A bill for an act

relating to legislation; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superseded provisions; making miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 2006, sections 13.202, subdivision 3; 13.322, subdivision 1; 13.3806, subdivision 1; 13.635, subdivision 1; 13.681, subdivision 1; 13.712, subdivision 1; 13.83, subdivision 10; 13.871, subdivisions 1, 6; 17.117, subdivision 3; 46.044, subdivision 1; 72A.20, subdivision 11; 103F.725, subdivision 1a; 103I.005, subdivision 22; 103I.311, subdivision 3; 115A.554; 123B.88, subdivision 19; 124D.59, subdivision 3; 126C.17, subdivision 9; 144.396, subdivision 9; 144.581, subdivision 1; 144A.461; 145B.02, subdivision 5; 148.736, subdivisions 2, 3; 169.01, subdivision 4b; 169.421, subdivision 5; 169.448, subdivision 1; 171.12, subdivision 2a; 174.03, subdivision 8; 175.35; 237.411, subdivision 5; 244.08; 256.98, subdivision 7; 256B.04, subdivision 16; 256B.35, subdivision 1; 256J.30, subdivision 9; 256J.32, subdivision 4; 256J.42, subdivisions 5, 6; 256J.425, subdivisions 5, 6; 256J.46, subdivision 1; 256J.50, subdivision 1; 256J.521, subdivision 4; 256J.54, subdivision 5; 260B.235, subdivision 5; 260C.007, subdivision 6; 270.81, subdivision 1; 270.82, subdivision 1; 270.83, subdivision 3; 273.1398, subdivision 6; 275.065, subdivision 5a; 282.01, subdivision 1b; 289A.08, subdivision 7; 289A.63, subdivision 6; 290.0921, subdivision 3; 297A.70, subdivision 13; 298.282, subdivision 2; 300.15; 300.64, subdivision 4; 321.0108; 332.30; 352.03, subdivision 11; 352.119, subdivision 3; 354.07, subdivision 3; 354A.12, subdivisions 1, 2a; 356.30, subdivision 1; 356.65, subdivision 2; 386.015, subdivision 5; 422A.101, subdivision 2; 424A.02, subdivision 8a; 458D.18, subdivision 9; 469.153, subdivision 2; 480.182; 484.012; 501B.86, subdivision 2; 508A.22, subdivision 3; 518C.310; 550.04; 609.101, subdivision 3; 609.75, subdivision 1; 609B.121; 609B.164; 609B.265, subdivision 3; 609B.515; 611.272; Minnesota Statutes 2007 Supplement, sections 16C.03, subdivision 10; 103I.235, subdivision 1; 136A.127, subdivision 8; 144.121, subdivision 5b; 148.67, subdivision 1; 183.57, subdivision 2; 183.59; 216B.1637; 256.01, subdivision 23; 256.476, subdivision 4; 256B.0915, subdivisions 3a, 3e; 256B.49, subdivision 16a; 256J.49, subdivision 13; 256J.55, subdivision 1; 268.101, subdivision 2; 325E.386, subdivision 1; 326.91, subdivision 1; 352.01, subdivision 2b; 446A.051, subdivision 1; 446A.072, subdivision 5a; Laws 2007, chapter 147, article 19, section 3, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 609B; repealing Minnesota Statutes 2006, sections 35.701; 35.96, subdivision 5; 62Q.64; 216C.30, subdivision 4; 256E.21, subdivision 3; 289A.11, subdivision 2; 383D.47; 473.1551, subdivision 1;

473.553, subdivision 14; 473.616; 484.69, subdivision 1a; 525.091, subdivision 2; Laws 2006, chapter 270, article 2, section 13; Laws 2007, chapter 128, article 6, section 16; Laws 2007, chapter 134, article 1, section 8; Laws 2007, chapter 147, article 1, section 32.

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

ARTICLE 1
GENERAL

Section 1. Minnesota Statutes 2007 Supplement, section 16C.03, subdivision 10, is amended to read:

Subd. 10. **Cooperative purchasing.** The commissioner is authorized to enter into a cooperative purchasing agreement for the provision of goods, services, and utilities with one or more other states or governmental units, as described in section 471.59, subdivision 1; entities defined in section 16C.23, subdivision 1; a registered combined charitable organization and its affiliated agencies as defined by section ~~309.501~~ 43A.50; a charitable organization defined in section 309.50, subdivision 4, that is also a recipient of a state grant or contract; or a nonprofit community health clinic defined in section 145.9268. The commissioner is authorized to enter into cooperative purchasing agreements for the purchase of goods, services, and utilities with health care facilities that are required to provide indigent care or any entity recognized by another state's statutes as authorized to use that state's commodity or service contracts.

Sec. 2. Minnesota Statutes 2006, section 46.044, subdivision 1, is amended to read:

Subdivision 1. **Charters issued, conditions.** An application for a bank charter must be granted if (1) the applicants are of good moral character and financial integrity, (2) there is a reasonable public demand for this bank in this location, (3) ~~the organization expenses being paid by the bank do not exceed those allowed by section 46.043, (4)~~ the probable volume of business in this location is sufficient to insure and maintain the solvency of the new bank and the solvency of the then existing bank or banks in the locality without endangering the safety of any bank in the locality as a place of deposit of public and private money, ~~(5)~~ (4) the commissioner of commerce is satisfied that the proposed bank will be properly and safely managed, and ~~(6)~~ (5) the commissioner is satisfied that the capital funds required pursuant to section 48.02 are available and the commissioner may accept any reasonable demonstration including subscription agreements supported by current financial statements. If the application does not satisfy the requirements of this subdivision, it must be denied. In case of the denial of the application, the commissioner of commerce shall specify the grounds for the denial. A person aggrieved may obtain judicial review of the determination in accordance with chapter 14.

Sec. 3. Minnesota Statutes 2006, section 72A.20, subdivision 11, is amended to read:

Subd. 11. **Application to certain sections.** Violating any provision of the following sections of this chapter not set forth in this section shall constitute an unfair method of competition and an unfair and deceptive act or practice: sections 72A.12, subdivisions 2, 3, and 4, 72A.16, subdivision 2, 72A.03 and 72A.04, 72A.08, subdivision 1, as modified by sections 72A.08, subdivision 4, 72A.201, and sections 72A.49 to 72A.505~~, and 65B.13~~.

Sec. 4. Minnesota Statutes 2006, section 103I.005, subdivision 22, is amended to read:

Subd. 22. **Well disclosure certificate.** "Well disclosure certificate" means a certificate containing the requirements of section 103I.235, subdivision 1, paragraph ~~(k)~~ (j).

Sec. 5. Minnesota Statutes 2007 Supplement, section 103I.235, subdivision 1, is amended to read:

Subdivision 1. **Disclosure of wells to buyer.** (a) Before signing an agreement to sell or transfer real property, the seller must disclose in writing to the buyer information about the status and location of all known wells on the property, by delivering to the buyer either a statement by the seller that the seller does not know of any wells on the property, or a disclosure statement indicating the legal description and county, and a map drawn from available information showing the location of each well to the extent practicable. In the disclosure statement, the seller must indicate, for each well, whether the well is in use, not in use, or sealed.

(b) At the time of closing of the sale, the disclosure statement information, name and mailing address of the buyer, and the quartile, section, township, and range in which each well is located must be provided on a well disclosure certificate signed by the seller or a person authorized to act on behalf of the seller.

(c) A well disclosure certificate need not be provided if the seller does not know of any wells on the property and the deed or other instrument of conveyance contains the statement: "The Seller certifies that the Seller does not know of any wells on the described real property."

(d) If a deed is given pursuant to a contract for deed, the well disclosure certificate required by this subdivision shall be signed by the buyer or a person authorized to act on behalf of the buyer. If the buyer knows of no wells on the property, a well disclosure certificate is not required if the following statement appears on the deed followed by the signature of the grantee or, if there is more than one grantee, the signature of at least one of the grantees: "The Grantee certifies that the Grantee does not know of any wells on the described real property." The statement and signature of the grantee may be on the front or back of the deed or on an attached sheet and an acknowledgment of the statement by the grantee is not required for the deed to be recordable.

(e) This subdivision does not apply to the sale, exchange, or transfer of real property:

(1) that consists solely of a sale or transfer of severed mineral interests; or

(2) that consists of an individual condominium unit as described in chapters 515 and 515B.

(f) For an area owned in common under chapter 515 or 515B the association or other responsible person must report to the commissioner by July 1, 1992, the location and status of all wells in the common area. The association or other responsible person must notify the commissioner within 30 days of any change in the reported status of wells.

~~(g) For real property sold by the state under section 92.67, the lessee at the time of the sale is responsible for compliance with this subdivision.~~

~~(h)~~ (g) If the seller fails to provide a required well disclosure certificate, the buyer, or a person authorized to act on behalf of the buyer, may sign a well disclosure certificate based on the information provided on the disclosure statement required by this section or based on other available information.

~~(i)~~ (h) A county recorder or registrar of titles may not record a deed or other instrument of conveyance dated after October 31, 1990, for which a certificate of value is required under section 272.115, or any deed or other instrument of conveyance dated after October 31, 1990, from a governmental body exempt from the payment of state deed tax, unless the deed or other instrument of conveyance contains the statement made in accordance with paragraph (c) or (d) or is accompanied by the well disclosure certificate containing all the information required by paragraph (b) or (d). The county recorder or registrar of titles must not accept a certificate unless it contains all the required information. The county recorder or registrar of titles shall note on each deed or other instrument of conveyance accompanied by a well disclosure certificate that the well disclosure certificate was received. The notation must include the statement "No wells on property" if the disclosure certificate states there are no wells on the property. The well disclosure certificate shall not be filed or recorded in the records maintained by the county recorder or registrar of titles. After noting "No wells on property" on the deed or other instrument of conveyance, the county recorder or registrar of titles shall destroy or return to the buyer the well disclosure certificate. The county recorder or registrar of titles shall collect from the buyer or the person seeking to record a deed or other instrument of conveyance, a fee of

$45 for receipt of a completed well disclosure certificate. By the tenth day of each month, the county recorder or registrar of titles shall transmit the well disclosure certificates to the commissioner of health. By the tenth day after the end of each calendar quarter, the county recorder or registrar of titles shall transmit to the commissioner of health $37.50 of the fee for each well disclosure certificate received during the quarter. The commissioner shall maintain the well disclosure certificate for at least six years. The commissioner may store the certificate as an electronic image. A copy of that image shall be as valid as the original.

~~(j)~~ (i) No new well disclosure certificate is required under this subdivision if the buyer or seller, or a person authorized to act on behalf of the buyer or seller, certifies on the deed or other instrument of conveyance that the status and number of wells on the property have not changed since the last previously filed well disclosure certificate. The following statement, if followed by the signature of the person making the statement, is sufficient to comply with the certification requirement of this paragraph: "I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate." The certification and signature may be on the front or back of the deed or on an attached sheet and an acknowledgment of the statement is not required for the deed or other instrument of conveyance to be recordable.

~~(k)~~ (j) The commissioner in consultation with county recorders shall prescribe the form for a well disclosure certificate and provide well disclosure certificate forms to county recorders and registrars of titles and other interested persons.

~~(l)~~ (k) Failure to comply with a requirement of this subdivision does not impair:

(1) the validity of a deed or other instrument of conveyance as between the parties to the deed or instrument or as to any other person who otherwise would be bound by the deed or instrument; or

(2) the record, as notice, of any deed or other instrument of conveyance accepted for filing or recording contrary to the provisions of this subdivision.

Sec. 6. Minnesota Statutes 2006, section 103I.311, subdivision 3, is amended to read:

Subd. 3. **Prohibition on state land purchased without well identification.** The state may not purchase or sell a fee interest in real property without identifying the location of all wells on the property, whether in use, not in use, or sealed, and making provisions to have the wells not in use properly sealed at the cost of the seller as part of the contract. ~~For real property sold by the state under section 92.67, the lessee at the time of the sale is responsible for compliance under this subdivision.~~ The deed or other instrument of conveyance evidencing the sale may not be recorded with the county recorder or registrar of titles unless this subdivision is complied with. Failure to comply with a requirement of this subdivision does not impair:

(1) the validity of a deed or other instrument of conveyance as between the parties to the deed or instrument or as to any other person who otherwise would be bound by the deed or instrument; or

(2) the record, as notice, of any deed or other instrument of conveyance accepted for filing or recording contrary to the provisions of this subdivision.

Sec. 7. Minnesota Statutes 2006, section 115A.554, is amended to read:

115A.554 AUTHORITY OF SANITARY DISTRICTS.

A sanitary district has the authorities and duties of counties within the district's boundary for purposes of sections 115A.0716; 115A.46, subdivisions 4 and 5; 115A.48; ~~115A.545;~~ 115A.551; 115A.552; 115A.553; 115A.919; 115A.929; 115A.93; 115A.96, subdivision 6; 115A.961; 116.072; 375.18, subdivision 14; 400.04; 400.06; 400.07; 400.08; 400.16; and 400.161.

Sec. 8. Minnesota Statutes 2006, section 123B.88, subdivision 19, is amended to read:

Subd. 19. **Disabled person transport to ~~developmental achievement center~~ day training and habilitation program.** The board must contract with any licensed ~~developmental achievement center~~ day training and habilitation program attended by a resident disabled person who fulfills the eligibility requirements of section ~~252.23, subdivision 1~~ 256B.092, to transport the resident disabled person to the ~~developmental achievement center~~ program in return for payment by the ~~center~~ program of the cost of the transportation, if transportation by the board is in the best interest of the disabled person and is not unreasonably burdensome to the district and if a less expensive, reasonable, alternative means of transporting the disabled person does not exist. If the board and the ~~developmental achievement center~~ program are unable to agree to a contract, either the board or the ~~center~~ program may appeal to the commissioner to resolve the conflict. All decisions of the commissioner shall be final and binding upon the board and the ~~center~~ program.

Sec. 9. Minnesota Statutes 2006, section 124D.59, subdivision 3, is amended to read:

Subd. 3. **Essential instructional personnel.** "Essential instructional personnel" means the following:

(1) a teacher licensed by the state Board of Teaching to teach bilingual education or English as a second language;

(2) ~~a teacher with an exemption from a teaching license requirement pursuant to section 124D.62 who is employed in a school district's English as a second language or bilingual education program;~~

~~(3)~~ any teacher as defined in section 122A.15 who holds a valid license from the state Board of Teaching, if the district assures the department that the teacher will obtain the preservice and in-service training the department considers necessary to enable the teacher to provide appropriate service to pupils of limited English proficiency.

Sec. 10. Minnesota Statutes 2006, section 126C.17, subdivision 9, is amended to read:

Subd. 9. **Referendum revenue.** (a) The revenue authorized by section 126C.10, subdivision 1, may be increased in the amount approved by the voters of the district at a referendum called for the purpose. The referendum may be called by the board or shall be called by the board upon written petition of qualified voters of the district. The referendum must be conducted one or two calendar years before the increased levy authority, if approved, first becomes payable. Only one election to approve an increase may be held in a calendar year. Unless the referendum is conducted by mail under subdivision 11, paragraph ~~(g)~~ (a), the referendum must be held on the first Tuesday after the first Monday in November. The ballot must state the maximum amount of the increased revenue per resident marginal cost pupil unit. The ballot may state a schedule, determined by the board, of increased revenue per resident marginal cost pupil unit that differs from year to year over the number of years for which the increased revenue is authorized or may state that the amount shall increase annually by the rate of inflation. For this purpose, the rate of inflation shall be the annual inflationary increase calculated under subdivision 2, paragraph (b). The ballot may state that existing referendum levy authority is expiring. In this case, the ballot may also compare the proposed levy authority to the existing expiring levy authority, and express the proposed increase as the amount, if any, over the expiring referendum levy authority. The ballot must designate the specific number of years, not to exceed ten, for which the referendum authorization applies. The ballot, including a ballot on the question to revoke or reduce the increased revenue amount under paragraph (c), must abbreviate the term "per resident marginal cost pupil unit" as "per pupil." The notice required under section 275.60 may be modified to read, in cases of renewing existing levies:

"BY VOTING "YES" ON THIS BALLOT QUESTION, YOU MAY BE VOTING FOR A PROPERTY TAX INCREASE."

The ballot may contain a textual portion with the information required in this subdivision and a question stating substantially the following:

"Shall the increase in the revenue proposed by (petition to) the board of ...., School District No. .., be approved?"

If approved, an amount equal to the approved revenue per resident marginal cost pupil unit times the resident marginal cost pupil units for the school year beginning in the year after the levy is certified shall be authorized for certification for the number of years approved, if applicable, or until revoked or reduced by the voters of the district at a subsequent referendum.

(b) The board must prepare and deliver by first class mail at least 15 days but no more than 30 days before the day of the referendum to each taxpayer a notice of the referendum and the proposed revenue increase. The board need not mail more than one notice to any taxpayer. For the purpose of giving mailed notice under this subdivision, owners must be those shown to be owners on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer. Every property owner whose name does not appear on the records of the county auditor or the county treasurer is deemed to have waived this mailed notice unless the owner has requested in writing that the county auditor or county treasurer, as the case may be, include the name on the records for this purpose. The notice must project the anticipated amount of tax increase in annual dollars for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the school district.

The notice for a referendum may state that an existing referendum levy is expiring and project the anticipated amount of increase over the existing referendum levy in the first year, if any, in annual dollars for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the district.

The notice must include the following statement: "Passage of this referendum will result in an increase in your property taxes." However, in cases of renewing existing levies, the notice may include the following statement: "Passage of this referendum may result in an increase in your property taxes."

(c) A referendum on the question of revoking or reducing the increased revenue amount authorized pursuant to paragraph (a) may be called by the board and shall be called by the board upon the written petition of qualified voters of the district. A referendum to revoke or reduce the revenue amount must state the amount per resident marginal cost pupil unit by which the authority is to be reduced. Revenue authority approved by the voters of the district pursuant to paragraph (a) must be available to the school district at least once before it is subject to a referendum on its revocation or reduction for subsequent years. Only one revocation or reduction referendum may be held to revoke or reduce referendum revenue for any specific year and for years thereafter.

(d) A petition authorized by paragraph (a) or (c) is effective if signed by a number of qualified voters in excess of 15 percent of the registered voters of the district on the day the petition is filed with the board. A referendum invoked by petition must be held on the date specified in paragraph (a).

(e) The approval of 50 percent plus one of those voting on the question is required to pass a referendum authorized by this subdivision.

(f) At least 15 days before the day of the referendum, the district must submit a copy of the notice required under paragraph (b) to the commissioner and to the county auditor of each county in which the district is located. Within 15 days after the results of the referendum have been certified by the board, or in the case of a recount, the certification of the results of the recount by the canvassing board, the district must notify the commissioner of the results of the referendum.

Sec. 11. Minnesota Statutes 2007 Supplement, section 136A.127, subdivision 8, is amended to read:

Subd. 8. **Documentation of qualifying household income.** Achieve Scholarship Program applicants must certify on the application that they meet the income eligibility requirement in subdivision ~~5~~ 4, clause ~~(2)~~ (3). The Office of Higher Education or the postsecondary institution may request documentation needed to confirm income eligibility.

Sec. 12. Minnesota Statutes 2007 Supplement, section 144.121, subdivision 5b, is amended to read:

Subd. 5b. **Variance of scope of practice.** The commissioner may grant a variance according to Minnesota Rules, parts 4717.7000 to 4717.7050, to a facility for the scope of practice of an x-ray operator in cases where the delivery of health care would otherwise be compromised if a variance were not granted. The request for a variance must be in writing, state the circumstances that constitute hardship, state the period of time the facility wishes to have the variance for the scope of practice in place, and state the alternative measures that will be taken if the variance is granted. The commissioner shall set forth in writing the reasons for granting or denying the variance. Variances granted by the commissioner must specify in writing the time limitation and required alternative measures to be taken by the facility. A request for the variance shall be denied if the commissioner finds the circumstances stated by the facility do not support a claim of hardship, the requested time period for the variance is unreasonable, the alternative measures proposed by the facility are not equivalent to the scope of practice, or the request for the variance is not submitted to the commissioner in a timely manner.

Sec. 13. Minnesota Statutes 2006, section 144.396, subdivision 9, is amended to read:

Subd. 9. **Evaluation.** ~~(a)~~ Using the outcome measures established in subdivision 2, the commissioner of health shall conduct a biennial evaluation of the statewide and local tobacco use prevention projects and community health board activities funded under this section. The evaluation must include:

(1) the effect of these activities on the amount of tobacco use by youth and rates at which youth start to use tobacco products; and

(2) a longitudinal tracking of outcomes for youth.

Grant recipients and community health boards shall cooperate with the commissioner in the evaluation and provide the commissioner with the information necessary to conduct the evaluation. Beginning January 15, 2003, the results of each evaluation must be submitted to the chairs and members of the house Health and Human Services Finance Committee and the senate Health and Family Security Budget Division.

~~(b) A maximum of $150,000 of the annual appropriation described in section 144.395, subdivision 2, paragraph (c), that is appropriated on July 1, 2000, and in every odd-numbered year thereafter, may be used by the commissioner to establish and maintain tobacco use monitoring systems and to conduct the evaluations. This appropriation is in addition to the appropriation in section 144.395, subdivision 2, paragraph (d).~~

Sec. 14. Minnesota Statutes 2006, section 144.581, subdivision 1, is amended to read:

Subdivision 1. **Nonprofit corporation powers.** A municipality, political subdivision, state agency, or other governmental entity that owns or operates a hospital authorized, organized, or operated under chapters 158, 250, 376, and 397, or under sections ~~246A.01 to 246A.27,~~ 412.221, 447.05 to 447.13, 447.31, or 471.59, or under any special law authorizing or establishing a hospital or hospital district shall, relative to the delivery of health care services, have, in addition to any authority vested by law, the authority and legal capacity of a nonprofit corporation under chapter 317A, including authority to

(a) enter shared service and other cooperative ventures,

(b) join or sponsor membership in organizations intended to benefit the hospital or hospitals in general,

(c) enter partnerships,

(d) incorporate other corporations,

(e) have members of its governing authority or its officers or administrators serve as directors, officers, or employees of the ventures, associations, or corporations,

(f) own shares of stock in business corporations,

(g) offer, directly or indirectly, products and services of the hospital, organization, association, partnership, or corporation to the general public, and

(h) expend funds, including public funds in any form, or devote the resources of the hospital or hospital district to recruit or retain physicians whose services are necessary or desirable for meeting the health care needs of the population, and for successful performance of the hospital or hospital district's public purpose of the promotion of health. Allowable uses of funds and resources include the retirement of medical education debt, payment of one-time amounts in consideration of services rendered or to be rendered, payment of recruitment expenses, payment of moving expenses, and the provision of other financial assistance necessary for the recruitment and retention of physicians, provided that the expenditures in whatever form are reasonable under the facts and circumstances of the situation.

Sec. 15. Minnesota Statutes 2006, section 144A.461, is amended to read:

144A.461 REGISTRATION.

A person or organization that provides only home management services defined as home care services under section 144A.43, subdivision 3, clause (8), may not operate in the state without a current certificate of registration issued by the commissioner of health. To obtain a certificate of registration, the person or organization must annually submit to the commissioner the name, address, and telephone number of the person or organization and a signed statement declaring that the person or organization is aware that the Home Care Bill of Rights applies to their clients and that the person or organization will comply with the bill of rights provisions contained in section 144A.44. A person who provides home management services under this section must, within 120 days after beginning to provide services, attend an orientation session approved by the commissioner that provides training on the bill of rights and an orientation on the aging process and the needs and concerns of elderly and disabled persons. An organization applying for a certificate must also provide the name, business address, and telephone number of each of the individuals responsible for the management or direction of the organization. The commissioner shall charge an annual registration fee of $20 for individuals and $50 for organizations. A home care provider that provides home management services and other home care services must be licensed, but licensure requirements other than the home care bill of rights do not apply to those employees or volunteers who provide only home management services to clients who do not receive any other home care services from the provider. A licensed home care provider need not be registered as a home management service provider, but must provide an orientation on the home care bill of rights to its employees or volunteers who provide home management services. The commissioner may suspend or revoke a provider's certificate of registration or assess fines for violation of the home care bill of rights. Any fine assessed for a violation of the bill of rights by a provider registered under this section shall be in the amount established in the licensure rules for home care providers. As a condition of registration, a provider must cooperate fully with any investigation conducted by the commissioner, including providing specific information requested by the commissioner on clients served and the employees and volunteers who provide services. The commissioner may use any of the powers granted in sections 144A.43 to ~~144A.49~~ 144A.47 to administer the registration system and enforce the home care bill of rights under this section.

