued licensure or registration, termination of suspension, reinstatement
122.30 of licensure or registration, examination, or release of examination results, require that the
122.31 person:

123.1 (1) submit to a quality review of the person's ability, skills, or quality of work, conducted
123.2 in a manner and by a person or entity that the board determines; or

123.3 (2) completes to the board's satisfaction continuing education as the board requires.

123.4 ~~(e) Service of an order under this subdivision is effective if the order is served in person,~~
123.5 ~~or is served by certified mail to the most recent address provided to the board by the licensee,~~
123.6 ~~registrant, applicant, or counsel of record. The order must state the reason for the entry of~~
123.7 ~~the order.~~

123.8 (c) The board or complaint committee, if authorized by the board, may issue an order
123.9 under this subdivision. The order may include conditions under paragraph (b) and civil
123.10 penalties and fees permitted under subdivision 6. The order may require a person to cease
123.11 and desist from acting in violation of paragraph (a). The order must include:

123.12 (1) a summary of the facts that constitute each violation;

123.13 (2) the applicable law that has been violated;

123.14 (3) the licensing or registration action taken under paragraph (a); and

123.15 (4) a notice to the individual that unless the individual requests a hearing within 30 days
123.16 of service of the order, the order becomes a final order of the board.

123.17 (d) If an order under this subdivision assesses civil penalties, the order must include a
123.18 statement that, when the order becomes final, the board may file and enforce any unpaid
123.19 amount of a penalty as a judgment in district court without further notice or additional
123.20 proceedings.

123.21 (e) A person issued an order under this subdivision may request a hearing within 30
123.22 days of the date the order is served. If a person's written request for a hearing is not received
123.23 within 30 days of the date of service of the order, the order becomes a final order and is not
123.24 subject to review by any court or agency. If a person submits to the board a timely request
123.25 for hearing, the order is stayed pending a final order. The request for a hearing under this
123.26 paragraph must:

123.27 (1) be in writing;

123.28 (2) provide the reason for the person's request for a hearing; and

123.29 (3) be mailed or delivered to the board within 30 days of service of the order.

123.30 (f) An order under this subdivision must be personally served or sent by first-class or
123.31 certified mail to the most recent address provided to the board by the licensee or applicant
123.32 according to Minnesota Rules, part 1400.5550, subparts 2 and 3.

124.1 ~~(d)~~ (g) Except as provided in subdivision 5, paragraph (c), all hearings under this
124.2 subdivision must be conducted in accordance with ~~the Administrative Procedure Act~~ chapter
124.3 14.

124.4 (h) Nothing in this chapter prevents the board from resolving any violation through
124.5 informal disposition under section 14.59.

124.6 Sec. 34. Minnesota Statutes 2024, section 155A.33, subdivision 5, is amended to read:

124.7 **Subd. 5. Temporary suspension.** (a) When the board, or complaint committee if
124.8 authorized by the board, issues a temporary suspension order, the suspension provided for
124.9 in the order is effective on service of a written copy of the order on the licensee, registrant,
124.10 or counsel of record. The order must specify the statute, rule, or order violated by the licensee
124.11 or registrant. The order remains in effect until the board issues a final order in the matter
124.12 after a hearing, or on agreement between the board and the licensee or registrant.

124.13 (b) An order under this subdivision may (1) prohibit the licensee or registrant from
124.14 engaging in the practice of a profession regulated by the board in whole or in part, as the
124.15 facts require, and (2) condition the termination of the suspension on compliance with a
124.16 statute, rule, or order that the board has adopted or issued or is empowered to enforce. The
124.17 order must state the reasons for entering the order and must set forth the right to a hearing
124.18 as provided in this subdivision.

124.19 (c) Within ten days after service of an order under this subdivision, the licensee or
124.20 registrant may request a hearing in writing. The board must hold a hearing before its own
124.21 members within five working days of the request for a hearing. The sole issue at the hearing
124.22 must be whether there is a reasonable basis to continue, modify, or terminate the temporary
124.23 suspension. The hearing is not subject to ~~the Administrative Procedure Act~~ chapter 14.
124.24 Evidence presented to the board or the licensee or registrant may be in affidavit form only.
124.25 The licensee, registrant, or counsel of record may appear for oral argument.

124.26 (d) Within five working days after the hearing, the board ~~shall~~ must issue its order and,
124.27 if the order continues the suspension, ~~shall~~ must schedule a contested case hearing within
124.28 30 days of the issuance of the order. Notwithstanding any rule to the contrary, the
124.29 administrative law judge ~~shall~~ must issue a report within 30 days after the closing of the
124.30 contested case hearing record. The board ~~shall~~ must issue a final order within 30 days of
124.31 receiving the report.

125.1 Sec. 35. Minnesota Statutes 2024, section 155A.33, subdivision 6, is amended to read:

125.2 Subd. 6. **Violations; penalties; costs.** (a) The board may impose a civil penalty of up
125.3 to \$2,000 per violation on a person who violates a statute, rule, or order that the board has
125.4 adopted or issued or is empowered to enforce.

125.5 (b) In addition to any penalty under paragraph (a), the board may impose a fee to
125.6 reimburse the board for all or part of the cost of (1) the proceedings resulting in disciplinary
125.7 action authorized under this section, (2) the imposition of a civil penalty under paragraph
125.8 (a), or (3) the issuance of a cease and desist order. The board may impose a fee under this
125.9 paragraph when the board shows that the position of the person who has violated a statute,
125.10 rule, or order that the board has adopted or issued or is empowered to enforce is not
125.11 substantially justified unless special circumstances make such a fee unjust, notwithstanding
125.12 any rule to the contrary. Costs under this paragraph include, but are not limited to, the
125.13 amount paid by the board for services from the ~~Office~~ Court of Administrative Hearings,
125.14 attorney fees, court reporter costs, witness costs, reproduction of records, board members'
125.15 compensation, board staff time, and expenses incurred by board members and staff.

125.16 (c) All hearings under this subdivision must be conducted in accordance with ~~the~~
125.17 ~~Administrative Procedure Act~~ chapter 14.

125.18 Sec. 36. Minnesota Statutes 2024, section 155A.33, is amended by adding a subdivision
125.19 to read:

125.20 Subd. 8. **Corrective action.** (a) When the board or complaint committee, if authorized
125.21 by the board, determines that a complaint alleging that an applicant or a licensee violated
125.22 this chapter, rules adopted under this chapter, or an order issued by the board may be
125.23 appropriately resolved through corrective action, the board or complaint committee may
125.24 enter into an agreement for corrective action with an applicant or a licensee.

125.25 (b) An agreement for corrective action must:

125.26 (1) be in writing;

125.27 (2) describe the facts upon which the agreement is based;

125.28 (3) describe the corrective action agreed upon by the board or complaint committee and
125.29 the applicant or licensee; and

125.30 (4) state that the complaint upon which the agreement was based must be dismissed by
125.31 the board or complaint committee when the board or committee finds that the applicant or
125.32 licensee has successfully performed the corrective action.

126.1 (c) The board or complaint committee may determine that the applicant or licensee has
 126.2 successfully performed the corrective action if the applicant or licensee submits a request
 126.3 for dismissal that documents the applicant's or licensee's successful performance of the
 126.4 corrective action.

126.5 (d) An agreement under this subdivision is not disciplinary action. An agreement under
 126.6 this section is public data under chapter 13.

126.7 (e) The board may assess a fee on an applicant or a licensee to reimburse the board for
 126.8 costs related to the corrective action. The board must include a fee under this paragraph in
 126.9 the corrective action agreement.

126.10 (f) If an applicant or a licensee fails to successfully perform the corrective action within
 126.11 the time specified in the agreement, the matter may be resolved through any enforcement
 126.12 action authorized under this section.

126.13 Sec. 37. **REVISOR INSTRUCTION.**

126.14 The revisor of statutes must change the term "Board of Cosmetologist Examiners" to
 126.15 "Board of Cosmetology" wherever the term appears in Minnesota Statutes.

126.16 Sec. 38. **REPEALER.**

126.17 (a) Minnesota Statutes 2024, section 155A.275, is repealed.

126.18 (b) Laws 2017, First Special Session chapter 4, article 1, section 29, is repealed.

126.19 **ARTICLE 14**

126.20 **STATE GOVERNMENT MISCELLANEOUS**

126.21 Section 1. Minnesota Statutes 2024, section 16A.152, subdivision 2, is amended to read:

126.22 Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general fund
 126.23 revenues and expenditures, the commissioner of management and budget determines that
 126.24 there will be a positive unrestricted budgetary general fund balance at the close of the
 126.25 biennium, the commissioner of management and budget must allocate money to the following
 126.26 accounts and purposes in priority order:

126.27 (1) the cash flow account established in subdivision 1 until that account reaches
 126.28 \$350,000,000;

126.29 (2) the budget reserve account established in subdivision 1a until that account reaches
 126.30 ~~\$2,852,098,000~~ \$3,421,764,000;

127.1 (3) the amount necessary to increase the aid payment schedule for school district aids
127.2 and credits payments in section 127A.45 to not more than 90 percent rounded to the nearest
127.3 tenth of a percent without exceeding the amount available and with any remaining funds
127.4 deposited in the budget reserve; and

127.5 (4) the amount necessary to restore all or a portion of the net aid reductions under section
127.6 127A.441 and to reduce the property tax revenue recognition shift under section 123B.75,
127.7 subdivision 5, by the same amount.

127.8 (b) The amounts necessary to meet the requirements of this section are appropriated
127.9 from the general fund within two weeks after the forecast is released or, in the case of
127.10 transfers under paragraph (a), clauses (3) and (4), as necessary to meet the appropriations
127.11 schedules otherwise established in statute.

127.12 (c) The commissioner of management and budget shall certify the total dollar amount
127.13 of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of education.
127.14 The commissioner of education shall increase the aid payment percentage and reduce the
127.15 property tax shift percentage by these amounts and apply those reductions to the current
127.16 fiscal year and thereafter.

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

127.18 Sec. 2. **BRUCE ANDERSON VETERANS SERVICE BUILDING.**

127.19 The Veterans Service Building located at 20 West 12th Street in the city of St. Paul is
127.20 renamed as the Bruce Anderson Veterans Service Building.

127.21 Sec. 3. **SIGNAGE COSTS.**

127.22 The commissioner of administration must pay for the cost of modifying or replacing
127.23 signage as necessary to conform with section 2 using general fund appropriations available
127.24 for operations under Laws 2025, chapter 39, article 1, section 11. The commissioner must
127.25 not include these costs in determining lease rates for fiscal years 2028 and 2029 or otherwise
127.26 pass the cost of signage on to tenants of the building in section 2.

127.27 Sec. 4. **REVISOR INSTRUCTION.**

127.28 The revisor of statutes must replace "Veterans Service Building" with "Bruce Anderson
127.29 Veterans Service Building" wherever it appears in Minnesota Statutes and Minnesota Rules.

