A bill for an act relating to jobs; appropriating money for the Departments of Employment and Economic Development, Labor and Industry, Human Services, and Commerce; the Bureau of Mediation Services; Public Employment Relations Board; Housing Finance Agency; Workers' Compensation Court of Appeals; and Public Utilities Commission; making policy and technical changes; modifying fees; providing criminal and civil penalties; requiring reports; amending Minnesota Statutes 2018, sections 16C.285, subdivision 3; 116J.8731, subdivision 5; 116J.8748, subdivision 4; 177.27, subdivisions 2, 4, 7, 8, by adding subdivisions; 177.30; 177.32, subdivision 1; 181.03, subdivision 1, by adding subdivisions; 181.032; 181.101; 182.659, subdivision 8; 182.666, subdivisions 1, 2, 3, 4, 5, by adding a subdivision; 326B.802, subdivision 15; 327C.095, subdivisions 1, 2, 3, 4, 12, 13; 341.30, subdivision 1; 341.32, subdivision 1; 341.321; 345.515; 345.53, subdivision 1, by adding a subdivision; 609.52, subdivisions 1, 2, 3, proposing coding for new law in Minnesota Statutes, chapters 177; 181; 216C; proposing coding for new law as Minnesota Statutes, chapter 345A; repealing Minnesota Statutes 2018, sections 177.27, subdivisions 1, 3; 345.53, subdivision 2.

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

ARTICLE 1

APPROPRIATIONS

Section 1. JOBS AND ECONOMIC DEVELOPMENT APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2020" and "2021" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2020, or June 30, 2021, respectively. "The first year" is fiscal year 2020. "The second year" is fiscal year 2021. "The biennium" is fiscal years 2020 and 2021.
Sec. 2. DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT

Subdivision 1. Total Appropriation $220,733,000 $177,736,000

Appropriations by Fund

<table>
<thead>
<tr>
<th>Fund</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>189,874,000</td>
<td>147,374,000</td>
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<tr>
<td>Remediation</td>
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<td>700,000</td>
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<tr>
<td>Workforce</td>
<td>30,159,000</td>
<td>29,662,000</td>
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</table>

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

Subd. 2. Business and Community Development

Appropriations by Fund

<table>
<thead>
<tr>
<th>Fund</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>46,336,000</td>
<td>44,336,000</td>
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<tr>
<td>Remediation</td>
<td>700,000</td>
<td>700,000</td>
</tr>
<tr>
<td>Workforce</td>
<td>1,350,000</td>
<td>1,350,000</td>
</tr>
</tbody>
</table>

(a) $12,500,000 each year is for the Minnesota investment fund under Minnesota Statutes, section 116J.8731. Of this amount, up to three percent is for administration and monitoring of the program. This appropriation is available until spent. Notwithstanding Minnesota Statutes, section 116J.8731, funds appropriated to the commissioner for the Minnesota investment fund may be used for the redevelopment program under Minnesota Statutes, sections 116J.575 and 116J.5761, at the discretion of the commissioner. Grants under this paragraph are not subject to the
grant amount limitation under Minnesota Statutes, section 116J.8731.

(b) $8,000,000 each year is for the Minnesota job creation fund under Minnesota Statutes, section 116J.8748. Of this amount, up to three percent is for administration and monitoring of the program. This appropriation is available until spent.

(c) $1,000,000 each year is for the Minnesota emerging entrepreneur loan program under Minnesota Statutes, section 116M.18. Funds available under this paragraph are for transfer into the emerging entrepreneur program special revenue fund account created under Minnesota Statutes, chapter 116M, and are available until spent.

(d) $1,350,000 each year from the workforce development fund is for job training costs under Minnesota Statutes, section 116L.42.

(e) $1,787,000 each year is for the greater Minnesota business development public infrastructure grant program under Minnesota Statutes, section 116J.431. This appropriation is available until spent.

(f) $139,000 each year is for the Center for Rural Policy and Development.

(g) $1,772,000 each year is for contaminated site cleanup and development grants under Minnesota Statutes, sections 116J.551 to 116J.558. This appropriation is available until spent.

(h) $700,000 each year is from the remediation fund for contaminated site cleanup and development grants under Minnesota Statutes,
sections 116J.551 to 116J.558. This appropriation is available until spent.

(i) $1,425,000 each year is for the business development competitive grant program. Of this amount, up to five percent is for administration and monitoring of the business development competitive grant program. All grant awards shall be for two consecutive years. Grants shall be awarded in the first year.

(j) $4,195,000 each year is for the Minnesota job skills partnership program under Minnesota Statutes, sections 116L.01 to 116L.17. If the appropriation for either year is insufficient, the appropriation for the other year is available. This appropriation is available until spent.

(k) $875,000 each year is from the general fund for the host community economic development program established in Minnesota Statutes, section 116J.548.

(l) $25,000 each year is for the administration of state aid for the Destination Medical Center under Minnesota Statutes, sections 469.40 to 469.47.

(m) $750,000 each year is for a grant to the Neighborhood Development Center for small business programs. This is a onetime appropriation.

(n) $1,175,000 each year is for a grant to the Metropolitan Economic Development Association (MEDA) for statewide business development and assistance services, including services to entrepreneurs with businesses that have the potential to create job opportunities.
for unemployed and underemployed people, with an emphasis on minority-owned businesses. This is a onetime appropriation.

(o) $125,000 each year is for a grant to the White Earth Nation for the White Earth Nation Integrated Business Development System to provide business assistance with workforce development, outreach, technical assistance, infrastructure and operational support, financing, and other business development activities. This is a onetime appropriation.

(p) $1,175,000 each year is for a grant to Enterprise Minnesota, Inc. for the small business growth acceleration program under Minnesota Statutes, section 116O.115. This is a onetime appropriation.

(q) $12,000 each year is from the general fund for a grant to the Upper Minnesota Film Office.

(r) $163,000 each year is from the general fund for the Minnesota Film and TV Board. The appropriation in each year is available only upon receipt by the board of $1 in matching contributions of money or in-kind contributions from nonstate sources for every $3 provided by this appropriation, except that each year up to $50,000 is available on July 1 even if the required matching contribution has not been received by that date.

(s) $500,000 each year is from the general fund for a grant to the Minnesota Film and TV Board for the film production jobs program under Minnesota Statutes, section 116U.26. This appropriation is available until spent.
6.1 (t) $500,000 each year is for the child care economic grant program in article 7 to increase the supply of quality child care providers to support economic development. This is a onetime appropriation.

6.6 (u) $4,500,000 each year is to establish the Minnesota Innovation Collaborative. Of this amount:

(1) $2,900,000 each year is for innovation grants to eligible Minnesota entrepreneurs or start-up businesses to assist with their operating needs. Of this amount, five percent is for the department's administrative costs;

(2) $850,000 each year is for administration of the Minnesota Innovation Collaborative; and

(3) $750,000 each year is for grantee activities at the Minnesota Innovation Collaborative. Of this amount, five percent is for the department's administrative costs.

This is a onetime appropriation and funds are available until June 30, 2023.

6.23 (v) $2,000,000 in fiscal year 2020 is for the Community Prosperity Grant Program to provide grants to local and regional communities to engage in innovative economic development projects that support economic growth and equitable prosperity. This is a onetime appropriation. Funds are available until June 30, 2021.

Subd. 3. Broadband Development

35,250,000  35,250,000

6.32 (a) $250,000 each year is for the Broadband Development Office.
(b) $35,000,000 each year is for deposit in the
border-to-border broadband fund account
created under Minnesota Statutes, section
116J.396, and may be used for the purposes
provided in Minnesota Statutes, section
116J.395. This is a onetime appropriation.
This appropriation is available until spent.

Subd. 4. Minnesota Trade Office
(a) $300,000 each year is for the STEP grants
in Minnesota Statutes, section 116J.979.
(b) $180,000 each year is for the Invest
Minnesota Marketing Initiative in Minnesota
Statutes, section 116J.9781.
(c) $270,000 each year is for the Minnesota
Trade Offices under Minnesota Statutes,
section 116J.978.
(d) $50,000 each year is for the trade policy
advisory group under Minnesota Statutes,
section 116J.9661.

Subd. 5. Workforce Development
(a) $4,039,000 each year from the general fund
and $4,604,000 each year from the workforce
development fund are for the pathways to
prosperity competitive grant program. Of this
amount, up to four percent is for
administration and monitoring of the program.
(b) $4,050,000 each year is from the
workforce development fund for the
Minnesota youth program under Minnesota
Statutes, sections 116L.56 and 116L.561.
8.1 (c) $1,000,000 each year is from the workforce
development fund for the youthbuild program
under Minnesota Statutes, sections 116L.361
to 116L.366.
8.2 (d) $2,250,000 each year is from the general
fund and $3,348,000 each year is from the
workforce development fund for the youth at
work competitive grant program under
Minnesota Statutes, section 116L.562. Of this
amount, up to five percent is for administration
and monitoring of the youth workforce
development competitive grant program. All
grant awards shall be for two consecutive
years. Grants shall be awarded in the first year.
The base for this program in fiscal year 2022
is $750,000 from the general fund and
$3,348,000 from the workforce development
fund.
8.3 (e) $500,000 each year from the general fund
and $500,000 each year from the workforce
development fund are for rural career
counseling coordinators in the workforce
service areas and for the purposes specified
under Minnesota Statutes, section 116L.667.
8.4 (f) $250,000 each year is for the higher
education career advising program.
8.5 (g) $1,000,000 each year is for a competitive
grant program for grants to organizations
providing services to relieve economic
disparities in the Southeast Asian community
through workforce recruitment, development,
job creation, assistance of smaller
organizations to increase capacity, and
outreach. Of this amount, up to five percent
is for administration and monitoring of the program.

(h) $1,000,000 each year is for a competitive grant program to provide grants to organizations that provide support services for individuals, such as job training, employment preparation, internships, job assistance to fathers, financial literacy, academic and behavioral interventions for low-performing students, and youth intervention. Grants made under this section must focus on low-income communities, young adults from families with a history of intergenerational poverty, and communities of color. Of this amount, up to four percent is for administration and monitoring of the program.

(i) $750,000 each year is for the high-wage, high-demand, nontraditional jobs grant program under Minnesota Statutes, section 116L.99. Of this amount, up to five percent is for administration and monitoring of the program.

(j) $500,000 each year is from the workforce development fund for the Opportunities Industrialization Center programs. This appropriation shall be divided equally among the eligible centers.

(k) $250,000 each year is from the workforce development fund for a grant to YWCA St. Paul to provide job training services and workforce development programs and services, including job skills training and counseling. This is a onetime appropriation.
(l) $525,000 each year is from the workforce development fund for a grant to the YWCA of Minneapolis to provide economically challenged individuals the jobs skills training, career counseling, and job placement assistance necessary to secure a child development associate credential and to have a career path in early childhood education. This is a onetime appropriation.

(m) $1,000,000 each year is from the workforce development fund for a grant to EMERGE Community Development, in collaboration with community partners, for services targeting Minnesota communities with the highest concentrations of African and African-American joblessness, based on the most recent census tract data, to provide employment readiness training, credentialed training placement, job placement and retention services, supportive services for hard-to-employ individuals, and a general education development fast track and adult diploma program. This is a onetime appropriation.

(n) $1,000,000 each year is from the workforce development fund for a grant to the Minneapolis Foundation for a strategic intervention program designed to target and connect program participants to meaningful, sustainable living-wage employment. This is a onetime appropriation.

(o) $1,297,000 in fiscal year 2020 and $800,000 in fiscal year 2021 are from the workforce development fund for performance grants under Minnesota Statutes, section 19-3338 as introduced.
11.1 116J.8747, to Twin Cities R!SE to provide
11.2 training to hard-to-train individuals. This is a
11.3 onetime appropriation.
11.4 (p) $750,000 each year is from the workforce
11.5 development fund for a grant to Latino
11.6 Communities United in Service (CLUES) to
11.7 expand culturally tailored programs that
11.8 address employment and education skill gaps
11.9 for working parents and underserved youth by
11.10 providing new job skills training to stimulate
11.11 higher wages for low-income people, family
11.12 support systems designed to reduce
11.13 intergenerational poverty, and youth
11.14 programming to promote educational
11.15 advancement and career pathways. At least
11.16 50 percent of this amount must be used for
11.17 programming targeted at greater Minnesota.
11.18 This is a onetime appropriation.
11.19 (q) $250,000 each year is for transfer to the
11.20 Department of Education for a grant to the
11.21 American Indian Opportunities and
11.22 Industrialization Center, in collaboration with
11.23 the Northwest Indian Community
11.24 Development Center, to reduce academic
11.25 disparities for American Indian students and
11.26 adults. This is a onetime appropriation. The
11.27 grant funds may be used to provide:
11.28 (1) student tutoring and testing support
11.29 services;
11.30 (2) training in information technology;
11.31 (3) assistance in obtaining a GED;
11.32 (4) remedial training leading to enrollment in
11.33 a postsecondary higher education institution;
12.1 (5) real-time work experience in information technology fields; and
12.2 (6) contextualized adult basic education.
12.3 After notification to the legislature, the commissioner may transfer this appropriation to the commissioner of education.
12.4 (r) $600,000 each year from the workforce development fund is for a grant to Ujamaa Place for job training, employment preparation, internships, education, training in the construction trades, housing, and organizational capacity-building. This is a onetime appropriation.
12.5 (s) $1,000,000 each year from the workforce development fund is for a grant to the Construction Careers Foundation for the construction career pathway initiative to provide year-round educational and experiential learning opportunities for teens and young adults under the age of 21 that lead to careers in the construction industry. This is a onetime appropriation. Grant funds must be used to:
12.6 (1) increase construction industry exposure activities for middle school and high school youth, parents, and counselors to reach a more diverse demographic and broader statewide audience. This requirement includes, but is not limited to, an expansion of programs to provide experience in different crafts to youth and young adults throughout the state;
12.7 (2) increase the number of high schools in Minnesota offering construction classes during
the academic year that utilize a multicraft curriculum;

(3) increase the number of summer internship opportunities;

(4) enhance activities to support graduating seniors in their efforts to obtain employment in the construction industry;

(5) increase the number of young adults employed in the construction industry and ensure that they reflect Minnesota's diverse workforce; and

(6) enhance an industrywide marketing campaign targeted to youth and young adults about the depth and breadth of careers within the construction industry.

Programs and services supported by grant funds must give priority to individuals and groups that are economically disadvantaged or historically underrepresented in the construction industry, including but not limited to women, veterans, and members of minority and immigrant groups.

(t) $1,000,000 each year is for grants for positive youth development, community engagement, legal services, and capacity building for community-based organizations serving Somali youth, including youth engagement, risk prevention, and intervention activities that help build the resiliency of the Somali-Minnesotan community and address challenges facing Somali youth. Of this amount, $1,000,000 is for a grant to Youthprise for activities provided in this paragraph. Funded projects must provide
culturally and linguistically relevant services.

To the maximum extent possible, 50 percent of the funding must be distributed in greater Minnesota, and 50 percent of the funding must be distributed within the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2. Of the amount appropriated for grants to be awarded by the commissioner, up to five percent is for administration and monitoring of the program. This is a onetime appropriation and is available until June 30, 2022.

(u) $250,000 each year is for increased grantee support from the department to ensure successful program delivery and improved program outcome analysis. This is a onetime appropriation.

(v) $500,000 each year is from the workforce development fund for the Nonprofit Assistance Grant Fund to make grants for infrastructure support to small nonprofit organizations that serve historically underserved cultural communities.

**Subd. 6. Vocational Rehabilitation**

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>37,191,000</th>
<th>37,191,000</th>
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<tbody>
<tr>
<td>General</td>
<td>29,361,000</td>
<td>29,361,000</td>
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<tr>
<td>Workforce Development</td>
<td>7,830,000</td>
<td>7,830,000</td>
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</table>

(a) $14,800,000 each year is for the state's vocational rehabilitation program under Minnesota Statutes, chapter 268A.

(b) $3,011,000 each year is from the general fund for grants to centers for independent living under Minnesota Statutes, section 268A.11.
(c) $6,995,000 each year from the workforce development fund and $6,830,000 each year from the general fund are for extended employment services for persons with severe disabilities under Minnesota Statutes, section 268A.15.

d) $1,000,000 each year is from the workforce development fund for grants under Minnesota Statutes, section 268A.16, for employment services for persons, including transition-aged youth, who are deaf, deafblind, or hard-of-hearing. If the amount in the first year is insufficient, the amount in the second year is available in the first year. Of this amount, up to five percent is for administration and monitoring of the program.

e) $2,555,000 each year is for grants to programs that provide employment support services to persons with mental illness under Minnesota Statutes, sections 268A.13 and 268A.14.

Subd. 7. Services for the Blind  
$500,000 each year is to provide services for senior citizens who are becoming blind. At least half of the funds appropriated must be used to provide training services for seniors who are becoming blind. Training services must provide independent living skills to seniors who are becoming blind to allow them to continue to live independently in their homes.

Subd. 8. General Support Services  

6,425,000  
6,425,000

4,726,000  
4,726,000
Appropriations by Fund

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
<th>Amount</th>
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<tbody>
<tr>
<td>General</td>
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<tr>
<td>Workforce Development</td>
<td>55,000</td>
<td>55,000</td>
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</tbody>
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(a) $250,000 each year is for the publication, dissemination, and use of labor market information under Minnesota Statutes, section 116J.4011.

(b) $1,269,000 each year is for transfer to the Minnesota Housing Finance Agency for operating the Olmstead Implementation Office.

(c) $500,000 each year is for the capacity-building grant program to assist nonprofit organizations offering or seeking to offer workforce development and economic development programming.

Subd. 9. Paid Family Leave

This amount is for costs related to the implementation of a paid family leave program. This is a onetime appropriation.

Sec. 3. HOUSING FINANCE AGENCY

Subdivision 1. Total Appropriation

$ 66,798,000  $ 64,798,000

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

Unless otherwise specified, this appropriation is for transfer to the housing development fund for the programs specified in this section.

Except as otherwise indicated, this transfer is part of the agency's permanent budget base.

Subd. 2. Challenge Program

17,925,000  17,925,000
This appropriation is for the economic
development and housing challenge program
under Minnesota Statutes, section 462A.33.
Of this amount, $1,208,000 each year shall be
made available during the first 11 months of
the fiscal year exclusively for housing projects
for American Indians. Any funds not
committed to housing projects for American
Indians in the first 11 months of the fiscal year
shall be available for any eligible activity
under Minnesota Statutes, section 462A.33.
The base for this program in fiscal year 2022
and beyond is $13,925,000.

Subd. 3. **Workforce Housing Development**

This appropriation is for the workforce
housing development program under
Minnesota Statutes, section 462A.39. If
requested by the applicant and approved by
the agency, funded properties may include a
portion of income and rent restricted units.

Subd. 4. **Housing Trust Fund**

This appropriation is for deposit in the housing
trust fund account created under Minnesota
Statutes, section 462A.201, and may be used
for the purposes provided in that section.

Subd. 5. **Rental Assistance for Mentally Ill**

This appropriation is for the rental housing
assistance program for persons with a mental
illness or families with an adult member with
a mental illness under Minnesota Statutes,
section 462A.2097. Among comparable
proposals, the agency shall prioritize those
proposals that target, in part, eligible persons...
who desire to move to more integrated, community-based settings.

**Subd. 6. Family Homeless Prevention**

This appropriation is for the family homeless prevention and assistance programs under Minnesota Statutes, section 462A.204.

**Subd. 7. Homework Starts with Home**

This appropriation is for the homework starts with home program under Minnesota Statutes, sections 462A.201, subdivision 2, paragraph (a), clause (4), and 462A.204, subdivision 8, to provide assistance to homeless or highly mobile families with children eligible for enrollment in a prekindergarten through grade 12 academic program.

**Subd. 8. Home Ownership Assistance Fund**

This appropriation is for the home ownership assistance program under Minnesota Statutes, section 462A.21, subdivision 8. The agency shall continue to strengthen its efforts to address the disparity gap in the homeownership rate between white households and indigenous American Indians and communities of color. To better understand and address the disparity gap, the agency is required to collect, on a voluntary basis, demographic information regarding race, color, national origin, and sex of applicants for agency programs intended to benefit homeowners and homebuyers.

**Subd. 9. Affordable Rental Investment Fund**

(a) This appropriation is for the affordable rental investment fund program under Minnesota Statutes, section 462A.21.
subdivision 8b, to finance the acquisition, rehabilitation, and debt restructuring of federally assisted rental property and for making equity take-out loans under Minnesota Statutes, section 462A.05, subdivision 39.

(b) The owner of federally assisted rental property must agree to participate in the applicable federally assisted housing program and to extend any existing low-income affordability restrictions on the housing for the maximum term permitted. The owner must also enter into an agreement that gives local units of government, housing and redevelopment authorities, and nonprofit housing organizations the right of first refusal if the rental property is offered for sale.

Priority must be given among comparable federally assisted rental properties to properties with the longest remaining term under an agreement for federal assistance.

Priority must also be given among comparable rental housing developments to developments that are or will be owned by local government units, a housing and redevelopment authority, or a nonprofit housing organization.

(c) The appropriation also may be used to finance the acquisition, rehabilitation, and debt restructuring of existing supportive housing properties and naturally occurring affordable housing as determined by the commissioner.

For purposes of this paragraph, "supportive housing" means affordable rental housing with links to services necessary for individuals, youth, and families with children to maintain housing stability.
Subd. 10. **Housing Rehabilitation**

This appropriation is for the housing rehabilitation program under Minnesota Statutes, section 462A.05, subdivision 14. Of this amount, $3,272,000 each year is for the rehabilitation of owner-occupied housing and $3,743,000 each year is for the rehabilitation of eligible rental housing. In administering a rehabilitation program for rental housing, the agency may apply the processes and priorities adopted for administration of the economic development and housing challenge program under Minnesota Statutes, section 462A.33, and may provide grants or forgivable loans if approved by the agency.

Notwithstanding any law to the contrary, grants or loans under this subdivision may be made without rent or income restrictions of owners or tenants. To the extent practicable, grants or loans must be made available statewide.

Subd. 11. **Homeownership Education, Counseling, and Training**

This appropriation is for the homeownership education, counseling, and training program under Minnesota Statutes, section 462A.209.

Subd. 12. **Capacity-Building Grants**

This appropriation is for nonprofit capacity-building grants under Minnesota Statutes, section 462A.21, subdivision 3b.

Subd. 13. **Homeownership Capacity**

This appropriation is for competitive grants to nonprofit housing organizations, housing and redevelopment authorities, or other
political subdivisions to provide intensive
financial education and coaching services to
individuals or families who have the goal of
homeownership. Financial education and
coaching services include but are not limited
to asset building, development of spending
plans, credit report education, repair and
rebuilding, consumer protection training, and
debt reduction. Priority must be given to
organizations that have experience serving
underserved populations.

Subd. 14. Direct Appropriation

This appropriation is for a grant to Build
Wealth Minnesota to provide a family
stabilization plan program including program
outreach, financial literacy education, and
budget and debt counseling.

Subd. 15. Local Housing Trust Fund

$2,000,000 in fiscal year 2020 is for grants to
housing trust funds established under
Minnesota Statutes, section 462C.16, or other
comparable statutory authority, to incentivize
local funding. This is a onetime appropriation.
Grants shall be used to provide matching funds
of 100 percent of the amount not exceeding
$150,000, and 50 percent of the amount over
$150,000, but not exceeding $300,000 that a
housing trust fund receives from local
own-source revenues. For the purpose of this
subdivision, "local own-source revenues"
means revenue from any source other than the
state or federal government. Priority may be
given to local governments that are creating
a new local housing trust fund.
Sec. 4. DEPARTMENT OF HUMAN SERVICES

This appropriation is for the homeless management information system.