Sec. 16. Minnesota Statutes 2006, section 145B.02, subdivision 5, is amended to read:

Subd. 5. **Health care facility.** "Health care facility" means a hospital or other entity licensed under sections 144.50 to 144.58; a nursing home licensed to serve adults under section 144A.02; or a home care provider licensed under sections 144A.43 to ~~144A.49~~ 144A.47.

Sec. 17. Minnesota Statutes 2007 Supplement, section 148.67, subdivision 1, is amended to read:

Subdivision 1. **Board of Physical Therapy appointed.** The governor shall appoint a state Board of Physical Therapy to administer sections 148.65 to 148.78, regarding the qualifications and examination of physical therapists and physical therapist assistants. The board shall consist of ~~nine~~ 11 members, citizens and residents of the state of Minnesota, composed of five physical therapists, one licensed and registered doctor of medicine, two physical therapist assistants, and three public members. The physical therapist members and the physical therapist assistant members must be licensed in this state and have at least five years' experience in physical therapy practice, physical therapy administration, or physical therapy education. The five years' experience must immediately precede appointment. Membership terms, compensation of members, removal of members, filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09. The provision of staff, administrative services, and office space; the review and processing of complaints; the setting of board fees; and other provisions relating to board operations shall be as provided in chapter 214. Each member of the board shall file with the secretary of state the constitutional oath of office before beginning the term of office.

Sec. 18. Minnesota Statutes 2006, section 148.736, subdivision 2, is amended to read:

Subd. 2. **Fees nonrefundable.** A physical therapist <u>or physical therapist assistant</u> who receives board approval for credential cancellation is not entitled to a refund of any fees paid for the credentialing year in which cancellation of the credential occurred.

Sec. 19. Minnesota Statutes 2006, section 148.736, subdivision 3, is amended to read:

Subd. 3. **New credential after cancellation.** If a physical therapist <u>or physical therapist assistant</u> who has been granted board approval for credential cancellation desires to resume the practice of physical therapy in Minnesota, that physical therapist <u>or physical therapist assistant</u> must obtain a new credential by applying to the board and fulfilling the requirements then in existence for obtaining an initial credential to practice physical therapy in Minnesota.

Sec. 20. Minnesota Statutes 2006, section 169.01, subdivision 4b, is amended to read:

Subd. 4b. **Electric-assisted bicycle.** "Electric-assisted bicycle" means a motor vehicle with two or three wheels that:

(1) has a saddle and fully operable pedals for human propulsion;

(2) meets the requirements of federal motor vehicle safety standards in Code of Federal Regulations, title 49, sections ~~571.01~~ <u>571.1</u> et seq.; and

(3) has an electric motor that (i) has a power output of not more than 1,000 watts, (ii) is incapable of propelling the vehicle at a speed of more than 20 miles per hour, (iii) is incapable of further increasing the speed of the device when human power alone is used to propel the vehicle at a speed of more than 20 miles per hour, and (iv) disengages or ceases to function when the vehicle's brakes are applied.

Sec. 21. Minnesota Statutes 2006, section 169.421, subdivision 5, is amended to read:

Subd. 5. **Procedures.** A civil action may be commenced as is any civil action or by the issuance of a citation to the owner of the vehicle by any law enforcement officer who has reason to believe that a violation has occurred. Actions commenced by the issuance of a citation by a law enforcement officer shall be tried by the prosecuting authority responsible for misdemeanor prosecutions in the jurisdiction where a violation occurs. Any damages recovered in an action brought by a public agency shall be deposited in the treasury of the jurisdiction trying the action and distributed as provided in section ~~487.33~~ <u>484.90</u>. Any district court may establish a separate civil calendar for cases brought under this section.

Sec. 22. Minnesota Statutes 2006, section 169.448, subdivision 1, is amended to read:

Subdivision 1. **Restrictions on appearance; misdemeanor.** (a) A bus that is not used as a school bus may not be operated on a street or highway unless it is painted a color significantly different than national school bus glossy yellow.

(b) A bus that is not used as a school bus or Head Start bus may not be operated if it is equipped with school bus or Head Start bus-related equipment and printing.

(c) A violation of this subdivision is a misdemeanor.

(d) This subdivision does not apply to a school bus owned by or under contract to a school district operated as a charter or leased bus.

(e) This subdivision does not apply to a school bus operated by a licensed child care provider if:

(1) the stop arm is removed;

(2) the eight-light system is deactivated;

(3) the school bus is identified as a "child care bus" in letters at least eight inches high on the front and rear top of the bus;

(4) the name, address, and telephone number of the owner or operator of the bus is identified on each front door of the bus in letters not less than three inches high; and

(5) the conditions under section 171.02, subdivision 2a, ~~paragraph (b), clauses (1) through (10), (12), and (14)~~ paragraphs (a) through (j), (l), and (n), have been met.

Sec. 23. Minnesota Statutes 2006, section 171.12, subdivision 2a, is amended to read:

Subd. 2a. **Alcohol concentration on driving record.** When a person's driver's license or permit to drive is revoked or suspended pursuant to section 169A.52, or when a person is convicted for violating section 169A.20, 169A.31, 169A.33, 360.0752, or 609.21, and a test of the person's breath, urine, or blood has been made to determine the person's alcohol concentration, the commissioner of public safety shall record the test results on the person's driving record pertaining to that violation. The alcohol concentration is classified as public data on individuals, as defined in section 13.02, subdivision 15, and must be kept for the period of time specified in subdivision 3, clause ~~(2)~~ (3).

Sec. 24. Minnesota Statutes 2006, section 174.03, subdivision 8, is amended to read:

Subd. 8. **Salaries and expenses.** Salaries and expenses of the department relating to highway purposes shall be paid from moneys available in the trunk highway fund. The funds provided in sections 360.011 to 360.076 and ~~360.301~~ 360.305 to 360.91 shall be expended by the commissioner of transportation in accordance with the purposes prescribed by those sections. Funds appropriated pursuant to the authority conferred by any constitutional article shall be expended in conformity with the purposes and uses authorized thereby.

Sec. 25. Minnesota Statutes 2006, section 175.35, is amended to read:

175.35 ENFORCEMENT.

It shall be the duty of the Department of Labor and Industry to enforce the provisions of ~~sections~~ section 175.33 ~~and 175.34~~ and it may call upon the state commissioner of health and boards of health as defined in section 145A.02, subdivision 2, for assistance.

Sec. 26. Minnesota Statutes 2007 Supplement, section 183.57, subdivision 2, is amended to read:

Subd. 2. **Exemption.** Every boiler or pressure vessel as to which any insurance company authorized to do business in this state has issued a policy of insurance, after the inspection thereof, is exempt from inspection by the department made under sections ~~183.375~~ 183.38 to 183.62, while the same continues to be insured and provided it continues to be inspected in accordance with the inspection schedule set forth in sections 183.42 and 183.45, and the person owning or operating the same has an unexpired certificate of registration.

Sec. 27. Minnesota Statutes 2007 Supplement, section 183.59, is amended to read:

183.59 VIOLATIONS BY INSPECTORS.

Every inspector who willfully certifies falsely regarding any boiler or its attachments, or pressure vessel, or the hull and equipments of any steam vessel, or who grants a license to any individual to act as engineer or master contrary to any provision of sections ~~183.375~~ 183.38 to 183.62, is guilty of a misdemeanor. In addition to this punishment the inspector shall be removed from office forthwith.

Sec. 28. Minnesota Statutes 2007 Supplement, section 216B.1637, is amended to read:

216B.1637 RECOVERY OF CERTAIN LIMITED UTILITY GREENHOUSE GAS INFRASTRUCTURE COSTS.

A public utility that owns a nuclear power plant and a public utility furnishing gas service may file for recovery of investments and expenses associated with the replacement of cast iron natural gas distribution and service lines owned by the utility and to replace breakers that contain ~~sodium~~ sulfur hexafluoride in order to reduce the risk of greenhouse gases being released into the atmosphere. Upon a finding that the projects are consistent with the public interest and do not impose excessive costs on customers, the commission shall provide timely recovery of the utility's investment and expenses on any approved projects through a rate adjustment mechanism similar to that provided for transmission projects under section 216B.16, subdivision 7b, paragraphs (b) to (d).

Sec. 29. Minnesota Statutes 2006, section 237.411, subdivision 5, is amended to read:

Subd. 5. **Enforcement.** (a) The powers and duties granted to the commission by section 237.081 apply to violations or suspected violations of this section. A person aggrieved by a violation of this section may file a complaint as provided in section 237.081, which shall be treated as any other complaint filed under that section. The commissioner of commerce may investigate violations or alleged violations of this section.

(b) ~~Sections~~ Section 237.461 ~~and 237.462 apply~~ applies to violations of this section.

Sec. 30. Minnesota Statutes 2006, section 244.08, is amended to read:

244.08 COMMISSIONER OF CORRECTIONS.

Subdivision 1. **Authority; duties; powers.** Effective May 1, 1980, the commissioner of corrections shall have only those powers and duties in sections 244.01 to 244.11, 609.10, 609.145, subdivision 1, and 609.165, subdivision 2, ~~and 609.109, subdivision 1,~~ with relation to persons sentenced for crimes committed on or after May 1, 1980.

The commissioner of corrections shall retain all powers and duties presently vested in and imposed upon the commissioner with relation to persons sentenced for crimes committed on or before April 30, 1980.

The commissioner of corrections shall take into consideration, but not be bound by, the sentence terms embodied in the Sentencing Guidelines promulgated by the Minnesota Sentencing Guidelines Commission and the penal philosophy embodied in sections 244.01 to 244.11, 609.10, 609.145, subdivision 1, and 609.165, subdivision 2, ~~and 609.109, subdivision 1,~~ in its deliberations relative to parole, probation, release, or other disposition of inmates who commit the crimes giving rise to their sentences on or before April 30, 1980.

Subd. 2. **No limitation intent.** Nothing in sections 244.01 to 244.11, 609.10, 609.145, subdivision 1, and 609.165, subdivision 2, ~~and 609.109, subdivision 1,~~ shall be deemed to limit the powers and duties otherwise provided by law to the commissioner of corrections with regard to the management of correctional institutions or the disposition of inmates unless those powers and duties are inconsistent with the provisions of sections 244.01 to 244.11, 609.10, 609.145, subdivision 1, and 609.165, subdivision 2, ~~and~~

~~609.109, subdivision 1,~~ in which case those powers and duties shall be superseded by sections 244.01 to 244.11, 609.10, 609.145, subdivision 1, and 609.165, subdivision 2~~,~~ ~~and 609.109, subdivision 1~~.

Sec. 31. Minnesota Statutes 2007 Supplement, section 256.01, subdivision 23, is amended to read:

Subd. 23. **Administrative simplification; county cost study.** (a) The commissioner shall establish and convene the first meeting of an advisory committee to identify ways to simplify and streamline human services laws and administrative requirements. The advisory committee shall select its chair from its membership at the first meeting.

(b) The committee shall consist of three senators appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration, three state representatives appointed by the speaker of the house of representatives, and nine department staff and county representatives appointed by the commissioner. The appointments required under this paragraph must be completed by September 1, 2007.

(c) The committee shall discuss methods of reducing inconsistency between programs and complexity within programs in order to improve administrative efficiency and reduce the risk of recipient noncompliance. Topics for discussion may include child support enforcement, adoption services, child care licensing, child care assistance, and other programs. The state senators and state representatives on the advisory committee, in consultation with the advisory committee, shall report annually to the chairs of the legislative committees and divisions with jurisdiction over the Department of Human Services, beginning January 15, 2008, with recommendations developed by the advisory group.

(d) The commissioner, in consultation with the advisory committee, shall study and report to the legislature by January 15, 2009, on the transfer of any responsibilities between the department and counties that would result in more efficient and effective administration of human services programs.

(e) This ~~section~~ subdivision expires on June 30, 2012.

Sec. 32. Minnesota Statutes 2007 Supplement, section 256.476, subdivision 4, is amended to read:

Subd. 4. **Support grants; criteria and limitations.** (a) A county board may choose to participate in the consumer support grant program. If a county has not chosen to participate by July 1, 2002, the commissioner shall contract with another county or other entity to provide access to residents of the nonparticipating county who choose the consumer support grant option. The commissioner shall notify the county board in a county that has declined to participate of the commissioner's intent to enter into a contract with another county or other entity at least 30 days in advance of entering into the contract. The local agency shall establish written procedures and criteria to determine the amount and use of support grants. These procedures must include, at least, the availability of respite care, assistance with daily living, and adaptive aids. The local agency may establish monthly or annual maximum amounts for grants and procedures where exceptional resources may be required to meet the health and safety needs of the person on a time-limited basis, however, the total amount awarded to each individual may not exceed the limits established in subdivision 11.

(b) Support grants to a person, a person's legal representative, or other authorized representative will be provided through a monthly subsidy payment and be in the form of cash, voucher, or direct county payment to vendor. Support grant amounts must be determined by the local agency. Each service and item purchased with a support grant must meet all of the following criteria:

(1) it must be over and above the normal cost of caring for the person if the person did not have functional limitations;

(2) it must be directly attributable to the person's functional limitations;

(3) it must enable the person, a person's legal representative, or other authorized representative to delay or prevent out-of-home placement of the person; and

(4) it must be consistent with the needs identified in the service agreement, when applicable.

(c) Items and services purchased with support grants must be those for which there are no other public or private funds available to the person, a person's legal representative, or other authorized representative. Fees assessed to the person or the person's family for health and human services are not reimbursable through the grant.

(d) In approving or denying applications, the local agency shall consider the following factors:

(1) the extent and areas of the person's functional limitations;

(2) the degree of need in the home environment for additional support; and

(3) the potential effectiveness of the grant to maintain and support the person in the family environment or the person's own home.

(e) At the time of application to the program or screening for other services, the person, a person's legal representative, or other authorized representative shall be provided sufficient information to ensure an informed choice of alternatives by the person, the person's legal representative, or other authorized representative, if any. The application shall be made to the local agency and shall specify the needs of the person and family, the form and amount of grant requested, the items and services to be reimbursed, and evidence of eligibility for medical assistance.

(f) Upon approval of an application by the local agency and agreement on a support plan for the person or person's family, the local agency shall make grants to the person or the person's family. The grant shall be in an amount for the direct costs of the services or supports outlined in the service agreement.

(g) Reimbursable costs shall not include costs for resources already available, such as special education classes, day training and habilitation, case management, other services to which the person is entitled, medical costs covered by insurance or other health programs, or other resources usually available at no cost to the person or the person's family.

(h) The state of Minnesota, the county boards participating in the consumer support grant program, or the agencies acting on behalf of the county boards in the implementation and administration of the consumer support grant program shall not be liable for damages, injuries, or liabilities sustained through the purchase of support by the individual, the individual's family, or the authorized representative under this section with funds received through the consumer support grant program. Liabilities include but are not limited to: workers' compensation liability, the Federal Insurance Contributions Act (FICA), or the Federal Unemployment Tax Act (FUTA). ~~For purposes of this section, participating county boards and agencies acting on behalf of county boards are exempt from the provisions of section 268.04.~~

Sec. 33. Minnesota Statutes 2006, section 256.98, subdivision 7, is amended to read:

Subd. 7. **Division of recovered amounts.** Except for recoveries under chapter 119B, if the state is responsible for the recovery, the amounts recovered shall be paid to the appropriate units of government ~~as provided under section 256.863~~. If the recovery is directly attributable to a county, the county may retain one-half of the nonfederal share of any recovery from a recipient or the recipient's estate.

This subdivision does not apply to recoveries from medical providers or to recoveries involving the department of human services, surveillance and utilization review division, state hospital collections unit, and the benefit recoveries division.

Sec. 34. Minnesota Statutes 2006, section 256B.04, subdivision 16, is amended to read:

Subd. 16. **Personal care services.** (a) Notwithstanding any contrary language in this paragraph, the commissioner of human services and the commissioner of health shall jointly promulgate rules to be applied to the licensure of personal care services provided under the medical assistance program. The rules shall consider standards for personal care services that are based on the World Institute on Disability's recommendations regarding personal care services. These rules shall at a minimum consider the standards and requirements adopted by the commissioner of health under section 144A.45, which the commissioner of human services determines are applicable to the provision of personal care services, in addition to other standards or modifications which the commissioner of human services determines are appropriate.

The commissioner of human services shall establish an advisory group including personal care consumers and providers to provide advice regarding which standards or modifications should be adopted. The advisory group membership must include not less than 15 members, of which at least 60 percent must be consumers of personal care services and representatives of recipients with various disabilities and diagnoses and ages. At least 51 percent of the members of the advisory group must be recipients of personal care.

The commissioner of human services may contract with the commissioner of health to enforce the jointly promulgated licensure rules for personal care service providers.

Prior to final promulgation of the joint rule the commissioner of human services shall report preliminary findings along with any comments of the advisory group and a plan for monitoring and enforcement by the Department of Health to the legislature by February 15, 1992.

Limits on the extent of personal care services that may be provided to an individual must be based on the cost-effectiveness of the services in relation to the costs of inpatient hospital care, nursing home care, and other available types of care. The rules must provide, at a minimum:

(1) that agencies be selected to contract with or employ and train staff to provide and supervise the provision of personal care services;

(2) that agencies employ or contract with a qualified applicant that a qualified recipient proposes to the agency as the recipient's choice of assistant;

(3) that agencies bill the medical assistance program for a personal care service by a personal care assistant and supervision by a qualified professional supervising the personal care assistant unless the recipient selects the fiscal agent option under section ~~256B.0627, subdivision 10~~ <u>256B.0655, subdivision 7</u>;

(4) that agencies establish a grievance mechanism; and

(5) that agencies have a quality assurance program.

(b) The commissioner may waive the requirement for the provision of personal care services through an agency in a particular county, when there are less than two agencies providing services in that county and shall waive the requirement for personal care assistants required to join an agency for the first time during 1993 when personal care services are provided under a relative hardship waiver under Minnesota Statutes 1992, section 256B.0627, subdivision 4, paragraph (b), clause (7), and at least two agencies providing personal care services have refused to employ or contract with the independent personal care assistant.

Sec. 35. Minnesota Statutes 2007 Supplement, section 256B.0915, subdivision 3a, is amended to read:

Subd. 3a. **Elderly waiver cost limits.** (a) The monthly limit for the cost of waivered services to an individual elderly waiver client shall be the weighted average monthly nursing facility rate of the case mix resident class to which the elderly waiver client would be assigned under Minnesota Rules, parts 9549.0050 to 9549.0059, less the recipient's maintenance needs allowance as described in subdivision 1d, paragraph (a), until the first day of the state fiscal year in which the resident assessment system as described in section ~~256B.437~~ 256B.438 for nursing home rate determination is implemented. Effective on the first day of the state fiscal year in which the resident assessment system as described in section ~~256B.437~~ 256B.438 for nursing home rate determination is implemented and the first day of each subsequent state fiscal year, the monthly limit for the cost of waivered services to an individual elderly waiver client shall be the rate of the case mix resident class to which the waiver client would be assigned under Minnesota Rules, parts 9549.0050 to 9549.0059, in effect on the last day of the previous state fiscal year, adjusted by the greater of any legislatively adopted home and community-based services percentage rate increase or the average statewide percentage increase in nursing facility payment rates.

(b) If extended medical supplies and equipment or environmental modifications are or will be purchased for an elderly waiver client, the costs may be prorated for up to 12 consecutive months beginning with the month of purchase. If the monthly cost of a recipient's waivered services exceeds the monthly limit established in paragraph (a), the annual cost of all waivered services shall be determined. In this event, the annual cost of all waivered services shall not exceed 12 times the monthly limit of waivered services as described in paragraph (a).

Sec. 36. Minnesota Statutes 2007 Supplement, section 256B.0915, subdivision 3e, is amended to read:

Subd. 3e. **Customized living service rate.** (a) Payment for customized living services shall be a monthly rate negotiated and authorized by the lead agency within the parameters established by the commissioner. The payment agreement must delineate the services that have been customized for each recipient and specify the amount of each service to be provided. The lead agency shall ensure that there is a documented need for all services authorized. Customized living services must not include rent or raw food costs. The negotiated payment rate must be based on services to be provided. Negotiated rates must not exceed payment rates for comparable elderly waiver or medical assistance services and must reflect economies of scale.

(b) The individualized monthly negotiated payment for customized living services shall not exceed the nonfederal share, in effect on July 1 of the state fiscal year for which the rate limit is being calculated, of the greater of either the statewide or any of the geographic groups' weighted average monthly nursing facility rate of the case mix resident class to which the elderly waiver eligible client would be assigned under Minnesota Rules, parts 9549.0050 to 9549.0059, less the maintenance needs allowance as described in subdivision 1d, paragraph (a), until the July 1 of the state fiscal year in which the resident assessment system as described in section ~~256B.437~~ 256B.438 for nursing home rate determination is implemented. Effective on July 1 of the state fiscal year in which the resident assessment system as described in section ~~256B.437~~ 256B.438 for nursing home rate determination is implemented and July 1 of each subsequent state fiscal year, the individualized monthly negotiated payment for the services described in this clause shall not exceed the limit described in this clause which was in effect on June 30 of the previous state fiscal year and which has been adjusted by the greater of any legislatively adopted home and community-based services cost-of-living percentage increase or any legislatively adopted statewide percent rate increase for nursing facilities.

(c) Customized living services are delivered by a provider licensed by the Department of Health as a class A or class F home care provider and provided in a building that is registered as a housing with services establishment under chapter 144D.

Sec. 37. Minnesota Statutes 2006, section 256B.35, subdivision 1, is amended to read:

Subdivision 1. **Personal needs allowance.** (a) Notwithstanding any law to the contrary, welfare allowances for clothing and personal needs for individuals receiving medical assistance while residing in any skilled nursing home, intermediate care facility, or medical institution including recipients of supplemental security income, in this state shall not be less than $45 per month from all sources. When benefit amounts for Social Security or supplemental security income recipients are increased pursuant to United States Code, title 42, sections 415(i) and 1382f, the commissioner shall, effective in the month in which the increase takes effect, increase by the same percentage to the nearest whole dollar the clothing and personal needs allowance for individuals receiving medical assistance while residing in any skilled nursing home, medical institution, or intermediate care facility. The commissioner shall provide timely notice to local agencies, providers, and recipients of increases under this provision.

(b) The personal needs allowance may be paid as part of the Minnesota supplemental aid program, ~~notwithstanding the provisions of section 256D.37, subdivision 2,~~ and payments to recipients of Minnesota supplemental aid may be made once each three months covering liabilities that accrued during the preceding three months.

(c) The personal needs allowance shall be increased to include income garnished for child support under a court order, up to a maximum of $250 per month but only to the extent that the amount garnished is not deducted as a monthly allowance for children under section 256B.0575, paragraph (a), clause (5).

Sec. 38. Minnesota Statutes 2007 Supplement, section 256B.49, subdivision 16a, is amended to read:

Subd. 16a. **Medical assistance reimbursement.** (a) The commissioner shall seek federal approval for medical assistance reimbursement of independent living skills services, foster care waiver service, supported employment, prevocational service, structured day service, and adult day care under the home and community-based waiver for persons with a traumatic brain injury, the community alternatives for disabled individuals waivers, and the community alternative care waivers.