128.1

ARTICLE 15

128.2

MEDICAID FRAUD

128.3 Section 1. Minnesota Statutes 2024, section 8.16, subdivision 1, is amended to read:

128.4 Subdivision 1. **Authority.** (a) The attorney general, or any deputy, assistant, or special
 128.5 assistant attorney general whom the attorney general authorizes in writing, has the authority
 128.6 in any county of the state to subpoena and require the production of: (1) any records of: (i)
 128.7 telephone companies, cellular phone companies, and paging companies; (ii) subscribers of
 128.8 private computer networks, including Internet service providers or computer bulletin board
 128.9 systems; (iii) electric companies, gas companies, and water utilities; (iv) chemical suppliers;
 128.10 (v) hotels and motels; (vi) pawn shops; (vii) airlines, buses, taxis, and other entities engaged
 128.11 in the business of transporting people; and (viii) freight companies, self-service storage
 128.12 facilities, warehousing companies, package delivery companies, and other entities engaged
 128.13 in the businesses of transport, storage, or delivery, and; (2) wage and employment records
 128.14 relating to an investigation conducted under the attorney general's authority under section
 128.15 256B.12; (3) records of the existence of safe deposit box account numbers and customer
 128.16 savings and checking account numbers maintained by financial institutions and safe deposit
 128.17 companies; (4) insurance records related to claim settlement relating to an investigation
 128.18 conducted under the attorney general's authority under section 256B.12; and (5) the banking,
 128.19 credit card, and financial records, including but not limited to a safe deposit, loan and account
 128.20 application and agreement, signature card, statement, check, transfer, account authorization,
 128.21 safe deposit access record, and documentation of fraud, that belong to the subject of an
 128.22 investigation conducted pursuant to the attorney general's authority under section 256B.12,
 128.23 whether the record is held in the investigation subject's name or in another person's name.

128.24 (b) Subpoenas may only be issued for records that are relevant to an ongoing legitimate
 128.25 law enforcement investigation.

128.26 Sec. 2. Minnesota Statutes 2025 Supplement, section 256B.12, is amended to read:

128.27 **256B.12 LEGAL REPRESENTATION.**

128.28 The attorney general or the appropriate county attorney appearing at the direction of the
 128.29 attorney general shall be the attorney for the state agency, and the county attorney of the
 128.30 appropriate county shall be the attorney for the county agency in all matters pertaining
 128.31 hereto. To prosecute under this chapter or sections ~~609.466~~ 609.467; 609.52, subdivision
 128.32 2; and 609.542 or to recover payments wrongfully made under this chapter, the attorney
 128.33 general or the appropriate county attorney, acting independently or at the direction of the
 128.34 attorney general may institute a criminal or civil action.

129.1 Sec. 3. **[609.467] MEDICAL ASSISTANCE FRAUD.**

129.2 **Subdivision 1. Medical assistance fraud prohibited.** A person who does any of the
129.3 following is guilty of medical assistance fraud and may be sentenced as provided in
129.4 subdivision 2:

129.5 (1) acting with intent to defraud, executes or participates in, or attempts or conspires to
129.6 execute or participate in, a scheme or artifice to obtain, by means of any false or fraudulent
129.7 pretenses, representations, or promises, or concealment of any material fact, any money or
129.8 credits relating to the payment of medical assistance funds under chapter 256B;

129.9 (2) acting with intent to defraud, presents, submits, tenders, offers, or participates in, or
129.10 attempts or conspires to execute or participate in, the preparation of a claim for payment,
129.11 claim for reimbursement, cost report, or rate application, knowing or having reason to know
129.12 that any part of the claim, report, or application is ineligible for payment or reimbursement;

129.13 (3) acting with intent to defraud, knowingly provides false information or intentionally
129.14 omits material information as part of any enrollment application, provider agreement, or
129.15 ownership and management disclosure required by any state or federal law as a medical
129.16 assistance provider under chapter 245A or 256B;

129.17 (4) owns, operates, manages, or exercises control over any entity receiving medical
129.18 assistance funds, while knowing or having reason to know that the person has been suspended
129.19 or prohibited from enrolling as a medical assistance provider by any state agency or under
129.20 any state law, or is excluded or prohibited from enrolling as a medical assistance provider
129.21 by any federal agency or under any federal law;

129.22 (5) knowingly and intentionally permits another person to own, operate, manage, or
129.23 exercise control over any entity receiving medical assistance funds, while knowing or having
129.24 reason to know the other person is suspended or prohibited from enrolling as a medical
129.25 assistance provider by any state agency or under any state law, or excluded or prohibited
129.26 from enrolling as a medical assistance provider by any federal agency or under any federal
129.27 law;

129.28 (6) falsely makes or alters any record relating to the delivery of medical assistance
129.29 services, so that it purports to have been made by another or by the maker or alterer under
129.30 an assumed or fictitious name, or at another time, or with different provisions, or by the
129.31 authority of one who did not give such authority;

129.32 (7) acting with intent to defraud, presents, submits, tenders, offers, or participates in, or
129.33 attempts or conspires to execute or participate in, the preparation of a claim for

130.1 reimbursement for personal care assistant services, community first services and supports,
130.2 or other services under chapter 256B, knowing or having reason to know that qualified
130.3 professional supervision or other supervision required by state or federal law was not
130.4 provided according to law; or

130.5 (8) after receiving a lawful request for records by any state agency or law enforcement
130.6 agency, intentionally destroys, or attempts or conspires to destroy, medical, health care, and
130.7 financial records required to be maintained under chapter 245A or 256B or rules adopted
130.8 pursuant to chapter 245A or 256B.

130.9 Subd. 2. **Penalties.** (a) A person who is convicted under subdivision 1 may be sentenced
130.10 to imprisonment for not more than five years or to payment of a fine of not more than
130.11 \$10,000, or both.

130.12 (b) A person who is convicted under subdivision 1 may be sentenced to imprisonment
130.13 for not more than ten years or to payment of a fine of not more than \$20,000, or both, if the
130.14 violation causes a loss to any victim or victims in an aggregate amount of more than \$10,000,
130.15 but not more than \$100,000.

130.16 (c) A person who is convicted under subdivision 1 may be sentenced to imprisonment
130.17 for not more than 20 years or to payment of a fine of not more than \$100,000, or both, if
130.18 the violation causes a loss to any victim or victims in an aggregate amount of more than
130.19 \$100,000, but not more than \$1,000,000.

130.20 (d) A person who is convicted under subdivision 1 may be sentenced to imprisonment
130.21 for not more than 30 years or to payment of a fine of not more than \$1,000,000, or both, if
130.22 the violation causes a loss to any victim or victims in an aggregate amount of more than
130.23 \$1,000,000.

130.24 Subd. 3. **Failure to keep or maintain medical assistance records.** A person who
130.25 submits a claim for reimbursement, claim for payment, claim for reimbursement cost report,
130.26 or rate application and knowingly and intentionally fails to maintain medical, health care,
130.27 and financial records as required under chapter 245A or 256B or rules adopted pursuant to
130.28 chapter 245A or 256B is guilty of a gross misdemeanor.

130.29 Subd. 4. **Continuing offense.** For purposes of calculating the statute of limitations
130.30 identified in section 628.26, any violation of subdivision 1 or 3 is a continuing offense. Any
130.31 violation of subdivision 1 or 3 extends to any act committed during the course of the scheme,
130.32 conspiracy, or conduct and is within the statute of limitations identified in section 628.26
130.33 so long as any part of the continuing scheme, conspiracy, or conduct comprising a violation
130.34 occurred within the identified statute of limitations.

131.1 Subd. 5. Venue. Notwithstanding anything to the contrary in section 627.01, a violation
 131.2 of this section may be prosecuted in:

131.3 (1) the county where any part of the offense occurred; or

131.4 (2) the county where the entity who received a claim for payment, claim for
 131.5 reimbursement, cost report, or rate application is located.

131.6 Subd. 6. Restitution. The court may order a person convicted of violating this section
 131.7 to pay restitution for any costs, expenses, or losses resulting from the crime and for costs,
 131.8 expenses, or losses resulting from similar conduct that was related to the offense but was
 131.9 not charged. The court may order restitution for similar conduct that was related to the
 131.10 offense if the related conduct occurred within the applicable statute of limitations and the
 131.11 prosecutor provides notice of intent to seek restitution for that conduct at least five business
 131.12 days before the sentencing hearing. The offender may challenge restitution as provided in
 131.13 section 611A.045, subdivision 3. A dispute as to whether restitution is for similar conduct
 131.14 that was related to the offense must be resolved by the court by the preponderance of the
 131.15 evidence. The burden of demonstrating that the court may order restitution for any costs,
 131.16 expense, or loss described in this subdivision is on the prosecution.

131.17 EFFECTIVE DATE. This section is effective August 1, 2026, and applies to crimes
 131.18 committed on or after that date.

131.19 Sec. 4. Minnesota Statutes 2024, section 609.52, subdivision 2, is amended to read:

131.20 Subd. 2. **Acts constituting theft.** (a) Whoever does any of the following commits theft
 131.21 and may be sentenced as provided in subdivision 3:

131.22 (1) intentionally and without claim of right takes, uses, transfers, conceals or retains
 131.23 possession of movable property of another without the other's consent and with intent to
 131.24 deprive the owner permanently of possession of the property; or

131.25 (2) with or without having a legal interest in movable property, intentionally and without
 131.26 consent, takes the property out of the possession of a pledgee or other person having a
 131.27 superior right of possession, with intent thereby to deprive the pledgee or other person
 131.28 permanently of the possession of the property; or

131.29 (3) obtains for the actor or another the possession, custody, or title to property of or
 131.30 performance of services by a third person by intentionally deceiving the third person with
 131.31 a false representation which is known to be false, made with intent to defraud, and which
 131.32 does defraud the person to whom it is made. "False representation" includes without
 131.33 limitation:

- 132.1 (i) the issuance of a check, draft, or order for the payment of money, except a forged
 132.2 check as defined in section 609.631, or the delivery of property knowing that the actor is
 132.3 not entitled to draw upon the drawee therefor or to order the payment or delivery thereof;
 132.4 or
- 132.5 (ii) a promise made with intent not to perform. Failure to perform is not evidence of
 132.6 intent not to perform unless corroborated by other substantial evidence; or
- 132.7 ~~(iii) the preparation or filing of a claim for reimbursement, a rate application, or a cost~~
 132.8 ~~report used to establish a rate or claim for payment for medical care provided to a recipient~~
 132.9 ~~of medical assistance under chapter 256B, which intentionally and falsely states the costs~~
 132.10 ~~of or actual services provided by a vendor of medical care; or~~
- 132.11 ~~(iv)~~ (iii) the preparation or filing of a claim for reimbursement for providing treatment
 132.12 or supplies required to be furnished to an employee under section 176.135 which intentionally
 132.13 and falsely states the costs of or actual treatment or supplies provided; or
- 132.14 ~~(v)~~ (iv) the preparation or filing of a claim for reimbursement for providing treatment
 132.15 or supplies required to be furnished to an employee under section 176.135 for treatment or
 132.16 supplies that the provider knew were medically unnecessary, inappropriate, or excessive;
 132.17 or
- 132.18 (4) by swindling, whether by artifice, trick, device, or any other means, obtains property
 132.19 or services from another person; or
- 132.20 (5) intentionally commits any of the acts listed in this subdivision but with intent to
 132.21 exercise temporary control only and:
- 132.22 (i) the control exercised manifests an indifference to the rights of the owner or the
 132.23 restoration of the property to the owner; or
- 132.24 (ii) the actor pledges or otherwise attempts to subject the property to an adverse claim;
 132.25 or
- 132.26 (iii) the actor intends to restore the property only on condition that the owner pay a
 132.27 reward or buy back or make other compensation; or
- 132.28 (6) finds lost property and, knowing or having reasonable means of ascertaining the true
 132.29 owner, appropriates it to the finder's own use or to that of another not entitled thereto without
 132.30 first having made reasonable effort to find the owner and offer and surrender the property
 132.31 to the owner; or

133.1 (7) intentionally obtains property or services, offered upon the deposit of a sum of money
133.2 or tokens in a coin or token operated machine or other receptacle, without making the
133.3 required deposit or otherwise obtaining the consent of the owner; or

133.4 (8) intentionally and without claim of right converts any article representing a trade
133.5 secret, knowing it to be such, to the actor's own use or that of another person or makes a
133.6 copy of an article representing a trade secret, knowing it to be such, and intentionally and
133.7 without claim of right converts the same to the actor's own use or that of another person. It
133.8 shall be a complete defense to any prosecution under this clause for the defendant to show
133.9 that information comprising the trade secret was rightfully known or available to the
133.10 defendant from a source other than the owner of the trade secret; or

133.11 (9) leases or rents personal property under a written instrument and who:

133.12 (i) with intent to place the property beyond the control of the lessor conceals or aids or
133.13 abets the concealment of the property or any part thereof; or

133.14 (ii) sells, conveys, or encumbers the property or any part thereof without the written
133.15 consent of the lessor, without informing the person to whom the lessee sells, conveys, or
133.16 encumbers that the same is subject to such lease or rental contract with intent to deprive the
133.17 lessor of possession thereof; or

133.18 (iii) does not return the property to the lessor at the end of the lease or rental term, plus
133.19 agreed-upon extensions, with intent to wrongfully deprive the lessor of possession of the
133.20 property; or

133.21 (iv) returns the property to the lessor at the end of the lease or rental term, plus
133.22 agreed-upon extensions, but does not pay the lease or rental charges agreed upon in the
133.23 written instrument, with intent to wrongfully deprive the lessor of the agreed-upon charges.