Sec. 5. DEPARTMENT OF LABOR AND INDUSTRY

Subdivision 1. Total Appropriation $ 32,770,000 $ 30,620,000

Appropriations by Fund

<table>
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<tr>
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<th>2020</th>
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<td>Workers' Compensation</td>
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<tr>
<td>Workforce Development</td>
<td>2,784,000</td>
<td>2,784,000</td>
</tr>
</tbody>
</table>

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

Subd. 2. Workers' Compensation 14,882,000 11,882,000

This appropriation is from the workers' compensation fund.

$3,000,000 in fiscal year 2020 is for workers' compensation system upgrades. This amount is available until June 30, 2021. This is a onetime appropriation.

This appropriation includes funds for information technology project services and support subject to Minnesota Statutes, section 16E.0466. Any ongoing information technology costs must be incorporated into the service level agreement and must be paid to the Office of MN.IT Services by the commissioner of labor and industry under the rates and mechanism specified in that agreement.

Subd. 3. Labor Standards and Apprenticeship 5,032,000 4,882,000
23.1 Appropriations by Fund
23.2 General 3,648,000 3,498,000
23.3 Workforce 1,384,000 1,384,000
23.4 Development (a) $2,350,000 in fiscal year 2020 and $2,200,000 in fiscal year 2021 are for wage theft prevention. The base for this in fiscal year 2022 is $2,200,000.
23.5 (b) $1,133,000 each year is from the workforce development fund for the apprenticeship program under Minnesota Statutes, chapter 178.
23.6 (c) $151,000 each year is from the workforce development fund for prevailing wage enforcement.
23.7 (d) $100,000 each year is from the workforce development fund for labor education and advancement program grants under Minnesota Statutes, section 178.11, to expand and promote registered apprenticeship training for minorities and women. The base for fiscal year 2022 is $100,000.
23.8 Subd. 4. Workplace Safety 4,167,000 4,167,000
23.9 This appropriation is from the workers' compensation fund.
23.10 Subd. 5. General Support 8,689,000 9,689,000
23.11 Appropriations by Fund
23.12 General 1,250,000 2,250,000
23.13 Workers' Compensation 6,039,000 6,039,000
23.14 Workforce Development 1,400,000 1,400,000
23.15 (a) $300,000 each year is from the workforce development fund for the PIPELINE program.
(b) $1,100,000 each year is from the workforce development fund for youth skills training grants under Minnesota Statutes, section 175.46. The commissioner shall award grants not to exceed $100,000 per local partnership grant. $100,000 each year is from the workforce development fund for the administration of the grant program.

(c) $1,250,000 in fiscal year 2020 and $2,250,000 in fiscal year 2021 are for system upgrades. The base appropriation is $1,725,000 in fiscal year 2022 and $0 in fiscal year 2023. Funds are available until June 30, 2023. This appropriation includes funds for information technology project services and support subject to Minnesota Statutes, section 16E.0466. Any ongoing information technology costs must be incorporated into the service level agreement and must be paid to the Office of MN.IT Services by the commissioner of labor and industry under the rates and mechanism specified in that agreement.

Sec. 6. BUREAU OF MEDIATION SERVICES  
$2,654,000  $2,654,000

(a) $68,000 each year is for grants to area labor management committees. Grants may be awarded for a 12-month period beginning July 1 each year. Any unencumbered balance remaining at the end of the first year does not cancel but is available for the second year.

(b) $394,000 each year is for the Office of Collaboration and Dispute Resolution under Minnesota Statutes, section 179.90. Of this amount, $160,000 each year is for grants under Minnesota Statutes, section 179.91, and...
$234,000 each year is for intergovernmental and public policy collaboration and operation of the office.

(c) $125,000 each year is for the Public Employment Relations Board under Minnesota Statutes, section 179A.041.

Sec. 7. WORKERS’ COMPENSATION COURT OF APPEALS

This appropriation is from the workers' compensation fund.

Sec. 8. DEPARTMENT OF COMMERCE

Subdivision 1. Total Appropriation

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>28,110,000</td>
<td>27,106,000</td>
</tr>
<tr>
<td>Special Revenue</td>
<td>1,610,000</td>
<td>1,610,000</td>
</tr>
<tr>
<td>Petroleum Tank</td>
<td>1,056,000</td>
<td>1,056,000</td>
</tr>
<tr>
<td>Workers' Compensation</td>
<td>758,000</td>
<td>759,000</td>
</tr>
<tr>
<td>Renewable Development</td>
<td>10,600,000</td>
<td>10,600,000</td>
</tr>
</tbody>
</table>

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

Subd. 2. Financial Institutions

$400,000 each year is for grants to Prepare and Prosper for purposes of developing, marketing, evaluating, and distributing a financial services inclusion program that will assist low-income and financially underserved populations to build savings, strengthen credit, and provide services to assist them in being more financially stable and secure. Grants in fiscal year 2020 must be matched by nonstate
contributions. Money remaining after the first year is available for the second year.

Subd. 3. Petroleum Tank Release Compensation Board

This appropriation is from the petroleum tank fund.

To account for base adjustments provided in Minnesota Statutes, section 115C.13, the base for the petroleum tank release cleanup fund in fiscal year 2023 is $0.

Subd. 4. Administrative Services

(a) $475,000 in fiscal year 2020 and $350,000 in fiscal year 2021 are from the general fund for system modernization and cybersecurity upgrades for the unclaimed property program. The base in fiscal year 2022 is $350,000.

(b) $368,000 in fiscal year 2020 and $702,000 in fiscal year 2021 are for additional operations of the unclaimed property program. The base in fiscal year 2022 is $702,000.

(c) $100,000 each year is for the support of broadband development.

(d) To account for base adjustments provided in Laws 2018, chapter 211, section 1, paragraph (a), the base is increased by $1,000 in fiscal year 2022.

Subd. 5. Telecommunications

Appropriations by Fund

| General       | 1,037,000 | 1,047,000 |
| Special Revenue | 1,610,000 | 1,610,000 |

$1,610,000 each year is from the telecommunication access fund for the
following transfers. These amounts are added to the base for this purpose.

(1) $1,170,000 each year is to the commissioner of human services to supplement the ongoing operational expenses of the Commission of the Deaf, DeafBlind and Hard of Hearing:

(2) $290,000 each year is to the chief information officer for the purpose of coordinating technology accessibility and usability:

(3) $100,000 each year is to the Legislative Coordinating Commission for captioning of legislative coverage; and

(4) $50,000 each year is to the Office of MN.IT Services for a consolidated access fund to provide grants to other state agencies related to accessibility of their web-based services.

Subd. 6. Enforcement

Appropriations by Fund

<table>
<thead>
<tr>
<th></th>
<th>6,417,000</th>
<th>6,507,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>6,217,000</td>
<td>6,307,000</td>
</tr>
<tr>
<td>Workers' Compensation</td>
<td>200,000</td>
<td>200,000</td>
</tr>
</tbody>
</table>

(a) $250,000 in fiscal year 2020 and $250,000 in fiscal year 2021 are to create and execute a statewide education and outreach campaign to protect seniors age 60 years or older, vulnerable adults as defined in Minnesota Statutes, section 626.5572, subdivision 21, and their caregivers from financial fraud and exploitation. The education and outreach campaign must be statewide and at a minimum must include the dissemination of information through television, print, or other media:
28.1 training and outreach to senior living facilities;
28.2 and the creation of a senior fraud toolkit.
28.3 (b) The revenue transferred in Minnesota
28.4 Statutes, section 297I.11, subdivision 2, to the
28.5 insurance fraud prevention account must be
28.6 used in part for compensation for two new
28.7 employees in the Commerce Fraud Bureau to
28.8 perform analytical duties. The new employees
28.9 must not be peace officers.
28.10 Subd. 7. Energy Resources 15,430,000 15,480,000
28.11 Appropriations by Fund
28.12 General 4,830,000 4,880,000
28.13 Renewable Development 10,600,000 10,600,000
28.15 (a) $150,000 each year is to remediate
28.16 vermiculate insulation from households that
28.17 are eligible for weatherization assistance under
28.18 Minnesota's weatherization assistance program
28.19 state plan under Minnesota Statutes, section
28.20 216C.264. Remediation must be done in
28.21 conjunction with federal weatherization
28.22 assistance program services.
28.23 (b) $832,000 each year is for energy regulation
28.24 and planning unit staff.
28.25 (c) $100,000 each year is from the renewable
28.26 development account in the special revenue
28.27 fund established in Minnesota Statutes, section
28.28 116C.779, subdivision 1, to administer the
28.29 Made in Minnesota solar energy production
28.30 incentive program in Minnesota Statutes,
28.31 section 216C.417. Any remaining unspent
28.32 funds cancel back to the renewable
28.33 development account at the end of the
28.34 biennium.
(d) $10,000,000 each year is from the renewable development account in the special revenue fund for a solar on schools program of which $500,000 per year can be spent on administration. The amount is available until June 30, 2023. This is a onetime appropriation.

$500,000 each year is from the renewable development account in the special revenue fund established in Minnesota Statutes, section 116C.779, subdivision 1, for costs associated with any third-party expert evaluation of a proposal submitted in response to a request for proposal to the renewable development advisory group under Minnesota Statutes, section 116C.779, subdivision 1, paragraph (l). No portion of this appropriation may be expended or retained by the commissioner of commerce. Any funds appropriated under this paragraph that are unexpended at the end of a fiscal year cancel to the renewable development account.

Subd. 8. **Insurance**

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>5,025,000</td>
<td>5,081,000</td>
</tr>
<tr>
<td>Workers' Compensation</td>
<td>558,000</td>
<td>559,000</td>
</tr>
</tbody>
</table>

To account for the base adjustments provided in Laws 2018, chapter 211, article 21, section 1, paragraph (a), the base in the workers' compensation fund is increased by $2,000 in fiscal year 2022.

Sec. 9. **PUBLIC UTILITIES COMMISSION**

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>$8,018,000</td>
<td>$7,493,000</td>
<td></td>
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</tbody>
</table>
ARTICLE 2
MINNESOTA INNOVATION COLLABORATIVE

Section 1. MINNESOTA INNOVATION COLLABORATIVE.

Subdivision 1. Establishment. The Minnesota Innovation Collaborative is established within the Business and Community Development Division of the Department of Employment and Economic Development to encourage and support the development of new private sector technologies and support the science and technology policies under Minnesota Statutes, section 3.222. The Minnesota Innovation Collaborative must provide entrepreneurs and emerging technology-based companies business development assistance and financial assistance to spur growth.

Subd. 2. Definitions. (a) For purposes of this section, the terms defined in this subdivision have the meanings given.

(b) "Advisory board" means the board established under subdivision 11.

(c) "Commissioner" means the commissioner of employment and economic development.

(d) "Department" means the Department of Employment and Economic Development.

(e) "Entrepreneur" means a Minnesota resident who is involved in establishing a business entity and secures resources directed to its growth while bearing the risk of loss.

(f) "Greater Minnesota" means the area of Minnesota located outside of the metropolitan area as defined in section 473.121, subdivision 2.

(g) "High technology" includes aerospace, agricultural processing, renewable energy, energy efficiency and conservation, environmental engineering, food technology, cellulosic ethanol, information technology, materials science technology, nanotechnology, telecommunications, biotechnology, medical device products, pharmaceuticals, diagnostics, biologicals, chemistry, veterinary science, and similar fields.

(h) "Institution of higher education" has the meaning given in Minnesota Statutes, section 136A.28, subdivision 6.

(i) "Minority group member" means a United States citizen who is Asian, Pacific Islander, Black, Hispanic, or Native American.

(j) " Minority-owned business" means a business for which one or more minority group members:

(1) own at least 50 percent of the business or, in the case of a publicly owned business, own at least 51 percent of the stock; and
manage the business and control the daily business operations.

(k) "Research and development" means any activity that is:

(1) a systematic, intensive study directed toward greater knowledge or understanding of the subject studies;

(2) a systematic study directed specifically toward applying new knowledge to meet a recognized need; or

(3) a systematic application of knowledge toward the production of useful materials, devices, systems and methods, including design, development and improvement of prototypes and new processes to meet specific requirements.

(l) "Start-up" means a business entity that has been in operation for less than ten years, has operations in Minnesota, and is in the development stage defined as devoting substantially all of its efforts to establishing a new business and either of the following conditions exists:

(1) planned principal operations have not commenced; or

(2) planned principal operations have commenced, but have generated less than $1,000,000 in revenue.

(m) "Technology-related assistance" means the application and utilization of technological-information and technologies to assist in the development and production of new technology-related products or services or to increase the productivity or otherwise enhance the production or delivery of existing products or services.

(n) "Trade association" means a nonprofit membership organization organized to promote businesses and business conditions and having an election under Internal Revenue Code section 501(c)(3) or 501(c)(6).

(o) "Women" means persons of the female gender.

(p) "Women-owned business" means a business for which one or more women:

(1) own at least 50 percent of the business or, in the case of a publicly owned business, own at least 51 percent of the stock; and

(2) manage the business and control the daily business operations.

Subd. 3. Duties. The Minnesota Innovation Collaborative shall:

(1) support innovation and initiatives designed to accelerate the growth of high-technology start-ups in Minnesota;
32.1 (2) offer classes and instructional sessions on how to start a high-tech and innovative
32.2 start-up;
32.3 (3) promote activities for entrepreneurs and investors regarding the state's growing
32.4 innovation economy;
32.5 (4) hold events and meetings that gather key stakeholders in the state's innovation sector;
32.6 (5) conduct outreach and education on innovation activities and related financial programs
32.7 available from the department and other organizations, particularly for underserved
32.8 communities;
32.9 (6) interact and collaborate with statewide partners including but not limited to businesses,
32.10 nonprofits, trade associations, and higher education institutions;
32.11 (7) administer an advisory board to assist with direction, grant application review,
32.12 program evaluation, report development, and partnerships;
32.13 (8) commission research in partnership with the University of Minnesota and Minnesota
32.14 State Colleges and Universities to study innovation and its impacts on the state's economy
32.15 with emphasis on the state's labor market;
32.16 (9) accept grant applications under subdivisions 5 and 6 and work with the advisory
32.17 board to evaluate the applications and provide funding recommendations to the commissioner;
32.18 and
32.19 (10) perform other duties at the commissioner's discretion.
32.20 Subd. 4. Administration. (a) The department shall employ an executive director in the
32.21 unclassified service. The executive director shall:
32.22 (1) hire no more than two staff;
32.23 (2) assist the commissioner and the advisory board in performing the duties of the
32.24 Minnesota Innovation Collaborative; and
32.25 (3) comply with all state and federal program requirements, and all state and federal
32.26 securities and tax laws and regulations.
32.27 (b) To the extent possible, the space that the Minnesota Innovation Collaborative shall
32.28 occupy and lease must be a private coworking facility that includes office space for staff
32.29 and space for community engagement for training entrepreneurs. The space leased under
32.30 this paragraph is exempt from the requirements in Minnesota Statutes, section 16B.24,
32.31 subdivision 6.
(c) Except for grants under subdivision 7, the Minnesota Innovation Collaborative must accept grant applications under this section and provide funding recommendations to the commissioner, who shall distribute grants based in part on the recommendations.

Subd. 5. Application process. (a) The commissioner shall establish the application form and procedures for innovation grants.

(b) Upon receiving recommendations from the Minnesota Innovation Collaborative under subdivision 4, paragraph (c), the department is responsible for evaluating all applications using evaluation criteria developed by the Minnesota Innovation Collaborative, the advisory board, and the commissioner. Priority shall be given if the applicant is:

(1) a business or entrepreneur located in greater Minnesota; or

(2) a business owner or entrepreneur who is a woman or minority group member.

(c) The department staff, and not the Minnesota Innovation Collaborative staff, is responsible for awarding funding, disbursing funds, and monitoring grantee performance for all grants awarded under this section.

(d) Grantees must provide matching funds by equal expenditures and grant payments must be provided on a reimbursement basis after review of submitted receipts by the department.

(e) Grant applications must be accepted on a regular periodic basis by the Minnesota Innovation Collaborative and must be reviewed by the collaborative and the advisory board before being submitted to the commissioner with their recommendations.

Subd. 6. Innovation grants. (a) The commissioner shall distribute innovation grants under this subdivision.

(b) The commissioner shall provide a grant of up to $50,000 to an eligible business or entrepreneur for research and development expenses. Research and development expenditures may be related but not limited to proof of concept activities, intellectual property protection, prototype designs and production, and commercial feasibility. Expenditures funded under this subdivision are not eligible for the research and development tax credit under Minnesota Statutes, section 290.068. Each business or entrepreneur may receive only one grant under this paragraph.

(c) The commissioner shall provide a grant of up to $25,000 to an eligible start-up or entrepreneur for direct business expenses including but not limited to rent, equipment purchases, supplier invoices, and staffing. Taxes imposed by the federal, state, or local
government entities may not be reimbursed under this paragraph. Each start-up or
entrepreneur may receive only one grant under this paragraph.

(d) The commissioner shall provide a grant of up to $7,500 to reimburse an entrepreneur
for health care, housing, or child care expenses for the entrepreneur, spouse, or children 26
years of age or younger. Each entrepreneur may receive only one grant under this paragraph.

(e) The commissioner shall provide a grant of up to $50,000 to an eligible business or
entrepreneur that, as a registered client of the Small Business Innovation Research (SBIR)
program, has been awarded a Phase 2 award pursuant to the SBIR or Small Business
Technology Transfer (STTR) programs after July 1, 2019. Each business or entrepreneur
may receive only one grant under this paragraph. Grants under this paragraph are not subject
to the requirements of subdivision 2, paragraph (l), and are awarded without the review or
recommendation of the Minnesota Innovation Collaborative.

(f) The commissioner shall provide a grant of up to $25,000 to provide financing to
start-ups to purchase technical assistance and services from public higher education
institutions and nonprofit entities to assist in the development or commercialization of
innovative new products or services.

Subd. 7. Entrepreneur education grants. (a) The commissioner shall make entrepreneur
education grants to institutions of higher education and other organizations to provide
educational programming to entrepreneurs and provide outreach to and collaboration with
businesses, federal and state agencies, institutions of higher education, trade associations,
and other organizations working to advance innovative, high technology businesses
throughout Minnesota.

(b) Applications for entrepreneur education grants under this subdivision must be
submitted to the commissioner and evaluated by department staff other than the Minnesota
Innovation Collaborative. The evaluation criteria must be developed by the Minnesota
Innovation Collaborative, the advisory board, and the commissioner with priority given to
an applicant who demonstrates activity assisting businesses or entrepreneurs residing in
greater Minnesota or who are women or minority group members.

(c) Department staff other than the Minnesota Innovation Collaborative staff is responsible
for awarding funding, disbursing funds, and monitoring grantee performance under this
subdivision.

(d) Grantees may use the grant funds to deliver the following services:
(1) development and delivery to high technology businesses of industry specific or
innovative product or process specific counseling on issues of business formation, market
structure, market research and strategies, securing first mover advantage or overcoming
barriers to entry, protecting intellectual property, and securing debt or equity capital. This
counseling is to be delivered in a classroom setting or using distance media presentations;

(2) outreach and education to businesses and organizations on the small business
investment tax credit program under Minnesota Statutes, section 116J.8737, the MNvest
crowd-funding program under Minnesota Statutes, section 80A.461, and other state programs
that support high technology business creation especially in underserved communities;

(3) collaboration with institutions of higher education, local organizations, federal and
state agencies, the Small Business Development Center, and the Small Business Assistance
Office to create and offer educational programming and ongoing counseling in greater
Minnesota that is consistent with those services offered in the metropolitan area; and

(4) events and meetings with other innovation-related organizations to inform
entrepreneurs and potential investors about Minnesota's growing information economy.

Subd. 8. Report. The Minnesota Innovation Collaborative shall report by February 1, 2020, and again on February 1, 2021, to the chairs and ranking minority members of the committees of the house of representatives and senate having jurisdiction over economic development policy and finance issues on the work completed, including awards made by the department under this section.

Subd. 9. Advisory board. (a) The commissioner shall establish an advisory board to advise the executive director regarding the activities of the Minnesota Innovation Collaborative and to perform the recommendations described in this section.

(b) The advisory board shall consist of ten members and is governed by Minnesota Statutes, section 15.059. A minimum of six members must be from the private sector representing business and at least two members but no more than four members from government and higher education. Appointees shall represent a range of interests, including entrepreneurs, large businesses, industry organizations, investors, and both public and private small business service providers.

(c) The advisory board shall select a chair from its private sector members. The executive director shall provide administrative support to the committee.
ARTICLE 3

OSHA

Section 1. Minnesota Statutes 2018, section 182.659, subdivision 8, is amended to read:

Subd. 8. Protection from subpoena; data. Neither the commissioner nor any employee of the department, including those employees of the Department of Health providing services to the Department of Labor and Industry, pursuant to section 182.67, subdivision 1, is subject to subpoena for purposes of inquiry into any occupational safety and health inspection except in enforcement proceedings brought under this chapter. Data that identify individuals who provide data to the department as part of an investigation conducted under this chapter shall be private.

Sec. 2. Minnesota Statutes 2018, section 182.666, subdivision 1, is amended to read:

Subdivision 1. Willful or repeated violations. Any employer who willfully or repeatedly violates the requirements of section 182.653, or any standard, rule, or order adopted under the authority of the commissioner as provided in this chapter, may be assessed a fine not to exceed $70,000 for each violation. The minimum fine for a willful violation is $5,000.

EFFECTIVE DATE. This section is effective July 1, 2019.

Sec. 3. Minnesota Statutes 2018, section 182.666, subdivision 2, is amended to read:

Subd. 2. Serious violations. Any employer who has received a citation for a serious violation of its duties under section 182.653, or any standard, rule, or order adopted under the authority of the commissioner as provided in this chapter, shall be assessed a fine not to exceed $7,000 for each violation. If a serious violation under section 182.653, subdivision 2, causes or contributes to the death of an employee, the employer shall be assessed a fine of up to $25,000 for each violation.

EFFECTIVE DATE. This section is effective July 1, 2019.

Sec. 4. Minnesota Statutes 2018, section 182.666, subdivision 3, is amended to read:

Subd. 3. Nonserious violations. Any employer who has received a citation for a violation of its duties under section 182.653, subdivisions 2 to 4, where the violation is specifically determined not to be of a serious nature as provided in section 182.651, subdivision 12, may be assessed a fine of up to $7,000 for each violation.

EFFECTIVE DATE. This section is effective July 1, 2019.
Sec. 5. Minnesota Statutes 2018, section 182.666, subdivision 4, is amended to read:

Subd. 4. Failure to correct a violation. Any employer who fails to correct a violation for which a citation has been issued under section 182.66 within the period permitted for its correction, which period shall not begin to run until the date of the final order of the commissioner in the case of any review proceedings under this chapter initiated by the employer in good faith and not solely for delay or avoidance of penalties, may be assessed a fine of not more than $7,000 for each day during which the failure or violation continues.

EFFECTIVE DATE. This section is effective July 1, 2019.