(b) Medical reimbursement shall be made only when the provider demonstrates evidence of its capacity to meet basic health, safety, and protection standards through one of the methods in paragraphs (c) to (e).

(c) The provider is licensed to provide services under chapter 245B and agrees to apply these standards to services funded through the traumatic brain injury, community alternatives for disabled persons, or community alternative care home and community-based waivers.

(d) The local agency contracting for the services certifies on a form provided by the commissioner that the provider has the capacity to meet the individual needs as identified in each person's individual service plan. When certifying that the service provider meets the necessary provider qualifications, the local agency shall verify that the provider has policies and procedures governing the following:

(1) protection of the consumer's rights and privacy;

(2) risk assessment and planning;

(3) record keeping and reporting of incidents and emergencies with documentation of corrective action if needed;

(4) service outcomes, regular reviews of progress, and periodic reports;

(5) complaint and grievance procedures;

(6) service termination or suspension;

(7) necessary training and supervision of direct care staff that includes:

(i) documentation in personnel files of 20 hours of orientation training in providing training related to service provision;

(ii) training in recognizing the symptoms and effects of certain disabilities, health conditions, and positive behavioral supports and interventions;

(iii) a minimum of five hours of related training annually; and

(iv) when applicable:

(A) safe medication administration;

(B) proper handling of consumer funds; and

(C) compliance with prohibitions and standards developed by the commissioner to satisfy federal requirements regarding the use of restraints and restrictive interventions. The local agency shall review at least annually each service provider's continued compliance with the standards governing basic health, safety, and protection of rights.

(e) The commissioner shall seek federal approval for Medicaid reimbursement of foster care services under the home and community-based waiver for persons with a traumatic brain injury, the community alternatives for disabled individuals waiver, and community alternative care waiver when the provider demonstrates evidence of its capacity to meet basic health, safety, and protection standards. The local agency shall verify that the provider is licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, and certify that the provider has policies and procedures that govern:

(1) compliance with prohibitions and standards developed by the commissioner to meet federal requirements regarding the use of restraints and restrictive interventions; and

(2) documentation of service needs and outcomes, regular reviews of progress, and periodic reports.

The local agency shall review at least annually each service provider's continued compliance with the standards governing basic health, safety, and protection of rights standards.

Sec. 39. Minnesota Statutes 2006, section 256J.30, subdivision 9, is amended to read:

Subd. 9. **Changes that must be reported.** A caregiver must report the changes or anticipated changes specified in clauses (1) to (16) within ten days of the date they occur, at the time of the periodic recertification of eligibility under section 256J.32, subdivision 6, or within eight calendar days of a reporting period as in subdivision 5 or 6, whichever occurs first. A caregiver must report other changes at the time of the periodic recertification of eligibility under section 256J.32, subdivision 6, or at the end of a reporting period under subdivision 5 or 6, as applicable. A caregiver must make these reports in writing to the county agency. When a county agency could have reduced or terminated assistance for one or more payment months if a delay in reporting a change specified under clauses (1) to (15) had not occurred, the county agency must determine whether a timely notice under section 256J.31, subdivision 4, could have been issued on the day that the change occurred. When a timely notice could have been issued, each month's overpayment subsequent to that notice must be considered a client error overpayment under section 256J.38. Calculation of overpayments for late reporting under clause (16) is specified in section 256J.09, subdivision 9. Changes in circumstances which must be reported within ten days must also be reported on the MFIP household report form for the reporting period in which those changes occurred. Within ten days, a caregiver must report:

(1) a change in initial employment;

(2) a change in initial receipt of unearned income;

(3) a recurring change in unearned income;

(4) a nonrecurring change of unearned income that exceeds $30;

(5) the receipt of a lump sum;

(6) an increase in assets that may cause the assistance unit to exceed asset limits;

(7) a change in the physical or mental status of an incapacitated member of the assistance unit if the physical or mental status is the basis ~~of exemption from an MFIP employment services program under section 256J.56, or as the basis~~ for reducing the hourly participation requirements under section 256J.55, subdivision 1, or the type of activities included in an employment plan under section 256J.521, subdivision 2;

(8) a change in employment status;

(9) information affecting an exception under section 256J.24, subdivision 9;

(10) the marriage or divorce of an assistance unit member;

(11) the death of a parent, minor child, or financially responsible person;

(12) a change in address or living quarters of the assistance unit;

(13) the sale, purchase, or other transfer of property;

(14) a change in school attendance of a caregiver under age 20 or an employed child;

(15) filing a lawsuit, a workers' compensation claim, or a monetary claim against a third party; and

(16) a change in household composition, including births, returns to and departures from the home of assistance unit members and financially responsible persons, or a change in the custody of a minor child.

Sec. 40. Minnesota Statutes 2006, section 256J.32, subdivision 4, is amended to read:

Subd. 4. **Factors to be verified.** The county agency shall verify the following at application:

(1) identity of adults;

(2) presence of the minor child in the home, if questionable;

(3) relationship of a minor child to caregivers in the assistance unit;

(4) age, if necessary to determine MFIP eligibility;

(5) immigration status;

(6) Social Security number according to the requirements of section 256J.30, subdivision 12;

(7) income;

(8) self-employment expenses used as a deduction;

(9) source and purpose of deposits and withdrawals from business accounts;

(10) spousal support and child support payments made to persons outside the household;

(11) real property;

(12) vehicles;

(13) checking and savings accounts;

(14) savings certificates, savings bonds, stocks, and individual retirement accounts;

(15) pregnancy, if related to eligibility;

(16) inconsistent information, if related to eligibility;

(17) burial accounts;

(18) school attendance, if related to eligibility;

(19) residence;

(20) a claim of family violence if used as a basis to qualify for the family violence waiver;

(21) disability if used as the basis for ~~an exemption from employment and training services requirements under section 256J.56 or as the basis for~~ reducing the hourly participation requirements under section 256J.55, subdivision 1, or the type of activity included in an employment plan under section 256J.521, subdivision 2; and

(22) information needed to establish an exception under section 256J.24, subdivision 9.

Sec. 41. Minnesota Statutes 2006, section 256J.42, subdivision 5, is amended to read:

Subd. 5. **Exemption for certain families.** (a) Any cash assistance received by an assistance unit does not count toward the 60-month limit on assistance during a month in which the caregiver is age 60 or older~~, including months during which the caregiver was exempt under section 256J.56, paragraph (a), clause (1)~~.

(b) From July 1, 1997, until the date MFIP is operative in the caregiver's county of financial responsibility, any cash assistance received by a caregiver who is complying with Minnesota Statutes 1996, section 256.73, subdivision 5a, and Minnesota Statutes 1998, section 256.736, if applicable, does not count toward the 60-month limit on assistance. Thereafter, any cash assistance received by a minor caregiver who is complying with the requirements of sections 256J.14 and 256J.54, if applicable, does not count towards the 60-month limit on assistance.

(c) Any diversionary assistance or emergency assistance received prior to July 1, 2003, does not count toward the 60-month limit.

(d) Any cash assistance received by an 18- or 19-year-old caregiver who is complying with an employment plan that includes an education option under section 256J.54 does not count toward the 60-month limit.

(e) Payments provided to meet short-term emergency needs under section 256J.626 and diversionary work program benefits provided under section 256J.95 do not count toward the 60-month time limit.

Sec. 42. Minnesota Statutes 2006, section 256J.42, subdivision 6, is amended to read:

Subd. 6. **Case review.** (a) Within 180 days, but not less than 60 days, before the end of the participant's 60th month on assistance, the county agency or job counselor must review the participant's case to determine if the employment plan is still appropriate ~~or if the participant is exempt under section 256J.56 from the employment and training services component,~~ and attempt to meet with the participant face-to-face.

(b) During the face-to-face meeting, a county agency or the job counselor must:

(1) inform the participant how many months of counted assistance the participant has accrued and when the participant is expected to reach the 60th month;

(2) explain the hardship extension criteria under section 256J.425 and what the participant should do if the participant thinks a hardship extension applies;

(3) identify other resources that may be available to the participant to meet the needs of the family; and

(4) inform the participant of the right to appeal the case closure under section 256J.40.

(c) If a face-to-face meeting is not possible, the county agency must send the participant a notice of adverse action as provided in section 256J.31, subdivisions 4 and 5.

(d) Before a participant's case is closed under this section, the county must ensure that:

(1) the case has been reviewed by the job counselor's supervisor or the review team designated by the county to determine if the criteria for a hardship extension, if requested, were applied appropriately; and

(2) the county agency or the job counselor attempted to meet with the participant face-to-face.

Sec. 43. Minnesota Statutes 2006, section 256J.425, subdivision 5, is amended to read:

Subd. 5. **Accrual of certain exempt months.** (a) Participants who meet the criteria in clause (1), (2), or (3) and who are not eligible for assistance under a hardship extension under subdivision 2, paragraph (a), clause (3), shall be eligible for a hardship extension for a period of time equal to the number of months that were counted toward the federal 60-month time limit while the participant was~~:~~

~~(1)~~ a caregiver with a child or an adult in the household who meets the disability or medical criteria for home care services under section 256B.0651, subdivision 1, paragraph (c), or a home and community-based waiver services program under chapter 256B, or meets the criteria for severe emotional disturbance under section 245.4871, subdivision 6, or for serious and persistent mental illness under section 245.462, subdivision 20, paragraph (c), who was subject to the requirements in section 256J.561, subdivision 2~~;~~.

~~(2) exempt under section 256J.56, paragraph (a), clause (7); or~~

~~(3) exempt under section 256J.56, paragraph (a), clause (3), and demonstrates at the time of the case review required under section 256J.42, subdivision 6, that the participant met the exemption criteria under section 256J.56, paragraph (a), clause (7), during one or more months the participant was exempt under section 256J.56, paragraph (a), clause (3). Only months during which the participant met the criteria under section 256J.56, paragraph (a), clause (7), shall be considered.~~

(b) A participant who received TANF assistance that counted towards the federal 60-month time limit while the participant met the state time limit exemption criteria under section 256J.42, subdivision 4 or 5, is eligible for assistance under a hardship extension for a period of time equal to the number of months that were counted toward the federal 60-month time limit while the participant met the state time limit exemption criteria under section 256J.42, subdivision 4 or 5.

(c) After the accrued months have been exhausted, the county agency must determine if the assistance unit is eligible for an extension under another extension category in section 256J.425, subdivision 2, 3, or 4.

(d) At the time of the case review, a county agency must explain to the participant the basis for receiving a hardship extension based on the accrual of exempt months. The participant must provide documentation necessary to enable the county agency to determine whether the participant is eligible to receive a hardship extension based on the accrual of exempt months or authorize a county agency to verify the information.

(e) While receiving extended MFIP assistance under this subdivision, a participant is subject to the MFIP policies that apply to participants during the first 60 months of MFIP, unless the participant is a member of a two-parent family in which one parent is extended under subdivision 3 or 4. For two-parent families in which one parent is extended under subdivision 3 or 4, the sanction provisions in subdivision 6 shall apply.

Sec. 44. Minnesota Statutes 2006, section 256J.425, subdivision 6, is amended to read:

Subd. 6. **Sanctions for extended cases.** (a) If one or both participants in an assistance unit receiving assistance under subdivision 3 or 4 are not in compliance with the employment and training service requirements in sections 256J.521 to 256J.57, the sanctions under this subdivision apply. For a first occurrence of noncompliance, an assistance unit must be sanctioned under section 256J.46, subdivision 1, paragraph (c), clause (1). For a second or third occurrence of noncompliance, the assistance unit must be sanctioned under section 256J.46, subdivision 1, paragraph (c), clause (2). For a fourth occurrence of noncompliance, the assistance unit is disqualified from MFIP. If a participant is determined to be out of compliance, the participant may claim a good cause exception under section 256J.57~~; however, the participant may not claim an exemption under section 256J.56~~.

(b) If both participants in a two-parent assistance unit are out of compliance at the same time, it is considered one occurrence of noncompliance.

(c) When a parent in an extended two-parent assistance unit who has not used 60 months of assistance is out of compliance with the employment and training service requirements in sections 256J.521 to 256J.57, sanctions must be applied as specified in clauses (1) and (2).

(1) If the assistance unit is receiving assistance under subdivision 3 or 4, the assistance unit is subject to the sanction policy in this subdivision.

(2) If the assistance unit is receiving assistance under subdivision 2, the assistance unit is subject to the sanction policy in section 256J.46.

(d) If a two-parent assistance unit is extended under subdivision 3 or 4, and a parent who has not reached the 60-month time limit is out of compliance with the employment and training services requirements in sections 256J.521 to 256J.57 when the case is extended, the sanction in the 61st month is considered the first sanction for the purposes of applying the sanctions in this subdivision, except that the sanction amount shall be 30 percent.

Sec. 45. Minnesota Statutes 2006, section 256J.46, subdivision 1, is amended to read:

Subdivision 1. **Participants not complying with program requirements.** (a) A participant who fails without good cause under section 256J.57 to comply with the requirements of this chapter, and who is not subject to a sanction under subdivision 2, shall be subject to a sanction as provided in this subdivision. Prior to the imposition of a sanction, a county agency shall provide a notice of intent to sanction under section 256J.57, subdivision 2, and, when applicable, a notice of adverse action as provided in section 256J.31.

(b) A sanction under this subdivision becomes effective the month following the month in which a required notice is given. A sanction must not be imposed when a participant comes into compliance with the requirements for orientation under section 256J.45 prior to the effective date of the sanction. A sanction must not be imposed when a participant comes into compliance with the requirements for employment and training services under sections 256J.515 to 256J.57 ten days prior to the effective date of the sanction. For purposes of this subdivision, each month that a participant fails to comply with a requirement of this chapter shall be considered a separate occurrence of noncompliance. If both participants in a two-parent assistance unit are out of compliance at the same time, it is considered one occurrence of noncompliance.

(c) Sanctions for noncompliance shall be imposed as follows:

(1) For the first occurrence of noncompliance by a participant in an assistance unit, the assistance unit's grant shall be reduced by ten percent of the MFIP standard of need for an assistance unit of the same size with the residual grant paid to the participant. The reduction in the grant amount must be in effect for a minimum of one month and shall be removed in the month following the month that the participant returns to compliance.

(2) For a second, third, fourth, fifth, or sixth occurrence of noncompliance by a participant in an assistance unit, the assistance unit's shelter costs shall be vendor paid up to the amount of the cash portion of the MFIP grant for which the assistance unit is eligible. At county option, the assistance unit's utilities may also be vendor paid up to the amount of the cash portion of the MFIP grant remaining after vendor payment of the assistance unit's shelter costs. The residual amount of the grant after vendor payment, if any, must be reduced by an amount equal to 30 percent of the MFIP standard of need for an assistance unit of the same size before the residual grant is paid to the assistance unit. The

reduction in the grant amount must be in effect for a minimum of one month and shall be removed in the month following the month that the participant in a one-parent assistance unit returns to compliance. In a two-parent assistance unit, the grant reduction must be in effect for a minimum of one month and shall be removed in the month following the month both participants return to compliance. The vendor payment of shelter costs and, if applicable, utilities shall be removed six months after the month in which the participant or participants return to compliance. If an assistance unit is sanctioned under this clause, the participant's case file must be reviewed to determine if the employment plan is still appropriate.

(d) For a seventh occurrence of noncompliance by a participant in an assistance unit, or when the participants in a two-parent assistance unit have a total of seven occurrences of noncompliance, the county agency shall close the MFIP assistance unit's financial assistance case, both the cash and food portions, and redetermine the family's continued eligibility for food support payments. The MFIP case must remain closed for a minimum of one full month. Before the case is closed, the county agency must review the participant's case to determine if the employment plan is still appropriate and attempt to meet with the participant face-to-face. The participant may bring an advocate to the face-to-face meeting. If a face-to-face meeting is not conducted, the county agency must send the participant a written notice that includes the information required under clause (1).

(1) During the face-to-face meeting, the county agency must:

(i) determine whether the continued noncompliance can be explained and mitigated by providing a needed preemployment activity, as defined in section 256J.49, subdivision 13, clause (9);

(ii) determine whether the participant qualifies for a good cause exception under section 256J.57, or if the sanction is for noncooperation with child support requirements, determine if the participant qualifies for a good cause exemption under section 256.741, subdivision 10;

(iii) determine whether ~~the participant qualifies for an exemption under section 256J.56 or~~ the work activities in the employment plan are appropriate based on the criteria in section 256J.521, subdivision 2 or 3;

(iv) determine whether the participant qualifies for the family violence waiver;

(v) inform the participant of the participant's sanction status and explain the consequences of continuing noncompliance;

(vi) identify other resources that may be available to the participant to meet the needs of the family; and

(vii) inform the participant of the right to appeal under section 256J.40.

(2) If the lack of an identified activity or service can explain the noncompliance, the county must work with the participant to provide the identified activity.

(3) The grant must be restored to the full amount for which the assistance unit is eligible retroactively to the first day of the month in which the participant was found to lack preemployment activities or to qualify for ~~an exemption under section 256J.56,~~ a family violence waiver~~,~~ or for a good cause exemption under section 256.741, subdivision 10, or 256J.57.

(e) For the purpose of applying sanctions under this section, only occurrences of noncompliance that occur after July 1, 2003, shall be considered. If the participant is in 30 percent sanction in the month this section takes effect, that month counts as the first occurrence for purposes of applying the sanctions under this section, but the sanction shall remain at 30 percent for that month.

(f) An assistance unit whose case is closed under paragraph (d) or (g), may reapply for MFIP and shall be eligible if the participant complies with MFIP program requirements and demonstrates compliance for up to one month. No assistance shall be paid during this period.

(g) An assistance unit whose case has been closed for noncompliance, that reapplies under paragraph (f), is subject to sanction under paragraph (c), clause (2), for a first occurrence of noncompliance. Any subsequent occurrence of noncompliance shall result in case closure under paragraph (d).

Sec. 46. Minnesota Statutes 2007 Supplement, section 256J.49, subdivision 13, is amended to read:

Subd. 13. **Work activity.** "Work activity" means any activity in a participant's approved employment plan that leads to employment. For purposes of the MFIP program, this includes activities that meet the definition of work activity under the participation requirements of TANF. Work activity includes:

(1) unsubsidized employment, including work study and paid apprenticeships or internships;

(2) subsidized private sector or public sector employment, including grant diversion as specified in section 256J.69, on-the-job training as specified in section 256J.66, ~~the self-employment investment demonstration program (SEID) as specified in section 256J.65,~~ paid work experience, and supported work when a wage subsidy is provided;

(3) unpaid work experience, including community service, volunteer work, the community work experience program as specified in section 256J.67, unpaid apprenticeships or internships, and supported work when a wage subsidy is not provided.

Unpaid work experience is only an option if the participant has been unable to obtain or maintain paid employment in the competitive labor market, and no paid work experience programs are available to the participant. Unless a participant consents to participating in unpaid work experience, the participant's employment plan may only include unpaid work experience if including the unpaid work experience in the plan will meet the following criteria:

(i) the unpaid work experience will provide the participant specific skills or experience that cannot be obtained through other work activity options where the participant resides or is willing to reside; and

(ii) the skills or experience gained through the unpaid work experience will result in higher wages for the participant than the participant could earn without the unpaid work experience;

(4) job search including job readiness assistance, job clubs, job placement, job-related counseling, and job retention services;

(5) job readiness education, including English as a second language (ESL) or functional work literacy classes as limited by the provisions of section 256J.531, subdivision 2, general educational development (GED) course work, high school completion, and adult basic education as limited by the provisions of section 256J.531, subdivision 1;

(6) job skills training directly related to employment, including education and training that can reasonably be expected to lead to employment, as limited by the provisions of section 256J.53;

(7) providing child care services to a participant who is working in a community service program;

(8) activities included in the employment plan that is developed under section 256J.521, subdivision 3; and

(9) preemployment activities including chemical and mental health assessments, treatment, and services; learning disabilities services; child protective services; family stabilization services; or other programs designed to enhance employability.

Sec. 47. Minnesota Statutes 2006, section 256J.50, subdivision 1, is amended to read:

Subdivision 1. **Employment and training services component of MFIP.** (a) Each county must develop and provide an employment and training services component which is designed to put participants on the most direct path to unsubsidized employment. Participation in these services is mandatory for all MFIP caregivers~~, unless the caregiver is exempt under section 256J.56~~.

(b) A county must provide employment and training services under sections 256J.515 to 256J.74 within 30 days after the caregiver is determined eligible for MFIP, or within ten days when the caregiver participated in the diversionary work program under section 256J.95 within the past 12 months.

Sec. 48. Minnesota Statutes 2006, section 256J.521, subdivision 4, is amended to read:

Subd. 4. **Self-employment.** (a) Self-employment activities may be included in an employment plan contingent on the development of a business plan which establishes a timetable and earning goals that will result in the participant exiting MFIP assistance. Business plans must be developed with assistance from an individual or organization with expertise in small business as approved by the job counselor.

(b) Participants with an approved plan that includes self-employment must meet the participation requirements in section 256J.55, subdivision 1. Only hours where the participant earns at least minimum wage shall be counted toward the requirement. Additional activities and hours necessary to meet the participation requirements in section 256J.55, subdivision 1, must be included in the employment plan.

(c) Employment plans which include self-employment activities must be reviewed every three months. Participants who fail, without good cause, to make satisfactory progress as established in the business plan must revise the employment plan to replace the self-employment with other approved work activities.

~~(d) The requirements of this subdivision may be waived for participants who are enrolled in the self-employment investment demonstration program (SEID) under section 256J.65, and who make satisfactory progress as determined by the job counselor and the SEID provider.~~

Sec. 49. Minnesota Statutes 2006, section 256J.54, subdivision 5, is amended to read:

Subd. 5. **School attendance required.** (a) ~~Notwithstanding the provisions of section 256J.56,~~ Minor parents, or 18- or 19-year-old parents without a high school diploma or its equivalent who ~~chooses~~ choose an employment plan with an education option must attend school unless:

(1) transportation services needed to enable the caregiver to attend school are not available;

(2) appropriate child care services needed to enable the caregiver to attend school are not available;

(3) the caregiver is ill or incapacitated seriously enough to prevent attendance at school; or

(4) the caregiver is needed in the home because of the illness or incapacity of another member of the household. This includes a caregiver of a child who is younger than six weeks of age.

(b) The caregiver must be enrolled in a secondary school and meeting the school's attendance requirements. The county, social service agency, or job counselor must verify at least once per quarter that the caregiver is meeting the school's attendance requirements. An enrolled caregiver is considered to be meeting the attendance requirements when the school is not in regular session, including during holiday and summer breaks.

Sec. 50. Minnesota Statutes 2007 Supplement, section 256J.55, subdivision 1, is amended to read:

Subdivision 1. **Participation requirements.** (a) All caregivers must participate in employment services under sections 256J.515 to 256J.57 concurrent with receipt of MFIP assistance.

(b) ~~Until July 1, 2004, participants who meet the requirements of section 256J.56 are exempt from participation requirements.~~

~~(c)~~ Participants under paragraph (a) must develop and comply with an employment plan under section 256J.521 or section 256J.54 in the case of a participant under the age of 20 who has not obtained a high school diploma or its equivalent.

~~(d)~~ <u>(c)</u> With the exception of participants under the age of 20 who must meet the education requirements of section 256J.54, all participants must meet the hourly participation requirements of TANF or the hourly requirements listed in clauses (1) to (3), whichever is higher.

(1) In single-parent families with no children under six years of age, the job counselor and the caregiver must develop an employment plan that includes 130 hours per month of work activities.

(2) In single-parent families with a child under six years of age, the job counselor and the caregiver must develop an employment plan that includes 87 hours per month of work activities.