133.24 For the purposes of items (iii) and (iv), the value of the property must be at least \$100.

133.25 Evidence that a lessee used a false, fictitious, or not current name, address, or place of
133.26 employment in obtaining the property or fails or refuses to return the property or pay the
133.27 rental contract charges to lessor within five days after written demand for the return has
133.28 been served personally in the manner provided for service of process of a civil action or
133.29 sent by certified mail to the last known address of the lessee, whichever shall occur later,
133.30 shall be evidence of intent to violate this clause. Service by certified mail shall be deemed
133.31 to be complete upon deposit in the United States mail of such demand, postpaid and addressed
133.32 to the person at the address for the person set forth in the lease or rental agreement, or, in
133.33 the absence of the address, to the person's last known place of residence; or

134.1 (10) alters, removes, or obliterates numbers or symbols placed on movable property for
134.2 purpose of identification by the owner or person who has legal custody or right to possession
134.3 thereof with the intent to prevent identification, if the person who alters, removes, or
134.4 obliterates the numbers or symbols is not the owner and does not have the permission of
134.5 the owner to make the alteration, removal, or obliteration; or

134.6 (11) with the intent to prevent the identification of property involved, so as to deprive
134.7 the rightful owner of possession thereof, alters or removes any permanent serial number,
134.8 permanent distinguishing number or manufacturer's identification number on personal
134.9 property or possesses, sells or buys any personal property knowing or having reason to
134.10 know that the permanent serial number, permanent distinguishing number or manufacturer's
134.11 identification number has been removed or altered; or

134.12 (12) intentionally deprives another of a lawful charge for cable television service by:

134.13 (i) making or using or attempting to make or use an unauthorized external connection
134.14 outside the individual dwelling unit whether physical, electrical, acoustical, inductive, or
134.15 other connection; or by

134.16 (ii) attaching any unauthorized device to any cable, wire, microwave, or other component
134.17 of a licensed cable communications system as defined in chapter 238. Nothing herein shall
134.18 be construed to prohibit the electronic video rerecording of program material transmitted
134.19 on the cable communications system by a subscriber for fair use as defined by Public Law
134.20 94-553, section 107; or

134.21 (13) except as provided in clauses (12) and (14), obtains the services of another with
134.22 the intention of receiving those services without making the agreed or reasonably expected
134.23 payment of money or other consideration; or

134.24 (14) intentionally deprives another of a lawful charge for telecommunications service
134.25 by:

134.26 (i) making, using, or attempting to make or use an unauthorized connection whether
134.27 physical, electrical, by wire, microwave, radio, or other means to a component of a local
134.28 telecommunication system as provided in chapter 237; or

134.29 (ii) attaching an unauthorized device to a cable, wire, microwave, radio, or other
134.30 component of a local telecommunication system as provided in chapter 237.

134.31 The existence of an unauthorized connection is prima facie evidence that the occupier
134.32 of the premises:

134.33 (A) made or was aware of the connection; and

135.1 (B) was aware that the connection was unauthorized;

135.2 (15) with intent to defraud, diverts corporate property other than in accordance with
135.3 general business purposes or for purposes other than those specified in the corporation's
135.4 articles of incorporation; or

135.5 (16) with intent to defraud, authorizes or causes a corporation to make a distribution in
135.6 violation of section 302A.551, or any other state law in conformity with it; or

135.7 (17) takes or drives a motor vehicle without the consent of the owner or an authorized
135.8 agent of the owner, knowing or having reason to know that the owner or an authorized agent
135.9 of the owner did not give consent; or

135.10 (18) intentionally, and without claim of right, takes motor fuel from a retailer without
135.11 the retailer's consent and with intent to deprive the retailer permanently of possession of
135.12 the fuel by driving a motor vehicle from the premises of the retailer without having paid
135.13 for the fuel dispensed into the vehicle; or

135.14 (19) commits wage theft under subdivision 1, clause (13).

135.15 (b) Proof that the driver of a motor vehicle into which motor fuel was dispensed drove
135.16 the vehicle from the premises of the retailer without having paid for the fuel permits the
135.17 factfinder to infer that the driver acted intentionally and without claim of right, and that the
135.18 driver intended to deprive the retailer permanently of possession of the fuel. This paragraph
135.19 does not apply if: (1) payment has been made to the retailer within 30 days of the receipt
135.20 of notice of nonpayment under section 604.15; or (2) a written notice as described in section
135.21 604.15, subdivision 4, disputing the retailer's claim, has been sent. This paragraph does not
135.22 apply to the owner of a motor vehicle if the vehicle or the vehicle's license plate has been
135.23 reported stolen before the theft of the fuel.

135.24 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
135.25 committed on or after that date.

135.26 Sec. 5. Minnesota Statutes 2025 Supplement, section 609.902, subdivision 4, is amended
135.27 to read:

135.28 Subd. 4. **Criminal act.** "Criminal act" means conduct constituting, or a conspiracy or
135.29 attempt to commit, a felony violation of chapter 152, or a felony violation of section 299F.79;
135.30 299F.80; 299F.82; 609.185; 609.19; 609.195; 609.20; 609.205; 609.221; 609.222; 609.223;
135.31 609.2231; 609.228; 609.235; 609.245; 609.25; 609.27; 609.322; 609.342; 609.343; 609.344;
135.32 609.345; 609.42; 609.467; 609.48; 609.485; 609.495; 609.496; 609.497; 609.498; 609.52,
135.33 subdivision 2, if the offense is punishable under subdivision 3, clause (1), if the property is

136.1 a firearm, clause (3)(b), or clause (3)(d)(v); section 609.52, subdivision 2, paragraph (a),
 136.2 clause (1) or (4); 609.527, if the crime is punishable under subdivision 3, clause (4); 609.528,
 136.3 if the crime is punishable under subdivision 3, clause (4); 609.53; 609.561; 609.562; 609.582,
 136.4 subdivision 1 or 2; 609.668, subdivision 6, paragraph (a); 609.67; 609.687; 609.713; 609.86;
 136.5 609.894, subdivision 3 or 4; 609.895; 624.713; 624.7191; or 626A.02, subdivision 1, if the
 136.6 offense is punishable under section 626A.02, subdivision 4, paragraph (a). "Criminal act"
 136.7 also includes conduct constituting, or a conspiracy or attempt to commit, a felony violation
 136.8 of section 609.52, subdivision 2, clause (3), (4), (15), or (16), if the violation involves an
 136.9 insurance company as defined in section 60A.02, subdivision 4, a nonprofit health service
 136.10 plan corporation regulated under chapter 62C, a health maintenance organization regulated
 136.11 under chapter 62D, ~~or~~ a fraternal benefit society regulated under chapter 64B, or any state
 136.12 agency.

136.13 Sec. 6. Minnesota Statutes 2025 Supplement, section 628.26, is amended to read:

136.14 **628.26 LIMITATIONS.**

136.15 (a) Indictments or complaints for any crime resulting in the death of the victim may be
 136.16 found or made at any time after the death of the person killed.

136.17 (b) Indictments or complaints for a violation of section 609.25 may be found or made
 136.18 at any time after the commission of the offense.

136.19 (c) Indictments or complaints for violation of section 609.282 may be found or made at
 136.20 any time after the commission of the offense if the victim was under the age of 18 at the
 136.21 time of the offense.

136.22 (d) Indictments or complaints for violation of section 609.282 where the victim was 18
 136.23 years of age or older at the time of the offense, or 609.42, subdivision 1, clause (1) or (2),
 136.24 shall be found or made and filed in the proper court within six years after the commission
 136.25 of the offense.

136.26 (e) Indictments or complaints for violation of sections 609.322, 609.342 to 609.345, and
 136.27 609.3458 may be found or made at any time after the commission of the offense.

136.28 (f) Indictments or complaints for a violation of section 609.561 shall be found or made
 136.29 and filed in the proper court within ten years after the commission of the offense.

136.30 (g) Indictments or complaints for violation of sections ~~609.466~~ 609.467 and 609.52,
 136.31 subdivision 2, paragraph (a), clause (3), item (iii), shall be found or made and filed in the
 136.32 proper court within six years after the commission of the offense.

137.1 (h) Indictments or complaints for violation of section 609.2335, 609.52, subdivision 2,
137.2 paragraph (a), clause (3), items (i) and (ii), (4), (15), or (16), 609.631, or 609.821, where
137.3 the value of the property or services stolen is more than \$35,000, or for violation of section
137.4 609.527 where the offense involves eight or more direct victims or the total combined loss
137.5 to the direct and indirect victims is more than \$35,000, shall be found or made and filed in
137.6 the proper court within five years after the commission of the offense.

137.7 (i) Except for violations relating to false material statements, representations or omissions,
137.8 indictments or complaints for violations of section 609.671 shall be found or made and filed
137.9 in the proper court within five years after the commission of the offense.

137.10 (j) Indictments or complaints for violation of sections 609.562 and 609.563, shall be
137.11 found or made and filed in the proper court within five years after the commission of the
137.12 offense.

137.13 (k) Indictments or complaints for violation of section 609.746 shall be found or made
137.14 and filed in the proper court within the later of three years after the commission of the
137.15 offense or three years after the offense was reported to law enforcement authorities.

137.16 (l) In all other cases, indictments or complaints shall be found or made and filed in the
137.17 proper court within three years after the commission of the offense.

137.18 (m) The limitations periods contained in this section shall exclude any period of time
137.19 during which the defendant was not an inhabitant of or usually resident within this state.

137.20 (n) The limitations periods contained in this section for an offense shall not include any
137.21 period during which the alleged offender participated under a written agreement in a pretrial
137.22 diversion program relating to that offense.

137.23 (o) The limitations periods contained in this section shall not include any period of time
137.24 during which physical evidence relating to the offense was undergoing DNA analysis, as
137.25 defined in section 299C.155, unless the defendant demonstrates that the prosecuting or law
137.26 enforcement agency purposefully delayed the DNA analysis process in order to gain an
137.27 unfair advantage.

137.28 **Sec. 7. REPEALER.**

137.29 Minnesota Statutes 2024, section 609.466, is repealed.

138.1

ARTICLE 16

138.2

CAMPAIGN FINANCE

138.3 Section 1. Minnesota Statutes 2024, section 10A.01, is amended by adding a subdivision
138.4 to read:

138.5 Subd. 9b. **Campaign finance report.** "Campaign finance report" means a report or
138.6 statement required under section 10A.20, 10A.202, or 10A.323.

138.7 Sec. 2. Minnesota Statutes 2024, section 10A.01, is amended by adding a subdivision to
138.8 read:

138.9 Subd. 16d. **Enhanced penalty.** "Enhanced penalty" means a late fee or civil penalty
138.10 imposed by the board that applies after a \$25,000 or \$100,000 threshold is exceeded and is
138.11 determined using a multiplier or percentage.