Sec. 6. Minnesota Statutes 2018, section 182.666, subdivision 5, is amended to read:

Subd. 5. Posting violations. Any employer who violates any of the posting requirements, as prescribed under this chapter, except those prescribed under section 182.661, subdivision 3a, shall be assessed a fine of up to $7,000 for each violation.

EFFECTIVE DATE. This section is effective July 1, 2019.

Sec. 7. Minnesota Statutes 2018, section 182.666, is amended by adding a subdivision to read:

Subd. 6a. Increases for inflation. (a) No later than August 31 of each year, beginning in 2019, the commissioner shall determine the percentage increase in the rate of inflation, as measured by the implicit price deflator, national data for personal consumption expenditures as determined by the United States Department of Commerce, Bureau of Economic Analysis during the 12-month period immediately preceding that August or, if that data is unavailable, during the most recent 12-month period for which data is available.

The fines in subdivisions 1, 2, 3, 4, and 5, except for the fine for a serious violation under section 182.653, subdivision 2, that causes or contributes to the death of an employee, are increased by the lesser of (1) 2.5 percent, rounded to the nearest dollar amount evenly divisible by ten, or (2) the percentage calculated by the commissioner, rounded to the nearest dollar amount evenly divisible by ten.

(b) The fines increased under paragraph (a) shall not be increased to an amount greater than the corresponding federal penalties for the specified violations promulgated in United States Code, title 29, section 666, subsections (a)-(d), (i), as amended through November 5, 1990, and adjusted according to United States Code, title 28, section 2461, note (Federal Civil Penalties Inflation Adjustment), as amended through November 2, 2015.
38.1 (c) A fine must not be reduced under this subdivision. A fine increased under this subdivision takes effect on the next January 1.

38.3 **EFFECTIVE DATE.** This section is effective July 1, 2019.

**ARTICLE 4**

**CONSTRUCTION CODES**

38.6 Section 1. Minnesota Statutes 2018, section 326B.802, subdivision 15, is amended to read:

38.7 Subd. 15. **Special skill.** "Special skill" means one of the following eight categories:

38.8 (a) **Excavation.** Excavation includes work in any of the following areas:

38.9 (1) excavation;

38.10 (2) trenching;

38.11 (3) grading; and

38.12 (4) site grading.

38.13 (b) **Masonry and concrete.** Masonry and concrete includes work in any of the following areas:

38.14 (1) drain systems;

38.15 (2) poured walls;

38.16 (3) slabs and poured-in-place footings;

38.17 (4) masonry walls;

38.18 (5) masonry fireplaces;

38.19 (6) masonry veneer; and

38.20 (7) water resistance and waterproofing.

38.21 (c) **Carpentry.** Carpentry includes work in any of the following areas:

38.22 (1) rough framing;

38.23 (2) finish carpentry;

38.24 (3) doors, windows, and skylights;

38.25 (4) porches and decks, excluding footings;

38.26 (5) wood foundations; and
(6) drywall installation, excluding taping and finishing.

(d) **Interior finishing.** Interior finishing includes work in any of the following areas:

(1) floor covering;
(2) wood floors;
(3) cabinet and counter top installation;
(4) insulation and vapor barriers;
(5) interior or exterior painting;
(6) ceramic, marble, and quarry tile;
(7) ornamental guardrail and installation of prefabricated stairs; and
(8) wallpapering.

(e) **Exterior finishing.** Exterior finishing includes work in any of the following areas:

(1) siding;
(2) soffit, fascia, and trim;
(3) exterior plaster and stucco;
(4) painting; and
(5) rain carrying systems, including gutters and down spouts.

(f) **Drywall and plaster.** Drywall and plaster includes work in any of the following areas:

(1) installation;
(2) taping;
(3) finishing;
(4) interior plaster;
(5) painting; and
(6) wallpapering.

(g) **Residential roofing.** Residential roofing includes work in any of the following areas:

(1) roof coverings;
(2) roof sheathing;
(3) roof weatherproofing and insulation; and
(4) repair of roof support system, but not construction of new roof support system; and
(5) penetration of roof covering for purposes of attaching a solar photovoltaic system.

(h) General installation specialties. Installation includes work in any of the following areas:
(1) garage doors and openers;
(2) pools, spas, and hot tubs;
(3) fireplaces and wood stoves;
(4) asphalt paving and seal coating; and
(5) ornamental guardrail and prefabricated stairs; and
(6) assembly of the support system for a solar photovoltaic system.

ARTICLE 5
COMBATIVE SPORTS

Section 1. Minnesota Statutes 2018, section 341.30, subdivision 1, is amended to read:
Subdivision 1. Licensure; individuals. All referees, judges, promoters, trainers, ring announcers, timekeepers, ringside physicians, combatants, managers, and seconds are required to be licensed by the commissioner. The commissioner shall not permit any of these persons to participate in any matter with any combative sport contest unless the commissioner has first issued the person a license.

Sec. 2. Minnesota Statutes 2018, section 341.32, subdivision 1, is amended to read:
Subdivision 1. Annual licensure. The commissioner may establish and issue annual licenses subject to the collection of advance fees by the commissioner for promoters, managers, judges, referees, ring announcers, ringside physicians, timekeepers, combatants, trainers, and seconds.

Sec. 3. Minnesota Statutes 2018, section 341.321, is amended to read:
341.321 FEE SCHEDULE.
(a) The fee schedule for professional and amateur licenses issued by the commissioner is as follows:
(1) referees, $80 $25;
promoters, $700;
(3) judges and knockdown judges, $80 $25;
(4) trainers and seconds, $80;
(5) ring announcers, $80;
(6) timekeepers, $80 $25;
(7) professional combatants, $70;
(8) amateur combatants, $50;
(9) managers, $80; and
(10) ringside physicians, $80 $25.

License fees for promoters are due at least six weeks prior to the combative sport contest. All other license fees shall be paid no later than the weigh-in prior to the contest. No license may be issued until all prelicensure requirements are satisfied and fees are paid.

(b) The commissioner shall establish a contest fee for each combative sport contest and shall consider the size and type of venue when establishing a contest fee. The combative sport contest fee is $1,500 per event or not more than four percent of the gross ticket sales, whichever is greater, as determined by the commissioner when the combative sport contest is scheduled.

(c) A professional or amateur combative sport contest fee is nonrefundable and shall be paid as follows:

(1) $500 at the time the combative sport contest is scheduled; and
(2) $1,000 at the weigh-in prior to the contest.

If four percent of the gross ticket sales is greater than $1,500, the balance is due to the commissioner within seven days of the completed contest.

(d) The commissioner may establish the maximum number of complimentary tickets allowed for each event by rule.

(e) All fees and penalties collected by the commissioner must be deposited in the commissioner account in the special revenue fund.
ARTICLE 6
COMMUNITY PROSPERITY GRANTS

Section 1. COMMUNITY PROSPERITY FUND GRANT PROGRAM.

Subdivision 1. Establishment; purpose. The community prosperity fund grant program is established to provide grants to public or 501(c)(3) nonprofit entities to implement innovative economic development projects that will support economic growth in their community.

Subd. 2. Definitions. For the purposes of this section, the following terms have the meanings given them:

(1) "economic development" means activities, services, investments, and infrastructure that support the economic success of individuals, businesses, and communities by facilitating an economic environment that produces net new jobs;

(2) "innovative project" means the provision of a public service or good that was absent in the community or of insufficient quantity or quality;

(3) "local governmental unit" means a county, city, town, special district, public higher education institution, or other political subdivision or public corporation; and

(4) "community" means any geographic area defined by one or more census tracts.

Subd. 3. Community prosperity fund grants. The commissioner of employment and economic development shall:

(1) develop and implement a community prosperity fund grant program that will provide matching grants up to 85 percent of total project cost up to $100,000 to implement innovative economic development projects that will induce economic growth in their community;

(2) develop a request for proposals;

(3) review responses to requests for proposals and award grants under this section;

(4) establish a transparent and objective accountability process focused on outcomes that grantees agree to achieve; and

(5) maintain data on outcomes reported by grantees.

Subd. 4. Eligible grantees. Organizations eligible to receive grant funding under this section include:

(1) local government units; and

Article 6 Section 1.
nonprofit 501(c)(3) organizations that have established partnerships with one or more local government units to implement economic development projects or activities.

Subd. 5. **Priority of proposals; grant awards.** The commissioner shall prioritize the award of grants to proposals that demonstrate that the project:

1. will serve communities with a population of 5,000 or less;
2. will support the economic success of individuals, businesses, and communities by facilitating an economic environment that produces net new jobs;
3. will provide public services or goods that was absent in the community or of insufficient quality or quality;
4. serves a defined geographic area; racial, ethnic, or minority community; or American Indian community experiencing any the following: below state average wages, above state average unemployment rate, or below state average labor force participation rate;
5. will be sustainable or continue to have impact beyond the one-time funding from this program;
6. will be successfully implemented based on the qualifications of the lead organization; and
7. will serve two or more local government units.

Subd. 6. **Geographic distribution of grants.** The commissioner shall ensure that a minimum of 50 percent of grant funds are awarded to communities outside the seven-county metropolitan area.

Subd. 7. **Report.** Grantees must report grant program outcomes to the commissioner on the forms and according to the timelines established by the commissioner.

**ARTICLE 7**

**CHILD CARE ECONOMIC GRANT PROGRAM**

Section 1. **CHILD CARE ECONOMIC DEVELOPMENT GRANT PROGRAM.**

Subdivision 1. **Establishment.** A grant program is established under the Department of Employment and Economic Development to award grants to eligible local communities to increase the availability of child care in order to reduce the child care shortage in the community, and support increased workforce participation, business expansion and retention, and new business location.
Subd. 2. Definitions. For the purposes of this section, the following terms have the meanings given them:

(1) "commissioner" means the commissioner of employment and economic development;

(2) "child care" has the meaning given in section 119B.011;

(3) "political subdivision" means a county, statutory or home rule charter city, or school district; and

(4) "Indian tribe" means one of the federally recognized Minnesota tribes listed in section 3.922, subdivision 1, clause (1).

Subd. 3. Eligible expenditures. The commissioner may make grants under this section to implement solutions to reduce the child care shortage in the state including but not limited to funding for child care business start-ups or expansions, training, facility modifications or improvements required for licensing, and assistance with licensing and other regulatory requirements.

Subd. 4. Eligible applicants. Eligible applicants for grants awarded under this section include:

(1) a political subdivision;

(2) an Indian tribe;

(3) a Minnesota nonprofit organization organized under chapter 317 having experience in one or more of the following: the operation of, planning for, financing of, advocacy for, or advancement of the delivery of child care services in a defined service area spanning the boundaries of one or more political subdivisions.

Subd. 5. Application process. (a) An eligible applicant must submit an application to the commissioner on a form prescribed by the commissioner. The commissioner shall develop procedures governing the application and grant award process. The commissioner shall act as fiscal agent for the grant program and shall be responsible for receiving and reviewing grant applications and awarding grants under this section.

(b) At least 30 days prior to the first day applications may be submitted each fiscal year, the commissioner must publish on the department's website the specific criteria and any quantitative weighting scheme or scoring system the commissioner will use to evaluate or rank applications and award grants under subdivision 6.

Subd. 6. Application contents. An applicant for a grant under this section shall provide the following information on the application:
(1) the service area of the project;
(2) the project budget;
(3) evidence of the child care shortage in the community in which the project is to be located;
(4) the number of licensed child care slots that will be created as a result of the project;
(5) the number of families with children under age six that will have access to child care as a result of the project;
(6) community employers and businesses that will benefit from the proposed project;
(7) evidence of community support for the project;
(8) the total cost of the project;
(9) sources of funding or in-kind contributions for the project that will supplement any grant award; and
(10) any additional information requested by the commissioner.

Subd. 7. Awarding grants. (a) In evaluating applications and awarding grants, the commissioner may give priority to applications that:
(1) are in areas that have a documented shortage of affordable quality child care;
(2) demonstrate programmatic or financial collaborations and partnering among private sector employers, public and nonprofit organizations within geographic areas;
(3) serve areas of the state experiencing worker shortages, low prime age workforce participation rates, or prime age worker population loss that is significantly greater than the statewide average;
(4) provide evidence of strong support for the project from citizens, government, businesses, and institutions in the community;
(5) leverage greater amounts of funding for the project from private and nonstate public sources.
(b) The commissioner shall endeavor to award grants under this section to qualified applicants in all regions of the state.

Subd. 8. Limitation. (a) No grant awarded under this section may fund more than 50 percent of the total cost of a project.
(b) Grants awarded to a single project under this section must not exceed $100,000.
ARTICLE 8
MINNESOTA INVESTMENT FUND

Section 1. Minnesota Statutes 2018, section 116J.8731, subdivision 5, is amended to read:

Subd. 5. Grant limits. (a) A Minnesota investment fund grant may not be approved for an amount in excess of $1,000,000. This limit covers all money paid to complete the same project, whether paid to one or more grant recipients and whether paid in one or more fiscal years. A local community or recognized Indian tribal government may retain 40 percent, but not more than $100,000, of a Minnesota investment fund grant when it is repaid to the local community or recognized Indian tribal government by the person or entity to which it was loaned by the local community or Indian tribal government.

(b) Repayment of funds to a local community or recognized Indian tribal government under this section may be used for purposes under section 116J.407, and for other economic or community development projects including loans to businesses in any industry and community development planning. Funds may be used for the proposed purposes upon the receipt and approval by the commissioner of employment and economic development of a resolution passed by the local community or the recognized Indian tribal government that documents the proposed uses. Activities approved under this paragraph are not limited by the provisions in this section.

(c) Money repaid to the state must be credited to a Minnesota investment revolving loan account in the state treasury. Funds in the account are appropriated to the commissioner and must be used in the same manner as are funds appropriated to the Minnesota investment fund. Funds repaid to the state through existing Minnesota investment fund agreements must be credited to the Minnesota investment revolving loan account effective July 1, 2005.

(d) A grant or loan may not be made to a person or entity for the operation or expansion of a casino or a store which is used solely or principally for retail sales.

(e) Persons or entities receiving grants or loans must pay each employee total compensation, including benefits not mandated by law, that on an annualized basis is equal to at least 110 percent of the federal poverty level for a family of four.
ARTICLE 9

JOB CREATION FUND

Section 1. Minnesota Statutes 2018, section 116J.8748, subdivision 4, is amended to read:

Subd. 4. Certification; benefits. (a) The commissioner may certify a Minnesota job
creation fund business as eligible to receive a specific value of benefit under paragraphs (b)
and (c) when the business has achieved its job creation and capital investment goals noted
in its agreement under subdivision 3.

(b) A qualified Minnesota job creation fund business may be certified eligible for the
benefits in this paragraph for up to five years for projects located in the metropolitan area
as defined in section 200.02, subdivision 24, and seven years for projects located outside
the metropolitan area, as determined by the commissioner when considering the best interests
of the state and local area. Notwithstanding section 16B.98, subdivision 5, paragraph (a),
clause (3), or 16B.98, subdivision 5, paragraph (b), grant agreements for projects located
outside the metropolitan area may be for up to seven years in length. The eligibility for the
following benefits begins the date the commissioner certifies the business as a qualified
Minnesota job creation fund business under this subdivision:

(1) up to five percent rebate for projects located in the metropolitan area as defined in
section 200.02, subdivision 24, and 7.5 percent for projects located outside the metropolitan
area, on capital investment on qualifying purchases as provided in subdivision 5 with the
total rebate for a project not to exceed $500,000;

(2) an award of up to $500,000 based on full-time job creation and wages paid as provided
in subdivision 6 with the total award not to exceed $500,000;

(3) up to $1,000,000 in capital investment rebates and $1,000,000 in job creation awards
are allowable for projects that have at least $25,000,000 in capital investment and 200 new
employees in the metropolitan area as defined in section 200.02, subdivision 24, and 75
new employees for projects located outside the metropolitan area;

(4) up to $1,000,000 in capital investment rebates are allowable for projects that have
at least $25,000,000 in capital investment and 200 retained employees for projects located
in the metropolitan area as defined in section 200.02, subdivision 24, and 75 employees for
projects located outside the metropolitan area; and

(5) for clauses (3) and (4) only, the capital investment expenditure requirements may
include the installation and purchases of machinery and equipment. These expenditures are
not eligible for the capital investment rebate provided under subdivision 5.
(c) The job creation award may be provided in multiple years as long as the qualified Minnesota job creation fund business continues to meet the job creation goals provided for in its agreement under subdivision 3 and the total award does not exceed $500,000 except as provided under paragraph (b), clauses (3) and (4).

(d) No rebates or award may be provided until the Minnesota job creation fund business or a third party constructing or managing the project has at least $500,000 in capital investment in the project and at least ten full-time jobs: (1) meets the capital investment requirements as provided in subdivision 3, clause (3); and (2) the new full-time jobs as provided in subdivision 3, clause (3), item (i), have been created and maintained for at least one year or the retained employees, as provided in paragraph (b), clause (4), remain for at least one year. The agreement may require additional performance outcomes that need to be achieved before rebates and awards are provided. If fewer retained jobs are maintained, but still above the minimum under this subdivision, the capital investment award shall be reduced on a proportionate basis.

(e) The forms needed to be submitted to document performance by the Minnesota job creation fund business must be in the form and be made under the procedures specified by the commissioner. The forms shall include documentation and certification by the business that it is in compliance with the business subsidy agreement, sections 116J.871 and 116L.66, and other provisions as specified by the commissioner.

(f) Minnesota job creation fund businesses must pay each new full-time employee added pursuant to the agreement total compensation, including benefits not mandated by law, that on an annualized basis is equal to at least 110 percent of the federal poverty level for a family of four.

(g) A Minnesota job creation fund business must demonstrate reasonable progress on capital investment expenditures within six months following designation as a Minnesota job creation fund business to ensure that the capital investment goal in the agreement under subdivision 1 will be met. Businesses not making reasonable progress will not be eligible for benefits under the submitted application and will need to work with the local government unit to resubmit a new application and request to be a Minnesota job creation fund business. Notwithstanding the goals noted in its agreement under subdivision 1, this action shall not be considered a default of the business subsidy agreement.
ARTICLE 10

WAGE THEFT PREVENTION

Section 1. Minnesota Statutes 2018, section 16C.285, subdivision 3, is amended to read:

Subd. 3. Minimum criteria. "Responsible contractor" means a contractor that conforms to the responsibility requirements in the solicitation document for its portion of the work on the project and verifies that it meets the following minimum criteria:

(1) the contractor:

(i) is in compliance with workers' compensation and unemployment insurance requirements;

(ii) is in compliance with Department of Revenue and Department of Employment and Economic Development registration requirements if it has employees;

(iii) has a valid federal tax identification number or a valid Social Security number if an individual; and

(iv) has filed a certificate of authority to transact business in Minnesota with the secretary of state if a foreign corporation or cooperative;

(2) the contractor or related entity is in compliance with and, during the three-year period before submitting the verification, has not violated section 177.24, 177.25, 177.41 to 177.44, 181.03, 181.101, 181.13, 181.14, or 181.722, and has not violated United States Code, title 29, sections 201 to 219, or United States Code, title 40, sections 3141 to 3148. For purposes of this clause, a violation occurs when a contractor or related entity:

(i) repeatedly fails to pay statutorily required wages or penalties on one or more separate projects for a total underpayment of $25,000 or more within the three-year period, provided that a failure to pay is "repeated" only if it involves two or more separate and distinct occurrences of underpayment during the three-year period;

(ii) has been issued an order to comply by the commissioner of labor and industry that has become final;

(iii) has been issued at least two determination letters within the three-year period by the Department of Transportation finding an underpayment by the contractor or related entity to its own employees;

(iv) has been found by the commissioner of labor and industry to have repeatedly or willfully violated any of the sections referenced in this clause pursuant to section 177.27;
(v) has been issued a ruling or findings of underpayment by the administrator of the
Wage and Hour Division of the United States Department of Labor that have become final
or have been upheld by an administrative law judge or the Administrative Review Board;

(vi) has been found liable for underpayment of wages or penalties or misrepresenting a
construction worker as an independent contractor in an action brought in a court having
jurisdiction; or

(vii) has been convicted of a violation of section 177.32, subdivision 1, or 609.52,
subdivision 2, clause (19).

Provided that, if the contractor or related entity contests a determination of underpayment
by the Department of Transportation in a contested case proceeding, a violation does not
occur until the contested case proceeding has concluded with a determination that the
contractor or related entity underpaid wages or penalties;

(3) the contractor or related entity is in compliance with and, during the three-year period
before submitting the verification, has not violated section 181.723 or chapter 326B. For
purposes of this clause, a violation occurs when a contractor or related entity has been issued
a final administrative or licensing order;

(4) the contractor or related entity has not, more than twice during the three-year period
before submitting the verification, had a certificate of compliance under section 363A.36
revoked or suspended based on the provisions of section 363A.36, with the revocation or
suspension becoming final because it was upheld by the Office of Administrative Hearings
or was not appealed to the office;

(5) the contractor or related entity has not received a final determination assessing a
monetary sanction from the Department of Administration or Transportation for failure to
meet targeted group business, disadvantaged business enterprise, or veteran-owned business
goals, due to a lack of good faith effort, more than once during the three-year period before
submitting the verification;

(6) the contractor or related entity is not currently suspended or debarred by the federal
government or the state of Minnesota or any of its departments, commissions, agencies, or
political subdivisions that have authority to debar a contractor; and

(7) all subcontractors and motor carriers that the contractor intends to use to perform
project work have verified to the contractor through a signed statement under oath by an
owner or officer that they meet the minimum criteria listed in clauses (1) to (6).
Any violations, suspensions, revocations, or sanctions, as defined in clauses (2) to (5), occurring prior to July 1, 2014, shall not be considered in determining whether a contractor or related entity meets the minimum criteria.

Sec. 2. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to read:

Subd. 1a. Authority to investigate. To carry out the purposes of this chapter and chapters 181, 181A, and 184, and utilizing the enforcement authority of section 175.20, the commissioner is authorized to enter the places of business and employment of any employer in the state to investigate wages, hours, and other conditions and practices of work, collect evidence, and conduct interviews. The commissioner is authorized to enter the places of business and employment during working hours and without delay. The commissioner may use investigation methods that include but are not limited to examination, surveillance, transcription, copying, scanning, photographing, audio or video recording, testing, and sampling along with taking custody of evidence. Evidence that may be collected includes but is not limited to documents, records, books, registers, payrolls, electronically and digitally stored information, machinery, equipment, tools, and other tangible items that in any way relate to wages, hours, and other conditions and practices of work. The commissioner may privately interview any individual, including owners, employers, operators, agents, workers, and other individuals who may have knowledge of the conditions and practices of work under investigation.

Sec. 3. Minnesota Statutes 2018, section 177.27, subdivision 2, is amended to read:

Subd. 2. Submission of records; penalty. The commissioner may require the employer of employees working in the state to submit to the commissioner photocopies, certified copies, or, if necessary, the originals of employment records which the commissioner deems necessary or appropriate. The records which may be required include full and correct statements in writing, including sworn statements by the employer, containing information relating to wages, gratuities, hours, names, addresses, and any other information pertaining to the employer's employees and the conditions of their employment as the commissioner deems necessary or appropriate.

The commissioner may require the records to be submitted by certified mail delivery or, if necessary, by personal delivery by the employer or a representative of the employer, as authorized by the employer in writing.
The commissioner may fine the employer up to $1,000 for each failure to submit or
deliver records as required by this section. This penalty is in addition to any penalties
provided under section 177.32, subdivision 1. In determining the amount of a civil penalty
under this subdivision, the appropriateness of such penalty to the size of the employer's
business and the gravity of the violation shall be considered.

