

CHAPTER 20--H.F.No. 3022

An act relating to legislative enactments; making miscellaneous technical corrections to laws and statutes; correcting erroneous, obsolete, and omitted text and references; removing redundant, conflicting, and superseded provisions; making style and form changes; amending Minnesota Statutes 2024, sections 1.135, subdivision 2; 11A.04; 12B.50; 16C.16, subdivision 10; 17.354; 18F.02, subdivision 2a; 27.01, subdivision 8; 27.069; 27.10; 27.13; 27.19, subdivision 1; 45.0135, subdivision 8; 84.027, subdivisions 16, 19; 84.033, subdivision 1; 84.0835, subdivision 1; 84.0855, subdivision 3; 84.66, subdivision 12; 84.788, subdivision 2; 84.791, subdivision 5; 84.793, subdivision 1; 84.925, subdivision 1; 84A.02; 84A.33, subdivision 2; 84B.03, subdivisions 1, 4; 84D.02, subdivision 3; 85.055, subdivision 1a; 85.22, subdivision 3; 85.41, subdivision 3; 86A.05, subdivision 5; 88.79, subdivision 4; 89.018, subdivision 7; 89.19, subdivision 2; 89.21; 89.22, subdivision 1; 89.53, subdivision 1; 89.551; 90.02; 90.041, subdivision 10; 90.195; 93.47, subdivision 3; 97A.075, subdivisions 1, 7; 97A.101, subdivisions 2, 4; 97A.133, subdivision 3; 97A.445, subdivision 1; 97A.451, subdivision 3b; 97A.465, subdivision 5; 97B.015, subdivisions 4, 7; 97B.715, subdivision 1; 97B.801; 97C.005, subdivision 3; 97C.081, subdivision 10; 97C.205; 97C.342, subdivision 4; 97C.815, subdivision 2; 97C.855; 103A.341; 103B.101, subdivision 2; 103B.215, subdivision 4; 103B.311, subdivision 4; 103B.314, subdivision 4; 103C.201, subdivision 8; 103C.211; 103C.601, subdivision 4; 103C.611, subdivision 3; 103D.271, subdivision 1; 103D.335, subdivisions 19, 21; 103D.405, subdivision 1; 103D.905, subdivision 2; 103E.215, subdivision 3; 103E.291; 103E.325, subdivision 2; 103G.287, subdivision 4; 103G.412; 103H.105; 115.03, subdivision 1; 115A.03, subdivision 37; 115A.64, subdivisions 4, 6; 117.025, subdivision 10; 120B.024, subdivision 2; 120B.23, subdivision 3; 121A.15, subdivision 8; 122A.18, subdivision 1; 122A.26, subdivision 2; 122A.76, subdivision 6; 123A.26, subdivision 1; 123B.09, subdivision 5b; 124D.09, subdivision 19; 124D.42, subdivision 8; 124D.475; 124E.16, subdivision 3; 125A.63, subdivision 5; 126C.13, subdivision 4; 127A.20, subdivision 2; 127A.21, subdivision 5; 127A.41, subdivisions 8, 9; 127A.85; 142A.03, subdivision 1; 142A.609, subdivision 5; 142D.05, subdivision 3; 142D.06, subdivision 1; 142D.11, subdivisions 3, 4, 6; 142D.12, subdivision 1; 142D.25, subdivision 4; 142E.01, subdivision 26; 142G.01, subdivisions 3, 4; 142G.38; 144.291, subdivision 2; 144.966, subdivision 2; 144A.43, subdivision 28; 144E.101, subdivision 14; 144E.28, subdivision 5; 144E.50, subdivision 6; 144G.08, subdivision 64; 147.02, subdivision 6a; 147.09; 147.091, subdivisions 1, 6; 147.111, subdivision 6; 147A.01, subdivision 20; 147A.09, subdivision 3; 147A.13, subdivisions 4, 6, 7; 147A.14, subdivision 6; 147A.17, subdivision 1; 147B.02, subdivisions 1, 7, 9; 147B.06, subdivision 4; 147E.10, subdivision 1; 147E.15, subdivision 11; 147E.40, subdivision 1; 147F.05, subdivision 2; 148E.285, subdivision 4; 150A.055, subdivision 1; 150A.06, subdivision 12; 154.19; 161.125, subdivision 3; 161.45, subdivision 4; 161.46, subdivision 1; 162.09, subdivision 4; 163.161; 168.012, subdivision 13; 168.10, subdivision 1c; 168.1291, subdivision 5; 168.187, subdivision 17; 168.27, subdivision 2; 168.327, subdivision 6; 168.345, subdivision 2; 168A.01, subdivisions 18, 19, 20; 168A.14, subdivision 1a; 169.345, subdivisions 3c, 4; 169.58, subdivision 5; 169.781, subdivision 3; 169.81, subdivision 3; 171.017, subdivision 2; 171.06, subdivision 6; 171.0605, subdivision 3; 171.12, subdivision 7; 171.301, subdivision 1; 174.02, subdivision 5; 174.22, subdivision 7; 174.24, subdivision 1a; 174.29, subdivision 1; 174.30, subdivisions 1, 10; 181.953, subdivision 5a; 216B.023, subdivision 3; 216B.1691, subdivision 2h; 216B.241, subdivision 5a; 216C.377, subdivision 1; 216C.379; 216I.07, subdivision 3; 216I.19, subdivisions 2, 4; 218.011, subdivision 8; 219.015, subdivision 1; 219.055, subdivision 2a; 221.031, subdivisions 3b, 10; 221.0314, subdivision 2; 221.81, subdivision 4; 245.4905, subdivision 1; 245.495; 245.735, subdivision 4d; 245A.07, subdivision 3; 245C.02, subdivision 6a; 245D.091, subdivision 2;

245I.23, subdivision 15; 256.01, subdivision 2; 256.0451, subdivisions 3, 11, 19; 256B.0625, subdivision 5m; 256L.02, subdivision 1; 256P.001; 256P.04, subdivision 9; 256P.06, subdivision 3; 256P.10, subdivision 3; 256R.02, subdivision 19; 257.0769, subdivision 1; 260.762, subdivision 2a; 260C.151, subdivision 2a; 260C.178, subdivision 1; 260C.71, subdivision 1; 260E.03, subdivision 23; 260E.14, subdivision 1; 260E.30, subdivision 6; 260E.36, subdivision 5; 270.075, subdivision 1; 270C.63, subdivision 13; 272.02, subdivision 104; 273.42, subdivision 1; 282.38, subdivisions 1, 2; 290.0132, subdivision 26; 290.06, subdivisions 2c, 23a; 297A.75, subdivision 1; 299F.051, subdivision 1a; 299J.05; 299K.08, subdivision 3a; 308C.301, subdivisions 8, 9, 13; 308C.411, subdivision 2; 308C.425, subdivision 3; 308C.545, subdivision 1; 308C.571, subdivision 1; 308C.721, subdivision 2; 308C.801, subdivision 2; 319B.40; 325D.44, subdivision 1a; 336.3-206; 336.9-301; 336.12-107; 352.91, subdivision 3c; 353D.07, subdivision 2; 353G.01, subdivisions 7b, 8b, 10a; 353G.09, subdivision 1a; 354B.31, subdivision 6; 360.013, subdivision 36; 360.031; 360.032, subdivision 1a; 360.62; 360.654; 360.915, subdivision 1; 393.07, subdivision 10; 403.36, subdivision 1; 446A.073, subdivisions 1, 2; 462A.051, subdivision 1; 462A.2096; 469.002, subdivision 25; 469.53; 469.54, subdivision 3; 473.4465, subdivision 3; 473J.23; 477A.0126, subdivision 3a; 477A.013, subdivision 14; 477A.0175, subdivision 1; 477A.24, subdivision 2; 518A.60; 518A.81, subdivision 8; 518A.82, subdivisions 1, 1a, 3, 5; 518B.01, subdivision 4; 576.22; 582.17; 582.18; Laws 2023, chapter 57, article 2, section 66; Laws 2024, chapter 115, article 4, section 3; article 11, section 6; Laws 2024, chapter 120, article 1, section 15; proposing coding for new law in Minnesota Statutes, chapter 645; repealing Minnesota Statutes 2024, sections 13.465, subdivision 3; 41B.0391, subdivision 6; 115A.1441, subdivision 38; 127A.50, subdivision 3; 148E.130, subdivision 1a; 245.4902; 245C.11, subdivision 4; 275.71, subdivision 5; 469.177, subdivision 1e; 473.4465, subdivision 5; 473J.09, subdivision 14; 473J.14; Laws 2024, chapter 115, article 12, section 5; Laws 2024, chapter 120, article 3, section 3.

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

Section 1. Minnesota Statutes 2024, section 1.135, subdivision 2, is amended to read:

Subd. 2. **Official seal.** The seal described in subdivision 3a is the "Great Seal of the State of Minnesota." When the seal, the impression of the seal, the scene within the seal, or its likeness is reproduced at state expense, it must conform to subdivision 3a and section 4.04. A seal, impression, scene, or likeness which does not conform to these provisions is not official.

Sec. 2. Minnesota Statutes 2024, section 11A.04, is amended to read:

11A.04 DUTIES AND POWERS; APPROPRIATION.

The state board shall:

(1) Act as trustees for each fund for which it invests or manages money in accordance with the standard of care set forth in section 11A.09 if state assets are involved and in accordance with chapter 356A if pension assets are involved.

(2) Formulate policies and procedures deemed necessary and appropriate to carry out its functions. Procedures adopted by the board must allow fund beneficiaries and members of the public to become informed of proposed board actions. Procedures and policies of the board are not subject to the Administrative Procedure Act.

(3) Employ an executive director as provided in section 11A.07.

(4) Employ investment advisors and consultants as it deems necessary.

(5) Prescribe policies concerning personal investments of all employees of the board to prevent conflicts of interest.

(6) Maintain a record of its proceedings.

(7) As it deems necessary, establish advisory committees subject to section 15.059 to assist the board in carrying out its duties.

(8) Not permit state funds to be used for the underwriting or direct purchase of municipal securities from the issuer or the issuer's agent.

(9) Direct the commissioner of management and budget to sell property other than money that has escheated to the state when the board determines that sale of the property is in the best interest of the state. Escheated property must be sold to the highest bidder in the manner and upon terms and conditions prescribed by the board.

(10) Undertake any other activities necessary to implement the duties and powers set forth in this section.

(11) Establish a formula or formulas to measure management performance and return on investment. Public pension funds in the state shall utilize the formula or formulas developed by the state board.

(12) Except as otherwise provided in article XI, section 8, of the Constitution of the state of Minnesota, employ, at its discretion, qualified private firms to invest and manage the assets of funds over which the state board has investment management responsibility. There is annually appropriated to the state board, from the assets of the funds for which the state board utilizes a private investment manager, sums sufficient to pay the costs of employing private firms. Each year, by January 15, the board shall report to the governor and legislature on the cost and the investment performance of each investment manager employed by the board.

(13) Adopt an investment policy statement that includes investment objectives, asset allocation, and the investment management structure for the retirement fund assets under its control. The statement may be revised at the discretion of the state board. The state board shall seek the advice of the council regarding its investment policy statement. Adoption of the statement is not subject to chapter 14.

(14) Adopt a compensation plan setting the terms and conditions of employment for unclassified employees of the state board pursuant to section 43A.18, subdivision 3b.

(15) Contract, as necessary, with the board of trustees of the Minnesota State ~~Universities and Colleges~~ and Universities System for the provision of investment review and selection services under section 354B.25, subdivision 3, and arrange for the receipt of payment for those services.

There is annually appropriated to the state board, from the assets of the funds for which the state board provides investment services, sums sufficient to pay the costs of all necessary expenses for the administration of the board. These sums will be deposited in the State Board of Investment operating account, which must be established by the commissioner of management and budget.

Sec. 3. Minnesota Statutes 2024, section 12B.50, is amended to read:

12B.50 FUNDING FROM OTHER SOURCES; REPAYMENT REQUIRED.

If an applicant subsequently recovers eligible costs from another source after receiving payment under this chapter, the applicant must pay the commissioner an amount equal to the corresponding state funds

received within 30 days. The commissioner must deposit any repayment in the disaster ~~response~~ assistance contingency account in section 12.221, subdivision 6.

Sec. 4. Minnesota Statutes 2024, section 16C.16, subdivision 10, is amended to read:

Subd. 10. **Limits.** At least 75 percent of the value of the subcontracts awarded to small businesses or small targeted group businesses under subdivision 6, paragraph ~~(e)~~ (d), must be performed by the business to which the subcontract is awarded or by another small business or small targeted group business.

Sec. 5. Minnesota Statutes 2024, section 17.354, is amended to read:

17.354 APPLICATION.

Sections 17.351 ~~to 17.353~~ and 17.352 do not affect provisions of law relating to wild animals.

Sec. 6. Minnesota Statutes 2024, section 18F.02, subdivision 2a, is amended to read:

Subd. 2a. **Agriculturally related organism.** "Agriculturally related organism" means any organism that is used in agricultural production or processing of agricultural products. It includes livestock and livestock products; dairy animals and dairy products; poultry and poultry products; domestic fur-bearing animals; animal feeds; horticultural stock; nursery stock, as defined in section ~~18G.02, subdivision 17~~ 18H.02, subdivision 20; fruit; vegetables; forage grain; wild rice; seeds; bees; apiary products; and products for the control or mitigation of noxious weeds. It excludes vaccines and drugs for use in humans; genetic engineering of human germ cells and human somatic cells intended for use in human gene therapy; vaccines for use in livestock, dairy animals, poultry, domestic fur-bearing animals, or private aquatic life; genetically engineered wild animals; and forestry products.

Sec. 7. Minnesota Statutes 2024, section 27.01, subdivision 8, is amended to read:

Subd. 8. **Farm products dealer.** (a) "Farm products dealer," "dealer of farm products," or "dealer" means any person operating as a retail food handler, wholesale food handler, wholesale food processor or manufacturer, or food broker who buys from or contracts with a seller for production or sale of perishable farm products for resale.

(b) "Farm products dealer," "dealer of farm products," or "dealer" does not include:

(1) a truck owner and operator who regularly engages in the business of transporting freight, including perishable farm products, for a transportation fee only, and who does not purchase, contract to purchase, or sell ~~produce~~ perishable farm products;

(2) a marketing cooperative association in which substantially all of the voting stock is held by patrons who patronize the association and in which at least 75 percent of the business of the association is transacted with member or stockholder patrons;

(3) a person who purchases perishable farm products and pays in cash, including lawful money of the United States, a cashier's check, a certified check, or a bank draft; or

(4) a person who handles and deals in only canned, packaged, or processed perishable farm products that are no longer perishable as determined by the commissioner by rule.

Sec. 8. Minnesota Statutes 2024, section 27.069, is amended to read:

27.069 DEFINITION OF ~~PRODUCE~~ PERISHABLE FARM PRODUCTS.

For the purposes of Minnesota Statutes 1961, sections 27.07 to 27.10, and acts amendatory thereof, the term "~~produce~~" "perishable farm products" means decorative forest products and the products of farms and waters of this state.

Sec. 9. Minnesota Statutes 2024, section 27.10, is amended to read:

27.10 PERISHABLE FARM PRODUCTS EXAMINATION.

(a) When perishable farm products are shipped to or received by a farm products dealer for handling, purchase, or sale in this state, and the farm products dealer finds the perishable farm products to be in a spoiled, damaged, unmarketable, or unsatisfactory condition, the dealer must have the perishable farm products examined by an inspector assigned by the commissioner for that purpose. The inspector must execute and deliver a certificate to the farm products dealer stating the day, the time and place of the inspection, and the condition of the ~~produce~~ perishable farm products and mail or deliver a copy of the certificate to the shipper of the perishable farm products.

(b) This section does not apply when the parties to the perishable farm products sales contract waive the inspection requirement.

Sec. 10. Minnesota Statutes 2024, section 27.13, is amended to read:

27.13 INVESTIGATION OF COMPLAINTS.

(a) The commissioner is authorized to: (1) receive complaints against any person dealing in, shipping, transporting, storing, or selling perishable farm products; (2) make any and all necessary investigations relative to the handling of, or storing, shipping, or dealing in perishable farm products; and (3) enter with reasonable notice all buildings, yards, warehouses, and storage and transportation facilities in which perishable farm products are kept, stored, handled, or transacted.

(b) The commissioner may: (1) issue subpoenas requiring the attendance of witnesses before the commissioner, with books, papers, and other documents, articles, or instruments; (2) compel the disclosure by such witnesses of all facts known to them relative to a matter under investigation; and (3) administer oaths and take testimony.

(c) The commissioner must provide a complainant a written report of the investigation conducted under this section. The report is prima facie evidence of the matters contained in the report. A party violating a commissioner's order or subpoena is guilty of contempt as in proceedings in district courts of the state and may be punished in like manner.

Sec. 11. Minnesota Statutes 2024, section 27.19, subdivision 1, is amended to read:

Subdivision 1. **Prohibited acts.** (a) A person subject to the provisions of this section and sections 27.01 to 27.14 must not:

(1) make any false statement or report as to the grade, condition, markings, quality, or quantity of ~~produce~~ perishable farm products, as defined in section 27.069, received or delivered, or act in any manner to deceive a consignor or purchaser;

(2) refuse to accept a shipment contracted for by the person, unless the refusal is based upon the showing of a state inspection certificate secured with reasonable promptness after the receipt of the shipment showing that the kind and quality of produce perishable farm products, as defined in section 27.069, is other than that purchased or ordered by the person;

(3) fail to account or make a settlement for perishable farm products within the required time;

(4) violate or fail to comply with the terms or conditions of a contract entered into by the person for the purchase, production, or sale of perishable farm products;

(5) purchase for a person's own account any produce perishable farm products received on consignment, either directly or indirectly, without the consent of the consignor;

(6) issue a false or misleading market quotation, or cancel a quotation during the period advertised by the person;

(7) increase the sales charges on perishable farm products shipped to the person by means of "dummy" or fictitious sales;

(8) receive decorative forest products and the products of farms and waters from foreign states or countries for sale or resale, either within or outside of the state, and give the purchaser the impression, through any method of advertising or description, that the perishable farm products are of Minnesota origin;

(9) commit to pay and not pay in full for all perishable farm products committed for. A processor may not pay an amount less than the full contract price if the crop produced is satisfactory for processing and is not harvested for reasons within the processor's control. If the processor sets the date for planting, then bunching, unusual yields, and a processor's inability or unwillingness to harvest must be considered to be within the processor's control. Under this clause growers must be compensated for passed acreage at the same rate for grade and yield as they would have received had the crop been harvested in a timely manner minus any contractual provision for green manure or feed value. Both parties are excused from payment or performance for crop conditions that are beyond the control of the parties; or

(10) discriminate between different sections, localities, communities, or cities, or between persons in the same community, by purchasing perishable farm products from farmers of the same grade, quality, and kind, at different prices, except that price differentials are allowed if directly related to the costs of transportation, shipping, and handling of the perishable farm products and a person is allowed to meet the prices of a competitor in good faith, in the same locality for the same grade, quality, and kind of perishable farm products. A showing of different prices by the commissioner is prima facie evidence of discrimination.

(b) Any person violating any provision of this chapter, or any rule adopted under this chapter, is guilty of a misdemeanor.

(c) A separate violation occurs with respect to each different person involved, each purchase or transaction involved, and each false statement.

(d) Any prosecuting officer to whom the commissioner reports a violation of this chapter, or a violation of any rule adopted under this chapter, must bring appropriate proceedings in a proper court without delay for the enforcement of the penalties under this chapter.

Sec. 12. Minnesota Statutes 2024, section 45.0135, subdivision 8, is amended to read:

Subd. 8. **Investigations; health-related boards.** (a) The Commerce Fraud Bureau may consult with the appropriate health-related board when a licensee, licensed under chapter 144E, 147, 148, 148B, 148E, or 150A, is suspected of insurance fraud.

(b) The bureau shall, for any conviction involving or related to insurance, send copies of all public data in its possession to the appropriate health-related licensing board.

Sec. 13. Minnesota Statutes 2024, section 84.027, subdivision 16, is amended to read:

Subd. 16. **Commissioner to administer grants programs.** Unless otherwise specified by law, the commissioner may establish the procedures and criteria for selection of projects funded through authorized grants and research programs. Procedures and criteria for selection are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply.

Sec. 14. Minnesota Statutes 2024, section 84.027, subdivision 19, is amended to read:

Subd. 19. **Federal law compliance.** Notwithstanding any law to the contrary, the commissioner may establish, by written order, policies for the use and operation of other power-driven mobility devices, as defined under Code of Federal Regulations, title 28, section 35.104, on lands and in facilities administered by the commissioner for the purposes of implementing the Americans with Disabilities Act, United States Code, title 42, section 12101 et seq. These policies are exempt from the rulemaking provisions of chapter 14, and section 14.386 does not apply.

Sec. 15. Minnesota Statutes 2024, section 84.033, subdivision 1, is amended to read:

Subdivision 1. **Acquisition; designation.** The commissioner of natural resources may acquire by gift, lease, easement, exchange, or purchase, in the manner prescribed under chapter 117, in the name of the state, lands or any interest in lands suitable and desirable for establishing and maintaining scientific and natural areas. The commissioner shall designate any land so acquired as a scientific and natural area by written order published in the State Register and shall administer any land so acquired and designated as provided by section 86A.05. Designations of scientific and natural areas are exempt from the rulemaking provisions of chapter 14, and section 14.386 does not apply.

Sec. 16. Minnesota Statutes 2024, section 84.0835, subdivision 1, is amended to read:

Subdivision 1. **Commissioner's authority to designate employees.** As provided in this section, the commissioner may designate by written order certain employees to enforce laws governing the use of state parks, state monuments, state recreation areas, state waysides, forest subareas, forest lands under the authority of the commissioner when incidental to trail management or normal forestry duties, and game preserves and other lands administered as wildlife management areas. The designation by the commissioner is not subject to rulemaking under chapter 14, and section 14.386 does not apply.

Sec. 17. Minnesota Statutes 2024, section 84.0855, subdivision 3, is amended to read:

Subd. 3. **Exemption from rulemaking and legislative approval.** A fee charged under this section is not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply. The commissioner may establish fees under this section notwithstanding section 16A.1283.

Sec. 18. Minnesota Statutes 2024, section 84.66, subdivision 12, is amended to read:

Subd. 12. **Rulemaking exemption.** Easements agreed to under this section are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply.

Sec. 19. Minnesota Statutes 2024, section 84.788, subdivision 2, is amended to read:

Subd. 2. **Exemptions.** Registration is not required for off-highway motorcycles:

(1) owned and used by the United States, an Indian tribal government, the state, another state, or a political subdivision;

(2) registered in another state or country that have not been within this state for more than 30 consecutive days;

(3) registered under chapter 168, when operated on forest roads to gain access to a state forest campground;

(4) operated on state or grant-in-aid trails by a nonresident possessing a nonresident off-highway motorcycle state trail pass;

(5) operated by a person participating in an event for which the commissioner has issued a ~~special use~~ special-use permit; or

(6) operated on boundary trails and registered in another state or country providing equal reciprocal registration or licensing exemptions for registrants of this state.