138.12 Sec. 3. Minnesota Statutes 2024, section 10A.01, is amended by adding a subdivision to
138.13 read:

138.14 Subd. 26c. **Total contributions.** "Total contributions" means the total of all contributions.
138.15 Contributions include all contributions received, in-kind contributions received, loans, and
138.16 any other types of contributions.

138.17 Sec. 4. Minnesota Statutes 2024, section 10A.01, is amended by adding a subdivision to
138.18 read:

138.19 Subd. 26d. **Total disbursements.** "Total disbursements" means the total of all
138.20 disbursements. Disbursements include expenditures, in-kind expenditures, approved
138.21 expenditures, contributions made, in-kind contributions made, independent expenditures,
138.22 noncampaign disbursements, electioneering communications, and any other types of
138.23 expenditures and disbursements.

138.24 Sec. 5. Minnesota Statutes 2024, section 10A.02, subdivision 15, is amended to read:

138.25 Subd. 15. **Fees and penalties.** (a) Upon written request, certified pursuant to section
138.26 10A.025, subdivision 2, the board must waive that portion of a late filing fee or a civil
138.27 penalty imposed for the late filing of a report or statement under this chapter for which the
138.28 requester demonstrates good cause for the late filing or submission.

138.29 (b) Notwithstanding paragraph (a), the board must not waive any portion of an enhanced
138.30 penalty.

139.1 ~~(b)~~ (c) The board must deposit ~~at~~ the first \$49,000 in fees and civil penalties collected
 139.2 each fiscal year under this chapter into the general fund in the state treasury. The board
 139.3 must deposit any additional fees and civil penalties collected under this chapter into the
 139.4 general account of the state elections campaign account in the special revenue fund.

139.5 Sec. 6. Minnesota Statutes 2024, section 10A.025, subdivision 2, is amended to read:

139.6 Subd. 2. **Penalty for false statements.** (a) A report or statement required to be filed
 139.7 under this chapter must be signed and certified as true by the individual required to file the
 139.8 report. The signature may be an electronic signature consisting of a password assigned by
 139.9 the board.

139.10 (b) An individual ~~shall~~ must not willfully sign and certify to be true a report or statement
 139.11 knowing it contains false information or knowing it omits required information.

139.12 (c) An individual ~~shall~~ must not knowingly willfully provide false or incomplete
 139.13 information to a treasurer with the intent that the treasurer will rely on that information in
 139.14 signing and certifying to be true a report or statement.

139.15 (d) The board must impose a civil penalty on a person who violates paragraph (b) or (c)
 139.16 ~~is subject to a civil penalty imposed by the board of.~~ For campaign finance reports, the
 139.17 penalty is up to four times the sum of the following amounts that were willfully false or
 139.18 omitted: the beginning cash balance, total contributions, and total disbursements. For
 139.19 campaign finance reports where more than \$25,000 was willfully false or omitted, the
 139.20 penalty must instead be equal to four times the amount that was willfully false or willfully
 139.21 omitted. For all other reports, the penalty is up to \$3,000.

139.22 (e) A violation of paragraph (b) or (c) is a gross misdemeanor.

139.23 ~~(e)~~ (f) The board may impose ~~an additional civil penalty of up to \$3,000~~ on the principal
 139.24 campaign committee or candidate, party unit, political committee, or association that has a
 139.25 political fund that is affiliated with an individual who violated paragraph (b) or (c) an
 139.26 additional civil penalty of an amount up to four times the amount of the beginning cash
 139.27 balance, total contributions, and total disbursements that were willfully false or willfully
 139.28 omitted from the report.

139.29 Sec. 7. Minnesota Statutes 2024, section 10A.025, subdivision 3, is amended to read:

139.30 Subd. 3. **Record keeping; penalty.** (a) A person required to file a report or statement
 139.31 or who has accepted record-keeping responsibility for the filer must maintain records on
 139.32 the matters required to be reported, including vouchers, canceled checks, bills, invoices,

140.1 worksheets, and receipts, that will provide in sufficient detail the necessary information
 140.2 from which the filed reports and statements may be verified, explained, clarified, and checked
 140.3 for accuracy and completeness. The person must keep the records available for audit,
 140.4 inspection, or examination by the board or its authorized representatives for four years from
 140.5 the date of filing of the reports or statements or of changes or corrections to them.

140.6 (b) The board ~~may~~ must impose a civil penalty ~~of up to \$3,000~~ on a person who
 140.7 ~~knowingly~~ willfully violates this subdivision. For violations related to campaign finance
 140.8 reports, the penalty is up to four times the amount reflected on the missing records. For
 140.9 violations where the amount reflected on the missing campaign finance records exceeds
 140.10 \$25,000, the penalty must be equal to four times the amount reflected on the missing
 140.11 campaign finance records. For all other violations, the civil penalty is up to \$3,000.

140.12 (c) The board may impose a separate civil penalty of up to ~~\$3,000~~ an amount equal to
 140.13 four times the amount reflected on the missing campaign finance records on the principal
 140.14 campaign committee or candidate, party unit, political committee, or association that has a
 140.15 political fund that is affiliated with an individual who violated this subdivision.

140.16 ~~(e)~~ (d) A ~~knowing~~ willful violation of this subdivision is a misdemeanor.

140.17 Sec. 8. Minnesota Statutes 2024, section 10A.025, subdivision 4, is amended to read:

140.18 Subd. 4. **Changes and corrections.** (a) Material changes in information previously
 140.19 submitted and corrections to a report or statement must be reported in writing to the board
 140.20 within ten days following the date of the event prompting the change or the date upon which
 140.21 the person filing became aware of the inaccuracy. The change or correction must identify
 140.22 the form and the paragraph containing the information to be changed or corrected. A request
 140.23 from the board to a lobbyist to provide more detailed information about a specific subject
 140.24 of interest disclosed on a lobbyist disbursement report is a change or correction governed
 140.25 by this subdivision.

140.26 (b) The board must impose a civil penalty on a person who willfully fails to report a
 140.27 material change or correction is subject to a civil penalty imposed by the board of. For
 140.28 campaign finance reports, the penalty is up to four times the amount of the required change
 140.29 or correction that the person willfully failed to report. For a violation related to a campaign
 140.30 finance report where the amount of the required change or correction exceeds \$25,000, the
 140.31 penalty must be equal to four times the amount of the required change or correction that
 140.32 the person willfully failed to report. For all other reports, the penalty is up to \$3,000.

140.33 (c) A willful violation of this subdivision is a gross misdemeanor.

141.1 (d) The board must send a written notice to any individual who fails to file a report
141.2 required by this subdivision. If the individual fails to file the required report within ten
141.3 business days after the notice was sent, the board may impose a late filing fee of \$25 per
141.4 day up to \$1,000 starting on the 11th day after the notice was sent.

141.5 (e) The board may send an additional notice by certified mail to an individual who fails
141.6 to file a report within ten business days after the first notice was sent by the board. The
141.7 certified notice must state that if the individual does not file the requested report within ten
141.8 business days after the certified notice was sent, the individual may be subject to a civil
141.9 penalty for failure to file a report. An individual who fails to file a report required by this
141.10 subdivision within ten business days after the certified notice was sent by the board is subject
141.11 to a civil penalty imposed by the board of up to \$1,000.

141.12 Sec. 9. Minnesota Statutes 2024, section 10A.025, subdivision 5, is amended to read:

141.13 Subd. 5. **Reconciliation information; penalty.** (a) An individual or association required
141.14 to file a report under this chapter must provide information requested by the board to
141.15 reconcile discrepancies between the report and reports filed by other individuals or
141.16 associations. The board's request for information must be in writing. If the individual or
141.17 association fails to provide the requested information within ten business days after the
141.18 request was sent, the board may impose a late filing fee of \$25 per day up to \$1,000.

141.19 (b) The board may send notice by certified mail to an individual or association that has
141.20 not timely responded to the board's written request for reconciliation information. The
141.21 certified notice must state that if the individual or association does not respond to the board's
141.22 request for information within ten business days after the certified notice was sent, the
141.23 individual or association may be subject to a civil penalty for failure to provide information
141.24 to the board. An individual or association that does not provide the requested information
141.25 within ten business days after the certified notice was sent is subject to a civil penalty
141.26 imposed by the board of up to \$1,000.

141.27 (c) The board must impose a civil penalty on a person who willfully fails to cooperate
141.28 with the board to reconcile a report discrepancy is subject to a civil penalty imposed by the
141.29 board of. For discrepancies related to campaign finance reports, the penalty is up to four
141.30 times the amount of the discrepancy about which the person willfully failed to cooperate.
141.31 For violations related to a campaign finance report where the amount of the discrepancy
141.32 exceeds \$25,000, the penalty must be equal to four times the amount of the discrepancy
141.33 about which the person willfully failed to cooperate. For all other reports, the penalty is up
141.34 to \$3,000.

142.1 Sec. 10. Minnesota Statutes 2024, section 10A.025, is amended by adding a subdivision
142.2 to read:

142.3 Subd. 6. **Penalty.** A late fee or civil penalty related to a campaign finance report assessed
142.4 to a treasurer or candidate pursuant to this section may be paid by the treasurer's or candidate's
142.5 principal campaign committee, party unit, political committee, or association that has a
142.6 political fund.

142.7 Sec. 11. Minnesota Statutes 2024, section 10A.20, subdivision 12, is amended to read:

142.8 **Subd. 12. Failure to file; late fees; penalty.** (a) ~~If This subdivision governs late filing~~
142.9 ~~fees and civil penalties in instances when an individual or association fails to file a report~~
142.10 ~~required by this section or section 10A.202, the board may impose a late filing fee and a~~
142.11 ~~civil penalty as provided in this subdivision.~~

142.12 (b) If a candidate, political committee, political fund, principal campaign committee, or
142.13 party unit fails to file a report required by this section that is due January 31, the board may
142.14 impose a late filing fee of \$25 per day, not to exceed \$1,000, commencing the day after the
142.15 report was due.

142.16 (c) Except for reports governed by paragraph (b), if an individual, political committee,
142.17 political fund, principal campaign committee, party unit, or association fails to file a report
142.18 required by subdivision 2, 2a, ~~or~~ 5, 5a, 6, or 14, or by section 10A.202, late filing fees are
142.19 as follows:

142.20 (1) for reports not governed by clause (2), (3), or (4), the board may impose a late filing
142.21 fee of \$50 per day, not to exceed \$1,000, commencing on the day after the date the ~~statement~~
142.22 report was due. ~~If;~~

142.23 (2) for reports due 15 days or less before the primary and reports due ten days or less
142.24 before the general election on which the total contributions or total disbursements that should
142.25 have been newly reported exceed \$100,000 that are not required by subdivision 5 or 5a or
142.26 section 10A.202, the board must impose a late filing fee of one percent of the total
142.27 contributions or total disbursements that should have been newly reported, whichever is
142.28 greater, per day, commencing on the day after the report was due;

142.29 (3) for a report required by subdivision 5 or 5a or section 10A.202 on which the total
142.30 expenditures or contributions or total disbursements that occurred during the reporting
142.31 period exceeds exceed \$25,000, then the board ~~may also~~ must impose a late filing fee of up
142.32 to two four percent of the expenditures or total contributions or total disbursements that
142.33 should have been reported, whichever is greater, per day, commencing on the day after the

143.1 report was due, ~~not to exceed 100 percent of the amount that should have been reported;~~
 143.2 or

143.3 (4) for willful violations of clause (2) or (3), the board must instead impose a late filing
 143.4 fee of twice that required by that clause, per day, commencing on the day after the report
 143.5 was due.