Sec. 4. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to
read:

Subd. 3a. Penalties. The commissioner may fine an employer up to $10,000 for each
failure to submit or deliver records as required by this chapter and chapters 181, 181A, and
184. This penalty is in addition to any penalties provided under sections 177.30 and 177.32,
subdivision 1. In determining the amount of a civil penalty under this subdivision, the
appropriateness of the penalty to the size of the employer's business and the gravity of the
violation as provided in section 14.045, subdivision 3, paragraph (a), shall be considered.

Sec. 5. Minnesota Statutes 2018, section 177.27, subdivision 4, is amended to read:

Subd. 4. Compliance orders. The commissioner may issue an order requiring an
employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,
181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d), 181.275,
subdivision 2a, 181.722, 181.79, and 181.939 to 181.943, or with any rule promulgated
under section 177.28. The commissioner shall issue an order requiring an employer to
comply with sections 177.41 to 177.435 if the violation is repeated. For purposes of this
subdivision only, a violation is repeated if at any time during the two years that preceded
the date of violation, the commissioner issued an order to the employer for violation of
sections 177.41 to 177.435 and the order is final or the commissioner and the employer
have entered into a settlement agreement that required the employer to pay back wages that
were required by sections 177.41 to 177.435. The department shall serve the order upon the
employer or the employer's authorized representative in person or by certified mail at the
employer's place of business. An employer who wishes to contest the order must file written
notice of objection to the order with the commissioner within 15 calendar days after being
served with the order. A contested case proceeding must then be held in accordance with
sections 14.57 to 14.69. The employer to whom the order is issued and the commissioner,
who may designate appropriate representation to appear on behalf of the commissioner in
the administrative proceeding, are the parties to the hearing. If, within 15 calendar days
after being served with the order, the employer fails to file a written notice of objection with
the commissioner, the order becomes a final order of the commissioner.
Sec. 6. Minnesota Statutes 2018, section 177.27, subdivision 7, is amended to read:

Subd. 7. Employer liability. If an employer is found by the commissioner to have violated a section identified in subdivision 4, or any rule adopted under section 177.28, and the commissioner issues an order to comply, the commissioner shall order the employer to cease and desist from engaging in the violative practice and to take such affirmative steps that in the judgment of the commissioner will effectuate the purposes of the section or rule violated. The commissioner shall order the employer to pay to the aggrieved parties back pay, wages owed, gratuities received, and compensatory damages, less any amount actually paid to the employee by the employer, and for an additional equal amount as liquidated damages. Any employer who is found by the commissioner to have repeatedly or willfully violated a section or sections identified in subdivision 4, or found to owe to aggrieved parties wages or gratuities in an amount that exceeds $1,000, shall be subject to a civil penalty of up to $2,000 for each violation for each employee. In determining the amount of a civil penalty under this subdivision, the appropriateness of such penalty to the size of the employer's business and the gravity of the violation shall be considered. In addition, the commissioner may order the employer to reimburse the department and the attorney general for all appropriate litigation and hearing costs expended in preparation for and in conducting the contested case proceeding, unless payment of costs would impose extreme financial hardship on the employer. If the employer is able to establish extreme financial hardship, then the commissioner may order the employer to pay a percentage of the total costs that will not cause extreme financial hardship. Costs include but are not limited to the costs of services rendered by the attorney general, private attorneys if engaged by the department, administrative law judges, court reporters, and expert witnesses as well as the cost of transcripts. Interest shall accrue on, and be added to, the unpaid balance of a commissioner's order from the date the order is signed by the commissioner until it is paid, at an annual rate provided in section 549.09, subdivision 1, paragraph (c). The commissioner may establish escrow accounts for purposes of distributing damages.

Sec. 7. Minnesota Statutes 2018, section 177.27, subdivision 8, is amended to read:

Subd. 8. Court actions; suits brought by private parties. An employee may bring a civil action seeking redress for a violation or violations of sections 177.21 to 177.44 directly to district court. An employer who pays an employee less than the wages and overtime compensation to which the employee is entitled under sections 177.21 to 177.44 is liable to the employee for the full amount of the wages, gratuities, and overtime compensation, less any amount the employer is able to establish was actually paid to the employee and for an additional equal double the amount as liquidated damages. In addition, in an action under...
this subdivision the employee may seek damages and other appropriate relief provided by
subdivision 7 and otherwise provided by law. An agreement between the employee and the
employer to work for less than the applicable wage is not a defense to the action.

Sec. 8. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to
read:

Subd. 11. **Subpoenas.** In order to carry out the purposes of this chapter and chapters
181, 181A, and 184, the commissioner may issue subpoenas to compel persons to appear
before the commissioner to give testimony and produce and permit inspection, copying,
testing, or sampling of designated documents, records, books, registers, payrolls,
electronically and digitally stored information, machinery, equipment, tools, and other
tangible items that in any way relate to wages, hours, and other conditions and practices of
work in the possession, custody, or control of that person that are deemed necessary or
appropriate by the commissioner. A subpoena may specify the form or format in which
electronically or digitally stored information is to be produced. Upon the application of the
commissioner, a district court shall treat the failure of any person to obey a subpoena lawfully
issued by the commissioner under this subdivision as a contempt of court.

Sec. 9. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to
read:

Subd. 12. **Court orders for entrance and inspection.** To carry out the purposes of this
chapter and chapters 181, 181A, and 184, and utilizing the enforcement authority of section
175.20, the commissioner is authorized to enter places of business and employment of any
employer in the state to investigate wages, hours, and other conditions and practices of
work, collect evidence, and conduct interviews. The commissioner is authorized to enter
the places of business and employment during working hours and without delay. Upon the
anticipated refusal based on a refusal to permit entrance on a prior occasion or actual refusal
of an employer, owner, operator, or agent in charge of an employer's place of business or
employment, the commissioner may apply for an order in the district court in the county in
which the place of business or employment is located, to compel an employer, owner,
operator, or agent in charge of the place of business or employment to permit the
commissioner entry to investigate wages, hours, and other conditions and practices of work,
collect evidence, and interview witnesses.
Sec. 10. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to read:

Subd. 13. **State licensing or regulatory power.** In the case of an employer which is subject to the licensing or regulatory power of the state or any political subdivision or agency thereof, if the commissioner issues an order to comply under subdivision 4, the commissioner may provide the licensing or regulatory agency a copy of the order to comply. Unless the order to comply is reversed in the course of administrative or judicial review, the order to comply is binding on the agency and the agency may take appropriate action, including action related to the eligibility, renewal, suspension, or revocation of a license or certificate of public convenience and necessity if the agency is otherwise authorized to take such action.

Sec. 11. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to read:

Subd. 14. **Public contracts.** In the case of an employer that is a party to a public contract, if the commissioner issues an order to comply under subdivision 4, the commissioner may provide a copy of the order to comply to the contract letting agency. Unless the order to comply is reversed in the course of administrative or judicial review, an order to comply is binding on the contract letting agency and the agency may take appropriate administrative action, including the imposition of financial penalties and eligibility for, termination or nonrenewal of a contract, in whole or in part, if the agency is otherwise authorized to take the action.

Sec. 12. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to read:

Subd. 15. **Notice to employees of compliance orders and citations.** In a compliance order or citation issued under this chapter and chapters 181, 181A, and 184, the commissioner may require that the provisions of a compliance order or citation setting out the violations found by the commissioner and any subsequent document setting out the resolution of the compliance order or citation through settlement agreement or other final disposition, upon receipt by the employer, be made available for review by the employees of the employer using the means the employer uses to provide other work-related notices to the employer's employees. The means used by the employer must be at least as effective as the following options for providing notice: (1) posting a copy of the compliance order or citation at each location where employees perform work and where the notice must be readily observed and easily reviewed by all employees performing work; or (2) providing a paper or electronic
copy of the compliance order or citation to employees. Each citation and proposed penalty
shall be posted or made available to employees for a minimum period of 20 days. Upon
issuance of a compliance order or citation to an employer, the commissioner may also
provide the provisions of the compliance order or citation setting out the violations found
by the commissioner and any resolution of a compliance order or citation through settlement
agreement or other final disposition to the employer's employees who may be affected by
the order or citation and how the order or citation and resolution may affect their interests.

Sec. 13. Minnesota Statutes 2018, section 177.30, is amended to read:

177.30 KEEPING RECORDS; PENALTY.

(a) Every employer subject to sections 177.21 to 177.44 and 181.01 to 181.171 must
make and keep a record of:

(1) the name, address, job title or classification, and occupation of each employee;
(2) the rate of pay, and the amount paid each pay period to each employee, including
whether each employee is paid by the hour, shift, day, week, salary, piece, commission, or
other method;
(3) the hours worked each day and each workweek by the employee, including for all
employees paid at piece rate, the number of pieces completed at each piece rate;
(4) any personnel policies provided to employees;
(5) a copy of the notice provided to each employee as required by section 181.032,
paragraph (d);
(4)(6) for each employer subject to sections 177.41 to 177.44, and while performing
work on public works projects funded in whole or in part with state funds, the employer
shall furnish under oath signed by an owner or officer of an employer to the contracting
authority and the project owner every two weeks, a certified payroll report with respect to
the wages and benefits paid each employee during the preceding weeks specifying for each
employee: name; identifying number; prevailing wage master job classification; hours
worked each day; total hours; rate of pay; gross amount earned; each deduction for taxes;
total deductions; net pay for week; dollars contributed per hour for each benefit, including
name and address of administrator; benefit account number; and telephone number for
health and welfare, vacation or holiday, apprenticeship training, pension, and other benefit
programs; and
other information the commissioner finds necessary and appropriate to enforce sections 177.21 to 177.435. The records must be kept for three years in or near the premises where an employee works except each employer subject to sections 177.41 to 177.44, and while performing work on public works projects funded in whole or in part with state funds, the records must be kept for three years after the contracting authority has made final payment on the public works project.

(b) The commissioner may fine an employer up to $1,000 for each failure to maintain records as required by this section. This penalty is in addition to any penalties provided under section 177.32, subdivision 1. In determining the amount of a civil penalty under this subdivision, the appropriateness of such penalty to the size of the employer's business and the gravity of the violation shall be considered.

(b) All records required to be made and kept under paragraph (a) must be made available for inspection by the commissioner upon demand. The records must be either kept at the place where employees are working or kept in a manner that allows the employer to comply with this paragraph within 24 hours.

(c) The commissioner may fine an employer up to $10,000 for each failure to make and keep accurate records as required by this chapter and chapters 181, 181A, and 184. This penalty is in addition to any penalties provided under sections 177.27, subdivision 2, and 177.32, subdivision 1. In determining the amount of a civil penalty under this subdivision, the appropriateness of such penalty to the size of the employer's business and the gravity of the violation as provided in section 14.045, subdivision 3, paragraph (a), shall be considered. Penalties issued for a de minimis error in making and keeping records required by this chapter and chapters 181, 181A, and 184, shall not exceed $1,000 for a first finding of violation by the commissioner if the employer immediately corrects the error identified by the commissioner. If an employer fails to make or keep or fails to submit or deliver records as required by this chapter and chapter 181, 181A, or 184, and as a result issues arise as to whether the employer has committed alleged violations, it shall be presumed that the employer has committed the violations alleged and the employer shall bear the burden of rebutting that presumption through clear and convincing evidence. The commissioner may make a determination of wages, salary, earnings, commissions, and gratuities owed based on available evidence and any contemporaneous records maintained by an employee on rates of pay, days and hours worked, work performed and wages, salary, earnings, commissions, and gratuities received by the employee, which shall be given deference in determining wages owed the employee.
Sec. 14. Minnesota Statutes 2018, section 177.32, subdivision 1, is amended to read:

Subdivision 1. Misdemeanors. (a) An employer who does any of the following is guilty of a misdemeanor:

(1) hinders or delays the commissioner in the performance of duties required under sections 177.21 to 177.435 and chapter 181;

(2) refuses to admit the commissioner to the place of business or employment of the employer, as required by section 177.27, subdivision 1a;

(3) repeatedly fails to make, keep, and preserve records as required by section 177.30;

(4) falsifies any record;

(5) refuses to make any record available, or to furnish a sworn statement of the record or any other information as required by section 177.27;

(6) repeatedly fails to post a summary of sections 177.21 to 177.44 or a copy or summary of the applicable rules as required by section 177.31;

(7) pays or agrees to pay wages at a rate less than the rate required under sections 177.21 to 177.44;

(8) refuses to allow adequate time from work as required by section 177.253; or

(9) otherwise violates any provision of sections 177.21 to 177.44.

(b) An employer is guilty of a gross misdemeanor if the employer is found to have intentionally retaliated against an employee for asserting rights or remedies under sections 177.21 to 177.44, or section 181.03.

Sec. 15. [177.45] ENFORCEMENT; REMEDIES.

Subdivision 1. Public enforcement. In addition to the enforcement of this chapter by the department, the attorney general may enforce this chapter under section 8.31.

Subd. 2. Remedies cumulative. The remedies provided in this chapter are cumulative and do not restrict any remedy that is otherwise available, including remedies provided under section 8.31. The remedies available under this section are not exclusive and are in addition to any other requirements, rights, remedies, and penalties provided by law.

Sec. 16. Minnesota Statutes 2018, section 181.03, subdivision 1, is amended to read:

Subdivision 1. Prohibited practices. An employer may not, directly or indirectly and with intent to defraud,
(a) No employer shall commit wage theft.

(b) For the purposes of this section, wage theft is committed if:

1. an employer has failed to pay an employee all owed wages, salary, gratuities, earnings, or commissions at the employee's rate or rates of pay or at the rate or rates required by law, including any applicable statute, regulation, rule, ordinance, government resolution or policy, contract, or other legal authority, whichever rate of pay is greater;

2. (2) an employer directly or indirectly causes any employee to give a receipt for wages for a greater amount than that actually paid to the employee for services rendered;

3. (3) an employer directly or indirectly demands or receives from any employee any rebate or refund from the wages owed the employee under contract of employment with the employer; or

4. (4) an employer in any manner makes or attempts to make it appear that the wages paid to any employee were greater than the amount actually paid to the employee.

Sec. 17. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to read:

Subd. 4. Retaliation. An employer may not retaliate against an employee for asserting rights or remedies under this section. A rebuttable presumption of unlawful retaliation under this section exists whenever an employer takes adverse action against an employee within 90 days of the employee asserting rights or remedies under this section.

Sec. 18. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to read:

Subd. 5. Enforcement. The use of an enforcement provision in this section shall not preclude the use of any other enforcement provision provided by law.

Sec. 19. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to read:

Subd. 6. Citations. (a) In addition to other remedies and penalties provided by this chapter and chapter 177, the commissioner may issue a citation for a civil penalty of up to $1,000 for any wage theft of up to $1,000 by serving the citation on the employer. The citation may direct the employer to pay employees in a manner prescribed by the commissioner any wages, salary, gratuities, earnings, or commissions owed to the employee.
within 15 days of service of the citation on the employer. The commissioner shall serve the
citation upon the employer or the employer's authorized representative in person or by
certified mail at the employer's place of business or registered office address with the
secretary of state. The citation shall require the employer to correct the violation and cease
and desist from committing the violation.

(b) In determining the amount of the civil penalty, the commissioner shall consider the
size of the employer's business and the gravity of the violation as provided in section 14.045,
subdivision 3, paragraph (a). If the citation includes a penalty assessment, the penalty is
due and payable on the date the citation becomes final. The commissioner may vacate the
citation if the employer pays the amount of wages, salaries, commissions, earnings, and
gratuities due in the citation within five days after the citation is served on the employer.

Sec. 20. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to
read:

Subd. 7. Administrative review. (a) Within 15 days after the commissioner issues a
citation under subdivision 6, the employer to whom the citation is issued may request a
hearing to review the citation. The request for hearing must be in writing and must be served
on the commissioner at the address specified in the citation. If the employer does not request
a hearing or if the employer's written request for hearing is not served on the commissioner
by the 15th day after the commissioner issues the citation, the citation becomes a final order
of the commissioner and is not subject to review by any court or agency. The hearing request
must state the reasons for seeking review of the citation.

(b) The employer to whom the citation is issued and the commissioner, who may
designate appropriate representation to appear on behalf of the commissioner in the
administrative proceeding, are the parties to the hearing. The commissioner must notify the
employer to whom the citation is issued of the time and place of the hearing at least 15 days
before the hearing. The hearing shall be conducted under Minnesota Rules, parts 1400.8510
to 1400.8612, as modified by this section.

(c) If a hearing has been held, the commissioner shall not issue a final order until at least
five days after the date of the administrative law judge's report. Any person aggrieved by
the administrative law judge's report may, within those five days, serve written comments
to the commissioner on the report and the commissioner shall consider and enter the
comments in the record. The commissioner's final order shall comply with sections 14.61,
subdivision 2, and 14.62, subdivisions 1 and 2a, and may be appealed in the manner provided
in sections 14.63 to 14.69.
Sec. 21. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to read:

Subd. 8. Effect on other laws. Nothing in this section shall be construed to limit the application of other state or federal laws.

Sec. 22. Minnesota Statutes 2018, section 181.032, is amended to read:

181.032 REQUIRED STATEMENT OF EARNINGS BY EMPLOYER; NOTICE TO EMPLOYEE.

(a) At the end of each pay period, the employer shall provide each employee an earnings statement, either in writing or by electronic means, covering that pay period. An employer who chooses to provide an earnings statement by electronic means must provide employee access to an employer-owned computer during an employee's regular working hours to review and print earnings statements.

(b) The earnings statement may be in any form determined by the employer but must include:

(1) the name of the employee;
(2) the hourly rate or rates of pay (if applicable) and basis thereof, including whether the employee is paid by the hour, shift, day, week, salary, piece, commission, or other method;
(3) allowances, if any, claimed pursuant to permitted meals and lodging;
(4) the total number of hours worked by the employee unless exempt from chapter 177;
(5) the total amount of gross pay earned by the employee during that period;
(6) a list of deductions made from the employee's pay;
(7) the net amount of pay after all deductions are made;
(8) the date on which the pay period ends; and
(9) the legal name of the employer and the operating name of the employer if different from the legal name;
(10) the physical address of the employer's main office or principal place of business and a mailing address if different; and
(11) the telephone number of the employer.
(c) An employer must provide earnings statements to an employee in writing, rather than by electronic means, if the employer has received at least 24 hours notice from an employee that the employee would like to receive earnings statements in written form. Once an employer has received notice from an employee that the employee would like to receive earnings statements in written form, the employer must comply with that request on an ongoing basis.

(d) At the start of employment, an employer shall provide each employee a written notice containing the following information:

1. the rate or rates of pay, including the specific application of any additional rates, and basis thereof, including whether the employee is paid by the hour, shift, day, week, salary, piece, commission, or other method;
2. allowances, if any, claimed pursuant to permitted meals and lodging;
3. paid vacation, sick time, or other paid time off accruals and terms of use;
4. the employee's employment status and whether the employee is exempt from minimum wage, overtime, and other provisions of chapter 177, and on what basis;
5. a list of deductions that may be made from the employee's pay;
6. the dates on which the pay periods start and end and the regularly scheduled payday;
7. the legal name of the employer and the operating name of the employer if different from the legal name;
8. the address of the employer's principal place of business and a mailing address if different; and
9. the telephone number of the employer.

(e) The employer must keep a copy of the notice under paragraph (d) signed by each employee acknowledging receipt of the notice. The notice must be provided to each employee in English and in the employee's native language.

(f) An employer must provide the employee any written changes to the information contained in the notice under paragraph (d) at least seven calendar days prior to the time the changes take effect. The changes must be signed by the employee before the changes go into effect. The employer must keep a signed copy of all notice of changes as well as the initial notices under paragraph (d).
Sec. 23. Minnesota Statutes 2018, section 181.101, is amended to read:

181.101 WAGES; HOW OFTEN PAID.

(a) Except as provided in paragraph (b), every employer must pay all wages earned by an employee at least once every 31 days on a regular payday designated in advance by the employer regardless of whether the employee requests payment at longer intervals. Unless paid earlier, the wages earned during the first half of the first 31-day pay period become due on the first regular payday following the first day of work. An employer's pay period must be no longer than 16 days. All wages earned in a pay period must be paid to an employee within ten days of the end of that pay period. If wages earned are not paid, the commissioner of labor and industry or the commissioner's representative may serve a demand for payment on behalf of an employee. If payment is not made within ten days of service of the demand, the commissioner may charge and collect the wages earned and a penalty liquidated damages in the amount of the employee's average daily earnings at the employee's rate agreed upon in the contract of employment, not exceeding 15 days in all, or rates of pay or at the rate or rates required by law, including any applicable statute, regulation, rule, ordinance, government resolution or policy, contract, or other legal authority, whichever rate of pay is greater, for each day beyond the ten-day five-day limit following the demand. Money collected by the commissioner must be paid to the employee concerned. This section does not prevent an employee from prosecuting a claim for wages. This section does not prevent a school district, other public school entity, or other school, as defined under section 120A.22, from paying any wages earned by its employees during a school year on regular paydays in the manner provided by an applicable contract or collective bargaining agreement, or a personnel policy adopted by the governing board. For purposes of this section, "employee" includes a person who performs agricultural labor as defined in section 181.85, subdivision 2. For purposes of this section, wages are earned on the day an employee works.

(b) An employer of a volunteer firefighter, as defined in section 424A.001, subdivision 10, a member of an organized first responder squad that is formally recognized by a political subdivision in the state, or a volunteer ambulance driver or attendant must pay all wages earned by the volunteer firefighter, first responder, or volunteer ambulance driver or attendant at least once every 31 days, unless the employer and the employee mutually agree upon payment at longer intervals.

Sec. 24. [181.1721] ENFORCEMENT; REMEDIES.

Subdivision 1. Public enforcement. In addition to the enforcement of this chapter by the department, the attorney general may enforce this chapter under section 8.31.
Subd. 2. Remedies cumulative. The remedies provided in this chapter are cumulative and do not restrict any remedy that is otherwise available, including remedies provided under section 8.31. The remedies available under this section are not exclusive and are in addition to any other requirements, rights, remedies, and penalties provided by law.

Sec. 25. Minnesota Statutes 2018, section 609.52, subdivision 1, is amended to read:

Subdivision 1. Definitions. In this section:

(1) "Property" means all forms of tangible property, whether real or personal, without limitation including documents of value, electricity, gas, water, corpses, domestic animals, dogs, pets, fowl, and heat supplied by pipe or conduit by municipalities or public utility companies and articles, as defined in clause (4), representing trade secrets, which articles shall be deemed for the purposes of Extra Session Laws 1967, chapter 15 to include any trade secret represented by the article.

(2) "Movable property" is property whose physical location can be changed, including without limitation things growing on, affixed to, or found in land.