(3) In two-parent families, the job counselor and the caregivers must develop employment plans which result in a combined total of at least 55 hours per week of work activities.

~~(e)~~ <u>(d)</u> Failure to participate in employment services, including the requirement to develop and comply with an employment plan, including hourly requirements, without good cause under section 256J.57, shall result in the imposition of a sanction under section 256J.46.

Sec. 51. Minnesota Statutes 2006, section 260B.235, subdivision 5, is amended to read:

Subd. 5. **Enhanced dispositions.** If the juvenile court finds that a child has committed a second or subsequent juvenile alcohol or controlled substance offense, the court may impose any of the dispositional alternatives described in paragraphs (a) to (c). If the juvenile court finds that a child has committed a second or subsequent juvenile tobacco offense, the court may impose any of the dispositional alternatives described in paragraphs (a) to (c).

(a) The court may impose any of the dispositional alternatives described in subdivision ~~3~~ 4, clauses (a) to (f).

(b) If the adjudicated petty offender has a driver's license or permit, the court may forward the license or permit to the commissioner of public safety. The commissioner shall revoke the petty offender's driver's license or permit until the offender reaches the age of 18 years or for a period of one year, whichever is longer.

(c) If the adjudicated petty offender has a driver's license or permit, the court may suspend the driver's license or permit for a period of up to 90 days but may allow the offender driving privileges as necessary to travel to and from work.

(d) If the adjudicated petty offender does not have a driver's license or permit, the court may prepare an order of denial of driving privileges. The order must provide that the petty offender will not be granted driving privileges until the offender reaches the age of 18 years or for a period of one year, whichever is longer. The court shall forward the order to the commissioner of public safety. The commissioner shall deny the offender's eligibility for a driver's license under section 171.04, for the period stated in the court order.

Sec. 52. Minnesota Statutes 2006, section 260C.007, subdivision 6, is amended to read:

Subd. 6. **Child in need of protection or services.** "Child in need of protection or services" means a child who is in need of protection or services because the child:

(1) is abandoned or without parent, guardian, or custodian;

(2)(i) has been a victim of physical or sexual abuse, (ii) resides with or has resided with a victim of domestic child abuse as defined in subdivision ~~5~~ 13, (iii) resides with or would reside with a perpetrator of domestic child abuse or child abuse as defined in subdivision 13 or 5, or (iv) is a victim of emotional maltreatment as defined in subdivision ~~8~~ 15;

(3) is without necessary food, clothing, shelter, education, or other required care for the child's physical or mental health or morals because the child's parent, guardian, or custodian is unable or unwilling to provide that care;

(4) is without the special care made necessary by a physical, mental, or emotional condition because the child's parent, guardian, or custodian is unable or unwilling to provide that care, including a child in voluntary placement due solely to the child's developmental disability or emotional disturbance;

(5) is medically neglected, which includes, but is not limited to, the withholding of medically indicated treatment from a disabled infant with a life-threatening condition. The term "withholding of medically indicated treatment" means the failure to respond to the infant's life-threatening conditions by providing treatment, including appropriate nutrition, hydration, and medication which, in the treating physician's or physicians' reasonable medical judgment, will be most likely to be effective in ameliorating or correcting all conditions, except that the term does not include the failure to provide treatment other than appropriate nutrition, hydration, or medication to an infant when, in the treating physician's or physicians' reasonable medical judgment:

(i) the infant is chronically and irreversibly comatose;

(ii) the provision of the treatment would merely prolong dying, not be effective in ameliorating or correcting all of the infant's life-threatening conditions, or otherwise be futile in terms of the survival of the infant; or

(iii) the provision of the treatment would be virtually futile in terms of the survival of the infant and the treatment itself under the circumstances would be inhumane;

(6) is one whose parent, guardian, or other custodian for good cause desires to be relieved of the child's care and custody, including a child in placement according to voluntary release by the parent under section 260C.212, subdivision 8;

(7) has been placed for adoption or care in violation of law;

(8) is without proper parental care because of the emotional, mental, or physical disability, or state of immaturity of the child's parent, guardian, or other custodian;

(9) is one whose behavior, condition, or environment is such as to be injurious or dangerous to the child or others. An injurious or dangerous environment may include, but is not limited to, the exposure of a child to criminal activity in the child's home;

(10) is experiencing growth delays, which may be referred to as failure to thrive, that have been diagnosed by a physician and are due to parental neglect;

(11) has engaged in prostitution as defined in section 609.321, subdivision 9;

(12) has committed a delinquent act or a juvenile petty offense before becoming ten years old;

(13) is a runaway;

(14) is a habitual truant; or

(15) has been found incompetent to proceed or has been found not guilty by reason of mental illness or mental deficiency in connection with a delinquency proceeding, a certification under section 260B.125, an extended jurisdiction juvenile prosecution, or a proceeding involving a juvenile petty offense.

Sec. 53. Minnesota Statutes 2007 Supplement, section 268.101, subdivision 2, is amended to read:

Subd. 2. **Determination.** (a) The commissioner shall determine any issue of ineligibility raised by information required from an applicant under subdivision 1, paragraph (a) or (c), and send to the applicant and any involved employer, by mail or electronic transmission, a determination of eligibility or a determination of ineligibility, as is appropriate. The determination on an issue of ineligibility as a result of a quit or a discharge of the applicant must state the effect on the employer under section 268.047. A determination must be made in accordance with this paragraph even if a notified employer has not raised the issue of ineligibility.

(b) The commissioner shall determine any issue of ineligibility raised by an employer and send to the applicant and that employer, by mail or electronic transmission, a determination of eligibility or a determination of ineligibility as is appropriate. The determination on an issue of ineligibility as a result of a quit or discharge of the applicant must state the effect on the employer under section 268.047.

If a base period employer:

(1) was not the applicant's most recent employer before the application for unemployment benefits;

(2) did not employ the applicant during the six calendar months before the application for unemployment benefits; and

(3) did not raise an issue of ineligibility as a result of a quit or discharge of the applicant within ten calendar days of notification under subdivision 1, paragraph (b);

then any exception under section 268.047, subdivisions 2 and 3, begins the Sunday two weeks following the week that the issue of ineligibility as a result of a quit or discharge of the applicant was raised by the employer.

A communication from an employer must specifically set out why the applicant should be determined ineligible for unemployment benefits for that communication to be considered to have raised an issue of ineligibility for purposes of this section. A statement of "protest" or a similar term without more information does not constitute raising an issue of ineligibility for purposes of this section.

(c) An issue of ineligibility is determined based upon that information required of an applicant, any information that may be obtained from an applicant or employer, and information from any other source, without regard to any burden of proof.

(d) Regardless of the requirements of this subdivision, the commissioner is not required to send to an applicant a copy of the determination where the applicant has satisfied ~~any otherwise~~ a period of ineligibility because of a quit or a discharge under section 268.095, subdivision 10.

(e) The commissioner may issue a determination on an issue of ineligibility at any time within 24 months from the establishment of a benefit account based upon information from any source, even if the issue of ineligibility was not raised by the applicant or an employer.

This paragraph does not prevent the imposition of a penalty under section 268.18, subdivision 2, or 268.182.

(f) A determination of eligibility or determination of ineligibility is final unless an appeal is filed by the applicant or notified employer within 20 calendar days after sending. The determination must contain a prominent statement indicating the consequences of not appealing. Proceedings on the appeal are conducted in accordance with section 268.105.

(g) An issue of ineligibility required to be determined under this section includes any question regarding the denial or allowing of unemployment benefits under this chapter except for issues under section 268.07. An issue of ineligibility for purposes of this section includes any question of effect on an employer under section 268.047.

(h) Except for issues of ineligibility as a result of a quit or discharge of the applicant, the employer will be (1) sent a copy of the determination of eligibility or a determination of ineligibility, or (2) considered an involved employer for purposes of an appeal under section 268.105, only if the employer raised the issue of ineligibility.

Sec. 54. Minnesota Statutes 2006, section 270.81, subdivision 1, is amended to read:

Subdivision 1. **Valuation of operating property.** The operating property of every railroad company doing business in Minnesota shall be valued by the commissioner in the manner prescribed by ~~Laws 1979, chapter 303, article 7, sections 1 to 13~~ sections 270.80 to 270.87.

Sec. 55. Minnesota Statutes 2006, section 270.82, subdivision 1, is amended to read:

Subdivision 1. **Annual report required.** Every railroad company doing business in Minnesota shall annually file with the commissioner on or before March 31 a report under oath setting forth the information prescribed by the commissioner to enable the commissioner to make the valuation and equalization required by ~~Laws 1979, chapter 303, article 7, sections 1 to 13~~ sections 270.80 to 270.87.

Sec. 56. Minnesota Statutes 2006, section 270.83, subdivision 3, is amended to read:

Subd. 3. **Failure to file report.** If any railroad company shall refuse or neglect to make the report required by this section to the commissioner, or shall refuse or neglect to permit an inspection and examination of its property, records, books, accounts or other papers when requested by the commissioner, or shall refuse or neglect to appear before the commissioner or a person appointed under subdivision 2 when required so to do, the commissioner shall make the valuation provided for by ~~Laws 1979, chapter 303, article 7, sections 1 to 13~~ sections 270.80 to 270.87 against the railroad company according to the commissioner's best judgment on available information.

Sec. 57. Minnesota Statutes 2006, section 273.1398, subdivision 6, is amended to read:

Subd. 6. **Payment.** The commissioner shall certify the aids provided in subdivision 3 before September 1 of the year preceding the distribution year to the county auditor of the affected local government. The aids provided in ~~subdivisions~~ subdivision 3, ~~4a, and 4c~~ must be paid to local governments other than school districts at the times provided in section 477A.015 for payment of local government aid to taxing jurisdictions, except that the first one-half payment of disparity reduction aid provided in subdivision 3 must be paid on or before August 31. The disparity reduction credit provided in subdivision 4 must be paid to taxing jurisdictions other than school districts at the time provided in section 473H.10, subdivision 3. Aids and credit reimbursements to school districts must be certified to the commissioner of education and paid under section 273.1392. Payment shall not be made to any taxing jurisdiction that has ceased to levy a property tax.

Sec. 58. Minnesota Statutes 2006, section 275.065, subdivision 5a, is amended to read:

Subd. 5a. **Public advertisement.** (a) A city that has a population of more than 2,500, county, a metropolitan special taxing district as defined in subdivision 3, paragraph (i), a regional library district established under section 134.201, or school district shall advertise in a newspaper a notice of its intent to adopt a budget and property tax levy or, in the case of a school district, to review its current budget and proposed property taxes payable in the following year, at a public hearing, if a public hearing is required under subdivision 6. The notice must be published not less than two business days nor more than six business days before the hearing.

The advertisement must be at least one-eighth page in size of a standard-size or a tabloid-size newspaper. The advertisement must not be placed in the part of the newspaper where legal notices and classified advertisements appear. The advertisement must be published in an official newspaper of general circulation in the taxing authority. The newspaper selected must be one of general interest and readership in the community, and not one of limited subject matter. The advertisement must appear in a newspaper that is published at least once per week.

For purposes of this section, the metropolitan special taxing district's advertisement must only be published in the Minneapolis Star and Tribune and the Saint Paul Pioneer Press.

In addition to other requirements, a county and a city having a population of more than 2,500 must show in the public advertisement required under this subdivision the current local tax rate, the proposed local tax rate if no property tax levy increase is adopted, and the proposed rate if the proposed levy is adopted. For purposes of this subdivision, "local tax rate" means the city's or county's net tax capacity levy divided by the city's or county's taxable net tax capacity.

(b) The advertisement for school districts, metropolitan special taxing districts, and regional library districts must be in the following form, except that the notice for a school district may include references to the current budget in regard to proposed property taxes.

"NOTICE OF
PROPOSED PROPERTY TAXES

(School District/Metropolitan
Special Taxing District/Regional
Library District) of ....

The governing body of .... will soon hold budget hearings and vote on the property taxes for (metropolitan special taxing district/regional library district services that will be provided in (year)/school district services that will be provided in (year) and (year)).

NOTICE OF PUBLIC HEARING:

All concerned citizens are invited to attend a public hearing and express their opinions on the proposed (school district/metropolitan special taxing district/regional library district) budget and property taxes, or in the case of a school district, its current budget and proposed property taxes, payable in the following year. The hearing will be held on (Month/Day/Year) at (Time) at (Location, Address)."

(c) The advertisement for cities and counties must be in the following form.

"NOTICE OF PROPOSED
TOTAL BUDGET AND PROPERTY TAXES

The (city/county) governing body or board of commissioners will hold a public hearing to discuss the budget and to vote on the amount of property taxes to collect for services the (city/county) will provide in (year).

SPENDING: The total budget amounts below compare (city's/county's) (year) total actual budget with the amount the (city/county) proposes to spend in (year).

(Year) Total Actual Budget	Proposed (Year) Budget	Change from (Year)-(Year)
$..........	$..........	.....%

TAXES: The property tax amounts below compare that portion of the current budget levied in property taxes in (city/county) for (year) with the property taxes the (city/county) proposes to collect in (year).

(Year) Property Taxes	Proposed (Year) Property Taxes	Change from (Year)-(Year)
$..........	$..........	.....%

LOCAL TAX RATE COMPARISON: The current local tax rate, the local tax rate if no tax levy increase is adopted, and the proposed local tax rate if the proposed levy is adopted.

(Year) Tax Rate	(Year) Tax Rate if NO Levy Increase	(Year) Proposed Tax Rate
....	....	.....

ATTEND THE PUBLIC HEARING

All (city/county) residents are invited to attend the public hearing of the (city/county) to express your opinions on the budget and the proposed amount of (year) property taxes. The hearing will be held on:

(Month/Day/Year/Time)
(Location/Address)

If the discussion of the budget cannot be completed, a time and place for continuing the discussion will be announced at the hearing. You are also invited to send your written comments to:

(City/County)
(Location/Address)"

(d) For purposes of this subdivision, the budget amounts listed on the advertisement mean:

(1) for cities, the total government fund expenditures, as defined by the state auditor under section 471.6965, less any expenditures for improvements or services that are

specially assessed or charged under chapter 429, 430, 435, or the provisions of any other law or charter; and

(2) for counties, the total government fund expenditures, as defined by the state auditor under section 375.169, less any expenditures for direct payments to recipients or providers for the human service aids listed below:

(i) Minnesota family investment program under chapters 256J and 256K;

(ii) medical assistance under sections 256B.041, subdivision 5, and 256B.19, subdivision 1;

(iii) general assistance medical care under section 256D.03, subdivision 6;

(iv) general assistance under section 256D.03, subdivision 2;

~~(v) emergency assistance under section 256J.48;~~

~~(vi)~~ (v) Minnesota supplemental aid under section 256D.36, subdivision 1;

~~(vii)~~ (vi) preadmission screening under section 256B.0911, and alternative care grants under section 256B.0913;

~~(viii)~~ (vii) general assistance medical care claims processing, medical transportation and related costs under section 256D.03, subdivision 4;

~~(ix)~~ (viii) medical transportation and related costs under section 256B.0625, subdivisions 17 to 18a;

~~(x)~~ (ix) group residential housing under section 256I.05, subdivision 8, transferred from programs in clauses (iv) and ~~(vi)~~ (v); or

~~(xi)~~ (x) any successor programs to those listed in clauses (i) to ~~(x)~~ (ix).

(e) A city with a population of over 500 but not more than 2,500 that is required to hold a public hearing under subdivision 6 must advertise by posted notice as defined in section 645.12, subdivision 1. The advertisement must be posted at the time provided in paragraph (a). It must be in the form required in paragraph (b).

(f) For purposes of this subdivision, the population of a city is the most recent population as determined by the state demographer under section 4A.02.

(g) The commissioner of revenue, subject to the approval of the chairs of the house and senate tax committees, shall prescribe the form and format of the advertisements required under this subdivision.

Sec. 59. Minnesota Statutes 2006, section 282.01, subdivision 1b, is amended to read:

Subd. 1b. **Conveyance; targeted neighborhood lands.** (a) Notwithstanding subdivision 1a, in the case of tax-forfeited lands located in a targeted neighborhood, as defined in section 469.201, subdivision 10, ~~and section 473.121, subdivision 2,~~ the commissioner of revenue shall convey by deed in the name of the state any tract of tax-forfeited land held in trust in favor of the taxing districts, to a political subdivision that submits an application to the commissioner of revenue and the recommendation of the county board.

(b) The application under paragraph (a) must include a statement of facts as to the use to be made of the tract, the need therefor, and a resolution, adopted by the governing body of the political subdivision, finding that the conveyance of a tract of tax-forfeited land to the political subdivision is necessary to provide for the redevelopment of land as productive taxable property. Deeds of conveyance issued under paragraph (a) are not conditioned on continued use of the property for the use stated in the application.

Sec. 60. Minnesota Statutes 2006, section 289A.08, subdivision 7, is amended to read:

Subd. 7. **Composite income tax returns for nonresident partners, shareholders, and beneficiaries.** (a) The commissioner may allow a partnership with nonresident partners to file a composite return and to pay the tax on behalf of nonresident partners who have no other Minnesota source income. This composite return must include the names, addresses, Social Security numbers, income allocation, and tax liability for the nonresident partners electing to be covered by the composite return.

(b) The computation of a partner's tax liability must be determined by multiplying the income allocated to that partner by the highest rate used to determine the tax liability for individuals under section 290.06, subdivision 2c. Nonbusiness deductions, standard deductions, or personal exemptions are not allowed.

(c) The partnership must submit a request to use this composite return filing method for nonresident partners. The requesting partnership must file a composite return in the form prescribed by the commissioner of revenue. The filing of a composite return is considered a request to use the composite return filing method.

(d) The electing partner must not have any Minnesota source income other than the income from the partnership and other electing partnerships. If it is determined that the electing partner has other Minnesota source income, the inclusion of the income and tax liability for that partner under this provision will not constitute a return to satisfy the requirements of subdivision 1. The tax paid for the individual as part of the composite return is allowed as a payment of the tax by the individual on the date on which the composite return payment was made. If the electing nonresident partner has no other Minnesota source income, filing of the composite return is a return for purposes of subdivision 1.

(e) This subdivision does not negate the requirement that an individual pay estimated tax if the individual's liability would exceed the requirements set forth in section 289A.25.

A composite estimate may, however, be filed in a manner similar to and containing the information required under paragraph (a).

(f) If an electing partner's share of the partnership's gross income from Minnesota sources is less than the filing requirements for a nonresident under this subdivision, the tax liability is zero. However, a statement showing the partner's share of gross income must be included as part of the composite return.

(g) The election provided in this subdivision is only available to a partner who has no other Minnesota source income and who is either (1) a full-year nonresident individual or (2) a trust or estate that does not claim a deduction under either section 651 or 661 of the Internal Revenue Code.

(h) A corporation defined in section 290.9725 and its nonresident shareholders may make an election under this paragraph. The provisions covering the partnership apply to the corporation and the provisions applying to the partner apply to the shareholder.

(i) Estates and trusts distributing current income only and the nonresident individual beneficiaries of the estates or trusts may make an election under this paragraph. The provisions covering the partnership apply to the estate or trust. The provisions applying to the partner apply to the beneficiary.

(j) For the purposes of this subdivision, "income" means the partner's share of federal adjusted gross income from the partnership modified by the additions provided in section 290.01, subdivision 19a, clauses (6) to ~~(9) and (11)~~ (10), and the subtractions provided in: (i) section 290.01, subdivision 19b, clause (9), to the extent the amount is assignable or allocable to Minnesota under section 290.17; and (ii) section 290.01, subdivision 19b, clause (14). The subtraction allowed under section 290.01, subdivision 19b, clause (9), is only allowed on the composite tax computation to the extent the electing partner would have been allowed the subtraction.

Sec. 61. Minnesota Statutes 2006, section 289A.63, subdivision 6, is amended to read:

Subd. 6. **Collection of tax; penalty.** An agent, canvasser, or employee of a retailer, who is not authorized by permit from the commissioner, may not collect the sales tax as imposed by chapter 297A, nor sell, solicit orders for, nor deliver, any tangible personal property in this state. An agent, canvasser, or employee violating the provisions of section 297A.63; 297A.66 to 297A.71; 297A.75; 297A.76, subdivision 1; 297A.77; 297A.78; 297A.80; 297A.82, subdivision 4; 297A.83; 297A.89; 297A.90; 297A.91; or 297A.96~~; or 297A.97~~ is guilty of a misdemeanor.

Sec. 62. Minnesota Statutes 2006, section 290.0921, subdivision 3, is amended to read:

Subd. 3. **Alternative minimum taxable income.** "Alternative minimum taxable income" is Minnesota net income as defined in section 290.01, subdivision 19, and includes the adjustments and tax preference items in sections 56, 57, 58, and 59(d), (e), (f), and (h) of the Internal Revenue Code. If a corporation files a separate company Minnesota tax return, the minimum tax must be computed on a separate company basis. If a corporation is part of a tax group filing a unitary return, the minimum tax must be computed on a unitary basis. The following adjustments must be made.

(1) For purposes of the depreciation adjustments under section 56(a)(1) and 56(g)(4)(A) of the Internal Revenue Code, the basis for depreciable property placed in service in a taxable year beginning before January 1, 1990, is the adjusted basis for federal income tax purposes, including any modification made in a taxable year under section 290.01, subdivision 19e, or Minnesota Statutes 1986, section 290.09, subdivision 7, paragraph (c).

For taxable years beginning after December 31, 2000, the amount of any remaining modification made under section 290.01, subdivision 19e, or Minnesota Statutes 1986, section 290.09, subdivision 7, paragraph (c), not previously deducted is a depreciation allowance in the first taxable year after December 31, 2000.

(2) The portion of the depreciation deduction allowed for federal income tax purposes under section 168(k) of the Internal Revenue Code that is required as an addition under section 290.01, subdivision 19c, clause ~~(16)~~ <u>(15)</u>, is disallowed in determining alternative minimum taxable income.

(3) The subtraction for depreciation allowed under section 290.01, subdivision 19d, clause (19), is allowed as a depreciation deduction in determining alternative minimum taxable income.

(4) The alternative tax net operating loss deduction under sections 56(a)(4) and 56(d) of the Internal Revenue Code does not apply.

(5) The special rule for certain dividends under section 56(g)(4)(C)(ii) of the Internal Revenue Code does not apply.

(6) The special rule for dividends from section 936 companies under section 56(g)(4)(C)(iii) does not apply.

(7) The tax preference for depletion under section 57(a)(1) of the Internal Revenue Code does not apply.

(8) The tax preference for intangible drilling costs under section 57(a)(2) of the Internal Revenue Code must be calculated without regard to subparagraph (E) and the subtraction under section 290.01, subdivision 19d, clause (4).

(9) The tax preference for tax exempt interest under section 57(a)(5) of the Internal Revenue Code does not apply.

(10) The tax preference for charitable contributions of appreciated property under section 57(a)(6) of the Internal Revenue Code does not apply.

(11) For purposes of calculating the tax preference for accelerated depreciation or amortization on certain property placed in service before January 1, 1987, under section 57(a)(7) of the Internal Revenue Code, the deduction allowable for the taxable year is the deduction allowed under section 290.01, subdivision 19e.

For taxable years beginning after December 31, 2000, the amount of any remaining modification made under section 290.01, subdivision 19e, not previously deducted is a depreciation or amortization allowance in the first taxable year after December 31, 2004.

(12) For purposes of calculating the adjustment for adjusted current earnings in section 56(g) of the Internal Revenue Code, the term "alternative minimum taxable income" as it is used in section 56(g) of the Internal Revenue Code, means alternative minimum taxable income as defined in this subdivision, determined without regard to the adjustment for adjusted current earnings in section 56(g) of the Internal Revenue Code.