143.6 (d) If an individual, political committee, political fund, principal campaign committee,
 143.7 party unit, or association has been assessed a late filing fee or civil penalty under this
 143.8 subdivision during the prior four years, the board may impose a late filing fee, a civil penalty,
 143.9 or both of up to twice the amount otherwise authorized by this subdivision. If an individual,
 143.10 political committee, political fund, principal campaign committee, party unit, or association
 143.11 has been assessed a late filing fee or civil penalty under this subdivision more than two
 143.12 times during the prior four years, the board may impose a late filing fee or civil penalty, or
 143.13 both, of up to three times the amount otherwise authorized by this subdivision. If a late
 143.14 filing fee and civil penalty are related to the same report or statement, the late filing fee and
 143.15 civil penalty count as a single penalty for purposes of this paragraph.

143.16 (e) If an individual, political committee, political fund, principal campaign committee,
 143.17 party unit, or association has been assessed an enhanced penalty during the prior four years,
 143.18 the board must impose a late filing fee, a civil penalty, or both, of up to twice the amount
 143.19 otherwise authorized by this subdivision. If an individual, political committee, political
 143.20 fund, principal campaign committee, party unit, or association has been assessed an enhanced
 143.21 penalty more than two times during the prior four years, the board must impose a late filing
 143.22 fee, a civil penalty, or both, of up to three times the amount otherwise authorized by this
 143.23 subdivision. If a late filing fee and civil penalty are related to the same report or statement,
 143.24 the late filing fee and civil penalty count as a single penalty for purposes of this paragraph.

143.25 ~~(e)~~ (f) Within ten business days after the report was due or receipt by the board of
 143.26 information disclosing the potential failure to file a report required by this section, the board
 143.27 must send notice by certified mail that the individual or association may be subject to a civil
 143.28 penalty for failure to file the report. If an individual who fails to file the report within seven
 143.29 days after the certified mail notice was sent by the board, civil penalties are as follows:

143.30 (1) for reports not governed by clause (2), (3), or (4), the individual is subject to a civil
 143.31 penalty imposed by the board of up to \$2,000 in addition to the late filing fees imposed by
 143.32 this subdivision;

143.33 (2) for reports due 15 days or less before the primary and reports due ten days or less
 143.34 before the general election on which the total contributions or total disbursements that should

144.1 have been newly reported exceed \$100,000 that are not required by subdivision 5 or 5a or
 144.2 section 10A.202, the board must impose a civil penalty of 100 percent of the total
 144.3 contributions or total disbursements that should have been newly reported, whichever is
 144.4 greater;

144.5 (3) for a report required by subdivision 5 or 5a or section 10A.202 in which total
 144.6 contributions or total disbursements exceed \$25,000, the board must impose a civil penalty
 144.7 of 100 percent of the total contributions or total disbursements that should have been reported,
 144.8 whichever is greater; or

144.9 (4) for willful violations of clauses (2) and (3), the board must instead impose a civil
 144.10 penalty of twice that required by that clause.

144.11 Sec. 12. Minnesota Statutes 2024, section 10A.20, is amended by adding a subdivision to
 144.12 read:

144.13 Subd. 16. **Penalty.** A late filing fee or civil penalty assessed to a treasurer or candidate
 144.14 pursuant to this section may be paid by the treasurer's or candidate's principal campaign
 144.15 committee, party unit, political committee, or association that has a political fund.

144.16 Sec. 13. **EFFECTIVE DATE.**

144.17 This article is effective August 12, 2026, and applies to reports and statements due on
 144.18 or after that date.

144.19 **ARTICLE 17**
 144.20 **CLEMENCY PROVISIONS**

144.21 Section 1. Minnesota Statutes 2024, section 638.09, is amended by adding a subdivision
 144.22 to read:

144.23 Subd. 6. **Panel of members; prescreening applications.** (a) The commission may
 144.24 appoint panels of three members to prescreen clemency and waiver applications. Each panel
 144.25 must be comprised of a member appointed by the governor, the attorney general, and the
 144.26 chief justice of the supreme court.

144.27 (b) A panel's meeting must be open to the public. The third-party notification provisions
 144.28 of section 638.11 do not apply to panel meetings. The applicant is not required to attend
 144.29 the panel meeting where the panel reviews the applicant's application. In addition to the
 144.30 information contained in the application, the panel may consider any other statements or
 144.31 information submitted by an interested party.

145.1 (c) Except as otherwise provided for in paragraph (d), a panel may take one of the
145.2 following actions:

145.3 (1) recommend that the board deny the application without a commission hearing, if the
145.4 vote is unanimous; or

145.5 (2) refer the application to the commission for a hearing.

145.6 (d) Panels may be used to review requests for expedited processing of pardon applications
145.7 if the commission and board adopt rules that establish objective criteria for determining
145.8 which applications are eligible for expedited processing. A panel may take one of the
145.9 following actions on applications eligible for expedited processing:

145.10 (1) recommend that the board deny the application without a commission hearing, if the
145.11 vote is unanimous;

145.12 (2) refer the application to the commission for a hearing; or

145.13 (3) recommend that the board grant the application without a hearing, if the vote is
145.14 unanimous.

145.15 Sec. 2. Minnesota Statutes 2024, section 638.12, subdivision 2, is amended to read:

145.16 Subd. 2. **Pardon eligibility; waiver.** (a) Except as provided in paragraphs (b) and (c),
145.17 an individual convicted of a crime in a court of this state may apply for a pardon of the
145.18 individual's conviction on or after five years from the sentence's expiration or discharge
145.19 date.

145.20 (b) An individual convicted before August 1, 2023, of a violation of section 609.19,
145.21 subdivision 1, clause (1), under the theory of liability for crimes of another may apply for
145.22 a pardon upon the sentence's expiration or discharge date if the individual:

145.23 (1) was charged with a violation of section 609.185, paragraph (a), clause (3), and:

145.24 (i) thereafter pled guilty to a violation of section 609.19, subdivision 1, clause (1);

145.25 (ii) did not cause the death of a human being; and

145.26 (iii) did not intentionally aid, advise, hire, counsel, or conspire with or otherwise procure
145.27 another with the intent to cause the death of a human being; or

145.28 (2) was charged with a violation of section 609.19, subdivision 2, and:

145.29 (i) thereafter pled guilty to a violation of section 609.19, subdivision 1, clause (1);

145.30 (ii) did not cause the death of a human being; and

146.1 (iii) was not a major participant, as defined in section 609.05, subdivision 2a, paragraph
146.2 (c), in the underlying felony or did not act with extreme indifference to human life.

146.3 (c) An individual may request the board to waive the waiting period if there is a showing
146.4 of unusual circumstances and special need.

146.5 (d) The commission must review a waiver request and recommend to the board whether
146.6 to grant the request. When considering a waiver request, the commission is and the board
146.7 are exempt from the meeting requirements under section 638.14 and chapter 13D.

146.8 (e) The board must grant a waiver request unless the governor or a board majority opposes
146.9 the waiver.

146.10 Sec. 3. Minnesota Statutes 2024, section 638.14, subdivision 5, is amended to read:

146.11 Subd. 5. **Applicant appearance; third-party statements.** (a) Except as provided for
146.12 in paragraph (e), an applicant for clemency must appear before the commission either in
146.13 person or through available forms of telecommunication.

146.14 (b) The victim of an applicant's crime may appear and speak at the meeting or submit a
146.15 written statement to the commission. The commission may treat a victim's written statement
146.16 as confidential and not disclose the statement to the applicant or the public if there is or has
146.17 been an order for protection, harassment restraining order, or other no-contact order
146.18 prohibiting the applicant from contacting the victim. At the request of the victim, the
146.19 commission may treat a victim's written statement as confidential and not disclose the
146.20 statement to the public.

146.21 (c) A law enforcement agency's representative may provide the agency's position on
146.22 whether the commission should recommend clemency by:

146.23 (1) appearing and speaking at the meeting; or

146.24 (2) submitting a written statement to the commission.

146.25 (d) The sentencing judge and the prosecuting attorney, or their successors, may provide
146.26 their positions on whether the commission should recommend clemency by:

146.27 (1) appearing and speaking at the meeting; or

146.28 (2) submitting their statements under section 638.11, subdivision 2.

146.29 (e) The governor may waive the hearing requirement under paragraph (a) if:

146.30 (1) the applicant's petition requires immediate review by the board;

146.31 (2) waiver of the hearing serves a significant public interest;

147.1 (3) the applicant has previously appeared before the board; or

147.2 (4) the applicant provides good cause to do so.

147.3 Sec. 4. Minnesota Statutes 2024, section 638.16, subdivision 1, is amended to read:

147.4 Subdivision 1. **Frequency.** (a) The board must meet at least two times each year to
147.5 consider and vote on clemency applications.

147.6 (b) If the commission recommends that an application receive a hearing, the board must
147.7 hold a hearing on the application unless all the board members decline a hearing.

147.8 (c) If the commission recommends that an application not receive a hearing, the board
147.9 must not hold a hearing on the application unless at least one board member requests a
147.10 hearing.

147.11 (d) Pursuant to section 638.09, subdivision 6, if a panel of the commission recommends
147.12 granting or denying an application without a full commission hearing, the board may:

147.13 (1) adopt the panel's recommendation; or

147.14 (2) direct the full commission to conduct a hearing on the application.

147.15 (e) If the governor waives the hearing requirement for an application pursuant to section
147.16 638.14, subdivision 5, paragraph (e), the board must hold a hearing on that application.

147.17 Sec. 5. **APPROPRIATION.**

147.18 \$375,000 in fiscal year 2027 is appropriated from the general fund to the Clemency
147.19 Review Commission to increase the commission's capacity to process clemency petitions.
147.20 This is a onetime appropriation.

147.21 **ARTICLE 18**

147.22 **PUBLIC SAFETY**

147.23 Section 1. **MINNESOTA VICTIMS OF CRIME ACCOUNT; TRANSFER.**

147.24 \$1,000,000 in fiscal year 2027 is transferred from the general fund to the Minnesota
147.25 victims of crime account in the special revenue fund established under Minnesota Statutes,
147.26 section 299A.708. This is a onetime transfer.

ARTICLE 19

PEACE OFFICER COMPENSATION

148.1 Section 1. Minnesota Statutes 2024, section 299A.41, subdivision 3, is amended to read:

148.2
148.3
148.4 Subd. 3. **Killed in the line of duty.** (a) "Killed in the line of duty" does not include any
148.5 deaths from natural causes, except as expressly provided in this subdivision. In the case of
148.6 a public safety officer, killed in the line of duty includes the death of a public safety officer
148.7 caused by accidental means while the public safety officer is acting in the course and scope
148.8 of duties as a public safety officer. Killed in the line of duty also ~~means~~ includes if a public
148.9 safety officer dies as the direct and proximate result of a heart attack, stroke, or vascular
148.10 rupture, that officer ~~shall be~~ is presumed to have died as the direct and proximate result of
148.11 a personal injury sustained in the line of duty if:

148.12 (1) that officer, while on duty:

148.13 (i) engaged in a situation, and that engagement involved nonroutine stressful or strenuous
148.14 physical activity in law enforcement, fire suppression, rescue, hazardous material response,
148.15 emergency medical services, prison security, disaster relief, or other emergency response
148.16 activity; or

148.17 (ii) participated in a training exercise, and that participation involved nonroutine stressful
148.18 or strenuous physical activity;

148.19 (2) that officer died as a result of a heart attack, stroke, or vascular rupture suffered:

148.20 (i) while engaging or participating under clause (1);

148.21 (ii) while still on duty after engaging or participating under clause (1); or

148.22 (iii) not later than 24 hours after engaging or participating under clause (1); and

148.23 (3) the presumption is not overcome by competent medical evidence to the contrary.