(3) "Value" means the retail market value at the time of the theft, or if the retail market value cannot be ascertained, the cost of replacement of the property within a reasonable time after the theft, or in the case of a theft or the making of a copy of an article representing a trade secret, where the retail market value or replacement cost cannot be ascertained, any reasonable value representing the damage to the owner which the owner has suffered by reason of losing an advantage over those who do not know of or use the trade secret. For a check, draft, or other order for the payment of money, "value" means the amount of money promised or ordered to be paid under the terms of the check, draft, or other order. For a theft committed within the meaning of subdivision 2, clause (5), items (i) and (ii), if the property has been restored to the owner, "value" means the value of the use of the property or the damage which it sustained, whichever is greater, while the owner was deprived of its possession, but not exceeding the value otherwise provided herein. For a theft committed within the meaning of subdivision 2, clause (9), if the property has been restored to the owner, "value" means the rental value of the property, determined at the rental rate contracted by the defendant or, if no rental rate was contracted, the rental rate customarily charged by the owner for use of the property, plus any damage that occurred to the property while the owner was deprived of its possession, but not exceeding the total retail value of the property at the time of rental. For a theft committed within the meaning of subdivision 2, clause (19), "value" means the difference between wages legally required to be reported or paid to an employee and the amount actually reported or paid to the employee.
(4) "Article" means any object, material, device or substance, including any writing, record, recording, drawing, sample specimen, prototype, model, photograph, microorganism, blueprint or map, or any copy of any of the foregoing.

(5) "Representing" means describing, depicting, containing, constituting, reflecting or recording.

(6) "Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

(i) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and

(ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

(7) "Copy" means any facsimile, replica, photograph or other reproduction of an article, and any note, drawing, or sketch made of or from an article while in the presence of the article.

(8) "Property of another" includes property in which the actor is co-owner or has a lien, pledge, bailment, or lease or other subordinate interest, property transferred by the actor in circumstances which are known to the actor and which make the transfer fraudulent as defined in section 513.44, property possessed pursuant to a short-term rental contract, and property of a partnership of which the actor is a member, unless the actor and the victim are husband and wife. It does not include property in which the actor asserts in good faith a claim as a collection fee or commission out of property or funds recovered, or by virtue of a lien, setoff, or counterclaim.

(9) "Services" include but are not limited to labor, professional services, transportation services, electronic computer services, the supplying of hotel accommodations, restaurant services, entertainment services, advertising services, telecommunication services, and the supplying of equipment for use including rental of personal property or equipment.

(10) "Motor vehicle" means a self-propelled device for moving persons or property or pulling implements from one place to another, whether the device is operated on land, rails, water, or in the air.

(11) "Motor fuel" has the meaning given in section 604.15, subdivision 1.

(12) "Retailer" has the meaning given in section 604.15, subdivision 1.
Sec. 26. Minnesota Statutes 2018, section 609.52, subdivision 2, is amended to read:

Subd. 2. Acts constituting theft. (a) Whoever does any of the following commits theft and may be sentenced as provided in subdivision 3:

(1) intentionally and without claim of right takes, uses, transfers, conceals or retains possession of movable property of another without the other's consent and with intent to deprive the owner permanently of possession of the property; or

(2) with or without having a legal interest in movable property, intentionally and without consent, takes the property out of the possession of a pledgee or other person having a superior right of possession, with intent thereby to deprive the pledgee or other person permanently of the possession of the property; or

(3) obtains for the actor or another the possession, custody, or title to property of or performance of services by a third person by intentionally deceiving the third person with a false representation which is known to be false, made with intent to defraud, and which does defraud the person to whom it is made. "False representation" includes without limitation:

(i) the issuance of a check, draft, or order for the payment of money, except a forged check as defined in section 609.631, or the delivery of property knowing that the actor is not entitled to draw upon the drawee therefor or to order the payment or delivery thereof; or

(ii) a promise made with intent not to perform. Failure to perform is not evidence of intent not to perform unless corroborated by other substantial evidence; or

(iii) the preparation or filing of a claim for reimbursement, a rate application, or a cost report used to establish a rate or claim for payment for medical care provided to a recipient of medical assistance under chapter 256B, which intentionally and falsely states the costs of or actual services provided by a vendor of medical care; or

(iv) the preparation or filing of a claim for reimbursement for providing treatment or supplies required to be furnished to an employee under section 176.135 which intentionally and falsely states the costs of or actual treatment or supplies provided; or

(v) the preparation or filing of a claim for reimbursement for providing treatment or supplies required to be furnished to an employee under section 176.135 for treatment or supplies that the provider knew were medically unnecessary, inappropriate, or excessive; or
(4) by swindling, whether by artifice, trick, device, or any other means, obtains property or services from another person; or

(5) intentionally commits any of the acts listed in this subdivision but with intent to exercise temporary control only and:

(i) the control exercised manifests an indifference to the rights of the owner or the restoration of the property to the owner; or

(ii) the actor pledges or otherwise attempts to subject the property to an adverse claim; or

(iii) the actor intends to restore the property only on condition that the owner pay a reward or buy back or make other compensation; or

(6) finds lost property and, knowing or having reasonable means of ascertaining the true owner, appropriates it to the finder's own use or to that of another not entitled thereto without first having made reasonable effort to find the owner and offer and surrender the property to the owner; or

(7) intentionally obtains property or services, offered upon the deposit of a sum of money or tokens in a coin or token operated machine or other receptacle, without making the required deposit or otherwise obtaining the consent of the owner; or

(8) intentionally and without claim of right converts any article representing a trade secret, knowing it to be such, to the actor's own use or that of another person or makes a copy of an article representing a trade secret, knowing it to be such, and intentionally and without claim of right converts the same to the actor's own use or that of another person. It shall be a complete defense to any prosecution under this clause for the defendant to show that information comprising the trade secret was rightfully known or available to the defendant from a source other than the owner of the trade secret; or

(9) leases or rents personal property under a written instrument and who:

(i) with intent to place the property beyond the control of the lessor conceals or aids or abets the concealment of the property or any part thereof; or

(ii) sells, conveys, or encumbers the property or any part thereof without the written consent of the lessor, without informing the person to whom the lessee sells, conveys, or encumbers that the same is subject to such lease or rental contract with intent to deprive the lessor of possession thereof; or
(iii) does not return the property to the lessor at the end of the lease or rental term, plus agreed-upon extensions, with intent to wrongfully deprive the lessor of possession of the property; or

(iv) returns the property to the lessor at the end of the lease or rental term, plus agreed-upon extensions, but does not pay the lease or rental charges agreed upon in the written instrument, with intent to wrongfully deprive the lessor of the agreed-upon charges.

For the purposes of items (iii) and (iv), the value of the property must be at least $100.

Evidence that a lessee used a false, fictitious, or not current name, address, or place of employment in obtaining the property or fails or refuses to return the property or pay the rental contract charges to lessor within five days after written demand for the return has been served personally in the manner provided for service of process of a civil action or sent by certified mail to the last known address of the lessee, whichever shall occur later, shall be evidence of intent to violate this clause. Service by certified mail shall be deemed to be complete upon deposit in the United States mail of such demand, postpaid and addressed to the person at the address for the person set forth in the lease or rental agreement, or, in the absence of the address, to the person's last known place of residence; or

(10) alters, removes, or obliterates numbers or symbols placed on movable property for purpose of identification by the owner or person who has legal custody or right to possession thereof with the intent to prevent identification, if the person who alters, removes, or obliterates the numbers or symbols is not the owner and does not have the permission of the owner to make the alteration, removal, or obliteration; or

(11) with the intent to prevent the identification of property involved, so as to deprive the rightful owner of possession thereof, alters or removes any permanent serial number, permanent distinguishing number or manufacturer's identification number on personal property or possesses, sells or buys any personal property knowing or having reason to know that the permanent serial number, permanent distinguishing number or manufacturer's identification number has been removed or altered; or

(12) intentionally deprives another of a lawful charge for cable television service by:

(i) making or using or attempting to make or use an unauthorized external connection outside the individual dwelling unit whether physical, electrical, acoustical, inductive, or other connection; or by

(ii) attaching any unauthorized device to any cable, wire, microwave, or other component of a licensed cable communications system as defined in chapter 238. Nothing herein shall
be construed to prohibit the electronic video rerecording of program material transmitted
on the cable communications system by a subscriber for fair use as defined by Public Law
94-553, section 107; or

(13) except as provided in clauses (12) and (14), obtains the services of another with
the intention of receiving those services without making the agreed or reasonably expected
payment of money or other consideration; or

(14) intentionally deprives another of a lawful charge for telecommunications service
by:

   (i) making, using, or attempting to make or use an unauthorized connection whether
physical, electrical, by wire, microwave, radio, or other means to a component of a local
telecommunication system as provided in chapter 237; or

   (ii) attaching an unauthorized device to a cable, wire, microwave, radio, or other
component of a local telecommunication system as provided in chapter 237.

The existence of an unauthorized connection is prima facie evidence that the occupier
of the premises:

   (A) made or was aware of the connection; and

   (B) was aware that the connection was unauthorized;

(15) with intent to defraud, diverts corporate property other than in accordance with
general business purposes or for purposes other than those specified in the corporation's
articles of incorporation; or

(16) with intent to defraud, authorizes or causes a corporation to make a distribution in
violation of section 302A.551, or any other state law in conformity with it; or

(17) takes or drives a motor vehicle without the consent of the owner or an authorized
agent of the owner, knowing or having reason to know that the owner or an authorized agent
of the owner did not give consent; or

(18) intentionally, and without claim of right, takes motor fuel from a retailer without
the retailer's consent and with intent to deprive the retailer permanently of possession of
the fuel by driving a motor vehicle from the premises of the retailer without having paid
for the fuel dispensed into the vehicle; or

(19) intentionally engages in or authorizes a prohibited practice of wage theft as described
in section 181.03, subdivision 1.
(b) Proof that the driver of a motor vehicle into which motor fuel was dispensed drove the vehicle from the premises of the retailer without having paid for the fuel permits the factfinder to infer that the driver acted intentionally and without claim of right, and that the driver intended to deprive the retailer permanently of possession of the fuel. This paragraph does not apply if: (1) payment has been made to the retailer within 30 days of the receipt of notice of nonpayment under section 604.15; or (2) a written notice as described in section 604.15, subdivision 4, disputing the retailer's claim, has been sent. This paragraph does not apply to the owner of a motor vehicle if the vehicle or the vehicle's license plate has been reported stolen before the theft of the fuel.

Sec. 27. Minnesota Statutes 2018, section 609.52, subdivision 3, is amended to read:

Subd. 3. Sentence. Whoever commits theft may be sentenced as follows:

(1) to imprisonment for not more than 20 years or to payment of a fine of not more than $100,000, or both, if the property is a firearm, or the value of the property or services stolen is more than $35,000 and the conviction is for a violation of subdivision 2, clause (3), (4), (15), or (16), or section 609.2335, subdivision 1, clause (1) or (2), item (i); or

(2) to imprisonment for not more than ten years or to payment of a fine of not more than $20,000, or both, if the value of the property or services stolen exceeds $5,000, or if the property stolen was an article representing a trade secret, an explosive or incendiary device, or a controlled substance listed in Schedule I or II pursuant to section 152.02 with the exception of marijuana; or

(3) to imprisonment for not more than five years or to payment of a fine of not more than $10,000, or both, if any of the following circumstances exist:

(a) the value of the property or services stolen is more than $1,000 but not more than $5,000; or

(b) the property stolen was a controlled substance listed in Schedule III, IV, or V pursuant to section 152.02; or

(c) the value of the property or services stolen is more than $500 but not more than $1,000 and the person has been convicted within the preceding five years for an offense under this section, section 256.98; 268.182; 609.24; 609.245; 609.53; 609.582, subdivision 1, 2, or 3; 609.625; 609.63; 609.631; or 609.821, or a statute from another state, the United States, or a foreign jurisdiction, in conformity with any of those sections, and the person received a felony or gross misdemeanor sentence for the offense, or a sentence that was...
stayed under section 609.135 if the offense to which a plea was entered would allow
imposition of a felony or gross misdemeanor sentence; or
(d) the value of the property or services stolen is not more than $1,000, and any of the
following circumstances exist:
(i) the property is taken from the person of another or from a corpse, or grave or coffin
containing a corpse; or
(ii) the property is a record of a court or officer, or a writing, instrument or record kept,
filed or deposited according to law with or in the keeping of any public officer or office; or
(iii) the property is taken from a burning, abandoned, or vacant building or upon its
removal therefrom, or from an area of destruction caused by civil disaster, riot, bombing,
or the proximity of battle; or
(iv) the property consists of public funds belonging to the state or to any political
subdivision or agency thereof; or
(v) the property stolen is a motor vehicle; or
(4) to imprisonment for not more than one year or to payment of a fine of not more than
$3,000, or both, if the value of the property or services stolen is more than $500 but not
more than $1,000; or
(5) in all other cases where the value of the property or services stolen is $500 or less,
to imprisonment for not more than 90 days or to payment of a fine of not more than $1,000,
or both, provided, however, in any prosecution under subdivision 2, clauses (1), (2), (3),
(4), and (13), the value of the money or property or services received by the defendant in
violation of any one or more of the above provisions within any six-month period may be
aggregated and the defendant charged accordingly in applying the provisions of this
subdivision; provided that when two or more offenses are committed by the same person
in two or more counties, the accused may be prosecuted in any county in which one of the
offenses was committed for all of the offenses aggregated under this paragraph.

Sec. 28. REPEALER.

Minnesota Statutes 2018, section 177.27, subdivisions 1 and 3, are repealed.
ARTICLE 11
HOUSING FINANCE AGENCY

Section 1. Minnesota Statutes 2018, section 327C.095, subdivision 1, is amended to read:

Subdivision 1. Conversion of use; minimum notice. (a) At least __12__ months before the conversion of all or a portion of a manufactured home park to another use, or before closure of a manufactured home park or cessation of use of the land as a manufactured home park, the park owner must prepare a closure statement and provide a copy to the commissioners of health and the housing finance agency, the local planning agency, and a resident of each manufactured home where the residential use is being converted. The closure statement must include the following language in a font no smaller than 14 point:

"YOU MAY BE ENTITLED TO COMPENSATION FROM THE MINNESOTA MANUFACTURED HOME RELOCATION TRUST FUND ADMINISTERED BY THE MINNESOTA HOUSING FINANCE AGENCY." A resident may not be required to vacate until __90__ days after the conclusion of the public hearing required under subdivision 4. If a lot is available in another section of the park that will continue to be operated as a park, the park owner must allow the resident to relocate the home to that lot unless the home, because of its size or local ordinance, is not compatible with that lot.

(b) Closure statements issued more than 24 months prior to the park closure must contain a closure date. If the closure does not take place within 24 months and the original statement does not contain a closure date, the statement must be reissued to the commissioners of health and the Housing Finance Agency, the local planning agency, and a resident of each manufactured home where the residential use is being converted.

Sec. 2. Minnesota Statutes 2018, section 327C.095, subdivision 2, is amended to read:

Subd. 2. Notice of hearing; proposed change in land use. If the planned conversion or cessation of operation requires a variance or zoning change, the municipality local government authority must mail a notice at least ten days before the hearing to a resident of each manufactured home in the park stating the time, place, and purpose of the public hearing. The park owner shall provide the municipality local government authority with a list of the names and addresses of at least one resident of each manufactured home in the park at the time application is made for a variance or zoning change.

Sec. 3. Minnesota Statutes 2018, section 327C.095, subdivision 3, is amended to read:

Subd. 3. Closure statement. Upon receipt of the closure statement from the park owner, the local planning agency shall submit the closure statement to the governing body of the
municipality local government authority and request the governing body to schedule a public hearing. The municipality local government authority must mail a notice at least ten days before the hearing to a resident of each manufactured home in the park stating the time, place, and purpose of the public hearing. The park owner shall provide the municipality local government authority with a list of the names and addresses of at least one resident of each manufactured home in the park at the time the closure statement is submitted to the local planning agency.

Sec. 4. Minnesota Statutes 2018, section 327C.095, subdivision 4, is amended to read:

Subd. 4. Public hearing; relocation compensation; neutral third party. (a) The governing body of the affected municipality local government authority shall hold a public hearing to review the closure statement and any impact that the park closing may have on the displaced residents and the park owner. At the time of, and in the notice for, the public hearing, displaced residents must be informed that they may be eligible for payments from the Minnesota manufactured home relocation trust fund under section 462A.35 as compensation for reasonable relocation costs under subdivision 13, paragraphs (a) and (e).

(b) The governing body of the municipality local government authority may also require that other parties, including the municipality local government authority, but excluding the park owner or its purchaser, involved in the park closing provide additional compensation to residents to mitigate the adverse financial impact of the park closing upon the residents.

(c) At the public hearing, the municipality local government authority shall appoint a neutral third party, to be agreed upon by both the manufactured home park owner and manufactured home owners, whose hourly cost must be reasonable and paid from the Minnesota manufactured home relocation trust fund. The neutral third party shall act as a paymaster and arbitrator, with decision-making authority to resolve any questions or disputes regarding any contributions or disbursements to and from the Minnesota manufactured home relocation trust fund by either the manufactured home park owner or the manufactured home owners. If the parties cannot agree on a neutral third party, the municipality will local government authority shall make a determination.

(d) At the public hearing, the governing body of the local government authority shall make a determination if any ordinance was in effect on May 26, 2007, that would provide compensation to displaced residents and provide this information to the third party neutral to determine the applicable amount of compensation under subdivision 13, paragraph (f).
Sec. 5. Minnesota Statutes 2018, section 327C.095, subdivision 12, is amended to read:

Subd. 12. Payment to the Minnesota manufactured home relocation trust fund. (a) If a manufactured home owner is required to move due to the conversion of all or a portion of a manufactured home park to another use, the closure of a park, or cessation of use of the land as a manufactured home park, the manufactured park owner shall, upon the change in use, pay to the commissioner of management and budget for deposit in the Minnesota manufactured home relocation trust fund under section 462A.35, the lesser amount of the actual costs of moving or purchasing the manufactured home approved by the neutral third party and paid by the Minnesota Housing Finance Agency under subdivision 13, paragraph (a) or (e), or $3,250 for each single section manufactured home, and $6,000 for each multisection manufactured home, for which a manufactured home owner has made application for payment of relocation costs under subdivision 13, paragraph (c). The manufactured home park owner shall make payments required under this section to the Minnesota manufactured home relocation trust fund within 60 days of receipt of invoice from the neutral third party.

(b) A manufactured home park owner is not required to make the payment prescribed under paragraph (a), nor is a manufactured home owner entitled to compensation under subdivision 13, paragraph (a) or (e), if:

(1) the manufactured home park owner relocates the manufactured home owner to another space in the manufactured home park or to another manufactured home park at the park owner’s expense;

(2) the manufactured home owner is vacating the premises and has informed the manufactured home park owner or manager of this prior to the mailing date of the closure statement under subdivision 1;

(3) a manufactured home owner has abandoned the manufactured home, or the manufactured home owner is not current on the monthly lot rental, personal property taxes;

(4) the manufactured home owner has a pending eviction action for nonpayment of lot rental amount under section 327C.09, which was filed against the manufactured home owner prior to the mailing date of the closure statement under subdivision 1, and the writ of recovery has been ordered by the district court;

(5) the conversion of all or a portion of a manufactured home park to another use, the closure of a park, or cessation of use of the land as a manufactured home park is the result of a taking or exercise of the power of eminent domain by a governmental entity or public utility; or
(6) the owner of the manufactured home is not a resident of the manufactured home park, as defined in section 327C.01, subdivision 9, or the owner of the manufactured home is a resident, but came to reside in the manufactured home park after the mailing date of the closure statement under subdivision 1.

(c) If the unencumbered fund balance in the manufactured home relocation trust fund is less than $1,000,000 as of June 30 of each year, the commissioner of management and budget shall assess each manufactured home park owner by mail the total amount of $15 for each licensed lot in their park, payable on or before September 15 of that year. The commissioner of management and budget shall deposit any payments in the Minnesota manufactured home relocation trust fund. On or before July 15 of each year, the commissioner of management and budget shall prepare and distribute to park owners a letter explaining whether funds are being collected for that year, information about the collection, an invoice for all licensed lots, and a sample form for the park owners to collect information on which park residents have been accounted for. If assessed under this paragraph, the park owner may recoup the cost of the $15 assessment as a lump sum or as a monthly fee of no more than $1.25 collected from park residents together with monthly lot rent as provided in section 327C.03, subdivision 6. Park owners may adjust payment for lots in their park that are vacant or otherwise not eligible for contribution to the trust fund under section 327C.095, subdivision 12, paragraph (b), and deduct from the assessment accordingly.

(d) This subdivision and subdivision 13, paragraph (c), clause (5), are enforceable by the neutral third party, on behalf of the Minnesota Housing Finance Agency, or by action in a court of appropriate jurisdiction. The court may award a prevailing party reasonable attorney fees, court costs, and disbursements.

Sec. 6. Minnesota Statutes 2018, section 327C.095, subdivision 13, is amended to read:

Subd. 13. Change in use, relocation expenses; payments by park owner. (a) If a manufactured home owner is required to relocate due to the conversion of all or a portion of a manufactured home park to another use, the closure of a manufactured home park, or cessation of use of the land as a manufactured home park under subdivision 1, and the manufactured home owner complies with the requirements of this section, the manufactured home owner is entitled to payment from the Minnesota manufactured home relocation trust fund equal to the manufactured home owner's actual relocation costs for relocating the manufactured home to a new location within a 25-mile radius of the park that is being closed, up to a maximum of $7,000 for a single-section and $12,500 for a multisection manufactured home. The actual relocation costs must include the reasonable cost of taking
down, moving, and setting up the manufactured home, including equipment rental, utility
costs, transportation and disconnection charges, minor repairs, modifications necessary for
transportation of the home, necessary moving permits and insurance, moving costs for any
appurtenances, which meet applicable local, state, and federal building and construction
codes.

(b) A manufactured home owner is not entitled to compensation under paragraph (a) if
the manufactured home park owner is not required to make a payment to the Minnesota
manufactured home relocation trust fund under subdivision 12, paragraph (b).

(c) Except as provided in paragraph (e), in order to obtain payment from the Minnesota
manufactured home relocation trust fund, the manufactured home owner shall submit to the
neutral third party and the Minnesota Housing Finance Agency, with a copy to the park
owner, an application for payment, which includes:

(1) a copy of the closure statement under subdivision 1;
(2) a copy of the contract with a moving or towing contractor, which includes the
 relocation costs for relocating the manufactured home;
(3) a statement with supporting materials of any additional relocation costs as outlined
 in subdivision 1;
(4) a statement certifying that none of the exceptions to receipt of compensation under
 subdivision 12, paragraph (b), apply to the manufactured home owner;
(5) a statement from the manufactured park owner that the lot rental is current and that
 the annual $15 payments to the Minnesota manufactured home relocation trust fund have
 been paid when due; and
(6) a statement from the county where the manufactured home is located certifying that
 personal property taxes for the manufactured home are paid through the end of that year.

(d) If the neutral third party has acted reasonably and does not approve or deny payment
within 45 days after receipt of the information set forth in paragraph (c), the payment is
deemed approved. Upon approval and request by the neutral third party, the Minnesota
Housing Finance Agency shall issue two checks in equal amount for 50 percent of the
contract price payable to the mover and towing contractor for relocating the manufactured
home in the amount of the actual relocation cost, plus a check to the home owner for
additional certified costs associated with third-party vendors, that were necessary in relocating
the manufactured home. The moving or towing contractor shall receive 50 percent upon
execution of the contract and 50 percent upon completion of the relocation and approval

by the manufactured home owner. The moving or towing contractor may not apply the funds to any other purpose other than relocation of the manufactured home as provided in the contract. A copy of the approval must be forwarded by the neutral third party to the park owner with an invoice for payment of the amount specified in subdivision 12, paragraph (a).