Sec. 20. Minnesota Statutes 2024, section 84.791, subdivision 5, is amended to read:

Subd. 5. **Exemption from rulemaking and legislative approval.** The fees provided for under subdivision 2 are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply. The commissioner may establish the fees under subdivision 2 notwithstanding section 16A.1283.

Sec. 21. Minnesota Statutes 2024, section 84.793, subdivision 1, is amended to read:

Subdivision 1. **Prohibitions on youthful operators.** (a) A person six years or older but less than 16 years of age operating an off-highway motorcycle on public lands or waters must possess a valid off-highway motorcycle safety certificate issued by the commissioner.

(b) Except for operation on public road rights-of-way that is permitted under section 84.795, subdivision 1, a driver's license issued by the state or another state is required to operate an off-highway motorcycle along or on a public road right-of-way.

(c) A person under 12 years of age may not:

(1) make a direct crossing of a public road right-of-way;

(2) operate an off-highway motorcycle on a public road right-of-way in the state; or

(3) operate an off-highway motorcycle on public lands or waters unless accompanied by a person 18 years of age or older or participating in an event for which the commissioner has issued a ~~special use~~ special-use permit.

(d) Except for public road rights-of-way of interstate highways, a person less than 16 years of age may make a direct crossing of a public road right-of-way of a trunk, county state-aid, or county highway only if that person is accompanied by a person 18 years of age or older who holds a valid driver's license.

(e) A person less than 16 years of age may operate an off-highway motorcycle on public road rights-of-way in accordance with section 84.795, subdivision 1, paragraph (a), only if that person is accompanied by a person 18 years of age or older who holds a valid driver's license.

(f) Notwithstanding paragraph (a), a nonresident less than 16 years of age may operate an off-highway motorcycle on public lands or waters if the nonresident youth has in possession evidence of completing an off-road safety course offered by the Motorcycle Safety Foundation or another state as provided in section 84.791, subdivision 4.

Sec. 22. Minnesota Statutes 2024, section 84.925, subdivision 1, is amended to read:

Subdivision 1. **Training and certification programs established.** (a) The commissioner shall establish:

(1) a comprehensive all-terrain vehicle environmental and safety education and training certification program, including the preparation and dissemination of vehicle information and safety advice to the public, the training of all-terrain vehicle operators, and the issuance of all-terrain vehicle safety certificates to vehicle operators over the age of 12 years who successfully complete the all-terrain vehicle environmental and safety education and training course; and

(2) a voluntary all-terrain vehicle online training program for youth and a parent or guardian, offered at no charge for operators at least six years of age but younger than ten years of age.

(b) A parent or guardian must be present at a training program when the youth is under ten years of age.

(c) For the purpose of administering the program and to defray the expenses of training and certifying vehicle operators, the commissioner shall collect a fee from each person who receives the training for certification under paragraph (a), clause (1). The commissioner shall collect a fee, to include a \$1 issuing fee for licensing agents, for issuing a duplicate all-terrain vehicle safety certificate. The commissioner shall establish both fees in a manner that neither significantly overrecovers nor underrecovers costs, including overhead costs, involved in providing the services. The fees are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply. The fees may be established by the commissioner notwithstanding section 16A.1283. Fee proceeds, except for the issuing fee for licensing agents under this subdivision, shall be deposited in the all-terrain vehicle account in the natural resources fund and the amount thereof, except for the electronic licensing system commission established by the commissioner under section 84.027, subdivision 15, and issuing fees collected by the commissioner, is appropriated annually to the Enforcement Division of the Department of Natural Resources for the administration of the programs. In addition to the fee established by the commissioner, instructors may charge each person up to the established fee amount for class materials and expenses.

(d) The commissioner shall cooperate with private organizations and associations, private and public corporations, and local governmental units in furtherance of the programs established under this section. School districts may cooperate with the commissioner and volunteer instructors to provide space for the classroom portion of the training. The commissioner shall consult with the commissioner of public safety in regard to the subject matter of the training programs and performance testing that leads to the certification of vehicle operators. The commissioner shall incorporate a riding component in the training certification programs established under this section and may incorporate a riding component in the training program established in paragraph (a), clause (2).

Sec. 23. Minnesota Statutes 2024, section 84A.02, is amended to read:

84A.02 DEPARTMENT TO MANAGE PRESERVE.

(a) The Department of Natural Resources shall manage and control the Red Lake Game Preserve. The department may adopt and enforce rules for the care, preservation, protection, breeding, propagation, and disposition of all species of wildlife in the preserve. The department may adopt and enforce rules for the regulation, issuance, sale, and revocation of special licenses or special permits for hunting, fishing, camping, and other uses of this area, consistent with sections 84A.01 to 84A.101. The department may by rule set the terms, conditions, and charges for these licenses and permits.

(b) The rules may specify and control the terms under which wildlife may be taken, captured, or killed in the preserve, and under which fur-bearing animals, or animals and fish otherwise having commercial value, may be taken, captured, trapped, killed, sold, and removed from it. These rules may also provide for:

(1) the afforestation and reforestation of state lands in the preserve;

(2) the sale of merchantable timber from these lands when, in the opinion of the department, it can be sold and removed without damage or injury to the further use and development of the land for wildlife and game in the preserve; and

(3) the purposes for which the preserve is established by sections 84A.01 to 84A.101.

(c) The department may provide for the policing of the preserve as necessary for its proper development and use for the purposes specified. The commissioner of natural resources may employ and designate individuals according to section 84.0835 to enforce laws governing the use of the preserve.

(d) The department shall also adopt and enforce rules concerning the burning of grass, timber slashings, and other flammable matter, and the clearing, development, and use of lands in the preserve as necessary to prevent forest fires and grass fires that would injure the use and development of this area for wildlife preservation and propagation and to protect its forest and wooded areas.

(e) Lands within the preserve are subject to the rules, whether owned by the state or privately, consistent with the rights of the private owners and with applicable state law. The rules may establish areas and zones within the preserve where hunting, fishing, trapping, or camping is prohibited or specially regulated, to protect and propagate particular wildlife in the preserve.

(f) Rules adopted under sections 84A.01 to 84A.101 must be posted on the boundaries of the preserve.

Sec. 24. Minnesota Statutes 2024, section 84A.33, subdivision 2, is amended to read:

Subd. 2. **Further annual reports.** On or before June 15 in each year after the report, the county auditor shall certify to the commissioner of management and budget a list of lands within the boundaries of a project, except lands within the boundaries of a city, and except lands described in any previous certificate, and upon which taxes are delinquent for three years or more and which have been bid in for the state at any delinquent tax sale and not redeemed or assigned to an actual purchaser. The certificate must contain:

(1) the legal description of each parcel of the land, contained in an earlier certificate upon which all taxes have been redeemed;

(2) the legal description of each parcel of the lands which, on May 14 of the year when the certificate is furnished, is delinquent for three years or more; and

(3) the name and number of the ditch and the amount of the principal and interest of each delinquent ditch assessment installment as it appears on the county tax books for all years before the date of the certificate against each parcel of land, together with interest on the amount at an annual rate of six percent since the due date of each installment. The certificate must not contain the delinquent drainage assessment installments included in any certificate furnished earlier.

Sec. 25. Minnesota Statutes 2024, section 84B.03, subdivision 1, is amended to read:

Subdivision 1. **Governor's duties.** (a) Notwithstanding the provisions of any other law to the contrary, the governor, after consulting with the commissioner of natural resources and, in regard to lands forfeited to the state for nonpayment of taxes and held in trust by the state for taxing districts, the commissioner of revenue, shall donate and convey to the United States of America the state's interest in all of the following lands lying within the boundaries of Voyageurs National Park, as described by section 102 of the act of Congress authorizing the establishment of the park:

(1) trust fund lands;

(2) lands forfeited to the state for nonpayment of taxes and held in trust by the state for taxing districts; and

(3) other lands acquired or otherwise owned by the state.

(b) Each conveyance of these lands shall contain the following:

(1) a provision that the lands shall revert to the state of Minnesota if:

~~(a)~~ (i) the secretary of the interior does not establish the park within five years after donation of all state-owned lands; or

~~if (b)~~ (ii) the lands so conveyed are no longer used for national park purposes;

(2) a reservation to the state of all minerals and water power rights;

(3) a provision that the conveyance is subject to the rights of any person having an interest in the land on the date of conveyance pursuant to state lease, license, or permit; and

(4) to satisfy the provisions of section 301(c) of the act authorizing the establishment of Voyageurs National Park, ~~each conveyance of these lands also shall contain~~ the covenant required by that section to prohibit mining or water power development.

Sec. 26. Minnesota Statutes 2024, section 84B.03, subdivision 4, is amended to read:

Subd. 4. **Conveyance.** (a) In furtherance of boundary adjustments to Voyageurs National Park authorized by Congress in Public Law 97-405, and notwithstanding any other law to the contrary, the governor, after consulting the commissioner of natural resources, shall donate and convey to the United States of America, for Voyageurs National Park, the state's interest in the following described lands:

(1) Lot 7, Section 4, Township 68 North, Range 18 West;

(2) the area of land commonly referred to as the Kabetogama Forestry Station, consisting of approximately 18.45 acres, and located in Section 21, Township 69 North, Range 21 West; and

(3) land not exceeding 120 acres consisting of a strip of land through that portion of Section 1, Township 68 North, Range 20 West, which is roughly parallel to and 400 feet on each side of the unimproved road extending northward from a point of beginning at the Ash River Trail in the Southeast Quarter of the Southeast Quarter of Section 1 to a point of termination in the Northeast Quarter of the Northwest Quarter in Section 1.

(b) Lands described in paragraph (a), clause (1), shall be donated and conveyed only after \$30,000 has been paid by the commissioner of natural resources to the city of Tower in return for a conveyance to the state of all right, title, and interest of the city of Tower in the land. Lands described in paragraph (a), clauses (2) and (3), shall be donated and conveyed only after the lands have been condemned by the commissioner of natural resources in the manner required by subdivision 2, and the time to appeal from the condemnation award has expired. All conveyances required by this subdivision shall comply with subdivision 1, except for the provision required by ~~clause (1)(a) of that~~ subdivision 1, paragraph (b), clause (1), item (i).

Sec. 27. Minnesota Statutes 2024, section 84D.02, subdivision 3, is amended to read:

Subd. 3. **Management plan.** By December 31, 2023, and every five years thereafter, the commissioner shall prepare a long-term plan, which may include specific plans for individual species and actions, for the statewide management of invasive species of aquatic plants and wild animals. The plan must address:

- (1) coordinated detection and prevention of accidental introductions;
- (2) coordinated dissemination of information about invasive species of aquatic plants and wild animals among resource management agencies and organizations;
- (3) a coordinated public education and awareness campaign;
- (4) coordinated control of selected invasive species of aquatic plants and wild animals on lands and public waters;
- (5) participation by lake associations, local citizen groups, and local units of government in the development and implementation of local management efforts;
- (6) a reasonable and workable inspection requirement for watercraft and equipment including those participating in organized events on the waters of the state;
- (7) the closing of points of access to infested waters, if the commissioner determines it is necessary, for a total of not more than seven days during the ~~open-water~~ open-water season for control or eradication purposes;
- (8) maintaining public accesses on infested waters to be reasonably free of aquatic macrophytes;
- (9) notice to travelers of the penalties for violation of laws relating to invasive species of aquatic plants and wild animals; and
- (10) the impacts of climate change on invasive species management.

Sec. 28. Minnesota Statutes 2024, section 85.055, subdivision 1a, is amended to read:

Subd. 1a. **Patron permit fee.** Notwithstanding section 16A.1283, the commissioner of natural resources may, by written order, provide a special patron permit allowing persons to pay an additional amount above

the annual permit fee required in subdivision 1. The additional amount paid under this subdivision is not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply.

Sec. 29. Minnesota Statutes 2024, section 85.22, subdivision 3, is amended to read:

Subd. 3. **Charges sufficient to defray expenses.** Notwithstanding section 16A.1283, the commissioner of natural resources shall, by written order, adjust the schedule of charges for operating facilities within state parks so as to produce income sufficient to defray all expenses required to provide proper operations of said facilities. An adjustment to the schedule of charges is not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply.

Sec. 30. Minnesota Statutes 2024, section 85.41, subdivision 3, is amended to read:

Subd. 3. **Exemptions.** (a) Participants in cross-country-ski races and residents of a state or local government operated correctional facility are exempt from the pass requirement in subdivision 1 if a ~~special use~~ special-use permit has been obtained by the organizers of the event or those in an official capacity in advance from the agency with jurisdiction over the cross-country-ski trail. Permits shall require that permit holders return the trail and any associated facility to its original condition if any damage is done by the permittee. Limited permits for special events may be issued and shall require the removal of any trail markers, banners, and other material used in connection with the special event.

(b) Unless otherwise exempted under paragraph (a), students, teachers, and supervising adults engaged in school-sanctioned activities or youth activities sponsored by a nonprofit organization are exempt from the pass requirements in subdivision 1.

(c) A resident that is in the armed forces of the United States, stationed outside of the state, and in the state on leave is exempt from the pass requirement in subdivision 1 if the resident possesses official military leave papers.

(d) A resident who has served at any time during the preceding 24 months in federal active service, as defined in section 190.05, subdivision 5c, outside the United States as a member of the National Guard, or as a reserve component or active duty member of the United States armed forces and has been discharged from active service is exempt from the pass requirement in subdivision 1 if the resident possesses official military discharge papers.

Sec. 31. Minnesota Statutes 2024, section 86A.05, subdivision 5, is amended to read:

Subd. 5. **State scientific and natural areas; purpose; resource and site qualifications; administration; designation.** (a) A state scientific and natural area shall be established to protect and perpetuate in an undisturbed natural state those natural features which possess exceptional scientific or educational value.

(b) No unit shall be authorized as a scientific and natural area unless its proposed location substantially satisfies the following criteria:

(1) embraces natural features of exceptional scientific and educational value, including but not limited to any of the following:

(i) natural formations or features which significantly illustrate geological processes;

(ii) significant fossil evidence of the development of life on earth;

(iii) an undisturbed plant community maintaining itself under prevailing natural conditions typical of Minnesota;

(iv) an ecological community significantly illustrating the process of succession and restoration to natural condition following disruptive change;

(v) a habitat supporting a vanishing, rare, endangered, or restricted species of plant or animal;

(vi) a relict flora or fauna persisting from an earlier period; or

(vii) a seasonal haven for concentrations of birds and animals, or a vantage point for observing concentrated populations, such as a constricted migration route; and

(2) embraces an area large enough to permit effective research or educational functions and to preserve the inherent natural values of the area.

(c) State scientific and natural areas shall be administered by the commissioner of natural resources, in consultation with qualified persons, in a manner which is consistent with the purposes of this subdivision to preserve, perpetuate and protect from unnatural influences the scientific and educational resources within them. Interpretive studies may be provided for the general public. Physical development shall be limited to the facilities absolutely necessary for protection, research, and educational projects, and, where appropriate, for interpretive services.

(d) An area designated as a state scientific and natural area shall not be altered in designation or use without holding a public hearing on the matter at a time and place designated in the notice of the hearing, which shall be published once in a legal newspaper in each county in which the lands are situated at least seven days in advance of the hearing. At the hearing the commissioner shall provide an opportunity for any person to be heard. The commissioner may designate these areas by written order published in the State Register. Designations are not subject to the rulemaking provisions of chapter 14₂ and section 14.386 does not apply.

(e) At the discretion of the managing agency, each scientific and natural area shall be designated as one of the following types:

~~(i)~~ (1) Research unit. Use is limited to programs conducted by qualified scientists and college graduate and postgraduate students.

~~(ii)~~ (2) Educational unit. Permitted uses include all activities specified in ~~paragraph (i) above~~ clause (1) and primary, secondary, and college undergraduate programs.

~~(iii)~~ (3) Public use unit. Permitted uses include all uses permitted in ~~paragraphs (i) and (ii) above~~ clauses (1) and (2) and interpretive programs for the benefit of the general public.

Sec. 32. Minnesota Statutes 2024, section 88.79, subdivision 4, is amended to read:

Subd. 4. **Rulemaking exemption.** The charge for forest management services and cost-sharing conservation practices under this section are not subject to the rulemaking provisions of chapter 14₂ and section 14.386 does not apply.

Sec. 33. Minnesota Statutes 2024, section 89.018, subdivision 7, is amended to read:

Subd. 7. **Rulemaking exemption.** Designations under subdivisions 1 and 2 are not subject to the rulemaking provisions of chapter 14₂ and section 14.386 does not apply.

Sec. 34. Minnesota Statutes 2024, section 89.19, subdivision 2, is amended to read:

Subd. 2. **Rulemaking exemption.** Designations of forest trails and changes to the designations by the commissioner shall be by written order published in the State Register. Designations and changes to designations are not subject to the rulemaking provisions of chapter 14₂ and section 14.386 does not apply. Before designating or changing a designation of forest trails, the commissioner shall hold a public meeting in the county where the largest portion of the forest lands are located to provide information to and receive comment from the public regarding the proposed trail designation or change in designation. Sixty days before the public meeting, notice of the proposed forest trail designation or change in designation shall be published in the legal newspapers that serve the counties in which the lands are located, in a statewide Department of Natural Resources news release, and in the State Register.

Sec. 35. Minnesota Statutes 2024, section 89.21, is amended to read:

89.21 CAMPGROUNDS; ESTABLISHMENT AND FEES.

(a) The commissioner is authorized to establish and develop state forest campgrounds and may establish minimum standards not inconsistent with the laws of the state for the care and use of such campgrounds and charge fees for such uses as specified by the commissioner of natural resources.

(b) Notwithstanding section 16A.1283, the commissioner shall, by written order, establish fees providing for the use of state forest campgrounds. The fees are not subject to the rulemaking provisions of chapter 14₂ and section 14.386 does not apply.

(c) All fees shall be deposited in an account in the natural resources fund and are appropriated annually to the commissioner.

Sec. 36. Minnesota Statutes 2024, section 89.22, subdivision 1, is amended to read:

Subdivision 1. **Establishing fees.** Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish fees providing for the use of state forest lands, including motorcycle, snowmobile, and sports car rallies, races, or enduros; orienteering trials; group campouts that do not occur at designated group camps; dog sled races; dog trials; large horse trail rides; and commercial uses. The fees are not subject to the rulemaking provisions of chapter 14₂ and section 14.386 does not apply.

Sec. 37. Minnesota Statutes 2024, section 89.53, subdivision 1, is amended to read:

Subdivision 1. **Commissioner's duties; notice of control measures.** Whenever the commissioner finds that an area in the state is infested or threatened to be infested with forest pests or shade tree pests, the commissioner shall determine whether measures of control are needed, what control measures are to be applied, and the area over which the control measures shall be applied. The commissioner shall prescribe a proposed zone of infestation covering the area in which control measures are to be applied and shall publish notice of the proposal once a week, for two successive weeks in a newspaper having a general circulation in each county located in whole or in part in the proposed zone of infestation. Prescribing zones of infestation and prescribing measures of control are exempt from the rulemaking provisions of chapter 14₂ and section 14.386 does not apply.

Sec. 38. Minnesota Statutes 2024, section 89.551, is amended to read:

89.551 APPROVED FIREWOOD REQUIRED.

(a) After the commissioner issues an order under paragraph (b), a person may not possess firewood on land administered by the commissioner of natural resources unless the firewood:

(1) was obtained from a firewood distribution facility located on land administered by the commissioner;

(2) was obtained from a firewood dealer who is selling firewood that is approved by the commissioner under paragraph (b); or

(3) has been approved by the commissioner of natural resources under paragraph (b).

(b) The commissioner of natural resources shall, by written order published in the State Register, approve firewood for possession on lands administered by the commissioner. The order is not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply.

(c) A violation under this section is subject to confiscation of firewood and after May 1, 2008, confiscation and a \$100 penalty. A firewood dealer shall be subject to confiscation and assessed a \$100 penalty for each sale of firewood not approved under the provisions of this section and sold for use on land administered by the commissioner.

(d) For the purposes of this section, "firewood" means any wood that is intended for use in a campfire, as defined in section 88.01, subdivision 25.

Sec. 39. Minnesota Statutes 2024, section 90.02, is amended to read:

90.02 CITATION; STATEMENT OF POLICY.

(a) This chapter may be cited as the "State Timber Act."

(b) It is the intent and desire of the Minnesota legislature to provide equal opportunity for all segments of our society to participate in the sale process; and attempt to prevent the purchase or acquisition of excessive volumes of the state's timber resources by any one individual or corporation.

(c) The commissioner shall establish specific timber sale allocation standards to reach this objective; including provision for sale of all timber species by each method of sale specified in this chapter; and maintaining reasonable proportions of volume in each method of sale. The standards shall be included in each edition of the timber sales manual published by the commissioner. The standards are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply.

Sec. 40. Minnesota Statutes 2024, section 90.041, subdivision 10, is amended to read:

Subd. 10. **Fees.** (a) The commissioner may establish a fee schedule that covers the commissioner's cost of issuing, administering, and processing various permits, permit modifications, transfers, assignments, amendments, and other transactions necessary to the administration of activities under this chapter.

(b) A fee established under this subdivision is not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply. The commissioner may establish fees under this subdivision notwithstanding section 16A.1283.

Sec. 41. Minnesota Statutes 2024, section 90.195, is amended to read:

90.195 ~~SPECIAL-USE~~ SPECIAL-USE AND PRODUCT PERMIT.

(a) The commissioner may issue a fuelwood permit to salvage or cut not to exceed 12 cords of fuelwood per year for personal use from either or both of the following sources:

- (1) dead, down, and damaged trees; or
- (2) other trees that are of negative value under good forest management practices.

(b) The fuelwood permits under paragraph (a) may be issued for a period not to exceed one year. The commissioner must charge a fee for the permit as provided under section 90.041, subdivision 10. The fee must not exceed the current market value of fuelwood of similar species, grade, and volume that is being sold in the area where the salvage or cutting is authorized under the permit.

(c) The commissioner may issue a permit for harvesting or collecting incidental volumes of special forest products. The value of the products is the current market value of the products that are being sold in the area. The permit may be issued for a period not to exceed one year, and the commissioner must charge a fee for the permit as provided under section 90.041, subdivision 10.

(d) The commissioner may issue a ~~special-use~~ special-use permit for incidental volumes of timber from approved right-of-way road clearing across state land to access a state timber permit. The permit must include the volume and value of timber to be cleared and may be issued for a period not to exceed one year. A presale conference as required under section 90.151, subdivision 6, must be completed before the start of any activities under the permit.

Sec. 42. Minnesota Statutes 2024, section 93.47, subdivision 3, is amended to read:

Subd. 3. **Adopting rules.** (a) Upon completion of the study and survey and consistent with the declared policy of sections 93.44 to 93.51, the commissioner, pursuant to chapter 14, may adopt rules pertaining to that portion of mining operations conducted subsequent to the effective date of such rules and subject to the provisions of any rights existing pursuant to any permit, license, lease or other valid existing authorization issued by the commissioner, the Pollution Control Agency or any other governmental entity, or their predecessors in office, and subject to any applicable mine safety laws or rules now existing or hereafter adopted, in regard to the following:

- (1) mine-waste disposal;₂
- (2) mining areas, including but not limited to plant facilities and equipment;₂ and
- (3) permits to mine, as required by section 93.481.