(13) For purposes of determining the amount of adjusted current earnings under section 56(g)(3) of the Internal Revenue Code, no adjustment shall be made under section 56(g)(4) of the Internal Revenue Code with respect to (i) the amount of foreign dividend gross-up subtracted as provided in section 290.01, subdivision 19d, clause (1), (ii) the amount of refunds of income, excise, or franchise taxes subtracted as provided in section 290.01, subdivision 19d, clause ~~(10)~~ (9), or (iii) the amount of royalties, fees or other like income subtracted as provided in section 290.01, subdivision 19d, clause ~~(11)~~ (10).

(14) Alternative minimum taxable income excludes the income from operating in a job opportunity building zone as provided under section 469.317.

(15) Alternative minimum taxable income excludes the income from operating in a biotechnology and health sciences industry zone as provided under section 469.337.

(16) Alternative minimum taxable income excludes the income from operating in an international economic development zone as provided under section 469.326.

Items of tax preference must not be reduced below zero as a result of the modifications in this subdivision.

Sec. 63. Minnesota Statutes 2006, section 297A.70, subdivision 13, is amended to read:

Subd. 13. **Fund-raising sales by or for nonprofit groups.** (a) The following sales by the specified organizations for fund-raising purposes are exempt, subject to the limitations listed in paragraph (b):

(1) all sales made by an organization that exists solely for the purpose of providing educational or social activities for young people primarily age 18 and under;

(2) all sales made by an organization that is a senior citizen group or association of groups if (i) in general it limits membership to persons age 55 or older; (ii) it is organized and operated exclusively for pleasure, recreation, and other nonprofit purposes; and (iii) no part of its net earnings inures to the benefit of any private shareholders;

(3) the sale or use of tickets or admissions to a golf tournament held in Minnesota if the beneficiary of the tournament's net proceeds qualifies as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code; and

(4) sales of candy sold for fund-raising purposes by a nonprofit organization that provides educational and social activities primarily for young people age 18 and under.

(b) The exemptions listed in paragraph (a) are limited in the following manner:

(1) the exemption under paragraph (a), clauses (1) and (2), applies only if the gross annual receipts of the organization from fund-raising do not exceed $10,000; and

(2) the exemption under paragraph (a), clause (1), does not apply if the sales are derived from admission charges or from activities for which the money must be deposited with the school district treasurer under section 123B.49, subdivision 2, or be recorded in the same manner as other revenues or expenditures of the school district under section 123B.49, subdivision 4.

(c) Sales of tangible personal property are exempt if the entire proceeds, less the necessary expenses for obtaining the property, will be contributed to a registered combined charitable organization described in section ~~309.501~~ 43A.50, to be used exclusively for charitable, religious, or educational purposes, and the registered combined charitable organization has given its written permission for the sale. Sales that occur over a period of more than 24 days per year are not exempt under this paragraph.

(d) For purposes of this subdivision, a club, association, or other organization of elementary or secondary school students organized for the purpose of carrying on sports, educational, or other extracurricular activities is a separate organization from the school district or school for purposes of applying the $10,000 limit.

Sec. 64. Minnesota Statutes 2006, section 298.282, subdivision 2, is amended to read:

Subd. 2. **Commissioner's calculation and certification of municipal distributions.** (a) Each year following the final determination of the amount of taxes payable under section 298.24, the commissioner of revenue shall determine the amount in the taconite municipal aid account as of July 1 of that year and the amount to be distributed to each qualifying municipality during the year. The amount to be distributed to each qualifying municipality shall be determined by determining an index for each qualifying municipality by subtracting its local effort tax rate, multiplied by its equalized gross tax capacity, from its fiscal need factor. For the purposes of this subdivision, the following terms have the meanings given them herein. A municipality's "local effort tax rate" means its fiscal need factor per capita divided by $21 per capita for each one percent of the gross local tax rate or $17 per capita for each one percent of the net local tax rate for the first $350 of its fiscal need factor per capita; plus its fiscal need factor per capita divided by $18 per capita for each one percent of the gross local tax rate or $15 per capita for each one percent of the net local tax rate on that part of its fiscal need factor per capita, if any, in excess of $350. In no case shall a municipality's local effort tax rate be less than a gross local tax rate of 6.56 percent or a net local tax rate of 8.16 percent. A municipality's "equalized gross tax capacity" means its previous year tax capacity, less the tax capacity in any tax increment district, divided by the municipality's aggregate sales ratio covering the period ending two years prior to the year of aid distribution. A municipality's "fiscal need factor" means the three-year average of the sum of its municipal levy, taconite aids received under section 298.28, subdivisions 2, 11, paragraph (b), and this section and its local government aid distribution amount, for taxes payable and distribution amounts receivable in the three years immediately preceding the aid distribution year.

The ratio of the resulting index for each qualifying municipality to the sum of all qualifying municipalities' indexes shall be multiplied by the total amount in the taconite municipal aid account less the amount distributed pursuant to subdivision 5.

(b) If the distribution under this section, sections ~~273.138,~~ 298.26 and 298.28, and chapter 477A, to any municipality would exceed that municipality's levy for that year, the amount in excess of the levy for that year shall reduce the amount distributed to the municipality under this section and this excess amount shall be distributed to the other qualifying municipalities in the same manner as the distribution made pursuant to subdivision 2, except that the qualifying municipality receiving an initial distribution when added to that received pursuant to sections ~~273.138,~~ 298.26, 298.28, and chapter 477A in excess of the qualifying municipality's levy, shall not receive a distribution nor shall its index be used in computing the distribution pursuant to this clause. The distributions to be received in the year in which the taxes are payable shall be compared to the levy for that same year. Upon completion of the determination, the commissioner of revenue shall certify to the chief clerical officer of each qualifying municipality the amount which will be distributed to the municipality from the taconite municipal aid account that year.

Sec. 65. Minnesota Statutes 2006, section 300.15, is amended to read:

300.15 POWERS, RIGHTS, LIABILITIES, AND DUTIES OF CONSOLIDATED CORPORATION.

When the agreement is signed, acknowledged, filed for record, and published as required by Minnesota Statutes 2004, section 300.14, the separate existence of the constituent corporations ceases and they become a single corporation in accordance with the agreement, possessing all the rights, privileges, powers, franchises, and immunities and subject to all the liabilities and duties of each of the consolidating corporations. The rights, privileges, powers, franchises, and immunities of each of the corporations and all property, and all debts owing on whatever account, and all other things in action of or belonging to each of the corporations are vested in the consolidated corporation, and all property, rights, privileges, powers, franchises, immunities, and other interests are thereafter as effectually the property of the consolidated corporation as they were of the several and respective constituent corporations. All rights of creditors and all liens upon the property of either of the constituent corporations are preserved unimpaired, and are limited in lien to the property affected by the lien at the time of the consolidation. All debts, liabilities, and duties of the constituent corporations attach to the consolidated corporation and may be enforced against it to the same extent as if the debts, liabilities, and duties had been incurred or contracted by it.

Sec. 66. Minnesota Statutes 2006, section 300.64, subdivision 4, is amended to read:

Subd. 4. **Elimination or limitation of liability.** A director's personal liability to the corporation or its stockholders or members for monetary damages for breach of fiduciary duty as a director may be eliminated or limited in the certificate. The certificate shall not eliminate or limit the liability of a director:

(1) for a breach of the director's duty of loyalty to the corporation or its stockholders or members;

(2) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;

(3) for acts prohibited under Minnesota Statutes 2004, section 300.60;

(4) under subdivision 1, 2, or 3;

(5) for a transaction from which the director derived an improper personal benefit; or

(6) for an act or omission occurring prior to the date when the provision in the certificate eliminating or limiting liability becomes effective.

Sec. 67. Minnesota Statutes 2006, section 321.0108, is amended to read:

321.0108 NAME.

(a) The name of a limited partnership may contain the name of any partner.

(b) The name of a limited partnership that is not a limited liability limited partnership must contain the phrase "limited partnership" or the abbreviation "L.P." or "LP" and may not contain the phrase "limited liability limited partnership" or the abbreviation "LLLP" or "L.L.L.P."

(c) Except as provided in section ~~321.1206(d)(1)~~ 321.1206(e)(1), the name of a limited liability limited partnership must contain the phrase "limited liability limited partnership" or the abbreviation "LLLP" or "L.L.L.P." and must not otherwise contain the abbreviation "L.P." or "LP."

(d) The limited partnership name shall not contain a word or phrase that indicates or implies that it is formed for a purpose other than a legal purpose.

(e) The limited partnership name shall be distinguishable upon the records in the Office of the Secretary of State from the name of each domestic corporation, limited partnership, limited liability partnership, and limited liability company, whether profit or nonprofit, and each foreign corporation, limited partnership, limited liability partnership, and limited liability company authorized or registered to do business in this state, whether profit or nonprofit, and each name the right to which is, at the time of formation, reserved as provided for in sections 302A.117, 322A.03, 322B.125, or 333.001 to 333.54, unless there is filed with the certificate of limited partnership one of the following:

(1) the written consent of the domestic corporation, limited partnership, limited liability partnership, or limited liability company, or the foreign corporation, limited partnership, limited liability partnership, or limited liability company authorized or registered to do business in this state or the holder of a reserved name or a name filed by or registered with the secretary of state under sections 333.001 to 333.54 having a name that is not distinguishable;

(2) a certified copy of a final decree of a court in this state establishing the prior right of the applicant to the use of the name in this state; or

(3) the applicant's affidavit that the corporation, limited partnership, or limited liability company with the name that is not distinguishable has been incorporated or on file in this state for at least three years prior to the affidavit, if it is a domestic corporation, limited partnership, or limited liability company, or has been authorized or registered to do business in this state for at least three years prior to the affidavit, if it is a foreign corporation, limited partnership, or limited liability company, or that the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 filed or

registered that name at least three years prior to the affidavit; that the corporation, limited partnership, or limited liability company or holder has not during the three-year period before the affidavit filed any document with the secretary of state; that the applicant has mailed written notice to the corporation, limited partnership, or limited liability company or the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 by certified mail, return receipt requested, properly addressed to the registered office of the corporation or limited liability company or in care of the agent of the limited partnership, or the address of the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54, shown in the records of the secretary of state, stating that the applicant intends to use a name that is not distinguishable and the notice has been returned to the applicant as undeliverable to the addressee corporation, limited partnership, limited liability company, or holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54; that the applicant, after diligent inquiry, has been unable to find any telephone listing for the corporation, limited partnership, or limited liability company with the name that is not distinguishable in the county in which is located the registered office of the corporation, limited partnership, or limited liability company shown in the records of the secretary of state or has been unable to find any telephone listing for the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 in the county in which is located the address of the holder shown in the records of the secretary of state; and that the applicant has no knowledge that the corporation, limited partnership, limited liability company, or holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 is currently engaged in business in this state.

(f) The secretary of state shall determine whether a name is distinguishable from another name for purposes of this section and section 321.0109.

(g) This section and section 321.0109 do not abrogate or limit the law of unfair competition or unfair practices; nor sections 333.001 to 333.54; nor the laws of the United States with respect to the right to acquire and protect copyrights, trade names, trademarks, service names, service marks, or any other rights to the exclusive use of names or symbols; nor derogate the common law or the principles of equity.

(h) A limited partnership that is the surviving organization in a merger with one or more other organizations, or that is formed by the reorganization of one or more organizations, or that acquires by sale, lease, or other disposition to or exchange with an organization all or substantially all of the assets of another organization, including its name, may have the same name as that used in this state by any of the other organizations, if the other organization whose name is sought to be used was organized under the laws of, or is authorized to transact business in, this state.

(i) The use of a name by a limited partnership in violation of this section does not affect or vitiate its existence, but a court in this state may, upon application of the state or of a person interested or affected, enjoin the limited partnership from doing business under a name assumed in violation of this section, although its certificate of limited partnership may have been filed with the secretary of state and a certificate of formation issued.

(j) A person doing business in this state may contest the subsequent registration of a name with the Office of the Secretary of State as provided in section 5.22.

Sec. 68. Minnesota Statutes 2007 Supplement, section 325E.386, subdivision 1, is amended to read:

Subdivision 1. **Penta- and octabromodiphenyl ethers.** Except as provided in subdivision ~~3~~ 2, beginning January 1, 2008, a person may not manufacture, process, or distribute in commerce a product or flame-retardant part of a product containing more than one-tenth of one percent of pentabromodiphenyl ether or octabromodiphenyl ether by mass.

Sec. 69. Minnesota Statutes 2007 Supplement, section 326.91, subdivision 1, is amended to read:

Subdivision 1. **Grounds.** In addition to the grounds set forth in section 326B.082, subdivision 11, the commissioner may deny, suspend, limit, place conditions on, or revoke a license or certificate of exemption, or may censure the person holding the license or certificate of exemption, if the applicant, licensee, certificate of exemption holder, qualifying person, or affiliate of an applicant, licensee, or certificate of exemption holder, or other agent owner:

(1) has filed an application for licensure or a certificate of exemption which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, is false or misleading with respect to any material fact;

(2) has engaged in a fraudulent, deceptive, or dishonest practice;

(3) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the business;

(4) has failed to reasonably supervise employees, agents, subcontractors, or salespersons, or has performed negligently or in breach of contract, so as to cause injury or harm to the public;

(5) has violated or failed to comply with any provision of sections 326.83 to 326.98, any rule or order under sections 326.83 to 326.98, or any other law, rule, or order related to the duties and responsibilities entrusted to the commissioner;

(6) has been convicted of a violation of the State Building Code or has refused to comply with a notice of violation or stop order issued by a certified building official, or in local jurisdictions that have not adopted the State Building Code has refused to correct a violation of the State Building Code when the violation has been documented or a notice of violation or stop order issued by a certified building official has been received;

(7) has failed to use the proceeds of any payment made to the licensee for the construction of, or any improvement to, residential real estate, as defined in section 326.83, subdivision 17, for the payment of labor, skill, material, and machinery contributed to the construction or improvement, knowing that the cost of any labor performed, or skill, material, or machinery furnished for the improvement remains unpaid;

(8) has not furnished to the person making payment either a valid lien waiver as to any unpaid labor performed, or skill, material, or machinery furnished for an improvement, or a payment bond in the basic amount of the contract price for the improvement conditioned for the prompt payment to any person or persons entitled to payment;

(9) has engaged in an act or practice that results in compensation to an aggrieved owner or lessee from the contractor recovery fund pursuant to section ~~36B.825~~ 326B.89, unless:

(i) the applicant or licensee has repaid the fund twice the amount paid from the fund, plus interest at the rate of 12 percent per year; and

(ii) the applicant or licensee has obtained a surety bond in the amount of at least $40,000, issued by an insurer authorized to transact business in this state;

(10) has engaged in bad faith, unreasonable delays, or frivolous claims in defense of a civil lawsuit or arbitration arising out of their activities as a licensee or certificate of exemption holder under this chapter;

(11) has had a judgment entered against them for failure to make payments to employees, subcontractors, or suppliers, that the licensee has failed to satisfy and all appeals of the judgment have been exhausted or the period for appeal has expired;

(12) if unlicensed, has obtained a building permit by the fraudulent use of a fictitious license number or the license number of another, or, if licensed, has knowingly allowed an unlicensed person to use the licensee's license number for the purpose of fraudulently

obtaining a building permit; or has applied for or obtained a building permit for an unlicensed person;

(13) has made use of a forged mechanic's lien waiver under chapter 514;

(14) has provided false, misleading, or incomplete information to the commissioner or has refused to allow a reasonable inspection of records or premises;

(15) has engaged in an act or practice whether or not the act or practice directly involves the business for which the person is licensed, that demonstrates that the applicant or licensee is untrustworthy, financially irresponsible, or otherwise incompetent or unqualified to act under the license granted by the commissioner; or

(16) has failed to comply with requests for information, documents, or other requests from the department within the time specified in the request or, if no time is specified, within 30 days of the mailing of the request by the department.

Sec. 70. Minnesota Statutes 2006, section 332.30, is amended to read:

332.30 ACCELERATED MORTGAGE PAYMENT PROVIDER; BOND REQUIREMENTS.

(a) Before beginning business in this state, an accelerated mortgage payment provider, as defined in section ~~332.13, subdivision 2, clause (10)~~ 332A.02, subdivision 8, clause (9), shall submit to the commissioner of commerce an authorization fee of $250 and either:

(1) a surety bond in which the accelerated mortgage payment provider is the obligor, in an amount determined by the commissioner; or

(2) if the commissioner agrees to accept it, a deposit:

(i) in cash in an amount equivalent to the bond amount; or

(ii) of authorized securities, as defined in section 50.14, with an aggregate market value equal to the bond amount. The cash or securities must be deposited with the commissioner of finance.

(b) The amount of the bond required by the commissioner shall vary with the amount of Minnesota client funds held or to be held by the obligor. For new businesses, the bond must be no less than $100,000, except as provided in section 332.301. The commissioner may increase the required bond amount upon 30 days' notice to the accelerated mortgage payment provider.

(c) If a bond is submitted, it must name as surety an insurance company authorized to transact fidelity and surety business in this state. The bond must run to the state of Minnesota for the use of the state and of any person who may have a claim against the obligor arising out of the obligor's activities as an accelerated mortgage payment provider.

The bond must be conditioned that the obligor will not commit any fraudulent act and will faithfully conform to and abide by the provisions of accelerated mortgage payment agreements with Minnesota residents.

If an accelerated mortgage payment provider has failed to account to a mortgagor or distribute funds to the mortgagee as required by an accelerated mortgage payment agreement, the mortgagor or the mortgagor's legal representative or receiver or the commissioner shall have, in addition to any other legal remedies, a right of action in the name of the debtor on the bond or the security given pursuant to this section.

Sec. 71. Minnesota Statutes 2007 Supplement, section 352.01, subdivision 2b, is amended to read:

Subd. 2b. **Excluded employees.** "State employee" does not include:

(1) students employed by the University of Minnesota, or the state colleges and universities, unless approved for coverage by the Board of Regents of the University of Minnesota or the Board of Trustees of the Minnesota State Colleges and Universities, whichever is applicable;

(2) employees who are eligible for membership in the state Teachers Retirement Association, except employees of the Department of Education who have chosen or may choose to be covered by the general state employees retirement plan of the Minnesota State Retirement System instead of the Teachers Retirement Association;

(3) employees of the University of Minnesota who are excluded from coverage by action of the Board of Regents;

(4) officers and enlisted personnel in the National Guard and the naval militia who are assigned to permanent peacetime duty and who under federal law are or are required to be members of a federal retirement system;

(5) election officers;

(6) persons who are engaged in public work for the state but who are employed by contractors when the performance of the contract is authorized by the legislature or other competent authority;

(7) officers and employees of the senate, or of the house of representatives, or of a legislative committee or commission who are temporarily employed;

(8) receivers, jurors, notaries public, and court employees who are not in the judicial branch as defined in section 43A.02, subdivision 25, except referees and adjusters employed by the Department of Labor and Industry;

(9) patient and inmate help in state charitable, penal, and correctional institutions including the Minnesota Veterans Home;

(10) persons who are employed for professional services where the service is incidental to their regular professional duties and whose compensation is paid on a per diem basis;

(11) employees of the Sibley House Association;

(12) the members of any state board or commission who serve the state intermittently and are paid on a per diem basis; the secretary, secretary-treasurer, and treasurer of those boards if their compensation is $5,000 or less per year, or, if they are legally prohibited from serving more than three years; and the board of managers of the State Agricultural Society and its treasurer unless the treasurer is also its full-time secretary;

(13) state troopers and persons who are described in section 352B.01, subdivision 2, clauses (2) to (6);

(14) temporary employees of the Minnesota State Fair who are employed on or after July 1 for a period not to extend beyond October 15 of that year; and persons who are employed at any time by the state fair administration for special events held on the fairgrounds;

(15) emergency employees who are in the classified service; except that if an emergency employee, within the same pay period, becomes a provisional or probationary employee on other than a temporary basis, the employee shall be considered a "state employee" retroactively to the beginning of the pay period;

(16) temporary employees in the classified service, and temporary employees in the unclassified service who are appointed for a definite period of not more than six months and who are employed less than six months in any one-year period;

(17) interns hired for six months or less and trainee employees, except those listed in subdivision 2a, clause (8);

(18) persons whose compensation is paid on a fee basis or as an independent contractor;

(19) state employees who are employed by the Board of Trustees of the Minnesota State Colleges and Universities in unclassified positions enumerated in section 43A.08, subdivision 1, clause (9);

(20) state employees who in any year have credit for 12 months service as teachers in the public schools of the state and as teachers are members of the Teachers Retirement Association or a retirement system in St. Paul, Minneapolis, or Duluth, except for incidental employment as a state employee that is not covered by one of the teacher retirement associations or systems;

(21) employees of the adjutant general who are employed on an unlimited intermittent or temporary basis in the classified or unclassified service for the support of Army and Air National Guard training facilities;

(22) chaplains and nuns who are excluded from coverage under the federal Old Age, Survivors, Disability, and Health Insurance Program for the performance of service as specified in United States Code, title 42, section 410(a)(8)(A), as amended, if no irrevocable election of coverage has been made under section 3121(r) of the Internal Revenue Code of 1986, as amended through December 31, 1992;

(23) examination monitors who are employed by departments, agencies, commissions, and boards to conduct examinations required by law;

(24) persons who are appointed to serve as members of fact-finding commissions or adjustment panels, arbitrators, or labor referees under chapter 179;

(25) temporary employees who are employed for limited periods under any state or federal program for training or rehabilitation, including persons who are employed for limited periods from areas of economic distress, but not including skilled and supervisory personnel and persons having civil service status covered by the system;

(26) full-time students who are employed by the Minnesota Historical Society intermittently during part of the year and full-time during the summer months;

(27) temporary employees who are appointed for not more than six months, of the Metropolitan Council and of any of its statutory boards, if the board members are appointed by the Metropolitan Council;

(28) persons who are employed in positions designated by the Department of Employee Relations as student workers;

(29) members of trades who are employed by the successor to the Metropolitan Waste Control Commission, who have trade union pension plan coverage under a collective bargaining agreement, and who are first employed after June 1, 1977;

(30) off-duty peace officers while employed by the Metropolitan Council;

(31) persons who are employed as full-time police officers by the Metropolitan Council and as police officers are members of the public employees police and fire fund;

(32) persons who are employed as full-time firefighters by the Department of Military Affairs and as firefighters are members of the public employees police and fire fund;

(33) foreign citizens with a work permit of less than three years, or an H-1b/JV visa valid for less than three years of employment, unless notice of extension is supplied which allows them to work for three or more years as of the date the extension is granted, in which case they are eligible for coverage from the date extended; and

(34) persons who are employed by the Board of Trustees of the Minnesota State Colleges and Universities and who ~~elect~~ elected to remain members of the Public Employees Retirement Association or the Minneapolis Employees Retirement Fund, whichever applies, under Minnesota Statutes 1994, section 136C.75.

Sec. 72. Minnesota Statutes 2006, section 352.03, subdivision 11, is amended to read:

Subd. 11. **Legal adviser, attorney general.** The attorney general shall be the legal adviser of the board and of the director. The board may sue or be sued or petitioned under this section in the name of the board of directors of the system. In actions brought by it or against it, the board shall be represented by the attorney general and~~, except as provided in section 352.031, subdivision 9,~~ venue of actions shall be in the Ramsey County District Court.

Sec. 73. Minnesota Statutes 2006, section 352.119, subdivision 3, is amended to read:

Subd. 3. **Increases made automatically.** ~~Notwithstanding section 356.18,~~ Increases in benefit payments under this section will be made automatically unless the intended recipient files written notice with the system requesting that the increase not be made.

Sec. 74. Minnesota Statutes 2006, section 354.07, subdivision 3, is amended to read:

Subd. 3. **Attorney general; venue.** The attorney general shall be legal advisor to the board and the executive director. The board may sue or be sued or petitioned under section ~~354.071~~ 356.96 in the name of the board of trustees of the Teachers Retirement Association. In all actions brought by or against it the board shall be represented by the attorney general. Except as provided in section ~~354.071, subdivision 9~~ 356.96, subdivision 13, venue of all actions is in the Ramsey County District Court.