(e) In lieu of collecting a relocation payment from the Minnesota manufactured home relocation trust fund under paragraph (a), the manufactured home owner may collect an amount from the fund after reasonable efforts to relocate the manufactured home have failed due to the age or condition of the manufactured home, or because there are no manufactured home parks willing or able to accept the manufactured home within a 25-mile radius. A manufactured home owner may tender title of the manufactured home in the manufactured home park to the manufactured home park owner, and collect an amount to be determined by an independent appraisal. The appraiser must be agreed to by both the manufactured home park owner and the manufactured home owner. If the appraised market value cannot be determined, the tax market value, averaged over a period of five years, can be used as a substitute. The maximum amount that may be reimbursed under the fund is $8,000 for a single-section and $14,500 for a multisection manufactured home. The minimum amount that may be reimbursed under the fund is $2,000 for a single section and $4,000 for a multisection manufactured home. The manufactured home owner shall deliver to the manufactured home park owner the current certificate of title to the manufactured home duly endorsed by the owner of record, and valid releases of all liens shown on the certificate of title, and a statement from the county where the manufactured home is located evidencing that the personal property taxes have been paid. The manufactured home owner's application for funds under this paragraph must include a document certifying that the manufactured home cannot be relocated, that the lot rental is current, that the annual $15 payments to the Minnesota manufactured home relocation trust fund have been paid when due, that the manufactured home owner has chosen to tender title under this section, and that the park owner agrees to make a payment to the commissioner of management and budget in the amount established in subdivision 12, paragraph (a), less any documented costs submitted to the neutral third party, required for demolition and removal of the home, and any debris or refuse left on the lot, not to exceed $1,000. The manufactured home owner must also provide a copy of the certificate of title endorsed by the owner of record, and certify to the neutral third party, with a copy to the park owner, that none of the exceptions to receipt of compensation under subdivision 12, paragraph (b), clauses (1) to (6), apply to the manufactured home owner, and that the home owner will vacate the home within 60 days.

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after receipt of payment or the date of park closure, whichever is earlier, provided that the monthly lot rent is kept current.

(f) The Minnesota Housing Finance Agency must make a determination of the amount of payment a manufactured home owner would have been entitled to under a local ordinance in effect on May 26, 2007. Notwithstanding paragraph (a), the manufactured home owner's compensation for relocation costs from the fund under section 462A.35, is the greater of the amount provided under this subdivision, or the amount under the local ordinance in effect on May 26, 2007, that is applicable to the manufactured home owner. Nothing in this paragraph is intended to increase the liability of the park owner.

(g) Neither the neutral third party nor the Minnesota Housing Finance Agency shall be liable to any person for recovery if the funds in the Minnesota manufactured home relocation trust fund are insufficient to pay the amounts claimed. The Minnesota Housing Finance Agency shall keep a record of the time and date of its approval of payment to a claimant.

(h) The agency shall report to the chairs of the senate Finance Committee and house of representatives Ways and Means Committee by January 15 of each year on the Minnesota manufactured home relocation trust fund, including the account balance, payments to claimants, the amount of any advances to the fund, the amount of any insufficiencies encountered during the previous calendar year, and any administrative charges or expenses deducted from the trust fund balance. If sufficient funds become available, the Minnesota Housing Finance Agency shall pay the manufactured home owner whose unpaid claim is the earliest by time and date of approval.

ARTICLE 12
SOLAR ON SCHOOLS

Section 1. [216C.375] SOLAR ON SCHOOLS PROGRAM.

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

(b) "Developer" means an entity that installs a solar energy system on a building owned by a school district that has been awarded a grant under this section.

(c) "Energy storage system" means a commercially available technology capable of:

(1) absorbing and storing electrical energy; and

(2) dispatching stored electrical energy at a later time.

(d) "In proximity of" means within an aggregation of school meters.
(e) "Investor" means an entity that finances the design, purchase, installation, operation, and maintenance of a solar energy system installed at a school building in a school district that received a grant under this section.

(f) "Photovoltaic device" has the meaning given in section 216C.06, subdivision 16.

(g) "School district" means an independent or special school district.

(h) "Solar energy system" means photovoltaic or solar thermal devices installed alone or in conjunction with an energy storage system.

Subd. 2. Establishment; purpose. A solar on schools program is established in the Department of Commerce. The purpose of the program is to provide grants and lease agreements to stimulate the installation of solar energy systems in school districts throughout the state by reducing the cost to purchase and install a solar energy system.

Subd. 3. Expenditures. Expenditures can be made for:

(1) grant awards made under this section; and

(2) administrative costs incurred by the department to administer this section up to $500,000 per year that the program is in operation.

Subd. 4. Eligible system. A grant may be awarded under this section to an eligible school district only if the solar energy system that is the subject of the grant:

(1) is placed on or adjacent to the school district building using the electricity generated; and

(2) has a capacity that does not exceed the lesser of:

(i) for a school building receiving retail electric service from a public utility subject to section 116C.779, subdivision 1, one megawatt or 120 percent of the estimated electric load of the school district building at which the solar energy system is proposed to be installed; or

(ii) for a school building receiving retail electric service from a public utility not subject to section 116C.779, subdivision 1, 40 kilowatts or 120 percent of the estimated electric load of the school district building where the solar energy system is proposed to be installed.

Subd. 5. Lease agreement; design. The commissioner must design a lease agreement that must be used by an applicant seeking a grant under this section. The lease agreement must:

(1) make the commissioner a party to the lease agreement:
(2) contain a formula to calculate the future fair market value of the solar energy system;

(3) contain a formula to calculate the future value of payments made by the school district to the investor under the lease agreement described in clause (6);

(4) specify an escalator for the allowable rate of increase for the lease payments;

(5) not exceed a term of 20 years;

(6) provide the school district an option to purchase the solar array from the investor at the end of the lease contract term for a price based on a fair market value calculation, as determined by the commissioner;

(7) include basic requirements regarding the removal and recycling of the system; and

(8) specify the investor must operate and maintain the leased system.

Subd. 6. **Adjustment.** (a) Every five years after entering into the lease agreement, and 90 days prior to the proposed termination of the lease agreement, the school district and the investor must reexamine the projected values based on the formulas in the lease agreement described in subdivision 6, clauses (2) to (4).

(b) The parties must notify the commissioner of any significant adjustments that should be made to the forecasts of future values in subdivision 6, clauses (2) to (4), based on experience under the lease agreement or for other reasons.

(c) The commissioner must review the adjustments requested by the parties, and must approve the adjustments if the commissioner determines the adjustments are:

(1) reasonable;

(2) unforeseeable to the parties at the time the lease agreement was executed or at the previous reexamination of the projected values; and

(3) in the public interest.

(d) The commissioner must adjust the grant amount reserved in the reserve account for the solar energy system consistent with adjustments approved under this subdivision.

Subd. 7. **Program requirements.** (a) The commissioner must develop a master lease program.

(b) Within the master lease program, the commissioner must develop a standard request for proposals to solicit services.

(c) The commissioner must develop a quantitative weighting system for the information provided in the application in order to rank applications. In the weighting system, the
commissioner must consider (1) under-resourced schools, as determined by 50 percent or
more of the student body qualifying for free or reduced-price lunches, and (2) geographic
dispersion of school districts applying.

(d) The commissioner must develop administrative procedures to govern the application
and grant award process.

e) The program must include a prepaid lease option to buy out the lease prior to the end
of the lease.

(f) The developer must maintain the system through a minimum level of production, as
determined by the commissioner and communicated in program documents, through the
term of the lease.

(g) The program must require the developer to operate and maintain the solar energy
system through the term of the lease.

Subd. 8. Application process. (a) A developer may apply for a grant under this section
on behalf of a school district.

(b) An application submitted to the commissioner under this subdivision must include,
at a minimum, the following information:

1) the capacity of the proposed solar energy system and the amount of electricity that
is expected to be generated;

2) the current energy demand of the school building where the solar energy generating
system is proposed to be installed;

3) the size of any energy storage system that is proposed to be installed as part of a
solar energy system;

4) the total cost to purchase and install the proposed solar energy system, including the
life-cycle cost;

5) a copy of the proposed lease agreement between the school district and an investor;

6) a plan detailing how the school intends to make the solar energy system serve as a
visible learning tool for students, teachers, and visitors to the school, including how the
solar energy system may be integrated into the school's curriculum;

7) information that demonstrates the school district's need for financial assistance
available under this section;
As introduced

Subd. 9. **Energy conservation review.** At the commissioner's request, prior to a grant award under this section the school district must provide the commissioner information regarding energy conservation measures implemented at the school building where the solar energy system is to be installed. The commissioner may make recommendations to the school district regarding cost-effective conservation measures it may implement and may provide technical assistance and direct the school district to available financial assistance programs.

Subd. 10. **Commissioner duties.** The commissioner must:

1. provide technical assistance to school districts to develop and execute projects; and
2. convene an advisory committee composed of representatives of solar energy developers, school districts, and investors to develop procedures and policies that result in the successful operation of the program established under this section.

Subd. 11. **Grant payments.** The commissioner must use grant money to buy down lease payments for the school district to (1) decrease the school district's lease period, and (2) enable the school district to obtain full ownership rights over the solar energy system.

**EFFECTIVE DATE.** This section is effective July 1, 2019.
Section 1. [345A.101] DEFINITIONS.

(1) For the purposes of this chapter, the terms defined in this section have the meanings given them.

(2) "Administrator" means the commissioner of commerce.

(3) "Administrator's agent" means a person with which the administrator contracts to conduct an examination under this chapter on behalf of the administrator. The term includes an independent contractor of the person and each individual participating in the examination on behalf of the person or contractor.

(4) "Affiliated group of merchants" means two or more affiliated merchants or other persons that are related by common ownership or common corporate control and that share the same name, mark, or logo. Affiliated group of merchants also applies to two or more merchants or other persons that agree among themselves, by contract or otherwise, to redeem cards, codes, or other devices bearing the same name, mark, or logo, other than the mark, logo, or brand of a payment network, for the purchase of goods or services solely at such merchants or persons. However, merchants or other persons are not considered affiliated merely because they agree to accept a card that bears the mark, logo, or brand of a payment network.

(5) "Apparent owner" means a person whose name appears on the records of a holder as the owner of property held, issued, or owing by the holder.

(6) "Business association" means a corporation, joint stock company, investment company, other than an investment company registered under the Investment Company Act of 1940, as amended, United States Code, title 15, sections 80a-1 to 80a-64, partnership, unincorporated association, joint venture, limited liability company, business trust, trust company, land bank, safe deposit company, safekeeping depository, financial organization, insurance company, federally chartered entity, utility, sole proprietorship, or other business entity, whether or not for profit.

(7) "District court" means Ramsey County District Court.

(8) "Domicile" means:

(A) for a corporation, the state of its incorporation;
(B) for a business association whose formation requires a filing with a state, other than
a corporation, the state of its filing;

(C) for a federally chartered entity or an investment company registered under the
Investment Company Act of 1940, as amended, United States Code, title 15, sections 80a-1
to 80a-64, the state of its home office; and

(D) for any other holder, the state of its principal place of business.

(9) "Electronic" means relating to technology having electrical, digital, magnetic, wireless,
optical, electromagnetic, or similar capabilities.

(10) "E-mail" means a communication by electronic means which is automatically
retained and stored and may be readily accessed or retrieved.

(11) "Financial organization" means a savings and loan association, building and loan
association, savings bank, industrial bank, bank, banking organization, or credit union.

(12) "Game-related digital content" means digital content that exists only in an electronic
game or electronic-game platform. The term:

(A) includes:

i. game-play currency such as a virtual wallet, even if denominated in United States
currency; and

ii. the following if for use or redemption only within the game or platform or another
electronic game or electronic-game platform:

1. points sometimes referred to as gems, tokens, gold, and similar names; and

2. digital codes; and

(B) does not include an item that the issuer:

i. permits to be redeemed for use outside a game or platform for:

ii. money; or

iii. goods or services that have more than minimal value; or

iv. otherwise monetizes for use outside a game or platform.

(13) "Gift card" means:

(A) a stored-value card:

i. issued on a prepaid basis for a specified amount;
ii. the value of which does not expire;

iii. that is not subject to a dormancy, inactivity, or service fee;

iv. that may be decreased in value only by redemption for merchandise, goods, or services
upon presentation at a single merchant or an affiliated group of merchants;

v. that, unless required by law, may not be redeemed for or converted into money or
otherwise monetized by the issuer; and

(B) includes a prepaid commercial mobile radio service, as defined in Code of Federal
Regulations, title 47, section 20.3, as amended.

(14) "Holder" means a person obligated to hold for the account of, or to deliver or pay
to, the owner, property subject to this chapter.

(15) "Insurance company" means an association, corporation, or fraternal or
mutual-benefit organization, whether or not for profit, engaged in the business of providing
life endowments, annuities, or insurance, including accident, burial, casualty, credit-life,
contract-performance, dental, disability, fidelity, fire, health, hospitalization, illness, life,
malpractice, marine, mortgage, surety, wage-protection, and worker-compensation insurance.

(16) "Loyalty card" means a record given without direct monetary consideration under
an award, reward, benefit, loyalty, incentive, rebate, or promotional program which may
be used or redeemed only to obtain goods or services or a discount on goods or services.
Loyalty card does not include a record that may be redeemed for money or otherwise
monetized by the issuer.

(17) "Mineral" means gas, oil, coal, oil shale, other gaseous liquid or solid hydrocarbon,
cement material, sand and gravel, road material, building stone, chemical raw material,
gemstone, fissionable and nonfissionable ores, colloidal and other clay, steam and other
geothermal resources, and any other substance defined as a mineral by law of this state other
than this chapter.

(18) "Mineral proceeds" means an amount payable for extraction, production, or sale of
minerals, or, on the abandonment of the amount, an amount that becomes payable after
abandonment. Mineral proceeds includes an amount payable:

(A) for the acquisition and retention of a mineral lease, including a bonus, royalty,
compensatory royalty, shut-in royalty, minimum royalty, and delay rental;

(B) for the extraction, production, or sale of minerals, including a net revenue interest,
royalty, overriding royalty, extraction payment, and production payment; and
(C) under an agreement or option, including a joint-operating agreement, unit agreement, pooling agreement, and farm-out agreement.

(19) "Money order" means a payment order for a specified amount of money. Money order includes an express money order and a personal money order on which the remitter is the purchaser.

(20) "Municipal bond" means a bond or evidence of indebtedness issued by a municipality or other political subdivision of a state.

(21) "Net card value" means the original purchase price or original issued value of a stored-value card, plus amounts added to the original price or value, minus amounts used and any service charge, fee, or dormancy charge permitted by law.

(22) "Nonfreely transferable security" means a security that cannot be delivered to the administrator by the Depository Trust Clearing Corporation or similar custodian of securities providing post-trade clearing and settlement services to financial markets or cannot be delivered because there is no agent to effect transfer. Nonfreely transferable security includes a worthless security.

(23) "Owner" means a person that has a legal, beneficial, or equitable interest in property subject to this chapter or the person's legal representative when acting on behalf of the owner. Owner includes:

(A) a depositor, for a deposit;

(B) a beneficiary, for a trust other than a deposit in trust;

(C) a creditor, claimant, or payee, for other property; and

(D) the lawful bearer of a record that may be used to obtain money, a reward, or a thing of value.

(24) "Payroll card" means a record that evidences a payroll card account as defined in Regulation E, Code of Federal Regulations, title 12, part 1005, as amended.

(25) "Person" means an individual, estate, business association, public corporation, government or governmental subdivision, agency, instrumentality, or other legal entity whether or not for profit.

(26) "Property" means tangible property described in section 345A.205 or a fixed and certain interest in intangible property held, issued, or owed in the course of a holder's business or by a government, governmental subdivision, agency, or instrumentality. Property:

(A) includes all income from or increments to the property;
(B) includes property referred to as or evidenced by:

i. money, virtual currency, interest, dividend, check, draft, deposit, or payroll card;

ii. a credit balance, customer's overpayment, stored-value card, security deposit, refund, credit memorandum, unpaid wage, unused ticket for which the issuer has an obligation to provide a refund, mineral proceeds, or unidentified remittance;

iii. a security except for:

1. a worthless security; or

2. a security that is subject to a lien, legal hold, or restriction evidenced on the records of the holder or imposed by operation of law, if the lien, legal hold, or restriction restricts the holder's or owner's ability to receive, transfer, sell, or otherwise negotiate the security;

iv. a bond, debenture, note, or other evidence of indebtedness;

v. money deposited to redeem a security, make a distribution, or pay a dividend;

vi. an amount due and payable under an annuity contract or insurance policy; and

vii. an amount distributable from a trust or custodial fund established under a plan to provide health, welfare, pension, vacation, severance, retirement, death, stock purchase, profit-sharing, employee savings, supplemental unemployment insurance, or a similar benefit; and

(C) does not include:

i. property held in a plan described in section 529A of the Internal Revenue Code, as amended, United States Code, title 26, section 529A;

ii. game-related digital content;

iii. a loyalty card;

iv. a gift card; or

v. money held or owing by a public pension fund enumerated in section 356.20, subdivision 2, or 356.30, subdivision 3; or covered by sections 69.77 or 69.771 to 69.776, if the plan governing the public pension fund includes a provision governing the disposition of unclaimed amounts of money.

(27) "Putative holder" means a person believed by the administrator to be a holder, until the person pays or delivers to the administrator property subject to this chapter or the administrator or a court makes a final determination that the person is or is not a holder.
(28) "Record" means information that is inscribed on a tangible medium or that is stored
in an electronic or other medium and is retrievable in perceivable form. "Records of the
holder" includes records maintained by a third party that has contracted with the holder.

(29) "Security" means:

(A) a security as defined in article 8 of the Uniform Commercial Code, section 336.8-102;

(B) a security entitlement as defined in article 8 of the Uniform Commercial Code,
section 336.8-102, including a customer security account held by a registered broker-dealer,
to the extent the financial assets held in the security account are not:

i. registered on the books of the issuer in the name of the person for which the
broker-dealer holds the assets;

ii. payable to the order of the person; or

iii. specifically endorsed to the person; or

(C) an equity interest in a business association not included in subparagraph (A) or (B).

(30) "State" means a state of the United States, the District of Columbia, the
Commonwealth of Puerto Rico, the United States Virgin Islands, or any territory or insular
possession subject to the jurisdiction of the United States.

(31) "Stored-value card" means a record evidencing a promise made for consideration
by the seller or issuer of the record that goods, services, or money will be provided to the
owner of the record to the value or amount shown in the record. Stored-value card:

(A) includes:

i. a record that contains or consists of a microprocessor chip, magnetic strip, or other
means for the storage of information, which is prefunded and whose value or amount is
decreased on each use and increased by payment of additional consideration; and

ii. a payroll card; and

(B) does not include a loyalty card, gift card, or game-related digital content.

(32) "Utility" means a person that owns or operates for public use a plant, equipment,
real property, franchise, or license for the following public services:

(A) transmission of communications or information;

(B) production, storage, transmission, sale, delivery, or furnishing of electricity, water,
steam, or gas; or
(C) provision of sewage or septic services, or trash, garbage, or recycling disposal.

(33) "Virtual currency" means a digital representation of value used as a medium of exchange, unit of account, or store of value, which does not have legal tender status recognized by the United States. Virtual currency does not include:

(A) the software or protocols governing the transfer of the digital representation of value;

(B) game-related digital content; or

(C) a loyalty card or gift card.

(34) "Worthless security" means a security whose cost of liquidation and delivery to the administrator would exceed the value of the security on the date a report is due under this chapter.

Sec. 2. [345A.102] INAPPLICABILITY TO FOREIGN TRANSACTION.

This chapter does not apply to property held, due, and owing in a foreign country if the transaction out of which the property arose was a foreign transaction.

ARTICLE 14

UNCLAIMED PROPERTY; PRESUMPTION OF ABANDONMENT

Section 1. [345A.201] WHEN PROPERTY PRESUMED ABANDONED.

Subject to section 345A.210, the following property is presumed abandoned if it is unclaimed by the apparent owner during the period specified below:

(1) a traveler's check, 15 years after issuance;

(2) a money order, seven years after issuance;

(3) cooperative property, including any profit distribution or other sum held or owing by a cooperative to a participating patron is presumed abandoned only if it has remained unclaimed by the owner for more than seven years after it became payable or distributable;

(4) a state or municipal bond, bearer bond, or original-issue discount bond, three years after the earliest of the date the bond matures or is called or the obligation to pay the principal of the bond arises;

(5) a debt of a business association, three years after the obligation to pay arises;

(6) demand, savings, or time deposit, including a deposit that is automatically renewable, three years after the later of the maturity or the date of the last indication of interest in the property by the apparent owner, except a deposit that is automatically renewable is deemed
matured three years after its initial date of maturity unless the apparent owner consented to
renewal in a record on file with the holder at or about the time of the renewal;

(7) money or a credit owed to a customer as a result of a retail business transaction, other
than in-store credit for returned merchandise, three years after the obligation arose;

(8) an amount owed by an insurance company on a life or endowment insurance policy
or an annuity contract that has matured or terminated, three years after the obligation to pay
arose under the terms of the policy or contract or, if a policy or contract for which an amount
is owed on proof of death has not matured by proof of the death of the insured or annuitant,
as follows:

(A) with respect to an amount owed on a life or endowment insurance policy, the earlier
of:

i. three years after the death of the insured; or

ii. two years after the insured has attained, or would have attained if living, the limiting
age under the mortality table in which the reserve for the policy is based; and

(B) with respect to an amount owed on an annuity contract, three years after the date of
the death of the annuitant;

(9) funds on deposit or held in trust for the prepayment of funeral or other funeral-related
expenses, the earliest of:

(A) two years after the date of death of the beneficiary;

(B) one year after the date the beneficiary has attained, or would have attained if living, the age of 105 where the holder does not know whether the beneficiary is deceased; or

(C) 30 years after the contract for prepayment was executed;

(10) property distributable by a business association in the course of dissolution, one
year after the property becomes distributable;

(11) property held by a court, including property received as proceeds of a class action,
three years after the property becomes distributable;

(12) property held by a government or governmental subdivision, agency, or
instrumentality, including municipal bond interest and unredeemed principal under the
administration of a paying agent or indenture trustee, one year after the property becomes
distributable;
(13) wages, commissions, bonuses, or reimbursements to which an employee is entitled, or other compensation for personal services, including amounts held on a payroll card, one year after the amount becomes payable;

(14) a deposit or refund owed to a subscriber by a utility, one year after the deposit or refund becomes payable; and

(15) property not specified in this section or sections 345A.202 to 345A.208, the earlier of three years after the owner first has a right to demand the property or the obligation to pay or distribute the property arises.

Notwithstanding any provision in this section to the contrary, and subject to section 345A.210, a deceased owner cannot indicate interest in the owner's property. If the owner is deceased and the abandonment period for the owner's property specified in this section is greater than two years, then the property, excluding any amounts owed by an insurance company on a life or endowment insurance policy or an annuity contract that has matured or terminated, shall instead be presumed abandoned two years from the date of the owner's last indication of interest in the property.

Sec. 2. [345A.202] WHEN TAX-DEFERRED RETIREMENT ACCOUNT PRESUMED ABANDONED.