(b) To the greatest extent possible, within the authority possessed by the commissioner, the rules so promulgated shall substantially comply with or exceed any minimum mine land reclamation requirements which may be established pursuant to a federal mine land reclamation act. The rules so promulgated also shall conform with any state and local land use planning program; provided further the commissioner shall develop procedures that will identify areas or types of areas which, if mined, cannot be reclaimed with existing techniques to satisfy the rules promulgated under this subdivision, and the commissioner will not issue permits to mine such areas until the commissioner determines technology is available to satisfy the rules so promulgated.

Sec. 43. Minnesota Statutes 2024, section 97A.075, subdivision 1, is amended to read:

Subdivision 1. **Deer, bear, and lifetime licenses.** (a) For purposes of this subdivision, "deer license" means a license issued under section 97A.475, subdivisions 2, clauses (5), (6), (7), (14), (15), and (16), ~~and (17)~~; 3, paragraph (a), clauses (2), (3), (4), (11), (12), and (13), ~~and (14)~~; and 8, paragraph (b), and licenses issued under section 97B.301, subdivision 4.

(b) The deer management account is established as an account in the game and fish fund and may be used only for deer habitat improvement or deer management programs, including a computerized licensing system. The following amounts must be credited to the deer management account:

(1) \$16 from each annual deer license issued under section 97A.475, subdivisions 2, clauses (5), (6), and (7); 3, paragraph (a), clauses (2), (3), and (4); and 8, paragraph (b);

(2) \$2 from each annual deer license issued under sections 97A.475, subdivisions 2, clauses (14), (15), and (16), ~~and (17)~~; and 3, paragraph (a), clauses (11), (12), and (13), ~~and (14)~~; and 97B.301, subdivision 4; and

(3) \$16 annually from the lifetime fish and wildlife trust fund, established under section 97A.4742, for each license issued to a person 18 years of age or older under section 97A.473, subdivision 4, and \$2 annually from the lifetime fish and wildlife trust fund for each license issued to a person under 18 years of age.

(c) \$1 from each annual deer license and each bear license and \$1 annually from the lifetime fish and wildlife trust fund, established in section 97A.4742, for each license issued under section 97A.473, subdivision 4, must be credited to the deer and bear management account and is appropriated to the commissioner for deer- and bear-management programs, including a computerized licensing system.

(d) Fifty cents from each deer license is credited to the emergency deer feeding and wild Cervidae health-management account and is appropriated for emergency deer feeding and wild Cervidae health management. Money appropriated for emergency deer feeding and wild Cervidae health management is available until expended.

(e) When the unencumbered balance in the appropriation for emergency deer feeding and wild Cervidae health management exceeds \$2,500,000 at the end of a fiscal year, the unencumbered balance over \$2,500,000 is canceled and is available for deer- and bear-management programs and computerized licensing.

Sec. 44. Minnesota Statutes 2024, section 97A.075, subdivision 7, is amended to read:

Subd. 7. **Wolf licenses; account established.** (a) For purposes of this subdivision, "wolf license" means a license or permit issued under section 97A.475, subdivision 2, clause ~~(22)~~ (21); 3, paragraph (a), clause ~~(18)~~ (17); or 20, paragraph (b).

(b) A wolf management and monitoring account is created in the game and fish fund. Revenue from wolf licenses must be credited to the wolf management and monitoring account and is appropriated to the commissioner only for wolf management, research, damage control, enforcement, and education. Notwithstanding any other law to the contrary, money credited to the account may not be used to pay indirect costs or agency shared services.

Sec. 45. Minnesota Statutes 2024, section 97A.101, subdivision 2, is amended to read:

Subd. 2. **Management designation.** (a) The commissioner may designate, reserve, and manage public waters for wildlife after giving notice and holding a public hearing. The hearing must be held in the county

where the major portion of the waters is located. Notice of the hearing must be published in a legal newspaper within each county where the waters are located at least seven days before the hearing. The designation by the commissioner shall be by written order published in the State Register. Designations are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply.

(b) The commissioner may contract with riparian owners for water projects under section 103G.121, subdivision 3, and may acquire land, accept local funding, and construct, maintain, and operate structures to control water levels under section 103G.505 to manage designated waters.

Sec. 46. Minnesota Statutes 2024, section 97A.101, subdivision 4, is amended to read:

Subd. 4. **Restrictions on airboats, watercraft, and recreational vehicles.** (a) The use of airboats is prohibited at all times on lakes designated for wildlife management purposes under this section unless otherwise authorized by the commissioner.

(b) The commissioner may restrict the use of motorized watercraft and recreational vehicles on lakes designated for wildlife management purposes by posting all public access points on the designated lake. To minimize disturbance to wildlife or to protect wildlife habitat, the commissioner may restrict the type of allowable motorized watercraft or recreational vehicle, horsepower or thrust of motor, speed of operation, and season or area of use. Designation of areas, times, and types of restrictions to be posted shall be by written order published in the State Register. Posting of the restrictions is not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply.

(c) Before the commissioner establishes perpetual restrictions under paragraph (b), public comment must be received and a public meeting must be held in the county where the largest portion of the lake is located. Notice of the meeting must be published in a news release issued by the commissioner and in a newspaper of general circulation in the area where the waters are located. The notice must be published at least once between 30 and 60 days before the public meeting and at least once between seven and 30 days before the meeting. The notices required in this paragraph must summarize the proposed action, invite public comment, and specify a deadline for the receipt of public comments. The commissioner shall mail a copy of each required notice to persons who have registered their names with the commissioner for this purpose. The commissioner shall consider any public comments received in making a final decision. This paragraph does not apply to temporary restrictions that expire within 90 days of the effective date of the restrictions.

Sec. 47. Minnesota Statutes 2024, section 97A.133, subdivision 3, is amended to read:

Subd. 3. **All-terrain vehicle travel within designated wildlife management areas.** (a) On lands acquired by the state under chapter 84A that are designated after January 1, 1986, as wildlife management areas, the commissioner shall, by January 15, 2004, identify, designate, and sign at least 90 miles of all-terrain vehicle trails, not including public roads that are maintained and open to travel by other noncommercial vehicles, in corridors of disturbance that:

(1) the commissioner determines are appropriate to connect trails, forest roads established under section 89.71, subdivision 1, and public highways to provide reasonable travel for all-terrain vehicles; or

(2) are areas of historic all-terrain vehicle use, including trails that end within a wildlife management area.

The designated trails must be either within or contiguous to the wildlife management areas. The commissioner shall consult with wildlife management area users, including both motorized and nonmotorized trail users, in identifying and designating trails under this paragraph. Trail establishment must be in compliance with

other state and federal law. Local governments and other trail sponsors may propose the designation of trails, including the designation as a grant-in-aid trail for the purposes of funding under section 84.927, subdivision 2. Designation of trails by the commissioner, authorized under this subdivision, shall be by written order published in the State Register. Designations are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply.

(b) The following roads shall be open to travel by all-terrain vehicles when the roads are open to other noncommercial vehicles:

(1) the Rapid River Forest Road, beginning at the west boundary of the Red Lake Wildlife Management Area at the southwest corner of Section 7, Township 156 North, Range 35 West, Beltrami County, thence in an easterly and northeasterly direction through the Red Lake Wildlife Management Area to the east boundary of the Red Lake Wildlife Management Area at the southwest corner of Section 7, Township 157 North, Range 33 West, Lake of the Woods County;

(2) the Blanchard Forest Road, beginning at the junction of the North Shore Road along the northern shore of Upper Red Lake and the Blanchard State Forest Road at the west section line of Section 30, Township 155 North, Range 31 West, Beltrami County, thence in a westerly direction to the west section line of Section 31, Township 155 North, Range 32 West;

(3) the Moose River Forest Road, beginning at the junction of Dick's Parkway State Forest Road and the Moose River State Forest Road at the southwest corner of Section 31, Township 36 West, Range 158 North, thence in a westerly direction along the Moose River State Forest Road to the junction of Beltrami County Road 706; and

(4) the existing west access road to the Moose River dike, which is included in meeting the required all-terrain vehicle trail mileage specified in paragraph (a).

(c) The commissioner shall sign each road and trail designated under this subdivision indicating the motorized uses allowed.

(d) During the regular firearms deer season, on all wildlife management area lands within the area described in paragraph (e), a person licensed to take deer may operate an all-terrain vehicle:

- (1) before legal shooting hours;
- (2) after legal shooting hours; and
- (3) from 11:00 a.m. to 2:00 p.m.

(e) Paragraph (d) applies from where State Highway No. 1 intersects the west boundary of the Red Lake Indian Reservation, then west to State Highway No. 219, then north on State Highway No. 219 to State Highway No. 89, then north on State Highway No. 89 to County Highway No. 6, then east on County Highway No. 6 to County Highway No. 54 and County Highway No. 1 (Beltrami/Marshall county line) then north along the Beltrami/Marshall county line to Roseau county line, then east on Beltrami/Roseau county line to Dick's Parkway, then south on Dick's Parkway to County Road No. 704, Beltrami County, then south to County State-Aid Highway No. 44 to Fourtown, then south on State Highway No. 89 to the north boundary of the Red Lake Indian Reservation, then west and south following the boundary of the Red Lake Indian Reservation to where it intersects State Highway No. 1.

(f) For the purposes of this subdivision, "corridors of disturbance" means rights-of-way such as ditches, ditch banks, transmission lines, pipelines, permanent roads, winter roads, and recreational trails. The existence

of a corridor of disturbance eligible for corridor designation may be demonstrated by physical evidence, document recorded in the office of the county recorder or other public official, aerial survey, or other evidence similar to the above. Cross-country motorized use of land shall not cause that land to be considered a corridor of disturbance.

Sec. 48. Minnesota Statutes 2024, section 97A.445, subdivision 1, is amended to read:

Subdivision 1. **Angling; Take a Kid Fishing Weekends.** (a) A resident age 16 years or older may take fish by angling without an angling license and may take fish by spearing from a dark house without a spearing license and without a fish house or dark house license during one three-day consecutive period of the open-water angling season and one three-day consecutive period of the ice angling season designated by the commissioner if the resident is accompanied by a child who is under age 16. The commissioner may, by written order published in the State Register, establish the three-day consecutive periods. The written order is not subject to the rulemaking provisions of chapter 14₂ and section 14.386 does not apply.

(b) The commissioner may designate and publicize the three-day periods as "Take a Kid Fishing Weekend" for the open-water angling season and "Take a Kid Ice Fishing Weekend" for the ice angling season. The commissioner shall announce the date of each three-day weekend at least 30 days in advance of the date it occurs.

Sec. 49. Minnesota Statutes 2024, section 97A.451, subdivision 3b, is amended to read:

Subd. 3b. **Nonresidents age 16 or over and under age 18; small game.** A nonresident age 16 or over and under age 18 may take small game by firearms or archery and may obtain a small-game license at the youth fee under section 97A.475, subdivision 3, paragraph (a), clause ~~(14)~~ (16), if the nonresident possesses a firearms safety certificate or an apprentice-hunter validation as provided under section 97B.022.

Sec. 50. Minnesota Statutes 2024, section 97A.465, subdivision 5, is amended to read:

Subd. 5. **Preference to service members.** (a) For purposes of this subdivision:

(1) "qualified service member or veteran" means a Minnesota resident who:

(i) is currently serving, or has served at any time during the past 24 months, in active service as a member of the United States armed forces, including the National Guard or other military reserves;

(ii) has received a Purple Heart medal for qualifying military service, as shown by official military records; or

(iii) has a service-connected disability rated at 100 percent as defined by the United States Department of Veterans Affairs; and

(2) "active service" means service defined under section 190.05, subdivision 5b or 5c.

(b) Notwithstanding any other provision of this chapter, chapter 97B or 97C, or administrative rules, the commissioner may give first preference to qualified service members or veterans in any drawing or lottery involving the selection of applicants for hunting or fishing licenses, permits, and special permits. This subdivision does not apply to licenses or permits for taking moose, elk, or prairie chickens. Actions of the commissioner under this subdivision are not rules under the Administrative Procedure Act₂ and section 14.386 does not apply.

Sec. 51. Minnesota Statutes 2024, section 97B.015, subdivision 4, is amended to read:

Subd. 4. **Student fee.** To defray the expense of the course, the Enforcement Division shall collect a fee from each person that takes the firearm safety course. The commissioner shall establish a fee that neither significantly overrecovers nor underrecovers costs, including overhead costs, involved in providing the services. The fee is not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply. The fees shall be deposited in the game and fish fund and the amount thereof is appropriated annually to the Enforcement Division of the Department of Natural Resources for the administration of the program. In addition to the fee established by the commissioner, instructors may charge each person up to the established fee amount for class materials and expenses.

Sec. 52. Minnesota Statutes 2024, section 97B.015, subdivision 7, is amended to read:

Subd. 7. **Fee for duplicate certificate.** The commissioner shall collect a fee, to include a \$1 issuing fee for licensing agents, for issuing a duplicate firearms safety certificate. The commissioner shall establish a fee that neither significantly overrecovers nor underrecovers costs, including overhead costs, involved in providing the service. The fee is not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply. The commissioner may establish the fee notwithstanding section 16A.1283. The duplicate certificate fees, except for the issuing fee for licensing agents under this subdivision, shall be deposited in the game and fish fund and, except for the electronic licensing system commission established by the commissioner under section 84.027, subdivision 15, and issuing fees collected by the commissioner, are appropriated annually to the Enforcement Division of the Department of Natural Resources for the administration of the firearm safety course program.

Sec. 53. Minnesota Statutes 2024, section 97B.715, subdivision 1, is amended to read:

Subdivision 1. **Stamp required.** (a) Except as provided in paragraph (b) or section 97A.405, subdivision 2, a person required to possess a small-game license may not hunt pheasants without a pheasant stamp validation.

(b) The following persons are exempt from this subdivision:

- (1) residents and nonresidents under age 18 and residents over age 65;
- (2) persons hunting on licensed commercial shooting preserves;
- (3) resident disabled veterans with a license issued under section 97A.441, subdivision 6a; and
- (4) residents and nonresidents hunting on licenses issued under section 97A.475, subdivision 2, clause ~~(20)~~ (19); or 3, paragraph (a), clause ~~(16)~~ (15).

Sec. 54. Minnesota Statutes 2024, section 97B.801, is amended to read:

97B.801 MINNESOTA MIGRATORY-WATERFOWL STAMP REQUIRED.

(a) Except as provided in this section or section 97A.405, subdivision 2, a person required to possess a small-game license may not take migratory waterfowl without a migratory-waterfowl stamp validation.

(b) Residents under age 18 or over age 65; resident disabled veterans with a license issued under section 97A.441, subdivision 6a; and persons hunting on their own property are not required to possess a stamp validation under this section.

(c) Residents and nonresidents with licenses issued under section 97A.475, subdivision 2, clause ~~(20)~~ (19); or 3, paragraph (a), clause ~~(16)~~ (15), are not required to possess a stamp validation under this section.

Sec. 55. Minnesota Statutes 2024, section 97C.005, subdivision 3, is amended to read:

Subd. 3. **Seasons, limits, and other rules.** The commissioner may, in accordance with the procedures in subdivision 2, paragraphs (c) and ~~(e)~~ (f), or by rule under chapter 14, establish open seasons, limits, methods, and other requirements for taking fish on special management waters. The commissioner may, by written order published in the State Register, amend daily, possession, or size limits to make midseason adjustments based on available harvest, angling pressure, and population data to manage the fisheries in the 1837 Ceded Territory in compliance with the court orders in *Mille Lacs Band of Chippewa v. Minnesota*, 119 S. Ct. 1187 (1999) and in the state waters of Upper Red Lake. The midseason adjustments in daily, possession, or size limits are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply. Before the written order is effective, the commissioner shall attempt to notify persons or groups of persons affected by the written order by public announcement, posting, and other appropriate means as determined by the commissioner.

Sec. 56. Minnesota Statutes 2024, section 97C.081, subdivision 10, is amended to read:

Subd. 10. **Definitions.** For purposes of this section, the following terms have the meanings given:

(1) "Permitted fishing contest" means an ~~open-water~~ open-water fishing contest or ice fishing contest that requires a permit from the commissioner under subdivision 3.

(2) "Large permitted fishing contest" means an ~~open-water~~ open-water fishing contest with more than 50 boats or more than 100 participants that requires a permit from the commissioner under subdivision 3.

(3) "Participant" means a person who is taking part in a fishing contest.

(4) "Permitted fishing contest day" means a day on a water body where a permitted fishing contest is held. Two permitted fishing contests that are held on the same water body on the same day count as two permitted fishing contest days.

(5) "Off-site weigh-in" means a weigh-in of fish from a fishing contest at a location that is not adjacent to the waters listed on the fishing contest permit.

(6) "Prefishing" means fishing by participants of a permitted fishing contest prior to the scheduled dates of the contest on waters listed on the fishing contest permit.

Sec. 57. Minnesota Statutes 2024, section 97C.205, is amended to read:

97C.205 TRANSPORTING AND STOCKING FISH.

(a) Except on the water body where taken, a person may not transport a live fish in a quantity of water sufficient to keep the fish alive, unless the fish:

(1) is being transported under an aquaculture license as authorized under sections 17.4985 and 17.4986;

(2) is being transported for a fishing contest weigh-in under section 97C.081;

(3) is a minnow being transported under section 97C.505 or 97C.515;

(4) is being transported by a commercial fishing license holder under section 97C.821; or

(5) is being transported as otherwise authorized in this section or as prescribed for certifiable diseases under sections 17.46 to 17.4999.

(b) The commissioner may adopt rules to allow and regulate:

- (1) the transportation of fish and fish eggs; and
- (2) the stocking of waters with fish or fish eggs.

(c) The commissioner must allow the possession of fish on special management or experimental waters to be prepared as a meal on the ice or on the shore of that water body if the fish:

- (1) were lawfully taken;
- (2) have been packaged by a licensed fish packer; and
- (3) do not otherwise exceed the statewide possession limits.

(d) The commissioner shall prescribe rules designed to encourage local sporting organizations to propagate game fish by using rearing ponds. The rules must:

- (1) prescribe methods to acquire brood stock for the ponds by seining public waters;
- (2) allow the sporting organizations to own and use seines and other necessary equipment; and

(3) prescribe methods for stocking the fish in public waters that give priority to the needs of the community where the fish are reared and the desires of the organization operating the rearing pond.

(e) A person age 16 or under may, for purposes of display in a home aquarium, transport largemouth bass, smallmouth bass, yellow perch, rock bass, black crappie, white crappie, bluegill pumpkinseed, green sunfish, orange spotted sunfish, and black, yellow, and brown bullheads taken by angling, except as otherwise ordered by the commissioner upon documentation of an emergency fish disease in Minnesota waters, as defined in section 17.4982, subdivision 9. No more than four of each species may be transported at any one time, and any individual fish can be no longer than ten inches in total length. The commissioner may, by written order published in the State Register, prohibit transportation of live fish under this paragraph to help prevent spread of an emergency fish disease documented to occur in Minnesota waters. The order is exempt from the rulemaking provisions of chapter 14, and section 14.386 does not apply.

Sec. 58. Minnesota Statutes 2024, section 97C.342, subdivision 4, is amended to read:

Subd. 4. **Certification fees.** Notwithstanding section 16A.1283, the commissioner may by written order published in the State Register, establish fees for the services and testing required to issue health certifications for a water body. The fees must be set in an amount that does not recover significantly more or less than the costs of providing services to health certify a water body. The fees are not subject to the rulemaking provisions of chapter 14, and sections 14.125 and 14.386 do not apply. The services covered under this subdivision include:

- (1) cost of collecting the species for testing;
- (2) fish health inspection and certification, including initial tissue sample collection, basic fish health assessment, and fish disease testing; and
- (3) administrative overhead for tracking and documentation of testing.

Sec. 59. Minnesota Statutes 2024, section 97C.815, subdivision 2, is amended to read:

Subd. 2. **Assignment.** (a) The commissioner shall assign licensed inland commercial fishing operators to commercial fishing areas, and each operator is obligated to fish in the area that the commissioner has assigned to them. The commissioner's assignment is valid as long as the assigned operator continues to purchase a license, continues to provide an adequate removal effort in a good and professional manner, and is not convicted of two or more violations of laws or rules governing inland commercial fishing operations during any one license period. In the operator assignment, the commissioner shall consider the proximity of the operator to the area, the type and quantity of fish gear and equipment possessed, knowledge of the affected waters, and general ability to perform the work well.

(b) Area assignments must not restrict permits and contracts that the commissioner issues to governmental subdivisions and their subcontractors for invasive species control.

Sec. 60. Minnesota Statutes 2024, section 97C.855, is amended to read:

97C.855 UPPER AND LOWER RED LAKE AND NETT LAKE; TRANSPORTATION, SALE, AND DISPOSAL.

The commissioner may, by rule, allow the transportation, sale, and disposal of fish taken within the Red Lake Indian Reservation on Upper Red Lake and Lower Red Lake and from waters within the Nett Lake Indian Reservation, also known as Bois Forte Indian Reservation.

Sec. 61. Minnesota Statutes 2024, section 103A.341, is amended to read:

103A.341 FINDINGS BY BOARD.

Within 60 days of the close of a hearing, the board must make findings and recommendations based solely on the evidence presented at the public hearing.

Sec. 62. Minnesota Statutes 2024, section 103B.101, subdivision 2, is amended to read:

Subd. 2. **Voting members.** (a) The members are:

- (1) three county commissioners;
- (2) three soil and water conservation district supervisors;
- (3) three watershed district or watershed management organization representatives;
- (4) three citizens who are not employed by, or the appointed or elected officials of, a state governmental office, board, or agency;
- (5) one township officer;
- (6) two elected city officials, one of whom must be from a city located in the metropolitan area, as defined under section 473.121, subdivision 2;
- (7) the commissioner of agriculture;
- (8) the commissioner of health;
- (9) the commissioner of natural resources;

(10) the commissioner of the Pollution Control Agency; and

(11) the director of the University of Minnesota Extension Service.

(b) Members in paragraph (a), clauses (1) to (6), must be distributed across the state with at least four members but not more than six members from the metropolitan area, as defined by section 473.121, subdivision 2.

(c) Members in paragraph (a), clauses (1) to (6), are appointed by the governor. In making the appointments, the governor may consider persons recommended by the Association of Minnesota Counties, the Minnesota Association of Townships, the League of Minnesota Cities, the Minnesota Association of Soil and Water Conservation Districts, and ~~the Minnesota Association of Watershed Districts~~ Watersheds. The list submitted by an association must contain at least three nominees for each position to be filled.

(d) The membership terms, compensation, removal of members and filling of vacancies on the board for members in paragraph (a), clauses (1) to (6), are as provided in section 15.0575, except that a member may be compensated at the rate of up to \$125 a day.

Sec. 63. Minnesota Statutes 2024, section 103B.215, subdivision 4, is amended to read:

Subd. 4. **Decision on petition.** (a) If a timely request for hearing is not received, the board shall make a decision on the petition without a hearing within 30 days after the last publication of the notice.

(b) If one or more timely requests for hearing are received, the board shall hold a hearing on the petition and shall follow the procedures in chapter 103D regarding notice and conduct of hearings.