Sec. 75. Minnesota Statutes 2006, section 354A.12, subdivision 1, is amended to read:

Subdivision 1. **Employee contributions.** The contribution required to be paid by each member of a teachers retirement fund association shall not be less than the percentage of total salary specified below for the applicable association and program:

Association and Program		Percentage of Total Salary
Duluth Teachers Retirement Fund Association		
	old law and new law coordinated programs	5.5 percent
St. Paul Teachers Retirement Fund Association		

basic program	8 percent
coordinated program	5.5 percent

Contributions shall be made by deduction from salary and must be remitted directly to the respective teachers retirement fund association at least once each month.

Sec. 76. Minnesota Statutes 2006, section 354A.12, subdivision 2a, is amended to read:

Subd. 2a. **Employer regular and additional contribution rates.** (a) The employing units shall make the following employer contributions to teachers retirement fund associations:

(1) for any coordinated member of a teachers retirement fund association in a city of the first class, the employing unit shall pay the employer Social Security taxes ~~in accordance with section 355.46, subdivision 3, clause (b)~~;

(2) for any coordinated member of one of the following teachers retirement fund associations in a city of the first class, the employing unit shall make a regular employer contribution to the respective retirement fund association in an amount equal to the designated percentage of the salary of the coordinated member as provided below:

Duluth Teachers Retirement Fund Association	4.50 percent
St. Paul Teachers Retirement Fund Association	4.50 percent

(3) for any basic member of the St. Paul Teachers Retirement Fund Association, the employing unit shall make a regular employer contribution to the respective retirement fund in an amount equal to 8.00 percent of the salary of the basic member;

(4) for a basic member of the St. Paul Teachers Retirement Fund Association, the employing unit shall make an additional employer contribution to the respective fund in an amount equal to 3.64 percent of the salary of the basic member;

(5) for a coordinated member of a teachers retirement fund association in a city of the first class, the employing unit shall make an additional employer contribution to the respective fund in an amount equal to the applicable percentage of the coordinated member's salary, as provided below:

Duluth Teachers Retirement Fund Association	1.29 percent
St. Paul Teachers Retirement Fund Association	
July 1, 1993 - June 30, 1994	0.50 percent
July 1, 1994 - June 30, 1995	1.50 percent
July 1, 1997, and thereafter	3.84 percent

(b) The regular and additional employer contributions must be remitted directly to the respective teachers retirement fund association at least once each month. Delinquent amounts are payable with interest under the procedure in subdivision 1a.

(c) Payments of regular and additional employer contributions for school district or technical college employees who are paid from normal operating funds must be made from the appropriate fund of the district or technical college.

Sec. 77. Minnesota Statutes 2006, section 356.30, subdivision 1, is amended to read:

Subdivision 1. **Eligibility; computation of annuity.** (a) Notwithstanding any provisions of the laws governing the retirement plans enumerated in subdivision 3, a person who has met the qualifications of paragraph (b) may elect to receive a retirement annuity from each enumerated retirement plan in which the person has at least one-half year of allowable service, based on the allowable service in each plan, subject to the provisions of paragraph (c).

(b) A person may receive, upon retirement, a retirement annuity from each enumerated retirement plan in which the person has at least one-half year of allowable service, and augmentation of a deferred annuity calculated at the appropriate rate under the laws governing each public pension plan or fund named in subdivision 3, based on the date of the person's initial entry into public employment from the date the person terminated all public service if:

(1) the person has allowable service totaling an amount that allows the person to receive an annuity in any two or more of the enumerated plans; and

(2) the person has not begun to receive an annuity from any enumerated plan or the person has made application for benefits from each applicable plan and the effective dates of the retirement annuity with each plan under which the person chooses to receive an annuity are within a one-year period.

(c) The retirement annuity from each plan must be based upon the allowable service, accrual rates, and average salary in the applicable plan except as further specified or modified in the following clauses:

(1) the laws governing annuities must be the law in effect on the date of termination from the last period of public service under a covered retirement plan with which the person earned a minimum of one-half year of allowable service credit during that employment;

(2) the "average salary" on which the annuity from each covered plan in which the employee has credit in a formula plan must be based on the employee's highest five successive years of covered salary during the entire service in covered plans;

(3) the accrual rates to be used by each plan must be those percentages prescribed by each plan's formula as continued for the respective years of allowable service from one plan to the next, recognizing all previous allowable service with the other covered plans;

(4) the allowable service in all the plans must be combined in determining eligibility for and the application of each plan's provisions in respect to reduction in the annuity amount for retirement prior to normal retirement age; and

(5) the annuity amount payable for any allowable service under a nonformula plan of a covered plan must not be affected, but such service and covered salary must be used in the above calculation.

(d) This section does not apply to any person whose final termination from the last public service under a covered plan was before May 1, 1975.

(e) For the purpose of computing annuities under this section, the accrual rates used by any covered plan, except the public employees police and fire plan, the judges retirement fund, and the State Patrol retirement plan, must not exceed the percent specified in section 356.315, subdivision 4, per year of service for any year of service or fraction thereof. The formula percentage used by the judges retirement fund must not exceed the percentage rate specified in section 356.315, subdivision 8, per year of service for any year of service or fraction thereof. The accrual rate used by the public employees police and fire plan and the State Patrol retirement plan must not exceed the percentage rate specified in section 356.315, subdivision 6, per year of service for any year of service or fraction thereof. The accrual rate or rates used by the legislators retirement plan ~~and the elective state officers retirement plan~~ must not exceed 2.5 percent, but this limit does not apply to the adjustment provided under section 3A.02, subdivision 1, paragraph (c)~~, or 352C.031, paragraph (b)~~.

(f) Any period of time for which a person has credit in more than one of the covered plans must be used only once for the purpose of determining total allowable service.

(g) If the period of duplicated service credit is more than one-half year, or the person has credit for more than one-half year, with each of the plans, each plan must apply its formula to a prorated service credit for the period of duplicated service based on a fraction of the salary on which deductions were paid to that fund for the period divided by the total salary on which deductions were paid to all plans for the period.

(h) If the period of duplicated service credit is less than one-half year, or when added to other service credit with that plan is less than one-half year, the service credit must be ignored and a refund of contributions made to the person in accord with that plan's refund provisions.

Sec. 78. Minnesota Statutes 2006, section 356.65, subdivision 2, is amended to read:

Subd. 2. **Disposition of abandoned amounts.** Any unclaimed public pension fund amounts existing in any public pension fund are presumed to be abandoned, but are not subject to the provisions of sections 345.31 to 345.60. Unless the benefit plan of the public pension fund specifically provides for a different disposition of unclaimed or abandoned funds or amounts, any unclaimed public pension fund amounts cancel and must be credited to the public pension fund. If the unclaimed public pension fund amount exceeds $25 and the inactive or former member again becomes a member of the applicable public pension plan or applies for a retirement annuity under section 3A.12, 352.72, 352B.30, ~~352C.051,~~ 353.71, 354.60, 356.30, or 422A.16, subdivision 8, whichever applies, the canceled amount must be restored to the credit of the person.

Sec. 79. Minnesota Statutes 2006, section 386.015, subdivision 5, is amended to read:

Subd. 5. **Public and private fees.** The county recorder shall charge and collect all fees as prescribed by law and all such fees collected as county recorder shall be paid to the county in the manner and at the time prescribed by the county board, but not less often than once each month. This subdivision shall apply to the fees collected by the county recorder in performing the duties of the registrar of titles and all such fees shall be paid to the county as herein provided ~~except that money paid to the registrar of titles for the state general fund as provided in section 508.74 shall be paid to the county as provided in section 508.75~~. A county recorder may retain as personal compensation any fees the recorder is permitted to charge by law for services rendered in a private capacity as a registered abstracter as defined in section 386.61, subdivision 2, clause (2).

Sec. 80. Minnesota Statutes 2006, section 422A.101, subdivision 2, is amended to read:

Subd. 2. **Contributions by or for city-owned public utilities, improvements, or municipal activities.** Contributions by or for any city-owned public utility, improvement project, and other municipal activities supported in whole or in part by revenues other than real estate taxes, any public corporation, any employing unit of metropolitan government, Special School District No. 1, or Hennepin County, on account of any employee covered by the fund, shall be calculated as follows:

(a) a regular employer contribution of an amount equal to the percentage rounded to the nearest two decimal places of the salaries and wages of all employees of the employing unit covered by the retirement fund which equals the difference between the level normal cost plus administrative cost reported in the annual actuarial valuation prepared by the actuary retained under section 356.214 and the employee contributions provided for in section 422A.10;

(b) an additional employer contribution of an amount equal to the percent specified in section 353.27, subdivision 3a, clause (a), multiplied by the salaries and wages of all employees of the employing unit covered by the retirement fund;

(c) a proportional share of an additional employer amortization contribution of an amount equal to $3,900,000 annually until June 30, 2020, based upon the share of the fund's unfunded actuarial accrued liability attributed to the employer as disclosed in the annual actuarial valuation prepared by the actuary retained under section 356.214.

The city council or any board or commission may, by proper action, provide for the inclusion of the cost of the retirement contributions for employees of any city-owned public utility or for persons employed in any improvement project or other municipal activity supported in whole or in part by revenues other than taxes who are covered by the retirement fund in the cost of operating the utility, improvement project, or municipal activity. The cost of retirement contributions for these employees shall be determined by the retirement board and the respective governing bodies having jurisdiction over the financing of these operating costs.

The cost of the employer contributions on behalf of employees of Special School District No. 1 who are covered by the retirement fund shall be the obligation of the school district. Contributions by the school district to the retirement fund or any other public pension or retirement fund of which its employees are members must be remitted to the fund each month. An amount due and not transmitted begins to accrue interest at the rate of six percent compounded annually 15 days after the date due. The retirement board shall prepare an itemized statement of the financial requirements of the fund payable by the school district, which shall be submitted prior to September 15. Contributions by the school district shall be made at times designated by the retirement board. The school district may levy for its contribution to the retirement fund only to the extent permitted pursuant to section 126C.41, subdivision 3.

The cost of the employer contributions on behalf of elective officers or other employees of Hennepin County who are covered by the retirement fund pursuant to section 422A.09, subdivision 3, clause (2), or 422A.22, subdivision 2, ~~or 488A.115,~~ or Laws 1973, chapter 380, section 3, Laws 1975, chapter 402, section 2, or any other applicable law shall be the obligation of Hennepin County. The retirement board shall prepare an itemized statement of the financial requirements of the fund payable by Hennepin County, which shall be submitted prior to September 15. Contributions by

Hennepin County shall be made at times designated by the retirement board. Hennepin County may levy for its contribution to the retirement fund.

Sec. 81. Minnesota Statutes 2006, section 424A.02, subdivision 8a, is amended to read:

Subd. 8a. **Purchase of annuity contracts.** A relief association providing a lump-sum service pension, if the governing articles of incorporation or bylaws so provide, may purchase an annuity contract on behalf of a retiring member in an amount equal to the service pension otherwise payable at the request of the person and in place of a direct payment to the person. The annuity contract must be purchased from an insurance carrier licensed to do business in this state ~~and approved for this product by the commerce commissioner under section 60A.40~~.

Sec. 82. Minnesota Statutes 2007 Supplement, section 446A.051, subdivision 1, is amended to read:

Subdivision 1. **Determination of financial assistance.** The authority shall assist eligible recipients in determining what grants or loans under sections ~~446A.06,~~ 446A.07, 446A.072, 446A.073, 446A.074, 446A.075, and 446A.081 to apply for to finance projects and the manner in which the eligible recipient will pay for its portion of the project cost.

Sec. 83. Minnesota Statutes 2006, section 458D.18, subdivision 9, is amended to read:

Subd. 9. **Real, personal property.** The board may acquire by purchase, lease, condemnation, gift, or grant, any real or personal property including positive and negative easements and water and air rights, and it may construct, enlarge, improve, replace, repair, maintain, and operate any interceptor, treatment works, or water facilities determined to be necessary or convenient for the collection and disposal of sewage in the district. Any local government unit and the commissioners of highways and natural resources are authorized to convey to or permit the use of any such facilities owned or controlled by it, by the board, subject to the rights of the holders of any bonds issued with respect thereto, with or without compensation, without an election or approval by any other government unit or agency. All powers conferred by this subdivision may be exercised both within or without the district as may be necessary for the exercise by the board of its powers or the accomplishments of its purposes. The board may hold, lease, convey or otherwise dispose of such property for its purposes upon such terms and in such manner as it shall deem advisable. Unless otherwise provided, the right to acquire lands and property rights by condemnation shall be exercised in accordance with sections ~~117.011~~ 117.012 to 117.56, and shall apply to any property or interest therein owned by any local government unit;

provided, that no such property devoted to an actual public use at the time, or held to be devoted to such use within a reasonable time, shall be so acquired unless a court of competent jurisdiction shall determine that the use proposed by the board is paramount to such use. Except in case of property in actual public use, the board may take possession of any property for which condemnation proceedings have been commenced at any time after the issuance of a court order appointing commissioners for its condemnation.

Sec. 84. Minnesota Statutes 2006, section 469.153, subdivision 2, is amended to read:

Subd. 2. **Project.** (a) "Project" means (1) any properties, real or personal, used or useful in connection with a revenue producing enterprise, or any combination of two or more such enterprises engaged or to be engaged in generating, transmitting, or distributing electricity, assembling, fabricating, manufacturing, mixing, processing, storing, warehousing, or distributing any products of agriculture, forestry, mining, or manufacture, or in research and development activity in this field; (2) any properties, real or personal, used or useful in the abatement or control of noise, air, or water pollution, or in the disposal of solid wastes, in connection with a revenue producing enterprise, or any combination of two or more such enterprises engaged or to be engaged in any business or industry; (3) any properties, real or personal, used or useful in connection with the business of telephonic communications, conducted or to be conducted by a telephone company, including toll lines, poles, cables, switching, and other electronic equipment and administrative, data processing, garage, and research and development facilities; (4) any properties, real or personal, used or useful in connection with a district heating system, consisting of the use of one or more energy conversion facilities to produce hot water or steam for distribution to homes and businesses, including cogeneration facilities, distribution lines, service facilities, and retrofit facilities for modifying the user's heating or water system to use the heat energy converted from the steam or hot water.

(b) "Project" also includes any properties, real or personal, used or useful in connection with a revenue producing enterprise, or any combination of two or more such enterprises engaged in any business.

(c) "Project" also includes any properties, real or personal, used or useful for the promotion of tourism in the state. Properties may include hotels, motels, lodges, resorts, recreational facilities of the type that may be acquired under section 471.191, and related facilities.

(d) "Project" also includes any properties, real or personal, used or useful in connection with a revenue producing enterprise, whether or not operated for profit, engaged in providing health care services, including hospitals, nursing homes, and related medical facilities.

(e) "Project" does not include any property to be sold or to be affixed to or consumed in the production of property for sale, and does not include any housing facility to be rented or used as a permanent residence.

(f) "Project" also means the activities of any revenue producing enterprise involving the construction, fabrication, sale, or leasing of equipment or products to be used in gathering, processing, generating, transmitting, or distributing solar, wind, geothermal, biomass, agricultural or forestry energy crops, or other alternative energy sources for use by any person or any residential, commercial, industrial, or governmental entity in heating, cooling, or otherwise providing energy for a facility owned or operated by that person or entity.

(g) "Project" also includes any properties, real or personal, used or useful in connection with a county jail, county regional jail, community corrections facilities authorized by chapter 401, or other law enforcement facilities, the plans for which are approved by the commissioner of corrections; provided that the provisions of section 469.155, subdivisions 7 and 13, do not apply to those projects.

(h) "Project" also includes any real properties used or useful in furtherance of the ~~purposes~~ purpose and ~~policies~~ policy of ~~sections 469.135 to~~ section 469.141.

(i) "Project" also includes related facilities as defined by section 471A.02, subdivision 11.

(j) "Project" also includes an undertaking to purchase the obligations of local governments located in whole or in part within the boundaries of the municipality that are issued or to be issued for public purposes.

Sec. 85. Minnesota Statutes 2006, section 480.182, is amended to read:

480.182 STATE ASSUMPTION OF CERTAIN COURT COSTS.

Notwithstanding any law to the contrary, the state courts will pay for the following court-related programs and costs:

(1) court interpreter program costs, including the costs of hiring court interpreters;

(2) guardian ad litem program and personnel costs;

(3) examination costs, not including hospitalization or treatment costs, for mental commitments and related proceedings under chapter 253B;

(4) examination costs under rule 20 of the Rules of Criminal Procedure;

(5) in forma pauperis costs;

(6) costs for transcripts mandated by statute, except in appeal cases and postconviction cases handled by the Board of Public Defense;

(7) jury program costs; and

(8) witness fees and mileage fees specified in sections 253B.23, subdivision 1; 260B.152, subdivision 2; ~~260C.152, subdivision 2;~~ 260B.331, subdivision 3, clause (a); 260C.152, subdivision 2; 260C.331, subdivision 3, clause (a); 357.24; 357.32; ~~525.012, subdivision 5;~~ and 627.02.

Sec. 86. Minnesota Statutes 2006, section 484.012, is amended to read:

484.012 COURT ADMINISTRATOR OF PROBATE COURT, SECOND JUDICIAL DISTRICT.

~~Notwithstanding section 525.09~~ The judicial district administrator in the Second Judicial District may appoint a court administrator of the Probate Court for the district subject to the approval of the chief judge and assistant chief judge who shall serve at the pleasure of the judges of the district, and who shall be supervised by the judicial district administrator.

Sec. 87. Minnesota Statutes 2006, section 501B.86, subdivision 2, is amended to read:

Subd. 2. **Who may disclaim.** A beneficiary may disclaim an interest in whole or in part, or with reference to specific parts, shares, portions, or assets, by filing a disclaimer in court in the manner provided in this section. A guardian or conservator of the estate of a minor or an incapacitated person under ~~section 525.54~~ sections 524.5-101 to 524.5-502, the Uniform Guardianship and Protective Proceedings Act, or the personal representative of the estate of a deceased beneficiary may execute and file a disclaimer on behalf of the beneficiary if that representative considers it not detrimental to the best interests of the beneficiary and in the best interests of those interested in the beneficiary's estate and of those who take the beneficiary's interest by virtue of the disclaimer. The representative may file the disclaimer with or without a court order within the time specified in subdivision 3. A beneficiary may file a disclaimer by an attorney or attorney-in-fact.

Sec. 88. Minnesota Statutes 2006, section 508A.22, subdivision 3, is amended to read:

Subd. 3. **Fees.** Upon the filing with the registrar of titles of the examiner's directive pursuant to subdivision 1, there shall be paid to the registrar~~: (1)~~ the fee provided by section 508A.82, subdivision 1, clause (2), for registering a first CPT~~, and (2) the fee provided by section 508.74, which shall be paid to the commissioner of finance pursuant to section 508.75~~.

Sec. 89. Minnesota Statutes 2006, section 518C.310, is amended to read:

518C.310 DUTIES OF STATE INFORMATION AGENCY.

(a) The unit within the Department of Human Services that receives and disseminates incoming interstate actions under title IV-D of the Social Security Act ~~from section 518C.02, subdivision 1a,~~ is the State Information Agency under this chapter.

(b) The State Information Agency shall:

(1) compile and maintain a current list, including addresses, of the tribunals in this state which have jurisdiction under this chapter and any support enforcement agencies in this state and transmit a copy to the state information agency of every other state;

(2) maintain a register of tribunals and support enforcement agencies received from other states;

(3) forward to the appropriate tribunal in the place in this state in which the individual obligee or the obligor resides, or in which the obligor's property is believed to be located, all documents concerning a proceeding under this chapter received from an initiating tribunal or the state information agency of the initiating state; and

(4) obtain information concerning the location of the obligor and the obligor's property within this state not exempt from execution, by such means as postal verification and federal or state locator services, examination of telephone directories, requests for the obligor's address from employers, and examination of governmental records, including, to the extent not prohibited by other law, those relating to real property, vital statistics, law enforcement, taxation, motor vehicles, driver's licenses, and Social Security.

Sec. 90. Minnesota Statutes 2006, section 550.04, is amended to read:

550.04 EXECUTION, HOW ISSUED; CONTENTS.

The execution shall be under the seal of the court, subscribed by the court administrator, directed to the sheriff, or to the coroner~~,~~ if the sheriff be a party or interested, or to the judgment creditor or the judgment creditor's attorney, if issued under ~~section 550.041~~ chapter 551, and endorsed by the party applying therefor or the party's attorney. It shall refer intelligibly to the judgment, stating the court, the county where the judgment roll or transcript is filed, the names of the parties, the amount of the judgment, if it be for money, the amount actually due thereon, together with accrued interest to the date of issuance and the amount of daily interest accruing during the calendar year, and the time of docketing in the county to which the execution is issued. When issued to the sheriff or coroner, it shall require the officer substantially as follows:

(1) if it be against the property of the judgment debtor, to satisfy the judgment, with interest, out of the debtor's personal property, and, if sufficient personal property cannot be

found, out of the real property belonging to the debtor on the day when the judgment was docketed in the county, or at any time thereafter not exceeding ten years;

(2) if real property has been attached, and judgment rendered in favor of the plaintiff in the same action, the execution thereon may also direct a sale of all the property which the defendant had in such real estate at the time it was so attached, or at any time after entry of judgment not exceeding ten years; in such case, if after the attachment the judgment creditor has paid taxes on the real property and filed with the court administrator the tax receipt, it shall be attached to the judgment roll, and the execution shall also state that it has been filed, and the date and amount thereof, and the date of filing; and, if the property be sold under the execution, the proceeds, after deducting the expenses of sale, shall be first applied to the payment of the amount so paid for taxes, with interest;

(3) if it be against real or personal property in the hands of personal representatives, heirs, devisees, legatees, trustees, or tenants of real property, it shall require the officer to satisfy the judgment, with interest, out of such property;

(4) if it be against defendants jointly indebted on a contract, a part of whom only have been summoned in the action, it shall issue in form against all; but the party causing it to be issued, or the party's attorney, shall endorse thereon the names of those defendants who have not been summoned, and it shall not be levied upon the sole property of any such defendant; but it may be levied upon the personal property owned by such defendant as a partner with any or all of the other defendants;

(5) if it be for delivery of the possession of real or personal property, it shall require the officer to deliver possession of the same, particularly describing it, to the party entitled thereto; and it may, at the same time, require the officer to satisfy, out of the personal property of the party against whom the judgment was rendered, any costs, charges, damages, rents, or profits recovered thereby, and the value of the property for which the judgment was recovered, to be specified therein, if a delivery thereof cannot be had; and if sufficient personal property cannot be found, then out of the real property, as provided in clause (1), and in that respect it shall be deemed an execution against property.

Sec. 91. Minnesota Statutes 2006, section 609.101, subdivision 3, is amended to read:

Subd. 3. **Controlled substance offenses; minimum fines.** (a) Notwithstanding any other law, when a court sentences a person convicted of a controlled substance crime under sections 152.021 to 152.025 and 152.0262, it must impose a fine of not less than 30 percent of the maximum fine authorized by law nor more than the maximum fine authorized by law.

(b) The minimum fine required by this subdivision is in addition to the surcharge or assessment required by section 357.021, subdivision 6, and is in addition to any sentence of imprisonment or restitution imposed or ordered by the court.

(c) The court shall collect the fine mandated by this subdivision and forward 70 percent of it to a local drug abuse prevention program existing or being implemented in the county in which the crime was committed. The court shall forward the remaining 30 percent to the commissioner of finance to be credited to the general fund. If more than one drug abuse prevention program serves the county in which the crime was committed, the court may designate on a case-by-case basis which program will receive the fine proceeds, giving consideration to the community in which the crime was committed, the funding needs of the program, the number of peace officers in each community certified to teach the program, and the number of children served by the program in each community. If no drug abuse prevention program serves communities in that county, the court shall forward 100 percent of the fine proceeds to the commissioner of finance to be credited to the general fund.