(a) Subject to section 345A.210, property held in a pension account or retirement account that qualifies for tax deferral under the income tax laws of the United States is presumed abandoned if it is unclaimed by the apparent owner after the later of:

(1) three years after the following dates:

(A) except as in subparagraph (B), the date a communication sent by the holder by first-class United States mail to the apparent owner is returned to the holder undelivered by the United States Postal Service; or

(B) if such communication is re-sent within 30 days after the date the first communication is returned undelivered, the date the second communication was returned undelivered by the United States Postal Service; or

(2) the earlier of the following dates:

(A) three years after the date the apparent owner becomes 70.5 years of age, if determinable by the holder; or
(B) one year after the date of mandatory distribution following death if the Internal
Revenue Code, as amended, United States Code, title 26, section 1, et seq., requires
distribution to avoid a tax penalty and the holder:

(i) receives confirmation of the death of the apparent owner in the ordinary course of
its business; or

(ii) confirms the death of the apparent owner under subsection (b).

(b) If a holder in the ordinary course of its business receives notice or an indication of
the death of an apparent owner and subsection (a)(2) applies, the holder shall attempt, not
later than 90 days after receipt of the notice or indication, to confirm whether the apparent
owner is deceased.

(c) If the holder does not send communications to the apparent owner of an account
described in subsection (a) by first-class United States mail, the holder shall attempt to
confirm the apparent owner's interest in the property by sending the apparent owner an
e-mail communication not later than two years after the apparent owner's last indication of
interest in the property; however, the holder promptly shall attempt to contact the apparent
owner by first-class United States mail if:

(1) the holder does not have information needed to send the apparent owner an e-mail
communication or the holder believes that the apparent owner's e-mail address in the holder's
records is not valid;

(2) the holder receives notification that the e-mail communication was not received; or

(3) the apparent owner does not respond to the e-mail communication not later than 30
days after the communication was sent.

(d) If first-class United States mail sent under subsection (c) is returned to the holder
undelivered by the United States Postal Service, the property is presumed abandoned three
years after the later of:

(1) except as in paragraph (2), the date a communication to contact the apparent owner
sent by first-class United States mail is returned to the holder undelivered;

(2) if such communication is sent later than 30 days after the date the first communication
is returned undelivered, the date the second communication was returned undelivered; or

(3) the date established by subsection (a)(2).
Sec. 3. [345A.203] WHEN OTHER TAX-DEFERRED ACCOUNT PRESUMED ABANDONED.

(a) Subject to section 345A.210 and except for property described in section 345A.202 and property held in a plan described in section 529A of the Internal Revenue Code, as amended; United States Code, title 26, section 529A, property held in an account or plan, including a health savings account, that qualifies for tax deferral under the income tax laws of the United States is presumed abandoned if it is unclaimed by the apparent owner three years after the earlier of:

(1) the date, if determinable by the holder, specified in the income tax laws and regulations of the United States by which distribution of the property must begin to avoid a tax penalty, with no distribution having been made; or

(2) 30 years after the date the account was opened.

(b) If the owner is deceased, property subject to this section is presumed abandoned two years from the earliest of:

(1) the date of the distribution or attempted distribution of the property;

(2) the date the required distribution as stated in the plan or trust agreement governing the plan; or

(3) the date, if determinable by the holder, specified in the income tax laws of the United States by which distribution of the property must begin in order to avoid a tax penalty.

Sec. 4. [345A.204] WHEN CUSTODIAL ACCOUNT FOR MINOR PRESUMED ABANDONED.

(a) Subject to section 345A.210, property held in an account established under a state's Uniform Gifts to Minors Act or Uniform Transfers to Minors Act is presumed abandoned if it is unclaimed by or on behalf of the minor on whose behalf the account was opened three years after the later of:

(1) except as in paragraph (2), the date a communication sent by the holder by first-class United States mail to the custodian of the minor on whose behalf the account was opened is returned undelivered to the holder by the United States Postal Service;

(2) if the communication is re-sent later than 30 days after the date the first communication is returned undelivered, the date the second communication was returned undelivered; or
(3) the date on which the custodian is required to transfer the property to the minor or the minor's estate in accordance with the Uniform Gifts to Minors Act or Uniform Transfers to Minors Act of the state in which the account was opened.

(b) If the holder does not send communications to the custodian of the minor on whose behalf an account described in subsection (a) was opened by first-class United States mail, the holder shall attempt to confirm the custodian's interest in the property by sending the custodian an e-mail communication not later than two years after the custodian's last indication of interest in the property; however, the holder promptly shall attempt to contact the custodian by first-class United States mail if:

(1) the holder does not have information needed to send the custodian an e-mail communication or the holder believes that the custodian's e-mail address in the holder's records is not valid;

(2) the holder receives notification that the e-mail communication was not received; or

(3) the custodian does not respond to the e-mail communication not later than 30 days after the communication was sent.

(c) If first-class United States mail sent under subsection (b) is returned undelivered to the holder by the United States Postal Service, the property is presumed abandoned three years after the later of:

(1) the date a communication to contact the custodian by first-class United States mail is returned to the holder undelivered by the United States Postal Service; or

(2) the date established by subsection (a)(3).

(d) When the property in the account described in subsection (a) is transferred to the minor on whose behalf an account was opened or to the minor's estate, the property in the account is no longer subject to this section.

Sec. 5. [345A.205] WHEN CONTENTS OF SAFE DEPOSIT BOX PRESUMED ABANDONED.

Tangible property held in a safe deposit box and proceeds from a sale of the property by the holder permitted by law of this state other than this chapter are presumed abandoned if the property remains unclaimed by the apparent owner five years after the earlier of the:

(1) expiration of the lease or rental period for the safe deposit box; or
(2) earliest date when the lessor of the safe deposit box is authorized by law of this state
other than this chapter to enter the safe deposit box and remove or dispose of the contents
without consent or authorization of the lessee.

Sec. 6. [345A.206] WHEN STORED-VALUE CARD PRESUMED ABANDONED.

(a) Subject to section 345A.210, the net card value of a stored-value card, other than a
payroll card or a gift card, is presumed abandoned on the latest of three years after:

(1) December 31 of the year in which the card is issued or additional funds are deposited
into it;

(2) the most recent indication of interest in the card by the apparent owner; or

(3) a verification or review of the balance by or on behalf of the apparent owner.

(b) The amount presumed abandoned in a stored-value card is the net card value at the
time it is presumed abandoned.

(c) If a holder has reported and remitted to the administrator the net card value on a
stored-value card presumed abandoned under this section and the stored-value card does
not have an expiration date, then the holder must honor the card on presentation indefinitely
and may then request reimbursement from the administrator under section 345A.605.

Sec. 7. [345A.208] WHEN SECURITY PRESUMED ABANDONED.

(a) Subject to section 345A.210, a security is presumed abandoned after the earlier of
the following:

(1) three years after the date a communication sent by the holder by first-class United
States mail to the apparent owner is returned to the holder undelivered by the United States
Postal Service or if such communication is re-sent no later than 30 days after the first
communication is returned, the date the second communication is returned undelivered to
the holder by the United States Postal Service; or

(2) five years after the date of the apparent owner's last indication of interest in the
security.

(b) If the holder does not send communications to the apparent owner of a security by
first-class United States mail, the holder shall attempt to confirm the apparent owner's
interest in the security by sending the apparent owner an e-mail communication not later
than two years after the apparent owner's last indication of interest in the security; however,
the holder promptly shall attempt to contact the apparent owner by first-class United States
mail if:

(1) the holder does not have information needed to send the apparent owner an e-mail
communication or the holder believes that the apparent owner's e-mail address in the holder's
records is not valid;

(2) the holder receives notification that the e-mail communication was not received; or

(3) the apparent owner does not respond to the e-mail communication not later than 30
days after the communication was sent.

(c) If first-class United States mail sent under subsection (b) is returned to the holder
undelivered by the United States Postal Service, the security is presumed abandoned in
accordance with subsection (a)(2).

(d) If a holder, in the ordinary course of business, receives notice or an indication of the
death of an apparent owner, the holder shall attempt, not later than 90 days after receipt of
the notice or indication, to confirm whether the apparent owner is deceased. Notwithstanding
the standards set forth in subsections (a), (b), and (c), if the holder either receives
confirmation of the death of the apparent owner in the ordinary course of business or confirms
the death of the apparent owner under this subsection, then the property shall be presumed
abandoned two years after the date of the owner's death.

Sec. 8. [345A.209] WHEN RELATED PROPERTY PRESUMED ABANDONED.

At and after the time property is presumed abandoned under this chapter, any other
property right or interest accrued or accruing from the property and not previously presumed
abandoned is also presumed abandoned.

Sec. 9. [345A.210] INDICATION OF APPARENT OWNER INTEREST IN
PROPERTY.

(a) The period after which property is presumed abandoned is measured from the later:

(1) the date the property is presumed abandoned under sections 345A.201 to 345A.211;

or

(2) the latest indication of interest by the apparent owner in the property.

(b) Under this chapter, an indication of an apparent owner's interest in property includes:

(1) a record communicated by the apparent owner to the holder or agent of the holder
concerning the property or the account in which the property is held;
(2) an oral communication by the apparent owner to the holder or agent of the holder
concerning the property or the account in which the property is held, if the holder or its
agent contemporaneously makes and preserves a record of the fact of the apparent owner’s
communication;

(3) presentation of a check or other instrument of payment of a dividend, interest payment,
or other distribution, or evidence of receipt of a distribution made by electronic or similar
means, with respect to an account, underlying security, or interest in a business association.

(4) activity directed by an apparent owner in the account in which the property is held,
including accessing the account or information concerning the account, or a direction by
the apparent owner to increase, decrease, or otherwise change the amount or type of property
held in the account;

(5) a deposit into or withdrawal from an account at a financial organization, except for
an automatic debit or credit previously authorized by the apparent owner or an automatic
reinvestment of dividends or interest; and

(6) subject to subsection (e), payment of a premium on an insurance policy.

(c) An action by an agent or other representative of an apparent owner, other than the
holder acting as the apparent owner’s agent, is presumed to be an action on behalf of the
apparent owner.

(d) A communication with an apparent owner by a person other than the holder or the
holder’s representative is not an indication of interest in the property by the apparent owner
unless a record of the communication evidences the apparent owner's knowledge of a right
to the property.

(e) If the insured dies or the insured or beneficiary of an insurance policy otherwise
becomes entitled to the proceeds before depletion of the cash surrender value of the policy
by operation of an automatic premium loan provision or other nonforfeiture provision
contained in the policy, the operation does not prevent the policy from maturing or
terminating.

(f) If the apparent owner has other property with the holder to which section 345A.201,
paragraph (6), applies, the activity directed by the apparent owner toward any other accounts,
including but not limited to loan accounts, at the financial organization holding an inactive
account of the apparent owner shall be an indication of interest in all such accounts if:

(1) the apparent owner engages in one or more of the following activities:
(A) the apparent owner undertakes one or more of the actions described in subsection
(b) regarding an account that appears on a consolidated statement with the inactive account;
(B) the apparent owner increases or decreases the amount of funds in any other account
the apparent owner has with the financial organization; or
(C) the apparent owner engages in any other relationship with the financial organization,
including payment of any amounts due on a loan; and
(2) the mailing address for the apparent owner in the financial organization's records is
the same for both the inactive account and the active account.

Sec. 10. [345A.211] KNOWLEDGE OF DEATH OF INSURED OR ANNUITANT.

(a) In this section, "death master file" ("DMF") means the United States Social Security
Administration Death Master File or other database or service that is at least as
comprehensive as the United States Social Security Administration Death Master File for
determining that an individual reportedly has died.
(b) With respect to a life or endowment insurance policy or annuity contract for which
an amount is owed on proof of death, but which has not matured by proof of death of the
insured or annuitant, the company has knowledge of the death of an insured or annuitant
when:
(1) the company receives a death certificate or court order determining that the insured
or annuitant has died;
(2) the company receives notice of the death of the insured or annuitant from the
administrator or an unclaimed property administrator of another state, a beneficiary, a policy
owner, a relative of the insured, a representative under the Probate Act of 1975, or an
executor or other legal representative of the insured's or annuitant's estate and validates the
death of the insured or annuitant;
(3) the company conducts a comparison for any purpose between a DMF and the names
of some or all of the company's insureds or annuitants, finds a match that provides notice
that the insured or annuitant has died, and validates the death; or
(4) the administrator or the administrator's agent conducts a comparison for the purpose
of finding matches during an examination conducted under this chapter between a DMF
and the names of some or all of the company's insureds or annuitants, and finds a match
that provides notice that the insured or annuitant has died.
(c) A holder shall perform a comparison of its insureds' in-force policies, annuity contracts, and retained asset accounts against a DMF on at least a semiannual basis by using the full DMF once and thereafter using DMF updated files for future comparisons to identify potential matches of its insureds.

(d) A death master file match under subsection (b)(3) or (4) occurs if the criteria for an exact or partial match are satisfied.

(1) an exact match occurs when the Social Security number, first and last name, and date of birth contained in the holder's records matches exactly to the data contained in the DMF;

(2) a partial match occurs in any of the following circumstances:

(A) when the Social Security number contained in the data found in the holder's records matches exactly or in accordance with the fuzzy match criteria listed below to the Social Security number contained in the DMF, the first and last names match either exactly or in accordance with the fuzzy match criteria listed below, and the date of birth matches exactly or in accordance with the fuzzy match criteria listed below;

(B) when the holder's records do not include a Social Security number or where the Social Security number is incomplete or otherwise invalid, and there is a first name, last name, and date of birth combination in the holder's data that is a match against the data contained in the DMF where the first and last names match either exactly or in accordance with the fuzzy match criteria listed below and the date of birth matches exactly or in accordance with the fuzzy match criteria listed below;

(C) if there is more than one potentially matched individual returned as a result of the process described in paragraphs (A) and (B) above, the holder shall search the Social Security numbers obtained from the DMF for the potential matched individuals against Accurint for Insurance or an equivalent database. If a search of those databases shows that the DMF Social Security number is listed at the address in the holder's records for the insured, a partial match will be considered to have been made only for individuals with a matching address;

(D) fuzzy match criteria includes the following:

(i) a first name fuzzy match includes one or more of the following: a nickname; an initial instead of a full first name; accepted industry standard phonetic name-matching algorithm; data entry mistakes with a maximum difference of one character with at least five characters in length; a first and last name are provided and cannot be reliably distinguished from one
another; use of interchanged first name and middle name; a misused compound name; and
the use of a "Mrs." in conjunction with a spouse's name where the date of birth and Social
Security number match exactly and the last name matches exactly or in accordance with
the fuzzy match criteria listed herein;

(ii) a last name fuzzy match includes one or more of the following: Anglicized forms
of last names; compound last name; blank spaces in last name; accepted industry standard
phonetic name-matching algorithm; a first and last name are provided and cannot be reliably
distinguished from one another; use of apostrophe or other punctuation; data entry mistakes
with a maximum difference of one character for last name with at least eight characters in
length; and married female last name variations;

(iii) a date of birth fuzzy match includes one of the following: two dates with a maximum
of two digits in difference, but only one entry mistake per full date is allowable; transposition
of the month and date portion of the date of birth; if the holder's records do not contain a
complete date of birth, then a fuzzy match date of birth will be found to exist where the data
available in the holder's records does not conflict with the data contained in the DMF; if
the holder provided a first and last name match, either exactly or in accordance with the
fuzzy match criteria herein and the Social Security number matches exactly against the
DMF, the date of birth is a fuzzy match if the holder provided a date of birth that is within
two years of the DMF-listed date of birth;

(iv) a Social Security number fuzzy match includes one of the following: two Social
Security numbers with a maximum of two digits in difference, any number position; two
consecutive numbers are transposed; and the Social Security number is less than nine digits
in length, but at least seven digits, and is entirely embedded within the other Social Security
number;

(3) the DMF match does not constitute proof of death for the purpose of submission to
an insurance company of a claim by a beneficiary, annuitant, or owner of the policy or
contract for an amount due under an insurance policy or annuity contract;

(4) the DMF match or validation of the insured's or annuitant's death does not alter the
requirements for a beneficiary, annuitant, or owner of the policy or contract to make a claim
to receive proceeds under the terms of the policy or contract;

(5) an insured or an annuitant is presumed dead if the date of the person's death is
indicated by the DMF match under either subsection (b)(3) or (4), unless the insurer has
competent and substantial evidence that the person is living, including but not limited to a
contact made by the insurer with the person or the person's legal representation.
(e) This chapter does not affect the determination of the extent to which an insurance company before the effective date of this chapter had knowledge of the death of an insured or annuitant or was required to conduct a DMF comparison to determine whether amounts owed by the company on a life or endowment insurance policy or annuity contract were presumed abandoned or unclaimed.

Sec. 11. [345A.211] DEPOSIT ACCOUNT FOR PROCEEDS OF INSURANCE POLICY OR ANNUITY CONTRACT.

If proceeds payable under a life or endowment insurance policy or annuity contract are deposited into an account with check or draft-writing privileges for the beneficiary of the policy or contract and, under a supplementary contract not involving annuity benefits other than death benefits, the proceeds are retained by the insurance company or the financial organization where the account is held, the policy or contract includes the assets in the account.

ARTICLE 15

Section 1. [345A.301] ADDRESS OF APPARENT OWNER TO ESTABLISH PRIORITY.

In sections 345A.301 to 345A.307, the following rules apply:

(1) The last known address of an apparent owner is any description, code, or other indication of the location of the apparent owner which identifies the state, even if the description, code, or indication of location is not sufficient to direct the delivery of first-class United States mail to the apparent owner.

(2) If the United States postal zip code associated with the apparent owner is for a post office located in this state, this state is deemed to be the state of the last known address of the apparent owner unless other records associated with the apparent owner specifically identify the physical address of the apparent owner to be in another state.

(3) If the address under paragraph (2) is in another state, the other state is deemed to be the state of the last known address of the apparent owner.

(4) The address of the apparent owner of a life or endowment insurance policy or annuity contract or its proceeds is presumed to be the address of the insured or annuitant if a person other than the insured or annuitant is entitled to the amount owed under the policy or contract.
and the address of the other person is not known by the insurance company and cannot be
determined under section 345A.302.

Sec. 2. [345A.302] ADDRESS OF APPARENT OWNER IN THIS STATE.

The administrator may take custody of property that is presumed abandoned, whether
located in this state, another state, or a foreign country, if:

(1) the last known address of the apparent owner in the records of the holder is in this
state; or

(2) the records of the holder do not reflect the identity or last known address of the
apparent owner, but the administrator has determined that the last known address of the
apparent owner is in this state.

Sec. 3. [345A.303] IF RECORDS SHOW MULTIPLE ADDRESSES OF APPARENT
OWNER.

(a) Except as provided in subsection (b), if records of a holder reflect multiple addresses
for an apparent owner and this state is the state of the last known address, this state may
take custody of property presumed abandoned, whether located in this state or another state.

(b) If it appears from records of the holder that the last known address of the apparent
owner under subsection (a) is a temporary address and this state is the state of the next most
recently recorded address that is not a temporary address, this state may take custody of the
property presumed abandoned.

Sec. 4. [345A.304] HOLDER DOMICILED IN THIS STATE.

(a) Except as provided in subsection (b) or section 345A.302 or 345A.303, the
administrator may take custody of property presumed abandoned, whether located in this
state, another state, or a foreign country, if the holder is domiciled in this state, another state,
or a governmental subdivision, agency, or instrumentality of this state and:

(1) another state or foreign country is not entitled to the property because there is no last
known address of the apparent owner or other person entitled to the property in the records
of the holder; or

(2) the state or foreign country of the last known address of the apparent owner or other
person entitled to the property does not provide for custodial taking of the property.
(b) Property is not subject to custody of the administrator under subsection (a) if the property is specifically exempt from custodial taking under the law of this state, another state, or foreign country of the last known address of the apparent owner.

(c) If a holder's state of domicile has changed since the time the property was presumed abandoned, the holder's state of domicile in this section is deemed to be the state where the holder was domiciled at the time the property was presumed abandoned.

Sec. 5. [345A.305] CUSTODY IF TRANSACTION TOOK PLACE IN THIS STATE.

Except as provided in sections 345A.302 to 345A.304, the administrator may take custody of property presumed abandoned whether located in this state or another state if:

(1) the transaction out of which the property arose took place in this state;

(2) the holder is domiciled in a state that does not provide for the custodial taking of the property, except that if the property is specifically exempt from custodial taking under the law of the state of the holder's domicile, the property is not subject to the custody of the administrator; and

(3) the last known address of the apparent owner or other person entitled to the property is unknown or in a state that does not provide for the custodial taking of the property, except that if the property is specifically exempt from custodial taking under the law of the state of the last known address, the property is not subject to the custody of the administrator.

Sec. 6. [345A.306] TRAVELER'S CHECK, MONEY ORDER, OR SIMILAR INSTRUMENT.

The administrator may take custody of sums payable on a traveler's check, money order, or similar instrument presumed abandoned to the extent permissible under United States Code, title 12, sections 2501 through 2503, as amended.

Sec. 7. [345A.307] BURDEN OF PROOF TO ESTABLISH ADMINISTRATOR'S RIGHT TO CUSTODY.

Subject to this chapter, if the administrator asserts a right to custody of unclaimed property and there is a dispute concerning such property, the administrator has the initial burden to prove:

(1) the amount of the property;

(2) the property is presumed abandoned; and
(3) the property is subject to the custody of the administrator.

ARTICLE 16

UNCLAIMED PROPERTY; REPORT BY HOLDER

Section 1. [345A.401] REPORT REQUIRED BY HOLDER.

(a) A holder of property presumed abandoned and subject to the custody of the administrator shall report in a record to the administrator concerning the property. A holder shall submit an electronic report in a format prescribed by, and acceptable to, the administrator.

(b) A holder may contract with a third party to make the report required under subsection (a).

(c) Whether or not a holder contracts with a third party under subsection (b), the holder is responsible:

(1) to the administrator for the complete, accurate, and timely reporting of property presumed abandoned; and

(2) for paying or delivering to the administrator property described in the report.

Sec. 2. [345A.402] CONTENT OF REPORT.

(a) The report required under section 345A.401 must:

(1) be signed by or on behalf of the holder and verified as to its completeness and accuracy;

(2) be filed electronically, unless exception is granted, and be in a secure format approved by the administrator which protects confidential information of the apparent owner;

(3) describe the property;

(4) except for a traveler's check, money order, or similar instrument, contain the name, if known, last known address, if known, and Social Security number or taxpayer identification number, if known or readily ascertainable, of the apparent owner of property with a value of $50 or more;

(5) for an amount held or owing under a life or endowment insurance policy or annuity contract, contain the name and last known address of the insured, annuitant, or other apparent owner of the policy or contract and of the beneficiary;
(6) for property held in or removed from a safe deposit box, indicate the location of the
property, and where it may be inspected by the administrator;
(7) contain the commencement date for determining abandonment under sections
345A.201 to 345A.211;
(8) state that the holder has complied with the notice requirements of section 345A.501;
(9) identify property that is a nonfreely transferable security and explain why it is a
nonfreely transferable security; and
(10) contain other information prescribed by the administrator.

(b) A report under section 345A.401 may include in the aggregate items valued under
$50 each. If the report includes items in the aggregate valued under $50 each, the
administrator may not require the holder to provide the name and address of an apparent
owner of an item unless the information is necessary to verify or process a claim in progress
by the apparent owner.

(c) A report under section 345A.401 may include personal information as defined in
section 345A.401(a) about the apparent owner or the apparent owner's property.

(d) If a holder has changed its name while holding property presumed abandoned or is
a successor to another person that previously held the property for the apparent owner, the
holder must include in the report under section 345A.401 its former name or the name of
the previous holder, if any, and the known name and address of each previous holder of the
property.

Sec. 3. [345A.403] WHEN REPORT TO BE FILED.