(c) After completing the procedures required by this subdivision, the board shall, by its findings and order, make the boundary change requested if the board determines that:

(1) the governing body of each statutory or home rule charter city and town and each watershed management organization having jurisdiction over the territory proposed to be added or transferred concurs in the petition;

(2) the change is consistent with the purposes and requirements of sections 103B.205 to 103B.255; and

(3) the change can be accomplished in conformance with section 103B.225.

(d) The board shall file a certified copy of the findings and order with the secretary of state. The order making the change must conform to section 103B.225. The order making the change may amend the order prescribing the distribution of managers of the district.

Sec. 64. Minnesota Statutes 2024, section 103B.311, subdivision 4, is amended to read:

Subd. 4. **Water plan requirements.** (a) A local water management plan must:

(1) cover the entire area within a county;

(2) address water problems in the context of watershed units and groundwater systems;

(3) be based upon principles of sound hydrologic management of water, effective environmental protection, and efficient management;

(4) be consistent with local water management plans prepared by counties and watershed management organizations wholly or partially within a single watershed unit or groundwater system; and

(5) ~~the local water management plan must~~ specify the period covered by the local water management plan and must extend at least five years but no more than ten years from the date the board approves the local water management plan. Local water management plans that contain revision dates inconsistent with this section must comply with that date, provided it is not more than ten years beyond the date of board approval.

(b) Existing water and related land resources plans, including plans related to agricultural land preservation programs developed pursuant to chapter 40A, must be fully utilized in preparing the local water management plan. Duplication of the existing plans is not required.

Sec. 65. Minnesota Statutes 2024, section 103B.314, subdivision 4, is amended to read:

Subd. 4. **Implementation program for priority concerns.** (a) For the measurable goals identified in subdivision 3, each plan must include an implementation program that includes the items described in paragraphs (b) to (e).

(b) An implementation program may include actions involving, but not limited to, data collection programs, educational programs, capital improvement projects, project feasibility studies, enforcement strategies, amendments to existing official controls, and adoption of new official controls. If the local government finds that no actions are necessary to address the goals and objectives identified in subdivision 3, it must explain why actions are not needed. Staff and financial resources available or needed to carry out the local water management plan must be stated.

(c) The implementation schedule must state the time in which each of the actions contained in the implementation program will be taken.

(d) If a local government unit has made any agreement for the implementation of the plan or portions of a plan by another local unit of government, that local unit must be specified, the responsibility indicated, and a description included indicating how and when the implementation will happen.

(e) If capital improvement projects are proposed to implement the local water management plan, the projects must be described in the plan. The description of a proposed capital improvement project must include the following information:

- (1) the physical components of the project, including their approximate size, configuration, and location;
- (2) the purposes of the project and relationship to the objectives in the plan;
- (3) the proposed schedule for project construction;
- (4) the expected federal, state, and local costs;
- (5) the types of financing proposed, such as special assessments, ad valorem taxes, and grants; and
- (6) the sources of local financing proposed.

Sec. 66. Minnesota Statutes 2024, section 103C.201, subdivision 8, is amended to read:

Subd. 8. **Application by supervisors to secretary of state.** (a) The district shall be a governmental subdivision of this state and a public body corporate and politic after the actions in this subdivision are taken.

(b) If the state board determines that the operation of the proposed district within the defined boundaries is administratively feasible, the state board must appoint supervisors to act as the district board within 30

days after the district is established. A majority of the supervisors' terms must expire after the next general election following the supervisors' appointments, and the remaining supervisors' terms expire after the second general election following the supervisors' appointments.

(c) The appointed supervisors shall sign and present an application to the secretary of state with the following recitals:

- (1) a petition for the establishment of a district was filed with the state board;
- (2) the proper proceedings were taken relating to the petition;
- (3) the application is being filed to complete the organization of the district as a governmental subdivision and a public body, corporate or politic;
- (4) the state board has appointed the signers as supervisors;
- (5) the name and official residence of each supervisor, with a certified copy of the supervisor's appointment;
- (6) the term of office of each supervisor;
- (7) the name proposed for the district; and
- (8) the location of the principal office of the district board.

(d) The application shall be subscribed and sworn to by each supervisor before an officer authorized by state law to take oaths. The officer shall certify upon the application that the officer has personal knowledge of the supervisors, that they are the supervisors named in the application, and that each supervisor has signed the application in the officer's presence.

Sec. 67. Minnesota Statutes 2024, section 103C.211, is amended to read:

103C.211 CONSOLIDATING DISTRICTS.

(a) One or more districts may petition the state board for a consolidation. The state board shall take action on the petition if signed by a majority of the supervisors of each of the affected districts.

(b) The petition must:

- (1) describe with particularity the change requested, the territory affected, and the reasons for the change;
- (2) illustrate that the change is consistent with the purpose and requirements of sections 103C.201 to 103C.335;
- (3) identify the proposed name for the consolidated district;
- (4) identify the location of the principal office of the consolidated district;
- (5) identify potential changes to supervisor districts;
- (6) identify changes in supervisors that would result from the proposed consolidation;
- (7) provide a list of nominees for vacant supervisor positions; and
- (8) be accompanied by resolutions of support signed by each district board affected by the change.

(c) Upon the filing of a valid petition, the state board shall give notice that the petition has been filed. The notice must:

- (1) be made by publication in a legal newspaper in each county affected by the petition;
- (2) be made by mail to the auditor of each county affected by the petition;
- (3) describe the actions proposed by the petition;
- (4) invite written comments on the petition for the consideration by the state board;

(5) state that a person who objects to the actions proposed in the petition may submit a written request for hearing to the state board within 30 days of the last publication of the notice under this paragraph. The request must contain 25 or more signatures from resident owners residing in the affected districts; and

(6) state that if a timely request for hearing is not received, the state board may make a decision on the petition at a future meeting of the state board.

(d) If one or more timely requests for hearing are received, the state board must hold a hearing on the petition.

(e) The state board must establish the proposed consolidation, by order, if the board determines the consolidation promotes public health and welfare and the proposed consolidation would advance the purposes of this chapter.

(f) When districts are consolidated, the corporate existence and terms of office of the officers of the old districts expire upon the issuance and recording by the secretary of state of a certificate of organization of the new district. Upon consolidation, the rights, assets, and liabilities of the consolidating districts shall be assumed by the consolidated district.

(g) If nomination districts are changed, the state board shall appoint supervisors to fill vacancies resulting from the consolidation within 30 days after the action is taken. A majority of the supervisors' terms must expire after the next general election following their appointments, and the remaining supervisors' terms must expire after the second general election following their appointments.

(h) No sooner than two years after the date of consolidation, the affected districts may petition the state board to have the action reversed through the same procedure outlined in paragraphs (a) to (f). When a consolidation is reversed, the state board shall order the appointments and distribution or transfer of assets and liabilities.

Sec. 68. Minnesota Statutes 2024, section 103C.601, subdivision 4, is amended to read:

Subd. 4. **Recommendation to establish.** (a) The district board may, by resolution, recommend the establishment of an improvement work unit and a program for works of improvement in the work unit to the boards of county commissioners of the counties where the affected land is located if the district board determines the proposed works of improvement:

- (1) are feasible;
- (2) will be of public utility and benefit;
- (3) will promote the public health, safety, and welfare; and
- (4) will further the authorized purposes and best interests of the district.

(b) The district board shall by resolution give the improvement work unit an appropriate name or number, which may be different from the one proposed in the initial project request.

(c) The resolution shall recommend definite boundaries for the improvement work unit, which may be those proposed in the request or modified as the district board deems advisable.

(d) In the resolution the district board may also enlarge, reduce, or otherwise modify the proposed objectives of the program, but not make a substantial change in its main purposes as stated in the initial project request unless consented to in writing by the signers of the request.

(e) At any time before further action is taken on the project as provided in section 103C.605₂, the district board may amend the resolution, subject to the foregoing limitations.

Sec. 69. Minnesota Statutes 2024, section 103C.611, subdivision 3, is amended to read:

Subd. 3. **Delegating duties to district.** The county board or joint county board may delegate its duties and powers under this section to the district board or joint district board₂, but the district board or joint district board may not exercise the power of eminent domain.

Sec. 70. Minnesota Statutes 2024, section 103D.271, subdivision 1, is amended to read:

Subdivision 1. **Procedure.** A watershed district may be terminated under this section₂, and a watershed district entirely within the metropolitan area may also be terminated under sections 103B.221 and 103B.225.

Sec. 71. Minnesota Statutes 2024, section 103D.335, subdivision 19, is amended to read:

Subd. 19. **Open space and greenbelts.** (a) The managers may prepare an open space and greenbelt map of the lands of the watershed district that should be preserved and included in the open space and greenbelt land areas of the watershed district. The map must be made available to the counties and local municipalities for inclusion in floodplain and shoreland ordinances.

(b) The managers may control the use and development of land in the floodplain and the greenbelt and open space areas of the watershed district.

(c) The managers may adopt, amend, or repeal rules to control encroachments, the changing of land contours, the placement of fill and structures, and the placement of encumbrances or obstructions, and may require a landowner to remove fill, structures, encumbrances, or other obstructions and restore the previously existing land contours and vegetation. The managers may by rule provide a procedure for the watershed district to do the work required and assess its cost against the affected property as a special assessment. The rules apply only in the absence of county or municipal ordinances regulating the items set forth in this subdivision.

(d) The rules must be adopted in accordance with section 103D.341. Except as provided in section 103D.345, subdivision 3, rules adopted under this subdivision apply to the state.

Sec. 72. Minnesota Statutes 2024, section 103D.335, subdivision 21, is amended to read:

Subd. 21. **Contracts.** (a) The managers may make contracts or other arrangements with the federal government, persons, railroads or other corporations, political subdivisions, and the state or other states, with drainage authorities, flood control, soil conservation, or other improvement districts in this state or other states, for cooperation or assistance in constructing, maintaining, and operating the projects of the

watershed district, or for the control of its waters, or for making surveys and investigations or reports on them.

(b) Property acquired for flood damage reduction purposes by the watershed district may be operated or leased by the district for agricultural purposes during periods the property is not needed for flood control, provided it remains subject to use by the watershed district as necessary for flood control purposes. Notwithstanding section 16A.695, revenue received by the watershed district from the operation or lease of state-bond-financed property acquired for flood control purposes shall be retained by the district in a separate project-specific account and used solely for flood control operation, maintenance, and replacement purposes within the related project area and, if the district determines that the account contains adequate reserves for future operation, maintenance, and replacement, any excess may be used for the construction, operation, maintenance, or replacement of other flood control projects as approved by the commissioner.

Sec. 73. Minnesota Statutes 2024, section 103D.405, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** (a) The managers must revise the watershed management plan for the watershed district at least once every ten years after the original watershed management plan is approved. The revised watershed management plan of the district must conform closely with adopted watershed management plan guidelines of the board.

(b) The managers must include the following items in the revised watershed management plan:

(1) updates and supplements of the existing hydrological and other statistical data of the watershed district;

(2) specific projects and programs to be considered for implementation;

(3) a statement of the extent that the purposes for which the watershed district had been established have been accomplished;

(4) a description of problems requiring future action by the watershed district;

(5) a summary of completed studies on active or planned projects, including financial data; and

(6) an analysis of the effectiveness of the watershed district's rules and permits in achieving its water management objectives in the watershed district.

~~(e) A revised watershed management plan must be transmitted, reviewed, recommended, and approved as provided in subdivisions 2 to 4 and 6.~~

Sec. 74. Minnesota Statutes 2024, section 103D.905, subdivision 2, is amended to read:

Subd. 2. **Organizational expense fund.** (a) An organizational expense fund, consisting of an ad valorem tax levy, shall not exceed 0.01596 percent of estimated market value, or \$60,000, whichever is less. The money in the fund shall be used for organizational expenses and preparation of the watershed management plan for projects.

(b) The managers may borrow from the affected counties up to 75 percent of the anticipated funds to be collected from the organizational expense fund levy, and the counties affected may make the advancements.

(c) The advancement of anticipated funds shall be apportioned among affected counties in the same ratio as the net tax capacity of the area of the counties within the watershed district bears to the net tax

capacity of the entire watershed district. If a watershed district is enlarged, an organizational expense fund may be levied against the area added to the watershed district in the same manner as provided in this subdivision.

(d) Unexpended funds collected for the organizational expense may be transferred to the administrative fund and used for the purposes of the administrative fund.

Sec. 75. Minnesota Statutes 2024, section 103E.215, subdivision 3, is amended to read:

Subd. 3. **Limit of extension.** An improvement may only extend a drainage system downstream to a more adequate outlet, and the extension may not exceed one mile.

Sec. 76. Minnesota Statutes 2024, section 103E.291, is amended to read:

103E.291 FILING DETAILED SURVEY REPORT.

The engineer must file the detailed survey report with the auditor where the proceedings are pending, and the auditor must deliver a copy of the detailed survey report to the commissioner. The engineer must also file copies of the detailed survey report with the auditors of any affected counties.

Sec. 77. Minnesota Statutes 2024, section 103E.325, subdivision 2, is amended to read:

Subd. 2. **Notice.** (a) The final hearing notice must state:

- (1) that the petition is pending;
- (2) that the detailed survey report is filed;
- (3) that the viewers' report is filed;
- (4) the time and place set for the final hearing;

(5) a brief description of the proposed drainage project and affected drainage system, giving in general terms the starting point, terminus, and general course of the main ditch and branches;

(6) a description of property benefited and damaged, and the names of the owners of the property; and

(7) the municipal and other corporations affected by the proposed drainage project as shown by the detailed survey report and viewers' report.

(b) Names may be listed in a narrative form, and property affected may be separately listed in narrative form by governmental sections or otherwise.

(c) For a joint county proceeding, separate notice may be prepared for each county affected, showing the portion of the proposed drainage project and the names and descriptions of affected property in the county.

Sec. 78. Minnesota Statutes 2024, section 103G.287, subdivision 4, is amended to read:

Subd. 4. **Groundwater management areas.** (a) The commissioner may designate groundwater management areas and limit total annual water appropriations and uses within a designated area to ensure sustainable use of groundwater that protects ecosystems, water quality, and the ability of future generations to meet their own needs. Water appropriations and uses within a designated management area must be

consistent with a groundwater management area plan approved by the commissioner that addresses water conservation requirements and water allocation priorities established in section 103G.261. At least 30 days prior to implementing or modifying a groundwater management area plan under this subdivision, the commissioner shall consult with the advisory team established in paragraph (c).

(b) Notwithstanding section 103G.271, subdivision 1, paragraph (b), and Minnesota Rules, within designated groundwater management areas, the commissioner may require general permits as specified in section 103G.271, subdivision 1, paragraph (c), for water users using less than 10,000 gallons per day or 1,000,000 gallons per year and water suppliers serving less than 25 persons for domestic purposes. The commissioner may waive the requirements under section 103G.281 for general permits issued under this paragraph, and the fee specified in section 103G.301, subdivision 2, paragraph (c), does not apply to general permits issued under this paragraph.

(c) When designating a groundwater management area, the commissioner shall assemble an advisory team to assist in developing a groundwater management area plan for the area. The advisory team members shall be selected from public and private entities that have an interest in the water resources affected by the groundwater management area. A majority of the advisory team members shall be public and private entities that currently hold water-use permits for water appropriations from the affected water resources. The commissioner shall consult with the League of Minnesota Cities, the Association of Minnesota Counties, ~~the Minnesota Association of Watershed Districts~~ Watersheds, and the Minnesota Association of Townships in appointing the local government representatives to the advisory team. The advisory team may also include representatives from the University of Minnesota, the Minnesota State Colleges and Universities, other institutions of higher learning in Minnesota, political subdivisions with jurisdiction over water issues, nonprofits with expertise in water, and federal agencies.

Sec. 79. Minnesota Statutes 2024, section 103G.412, is amended to read:

103G.412 STREAM GAUGE DATA.

The commissioner of natural resources shall provide an easily accessible link to the Department of Natural Resources' and the Pollution Control Agency's cooperative ~~stream-gauging~~ stream-gauging data, including lake level information for existing stations, including White Bear Lake and Turtle Lake, on the department's website.

Sec. 80. Minnesota Statutes 2024, section 103H.105, is amended to read:

103H.105 CONSERVATION EASEMENTS TO PROTECT SENSITIVE AREAS.

(a) Agricultural land within a sensitive area identified in section 103H.101, subdivision 2, or by the Board of Water and Soil Resources and land in or immediately surrounding a sinkhole is marginal agricultural land for purposes of section 103F.515, subdivision 2, and is eligible for the reinvest in Minnesota reserve program under section 103F.515.

(b) Notwithstanding section 103F.515, subdivision 2, paragraph (c), ~~clauses clause (1) and (4)~~, and subdivision 4, the Board of Water and Soil Resources may authorize acquisition of hillside easements that restrict hillside pasturing or grazing of livestock.

Sec. 81. Minnesota Statutes 2024, section 115.03, subdivision 1, is amended to read:

Subdivision 1. **Generally.** (a) The commissioner is given and charged with the following powers and duties:

- (1) to administer and enforce all laws relating to the pollution of any of the waters of the state;
- (2) to investigate the extent, character, and effect of the pollution of the waters of this state and to gather data and information necessary or desirable in the administration or enforcement of pollution laws, and to make such classification of the waters of the state as ~~the commissioner~~ may deem advisable;
- (3) to establish and alter such reasonable pollution standards for any waters of the state in relation to the public use to which they are or may be put as ~~the commissioner~~ shall deem necessary for the purposes of this chapter and, with respect to the pollution of waters of the state, chapter 116;
- (4) to encourage waste treatment, including advanced waste treatment, instead of stream low-flow augmentation for dilution purposes to control and prevent pollution;
- (5) to adopt, issue, reissue, modify, deny, revoke, reopen, enter into, or enforce reasonable orders, permits, variances, standards, rules, schedules of compliance, and stipulation agreements, under such conditions as ~~the commissioner~~ may prescribe, in order to prevent, control or abate water pollution, or for the installation or operation of disposal systems or parts thereof, or for other equipment and facilities:
 - (i) requiring the discontinuance of the discharge of sewage, industrial waste, or other wastes into any waters of the state resulting in pollution in excess of the applicable pollution standard established under this chapter;
 - (ii) prohibiting or directing the abatement of any discharge of sewage, industrial waste, or other wastes, into any waters of the state or the deposit thereof or the discharge into any municipal disposal system where the same is likely to get into any waters of the state in violation of this chapter and, with respect to the pollution of waters of the state, chapter 116, or standards or rules promulgated or permits issued pursuant thereto, and specifying the schedule of compliance within which such prohibition or abatement must be accomplished;
 - (iii) prohibiting the storage of any liquid or solid substance or other pollutant in a manner which does not reasonably assure proper retention against entry into any waters of the state that would be likely to pollute any waters of the state;
 - (iv) requiring the construction, installation, maintenance, and operation by any person of any disposal system or any part thereof, or other equipment and facilities, or the reconstruction, alteration, or enlargement of its existing disposal system or any part thereof, or the adoption of other remedial measures to prevent, control or abate any discharge or deposit of sewage, industrial waste or other wastes by any person;
 - (v) establishing, and from time to time revising, standards of performance for new sources taking into consideration, among other things, classes, types, sizes, and categories of sources, processes, pollution control technology, cost of achieving such effluent reduction, and any nonwater quality environmental impact and energy requirements. Said standards of performance for new sources shall encompass those standards for the control of the discharge of pollutants which reflect the greatest degree of effluent reduction which the ~~agency~~ commissioner determines to be achievable through application of the best available demonstrated control technology, processes, operating methods, or other alternatives, including, where practicable, a standard permitting no discharge of pollutants. New sources shall encompass buildings, structures, facilities, or installations from which there is or may be the discharge of pollutants, the construction of which is commenced after the publication by the ~~agency~~ commissioner of proposed rules prescribing a standard of performance which will be applicable to such source. Notwithstanding any other provision of the law of this state, any point source the construction of which is commenced after May 20, 1973, and which is so constructed as to meet all applicable standards of performance for new sources shall, consistent

with and subject to the provisions of section 306(d) of the Amendments of 1972 to the Federal Water Pollution Control Act, not be subject to any more stringent standard of performance for new sources during a ten-year period beginning on the date of completion of such construction or during the period of depreciation or amortization of such facility for the purposes of section 167 or 169, or both, of the Federal Internal Revenue Code of 1954, whichever period ends first. Construction shall encompass any placement, assembly, or installation of facilities or equipment, including contractual obligations to purchase such facilities or equipment, at the premises where such equipment will be used, including preparation work at such premises;

(vi) establishing and revising pretreatment standards to prevent or abate the discharge of any pollutant into any publicly owned disposal system, which pollutant interferes with, passes through, or otherwise is incompatible with such disposal system;

(vii) requiring the owner or operator of any disposal system or any point source to establish and maintain such records, make such reports, install, use, and maintain such monitoring equipment or methods, including where appropriate biological monitoring methods, sample such effluents in accordance with such methods, at such locations, at such intervals, and in such a manner as the agency commissioner shall prescribe, and providing such other information as the agency commissioner may reasonably require;

(viii) notwithstanding any other provision of this chapter, and with respect to the pollution of waters of the state, chapter 116, requiring the achievement of more stringent limitations than otherwise imposed by effluent limitations in order to meet any applicable water quality standard by establishing new effluent limitations, based upon section 115.01, subdivision 13, clause (b), including alternative effluent control strategies for any point source or group of point sources to insure the integrity of water quality classifications, whenever the agency commissioner determines that discharges of pollutants from such point source or sources, with the application of effluent limitations required to comply with any standard of best available technology, would interfere with the attainment or maintenance of the water quality classification in a specific portion of the waters of the state. Prior to establishment of any such effluent limitation, the agency commissioner shall hold a public hearing to determine the relationship of the economic and social costs of achieving such limitation or limitations, including any economic or social dislocation in the affected community or communities, to the social and economic benefits to be obtained and to determine whether or not such effluent limitation can be implemented with available technology or other alternative control strategies. If a person affected by such limitation demonstrates at such hearing that, whether or not such technology or other alternative control strategies are available, there is no reasonable relationship between the economic and social costs and the benefits to be obtained, such limitation shall not become effective and shall be adjusted as it applies to such person;

(ix) modifying, in ~~its~~ the commissioner's discretion, any requirement or limitation based upon best available technology with respect to any point source for which a permit application is filed after July 1, 1977, upon a showing by the owner or operator of such point source satisfactory to the agency that such modified requirements will represent the maximum use of technology within the economic capability of the owner or operator and will result in reasonable further progress toward the elimination of the discharge of pollutants;

(x) requiring that applicants for wastewater discharge permits evaluate in their applications the potential reuses of the discharged wastewater; and

(xi) when appropriate, requiring parties who enter into a negotiated agreement to settle an enforcement matter with the agency to reimburse the agency for oversight costs. The agency commissioner may recover oversight costs only if the agency's costs exceed \$25,000. If oversight costs exceed \$25,000, the agency commissioner may recover all the oversight costs incurred by the agency that are associated with implementing

the negotiated agreement. Oversight costs may include but are not limited to any costs associated with inspections, sampling, monitoring, modeling, risk assessment, permit writing, engineering review, economic analysis and review, and other record or document review. Estimates of anticipated oversight costs must be disclosed in the negotiated agreement, and estimates must be periodically updated and disclosed to the parties to the negotiated agreement. The agency's legal and litigation costs are not recoverable under this clause. In addition to settlement agreements, the commissioner has discretion as to whether to apply this clause in cases when the agency is using schedules of compliance to bring a class of regulated parties into compliance;

(6) to require to be submitted and to approve plans and specifications for disposal systems or point sources, or any part thereof and to inspect the construction thereof for compliance with the approved plans and specifications thereof;

(7) to prescribe and alter rules, not inconsistent with law, for the conduct of the agency and other matters within the scope of the powers granted to and imposed upon ~~the commissioner~~ by this chapter and, with respect to pollution of waters of the state, in chapter 116, provided that every rule affecting any other department or agency of the state or any person other than a member or employee of the agency shall be filed with the secretary of state;

(8) to conduct such investigations, issue such notices, public and otherwise, and hold such hearings as are necessary or which ~~the commissioner~~ may deem advisable for the discharge of ~~its the commissioner's~~ duties under this chapter and, with respect to the pollution of waters of the state, under chapter 116, including, but not limited to, the issuance of permits, and to authorize any member, employee, or agent appointed by ~~the commissioner~~ to conduct such investigations or, issue such notices and hold such hearings;

(9) for the purpose of water pollution control planning by the state and pursuant to the Federal Water Pollution Control Act, as amended, to establish and revise planning areas, adopt plans and programs and continuing planning processes, including, but not limited to, basin plans and areawide waste treatment management plans, and to provide for the implementation of any such plans by means of, including, but not limited to, standards, plan elements, procedures for revision, intergovernmental cooperation, residual treatment process waste controls, and needs inventory and ranking for construction of disposal systems;

(10) to train water pollution control personnel and charge training fees as are necessary to cover the agency's costs. All such fees received must be paid into the state treasury and credited to the Pollution Control Agency training account;

(11) to provide chloride reduction training and charge training fees as necessary to cover the agency's costs not to exceed \$350. All training fees received must be paid into the state treasury and credited to the Pollution Control Agency training account;

(12) to impose as additional conditions in permits to publicly owned disposal systems appropriate measures to insure compliance by industrial and other users with any pretreatment standard, including, but not limited to, those related to toxic pollutants, and any system of user charges ratably as is hereby required under state law or said Federal Water Pollution Control Act, as amended, or any regulations or guidelines promulgated thereunder;

(13) to set a period not to exceed five years for the duration of any national pollutant discharge elimination system permit or not to exceed ten years for any permit issued as a state disposal system permit only;

(14) to require each governmental subdivision identified as a permittee for a wastewater treatment works to evaluate in every odd-numbered year the condition of its existing system and identify future capital

improvements that will be needed to attain or maintain compliance with a national pollutant discharge elimination system or state disposal system permit;

(15) to train subsurface sewage treatment system personnel, including persons who design, construct, install, inspect, service, and operate subsurface sewage treatment systems, and charge fees as necessary to pay the agency's costs. All fees received must be paid into the state treasury and credited to the agency's training account. Money in the account is appropriated to the agency commissioner to pay expenses related to training; and

(16) to encourage practices that enable the recovery and use of waste heat from wastewater treatment operations.