148.24 (b) "Killed in the line of duty" also ~~means~~ includes that the officer died due to suicide:

148.25 (1) secondary to a diagnosis of posttraumatic stress disorder as described in the most
148.26 recent edition of the Diagnostic and Statistical Manual of Mental Disorders published by
148.27 the American Psychiatric Association; or

148.28 (2) within 45 days of the end of exposure, while on duty, to a traumatic event.

148.29 (c) "Killed in the line of duty" also includes that the officer died as a result of
148.30 complications caused by exposure sustained in the line of duty to any of the following
148.31 infectious diseases, viruses, or bacteria, if medical records identify the disease, virus, or

149.1 bacteria as a cause of or contributing factor to the death: COVID-19, influenza, hepatitis
149.2 B, hepatitis C, tuberculosis, HIV/AIDS, meningitis, MRSA, whooping cough, or
149.3 streptococcus pneumoniae.

149.4 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
149.5 final enactment and applies retroactively from February 1, 2020.

149.6 Sec. 2. Minnesota Statutes 2024, section 299A.41, is amended by adding a subdivision to
149.7 read:

149.8 Subd. 3a. **Nonroutine strenuous physical activity.** "Nonroutine strenuous physical
149.9 activity" means line-of-duty activity that:

149.10 (1) is not an action of a clerical, administrative, or nonmanual nature;

149.11 (2) is not performed as a matter of routine; and

149.12 (3) entails an unusually high level of physical exertion.

149.13 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
149.14 final enactment and applies retroactively from February 1, 2020.

149.15 Sec. 3. Minnesota Statutes 2024, section 299A.41, is amended by adding a subdivision to
149.16 read:

149.17 Subd. 3b. **Nonroutine stressful or strenuous physical activity.** "Nonroutine stressful
149.18 or strenuous physical activity" means nonroutine stressful physical activity or nonroutine
149.19 strenuous physical activity.

149.20 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
149.21 final enactment and applies retroactively from February 1, 2020.

149.22 Sec. 4. Minnesota Statutes 2024, section 299A.41, is amended by adding a subdivision to
149.23 read:

149.24 Subd. 3c. **Nonroutine stressful physical activity.** "Nonroutine stressful physical activity"
149.25 means line-of-duty activity that:

149.26 (1) is not an action of a clerical, administrative, or nonmanual nature;

149.27 (2) is not performed as a matter of routine;

149.28 (3) entails nonnegligible physical exertion; and

149.29 (4) occurs:

150.1 (i) with respect to a situation in which a public safety officer is engaged under
 150.2 circumstances that objectively and reasonably:

150.3 (A) pose or appear to pose significant dangers, threats, or hazards, or reasonably
 150.4 foreseeable risks thereof, not faced by similarly situated members of the public in the
 150.5 ordinary course; and

150.6 (B) provoke, cause, or occasion an unusually high level of alarm, fear, or anxiety; or

150.7 (ii) with respect to a training exercise in which a public safety officer participates under
 150.8 circumstances that objectively and reasonably:

150.9 (A) simulate in realistic fashion situations that pose significant dangers, threats, or
 150.10 hazards; and

150.11 (B) provoke, cause, or occasion an unusually high level of alarm, fear, or anxiety.

150.12 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 150.13 final enactment and applies retroactively from February 1, 2020.

150.14 Sec. 5. Minnesota Statutes 2024, section 299A.41, subdivision 4, is amended to read:

150.15 Subd. 4. **Public safety officer.** "Public safety officer" includes:

150.16 (1) a peace officer defined in section 626.84, subdivision 1, paragraph (c) or (d);

150.17 (2) a correction officer employed at a correctional facility and charged with maintaining
 150.18 the safety, security, discipline, and custody of inmates at the facility;

150.19 (3) a corrections staff person working in a public agency and supervising offenders in
 150.20 the community as defined in sections 243.05, subdivision 6; 244.19, subdivision 1; and
 150.21 401.01, subdivision 2;

150.22 (4) an individual employed on a full-time or part-time basis by the state or by a fire
 150.23 department of a governmental subdivision of the state, who is engaged in any of the following
 150.24 duties:

150.25 (i) firefighting;

150.26 (ii) emergency motor vehicle operation;

150.27 (iii) investigation into the cause and origin of fires;

150.28 (iv) the provision of emergency medical services; or

150.29 (v) hazardous material responder;

151.1 (5) a legally enrolled member of a volunteer or paid on-call fire department or member
 151.2 of an independent nonprofit firefighting corporation who is engaged in the hazards of
 151.3 firefighting;

151.4 (6) a good samaritan while complying with the request or direction of a public safety
 151.5 officer to assist the officer;

151.6 (7) a reserve police officer or a reserve deputy sheriff while acting under the supervision
 151.7 and authority of a political subdivision;

151.8 (8) a driver or attendant with a licensed basic or advanced life-support transportation
 151.9 service who is engaged in providing emergency care;

151.10 (9) a first responder who is certified by the director of the Office of Emergency Medical
 151.11 Services to perform basic emergency skills before the arrival of a licensed ambulance service
 151.12 and who is a member of an organized service recognized by a local political subdivision to
 151.13 respond to medical emergencies to provide initial medical care before the arrival of an
 151.14 ambulance; ~~and~~

151.15 (10) a person, other than a state trooper, employed by the commissioner of public safety
 151.16 and assigned to the State Patrol, whose primary employment duty is either Capitol security
 151.17 or the enforcement of commercial motor vehicle laws and regulations; and

151.18 (11) a person formerly employed as a public safety officer under clauses (1) to (5) or
 151.19 (7) to (10) if the person separated from service due to a duty disability, as defined in section
 151.20 353.01, subdivision 41.

151.21 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 151.22 final enactment and applies retroactively from February 1, 2020.

151.23 Sec. 6. **[299A.412] DETERMINING WHAT IS ROUTINE.**

151.24 Neither of the following is dispositive in determining whether an activity or action is
 151.25 understood to have been performed as a matter of routine under section 299A.41:

151.26 (1) being generally described by the public safety agency as routine or ordinary; or

151.27 (2) the frequency with which the activity or action may be performed.

151.28 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 151.29 final enactment and applies retroactively from February 1, 2020.

152.1 Sec. 7. Minnesota Statutes 2024, section 299D.03, subdivision 2, is amended to read:

152.2 Subd. 2. **Salary and reimbursement.** (a) Each employee other than the chief supervisor,
152.3 lieutenant colonel, majors, captains, lieutenants, corporals, and sergeants hereinafter
152.4 designated shall be known as patrol troopers.

152.5 (b) There may be appointed one lieutenant colonel; and such majors, captains, lieutenants,
152.6 corporals, sergeants, and troopers as the commissioner deems necessary to carry out the
152.7 duties and functions of the State Patrol. Persons in above-named positions shall be appointed
152.8 by law and have such duties as the commissioner may direct and, except for troopers, shall
152.9 be selected from the patrol troopers, corporals, sergeants, captains, lieutenants, and majors
152.10 who shall have had at least five years' experience as either patrol troopers, corporals,
152.11 sergeants, or supervisors.

152.12 (c) The salary rates for all State Patrol troopers, corporals, and sergeants shall be deemed
152.13 to include \$6 per day reimbursement for shift differential, meal and business expenses
152.14 incurred by State Patrol troopers, corporals, and sergeants in the performance of their
152.15 assigned duties in their patrol areas; business expenses include, but are not limited to:
152.16 uniform costs, home garaging of squad cars, and maintenance of home office.

152.17 Sec. 8. Minnesota Statutes 2024, section 299D.03, subdivision 2a, is amended to read:

152.18 Subd. 2a. **Salary and benefits survey.** (a) By January 1 of 2021, 2024, 2027, and 2030
152.19 every odd-numbered year thereafter, the legislative auditor must conduct a compensation
152.20 ~~and benefit~~ survey of law enforcement officers in every police department:

152.21 (1) in a city with a population in excess of 25,000, located in a metropolitan county, as
152.22 defined in section 473.121, subdivision 4, that is represented by a union certified by the
152.23 Bureau of Mediation Services; or

152.24 (2) in a city of the first class.

152.25 The State Patrol must also be included in the survey.

152.26 (b) The legislative auditor must base the survey on compensation ~~and benefits~~ for the
152.27 past completed calendar year. The survey must be based on full-time equivalent employees.
152.28 The legislative auditor must calculate compensation using base salary, overtime wages, and
152.29 premium pay. Premium pay is payment that is received by a majority of employees and
152.30 includes but is not limited to education pay and longevity pay. The legislative auditor must
152.31 not include any payments made to officers or troopers for work performed for an entity
152.32 other than the agency that employs the officer or trooper, regardless of who makes the
152.33 payment. ~~The legislative auditor must also include in the survey all benefits, including~~

153.1 ~~insurance, retirement, and pension benefits. The legislative auditor must include contributions~~
 153.2 ~~from both the employee and employer when determining benefits.~~

153.3 (c) The legislative auditor must compile the survey results into a report. The report must
 153.4 show each department separately. For each department, the survey must include:

153.5 ~~(1) an explanation of the salary structure, and include minimum and maximum salaries~~
 153.6 ~~for each range or step; and.~~

153.7 ~~(2) an explanation of benefits offered, including the options that are offered and the~~
 153.8 ~~employee and employer contribution for each option.~~

153.9 ~~Wherever possible, the report must be designed so that the data for each department is in~~
 153.10 ~~the same table or grid format to facilitate easy comparison.~~

153.11 (d) By January 15 of 2021, 2024, 2027, and ~~2030~~ every odd-numbered year thereafter,
 153.12 the legislative auditor must transmit the survey report to the chairs and ranking minority
 153.13 members of the house of representatives and senate committees with jurisdiction over the
 153.14 State Patrol budget.

153.15 (e) It is the legislature's intent to use the information in this study to compare salaries
 153.16 between the identified police departments and the State Patrol and to make appropriate
 153.17 increases to patrol trooper, captain, and lieutenant salaries. Nothing in this subdivision
 153.18 precludes the collective bargaining of salaries or compensation in excess of salaries or
 153.19 compensation supported by the salary survey. Salary adjustments for supervisory ranks,
 153.20 including corporals, sergeants, lieutenants, and captains, must be proportionate to the salary
 153.21 adjustments made for patrol troopers resulting from the survey. This subdivision does not
 153.22 expand the scope of the salary survey beyond patrol troopers. For purposes of this paragraph,
 153.23 "patrol troopers" has the meaning given in subdivision 2, paragraph (a).

153.24 Sec. 9. [299D.14] VOLUNTEER CHAPLAINS.

153.25 Subdivision 1. Volunteers permitted. The commissioner or the chief supervisor of the
 153.26 State Patrol may recruit, train, and accept, without regard to personnel laws or rules, the
 153.27 services of individuals without compensation as volunteer chaplains to support members
 153.28 of the State Patrol in their roles and responsibilities under this chapter.

153.29 Subd. 2. Incidental expenses. The chief supervisor may provide for the incidental
 153.30 expenses of a volunteer chaplain, including transportation, lodging, and subsistence.

153.31 Subd. 3. Application of law. Except as otherwise provided in this section, a volunteer
 153.32 chaplain is not a state employee and is not subject to the provisions of law relating to state

154.1 employment, including but not limited to those governing hours of work, rates of
 154.2 compensation, leave, unemployment benefits, and state employee benefits.

154.3 Sec. 10. Laws 2024, chapter 104, article 1, section 2, the effective date, is amended to
 154.4 read:

154.5 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 154.6 final enactment ~~and expires January 1, 2032~~. This section applies to contracts entered into
 154.7 on or after the effective date ~~but before January 1, 2032~~.