(d) The minimum fines required by this subdivision shall be collected as are other fines. Fine proceeds received by a local drug abuse prevention program must be used to support that program, and may be used for salaries of peace officers certified to teach the program. The drug abuse resistance education program must report receipt and use of money generated under this subdivision as prescribed by the Drug Abuse Resistance Education Advisory Council.

(e) As used in this subdivision, "drug abuse prevention program" and "program" include:

(1) the drug abuse resistance education program described in ~~sections~~ section 299A.33 ~~and 299A.331~~; and

(2) any similar drug abuse education and prevention program that includes the following components:

(A) instruction for students enrolled in kindergarten through grade six that is designed to teach students to recognize and resist pressures to experiment with controlled substances and alcohol;

(B) provisions for parental involvement;

(C) classroom instruction by uniformed law enforcement personnel;

(D) the use of positive student leaders to influence younger students not to use drugs; and

(E) an emphasis on activity-oriented techniques designed to encourage student-generated responses to problem-solving situations.

Sec. 92. Minnesota Statutes 2006, section 609.75, subdivision 1, is amended to read:

Subdivision 1. **Lottery.** (a) A lottery is a plan which provides for the distribution of money, property or other reward or benefit to persons selected by chance from among participants some or all of whom have given a consideration for the chance of being selected. A participant's payment for use of a 900 telephone number or another means of communication that results in payment to the sponsor of the plan constitutes consideration under this paragraph.

(b) An in-package chance promotion is not a lottery if all of the following are met:

(1) participation is available, free and without purchase of the package, from the retailer or by mail or toll-free telephone request to the sponsor for entry or for a game piece;

(2) the label of the promotional package and any related advertising clearly states any method of participation and the scheduled termination date of the promotion;

(3) the sponsor on request provides a retailer with a supply of entry forms or game pieces adequate to permit free participation in the promotion by the retailer's customers;

(4) the sponsor does not misrepresent a participant's chances of winning any prize;

(5) the sponsor randomly distributes all game pieces and maintains records of random distribution for at least one year after the termination date of the promotion;

(6) all prizes are randomly awarded if game pieces are not used in the promotion; and

(7) the sponsor provides on request of a state agency a record of the names and addresses of all winners of prizes valued at $100 or more, if the request is made within one year after the termination date of the promotion.

(c) Except as provided by section 349.40, acts in this state in furtherance of a lottery conducted outside of this state are included notwithstanding its validity where conducted.

(d) The distribution of property, or other reward or benefit by an employer to persons selected by chance from among participants, all of whom:

(1) have made a contribution through a payroll or pension deduction campaign to a registered combined charitable organization, within the meaning of section ~~309.501~~ 43A.50; or

(2) have paid other consideration to the employer entirely for the benefit of such a registered combined charitable organization, as a precondition to the chance of being selected, is not a lottery if:

(i) all of the persons eligible to be selected are employed by or retirees of the employer; and

(ii) the cost of the property or other reward or benefit distributed and all costs associated with the distribution are borne by the employer.

Sec. 93. Minnesota Statutes 2006, section 611.272, is amended to read:

611.272 ACCESS TO GOVERNMENT DATA.

The district public defender, the state public defender, or an attorney working for a public defense corporation under section 611.216 has access to the criminal justice data communications network described in section 299C.46, as provided in this section. Access to data under this section is limited to data necessary to prepare criminal cases in which the public defender has been appointed as follows:

(1) access to data about witnesses in a criminal case shall be limited to records of criminal convictions; and

(2) access to data regarding the public defender's own client which includes, but is not limited to, criminal history data under section 13.87; juvenile offender data under section 299C.095; warrant information data under section 299C.115; incarceration data under section 299C.14; conditional release data under section ~~299C.147~~ 241.065; and diversion program data under section 299C.46, subdivision 5.

The public defender has access to data under this section, whether accessed via CriMNet or other methods. The public defender does not have access to law enforcement active investigative data under section 13.82, subdivision 7; data protected under section 13.82, subdivision 17; confidential arrest warrant indices data under section 13.82, subdivision 19; or data systems maintained by a prosecuting attorney. The public defender has access to the data at no charge, except for the monthly network access charge under section 299C.46, subdivision 3, paragraph (b), and a reasonable installation charge for a terminal. Notwithstanding section 13.87, subdivision 3; 299C.46, subdivision 3, paragraph (b); 299C.48, or any other law to the contrary, there shall be no charge to public defenders for Internet access to the criminal justice data communications network.

Sec. 94. **REVISOR'S INSTRUCTION; CROSS REFERENCE.**

In Minnesota Statutes, the revisor of statutes shall delete the range reference "sections 115.41 to 115.54" and insert "sections 115.41 to 115.53."

Sec. 95. **REVISOR'S INSTRUCTION; "SERVICEMEMBERS CIVIL RELIEF ACT."**

In Minnesota Statutes, sections 281.273; 281.274; 281.275; 281.277; and 580.15, the revisor shall change the term "Soldiers' and Sailors' Civil Relief Act of 1940" to "Servicemembers Civil Relief Act." In Minnesota Statutes, section 190.055, the revisor shall change the term "Service Members Civil Relief Act" to "Servicemembers Civil

Relief Act." In Minnesota Statutes, section 290.01, subdivision 19b, the revisor shall change the term "Service Member Civil Relief Act" to "Servicemembers Civil Relief Act."

Sec. 96. **REPEALERS; OBSOLETE PROVISIONS; STATUTORY CONFLICTS.**

Subdivision 1. **Disposal of diseased animals.** Minnesota Statutes 2006, sections 35.701; and 35.96, subdivision 5, are repealed.

Subd. 2. **Consumer Advisory Board.** Minnesota Statutes 2006, section 62Q.64, is repealed.

Subd. 3. **Housing authority exemption; energy planning.** Minnesota Statutes 2006, section 216C.30, subdivision 4, is repealed.

Subd. 4. **Advisory council definition.** Minnesota Statutes 2006, section 256E.21, subdivision 3, is repealed.

Subd. 5. **Liquor sales tax.** Minnesota Statutes 2006, section 289A.11, subdivision 2, is repealed.

Subd. 6. **County morgue costs.** Minnesota Statutes 2006, section 383D.47, is repealed.

Subd. 7. **New airport planning.** Minnesota Statutes 2006, section 473.1551, subdivision 1, is repealed.

Subd. 8. **Baseball park preliminary planning.** Minnesota Statutes 2006, section 473.553, subdivision 14, is repealed.

Subd. 9. **New airport planning.** Minnesota Statutes 2006, section 473.616, is repealed.

Subd. 10. **1991 district court terms.** Minnesota Statutes 2006, section 484.69, subdivision 1a, is repealed.

Subd. 11. **Probate record retention.** Minnesota Statutes 2006, section 525.091, subdivision 2, is repealed.

Subd. 12. **Annexation time limit.** Laws 2006, chapter 270, article 2, section 13, is repealed.

Subd. 13. **Limited liability companies.** Laws 2007, chapter 128, article 6, section 16, is repealed.

Subd. 14. **Teacher retirement.** Laws 2007, chapter 134, article 1, section 8, is repealed.

Subd. 15. **Child welfare policy.** Laws 2007, chapter 147, article 1, section 32, is repealed.

ARTICLE 2
DATA PRACTICES

Section 1. Minnesota Statutes 2006, section 13.202, subdivision 3, is amended to read:

Subd. 3. **Hennepin County.** ~~(a)~~ ~~**Records of closed county board meetings.**~~ Records of Hennepin County board meetings permitted to be closed under section 383B.217, subdivision 7, are classified under that subdivision.

~~(b)~~ ~~**Medical examiner investigations.**~~ ~~Certain data on deceased persons collected or created by the Hennepin County medical examiner are classified under section 383B.225.~~

Sec. 2. Minnesota Statutes 2006, section 13.322, subdivision 1, is amended to read:

Subdivision 1. **Scope.** The sections referred to in ~~subdivisions 2 to 4~~ this section are codified outside this chapter. Those sections classify higher education data as other than public, place restrictions on access to government data, or involve data sharing.

Sec. 3. Minnesota Statutes 2006, section 13.3806, subdivision 1, is amended to read:

Subdivision 1. **Scope.** The sections referred to in ~~subdivisions 2 to 20~~ this section are codified outside this chapter. Those sections classify data on public health as other than public, place restrictions on access to government data, or involve data sharing.

Sec. 4. Minnesota Statutes 2006, section 13.635, subdivision 1, is amended to read:

Subdivision 1. **Scope.** The sections referred to in ~~subdivisions 2 to 4~~ this section are codified outside this chapter. Those sections classify state agency data as other than public, place restrictions on access to government data, or involve data sharing.

Sec. 5. Minnesota Statutes 2006, section 13.681, subdivision 1, is amended to read:

Subdivision 1. **Scope.** The sections referred to in ~~subdivisions 2 to 4~~ this section are codified outside this chapter. Those sections classify certain energy or utility data as other than public, place restrictions on access to government data, or involve data sharing.

Sec. 6. Minnesota Statutes 2006, section 13.712, subdivision 1, is amended to read:

Subdivision 1. **Scope.** The sections referred to in ~~subdivision 2~~ this section are codified outside chapter 13. Those sections classify Department of Commerce data as other than public, place restrictions on access to government data, or involve data sharing.

Sec. 7. Minnesota Statutes 2006, section 13.83, subdivision 10, is amended to read:

Subd. 10. **Classification of certain medical examiner and coroner data.** Data described in sections ~~383B.225, subdivision 6,~~ 390.11, subdivision 7, and 390.32, subdivision 6, shall be classified as described therein.

Sec. 8. Minnesota Statutes 2006, section 13.871, subdivision 1, is amended to read:

Subdivision 1. **Scope.** The sections referred to in ~~subdivisions 2 to 8~~ this section are codified outside this chapter. Those sections classify criminal justice data as other than public, place restrictions on access to government data, or involve data sharing.

Sec. 9. Minnesota Statutes 2006, section 13.871, subdivision 6, is amended to read:

Subd. 6. **Training; investigation; apprehension; reports.** (a) **Reports of gunshot wounds.** Disclosure of the name of a person making a report under section 626.52, subdivision 2, is governed by section 626.53.

(b) **Child abuse report records.** Data contained in child abuse report records are classified under section 626.556.

(c) **Interstate data exchange.** Disclosure of child abuse reports to agencies of another state is classified under section 626.556, subdivision 10g.

(d) **Release to family court services.** Release of child abuse data to a court services agency is authorized under section 626.556, subdivision 10h.

(e) **Release of data to mandated reporters.** Release of child abuse data to mandated reporters who have an ongoing responsibility for the health, education, or welfare of a child affected by the data is authorized under section 626.556, subdivision 10j.

(f) **Release of child abuse investigative records to other counties.** Release of child abuse investigative records to local welfare agencies is authorized under section 626.556, subdivision 10k.

(g) **Classifying and sharing records and reports of child abuse.** The classification of child abuse data and the sharing of records and reports of child abuse by and between local welfare agencies and law enforcement agencies are governed under section 626.556, subdivision 11.

(h) **Disclosure of information not required in certain cases.** Disclosure of certain data obtained from interviewing a minor is governed by section 626.556, subdivision 11a.

(i) **Data received from law enforcement.** Classifying child abuse data received by certain agencies from law enforcement agencies is governed under section 626.556, subdivision 11b.

(j) **Disclosure in child fatality cases.** Disclosure of information relating to a child fatality is governed under section 626.556, subdivision 11d.

(k) **Reports of ~~alcohol abuse~~ prenatal exposure to controlled substances.** Data on persons making reports under section ~~626.5563~~ 626.5561 are classified under section ~~626.5563~~ 626.5561, subdivision ~~5~~ 3.

(l) **Vulnerable adult report records.** Data contained in vulnerable adult report records are classified under section 626.557, subdivision 12b.

(m) **Adult protection team information sharing.** Sharing of local welfare agency vulnerable adult data with a protection team is governed by section 626.5571, subdivision 3.

(n) **Child protection team.** Data acquired by a case consultation committee or subcommittee of a child protection team are classified by section 626.558, subdivision 3.

(o) **Child maltreatment reports peer review panel.** Sharing data of cases reviewed by the panel is governed under section 626.5593, subdivision 2.

(p) **Peace officer discipline procedures.** Access by an officer under investigation to the investigating agency's investigative report on the officer is governed by section 626.89, subdivision 6.

(q) **Racial profiling study data.** Racial profiling study data is governed by section 626.951.

ARTICLE 3
CLEAN WATER REVOLVING FUND

Section 1. Minnesota Statutes 2006, section 17.117, subdivision 3, is amended to read:

Subd. 3. **Appropriations.** Up to $140,000,000 of the balance in the ~~water pollution control~~ clean water revolving fund in section 446A.07, as determined by the Public Facilities Authority, is appropriated to the commissioner for the establishment of this program. In addition, the commissioner may receive appropriations from the legislature and grants or funds from other sources for implementation of the program.

Sec. 2. Minnesota Statutes 2006, section 103F.725, subdivision 1a, is amended to read:

Subd. 1a. **Financial assistance; loans.** (a) Up to $36,000,000 of the balance in the ~~water pollution control~~ clean water revolving fund in section 446A.07, as determined by the Public Facilities Authority, may be provided to the commissioner for the establishment of a clean water partnership loan program.

(b) The agency may award loans for up to 100 percent of the costs associated with activities identified by the agency as best management practices pursuant to section 319 and section 320 of the federal Water Quality Act of 1987, as amended, including associated administrative costs.

(c) Loans may be used to finance clean water partnership grant project eligible costs not funded by grant assistance.

(d) The interest rate, at or below market rate, and the term, not to exceed 20 years, shall be determined by the agency in consultation with the Public Facilities Authority.

(e) The repayment must be deposited in the ~~water pollution control~~ clean water revolving fund under section 446A.07.

(f) The local unit of government receiving the loan is responsible for repayment of the loan.

(g) For the purpose of obtaining a loan from the agency, a local government unit may provide to the agency its general obligation note. All obligations incurred by a local government unit in obtaining a loan from the agency must be in accordance with chapter 475, except that so long as the obligations are issued to evidence a loan from the agency to the local government unit, an election is not required to authorize the obligations issued, and the amount of the obligations shall not be included in determining the net indebtedness of the local government unit under the provisions of any law or chapter limiting the indebtedness.

Sec. 3. Minnesota Statutes 2007 Supplement, section 446A.072, subdivision 5a, is amended to read:

Subd. 5a. **Type and amount of assistance.** (a) For a governmental unit receiving grant funding from the USDA/RECD, the authority shall provide assistance in the form of a grant of up to one-half of the eligible grant amount determined by USDA/RECD. A governmental unit may not receive a grant under this paragraph for more than $4,000,000 or $15,000 per existing connection, whichever is less, unless specifically approved by law. In the case of a sanitary district or other multijurisdictional project for which the USDA/RECD is unable to fully fund up to one-half of the eligible grant amount, the authority may provide up to an additional $1,000,000 for each additional governmental unit participating up to a maximum of $8,000,000 or $15,000 per existing connection, whichever is less, but not to exceed the maximum grant level determined by the USDA/RECD as needed to keep the project affordable.

(b) For a governmental unit not receiving grant funding from the USDA/RECD, the authority shall provide assistance in the form of a loan for the eligible project costs that exceed five percent of the market value of properties in the project service area, less the amount of any other grant funding received by the governmental unit for the project. A governmental unit may not receive a loan under this paragraph for more than $4,000,000 or $15,000 per existing connection, whichever is less, unless specifically approved by law. In the case of a sanitary district or other multijurisdictional project, the authority may provide a loan under this paragraph for up to an additional $1,000,000 for each additional municipality participating up to a maximum of $8,000,000 or $15,000 per existing connection, whichever is less, unless specifically approved by law. A loan under this paragraph must bear no interest, must be repaid as provided in subdivision 7, and must only be provided in conjunction with a loan from the clean water revolving fund under section 446A.07.

(c) Notwithstanding the limits in paragraphs (a) and (b), for a governmental unit receiving supplemental assistance under this section after January 1, 2002, if the authority determines that the governmental unit's construction and installation costs are significantly increased due to geological conditions of crystalline bedrock or karst areas and discharge limits that are more stringent than secondary treatment, the authority shall provide assistance in the form of half grant and half loan. Assistance from the authority may not be more than $25,000 per existing connection. Any additional grant amount received for the same project must be used to reduce the amount of the governmental unit's loan from the ~~water pollution control~~ clean water revolving fund that exceeds five percent of the market value of properties in the project service area.

Sec. 4. **REVISOR'S INSTRUCTION; CLEAN WATER REVOLVING FUND.**

The revisor shall make the following changes in Minnesota Rules, chapters 4309, 7076, and 7380: substitute "clean water revolving fund" for "water pollution control revolving fund."

ARTICLE 4
COLLATERAL SANCTION CROSS-REFERENCES

Section 1. Minnesota Statutes 2006, section 609B.121, is amended to read:

609B.121 CHILD ABUSE, SEXUAL ABUSE, OR SIMILAR CONVICTION; REVOCATION OR DENIAL OF TEACHER'S LICENSE.

Under section 122A.20 or any similar law of another state or the United States, a person convicted of child abuse or sexual abuse, using minors in a sexual performance, or possessing pornographic works involving a minor shall have the person's teaching license revoked.

Sec. 2. Minnesota Statutes 2006, section 609B.164, is amended to read:

609B.164 INDIVIDUAL COLLECTOR REGISTRATION; PRIOR CONVICTIONS AS DISQUALIFICATION.

Under section ~~332.25~~ 332.35, a license shall not be issued to, and registration shall not be accepted for, any person, firm, corporation, or association, or any officers, which, within the past five years, have been convicted in any court of fraud or any felony.

Sec. 3. Minnesota Statutes 2006, section 609B.265, subdivision 3, is amended to read:

Subd. 3. **No issuance.** Under section 171.055, subdivision 2, paragraph ~~(b)~~ (c), if a holder of a provisional license during the period of provisional licensing incurs a conviction of an offense specified in that paragraph, then that person may not be issued a driver's license until 12 consecutive months have expired since the date of the conviction or until the person reaches the age of 18 years, whichever occurs first.

Sec. 4. **[609B.430] MEDICAL ASSISTANCE; INCARCERATION; ELIGIBILITY.**

A person who is enrolled in medical assistance and incarcerated for less than 12 months is suspended from the program under section 256B.055, subdivision 14, paragraph (b), from the time of incarceration until release.

Sec. 5. Minnesota Statutes 2006, section 609B.515, is amended to read:

609B.515 DWI; VEHICLE FORFEITURE.

Under section 169A.63, a motor vehicle is subject to forfeiture if a driver is convicted of a "designated offense," as defined in ~~169A.65~~ section 169A.63, subdivision 1.

Section 169A.63, subdivision 7, specifies limitations on vehicle forfeiture. Section 169A.63, subdivisions 8 and 9, provide for administrative forfeiture procedure and judicial forfeiture procedure. Section 169A.63, subdivisions 10 and 11, provide for disposition of a forfeited vehicle.

ARTICLE 5
PUBLICATION CORRECTION

Section 1. Laws 2007, chapter 147, article 19, section 3, subdivision 4, is amended to read:

Subd. 4. **Children and Economic Assistance Grants**

The amounts that may be spent from this appropriation for each purpose are as follows:

(a) **MFIP/DWP Grants**

Appropriations by Fund		
General	62,069,000	62,405,000
Federal TANF	75,904,000	80,841,000

(b) **Support Services Grants**

Appropriations by Fund		
General	8,715,000	8,715,000
Federal TANF	113,429,000	115,902,000

TANF Prior Appropriation Cancellation. Notwithstanding Laws 2001, First Special Session chapter 9, article 17, section 2, subdivision 11, paragraph (b), any unexpended TANF funds appropriated to the commissioner to contract with the Board of Trustees of Minnesota State Colleges and Universities, to provide tuition waivers to employees of health care and human service providers that are members of qualifying consortia operating under Minnesota Statutes, sections 116L.10 to 116L.15, must cancel at the end of fiscal year 2007.

MFIP Pilot Program. Of the TANF appropriation, $100,000 in fiscal year 2008 and $750,000 in fiscal year 2009 are for a grant to the Stearns-Benton Employment and Training Council for the Workforce U pilot program. Base level funding for this program shall be $750,000 in 2010 and $0 in 2011.

Supported Work. (1) Of the TANF appropriation, $5,468,000 in fiscal year 2008 and $7,291,000 in fiscal year 2009 are for supported work for MFIP participants, to be allocated to counties and tribes based on the criteria under clauses (2) and (3). Paid transitional work experience and other supported employment under this rider provides a continuum of employment assistance, including outreach and recruitment, program orientation and intake, testing and assessment, job development and marketing, preworksite training, supported worksite experience, job coaching, and postplacement follow-up, in addition to extensive case management and referral services. * (The preceding text "and $7,291,000 in fiscal year 2009" was indicated as vetoed by the governor.)

(2) A county or tribe is eligible to receive an allocation under this rider if:

(i) the county or tribe is not meeting the federal work participation rate;

(ii) the county or tribe has participants who are required to perform work activities under Minnesota Statutes, chapter 256J, but are not meeting hourly work requirements; and

(iii) the county or tribe has assessed participants who have completed six weeks of job search or are required to perform work activities and are not meeting the hourly requirements, and the county or tribe has determined that the participant would benefit from working in a supported work environment.

(3) A county or tribe may also be eligible for funds in order to contract for supplemental hours of paid work at the participant's child's place of education, child care location, or the child's physical or mental health treatment

facility or office. This grant to counties and tribes is specifically for MFIP participants who need to work up to five hours more per week in order to meet the hourly work requirement, and the participant's employer cannot or will not offer more hours to the participant.

Work Study. Of the TANF appropriation, $750,000 each year are to the commissioner to contract with the Minnesota Office of Higher Education for the biennium beginning July 1, 2007, for work study grants under Minnesota Statutes, section 136A.233, specifically for low-income individuals who receive assistance under Minnesota Statutes, chapter 256J, and for grants to opportunities industrialization centers. * (The preceding text beginning "Work Study. Of the TANF appropriation," was indicated as vetoed by the governor.)

Integrated Service Projects. $2,500,000 in fiscal year 2008 and $2,500,000 in fiscal year 2009 are appropriated from the TANF fund to the commissioner to continue to fund the existing integrated services projects for MFIP families, and if funding allows, additional similar projects.

Base Adjustment. The TANF base for fiscal year 2010 is $115,902,000 and for fiscal year 2011 is $115,152,000.

(c) **MFIP Child Care Assistance Grants**

General	74,654,000	71,951,000

(d) **Basic Sliding Fee Child Care Assistance Grants**

General	42,995,000	45,008,000

Base Adjustment. The general fund base is $44,881,000 for fiscal year 2010 and $44,852,000 for fiscal year 2011.

At-Home Infant Care Program. No funding shall be allocated to or spent on the at-home infant care program under Minnesota Statutes, section 119B.035.

(e) **Child Care Development Grants**

General	4,390,000	6,390,000

Prekindergarten Exploratory Projects. Of the general fund appropriation, $2,000,000 the first year and $4,000,000 the second year are for grants to the city of St. Paul, Hennepin County, and Blue Earth County to establish scholarship demonstration projects to be conducted in partnership with the Minnesota Early Learning Foundation to promote children's school readiness. This appropriation is available until June 30, 2009.

Child Care Services Grants. Of this appropriation, ~~$500,000~~ $250,000 each year are for the purpose of providing child care services grants under Minnesota Statutes, section 119B.21, subdivision 5. This appropriation is for the 2008-2009 biennium only, and does not increase the base funding.