(b) The information required in paragraph (a), clause (14), must be submitted in every odd-numbered year to the commissioner on a form provided by the commissioner. The commissioner shall provide technical assistance if requested by the governmental subdivision.

(c) The powers and duties given the agency commissioner in this subdivision also apply to permits issued under chapter 114C.

Sec. 82. Minnesota Statutes 2024, section 115A.03, subdivision 37, is amended to read:

Subd. 37. **Waste rendered nonhazardous.** "Waste rendered nonhazardous" means (1) waste excluded from regulation as a hazardous waste under the delisting requirements of United States Code, title 42, section 6921, and any federal and state delisting rules, and (2) other nonhazardous residual waste from the processing of hazardous waste.

Sec. 83. Minnesota Statutes 2024, section 115A.64, subdivision 4, is amended to read:

Subd. 4. **Review procedures.** (a) Upon receipt of the petition, the commissioner shall determine whether the petition conforms in form and substance to the requirements of law and rule.

(b) If the petition does not conform to the requirements, the commissioner shall return it immediately to the petitioners with a statement describing the deficiencies and the amendments necessary to rectify them.

(c) If the petition does conform to the requirements, and if comments have been received objecting to the establishment or alteration of the district as proposed, the commissioner shall request the Office of Administrative Hearings to conduct a hearing on the petition. The hearing shall be conducted in the proposed district in the manner provided in chapter 14 for contested cases. If no comments have been received objecting to the establishment of the district as proposed, the commissioner may proceed to grant or deny the petition without the necessity of conducting a contested case hearing.

(d) If the petition conforms to the requirements of law and rule, the commissioner shall also immediately submit the petition to the solid waste and the technical advisory councils for review and recommendation and shall prepare a report containing recommendations on the disposition of the petition. The commissioner's report shall contain at least the commissioner's findings and conclusions on whether the proposed boundaries, purposes, powers, and management plans of the district or alteration thereto serve the purposes of waste resource districts, are appropriately related to the waste generation, collection, processing, and disposal patterns in the area, and are generally consistent with the purposes of the agency's regulatory program.

Sec. 84. Minnesota Statutes 2024, section 115A.64, subdivision 6, is amended to read:

Subd. 6. **Order.** (a) After considering the reports of the administrative law judge, if a contested case hearing has been held, and the recommendations of the advisory councils, the commissioner shall make a final decision on the petition.

(b) If the commissioner finds and determines that the establishment or alteration of a district as proposed in the petition would not be in the public interest and would not serve the purposes of sections 115A.62 to 115A.72, the commissioner shall give notice to the petitioners of intent to deny the petition. If a contested case hearing has not been held, the petitioners may request a hearing within 30 days of the notice of intent to deny the petition. The request shall be granted. Following the hearing and the report of the administrative law judge, the commissioner shall make a final decision on the petition and mail a copy of the decision to the governing body of each affected political subdivision.

(c) If the commissioner finds and determines that the establishment or alteration of a district as proposed in the petition would be in the public interest and would serve the purposes of sections 115A.62 to 115A.72, the commissioner shall, by order, establish the district, define its boundaries, and give it a corporate name by which, in all proceedings, it shall thereafter be known. The order shall include articles of incorporation stating the powers of the district and the location of its registered office.

(d) Upon the filing of a certified copy of the order of the commissioner with the secretary of state, the district shall become a political subdivision of the state and a public corporation, with the authority, power, and duties prescribed in sections 115A.62 to 115A.72 and the order of the commissioner. At the time of filing, a copy of the order shall be mailed by the commissioner to the governing body of each political subdivision wholly or partly within the district or affected by the alteration of the district.

Sec. 85. Minnesota Statutes 2024, section 117.025, subdivision 10, is amended to read:

Subd. 10. **Public service corporation.** "Public service corporation" means a utility, as defined by section ~~216E.01, subdivision 10~~ 216I.02, subdivision 19; gas, electric, telephone, or cable communications company; cooperative association; natural gas pipeline company; crude oil or petroleum products pipeline company; municipal utility; municipality when operating its municipally owned utilities; joint venture created pursuant to section 452.25 or 452.26; or municipal power or gas agency. Public service corporation also means a municipality or public corporation when operating an airport under chapter 360 or 473, a common carrier, a watershed district, or a drainage authority.

Sec. 86. Minnesota Statutes 2024, section 120B.024, subdivision 2, is amended to read:

Subd. 2. **Credit equivalencies.** (a) A one-half credit of economics taught in a school's agricultural, food, and natural resources education or business education program or department may fulfill a one-half credit in social studies under subdivision 1, paragraph (a), clause (5) (4), if the credit is sufficient to satisfy all of the academic standards in economics.

(b) An agriculture science or career and technical education credit may fulfill the elective science credit required under subdivision 1, paragraph (a), clause (4) (3), if the credit meets the state physical science, life science, earth and space science, chemistry, or physics academic standards or a combination of these academic standards as approved by the district. An agriculture or career and technical education credit may fulfill the credit in chemistry or physics required under subdivision 1, paragraph (a), clause (4) (3), if the credit meets the state chemistry or physics academic standards as approved by the district. A student must satisfy either all of the chemistry academic standards or all of the physics academic standards prior to graduation. An

agriculture science or career and technical education credit may not fulfill the required biology credit under subdivision 1, paragraph (a), clause ~~(4)~~ (3).

(c) A career and technical education credit may fulfill a mathematics or arts credit requirement under subdivision 1, paragraph (a), clause (2) or ~~(6)~~ (5).

(d) An agricultural, food, and natural resources education teacher is not required to meet the requirements of Minnesota Rules, part 3505.1150, subpart 2, item B, to meet the credit equivalency requirements of paragraph (b) above.

(e) A computer science credit may fulfill a mathematics credit requirement under subdivision 1, paragraph (a), clause (2), if the credit meets state academic standards in mathematics.

(f) A Project Lead the Way credit may fulfill a science or mathematics credit requirement under subdivision 1, paragraph (a), clause (2) or ~~(4)~~ (3), if the credit meets the state academic standards in science or mathematics.

(g) An ethnic studies course may fulfill a social studies, language arts, arts, math, or science credit if the course meets the applicable state academic standards. An ethnic studies course may fulfill an elective credit if the course meets applicable local standards or other requirements.

Sec. 87. Minnesota Statutes 2024, section 120B.23, subdivision 3, is amended to read:

Subd. 3. **Grant awards.** (a) The commissioner may award grants for a violence prevention education program to eligible applicants as defined in subdivision 2. Grant amounts may not exceed \$3 per resident pupil unit in the district or group of districts in the prior school year. Grant recipients should be geographically distributed throughout the state.

(b) School districts and charter schools may accept funds from private and other public sources for child sexual abuse prevention programs developed and implemented under sections 120B.021, subdivision 1, paragraph ~~(d)~~ (c), and 120B.234, including federal funding under the Every Student Succeeds Act.

Sec. 88. Minnesota Statutes 2024, section 121A.15, subdivision 8, is amended to read:

Subd. 8. **Report.** The administrator or other person having general control and supervision of the elementary or secondary school shall file a report with the commissioner on all persons enrolled in the school. The superintendent of each district shall file a report with the commissioner for all persons within the district receiving instruction in a home school in compliance with sections 120A.22 and 120A.24. The parent of persons receiving instruction in a home school shall submit the statements as required by subdivisions 1, 2, 3, 4, and 12 to the superintendent of the district in which the person resides by October 1 of the first year of their homeschooling in Minnesota and the grade 7 year. The school report must be prepared on forms developed jointly by the commissioner of health and the commissioner of education and be distributed to the local districts by the commissioner of health. The school report must state the number of persons attending the school, the number of persons who have not been immunized according to subdivision 1 or 2, and the number of persons who received an exemption under subdivision 3, ~~clause~~ paragraph (c) or (d). The school report must be filed with the commissioner of education within 60 days of the commencement of each new school term. Upon request, a district must be given a 60-day extension for filing the school report. The commissioner of education shall forward the report, or a copy thereof, to the commissioner of health who shall provide summary reports to community health boards as defined in section 145A.02, subdivision 5. The administrator or other person having general control and supervision of the child care facility shall file a report with the commissioner of children, youth, and families on all persons enrolled in the child care

facility. The child care facility report must be prepared on forms developed jointly by the commissioner of health and the commissioner of children, youth, and families and be distributed to child care facilities by the commissioner of health. The child care facility report must state the number of persons enrolled in the facility, the number of persons with no immunizations, the number of persons who received an exemption under subdivision 3, ~~clause~~ paragraph (c) or (d), and the number of persons with partial or full immunization histories. The child care facility report must be filed with the commissioner of children, youth, and families by November 1 of each year. The commissioner of children, youth, and families shall forward the report, or a copy thereof, to the commissioner of health who shall provide summary reports to community health boards as defined in section 145A.02, subdivision 5. The report required by this subdivision is not required of a family child care or group family child care facility, for prekindergarten children enrolled in any elementary or secondary school provided services according to sections 125A.03 and 125A.06, nor for child care facilities in which at least 75 percent of children in the facility participate on a onetime only or occasional basis to a maximum of 45 hours per child, per month.

Sec. 89. Minnesota Statutes 2024, section 122A.18, subdivision 1, is amended to read:

Subdivision 1. **Authority to license.** (a) The Professional Educator Licensing and Standards Board must issue the following teacher licenses to applicants who meet the qualifications prescribed by this chapter:

- (1) Tier 1 license under section 122A.181;
- (2) Tier 2 license under section 122A.182;
- (3) Tier 3 license under section 122A.183; and
- (4) Tier 4 license under section 122A.184.

(b) The Board of School Administrators must license supervisory personnel as defined in section 122A.15, subdivision 2, except for athletic coaches.

(c) The Professional Educator Licensing and Standards Board and the Department of Education must enter into a data sharing agreement to share:

(1) educational data at the E-12 level for the limited purpose of program approval and improvement for teacher education programs. The program approval process must include targeted redesign of teacher preparation programs to address identified E-12 student areas of concern; and

(2) data in the staff automated reporting system for the limited purpose of managing and processing funding to school districts and other entities. The board has authority to collect and retain nonlicensed staff data on behalf of the Department of Education. The board must share licensed and nonlicensed staff data with the department as outlined in the data sharing agreement required under ~~section 122A.18, subdivision 1,~~ paragraph (d). The department may access and use the data as required under federal or state law and for the purposes outlined in the data sharing agreement.

(d) The Board of School Administrators and the Department of Education must enter into a data sharing agreement to share educational data at the E-12 level for the limited purpose of program approval and improvement for education administration programs. The program approval process must include targeted redesign of education administration preparation programs to address identified E-12 student areas of concern.

(e) For purposes of the data sharing agreements under paragraphs (c) and (d), the Professional Educator Licensing and Standards Board, Board of School Administrators, and Department of Education may share private data, as defined in section 13.02, subdivision 12, on teachers and school administrators. The data

sharing agreements must not include educational data, as defined in section 13.32, subdivision 1, but may include summary data, as defined in section 13.02, subdivision 19, derived from educational data.

Sec. 90. Minnesota Statutes 2024, section 122A.26, subdivision 2, is amended to read:

Subd. 2. **Exceptions.** (a) A person who teaches in a community education program that qualifies for aid pursuant to section 124D.52 shall continue to meet licensure requirements as a teacher. A person who teaches in an early childhood and family education program that is offered through a community education program and that qualifies for community education aid pursuant to section ~~142D.11~~ 124D.20 or early childhood and family education aid pursuant to section ~~124D.135~~ 142D.11 shall continue to meet licensure requirements as a teacher. A person who teaches in a community education course that is offered for credit for graduation to persons under 18 years of age shall continue to meet licensure requirements as a teacher.

(b) A person who teaches a driver training course that is offered through a community education program to persons under 18 years of age shall be licensed by the Professional Educator Licensing and Standards Board or be subject to section 171.35. A license that is required for an instructor in a community education program pursuant to this paragraph shall not be construed to bring an individual within the definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, paragraph (a).

Sec. 91. Minnesota Statutes 2024, section 122A.76, subdivision 6, is amended to read:

Subd. 6. **Report required.** ~~(a) The Northwest Regional Partnership must submit a report by January 15, 2018, on the progress of its activities to the legislature, commissioner of education, and Board of Trustees of the Minnesota State Colleges and Universities. The report shall contain a financial report for the preceding year.~~

~~(b) If established,~~ The State Partnership must submit an annual joint report to the legislature and the Office of Higher Education by January 15 of each year on the progress of its activities. The report must include the number of teachers participating in the program, the geographic location of the teachers, the number of credits earned, and the subject areas of the courses in which participants earned credit. The report must include a financial report for the preceding year.

Sec. 92. Minnesota Statutes 2024, section 123A.26, subdivision 1, is amended to read:

Subdivision 1. **General prohibition.** Unless specifically permitted in the provision authorizing an aid or a levy, cooperative units of government defined in section 123A.24, subdivision 2, are prohibited from making a property tax levy or qualifying for or receiving any form of state aid except as provided in ~~subdivisions~~ subdivision 2 and 3.

Sec. 93. Minnesota Statutes 2024, section 123B.09, subdivision 5b, is amended to read:

Subd. 5b. **Appointments to fill vacancies; special elections.** (a) Any vacancy on the board, other than a vacancy described in subdivision 4, must be filled by board appointment at a regular or special meeting. The appointment shall be evidenced by a resolution entered in the minutes and shall be effective 30 days following adoption of the resolution, subject to paragraph ~~(d)~~ (e). If the appointment becomes effective, it shall continue for the remainder of the unexpired term or until an election is held under this subdivision, as applicable. All elections to fill vacancies shall be for the unexpired term. A special election to fill the vacancy must be held no later than the first Tuesday after the first Monday in November following the vacancy. If the vacancy occurs less than 90 days prior to the first Tuesday after the first Monday in November in the

year in which the vacancy occurs, the special election must be held no later than the first Tuesday after the first Monday in November of the following calendar year.

(b) Notwithstanding paragraph (a), if the vacancy occurs less than two years prior to the expiration of the term, no special election is required and the appointee of the board shall serve for the remainder of the unexpired term, subject to paragraph (d).

(c) Notwithstanding paragraph (a), if the vacancy occurs less than 90 days prior to the expiration of the term, the board may, but is not required to, fill the vacancy by board appointment at a regular or special meeting.

(d) Notwithstanding paragraphs (a) and (b), if the vacancy occurs because a school board member was removed pursuant to section 123B.09, subdivision 9, a special election must be held to fill the vacancy as soon as possible on a uniform election date. This paragraph does not apply if the vacancy occurs after candidate filing begins under section 205A.06 in the year preceding the end of the term.

(e) An appointment made under paragraph (a) shall not be effective if a petition to reject the appointee is filed with the school district clerk. To be valid, a petition to reject an appointee must be signed by a number of eligible voters residing in the district equal to at least five percent of the total number of voters voting in the district at the most recent state general election, and must be filed within 30 days of the board's adoption of the resolution making the appointment. If a valid petition is filed according to the requirements of this paragraph, the appointment by the school board is ineffective and the board must name a new appointee as provided in paragraph (a).

Sec. 94. Minnesota Statutes 2024, section 124D.09, subdivision 19, is amended to read:

Subd. 19. **Fees; textbooks; materials.** A postsecondary institution that receives reimbursement for a pupil under subdivision 13 may not charge that pupil for fees, textbooks, materials, support services as defined in section ~~135A.16~~ 135A.163, or other necessary costs of the course or program in which the pupil is enrolled if the charge would be prohibited under section 123B.37, except for equipment purchased by the pupil that becomes the property of the pupil. An institution may require the pupil to pay for fees, textbooks, and materials for a course taken for postsecondary credit.

Sec. 95. Minnesota Statutes 2024, section 124D.42, subdivision 8, is amended to read:

Subd. 8. **Minnesota reading corps program.** (a) A Minnesota reading corps program is established to provide ServeMinnesota AmeriCorps members with a data-based problem-solving model of literacy instruction to use in helping to train local Head Start program providers, other prekindergarten program providers, and staff in schools with students in kindergarten through grade 3 to evaluate and teach early literacy skills, including evidence-based literacy instruction under sections 120B.118 to 120B.124, to children age 3 to grade 3 and interventions for children in kindergarten to grade 3.

(b) Literacy programs under this subdivision must comply with the provisions governing literacy program goals and data use under section 142D.12, subdivision 3, paragraph (b).

(c) Literacy programs under this subdivision must use evidence-based reading instruction and interventions focused on structured literacy. ServeMinnesota must demonstrate to the department that the training AmeriCorps members receive meets or exceeds the requirements of section 120B.124, subdivision 4, for volunteers. Minnesota Reading Corps AmeriCorps members are not required to complete the training under section ~~120B.24~~ 120B.124, subdivision 4.

(d) The commission must submit a biennial report to the committees of the legislature with jurisdiction over kindergarten through grade 12 education that records and evaluates program data to determine the efficacy of the programs under this subdivision.

Sec. 96. Minnesota Statutes 2024, section 124D.475, is amended to read:

124D.475 CREDIT FOR EMPLOYMENT WITH HEALTH CARE PROVIDERS.

Consistent with the career and technical pathways program, a student in grade 11 or 12 who is employed by an institutional long-term care or licensed assisted living facility, a home and community-based services and supports provider, a hospital or health system clinic, or a child care center may earn up to two elective credits each year toward graduation under section 120B.024, subdivision 1, paragraph (a), clause ~~(7)~~ (8), at the discretion of the enrolling school district or charter school. A student may earn one elective credit for every 350 hours worked, including hours worked during the summer. A student who is employed by an eligible employer must submit an application, in the form or manner required by the school district or charter school, for elective credit to the school district or charter school in order to receive elective credit. The school district or charter school must verify the hours worked with the employer before awarding elective credit.

Sec. 97. Minnesota Statutes 2024, section 124E.16, subdivision 3, is amended to read:

Subd. 3. **Public accounting and reporting CMO and EMO agreements.** (a) A charter school that enters into a management agreement with a CMO or EMO must:

(1) publish on the charter school website for at least 20 business days the proposed final agreement for public review and comment before the school board may adopt the contract or agreement. Any changes made to the posted agreement during the public review period or any proposed amendments to the agreement once adopted must be posted for 20 business days before the board may adopt the amendments to the contract;

(2) annually publish on the charter school website a statement of assurance that no member of the school board, staff, or any agent of the school has been promised or received any form of compensation or gifts from the CMO or EMO and that no board member, employee, or agent of the CMO or EMO or any of the organization affiliates or providers serve on the charter school board; and

(3) conduct an independent review and evaluation of the services provided by the CMO or EMO and publish the evaluation on the school's website at least 30 business days before the end of the current contract.

(b) A management agreement with a CMO or EMO must contain the following:

(1) the term of the contract, not to exceed five years;

(2) the total dollar value of the contract including the annual projected costs of services;

(3) a description and terms of the services to be provided during the term of the contract;

(4) notice that a charter school closure during the term of the contract by action of the authorizer or the school's board results in the balance of the current contract becoming null and void;

(5) an annual statement of assurance to the charter school board that the CMO or EMO provided no compensation or gifts to any charter school board member, staff member, or agent of the charter school;

(6) an annual statement of assurance that no ~~charter school~~ board member, employee, contractor, or agent of the CMO or EMO or any affiliated organization is a board member of the charter school or any other charter school;

(7) the policies and protocols that meet federal and state laws regarding student and personnel data collection, usage, access, retention, disclosure and destruction, and indemnification and warranty provisions in case of data breaches by the CMO or EMO; and

(8) an annual assurance that all assets purchased on behalf of the charter school using public funds remain assets of the school.

(c) The CMO or EMO must annually provide the charter school board a financial report by July 31 that accounts for income and expenditures for the previous fiscal year using the account categories in uniform financial accounting and reporting standards.

(d) Any agreement with a CMO or EMO containing any of the following provisions is null and void:

(1) restrictions on the charter school's ability to operate a school upon termination of the agreement;

(2) restrictions on the annual or total amount of the school's operating surplus or fund balance;

(3) authorization to allow a CMO or EMO to withdraw funds from a charter school account; or

(4) authorization to allow a CMO or EMO to loan funds to the charter school.

(e) A CMO or EMO or its affiliates, employees, or agents may not contract with, be employed by, or serve on the board of an authorizer. An authorizer or its affiliates, employees, or agents may not contract with, be employed by, serve as a paid consultant for, or serve as a board member of a CMO or EMO.