154.8 Sec. 11. **PUBLIC SAFETY OFFICER DEATH BENEFIT RETROACTIVE CLAIMS.**

154.9 (a) Notwithstanding Minnesota Statutes, section 299A.47, claims for benefits arising
 154.10 out of deaths occurring before July 1, 2026, that are eligible due to the retroactive changes
 154.11 made in this act are timely if filed before July 1, 2028. Claims for benefits arising out of
 154.12 deaths that occur on or after July 1, 2026, are subject to the limitation period under Minnesota
 154.13 Statutes, section 299A.47.

154.14 (b) Notwithstanding Minnesota Statutes, section 299A.47, the commissioner of public
 154.15 safety must:

154.16 (1) review previously denied benefit claims for deaths occurring between February 1,
 154.17 2020, and the effective date of this act;

154.18 (2) determine whether the applicant is eligible for benefits based on the retroactive
 154.19 application of the amendments made in this act; and

154.20 (3) award applicable benefits according to Minnesota Statutes, sections 299A.41 to
 154.21 299A.46.

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

154.23

ARTICLE 20

154.24

CONSUMER PROTECTION RESTITUTION ACCOUNT

154.25 Section 1. Minnesota Statutes 2025 Supplement, section 8.37, subdivision 3, is amended
 154.26 to read:

154.27 Subd. 3. **Money deposited in the account.** ~~50~~ Fifty percent of all money recovered by
 154.28 the attorney general in a consumer enforcement action that is payable to the state and not
 154.29 designated as consumer enforcement public compensation or for another specific purpose
 154.30 up to the first ~~\$5,000,000~~ \$10,000,000 each fiscal year must be deposited into the account.

155.1 The remaining 50 percent of money recovered by the attorney general in a consumer
 155.2 enforcement action that is payable to the state and not designated as consumer enforcement
 155.3 public compensation or for another specific purpose must be deposited into the general
 155.4 fund. For purposes of this subdivision, the amount of money recovered in a consumer
 155.5 enforcement action that must be deposited into the fund is determined at the time when the
 155.6 money otherwise would have been deposited into the general fund.

155.7 Sec. 2. Minnesota Statutes 2025 Supplement, section 8.37, subdivision 5, is amended to
 155.8 read:

155.9 Subd. 5. **Distributions to eligible consumers.** (a) Money in the account may be
 155.10 distributed to any eligible consumer with an identified amount of unpaid consumer
 155.11 enforcement public compensation. ~~If the amount of money in the account is insufficient to~~
 155.12 ~~pay all distributions to eligible consumers with an identified amount of unpaid consumer~~
 155.13 ~~enforcement public compensation,~~ the Money must be distributed first to consumers eligible
 155.14 for unpaid consumer enforcement public compensation based on a consumer enforcement
 155.15 action with a final order of the oldest date.

155.16 ~~(b) If the attorney general projects that there will be insufficient funding to pay all eligible~~
 155.17 ~~consumers from the funds available on an ongoing basis, the attorney general may~~
 155.18 ~~recommend to the legislature that the legislature prescribe a formula for prorating or capping~~
 155.19 ~~payments to eligible consumers so that more eligible consumers will receive payment from~~
 155.20 ~~the fund.~~

155.21 (b) If money is distributed to an eligible consumer, the distribution is limited to:

155.22 (1) the full identified amount of unpaid consumer enforcement public compensation, up
 155.23 to \$50,000; and

155.24 (2) 50 percent of the identified amount of unpaid consumer enforcement public
 155.25 compensation over \$50,000, or \$50,000, whichever is less.

155.26

ARTICLE 21

155.27

DATA PRACTICES

155.28 Section 1. [13.205] TOWNS; PHYSICIAN REQUESTS.

155.29 Notwithstanding section 13.02, subdivision 11, a town is subject to this chapter for
 155.30 purposes of this section. A town must provide data of any classification requested by a
 155.31 physician licensed under chapter 147 for the purposes of treating a patient.

APPENDIX
Article locations for S4059-3

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115A.9155 DISPOSING OF CERTAIN DRY CELL BATTERIES.

Subdivision 1. **Prohibition.** A person may not place in mixed municipal solid waste a dry cell battery containing mercuric oxide electrode, silver oxide electrode, nickel-cadmium, or sealed lead-acid that was purchased for use or used by a government agency, or an industrial, communications, or medical facility.

Subd. 2. **Manufacturer responsibility.** (a) A manufacturer of batteries subject to subdivision 1 shall:

(1) ensure that a system for the proper collection, transportation, and processing of waste batteries exists for purchasers in Minnesota; and

(2) clearly inform each final purchaser of the prohibition on disposal of waste batteries and of the system or systems for proper collection, transportation, and processing of waste batteries available to the purchaser.

(b) To ensure that a system for the proper collection, transportation, and processing of waste batteries exists, a manufacturer shall:

(1) identify collectors, transporters, and processors for the waste batteries and contract or otherwise expressly agree with a person or persons for the proper collection, transportation, and processing of the waste batteries; or

(2) accept waste batteries returned to its manufacturing facility.

(c) At the time of sale of a battery subject to subdivision 1, a manufacturer shall provide in a clear and conspicuous manner a telephone number that the final consumer of the battery can call to obtain information on specific procedures to follow in returning the battery for recycling or proper disposal. The manufacturer may include the telephone number and notice of return procedures on an invoice or other transaction document held by the purchaser. The manufacturer shall provide the telephone number to the commissioner of the agency.

(d) A manufacturer shall ensure that the cost of proper collection, transportation, and processing of the waste batteries is included in the sales transaction or agreement between the manufacturer and any purchaser.

(e) A manufacturer that has complied with this subdivision is not liable under subdivision 1 for improper disposal by a person other than the manufacturer of waste batteries.

115A.961 HOUSEHOLD BATTERIES; COLLECTION, PROCESSING, AND DISPOSAL.

Subdivision 1. **Definition.** For the purposes of this section, "household batteries" means disposable or rechargeable dry cells commonly used as power sources for household or consumer products including, but not limited to, nickel-cadmium, alkaline, mercuric oxide, silver oxide, zinc oxide, lithium, and carbon-zinc batteries, but excluding lead acid batteries.

Subd. 2. **Program.** (a) The commissioner, in consultation with other state agencies, political subdivisions, and representatives of the household battery industry, may develop household battery programs. The commissioner must coordinate the programs with the Legislative-Citizen Commission on Minnesota Resources study on batteries.

(b) The commissioner shall investigate options and develop guidelines for collection, processing, and disposal of household batteries. The options the commissioner may investigate include:

(1) establishing a grant program for counties to plan and implement household battery collection, processing, and disposal projects;

(2) establishing collection and transportation systems;

(3) developing and disseminating educational materials regarding environmentally sound battery management; and

(4) developing markets for materials recovered from the batteries.

(c) The commissioner may also distribute funds to political subdivisions to develop battery management plans and implement those plans.

Subd. 3. **Participation.** A political subdivision, on its own or in cooperation with others, may implement a program to collect, process, or dispose of household batteries. A political subdivision

may provide financial incentives to any person, including public or private civic groups, to collect the batteries.

136A.657 EXEMPTION; RELIGIOUS SCHOOLS.

Subdivision 1. **Exemption.** (a) A program is exempt from the provisions of sections 136A.61 to 136A.71 if it is:

- (1) offered by a school or any department or branch of a school that is substantially owned, operated, or supported by a bona fide church or religious organization;
- (2) primarily designed for, aimed at and attended by persons who sincerely hold or seek to learn the particular religious faith or beliefs of that church or religious organization; and
- (3) primarily intended to prepare its students to become ministers of, to enter into some other vocation closely related to, or to conduct their lives in consonance with, the particular faith of that church or religious organization.

(b) A school or a department or branch of a school is exempt from the provisions of sections 136A.61 to 136A.71 if all of its programs are exempt under paragraph (a).

Subd. 2. **Limitation.** (a) This exemption shall not extend to any program or school or to any department or branch of a school that through advertisements or solicitations represents to any students or prospective students that the school, its aims, goals, missions or purposes or its programs are different from those described in subdivision 1.

(b) This exemption shall not extend to any school that represents to any student or prospective student that the major purpose of its programs is to:

- (1) prepare the student for a vocation not closely related to that particular religious faith; or
- (2) provide the student with a general educational program recognized by other schools or the broader educational, business or social community as being substantially equivalent to the educational programs offered by schools or departments or branches of schools that are not exempt from sections 136A.61 to 136A.71, and rules adopted pursuant thereto.

(c) This exemption shall not extend to any school that uses any publication or advertisement that is not truthful and gives any false, fraudulent, deceptive, inaccurate, or misleading impressions about the school; its personnel, programs, or services; or occupational opportunities for its graduates for promotion and student recruitment. Exemptions denied under this section are subject to appeal under section 136A.65, subdivision 8, paragraph (c). If an appeal is initiated, the denial of the exemption is not effective until the final determination of the appeal, unless immediate effect is ordered by the court.

Subd. 3. **Scope.** Nothing in sections 136A.61 to 136A.71, or the rules adopted pursuant thereto, shall be interpreted as permitting the office to determine the truth or falsity of any particular set of religious beliefs.

Subd. 4. **Statement required; religious nature.** Any degree awarded upon completion of a religiously exempt program shall include descriptive language to make the religious nature of the award clear.

Subd. 5. **Application.** A school that seeks an exemption under this section from the provisions of sections 136A.61 to 136A.71 must apply to the office to establish that the school meets the requirements of an exemption. An exemption expires two years from the date of approval or when a school adds a new program or makes a modification equal to or greater than 25 percent to an existing educational program. If a school is reapplying for an exemption, the application must be submitted to the office 90 days before the current exemption expires.

136A.834 EXEMPTION; RELIGIOUS SCHOOLS.

Subdivision 1. **Exemption.** (a) A program is exempt from the provisions of sections 136A.821 to 136A.832 if it is:

- (1) offered by a school or any department or branch of a school that is substantially owned, operated, or supported by a bona fide church or religious organization;
- (2) primarily designed for, aimed at, and attended by persons who sincerely hold or seek to learn the particular religious faith or beliefs of that church or religious organization; and

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(3) primarily intended to prepare its students to become ministers of, to enter into some other vocation closely related to, or to conduct their lives in consonance with the particular faith of that church or religious organization.

(b) Any school or any department or branch of a school is exempt from the provisions of sections 136A.821 to 136A.832 if all of its programs are exempt under paragraph (a).

Subd. 2. **Limitations.** (a) An exemption shall not extend to any private career school, department or branch of a private career school, or program of a private career school that through advertisements or solicitations represents to any students or prospective students that the school, its aims, goals, missions, purposes, or programs are different from those described in subdivision 1.

(b) An exemption shall not extend to any private career school or program that represents to any student or prospective student that the major purpose of its programs is to:

(1) prepare the student for a vocation not closely related to that particular religious faith; or

(2) provide the student with a general educational program recognized by other private career schools or the broader educational, business, or social community as being substantially equivalent to the educational programs offered by private career schools or departments or branches of private career schools which are not religious in nature and are not exempt from sections 136A.82 to 136A.834 and from rules adopted under sections 136A.82 to 136A.834.

(c) This exemption shall not extend to any school that uses any publication or advertisement that is not truthful and gives any false, fraudulent, deceptive, inaccurate, or misleading impressions about the school or its personnel, programs, services, or occupational opportunities for graduates for promotion and student recruitment. Exemptions denied under this section are subject to appeal under section 136A.65, subdivision 8, paragraph (c). If an appeal is initiated, the denial of the exemption is not effective until the final determination of the appeal, unless immediate effect is ordered by the court.

Subd. 3. **Scope.** Nothing in sections 136A.82 to 136A.834 or the rules adopted under them shall be interpreted as permitting the office to determine the truth or falsity of any particular set of religious beliefs.