Early Childhood Professional Development System. Of this appropriation, ~~$500,000~~ $250,000 each year are for purposes of the early childhood professional development system, which increases the quality and continuum of professional development opportunities for child care practitioners. This appropriation is for the

2008-2009 biennium only, and does not increase the base funding.

Base Adjustment. The general fund base is $1,515,000 for each of fiscal years 2010 and 2011.

(f) **Child Support Enforcement Grants**

General	11,038,000	3,705,000

Child Support Enforcement. $7,333,000 for fiscal year 2008 is to make grants to counties for child support enforcement programs to make up for the loss under the 2005 federal Deficit Reduction Act of federal matching funds for federal incentive funds passed on to the counties by the state.

This appropriation is available until June 30, 2009.

(g) **Children's Services Grants**

Appropriations by Fund		
General	63,647,000	71,147,000
Health Care Access	250,000	-0-
TANF	240,000	340,000

Grants for Programs Serving Young Parents. Of the TANF fund appropriation, $140,000 each year is for a grant to a program or programs that provide comprehensive services through a private, nonprofit agency to young parents in Hennepin County who have dropped out of school and are receiving public assistance. The program administrator shall report annually to the commissioner on skills development, education, job training, and job placement outcomes for program participants.

County Allocations for Rate Increases. County Children and Community Services Act allocations shall be increased by $197,000 effective October 1, 2007, and $696,000 effective October 1, 2008, to help counties pay for the rate adjustments to day training and habilitation providers for participants paid by county social service funds. Notwithstanding the provisions of Minnesota Statutes, section 256M.40, the allocation to a county shall be based on the county's proportion of social services spending for day training and habilitation services as determined in the most recent social services expenditure and grant reconciliation report.

Privatized Adoption Grants. Federal reimbursement for privatized adoption grant and foster care recruitment grant expenditures is appropriated to the commissioner for adoption grants and foster care and adoption administrative purposes.

Adoption Assistance Incentive Grants. Federal funds available during fiscal year 2008 and fiscal year 2009 for the adoption incentive grants are appropriated to the commissioner for these purposes.

Adoption Assistance and Relative Custody Assistance. The commissioner may transfer unencumbered appropriation balances for adoption assistance and relative custody assistance between fiscal years and between programs.

Children's Mental Health Grants. Of the general fund appropriation, $5,913,000 in fiscal year 2008 and $6,825,000 in fiscal year 2009 are for children's mental health grants. The purpose of these grants is to increase and maintain the state's children's mental health service capacity, especially for school-based mental health services. The commissioner shall require grantees to utilize all available third party reimbursement sources as a condition of using state grant funds. At least 15 percent of these funds shall be used to encourage efficiencies through early intervention services. At least another 15 percent shall be used to provide respite care services for children with severe emotional disturbance at risk of out-of-home placement.

Mental Health Crisis Services. Of the general fund appropriation, $2,528,000 in fiscal year 2008 and $2,850,000 in fiscal year 2009 are for statewide funding of children's mental health crisis services. Providers must utilize all available funding streams.

Children's Mental Health Evidence-Based and Best Practices. Of the general fund appropriation, $375,000 in fiscal year 2008 and $750,000 in fiscal year 2009 are for children's mental health evidence-based and best practices including, but not limited to: Adolescent Integrated Dual Diagnosis Treatment services; school-based mental health services; co-location of mental health and physical health care, and; the use of technological resources to better inform diagnosis and development of treatment plan development by mental health professionals. The commissioner shall require grantees to utilize all available third-party reimbursement sources as a condition of using state grant funds.

Culturally Specific Mental Health Treatment Grants. Of the general fund appropriation, $75,000 in fiscal year 2008 and $300,000 in fiscal year 2009 are for children's mental health grants to support increased availability of mental health services for persons from cultural and ethnic minorities within the state. The commissioner shall use at least 20 percent of these funds to help members of cultural and ethnic minority communities to become qualified mental health professionals and practitioners. The commissioner shall assist grantees to meet third-party credentialing requirements and require them to utilize all available third-party reimbursement sources as a condition of using state grant funds.

Mental Health Services for Children with Special Treatment Needs. Of the general fund appropriation, $50,000 in fiscal year 2008 and $200,000 in fiscal year 2009 are for children's mental health grants to support increased availability of mental health services for children with special treatment needs. These shall include, but not be limited to: victims of trauma, including children subjected to abuse or neglect, veterans and their families, and refugee populations; persons with complex treatment needs, such as eating disorders; and those with low incidence disorders.

MFIP and Children's Mental Health Pilot Project. Of the TANF appropriation,

$100,000 in fiscal year 2008 and $200,000 in fiscal year 2009 are to fund the MFIP and children's mental health pilot project. Of these amounts, up to $100,000 may be expended on evaluation of this pilot.

Prenatal Alcohol or Drug Use. Of the general fund appropriation, $75,000 each year is to award grants beginning July 1, 2007, to programs that provide services under Minnesota Statutes, section 254A.171, in Pine, Kanabec, and Carlton Counties. This appropriation shall become part of the base appropriation.

Base Adjustment. The general fund base is $62,572,000 in fiscal year 2010 and $62,575,000 in fiscal year 2011.

(h) **Children and Community Services Grants**

General	101,369,000	69,208,000

Base Adjustment. The general fund base is $69,274,000 in each of fiscal years 2010 and 2011.

Targeted Case Management Temporary Funding. (a) Of the general fund appropriation, $32,667,000 in fiscal year 2008 is transferred to the targeted case management contingency reserve account in the general fund to be allocated to counties and tribes affected by reductions in targeted case management federal Medicaid revenue as a result of the provisions in the federal Deficit Reduction Act of 2005, Public Law 109-171.

(b) Contingent upon (1) publication by the federal Centers for Medicare and Medicaid

Services of final regulations implementing the targeted case management provisions of the federal Deficit Reduction Act of 2005, Public Law 109-171, or (2) the issuance of a finding by the Centers for Medicare and Medicaid Services of federal Medicaid overpayments for targeted case management expenditures, up to $32,667,000 is appropriated to the commissioner of human services. Prior to distribution of funds, the commissioner shall estimate and certify the amount by which the federal regulations or federal disallowance will reduce targeted case management Medicaid revenue over the 2008-2009 biennium.

(c) Within 60 days of a contingency described in paragraph (b), the commissioner shall distribute the grants proportionate to each affected county or tribe's targeted case management federal earnings for calendar year 2005, not to exceed the lower of (1) the amount of the estimated reduction in federal revenue or (2) $32,667,000.

(d) These funds are available in either year of the biennium. Counties and tribes shall use these funds to pay for social service-related costs, but the funds are not subject to provisions of the Children and Community Services Act grant under Minnesota Statutes, chapter 256M.

(e) This appropriation shall be available to pay counties and tribes for expenses incurred on or after July 1, 2007. The appropriation shall be available until expended.

(i) **General Assistance Grants**

General	37,876,000	38,253,000

General Assistance Standard. The commissioner shall set the monthly standard of assistance for general assistance units consisting of an adult recipient who is childless and unmarried or living apart from parents or a legal guardian at $203. The commissioner may reduce this amount according to Laws 1997, chapter 85, article 3, section 54.

Emergency General Assistance. The amount appropriated for emergency general assistance funds is limited to no more than $7,889,812 in fiscal year 2008 and $7,889,812 in fiscal year 2009. Funds to counties must be allocated by the commissioner using the allocation method specified in Minnesota Statutes, section 256D.06.

(j) **Minnesota Supplemental Aid Grants**

General	30,505,000	30,812,000

Emergency Minnesota Supplemental Aid Funds. The amount appropriated for emergency Minnesota supplemental aid funds is limited to no more than $1,100,000 in fiscal year 2008 and $1,100,000 in fiscal year 2009. Funds to counties must be allocated by the commissioner using the allocation method specified in Minnesota Statutes, section 256D.46.

(k) **Group Residential Housing Grants**

General	91,069,000	98,671,000

People Incorporated. Of the general fund appropriation, $460,000 each year is to augment community support and mental health services provided to individuals residing in facilities under Minnesota Statutes, section 256I.05, subdivision 1m.

(l) **Other Children and Economic Assistance Grants**

General	20,183,000	16,333,000
Federal TANF	1,500,000	1,500,000

Base Adjustment. The general fund base shall be $16,033,000 in fiscal year 2010 and $15,533,000 in fiscal year 2011. The TANF base shall be $1,500,000 in fiscal year 2010 and $1,181,000 in fiscal year 2011.

Homeless and Runaway Youth. Of the general fund appropriation, $500,000 each year are for the Runaway and Homeless Youth Act under Minnesota Statutes, section 256K.45. Funds shall be spent in each area of the continuum of care to ensure that programs are meeting the greatest need. This is a onetime appropriation.

Long-Term Homelessness. Of the general fund appropriation, ~~$1,500,000~~ $1,000,000 each year are for implementation of programs to address long-term homelessness. This is a onetime appropriation.

Minnesota Community Action Grants. (a) Of the general fund appropriation, $250,000 each year is for the purposes of Minnesota community action grants under Minnesota Statutes, sections 256E.30 to 256E.32. This is a onetime appropriation.

(b) Of the TANF appropriation, $1,500,000 each year is for community action agencies for auto repairs, auto loans, and auto purchase grants to individuals who are eligible to receive benefits under Minnesota Statutes, chapter 256J, or who have lost eligibility for benefits under Minnesota Statutes, chapter 256J, due to earnings in the prior 12 months. Base level funding for this activity shall be $1,500,000 in fiscal year 2010 and $1,181,000 in fiscal year 2011. * (The preceding text beginning "(b) Of the TANF appropriation," was indicated as vetoed by the governor.)

(c) Money appropriated under paragraphs (a) and (b) that is not spent in the first year does not cancel but is available for the second year.

APPENDIX
Article locations in 08-5485

35.701 INFLUENCING A SALE OF DISEASED ANIMAL.

A veterinarian who is an agent or representative of the board or another public official may not suggest, recommend, or try to influence or persuade the owner of an animal affected with a disease listed in section 35.08, directly or indirectly, to sell, barter, exchange, ship, or otherwise dispose of the animal to a particular person, firm, association, or corporation.

35.96 CRIMINAL PENALTIES.

Subd. 5. **Killing diseased animals.** A person who violates a provision of section 35.08 or 35.09 relating to inspection and killing of diseased animals is guilty of a gross misdemeanor.

62Q.64 DISCLOSURE OF EXECUTIVE COMPENSATION.

(a) Each health plan company doing business in this state shall annually file with the Consumer Advisory Board created in section 62J.75:

(1) a copy of the health plan company's form 990 filed with the federal Internal Revenue Service; or

(2) if the health plan company did not file a form 990 with the federal Internal Revenue Service, a list of the amount and recipients of the health plan company's five highest salaries, including all types of compensation, in excess of $50,000.

(b) A filing under this section is public data under section 13.03.

216C.30 ENFORCEMENT; PENALTIES, REMEDIES.

Subd. 4. **Housing authority exempt.** With respect to low-rent housing, the provisions of subdivisions 1 and 3 shall not apply to a violation by a housing and redevelopment authority described in chapter 462 or a public housing authority, or an employee of either, of section 216C.27 or any rule promulgated thereunder.

256E.21 DEFINITIONS.

Subd. 3. **Advisory council.** "Advisory council" means the advisory council established under section 119A.35.

289A.11 FILING REQUIREMENTS FOR SALES AND USE TAX RETURNS.

Subd. 2. **Liquor sales.** A person required to collect the tax imposed by section 297A.62, subdivision 2, on sales of intoxicating liquor and 3.2 percent malt liquor, shall report the total sales tax liability, including the sales tax on items other than intoxicating liquor and 3.2 percent malt liquor, on a distinct sales tax return prescribed by the commissioner.

383D.47 MORGUE COSTS.

The limitations, provided by section 390.06, on the cost of building, equipping, and maintaining a morgue do not apply to Dakota county.

473.1551 NEW AIRPORT SEARCH AREAS.

Subdivision 1. **Candidate search areas protection.** (a) The provisions of this subdivision apply within areas designated by the Metropolitan Council as candidates for selection as a search area for a new major airport under section 473.155, subdivision 3. The provisions apply until the council has selected a search area under section 473.155, subdivision 3.

(b) All land within the candidate search areas not zoned for other use is zoned for use exclusively for agricultural purposes, except that a prior nonconforming use established with reference to any lot or parcel of land may be continued.

(c) A local government unit in the metropolitan area may not permit a change in zoning, a zoning variance, or a conditional use, including planned unit developments, that the local unit or the Metropolitan Council determines is inconsistent with the comprehensive plan for the local government unit adopted in accordance with sections 473.175 and 473.851 to 473.871, or any other authority. Before approving an application or proposal for a change in zoning, zoning variance, or conditional use, the local government unit shall submit the application or proposal to the Metropolitan Council for review and approval or disapproval. The council may disapprove the application or proposal only if the council determines that it is inconsistent with the comprehensive plan of the local unit.

(d) The council shall give notice to the Metropolitan Airports Commission of all submittals under paragraph (c). The commission may comment to the council on any submittal.

(e) The council shall approve or disapprove a submittal within 90 days following receipt by the council, unless a time extension is mutually agreed to by the council and the submitting unit. The commission has 45 days after notification to comment. The council and the commission shall establish administrative procedures for expedited disposition of proposals or applications that do not warrant metropolitan review.

(f) If a candidate search area includes land within a local unit of government outside of the metropolitan area, the Metropolitan Council and the local unit may enter into an agreement for the joint exercise of powers necessary to determine whether a proposed change in zoning, zoning variance, or conditional use will be compatible with the development and operation of a major airport.

473.553 COMMISSION; MEMBERSHIP; ADMINISTRATION.

Subd. 14. **Membership change.** If the commissioner of finance determines, as provided in section 473I.11, that the commission shall own the baseball park, the membership of the commission will change as follows: on January 1 next, following the determination by the commissioner, the commission consists of eight members plus a chair, three members appointed by the city council of the municipality where the baseball park is located; and six members appointed by the governor, three members from the metropolitan area, and three members from outside the metropolitan area. The governor shall appoint the chair from the nine members of the commission. The term of three of the members appointed under this subdivision by the governor shall end the first Monday in January 2005 and the term of the other three members appointed by the governor shall end the first Monday in January 2006. Thereafter, their terms are as determined under subdivision 5.

473.616 COMPREHENSIVE AIRPORT PLANNING.

Subdivision 1. **Wold-Chamberlain plan.** (a) By January 1, 1992, the commission shall adopt a long-term comprehensive plan for the international airport at its existing location. The plan must describe:

(1) aviation demand and air transportation needs;

(2) airport capacity limits and potential;

(3) facilities requirements;

(4) a plan for physical development, including financial estimates and a tentative development schedule;

(5) airport operational characteristics;

(6) compatibility with metropolitan and local physical facility systems;

(7) environmental effects;

(8) safety; and

(9) the effect on the neighboring communities.

The plan must satisfy the air transportation needs for a prospective 20-year period. At the same time, the commission shall adopt a concept plan for the airport, including an estimate of facilities requirements, to satisfy the air transportation needs for an additional ten-year period. The plans must be consistent with the development guide of the council. The plans must be updated at least every five years. The plans must be amended as necessary to reflect changes in trends and conditions, facilities requirements, and development plans and schedules. The plans are subject to sections 473.165 and 473.611.

(b) Until January 1, 1996, or until the commission has completed the activities required by subdivision 3 and section 473.618, whichever occurs first, the commission may construct a new runway or a new, substantially expanded, or relocated terminal facility if the commission determines that construction of the runway or facility is necessary and prudent, considering the economic, financial, environmental, and other costs and benefits of the new runway or facility, the current and long-term future need for major airport facilities, capacity constraints, and the time required to construct airport facilities. The commission shall make its determination by resolution, containing findings of fact and conclusions. Before making its determination, the commission shall hold a public hearing on the question. The hearing may be held separately or in conjunction with any other hearing required on the project, as the commission deems appropriate.

The commission may plan, prepare designs and specifications, and conduct an environmental review of a facility before the public hearing.

Subd. 2. **New airport; conceptual design study and plan.** By March 1, 1990, the commission, in consultation with the council, shall complete a study of facilities requirements, airport functioning, and conceptual design for a major new airport. By January 1, 1991, the commission shall complete a conceptual design plan for a major new airport. The conceptual design study and plan must describe and satisfy air transportation needs for a prospective 30-year period and be consistent with the development guide of the council. The conceptual design plan must include an analysis of estimated costs, potential financing methods and sources of public and private funding, and cost allocation issues and options. The council shall use the design study and plan in evaluating areas for locating a new airport under section 473.155, subdivision 3.

Subd. 3. **New airport; site selection; comprehensive plan.** Within four years following the council's designation of a search area under section 473.155, the commission shall: (1) select a site for a major new airport in the search area designated by the council; (2) prepare a comprehensive plan and schedule, including financial plans, for the development of a major airport at that site for a prospective 20-year period following a decision to develop a new airport; (3) prepare an estimate of facilities requirements and a concept plan for development of the airport for an additional ten years; and (4) prepare and submit for administrative review the environmental documents that are required for site acquisition.

Subd. 4. **Legislative reports.** (a) Until the activities required by subdivision 3 and section 473.618 are completed, the commission shall report to the legislature by February 15 of each year on the results of the airport planning activities of the commission under this section. The report must include a summary of expenditures and sources of funding for the activities.

(b) By March 1, 1990, after consulting with the council, the federal aviation administration, industry representatives, and other persons, the commission shall report to the legislature on the assumptions and methods that the commission will use in preparing forecasts for airport development and operations purposes and for determining capacity and facility needs.

(c) By March 1, 1990, the commission shall report to the legislature on the integration of major airport facilities in the metropolitan area with state, national, and international air transportation systems and on the commission's planning assumptions and parameters related to such airport development issues as capacity, safety, environmental impact, and air service.

(d) By March 1, 1990, the commission shall report to the legislature on the conceptual design study for a major new airport, prepared under subdivision 2. By January 1, 1991, the commission shall report to the legislature on the conceptual design plan prepared under subdivision 2.

484.69 CHIEF JUDGE.

Subd. 1a. **Chief judge and assistant chief judge.** The individuals who serve as chief judge and assistant chief judge in the even-numbered judicial districts during the 1991 term may serve as chief judge or assistant chief judge for a total of five consecutive years. Any provision of a reorganization plan filed pursuant to section 487.191 which allows any judges to decline assignment to particular cases because of their subject matter is void and of no effect, and shall be given no consideration in making judicial assignments.

525.091 DESTRUCTION AND REPRODUCTION OF PROBATE RECORDS.

Subd. 2. **Record books.** The court administrator of any county upon order of the judge may destroy the original record books as enumerated in this subdivision provided a Minnesota state archives commission approved photographic, photostatic, microphotographic, microfilmed, or similarly reproduced copy of the original record book is on file in the office.

Enumerated original record books:

All record books kept for recording in compliance with section 525.03, clauses (3), (4), (5) and (6).

Laws 2006, chapter 270, article 2, section 13

Sec. 13. **EFFECTIVE DATE.**

Section 8 is effective until July 1, 2007.

Laws 2007, chapter 128, article 6, section 16

Sec. 16. Minnesota Statutes 2006, section 268.0435, is amended to read:

268.0435 SINGLE MEMBER LIMITED LIABILITY COMPANIES.

If the only member of a limited liability company is a corporation, and the limited liability company is disregarded for purposes of filing federal corporate income tax, all the workers performing services for the limited liability company must be reported on the corporation's wage detail report under section 268.044. A corporation that violates this section is subject to the penalties under section 268.184, subdivision 1a. Penalties are credited to the administration account to be used to ensure integrity in the unemployment insurance program.

Laws 2007, chapter 134, article 1, section 8

Sec. 8. Minnesota Statutes 2006, section 354A.12, subdivision 3d, is amended to read:

Subd. 3d. **Supplemental administrative expense assessment.** (a) The active and retired membership of the St. Paul Teachers Retirement Fund Association is responsible for defraying supplemental administrative expenses other than investment expenses of the respective teacher retirement fund association.

(b) Investment expenses of the teachers retirement fund association are those expenses incurred by or on behalf of the retirement fund in connection with the investment of the assets of the retirement fund other than investment security transaction costs. Other administrative expenses are all expenses incurred by or on behalf of the retirement fund for all other retirement fund functions other than the investment of retirement fund assets. Investment and other administrative expenses must be accounted for using generally accepted accounting principles and in a manner consistent with the comprehensive annual financial report of the teachers retirement fund association for the immediately previous fiscal year under section 356.20.

(c) Supplemental administrative expenses other than investment expenses of the St. Paul Teachers Retirement Fund Association are those expenses for the fiscal year that:

(1) exceed, for the St. Paul Teachers Retirement Fund Association, $443,745 plus an additional amount derived by applying the percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers All Items Index published by the Bureau of Labor Statistics of the United States Department of Labor since July 1, 2001, to the dollar amount; and

(2) exceed the amount computed by applying the most recent percentage of pay administrative expense amount, other than investment expenses, for the teachers retirement association governed by chapter 354 to the covered payroll of the respective teachers retirement fund association for the fiscal year.

(d) The board of trustees of the St. Paul Teachers Retirement Fund Association shall allocate the total dollar amount of supplemental administrative expenses other than investment expenses determined under paragraph (c), clause (2), among the various active and retired membership groups of the teachers retirement fund association and shall assess the various membership groups their respective share of the supplemental administrative expenses other than investment expenses, in amounts determined by the board of trustees. The supplemental administrative expense assessments must be paid by the membership group in a manner determined by the board of trustees of the respective teachers retirement association. Supplemental administrative expenses payable by the active members of the pension plan must be picked up by the employer in accordance with section 356.62.

(e) With respect to the St. Paul Teachers Retirement Fund Association, the supplemental administrative expense assessment must be fully disclosed to the various active and retired membership groups of the teachers retirement fund association. The chief administrative officer of the St. Paul Teachers Retirement Fund Association shall prepare a supplemental administrative expense assessment disclosure notice, which must include the following:

(1) the total amount of administrative expenses of the St. Paul Teachers Retirement Fund Association, the amount of the investment expenses of the St. Paul Teachers Retirement Fund Association, and the net remaining amount of administrative expenses of the St. Paul Teachers Retirement Fund Association;

(2) the amount of administrative expenses for the St. Paul Teachers Retirement Fund Association that would be equivalent to the teachers retirement association noninvestment administrative expense level described in paragraph (c);

(3) the total amount of supplemental administrative expenses required for assessment calculated under paragraph (c);

(4) the portion of the total amount of the supplemental administrative expense assessment allocated to each membership group and the rationale for that allocation;

(5) the manner of collecting the supplemental administrative expense assessment from each membership group, the number of assessment payments required during the year, and the amount of each payment or the procedure used to determine each payment; and

(6) any other information that the chief administrative officer determines is necessary to fairly portray the manner in which the supplemental administrative expense assessment was determined and allocated.

(f) The disclosure notice must be provided annually in the annual report of the association.

(g) The supplemental administrative expense assessments must be deposited in the applicable teachers retirement fund upon receipt.

(h) Any omitted active membership group assessments that remain undeducted and unpaid to the teachers retirement fund association for 90 days must be paid by the respective school district. The school district may recover any omitted active membership group assessment amounts that it has previously paid. The teachers retirement fund association shall deduct any omitted retired membership group assessment amounts from the benefits next payable after the discovery of the omitted amounts.

Laws 2007, chapter 147, article 1, section 32

Sec. 32. **REVISOR'S INSTRUCTION.**

(a) The revisor shall renumber Minnesota Statutes, section 626.556, subdivision 3d, as Minnesota Statutes, section 626.556, subdivision 3g.

(b) The revisor shall change references to Minnesota Statutes, section 260.851, to section 260.853 and references to Minnesota Statutes, section 260.851, article 5, to section 260.853, article 4, wherever those references appear in Minnesota Statutes and Minnesota Rules.