Sec. 98. Minnesota Statutes 2024, section 125A.63, subdivision 5, is amended to read:

Subd. 5. **Statewide hearing loss early education intervention coordinator.** (a) The coordinator shall:

(1) collaborate with the early hearing detection and intervention coordinator for the Department of Health, deaf and hard-of-hearing state specialist, and the Department of Health Early Hearing Detection and Intervention Advisory Council;

(2) coordinate and support Department of Education and Department of Children, Youth, and Families early hearing detection and intervention teams;

(3) leverage resources by serving as a liaison between interagency early intervention committees; part C coordinators from the Departments of Education, Health, and Human Services; Department of Education regional low-incidence facilitators; service coordinators from school districts; Minnesota children with special health needs in the Department of Health; public health nurses; child find; Department of Human Services Deaf, DeafBlind, and ~~Hard-of-Hearing~~ Hard of Hearing State Services Division; and others as appropriate;

(4) identify, support, and promote culturally appropriate and evidence-based early intervention practices for infants with hearing loss, and provide training, outreach, and use of technology to increase consistency in statewide service provision;

(5) identify culturally appropriate specialized reliable and valid instruments to assess and track the progress of children with hearing loss and promote their use;

(6) ensure that early childhood providers, parents, and members of the individual family service and intervention plan are provided with child progress data resulting from specialized assessments;

(7) educate early childhood providers and teachers of the deaf and hard-of-hearing to use developmental data from specialized assessments to plan and adjust individual family service plans; and

(8) make recommendations that would improve educational outcomes to the early hearing detection and intervention committee, the commissioners of education; children, youth, and families; and health, the Commission of the Deaf, DeafBlind and Hard of Hearing, and the advisory council for the deaf and hard-of-hearing.

(b) The Department of Education and Department of Children, Youth, and Families must provide aggregate data regarding outcomes of deaf and hard-of-hearing children who receive early intervention services within the state in accordance with the state performance plan.

Sec. 99. Minnesota Statutes 2024, section 126C.13, subdivision 4, is amended to read:

Subd. 4. **General education aid.** For fiscal year 2015 and later, a district's general education aid equals:

(1) general education revenue, excluding operating capital revenue, equity revenue, local optional revenue, and transition revenue; plus

(2) operating capital aid under section 126C.10, subdivision 13b; plus

(3) equity aid under section 126C.10, subdivision 30; plus

(4) transition aid under section 126C.10, subdivision 33; plus

(5) shared time aid under section 126C.01, subdivision 7; plus

(6) referendum aid under section 126C.17, subdivisions 7 and 7a; plus

(7) online learning aid under section 124D.096; plus

(8) local optional aid according to section 126C.10, subdivision 2e, paragraph (f).

Sec. 100. Minnesota Statutes 2024, section 127A.20, subdivision 2, is amended to read:

Subd. 2. **Goals.** Each applicant for a grant awarded by the commissioner of education must include in the grant application a statement of the goals of the education program and grant funds. To the extent practicable, the goals must be aligned to the state of Minnesota's ~~world's best workforce~~ comprehensive achievement and civic readiness and the federally required Every Student Succeeds Act accountability systems.

Sec. 101. Minnesota Statutes 2024, section 127A.21, subdivision 5, is amended to read:

Subd. 5. **Sanctions; appeal.** (a) This subdivision does not authorize any sanction that reduces, pauses, or otherwise interrupts state or federal aid to a school district, charter school, cooperative unit as defined by section 123A.24, subdivision 2, or any library, library system, or library district defined in section 134.001.

(b) The inspector general may recommend that the commissioner impose appropriate temporary sanctions, including withholding of payments under the department program, on a program participant pending an investigation by the Office of the Inspector General if:

(1) during the course of an investigation, the Office of the Inspector General finds credible indicia of fraud, waste, or abuse by the program participant;

(2) there has been a criminal, civil, or administrative adjudication of fraud, waste, or abuse against the program participant in Minnesota or in another state or jurisdiction;

(3) the program participant was receiving funds under any contract or registered in any program administered by another Minnesota state agency, a government agency in another state, or a federal agency, and was excluded from that contract or program for reasons credibly indicating fraud, waste, or abuse by the program participant; or

(4) the program participant has a pattern of noncompliance with an investigation.

(c) If an investigation finds, by a preponderance of the evidence, fraud, waste, or abuse by a program participant, the inspector general may, after reviewing all facts and evidence and when acting judiciously on a case-by-case basis, recommend that the commissioner impose appropriate sanctions on the program participant.

(d) Unless prohibited by law, the commissioner has the authority to implement recommendations by the inspector general, including imposing appropriate sanctions, temporarily or otherwise, on a program participant. Sanctions may include ending program participation, stopping disbursement of funds or resources, monetary recovery, and termination of department contracts with the participant for any current or future department program or contract. A sanction may be imposed for up to the longest period permitted by state or federal law. Sanctions authorized under this subdivision are in addition to other remedies and penalties available under law.

(e) If the commissioner imposes sanctions on a program participant under this subdivision, the commissioner must notify the participant in writing within seven business days of imposing the sanction, unless requested in writing by a law enforcement agency to temporarily delay issuing the notice to prevent disruption of an ongoing law enforcement agency investigation. A notice of sanction must state:

- (1) the sanction being imposed;
- (2) the general allegations that form the basis for the sanction;
- (3) the duration of the sanction;
- (4) the department programs to which the sanction applies; and
- (5) how the program participant may appeal the sanction pursuant to paragraph ~~(e)~~ (f).

(f) A program participant sanctioned under this subdivision may, within 30 days after the date the notice of sanction was mailed to the participant, appeal the determination by requesting in writing that the commissioner initiate a contested case proceeding under chapter 14. The scope of any contested case hearing is limited to the sanction imposed under this subdivision. An appeal request must specify with particularity each disputed item, the reason for the dispute, and must include the name and contact information of the person or entity that may be contacted regarding the appeal.

(g) The commissioner shall lift sanctions imposed under this subdivision if the Office of the Inspector General determines there is insufficient evidence of fraud, waste, or abuse by the program participant. The commissioner must notify the participant in writing within seven business days of lifting the sanction.

Sec. 102. Minnesota Statutes 2024, section 127A.41, subdivision 8, is amended to read:

Subd. 8. **Appropriation transfers.** (a) If a direct appropriation from the general fund to the department for any education aid or grant authorized in this chapter and chapters 122A, 123A, 123B, 124D, 124E, 125A,

126C, and 134, excluding appropriations under sections ~~124D.135, 124D.16,~~ 124D.20, 124D.22, 124D.52, 124D.531, 124D.55, and 124D.56, exceeds the amount required, the commissioner may transfer the excess to any education aid or grant appropriation that is insufficient. However, section 126C.20 applies to a deficiency in the direct appropriation for general education aid. Excess appropriations must be allocated proportionately among aids or grants that have insufficient appropriations. The commissioner of management and budget shall make the necessary transfers among appropriations according to the determinations of the commissioner. If the amount of the direct appropriation for the aid or grant plus the amount transferred according to this subdivision is insufficient, the commissioner shall prorate the available amount among eligible districts. The state is not obligated for any additional amounts.

(b) Transfers for aids paid under section 127A.45, subdivisions 12 and 13, shall be made during the fiscal year after the fiscal year of the entitlement. Transfers for aids paid under section 127A.45, subdivisions 11 and 12a, shall be made during the fiscal year of the appropriation.

Sec. 103. Minnesota Statutes 2024, section 127A.41, subdivision 9, is amended to read:

Subd. 9. **Appropriation transfers for community education programs.** If a direct appropriation from the general fund to the Department of Education for an education aid or grant authorized under section ~~124D.135, 124D.16,~~ 124D.20, 124D.22, 124D.52, 124D.531, 124D.55, or 124D.56 exceeds the amount required, the commissioner of education may transfer the excess to any education aid or grant appropriation that is insufficiently funded under these sections. Excess appropriations shall be allocated proportionately among aids or grants that have insufficient appropriations. The commissioner of management and budget shall make the necessary transfers among appropriations according to the determinations of the commissioner of education. If the amount of the direct appropriation for the aid or grant plus the amount transferred according to this subdivision is insufficient, the commissioner shall prorate the available amount among eligible districts. The state is not obligated for any additional amounts.

Sec. 104. Minnesota Statutes 2024, section 127A.85, is amended to read:

127A.85 INTERSTATE COMPACT ON EDUCATIONAL OPPORTUNITY FOR MILITARY CHILDREN.

ARTICLE I

PURPOSE

It is the purpose of this compact to remove barriers to educational success imposed on children of military families because of frequent moves and deployment of their parents by:

A. facilitating the timely enrollment of children of military families and ensuring that they are not placed at a disadvantage due to difficulty in the transfer of education records from the previous school district(s) or variations in entrance/age requirements.

B. Facilitating the student placement process through which children of military families are not disadvantaged by variations in attendance requirements, scheduling, sequencing, grading, course content, or assessment.

C. Facilitating the qualification and eligibility for enrollment, educational programs, and participation in extracurricular academic, athletic, and social activities.

D. Facilitating the on-time graduation of children of military families.

E. Providing for the promulgation and enforcement of administrative rules implementing the provisions of this compact.

F. Providing for the uniform collection and sharing of information between and among member states, schools, and military families under this compact.

G. Promoting coordination between this compact and other compacts affecting military children.

H. Promoting flexibility and cooperation between the educational system, parents, and the student in order to achieve educational success for the student.

ARTICLE II

DEFINITIONS

As used in this compact, unless the context clearly requires a different construction:

A. "Active duty" means: full-time duty status in the active uniformed service of the United States, including members of the National Guard and Reserve on active duty orders pursuant to United States Code, title 10, chapters 1209 and 1211.

B. "Children of military families" means: a school-aged child(ren), enrolled in kindergarten through grade 12, in the household of an active duty member.

C. "Compact commissioner" means: the voting representative of each compacting state appointed pursuant to Article VIII of this compact.

D. "Deployment" means: the period one month prior to the service members' departure from their home station on military orders through six months after return to their home station.

E. "Education(al) records" means: those official records, files, and data directly related to a student and maintained by the school or local education agency, including but not limited to records encompassing all the material kept in the student's cumulative folder, such as general identifying data, records of attendance and of academic work completed, records of achievement and results of evaluative tests, health data, disciplinary status, test protocols, and individualized education programs.

F. "Extracurricular activities" means: a voluntary activity sponsored by the school or local education agency or an organization sanctioned by the local education agency. Extracurricular activities include, but are not limited to, preparation for and involvement in public performances, contests, athletic competitions, demonstrations, displays, and club activities.

G. "Interstate Commission on Educational Opportunity for Military Children" means: the commission that is created under Article IX of this compact, which is generally referred to as Interstate Commission.

H. "Local education agency" means: a public authority legally constituted by the state as an administrative agency to provide control of and direction for kindergarten through grade 12 public educational institutions.

I. "Member state" means: a state that has enacted this compact.

J. "Military installation" means: a base, camp, post, station, yard, center, homeport facility for any ship, or other activity under the jurisdiction of the Department of Defense, including any leased facility, which is located within any of the several states, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other United

States territory. Such term does not include any facility used primarily for civil works, rivers and harbors projects, or flood control projects.

K. "Nonmember state" means: a state that has not enacted this compact.

L. "Receiving state" means: the state to which a child of a military family is sent, brought, or caused to be sent or brought.

M. "Rule" means: a written statement by the Interstate Commission promulgated pursuant to Article XII of this compact that is of general applicability, implements, interprets, or prescribes a policy or provision of the Compact, or an organizational, procedural, or practice requirement of the Interstate Commission, and has the force and effect of statutory law in a member state, and includes the amendment, repeal, or suspension of an existing rule.

N. "Sending state" means: the state from which a child of a military family is sent, brought, or caused to be sent or brought.

O. "State" means: a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other United States territory.

P. "Student" means: the child of a military family for whom the local education agency receives public funding and who is formally enrolled in kindergarten through grade 12.

Q. "Transition" means: (1) the formal and physical process of transferring from school to school or (2) the period of time in which a student moves from one school in the sending state to another school in the receiving state.

R. "Uniformed service(s)" means: the Army, Navy, Air Force, Marine Corps, Coast Guard as well as the commissioned Corps of the National Oceanic and Atmospheric Administration, and Public Health Services.

S. "Veteran" means: a person who served in the uniformed services and who was discharged or released there from under conditions other than dishonorable.

ARTICLE III

APPLICABILITY

A. Except as otherwise provided in Section B, this compact shall apply to the children of:

1. active duty members of the uniformed services as defined in this compact, including members of the National Guard and Reserve on active duty orders pursuant to United States Code, title 10, ~~sections~~ chapters 1209 and 1211;

2. members or veterans of the uniformed services who are severely injured and medically discharged or retired for a period of one year after medical discharge or retirement; and

3. members of the uniformed services who die on active duty or as a result of injuries sustained on active duty for a period of one year after death.

B. The provisions of this interstate compact shall only apply to local education agencies as defined in this compact.

C. The provisions of this compact shall not apply to the children of:

1. inactive members of the National Guard and military reserves;
2. members of the uniformed services now retired, except as provided in Section A;
3. veterans of the uniformed services, except as provided in Section A; and
4. other United States Department of Defense personnel and other federal agency civilian and contract employees not defined as active duty members of the uniformed services.

ARTICLE IV

EDUCATIONAL RECORDS AND ENROLLMENT

A. Unofficial or "hand-carried" education records - In the event that official education records cannot be released to the parents for the purpose of transfer, the custodian of the records in the sending state shall prepare and furnish to the parent a complete set of unofficial educational records containing uniform information as determined by the Interstate Commission. Upon receipt of the unofficial education records by a school in the receiving state, the school shall enroll and appropriately place the student based on the information provided in the unofficial records pending validation by the official records, as quickly as possible.

B. Official education records/transcripts - Simultaneous with the enrollment and conditional placement of the student, the school in the receiving state shall request the student's official education record from the school in the sending state. Upon receipt of this request, the school in the sending state will process and furnish the official education records to the school in the receiving state within ten days or within such time as reasonably determined under rules promulgated by the Interstate Commission.

C. Immunizations - Compacting states shall give 30 days from the date of enrollment or within such time as is reasonably determined under the rules promulgated by the Interstate Commission, for students to obtain any immunization(s) required by the receiving state. For a series of immunizations, initial vaccinations must be obtained within 30 days or within such time as is reasonably determined under the rules promulgated by the Interstate Commission.

D. Kindergarten and first grade entrance age - Students shall be allowed to continue their enrollment at grade level in the receiving state commensurate with their grade level (including kindergarten) from a local education agency in the sending state at the time of transition, regardless of age. A student that has satisfactorily completed the prerequisite grade level in the local education agency in the sending state shall be eligible for enrollment in the next highest grade level in the receiving state, regardless of age. A student transferring after the start of the school year in the receiving state shall enter the school in the receiving state on their validated level from an accredited school in the sending state.

ARTICLE V

PLACEMENT AND ATTENDANCE

A. Course placement - When the student transfers before or during the school year, the receiving state school shall initially honor placement of the student in educational courses based on the student's enrollment in the sending state school and/or educational assessments conducted at the school in the sending state if the courses are offered. Course placement includes but is not limited to Honors, International Baccalaureate, Advanced Placement, vocational, technical, and career pathways courses. Continuing the student's academic program from the previous school and promoting placement in academically and career challenging courses

should be paramount when considering placement. This does not preclude the school in the receiving state from performing subsequent evaluations to ensure appropriate placement and continued enrollment of the student in the course(s).

B. Educational program placement - The receiving state school shall initially honor placement of the student in educational programs based on the current educational assessments conducted at the school in the sending state or participation/placement in like programs in the sending state. Such programs include, but are not limited to: (1) gifted and talented programs; and (2) English as a second language (ESL). This does not preclude the school in the receiving state from performing subsequent evaluations to ensure appropriate placement of the student.

C. Special education services - (1) in compliance with the federal requirements of the Individuals with Disabilities Education Act (IDEA), United States Code Annotated, title 20, section 1400 et seq., the receiving state shall initially provide comparable services to a student with disabilities based on his/her current Individualized Education Program (IEP); and (2) in compliance with the requirements of Section 504 of the Rehabilitation Act, United States Code Annotated, title 29, section 794, and with Title II of the Americans with Disabilities Act, United States Code Annotated, title 42, sections 12131 to 12165, the receiving state shall make reasonable accommodations and modifications to address the needs of incoming students with disabilities, subject to an existing 504 or Title II Plan, to provide the student with equal access to education. This does not preclude the school in the receiving state from performing subsequent evaluations to ensure appropriate placement of the student.

D. Placement flexibility - Local education agency administrative officials shall have flexibility in waiving course/program prerequisites, or other preconditions for placement in courses/programs offered under the jurisdiction of the local education agency.

E. Absence as related to deployment activities - A student whose parent or legal guardian is an active duty member of the uniformed services, as defined by the compact, and has been called to duty for, is on leave from, or immediately returned from deployment to a combat zone or combat support posting, shall be granted additional excused absences at the discretion of the local education agency superintendent to visit with his or her parent or legal guardian relative to such leave or deployment of the parent or guardian.

ARTICLE VI

ELIGIBILITY

A. Eligibility for enrollment

1. Special power of attorney, relative to the guardianship of a child of a military family and executed under applicable law shall be sufficient for the purposes of enrollment and all other actions requiring parental participation and consent.

2. A local education agency shall be prohibited from charging local tuition to a transitioning military child placed in the care of a noncustodial parent or other person standing in loco parentis who lives in a jurisdiction other than that of the custodial parent.

3. A transitioning military child, placed in the care of a noncustodial parent or other person standing in loco parentis who lives in a jurisdiction other than that of the custodial parent, may continue to attend the school in which he/she was enrolled while residing with the custodial parent.

B. Eligibility for extracurricular participation - State and local education agencies shall facilitate the opportunity for transitioning military children's inclusion in extracurricular activities, regardless of application deadlines, to the extent they are otherwise qualified.

ARTICLE VII

GRADUATION

In order to facilitate the on-time graduation of children of military families, states and local education agencies shall incorporate the following procedures:

A. Waiver requirements - Local education agency administrative officials shall waive specific courses required for graduation if similar coursework has been satisfactorily completed in another local education agency or shall provide reasonable justification for denial. Should a waiver not be granted to a student who would qualify to graduate from the sending school, the local education agency shall provide an alternative means of acquiring required coursework so that graduation may occur on time.

B. Exit exams - States shall accept: (1) exit or end-of-course exams required for graduation from the sending state, (2) national norm-referenced achievement tests, or (3) alternative testing, in lieu of testing requirements for graduation in the receiving state. In the event the above alternatives cannot be accommodated by the receiving state for a student transferring in his or her senior year, then the provisions of Article VII, Section C shall apply.

C. Transfers during senior year - Should a military student transferring at the beginning or during his or her senior year be ineligible to graduate from the receiving local education agency after all alternatives have been considered, the sending and receiving local education agencies shall ensure the receipt of a diploma from the sending local education agency, if the student meets the graduation requirements of the sending local education agency. In the event that one of the states in question is not a member of this compact, the member state shall use best efforts to facilitate the on-time graduation of the student in accordance with Sections A and B of this Article.

ARTICLE VIII

STATE COORDINATION

A. Each member state shall, through the creation of a State Council or use of an existing body or board, provide for the coordination among its agencies of government, local education agencies, and military installations concerning the state's participation in, and compliance with, this compact and Interstate Commission activities. While each member state may determine the membership of its own State Council, its membership must include at least: the state superintendent of education, superintendent of a school district with a high concentration of military children, representative from a military installation, one representative each from the legislative and executive branches of government, and other offices and stakeholder groups the State Council deems appropriate. A member state that does not have a school district deemed to contain a high concentration of military children may appoint a superintendent from another school district to represent local education agencies on the State Council.

B. The State Council of each member state shall appoint or designate a military family education liaison to assist military families and the state in facilitating the implementation of this compact.

C. The compact commissioner responsible for the administration and management of the state's participation in the compact shall be appointed by the governor or as otherwise determined by each member state.

D. The compact commissioner and the military family education liaison designated herein shall be ex-officio members of the State Council, unless either is already a full voting member of the State council.

ARTICLE IX

INTERSTATE COMMISSION ON EDUCATIONAL OPPORTUNITY FOR MILITARY CHILDREN

The member states hereby create the "Interstate Commission on Educational Opportunity for Military Children." The activities of the Interstate Commission are the formation of public policy and are a discretionary state function. The Interstate Commission shall:

A. Be a body corporate and joint agency of the member states and shall have all the responsibilities, powers, and duties set forth herein, and such additional powers as may be conferred upon it by a subsequent concurrent action of the respective legislatures of the member states in accordance with the terms of this compact.

B. Consist of one Interstate Commission voting representative from each member state who shall be that state's compact commissioner.

1. Each member state represented at a meeting of the Interstate Commission is entitled to one vote.

2. A majority of the total member states shall constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the Interstate Commission.

3. A representative shall not delegate a vote to another member state. In the event the compact commissioner is unable to attend a meeting of the Interstate Commission, the Governor or State Council may delegate voting authority to another person from their state for a specified meeting.

4. The bylaws may provide for meetings of the Interstate Commission to be conducted by telecommunication or electronic communication.

C. Consist of ex-officio, nonvoting representatives who are members of interested organizations. Such ex-officio members, as defined in the bylaws, may include, but not be limited to, members of the representative organizations of military family advocates, local education agency officials, parent and teacher groups, the United States Department of Defense, the Education Commission of the States, the Interstate Agreement on the Qualification of Educational Personnel, and other interstate compacts affecting the education of children of military members.

D. Meet at least once each calendar year. The chairperson may call additional meetings and, upon the request of a simple majority of the member states, shall call additional meetings.

E. Establish an executive committee, whose members shall include the officers of the Interstate Commission and such other members of the Interstate Commission as determined by the bylaws. Members of the executive committee shall serve a one-year term. Members of the executive committee shall be entitled to one vote each. The executive committee shall have the power to act on behalf of the Interstate Commission, with the exception of rulemaking, during periods when the Interstate Commission is not in session. The executive committee shall oversee the day-to-day activities of the administration of the compact, including enforcement and compliance with the provisions of the compact, its bylaws and rules, and other such duties as deemed necessary. The U.S. Department of Defense, shall serve as an ex-officio, nonvoting member of the executive committee.

F. Establish bylaws and rules that provide for conditions and procedures under which the Interstate Commission shall make its information and official records available to the public for inspection or copying.

The Interstate Commission may exempt from disclosure information or official records to the extent they would adversely affect personal privacy rights or proprietary interests.

G. Public notice shall be given by the Interstate Commission of all meetings and all meetings shall be open to the public, except as set forth in the rules or as otherwise provided in the compact. The Interstate Commission and its committees may close a meeting, or portion thereof, where it determines by two-thirds vote that an open meeting would be likely to:

1. Relate solely to the Interstate Commission's internal personnel practices and procedures;
2. Disclose matters specifically exempted from disclosure by federal and state statute;
3. Disclose trade secrets or commercial or financial information which is privileged or confidential;
4. Involve accusing a person of a crime, or formally censuring a person;
5. Disclose information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;
6. Disclose investigative records compiled for law enforcement purposes; or
7. Specifically relate to the Interstate Commission's participation in a civil action or other legal proceeding.