Subd. 4. **Descriptive language required.** Any certificate, diploma, degree, or other formal recognition awarded upon completion of any religiously exempt program shall include such descriptive language as to make the religious nature of the award clear.

Subd. 5. **Application.** A school that seeks an exemption from the provisions of sections 136A.82 to 136A.834 must apply to the office to establish that the school meets the requirements of an exemption. An exemption expires two years from the date of approval or when a school adds a new program or makes a modification equal to or greater than 25 percent to an existing educational program. If a school is reapplying for an exemption, the application must be submitted to the office 90 days before the current exemption expires. If a school fails to apply within 90 days of expiration, the school is subject to the fees and penalties under sections 136A.831 and 136A.832.

155A.275 SPECIAL EVENTS.

Subdivision 1. **Special event services.** For purposes of this section, "special event services" means services rendered for compensation and performed at a location other than a licensed salon. These services are limited to the practice of nonpermanent manipulation of the hair, including: styling, setting, reinforcing, or extending the hair; the application of nail polish to the nails; and the application of makeup to the skin.

Subd. 2. **Special event services permit.** (a) No person shall perform special event services without first obtaining a special event services permit from the board. To be eligible for a special event services permit, a person must have a valid manager's license issued by the board under the authority of section 155A.27.

(b) An individual applying for a special event services permit must submit to the board, on a form approved by the board, an application for a special event services permit.

(c) An individual providing services under a special event services permit may only perform services within the individual's specific field of licensure and as defined by the permit. The services provided pursuant to the special event services permit must comply with the requirements of this chapter and all federal, state, and local laws.

325E.125 GENERAL AND SPECIAL PURPOSE BATTERY REQUIREMENTS.

Subdivision 1. **Labeling.** (a) The manufacturer of a button cell battery that is to be sold in this state shall ensure that each battery contains no intentionally introduced mercury or is labeled to clearly identify for the final consumer of the battery the type of electrode used in the battery.

(b) The manufacturer of a rechargeable battery that is to be sold in this state shall ensure that each rechargeable battery is labeled to clearly identify for the final consumer of the battery the type of electrode and the name of the manufacturer. The manufacturer of a rechargeable battery shall also provide clear instructions for properly recharging the battery.

Subd. 2. **Mercury content.** (a) Except as provided in paragraph (c), a manufacturer may not sell, distribute, or offer for sale in this state an alkaline manganese battery that contains more than 0.025 percent mercury by weight.

(b) On application, the commissioner of the Pollution Control Agency may exempt a specific type of battery from the requirements of paragraph (a) or (d) if there is no battery meeting the requirements that can be reasonably substituted for the battery for which the exemption is sought. A battery exempted by the commissioner under this paragraph is subject to the requirements of section 115A.9155, subdivision 2.

(c) Notwithstanding paragraph (a), a manufacturer may not sell, distribute, or offer for sale in this state a button cell nonrechargeable battery not subject to paragraph (a) that contains more than 25 milligrams of mercury.

(d) A manufacturer may not sell, distribute, or offer for sale in this state a dry cell battery containing a mercuric oxide electrode.

(e) After January 1, 1996, a manufacturer may not sell, distribute, or offer for sale in this state an alkaline manganese battery, except an alkaline manganese button cell, that contains mercury unless the commissioner of the Pollution Control Agency determines that compliance with this requirement is not technically and commercially feasible.

Subd. 2a. **Approval of new batteries.** A manufacturer may not sell, distribute, or offer for sale in this state a nonrechargeable battery other than a zinc air, zinc carbon, silver oxide, lithium, or alkaline manganese battery, without first having received approval of the battery from the commissioner of the Pollution Control Agency. The commissioner shall approve only batteries that comply with subdivision 1 and do not pose an undue hazard when disposed of. This subdivision is intended to ensure that new types of batteries do not add additional hazardous or toxic materials to the state's mixed municipal waste stream.

Subd. 3. **Rechargeable tools and appliances.** (a) A manufacturer may not sell, distribute, or offer for sale in this state a rechargeable consumer product unless:

(1) the battery can be easily removed by the consumer or is contained in a battery pack that is separate from the product and can be easily removed; and

(2) the product and the battery are both labeled in a manner that is clearly visible to the consumer indicating that the battery must be recycled or disposed of properly and the battery must be clearly identifiable as to the type of electrode used in the battery.

(b) "Rechargeable consumer product" as used in this subdivision means any product that contains a rechargeable battery and is primarily used or purchased to be used for personal, family, or household purposes.

(c) On application by a manufacturer, the commissioner of the Pollution Control Agency may exempt a rechargeable consumer product from the requirements of paragraph (a) if:

(1) the product cannot be reasonably redesigned and manufactured to comply with the requirements prior to the effective date of Laws 1990, chapter 409, section 2;

(2) the redesign of the product to comply with the requirements would result in significant danger to public health and safety; or

(3) the type of electrode used in the battery poses no unreasonable hazards when placed in and processed or disposed of as part of mixed municipal solid waste.

(d) An exemption granted by the commissioner of the Pollution Control Agency under paragraph (c), clause (1), must be limited to a maximum of two years and may be renewed.

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Subd. 4. **Rechargeable batteries and products; notice.** (a) A person who sells rechargeable batteries or products powered by rechargeable batteries governed by section 115A.9157 at retail shall post the notice in paragraph (b) in a manner clearly visible to a consumer making purchasing decisions.

(b) The notice must be at least four inches by six inches and state:

"ATTENTION USERS OF RECHARGEABLE BATTERIES AND CORDLESS PRODUCTS:

Under Minnesota law, manufacturers of rechargeable batteries, rechargeable battery packs, and products powered by nonremovable rechargeable batteries will provide a special collection system for these items by April 15, 1994. It is illegal to put rechargeable batteries in the garbage. Use the special collection system that will be provided in your area. Take care of our environment.

DO NOT PUT RECHARGEABLE BATTERIES OR PRODUCTS POWERED BY
NONREMOVABLE RECHARGEABLE BATTERIES IN THE GARBAGE."

(c) Notice is not required for home solicitation sales, as defined in section 325G.06, or for catalogue sales.

325E.1251 PENALTY ENFORCEMENT.

Subdivision 1. **Penalty.** Violation of section 325E.125 is a misdemeanor. A manufacturer who violates section 325E.125 is also subject to a minimum fine of \$100 per violation.

609.466 MEDICAL ASSISTANCE FRAUD.

Any person who, with the intent to defraud, presents a claim for reimbursement, a cost report or a rate application, relating to the payment of medical assistance funds pursuant to chapter 256B, to the state agency, which is false in whole or in part, is guilty of an attempt to commit theft of public funds and may be sentenced accordingly.

Laws 2017, First Special Session chapter 4, article 1, section 29

Sec. 29. **BOARD OF COSMETOLOGIST
EXAMINERS**

\$ 2,775,000 \$ 2,785,000

The executive director must report quarterly to the chairs and ranking minority members of the committees in the house of representatives and senate with jurisdiction over state government finance on the number of inspections conducted by license type in the past quarter, number and percent of total salons and schools inspected within the last year, total number of licensees by type, and the number of inspectors employed by the board. The first report must be submitted by July 15, 2017.

2100.2500 EXAMINATION DATES.

Examinations for a certificate as a registered barber shall be held in the second week of February, May, August, and November of each year. Notice of the examination shall be given during the first week of the month preceding the month in which the examination is to be held. Two additional examinations may be held when the board determines it is cost efficient.

2100.2600 APPLICATION FOR EXAMINATION.

An applicant for examination as a registered barber shall file an application for examination on forms furnished by the board. This application must be filed with the board no later than the 20th day of the month preceding the month in which the examination is to be given; provided, however, that the board shall, upon the showing of a hardship, accept applications at a later date.

Applicants for registered barber status must complete the program entitled "Home Study Course for Barbers" prepared or approved by the Board of Barber Examiners before the examination may be taken.

2100.2900 CONTENTS OF EXAMINATION.

An examination consists of five parts: a written examination and four practical services. The type of haircut, shave or beard trim, and two of the following practical services: shampoo, perm wrap, facial, or color application, will be determined at the discretion of the board.

2100.3000 GRADING OF EXAMINATION.

The registered barber examinations given pursuant to Minnesota Statutes, section 154.09, shall be graded as follows: The grading criteria for the written part of the examination and the passing grade will be established for each written examination at the time of its preparation; however, the lowest passing grade established shall never be less than 55. The grading for the practical performances part of the examination will be on a scale of 1 to 100 with 100 representing a perfect score. A score of 75 will be the minimum passing grade for the haircut portion, and 75 will also be the minimum passing score for the average of the remaining parts of the practical performances. If an applicant does not receive at least the established minimum passing grade on the written portion of the examination, or at least a grade of 75 on the haircut portion of the examination, or score an average of at least 75 on the remaining parts of the practical examination, the applicant will have failed the examination, and may only retake the examination after paying the necessary fee and meeting the requirements of Minnesota Statutes, section 154.05.

2100.3200 FAILURE OF EXAMINATION.

An individual who has not held a Minnesota barber registration prior to examination and who fails the examination and onetime written retake, if applicable, shall complete an additional 500 hours of barber school to be eligible to retake the examination as many times as necessary to pass.

An individual who has previously held a Minnesota barber registration as an apprentice or registered barber may take the examination as many times as necessary to reinstate the registration without additional barber school hours.

2100.3300 FAILURE TO RENEW CERTIFICATE WITHIN FOUR YEARS.

A registered barber who has failed to renew the certificate of registration for four years or more from the date of expiration must complete the current program entitled "Home Study Course for Barbers" prepared or approved by the Board of Barber Examiners and take and pass the registered barber examination before a certificate of registration may be issued. Home Study Course for Barbers is required prior to examination for all examinees.

2100.4500 INSTRUCTOR REGISTRATION QUALIFICATION.

To qualify for an instructor's examination, an applicant must be a registered barber with three years' experience.

2100.5200 CONSIDERATIONS IN REGISTRATION ISSUANCE.

Subpart 1. **Factors.** Upon receipt of an application for establishment of a barber school, the board shall give consideration to the factors in subparts 2 and 5.

Subp. 2. **Public welfare.** The board shall give consideration to any detriment to the public welfare and the need for barber school facilities in the community and neighborhood where the proposed barber school is to be located, giving particular consideration to:

- A. the economic character of the community and neighborhood;
- B. the effect on existing barber shops and barber schools in the community;
- C. the availability of adequate support for the proposed barber school in the community and neighborhood with particular regard to adequate practice for students;
- D. the extent to which the proposed barber school would draw patrons from adjacent communities or neighborhoods and the character thereof; and
- E. the effect of the establishment of a barber school on the social and economic aspects of the community and neighborhood and adjacent communities and neighborhoods in regard to the proposed site.

Subp. 5. **Student-registered instructor ratio.** There must be at least one instructor for every 17 students enrolled.

2100.5300 PUBLIC HEARING ON REGISTRATION APPLICATION.

Upon receipt of an application for the establishment of a barber school, the board shall conduct a public hearing in accordance with Minnesota Statutes, chapter 14, and rules promulgated thereunder. The applicant shall show at such hearing, by competent evidence, the factual basis of the assertions of the application and the applicant's qualifications as required by Minnesota Statutes, chapter 154, and the rules of the board. The applicant shall further show financial qualifications and it shall be a sufficient reason for denial of the application that the board considers the financial resources of the applicant to be insufficient to maintain and operate a barber school and assure the graduation of students who are registered in such school and have paid their tuition.

2100.6000 HOURS OF INSTRUCTION.

Each student, including each part-time student, must complete at least 281 classroom hours and 1,219 practical hours in the required 1,500-hour course.