(a) Except as otherwise provided in subsection (b) and subject to subsection (c), the
report under section 345A.401 must be filed before November 1 of each year and cover the
12 months preceding July 1 of that year.

(b) Subject to subsection (c), the report under section 345A.401 to be filed by an insurance
company must be filed before May 1 of each year for the immediately preceding calendar
year.

(c) Before the date for filing the report under section 345A.401, the holder of property
presumed abandoned may request the administrator to extend the time for filing. The
administrator may grant an extension. If the extension is granted, the holder may pay or
make a partial payment of the amount the holder estimates ultimately will be due. The
payment or partial payment terminates accrual of interest on the amount paid.
Sec. 4. [345A.404] RETENTION OF RECORDS BY HOLDER.

A holder required to file a report under section 345A.401 shall retain records for ten years after the later of the date the report was filed or the last date a timely report was due to be filed, unless a shorter period is provided by rule of the administrator. The holder may satisfy the requirement to retain records under this section through an agent. The records must contain:

1. The information required to be included in the report;
2. The date, place, and nature of the circumstances that gave rise to the property right;
3. The amount or value of the property;
4. The last known address of the apparent owner, if known to the holder; and
5. If the holder sells, issues, or provides to others for sale or issue in this state traveler's checks, money orders, or similar instruments, other than third-party bank checks, on which the holder is directly liable, a record of the instruments while they remain outstanding, indicating the state and date of issue.

Sec. 5. [345A.405] PROPERTY REPORTABLE AND PAYABLE OR DELIVERABLE ABSENT OWNER DEMAND.

Property is reportable and payable or deliverable under this chapter even if the owner fails to make demand or present an instrument or document otherwise required to obtain payment.

ARTICLE 17

UNCLAIMED PROPERTY; NOTICE TO APPARENT OWNER OF PROPERTY PRESUMED ABANDONED

Section 1. [345A.501] NOTICE TO APPARENT OWNER BY HOLDER.

(a) Subject to subsection (b), the holder of property presumed abandoned shall send to the apparent owner notice by first-class United States mail that complies with section 345A.502 in a format acceptable to the administrator not more than 180 days nor less than 60 days before filing the report under section 345A.401 if:

1. The holder has in its records an address for the apparent owner which the holder's records do not disclose to be invalid and is sufficient to direct the delivery of first-class United States mail to the apparent owner; and
2. The value of the property is $50 or more.
(b) If an apparent owner has consented to receive e-mail delivery from the holder, the holder shall send the notice described in subsection (a) both by first-class United States mail to the apparent owner's last known mailing address and by e-mail, unless the holder believes that the apparent owner's e-mail address is invalid.

(c) The holder of securities presumed abandoned under sections 345A.202, 345A.203, or 345A.208 shall send the apparent owner notice by certified United States mail that complies with section 345A.502, and in a format acceptable to the administrator, not less than 60 days before filing the report under section 345A.401, if:

(1) the holder has in its records an address for the apparent owner which the holder's records do not disclose to be invalid and is sufficient to direct the delivery of United States mail to the apparent owner; and

(2) the value of the property is $1,000 or more.

(d) In addition to other indications of an apparent owner's interest in property pursuant to section 345A.210, a signed return receipt in response to a notice sent pursuant to this section by certified United States mail shall constitute a record communicated by the apparent owner to the holder concerning the property or the account in which the property is held.

Sec. 2. [345A.502] CONTENTS OF NOTICE BY HOLDER.

(a) Notice under section 345A.501 must contain a heading that reads substantially as follows: "Notice. The State of Minnesota requires us to notify you that your property may be transferred to the custody of the commissioner of commerce if you do not contact us before (insert date that is 30 days after the date of this notice)."

(b) The notice under section 345A.501 must:

(1) identify the nature and, except for property that does not have a fixed value, the value of the property that is the subject of the notice;

(2) state that the property will be turned over to the administrator;

(3) state that after the property is turned over to the administrator an apparent owner that seeks return of the property must file a claim with the administrator;

(4) state that property that is not legal tender of the United States may be sold by the administrator; and

(5) provide instructions that the apparent owner must follow to prevent the holder from reporting and paying or delivering the property to the administrator.
Sec. 3. [345A.503] NOTICE BY ADMINISTRATOR.

(a) The administrator shall give notice to an apparent owner that property presumed abandoned and that appears to be owned by the apparent owner is held by the administrator under this chapter.

(b) In providing notice under subsection (a), the administrator shall:

(1) publish every 12 months in at least one newspaper of general circulation in each county in this state notice of property held by the administrator which must include:

(A) the total value of property received by the administrator during the preceding 12-month period, taken from the reports under section 345A.401;

(B) the total value of claims paid by the administrator during the preceding 12-month period;

(C) the Internet address of the unclaimed property website maintained by the administrator;

(D) a telephone number and e-mail address to contact the administrator to inquire about or claim property; and

(E) a statement that a person may access the Internet by a computer to search for unclaimed property and a computer may be available as a service to the public at a local public library; and

(2) maintain a website or database accessible by the public and electronically searchable which contains the names reported to the administrator of all apparent owners for whom property is being held by the administrator. The administrator need not list property on such website when:

(A) no owner name was reported;

(B) a claim has been initiated or is pending for the property;

(C) the administrator has made direct contact with the apparent owner of the property; and

(D) other instances exist where the administrator reasonably believes exclusion of the property is in the best interests of both the state and the owner of the property.

(c) The website or database maintained under subsection (b)(2) must include instructions for filing with the administrator a claim to property and a printable claim form with instructions for its use.
(d) In addition to giving notice under subsection (b), publishing the information under subsection (b)(1), and maintaining the website or database under subsection (b)(2), the administrator may use other printed publication, telecommunication, the Internet, or other media to inform the public of the existence of unclaimed property held by the administrator.

ARTICLE 18

UNCLAIMED PROPERTY; TAKING CUSTODY OF PROPERTY BY ADMINISTRATOR

Section 1. [345A.601] DORMANCY CHARGE.

(a) A holder may deduct a dormancy charge from property required to be paid or delivered to the administrator if:

(1) a valid contract between the holder and the apparent owner authorizes imposition of the charge for the apparent owner's failure to claim the property within a specified time; and

(2) the holder regularly imposes the charge and regularly does not reverse or otherwise cancel the charge.

(b) The amount of the deduction under subsection (a) is limited to an amount that is not unconscionable considering all relevant factors, including the marginal transactional costs incurred by the holder in maintaining the apparent owner's property and any services received by the apparent owner.

(c) A holder may not deduct an escheat fee or impose other charges solely by virtue of property being reported as presumed abandoned.

Sec. 2. [345A.602] PAYMENT OR DELIVERY OF PROPERTY TO ADMINISTRATOR.

(a) Except as otherwise provided in this section, on filing a report under section 345A.401, the holder shall pay or deliver to the administrator the property described in the report.

(b) If property in a report under section 345A.401 is an automatically renewable deposit and a penalty or forfeiture in the payment of interest would result from paying the deposit to the administrator at the time of the report, the date for payment of the property to the administrator is extended until a penalty or forfeiture no longer would result from payment, if the holder informs the administrator of the extended date.

(c) Tangible property in a safe deposit box may not be delivered to the administrator until 60 days after filing the report under section 345A.401.
If property reported to the administrator under section 345A.401 is a security, the administrator may:

1. make an endorsement, instruction, or entitlement order on behalf of the apparent owner to invoke the duty of the issuer, its transfer agent, or the securities intermediary to transfer the security; or
2. dispose of the security under section 345A.702.

If the holder of property reported to the administrator under section 345A.401 is the issuer of a certificated security, the administrator may obtain a replacement certificate in physical or book-entry form under section 336.8-405. An indemnity bond is not required.

The administrator shall establish procedures for the registration, issuance, method of delivery, transfer, and maintenance of securities delivered to the administrator by a holder.

An issuer, holder, and transfer agent or other person acting under this section under instructions of and on behalf of the issuer or holder is not liable to the apparent owner for, and must be indemnified by the state against, a claim arising with respect to property after the property has been delivered to the administrator.

A holder is not required to deliver to the administrator a security identified by the holder as a nonfreely transferable security. If the administrator or holder determines that a security is no longer a nonfreely transferable security, the holder shall deliver the security on the next regular date prescribed for delivery of securities under this chapter. The holder shall make a determination annually whether a security identified in a report filed under section 345A.401 as a nonfreely transferable security is no longer a nonfreely transferable security.

On payment or delivery of property to the administrator under this chapter, the administrator, as agent for the state, assumes custody and responsibility for safekeeping the property. A holder that pays or delivers property to the administrator in good faith and substantially complies with sections 345A.501 and 345A.502 is relieved of liability which may arise thereafter with respect to the property so paid or delivered.
Sec. 4. [345A.604] RECOVERY OF PROPERTY BY HOLDERS FROM ADMINISTRATOR.

(a) A holder that under this chapter pays money to the administrator may file a claim for reimbursement from the administrator of the amount paid if the holder:

(1) paid the money in error; or

(2) after paying the money to the administrator, paid money to a person the holder reasonably believed entitled to the money.

(b) If a claim for return of property is made, the holder shall include with the claim evidence sufficient to establish that the apparent owner has claimed the property from the holder or that the property was delivered by the holder to the administrator in error.

Sec. 5. [345A.605] CREDITING INCOME OR GAIN TO OWNER'S ACCOUNT.

If property other than money is delivered to the administrator, the owner is entitled to receive from the administrator income or gain realized or accrued on the property before the property is sold. If the property was interest-bearing, the administrator shall pay interest at the lesser of the rate of the weekly average one-year constant maturity treasury yield, as published by the Board of Governors of the Federal Reserve System, for the calendar week preceding the beginning of the fiscal quarter in which the property was sold or the rate the property earned while in the possession of the holder. Interest begins to accrue when the property is delivered to the administrator and ends on the earlier of the expiration of ten years after its delivery or the date on which payment is made to the owner.

Sec. 6. [345A.606] ADMINISTRATOR'S OPTIONS AS TO CUSTODY.

(a) The administrator may decline to take custody of property reported under section 345A.401 if the administrator determines that:

(1) the property has a value less than the estimated expenses of notice and sale of the property; or

(2) taking custody of the property would be unlawful.

(b) A holder may pay or deliver property to the administrator before the property is presumed abandoned under this chapter if the holder:

(1) sends the apparent owner of the property notice required by section 345A.501 and provides the administrator evidence of the holder's compliance with this paragraph;
(2) includes with the payment or delivery a report regarding the property conforming to section 345A.402; and

(3) first obtains the administrator's written consent to accept payment or delivery.

(c) A holder's request for the administrator's consent under subsection (b)(3) must be in a record. If the administrator fails to respond to the request not later than 30 days after receipt of the request, the administrator is deemed to consent to the payment or delivery of the property and the payment or delivery is considered to have been made in good faith.

(d) On payment or delivery of property under subsection (b), the property is presumed abandoned.

Sec. 7. [345A.607] DISPOSITION OF PROPERTY HAVING NO SUBSTANTIAL VALUE; IMMUNITY FROM LIABILITY.

(a) If the administrator takes custody of property delivered under this chapter and later determines that the property has no substantial commercial value or that the cost of disposing of the property will exceed the value of the property, the administrator may return the property to the holder or destroy or otherwise dispose of the property.

(b) An action or proceeding may not be commenced against the state, an agency of the state, the administrator, another officer, employee, or agent of the state, or a holder for or because of an act of the administrator under this section, except for intentional misconduct or malfeasance.

Sec. 8. [345A.608] PERIODS OF LIMITATION AND REPOSE.

(a) Expiration, before, on, or after the effective date of this chapter, of a period of limitation on an owner's right to receive or recover property, whether specified by contract, statute, or court order, does not prevent the property from being presumed abandoned or affect the duty of a holder under this chapter to file a report or pay or deliver property to the administrator.

(b) An action or proceeding may not be maintained by the administrator to enforce this act's reporting, delivery, or payment requirements more than ten years after the holder specifically identified the property in a report filed with the administrator, or gave express notice to the administrator of a dispute regarding the property. In the absence of such a report or other express notice, the period of limitation is tolled. The period of limitation is also tolled by filing a fraudulent report.
ARTICLE 19

UNCLAIMED PROPERTY; SALE OF PROPERTY BY ADMINISTRATOR

Section 1. [345A.701] PUBLIC SALE OF PROPERTY.

(a) Subject to section 345A.702, not earlier than three years after receipt of property presumed abandoned, the administrator may sell the property.

(b) Before selling property under subsection (a), the administrator shall give notice to the public of:

(1) the date of the sale; and
(2) a reasonable description of the property.

(c) A sale under subsection (a) must be to the highest bidder:

(1) at public sale at a location in this state which the administrator determines to be the most favorable market for the property;
(2) on the Internet; or
(3) on another forum the administrator determines is likely to yield the highest net proceeds of sale.

(d) The administrator may decline the highest bid at a sale under this section and reoffer the property for sale if the administrator determines the highest bid is insufficient.

(e) If a sale held under this section is to be conducted other than on the Internet, the administrator must publish at least one notice of the sale, at least two weeks but not more than five weeks before the sale, in a newspaper of general circulation in the county in which the property is sold. For purposes of this subsection, the reasonable description of property to be sold required by subsection (b) may be satisfied by posting such information on the administrator's website so long as the newspaper notice includes the website address where such information is posted.

Sec. 2. [345A.702] DISPOSAL OF SECURITIES.

(a) The administrator may not sell or otherwise liquidate a security until one year after the administrator receives the security, unless requested to do so by the owner of the security in making a claim for the property.

(b) The administrator may not sell a security listed on an established stock exchange for less than the price prevailing on the exchange at the time of sale. The administrator may sell a security not listed on an established exchange by any commercially reasonable method.
Sec. 3. [345A.704] PURCHASER OWNS PROPERTY AFTER SALE.

A purchaser of property at a sale conducted by the administrator under this chapter takes the property free of all claims of the owner, a previous holder, or a person claiming through the owner or holder. The administrator shall execute documents necessary to complete the transfer of ownership to the purchaser.

ARTICLE 20

UNCLAIMED PROPERTY; ADMINISTRATION OF PROPERTY

Section 1. [345A.801] DEPOSIT OF FUNDS BY ADMINISTRATOR.

(a) The administrator shall deposit in the general fund all funds received under this chapter, including proceeds from the sale of property under sections 345A.701 to 345A.704, except:

(1) expenses of disposition of property delivered to the administrator under this chapter;

(2) expenses incurred in examining records of or collecting property from a putative holder or holder; and

(3) as otherwise provided in this chapter.

Sec. 2. [345A.802] ADMINISTRATOR TO RETAIN RECORDS OF PROPERTY.

The administrator shall:

(1) record and retain the name and last known address of each person shown on a report filed under section 345A.401 to be the apparent owner of property delivered to the administrator;

(2) record and retain the name and last known address of each insured or annuitant and beneficiary shown on the report;

(3) for each policy of insurance or annuity contract listed in the report of an insurance company, record and retain the policy or account number, the name of the company, and the amount due or paid; and

(4) for each apparent owner listed in the report, record and retain the name of the holder that filed the report and the amount due or paid.
ARTICLE 21

UNCLAIMED PROPERTY; CONFIDENTIALITY AND SECURITY OF INFORMATION

Section 1. [345A.901] DATA PRACTICES.

(a) All working papers, recorded information, documents, and copies thereof produced by, obtained by, or disclosed to the administrator or the administrator's agent in the course of an examination made under this chapter are classified private or nonpublic for purposes of the Minnesota Government Data Practices Act, Minnesota Statutes, chapter 13, are not subject to subpoena, and may only be disclosed to:

(1) the extent required or permitted by law to report upon or take special action regarding compliance and delivery of unclaimed property, or ordered by a court of law to testify or produce evidence in a civil or criminal proceeding;

(2) another department or agency of this state or the United States;

(3) the person that administers the unclaimed property law of another state, if the other state accords substantially reciprocal privileges to the administrator of this state and maintains the confidentiality and security of information obtained in a substantially equivalent manner;

(4) a person subject to an examination as required by this chapter; and

(5) the auditor or administrator of a joint examination conducted with another state, the United States, a foreign country or subordinate unit of a foreign country, or any other governmental entity if the governmental entity conducting the examination maintains the confidentiality and security of information in a substantially equivalent manner.

(b) All personal information derived or otherwise obtained by or communicated to the administrator or the administrator's agent from a person making a claim for personal property are classified private or nonpublic for purposes of the Minnesota Government Data Practices Act, Minnesota Statutes, chapter 13, and may not be made public by the administrator or the administrator's agent, except to:

(1) the subject, or the subject's personal representative, attorney, other legal representative, heir, or agent designated to have the information;

(2) the personal representative of an estate, other legal representative, agent designated by a deceased apparent owner, or a person entitled to inherit from a deceased apparent owner;

(3) another department or agency of this state or the United States; and
(4) the extent required or permitted by law or ordered by a court of law to testify or
produce evidence in a civil or criminal proceeding.

(c) Except as otherwise provided by law, the administrator shall include on its website
or in the database required by section 345A.503(b)(2) the name of each apparent owner of
property held by the administrator. The administrator may include in published notices,
printed publications, telecommunications, the Internet, or other media and on the website
or in the database additional information concerning the apparent owner’s property if the
administrator believes the information will assist in identifying and returning property to
the owner and does not disclose personal information except the home or physical address
of an apparent owner.

ARTICLE 22
UNCLAIMED PROPERTY; HEARINGS, PROCEDURE, AND JUDICIAL REVIEW

Section 1. Minnesota Statutes 2018, section 345.515, is amended to read:

345.515 AGREEMENTS TO LOCATE REPORTED PROPERTY.

It is unlawful for a person to seek or receive from another person or contract with a
person for a fee or compensation for locating property, knowing it to have been reported or
paid or delivered to the commissioner pursuant to chapter 345 prior to 24 months after the
date the property is paid or delivered to the commissioner.

An agreement entered into after 24 months after the date the property is paid or
delivered to the commissioner is valid only if a person thereby undertakes to locate property
included in a report for a fee or other compensation exceeding ten percent of the value of
the recoverable property unless the agreement is in writing and is signed by the owner and,
discloses the nature and value of the property and the name and address of the holder thereof
as such facts have been reported, and provides for compensation in an amount that is no
more than 15 percent of the amount collected. Nothing in this section shall be construed to
prevent an owner from asserting at any time that an agreement to locate property is based
upon an excessive or unjust consideration.

Sec. 2. Minnesota Statutes 2018, section 345.53, subdivision 1, is amended to read:

Subdivision 1. Commissioner's Administrator's duties. (a) The commissioner
administrator or the administrator's agent may at reasonable times and upon reasonable
notice examine the records of any person, including examination of appropriate records in
the possession of an agent of the person under examination, if there is reason to believe that
the person has failed to report property that should have been reported pursuant to sections
345.31 to 345.60; the records are reasonably necessary to determine whether the person has
complied with this chapter. The administrator may issue an administrative subpoena requiring
the person or agent of the person to make records available for examination, and bring an
action seeking judicial enforcement of the subpoena, as well as impose penalties under
section 345.55.

(b) The administrator may contract with a person to conduct an examination under this
chapter. The contract shall be awarded pursuant to a request for proposals issued in
compliance with the state procurement rules.

(1) If the administrator contracts with a person under this subsection, the contract may
provide for compensation of the person based on a fixed fee, hourly fee, or contingent fee.

(2) A contract under subsection (b) is public data.

(3) If the administrator conducts an examination under subsection (a), each person under
examination shall pay an examination fee upon the request of the administrator and to be
based on the salary cost of examiners or assistants, and at such an average rate per day or
fraction thereof so as to provide for the total cost of such examinations.

(c) All data gathered in the course of an examination or audit of a holder or purported
holder under this chapter is classified as private or nonpublic information under the Minnesota
Government Data Practices Act, Minnesota Statutes, chapter 13, except as set forth in section
(b)(2) and except that such data may be disclosed as follows:

(1) to the extent required or permitted by law to report upon or take special action
regarding compliance and delivery of unclaimed property, or ordered by a court of law;

(2) to another department or agency of this state or the United States;

(3) to the person that administers the unclaimed property law of another state, if the
other state accords substantially reciprocal privileges to the administrator of this state, and
maintains the confidentiality and security of information by law or by agreement in a
substantially equivalent manner;

(4) to a person subject to an examination as required by this chapter; and

(5) to the auditor or administrator of a joint examination conducted with another state,
the United States, a foreign country or subordinate unit of a foreign country, or any other
governmental entity if the governmental entity conducting the examination maintains the
confidentiality and security of information by law or by agreement in a substantially
equivalent manner.
Sec. 3. Minnesota Statutes 2018, section 345.53, is amended by adding a subdivision to read:

Subd. 3. Failure of person examined to retain records. If a person subject to examination under this chapter does not retain the records required by section 345A.404, the administrator may determine the value of property due using a reasonable method of estimation based on all information available to the administrator, including extrapolation and use of statistical sampling when appropriate and necessary. A payment made based on estimation under this section is a penalty for failure to maintain the records required by section 345A.404, and does not relieve a person from an obligation to report and deliver property to a state in which the holder is domiciled.

Sec. 4. [345A.950] HEARINGS, PROCEDURE, JUDICIAL REVIEW.

(a) Any person aggrieved by a decision of the administrator under this chapter as it relates to holder examinations may, within 21 days after that decision, make a written request to the administrator for a hearing pursuant to this article to determine whether the decision complies with the requirements of this chapter.

(b) Any person aggrieved by a decision of the administrator under this chapter as it relates to claims of ownership of unclaimed property may, within 21 days after that decision or within 180 days from the filing of the claim if the administrator fails to act on a claim, make a written request to the administrator for a hearing pursuant to this article to determine whether the decision complies with the requirements of this chapter.

(c) At the administrator's discretion, a hearing may be based upon written submissions, and nothing contained in this section requires the observance of formal rules of pleading or evidence.

(d) The administrator shall commence a hearing within 45 days after receipt of the request and shall give not less than 15 days' written notice of the hearing. Within 30 days after the hearing, the administrator shall affirm, reverse, or modify the previous action and specify the reasons for that decision in writing.

(e) An order or decision of the administrator is a final decision subject to appeal in accordance with chapter 14.

Sec. 5. REPEALER.

Minnesota Statutes 2018, section 345.53, subdivision 2, is repealed.
177.27 POWERS AND DUTIES OF COMMISSIONER.

Subdivision 1. Examination of records. The commissioner may enter during reasonable office hours or upon request and inspect the place of business or employment of any employer of employees working in the state, to examine and inspect books, registers, payrolls, and other records of any employer that in any way relate to wages, hours, and other conditions of employment of any employees. The commissioner may transcribe any or all of the books, registers, payrolls, and other records as the commissioner deems necessary or appropriate and may question the employees to ascertain compliance with sections 177.21 to 177.435. The commissioner may investigate wage claims or complaints by an employee against an employer if the failure to pay a wage may violate Minnesota law or an order or rule of the department.

Subd. 3. Adequacy of records. If the records maintained by the employer do not provide sufficient information to determine the exact amount of back wages due an employee, the commissioner may make a determination of wages due based on available evidence and mediate a settlement with the employer.

345.53 EXAMINATION OF RECORDS.

Subd. 2. Examination charges. If an examination of the records of a person results in the disclosure of property reportable and deliverable under sections 345.31 to 345.60, the commissioner may assess the cost of the examination against the holder at the rate of $15 per hour per examiner, but in no case may the charges exceed the value of the property found to be reportable and deliverable.