H. For a meeting, or a portion of a meeting, closed pursuant to this provision, the Interstate Commission's legal counsel or designee shall certify that the meeting may be closed and shall reference each relevant exemptible provision. The Interstate Commission shall keep minutes which shall fully and clearly describe all matters discussed in a meeting and shall provide a full and accurate summary of actions taken, and the reasons therefore, including a description of the views expressed and the record of a roll call vote. All documents considered in connection with an action shall be identified in such minutes. All minutes and documents of a closed meeting shall remain under seal, subject to release by a majority vote of the Interstate Commission.

I. The Interstate Commission shall collect standardized data concerning the educational transition of the children of military families under this compact as directed through its rules which shall specify the data to be collected, the means of collection, and data exchange and reporting requirements. Such methods of data collection, exchange, and reporting shall, insofar as is reasonably possible, conform to current technology and coordinate its information functions with the appropriate custodian of records as identified in the bylaws and rules.

J. The Interstate Commission shall create a process that permits military officials, education officials, and parents to inform the Interstate Commission if and when there are alleged violations of the compact or its rules or when issues subject to the jurisdiction of the compact or its rules are not addressed by the state or local education agency. This section shall not be construed to create a private right of action against the Interstate Commission or any member state.

ARTICLE X

POWERS AND DUTIES OF THE INTERSTATE COMMISSION

The Interstate commission shall have the following powers:

- A. To provide for dispute resolution among member states.

B. To promulgate rules and take all necessary actions to effect the goals, purposes, and obligations as enumerated in this compact. The rules shall have the force and effect of statutory law and shall be binding in the compact states to the extent and in the manner provided in this compact.

C. To issue, upon request of a member state, advisory opinions concerning the meaning or interpretation of the interstate compact, its bylaws, rules, and actions.

D. To enforce compliance with the compact provisions, the rules promulgated by the Interstate Commission, and the bylaws, using all necessary and proper means, including but not limited to the use of judicial process.

E. To establish and maintain offices which shall be located within one or more of the member states.

F. To purchase and maintain insurance and bonds.

G. To borrow, accept, hire, or contract for services of personnel.

H. To establish and appoint committees including, but not limited to, an executive committee as required by Article IX, Section E, which shall have the power to act on behalf of the Interstate Commission in carrying out its powers and duties hereunder.

I. To elect or appoint such officers, attorneys, employees, agents, or consultants, and to fix their compensation, define their duties, and determine their qualifications; and to establish the Interstate Commission's personnel policies and programs relating to conflicts of interest, rates of compensation, and qualifications of personnel.

J. To accept any and all donations and grants of money, equipment, supplies, materials, and services, and to receive, utilize, and dispose of it.

K. To lease, purchase, accept contributions or donations of, or otherwise to own, hold, improve, or use any property, real, personal, or mixed.

L. To sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property, real, personal, or mixed.

M. To establish a budget and make expenditures.

N. To adopt a seal and bylaws governing the management and operation of the Interstate Commission.

O. To report annually to the legislatures, governors, judiciary, and State Councils of the member states concerning the activities of the Interstate Commission during the preceding year. Such reports shall also include any recommendations that may have been adopted by the Interstate Commission.

P. To coordinate education, training, and public awareness regarding the compact, its implementation and operation for officials and parents involved in such activity.

Q. To establish uniform standards for the reporting, collecting, and exchanging of data.

R. To maintain corporate books and records in accordance with the bylaws.

S. To perform such functions as may be necessary or appropriate to achieve the purposes of this compact.

T. To provide for the uniform collection and sharing of information between and among member states, schools, and military families under this compact.

ARTICLE XI**ORGANIZATION AND OPERATION OF THE INTERSTATE COMMISSION**

A. The Interstate Commission shall, by a majority of the members present and voting, within 12 months after the first Interstate Commission meeting, adopt bylaws to govern its conduct as may be necessary or appropriate to carry out the purposes of the compact, including, but not limited to:

1. Establishing the fiscal year of the Interstate Commission;
2. Establishing an executive committee, and such other committees as may be necessary;
3. Providing for the establishment of committees and for governing any general or specific delegation of authority or function of the Interstate Commission;
4. Providing reasonable procedures for calling and conducting meetings of the Interstate Commission, and ensuring reasonable notice of each such meeting;
5. Establishing the titles and responsibilities of the officers and staff of the Interstate Commission;
6. Providing a mechanism for concluding the operations of the Interstate Commission and the return of surplus funds that may exist upon the termination of the compact after the payment and reserving of all of its debts and obligations;
7. Providing "start up" rules for initial administration of the compact.

B. The Interstate Commission shall, by a majority of the members, elect annually from among its members a chairperson, a vice-chairperson, and a treasurer, each of whom shall have such authority and duties as may be specified in the bylaws. The chairperson or, in the chairperson's absence or disability, the vice-chairperson, shall preside at all meetings of the Interstate Commission. The officers so elected shall serve without compensation or remuneration from the Interstate Commission; provided that, subject to the availability of budgeted funds, the officers shall be reimbursed for ordinary and necessary costs and expenses incurred by them in the performance of their responsibilities as officers of the Interstate Commission.

C. Executive Committee, Officers and Personnel

1. The executive committee shall have such authority and duties as may be set forth in the bylaws, including but not limited to:

- a. Managing the affairs of the Interstate Commission in a manner consistent with the bylaws and purposes of the Interstate Commission;
- b. Overseeing an organizational structure within, and appropriate procedures for, the Interstate Commission to provide for the creation of rules, operating procedures, and administrative and technical support functions; and
- c. Planning, implementing, and coordinating communications and activities with other state, federal, and local government organizations in order to advance the goals of the Interstate Commission.

2. The executive committee may, subject to the approval of the Interstate Commission, appoint or retain an executive director for such period, upon such terms and conditions and for compensation, as the Interstate Commission may deem appropriate. The executive director shall serve as secretary to the Interstate Commission, but shall not be a member of the Interstate Commission. The executive director shall hire and supervise such other persons as may be authorized by the Interstate Commission.

D. The Interstate Commission's executive director and its employees shall be immune from suit and liability, either personally or in their official capacity, for a claim for damage to or loss of property or personal injury or other civil liability caused or arising out of or relating to an actual or alleged act, error, or omission that occurred, or that such person had a reasonable basis for believing occurred, within the scope of Interstate Commission employment, duties, or responsibilities; provided that such person shall not be protected from suit or liability for damage, loss, injury, or liability caused by the intentional or willful and wanton misconduct of such person.

1. The liability of the Interstate Commission's executive director and employees or Interstate Commission representatives, acting within the scope of such person's employment or duties for acts, errors, or omissions occurring within such person's state may not exceed the limits of liability set forth under the Constitution and laws of that state for state officials, employees, and agents. The Interstate Commission is considered to be an instrumentality of the states for the purposes of any such action. Nothing in this subsection shall be construed to protect such person from suit or liability for damage, loss, injury, or liability caused by the intentional or willful and wanton misconduct of such person.

2. The Interstate Commission shall defend the executive director and its employees and, subject to the approval of the attorney general or other appropriate legal counsel of the member state represented by an Interstate Commission representative, shall defend such Interstate Commission representative in any civil action seeking to impose liability arising out of an actual or alleged act, error, or omission that occurred within the scope of Interstate Commission employment, duties or responsibilities, or that the defendant had a reasonable basis for believing occurred within the scope of the Interstate Commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from intentional or willful and wanton misconduct on the part of such person.

3. To the extent not covered by the state involved, member state, or the Interstate Commission, the representatives or employees of the Interstate Commission shall be held harmless in the amount of a settlement or judgment, including attorney fees and costs, obtained against such persons arising out of an actual or alleged act, error, or omission that occurred within the scope of the Interstate Commission employment, duties, or responsibilities, or that such persons had a reasonable basis for believing occurred within the scope of Interstate Commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from intentional or willful and wanton misconduct on the part of such persons.

ARTICLE XII

RULEMAKING FUNCTIONS OF THE INTERSTATE COMMISSION

A. Rulemaking Authority - The Interstate Commission shall promulgate reasonable rules in order to effectively and efficiently achieve the purposes of this Compact. Notwithstanding the foregoing, in the event the Interstate Commission exercises its rulemaking authority in a manner that is beyond the scope of the purposes of this Act, or the powers granted hereunder, then such an action by the Interstate Commission shall be invalid and have no force or effect.

B. Rulemaking Procedure - Rules shall be made pursuant to a rulemaking process that substantially conforms to the "Model State Administrative Procedure Act," of 1981 Act, Uniform Laws Annotated, Vol. 15, p.1 (2000) as amended, as may be appropriate to the operations of the Interstate Commission.

C. Not later than 30 days after a rule is promulgated, any person may file a petition for judicial review of the rule; provided that the filing of such a petition shall not stay or otherwise prevent the rule from becoming effective unless the court finds that the petitioner has a substantial likelihood of success. The court

shall give deference to the actions of the Interstate Commission consistent with applicable law and shall not find the rule to be unlawful if the rule represents a reasonable exercise of the Interstate Commission's authority.

D. If a majority of the legislatures of the compacting states reject a Rule by enactment of a statute or resolution in the same manner used to adopt the compact, then such rule shall have no further force and effect in any compacting state.

ARTICLE XIII

OVERSIGHT, ENFORCEMENT, AND DISPUTE RESOLUTION

A. Oversight

1. The executive, legislative, and judicial branches of state government in each member state shall enforce this compact and shall take all actions necessary and appropriate to effectuate the compact's purposes and intent. The provisions of this compact and the rules promulgated hereunder shall have standing as statutory law.

2. All courts shall take judicial notice of the compact and the rules in any judicial or administrative proceeding in a member state pertaining to the subject matter of this compact which may affect the powers, responsibilities, or actions of the Interstate Commission.

3. The Interstate Commission shall be entitled to receive all service of process in any such proceeding, and shall have standing to intervene in the proceeding for all purposes. Failure to provide service of process to the Interstate Commission shall render a judgment or order void as to the Interstate Commission, this compact, or promulgated rules.

B. Default, Technical Assistance, Suspension, and Termination - If the Interstate Commission determines that a member state has defaulted in the performance of its obligations or responsibilities under this compact, or the bylaws or promulgated rules, the Interstate Commission shall:

1. Provide written notice to the defaulting state and other member states of the nature of the default, the means of curing the default, and any action taken by the Interstate Commission. The Interstate Commission shall specify the conditions by which the defaulting state must cure its default.

2. Provide remedial training and specific technical assistance regarding the default.

3. If the defaulting state fails to cure the default, the defaulting state shall be terminated from the compact upon an affirmative vote of a majority of the member states and all rights, privileges, and benefits conferred by this compact shall be terminated from the effective date of termination. A cure of the default does not relieve the offending state of obligations or liabilities incurred during the period of the default.

4. Suspension or termination of membership in the compact shall be imposed only after all other means of securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given by the Interstate Commission to the governor, the majority and minority leaders of the defaulting state's legislature, and each of the member states.

5. The state which has been suspended or terminated is responsible for all assessments, obligations, and liabilities incurred through the effective date of suspension or termination, including obligations, the performance of which extends beyond the effective date of suspension or termination.

6. The Interstate Commission shall not bear any costs relating to any state that has been found to be in default or which has been suspended or terminated from the compact, unless otherwise mutually agreed upon in writing between the Interstate Commission and the defaulting state.

7. The defaulting state may appeal the action of the Interstate Commission by petitioning the United States District Court for the District of Columbia or the federal district where the Interstate Commission has its principle offices. The prevailing party shall be awarded all costs of such litigation including reasonable attorney fees.

C. Dispute Resolution

1. The Interstate Commission shall attempt, upon the request of a member state, to resolve disputes which are subject to the compact and which may arise among member states and between member and nonmember states.

2. The Interstate Commission shall promulgate a rule providing for both mediation and nonbinding dispute resolution for disputes as appropriate.

D. Enforcement

1. The Interstate Commission, in the reasonable exercise of its discretion, shall enforce the provisions and rules of this compact.

2. The Interstate Commission may, by majority vote of the members, initiate legal action in the United States District Court for the District of Columbia or, at the discretion of the Interstate Commission, in the federal district where the Interstate Commission has its principal offices, to enforce compliance with the provisions of the compact, its promulgated rules and bylaws, against a member state in default. The relief sought may include both injunctive relief and damages.

3. The remedies herein shall not be the exclusive remedies of the Interstate Commission. The Interstate Commission may avail itself of any other remedies available under state law or the regulation of a profession.

ARTICLE XIV

FINANCING OF THE INTERSTATE COMMISSION

A. The Interstate Commission shall pay, or provide for the payment of the reasonable expenses of its establishment, organization, and ongoing activities.

B. The Interstate Commission may levy on and collect an annual assessment from each member state to cover the cost of the operations and activities of the Interstate Commission and its staff which must be in a total amount sufficient to cover the Interstate Commission's annual budget as approved each year. The aggregate annual assessment amount shall be allocated based upon a formula to be determined by the Interstate Commission, which shall promulgate a rule binding upon all member states.

C. The Interstate Commission shall not incur obligations of any kind prior to securing the funds adequate to meet the same; nor shall the Interstate Commission pledge the credit of any of the member states, except by and with the authority of the member state.

D. The Interstate Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Interstate Commission shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the Interstate

Commission shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become part of the annual report of the Interstate Commission.

ARTICLE XV

MEMBER STATES, EFFECTIVE DATE, AND AMENDMENT

A. Any state is eligible to become a member state.

B. The compact shall become effective and binding upon legislative enactment of the compact into law by no less than ten of the states. The effective date shall be no earlier than December 1, 2007. Thereafter, it shall become effective and binding as to any other member state upon enactment of the compact into law by that state. The governors of nonmember states or their designees shall be invited to participate in the activities of the Interstate Commission on a nonvoting basis prior to the adoption of the compact by all states.

C. The Interstate Commission may propose amendments to the compact for enactment by the member states. No amendment shall become effective and binding upon the Interstate Commission and the member states unless and until it is enacted into law by unanimous consent of the member states.

ARTICLE XVI

WITHDRAWAL AND DISSOLUTION

A. Withdrawal

1. Once effective, the compact shall continue in force and remain binding upon each and every member state; provided that a member state may withdraw from the compact specifically repealing the statute, which enacted the compact into law.

2. Withdrawal from this compact shall be by the enactment of a statute repealing the same, but shall not take effect until one year after the effective date of such statute and until written notice of the withdrawal has been given by the withdrawing state to the governor of each other member jurisdiction.

3. The withdrawing state shall immediately notify the chairperson of the Interstate Commission in writing upon the introduction of legislation repealing this compact in the withdrawing state. The Interstate Commission shall notify the other member states of the withdrawing state's intent to withdraw within 60 days of its receipt thereof.

4. The withdrawing state is responsible for all assessments, obligations and liabilities incurred through the effective date of withdrawal, including obligations, the performance of which extend beyond the effective date of withdrawal.

5. Reinstatement following withdrawal of a member state shall occur upon the withdrawing state reenacting the compact or upon such later date as determined by the Interstate Commission.

B. Dissolution of Compact

1. This compact shall dissolve effective upon the date of the withdrawal or default of the member state which reduces the membership in the compact to one member state.

2. Upon the dissolution of this compact, the compact becomes null and void and shall be of no further force or effect, and the business and affairs of the Interstate Commission shall be concluded and surplus funds shall be distributed in accordance with the bylaws.

ARTICLE XVII**SEVERABILITY AND CONSTRUCTION**

A. The provisions of this compact shall be severable, and if any phrase, clause, sentence, or provision is deemed unenforceable, the remaining provisions of the compact shall be enforceable.

B. The provisions of this compact shall be liberally construed to effectuate its purposes.

C. Nothing in this compact shall be construed to prohibit the applicability of other interstate compacts to which the states are members.

ARTICLE XVIII**BINDING EFFECT OF COMPACT AND OTHER LAWS****A. Other Laws**

Nothing herein prevents the enforcement of any other law of a member state that is not inconsistent with this compact.

B. Binding Effect of the Compact

1. All lawful actions of the Interstate Commission, including all rules and bylaws promulgated by the Interstate Commission, are binding upon the member states.

2. All agreements between the Interstate Commission and the member states are binding in accordance with their terms.

3. In the event any provision of this compact exceeds the constitutional limits imposed on the legislature of any member state, such provision shall be ineffective to the extent of the conflict with the constitutional provision in question in that member state.

Sec. 105. Minnesota Statutes 2024, section 142A.03, subdivision 1, is amended to read:

Subdivision 1. **General.** The department is under the administrative control of the commissioner. The commissioner is appointed by the governor with the advice and consent of the senate. The commissioner has the general powers provided in section 15.06, subdivision 6. The commissioner's salary must be established according to the procedure in determined by the Compensation Council under section 15A.0815, subdivision 5 ~~15A.082~~, in the same range as specified for the commissioner of management and budget.

Sec. 106. Minnesota Statutes 2024, section 142A.609, subdivision 5, is amended to read:

Subd. 5. **Alternate rates for preschool entry and certain transitioned children.** A child who entered the Northstar kinship assistance or adoption assistance components of Northstar Care for Children while under the age of six shall receive 50 percent of the amount the child would otherwise be entitled to under subdivisions 3 and 4. The commissioner may also use the 50 percent rate for a child who was transitioned into those components through declaration of the commissioner under section ~~256N.28, subdivision 7~~ 142A.612.

Sec. 107. Minnesota Statutes 2024, section 142D.05, subdivision 3, is amended to read:

Subd. 3. **Application and reporting requirements.** (a) A school readiness program provider must include a biennial plan in the district's comprehensive achievement and civic readiness plan under section 120B.11, describing how the school readiness program meets the program requirements under subdivision ~~3~~ 2.

(b) Programs receiving school readiness funds annually must submit a report to the department of education for transfer to the department of children, youth, and families.

Sec. 108. Minnesota Statutes 2024, section 142D.06, subdivision 1, is amended to read:

Subdivision 1. **Amount of aid.** (a) A district is eligible to receive school readiness aid for eligible prekindergarten pupils enrolled in a school readiness program under section 142D.05 if the biennial plan required by section 142D.05, subdivision ~~3a~~ 3, has been approved by the commissioner.

(b) A district must receive school readiness aid equal to:

(1) the number of four-year-old children in the district on October 1 for the previous school year times the ratio of 50 percent of the total school readiness aid for that year to the total number of four-year-old children reported to the commissioner for the previous school year; plus

(2) the number of pupils enrolled in the school district from families eligible for the free or reduced-price meals program for the previous school year times the ratio of 50 percent of the total school readiness aid for that year to the total number of pupils in the state from families eligible for the free or reduced-price meals program for the previous school year.

(c) The total school readiness aid entitlement equals \$23,558,000 for fiscal year 2016 and \$33,683,000 for fiscal year 2017 and later.

Sec. 109. Minnesota Statutes 2024, section 142D.11, subdivision 3, is amended to read:

Subd. 3. **Early childhood family education levy.** By September 30 of each year, the commissioner of education shall establish a tax rate for early childhood family education revenue that raises \$22,135,000 in each fiscal year. After consulting with the commissioner of children, youth, and families, if the commissioner of education determines that the amount of the early childhood family education levy would exceed the early childhood family education revenue, then the early childhood family education levy must equal the early childhood family education revenue. A district may not certify an early childhood family education levy unless it has met the annual program data reporting requirements under section ~~142D.11~~ 142D.10, subdivision 13.

Sec. 110. Minnesota Statutes 2024, section 142D.11, subdivision 4, is amended to read:

Subd. 4. **Early childhood family education aid.** If a district complies with the provisions of section ~~142D.11~~ 142D.10, it must receive early childhood family education aid equal to the difference between the early childhood family education revenue and the early childhood family education levy. If the district does not levy the entire amount permitted, the early childhood family education aid must be reduced in proportion to the actual amount levied.

Sec. 111. Minnesota Statutes 2024, section 142D.11, subdivision 6, is amended to read:

Subd. 6. **Home visiting revenue.** (a) A district that is eligible to levy for early childhood family education under subdivision 3 and that enters into a collaborative agreement to provide education services and social services to families with young children is eligible for home visiting revenue.

(b) Total home visiting revenue for a district equals \$3 times the number of people under five years of age residing in the district on September 1 of the last school year. Revenue under this subdivision must not be included as revenue under subdivision 1. The revenue must be used for home visiting programs under section ~~142D.11~~ 142D.10, subdivision 4.

Sec. 112. Minnesota Statutes 2024, section 142D.12, subdivision 1, is amended to read:

Subdivision 1. **Department of Children, Youth, and Families.** The Department of Children, Youth, and Families is the state agency responsible for administering the Head Start program. The commissioner of children, youth, and families shall allocate funds according to the formula in section ~~149A.52~~ 142D.121 to public or private nonprofit agencies for the purpose of providing supplemental funds for the federal Head Start program.

Sec. 113. Minnesota Statutes 2024, section 142D.25, subdivision 4, is amended to read:

Subd. 4. **Administration.** (a) The commissioner shall establish a schedule of tiered per-child scholarship amounts based on the results of the rate survey conducted under section 142E.02, subdivision 7, the cost of providing high-quality early care and learning to children in varying circumstances, a family's income, and geographic location.

(b) Notwithstanding paragraph (a), a program that has a four-star rating under section 142D.13 must receive, for each scholarship recipient who meets the criteria in subdivision 3, paragraph (b) or (c), an amount not less than the cost to provide full-time care at the 75th percentile of the most recent market rate survey under section 142E.02, subdivision 7.

(c) A four-star rated program that has children eligible for a scholarship enrolled in or on a waiting list for a program beginning in July, August, or September may notify the commissioner, in the form and manner prescribed by the commissioner, each year of the program's desire to enhance program services or to serve more children than current funding provides. The commissioner may designate a predetermined number of scholarship slots for that program and notify the program of that number. For fiscal year 2018 and later, the statewide amount of funding directly designated by the commissioner must not exceed the funding directly designated for fiscal year 2017. Beginning July 1, 2016, a school district or Head Start program qualifying under this paragraph may use its established registration process to enroll scholarship recipients and may verify a scholarship recipient's family income in the same manner as for other program participants.

(d) A scholarship is awarded for a 12-month period. If the scholarship recipient has not been accepted and subsequently enrolled in a rated program within three months of the awarding of the scholarship, the scholarship cancels and the recipient must reapply in order to be eligible for another scholarship. An extension may be requested if a program is unavailable for the child within the three-month timeline. A child may not be awarded more than one scholarship in a 12-month period.

(e) A child who receives a scholarship who has not completed development screening under sections 142D.09 to 142D.093 must complete that screening within 90 days of first attending an eligible program or within 90 days after the child's third birthday if awarded a scholarship under the age of three.

(f) A school district or Head Start program enrolling scholarship recipients under paragraph (c) may apply to the commissioner, in the form and manner prescribed by the commissioner, for direct payment of state aid. Upon receipt of the application, the commissioner must pay each program directly for each approved scholarship recipient enrolled under paragraph (c) according to the metered payment system or another schedule established by the commissioner. This paragraph expires upon implementation of the processes required under paragraph (g).

(g) Beginning January 1, 2026, to the extent funding is available under subdivision 7, paragraph (f), the commissioner must:

(1) make scholarship payments to eligible programs in advance of or at the beginning of the delivery of services based on an approved scholarship recipient's enrollment; and

(2) implement a process for transferring scholarship awards between eligible programs, when initiated by a scholarship recipient. Under the process, the commissioner:

(i) may adjust scholarship payment schedules for eligible programs to account for changes in a scholarship recipient's enrollment; and

(ii) must specify a period of time for which scholarship payments must continue to an eligible program for a scholarship recipient who transfers to a different eligible program.

(h) By January 1, 2026, to the extent funding is available under subdivision 6, paragraph (f), the commissioner must have information technology systems in place that prioritize efficiency and usability for families and early childhood programs and that support the following:

(1) the ability for a family to apply for a scholarship through an online system that allows the family to upload documents that demonstrate scholarship eligibility;

(2) the administration of scholarships, including but not limited to verification of family and child eligibility, identification of programs eligible to accept scholarships, management of scholarship awards and payments, and communication with families and eligible programs; and

(3) making scholarship payments to eligible programs in advance of or at the beginning of the delivery of services for an approved scholarship recipient.

(i) In creating the information technology systems and functions under paragraph (h), the commissioner must consider the requirements for and the potential transition to the great start scholarships program under section ~~142D.44~~ 142A.44.

Sec. 114. Minnesota Statutes 2024, section 142E.01, subdivision 26, is amended to read:

Subd. 26. **Student parent.** "Student parent" means a person who is:

(1) under 21 years of age and has a child;

(2) pursuing a high school diploma or commissioner of education-selected high school equivalency certification;

(3) residing within a county that has a basic sliding fee waiting list under section ~~119B.03, subdivision 4~~ 142E.04, subdivision 4; and

(4) not an MFIP participant.

Sec. 115. Minnesota Statutes 2024, section 142G.01, subdivision 3, is amended to read:

Subd. 3. **Relationship to other statutes and rules.** ~~MFIP-S~~ MFIP replaces eligibility for families with children and pregnant women under the general assistance program, governed by sections 256D.01 to 256D.21 and Minnesota Rules, parts 9500.1200 to 9500.1261.

Sec. 116. Minnesota Statutes 2024, section 142G.01, subdivision 4, is amended to read:

Subd. 4. **Changes to waivers.** The commissioner of children, youth, and families may negotiate and obtain changes in the federal waivers and terms and conditions contained in MFIP, ~~MFIP-R, and MFIP-S.~~ The commissioner may also terminate federal waivers by directing so in the applicable state plan.

Sec. 117. Minnesota Statutes 2024, section 142G.38, is amended to read:

142G.38 AGING OF CASH BENEFITS.

Cash benefits under chapters 142F, 142G, and 256K, except Supplemental Nutrition Assistance Program (SNAP) benefits under chapter ~~256D~~ 142F, by warrants or electronic benefit transfer that have not been accessed within 90 days of issuance shall be canceled. Cash benefits may be replaced after they are canceled, for up to one year after the date of issuance, if failure to do so would place the client or family at risk. For purposes of this section, "accessed" means cashing a warrant or making at least one withdrawal from benefits deposited in an electronic benefit account.

Sec. 118. Minnesota Statutes 2024, section 144.291, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For the purposes of sections 144.291 to 144.298, the following terms have the meanings given.

(a) "Group purchaser" has the meaning given in section 62J.03, subdivision 6.

(b) "Health information exchange" means a legal arrangement between health care providers and group purchasers to enable and oversee the business and legal issues involved in the electronic exchange of health records between the entities for the delivery of patient care.

(c) "Health record" means any information, whether oral or recorded in any form or medium, that relates to the past, present, or future physical or mental health or condition of a patient; the provision of health care to a patient; or the past, present, or future payment for the provision of health care to a patient.

(d) "Identifying information" means the patient's name, address, date of birth, gender, parent's or guardian's name regardless of the age of the patient, and other nonclinical data which can be used to uniquely identify a patient.

(e) "Individually identifiable form" means a form in which the patient is or can be identified as the subject of the health records.

(f) "Medical emergency" means medically necessary care which is immediately needed to preserve life, prevent serious impairment to bodily functions, organs, or parts, or prevent placing the physical or mental health of the patient in serious jeopardy.

(g) "Patient" means a natural person who has received health care services from a provider for treatment or examination of a medical, psychiatric, or mental condition, the surviving spouse and parents of a deceased patient, or a person the patient appoints in writing as a representative, including a health care agent acting

according to chapter 145C, unless the authority of the agent has been limited by the principal in the principal's health care directive. Except for minors who have received health care services under sections 144.341 to 144.347, in the case of a minor, patient includes a parent or guardian, or a person acting as a parent or guardian in the absence of a parent or guardian.

(h) "Patient information service" means a service providing the following query options: a record locator service as defined in paragraph (j) or a master patient index or clinical data repository as defined in section 62J.498, subdivision 1.

(i) "Provider" means:

(1) any person who furnishes health care services and is regulated to furnish the services under chapter 147, 147A, 147B, 147C, 147D, 148, 148B, ~~148D~~ 148E, 148F, 150A, 151, 153, or 153A;

(2) a home care provider licensed under section 144A.471;

(3) a health care facility licensed under this chapter or chapter 144A; and

(4) an assisted living facility licensed under chapter 144G; ~~and~~

~~(5) a physician assistant registered under chapter 147A.~~

(j) "Record locator service" means an electronic index of patient identifying information that directs providers in a health information exchange to the location of patient health records held by providers and group purchasers.

(k) "Related health care entity" means an affiliate, as defined in section 144.6521, subdivision 3, paragraph (b), of the provider releasing the health records.

Sec. 119. Minnesota Statutes 2024, section 144.966, subdivision 2, is amended to read:

Subd. 2. **Newborn Hearing Screening Advisory Committee.** (a) The commissioner of health shall establish a Newborn Hearing Screening Advisory Committee to advise and assist the Department of Health; Department of Children, Youth, and Families; and the Department of Education in:

(1) developing protocols and timelines for screening, rescreening, and diagnostic audiological assessment and early medical, audiological, and educational intervention services for children who are deaf or hard-of-hearing;

(2) designing protocols for tracking children from birth through age three that may have passed newborn screening but are at risk for delayed or late onset of permanent hearing loss;

(3) designing a technical assistance program to support facilities implementing the screening program and facilities conducting rescreening and diagnostic audiological assessment;

(4) designing implementation and evaluation of a system of follow-up and tracking; and

(5) evaluating program outcomes to increase effectiveness and efficiency and ensure culturally appropriate services for children with a confirmed hearing loss and their families.

(b) The commissioner of health shall appoint at least one member from each of the following groups with no less than two of the members being deaf or hard-of-hearing:

(1) a representative from a consumer organization representing culturally deaf persons;

- (2) a parent with a child with hearing loss representing a parent organization;
- (3) a consumer from an organization representing oral communication options;
- (4) a consumer from an organization representing cued speech communication options;
- (5) an audiologist who has experience in evaluation and intervention of infants and young children;
- (6) a speech-language pathologist who has experience in evaluation and intervention of infants and young children;
- (7) two primary care providers who have experience in the care of infants and young children, one of which shall be a pediatrician;
- (8) a representative from the early hearing detection intervention teams;
- (9) a representative from the Department of Education resource center for the deaf and hard-of-hearing or the representative's designee;
- (10) a representative of the Commission of the Deaf, DeafBlind and Hard of Hearing;
- (11) a representative from the Department of Human Services Deaf, DeafBlind, and ~~Hard-of-Hearing~~ Hard of Hearing State Services Division;
- (12) one or more of the Part C coordinators from the Department of Education; the Department of Health; the Department of Children, Youth, and Families; or the Department of Human Services or the department's designees;
- (13) the Department of Health early hearing detection and intervention coordinators;
- (14) two birth hospital representatives from one rural and one urban hospital;
- (15) a pediatric geneticist;
- (16) an otolaryngologist;
- (17) a representative from the Newborn Screening Advisory Committee under this subdivision;
- (18) a representative of the Department of Education regional low-incidence facilitators;
- (19) a representative from the deaf mentor program; and
- (20) a representative of the Minnesota State Academy for the Deaf from the Minnesota State Academies staff.

The commissioner must complete the initial appointments required under this subdivision by September 1, 2007, and the initial appointments under clauses (19) and (20) by September 1, 2019.

(c) The Department of Health member shall chair the first meeting of the committee. At the first meeting, the committee shall elect a chair from its membership. The committee shall meet at the call of the chair, at least four times a year. The committee shall adopt written bylaws to govern its activities. The Department of Health shall provide technical and administrative support services as required by the committee. These services shall include technical support from individuals qualified to administer infant hearing screening, rescreening, and diagnostic audiological assessments.

Members of the committee shall receive no compensation for their service, but shall be reimbursed as provided in section 15.059 for expenses incurred as a result of their duties as members of the committee.

(d) By February 15, 2015, and by February 15 of the odd-numbered years after that date, the commissioner shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over health and data privacy on the activities of the committee that have occurred during the past two years.

(e) This subdivision expires June 30, 2025.

Sec. 120. Minnesota Statutes 2024, section 144A.43, subdivision 28, is amended to read:

Subd. 28. **Social worker.** "Social worker" means a person who is licensed under chapter ~~148D~~ or 148E.

Sec. 121. Minnesota Statutes 2024, section 144E.101, subdivision 14, is amended to read:

Subd. 14. **Trauma triage and transport guidelines.** ~~By July 1, 2010,~~ A licensee shall have written age appropriate trauma triage and transport guidelines consistent with the criteria issued by the Trauma Advisory Council established under section 144.608 and approved by the director. The director may approve a licensee's requested deviations to the guidelines due to the availability of local or regional trauma resources if the changes are in the best interest of the patient's health.

Sec. 122. Minnesota Statutes 2024, section 144E.28, subdivision 5, is amended to read:

Subd. 5. **Denial, suspension, revocation.** (a) The director may deny certification or take any action authorized in subdivision 4 against an individual who the director determines:

(1) violates sections 144E.001 to 144E.33 or the rules adopted under those sections, or an order that the director issued or is otherwise authorized or empowered to enforce, or an agreement for corrective action;

(2) misrepresents or falsifies information on an application form for certification;

(3) is convicted or pleads guilty or nolo contendere to any felony; any gross misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol; or any misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol;

(4) is actually or potentially unable to provide emergency medical services with reasonable skill and safety to patients by reason of illness, use of alcohol, drugs, chemicals, or any other material, or as a result of any mental or physical condition;

(5) engages in unethical conduct, including, but not limited to, conduct likely to deceive, defraud, or harm the public or demonstrating a willful or careless disregard for the health, welfare, or safety of the public;

(6) maltreats or abandons a patient;

(7) violates any state or federal controlled substance law;

(8) engages in unprofessional conduct or any other conduct which has the potential for causing harm to the public, including any departure from or failure to conform to the minimum standards of acceptable and prevailing practice without actual injury having to be established;

(9) provides emergency medical services under lapsed or nonrenewed credentials;

(10) is subject to a denial, corrective, disciplinary, or other similar action in another jurisdiction or by another regulatory authority;

(11) engages in conduct with a patient that is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning to a patient;

(12) makes a false statement or knowingly provides false information to the director or fails to cooperate with an investigation of the director as required by section 144E.30; or

(13) fails to engage with the health professionals services program or diversion program required under section 144E.287 after being referred to the program, violates the terms of the program participation agreement, or leaves the program except upon fulfilling the terms for successful completion of the program as set forth in the participation agreement.

(b) Before taking action under paragraph (a), the director shall give notice to an individual of the right to a contested case hearing under chapter 14. If an individual requests a contested case hearing within 30 days after receiving notice, the director shall initiate a contested case hearing according to chapter 14 and no disciplinary action shall be taken at that time.

(c) The administrative law judge shall issue a report and recommendation within 30 days after closing the contested case hearing record. The director shall issue a final order within 30 days after receipt of the administrative law judge's report.

(d) After six months from the director's decision to deny, revoke, place conditions on, or refuse renewal of an individual's certification for disciplinary action, the individual shall have the opportunity to apply to the director for reinstatement.

Sec. 123. Minnesota Statutes 2024, section 144E.50, subdivision 6, is amended to read:

Subd. 6. **Audits.** (a) Each regional emergency medical services board designated by the director shall be audited either annually or biennially by an independent auditor who is either a state or local government auditor or a certified public accountant who meets the independence standards specified by the General Accounting Office for audits of governmental organizations, programs, activities, and functions. The audit shall cover all funds received by the regional board, including but not limited to, funds appropriated under this section, section 144E.52, and section 169.686, subdivision 3. Expenses associated with the audit are the responsibility of the regional board.

(b) A biennial audit specified in paragraph (a) shall be performed following the close of the biennium. Copies of the audit and any accompanying materials shall be filed by October 1 of each odd-numbered year; ~~beginning in 1999,~~ with the director, the legislative auditor, and the state auditor.

(c) An annual audit specified in paragraph (a) shall be performed following the close of the regional emergency medical services board's fiscal year. Copies of the audit and any accompanying materials shall be filed within 150 days following the close of the regional emergency medical services board's fiscal year; ~~beginning in the year 2000,~~ with the director, the legislative auditor, and the state auditor.

(d) If the audit is not conducted as required in paragraph (a) or copies filed as required in paragraph (b) or (c), or if the audit determines that funds were not spent in accordance with this chapter, the director shall immediately reduce funding to the regional emergency medical services board as follows:

(1) if an audit was not conducted or if an audit was conducted but copies were not provided as required, funding shall be reduced by up to 100 percent; and

(2) if an audit was conducted and copies provided, and the audit identifies expenditures made that are not in compliance with this chapter, funding shall be reduced by the amount in question plus ten percent.

A funding reduction under this paragraph is effective for the fiscal year in which the reduction is taken and the following fiscal year.

(e) The director shall distribute any funds withheld from a regional board under paragraph (d) to the remaining regional boards on a pro rata basis.

Sec. 124. Minnesota Statutes 2024, section 144G.08, subdivision 64, is amended to read:

Subd. 64. **Social worker.** "Social worker" means a person who is licensed under chapter ~~148D~~ or 148E.

Sec. 125. Minnesota Statutes 2024, section 147.02, subdivision 6a, is amended to read:

Subd. 6a. **Exception to publication requirement.** The publication requirement does not apply to disciplinary measures by the board which are based exclusively upon grounds listed in section 147.091, subdivision 1, ~~clause~~ paragraph (l) or (r).

Sec. 126. Minnesota Statutes 2024, section 147.09, is amended to read:

147.09 EXEMPTIONS.

Section 147.081 does not apply to, control, prevent or restrict the practice, service, or activities of:

(1) A person who is a commissioned medical officer of, a member of, or employed by, the armed forces of the United States, the United States Public Health Service, the Veterans Administration, any federal institution or any federal agency while engaged in the performance of official duties within this state, if the person is licensed elsewhere.

(2) A licensed physician from a state or country who is in actual consultation here.

(3) A licensed or registered physician who treats the physician's home state patients or other participating patients while the physicians and those patients are participating together in outdoor recreation in this state as defined by section 86A.03, subdivision 3. A physician shall first register with the board on a form developed by the board for that purpose. The board shall not be required to promulgate the contents of that form by rule. No fee shall be charged for this registration.

(4) A student practicing under the direct supervision of a preceptor while the student is enrolled in and regularly attending a recognized medical school.

(5) A student who is in continuing training and performing the duties of an intern or resident or engaged in postgraduate work considered by the board to be the equivalent of an internship or residency in any hospital or institution approved for training by the board, provided the student has a residency permit issued by the board under section 147.0391.

(6) A person employed in a scientific, sanitary, or teaching capacity by the state university, the Department of Education, a public or private school, college, or other bona fide educational institution, a nonprofit organization, which has tax-exempt status in accordance with the Internal Revenue Code, section 501(c)(3), and is organized and operated primarily for the purpose of conducting scientific research directed towards discovering the causes of and cures for human diseases, or the state Department of Health, whose duties are entirely of a research, public health, or educational character, while engaged in such duties; provided that

if the research includes the study of humans, such research shall be conducted under the supervision of one or more physicians licensed under this chapter.

(7) Physician assistants licensed in this state.

(8) A doctor of osteopathic medicine duly licensed by the state Board of Osteopathy under Minnesota Statutes 1961, sections 148.11 to 148.16, prior to May 1, 1963, who has not been granted a license to practice medicine in accordance with this chapter provided that the doctor confines activities within the scope of the license.

(9) Any person licensed by a health-related licensing board, as defined in section 214.01, subdivision 2, or registered by the commissioner of health pursuant to section 214.13, including psychological practitioners with respect to the use of hypnosis; provided that the person confines activities within the scope of the license.

(10) A person who practices ritual circumcision pursuant to the requirements or tenets of any established religion.

(11) A Christian Scientist or other person who endeavors to prevent or cure disease or suffering exclusively by mental or spiritual means or by prayer.

(12) A physician licensed to practice medicine in another state who is in this state for the sole purpose of providing medical services at a competitive athletic event. The physician may practice medicine only on participants in the athletic event. A physician shall first register with the board on a form developed by the board for that purpose. The board shall not be required to adopt the contents of the form by rule. The physician shall provide evidence satisfactory to the board of a current unrestricted license in another state. The board shall charge a fee of \$50 for the registration.

(13) A psychologist licensed under section 148.907 or a social worker licensed under chapter ~~148D~~ 148E who uses or supervises the use of a penile or vaginal plethysmograph in assessing and treating individuals suspected of engaging in aberrant sexual behavior and sex offenders.

(14) Any person issued a training course certificate or credentialed by the director of the Office of Emergency Medical Services established in chapter 144E, provided the person confines activities within the scope of training at the certified or credentialed level.

(15) An unlicensed complementary and alternative health care practitioner practicing according to chapter 146A.

Sec. 127. Minnesota Statutes 2024, section 147.091, subdivision 1, is amended to read:

Subdivision 1. **Grounds listed.** The board may refuse to grant a license, may refuse to grant registration to perform interstate telehealth services, or may impose disciplinary action as described in section 147.141 against any physician. The following conduct is prohibited and is grounds for disciplinary action:

(a) Failure to demonstrate the qualifications or satisfy the requirements for a license contained in this chapter or rules of the board. The burden of proof shall be upon the applicant to demonstrate such qualifications or satisfaction of such requirements.

(b) Obtaining a license by fraud or cheating, or attempting to subvert the licensing examination process. Conduct which subverts or attempts to subvert the licensing examination process includes, but is not limited to: (1) conduct which violates the security of the examination materials, such as removing examination

materials from the examination room or having unauthorized possession of any portion of a future, current, or previously administered licensing examination; (2) conduct which violates the standard of test administration, such as communicating with another examinee during administration of the examination, copying another examinee's answers, permitting another examinee to copy one's answers, or possessing unauthorized materials; or (3) impersonating an examinee or permitting an impersonator to take the examination on one's own behalf.

(c) Conviction, during the previous five years, of a felony reasonably related to the practice of medicine or osteopathic medicine. Conviction as used in this subdivision shall include a conviction of an offense which if committed in this state would be deemed a felony without regard to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilt is made or returned but the adjudication of guilt is either withheld or not entered thereon.

(d) Revocation, suspension, restriction, limitation, or other disciplinary action against the person's medical license in another state or jurisdiction, failure to report to the board that charges regarding the person's license have been brought in another state or jurisdiction, or having been refused a license by any other state or jurisdiction.

(e) Advertising which is false or misleading, which violates any rule of the board, or which claims without substantiation the positive cure of any disease, or professional superiority to or greater skill than that possessed by another physician.

(f) Violating a rule promulgated by the board or an order of the board, a state, or federal law which relates to the practice of medicine, or in part regulates the practice of medicine including without limitation sections 604.201, 609.344, and 609.345, or a state or federal narcotics or controlled substance law.

(g) Engaging in any unethical or improper conduct, including but not limited to:

(1) conduct likely to deceive or defraud the public;

(2) conduct likely to harm the public;

(3) conduct that demonstrates a willful or careless disregard for the health, welfare, or safety of a patient;

(4) medical practice that is professionally incompetent; and

(5) conduct that may create unnecessary danger to any patient's life, health, or safety, in any of which cases, proof of actual injury need not be established.

(h) Failure to provide proper supervision, including but not limited to supervision of a:

(1) licensed or unlicensed health care provider; and

(2) physician under any agreement with the board.

(i) Aiding or abetting an unlicensed person in the practice of medicine, except that it is not a violation of this paragraph for a physician to employ, supervise, or delegate functions to a qualified person who may or may not be required to obtain a license or registration to provide health services if that person is practicing within the scope of that person's license or registration or delegated authority.

(j) Adjudication by a court of competent jurisdiction, within or outside this state, as:

(1) mentally incompetent;

- (2) mentally ill;
- (3) developmentally disabled;
- (4) a chemically dependent person;
- (5) a person dangerous to the public;
- (6) a sexually dangerous person; or
- (7) a person who has a sexual psychopathic personality.

Such adjudication shall automatically suspend a license for the duration of the adjudication unless the board orders otherwise.

(k) Conduct that departs from or fails to conform to the minimal standards of acceptable and prevailing medical practice in which case proof of actual injury need not be established.

(l) Inability to practice medicine with reasonable skill and safety to patients by reason of the following, including but not limited to:

- (1) illness;
- (2) intoxication;
- (3) use of drugs, narcotics, chemicals, or any other type of substance;
- (4) mental condition;
- (5) physical condition;
- (6) diminished cognitive ability;
- (7) loss of motor skills; or
- (8) deterioration through the aging process.

(m) Revealing a privileged communication from or relating to a patient except when otherwise required or permitted by law.

(n) Failure by a doctor of osteopathic medicine to identify the school of healing in the professional use of the doctor's name by one of the following terms: osteopathic physician and surgeon, doctor of osteopathic medicine, or D.O.

(o) Improper management of medical records, including failure to maintain adequate medical records, to comply with a patient's request made pursuant to sections 144.291 to 144.298, or to furnish a medical record or report required by law.

(p) Fee splitting, including without limitation:

(1) paying, offering to pay, receiving, or agreeing to receive, a commission, rebate, or remuneration, directly or indirectly, primarily for the referral of patients or the prescription of drugs or devices;

(2) dividing fees with another physician or a professional corporation, unless the division is in proportion to the services provided and the responsibility assumed by each professional and the physician has disclosed the terms of the division;

(3) referring a patient to any health care provider as defined in sections 144.291 to 144.298 in which the referring physician has a "financial or economic interest," as defined in section 144.6521, subdivision 3, unless the physician has disclosed the physician's financial or economic interest in accordance with section 144.6521; and

(4) dispensing for profit any drug or device, unless the physician has disclosed the physician's own profit interest.

The physician must make the disclosures required in this clause in advance and in writing to the patient and must include in the disclosure a statement that the patient is free to choose a different health care provider. This clause does not apply to the distribution of revenues from a partnership, group practice, nonprofit corporation, or professional corporation to its partners, shareholders, members, or employees if the revenues consist only of fees for services performed by the physician or under a physician's direct supervision, or to the division or distribution of prepaid or capitated health care premiums, or fee-for-service withhold amounts paid under contracts established under other state law.

(q) Engaging in abusive or fraudulent billing practices, including violations of the federal Medicare and Medicaid laws or state medical assistance laws.

(r) Becoming addicted or habituated to a drug or intoxicant.

(s) Inappropriate prescribing of or failure to properly prescribe a drug or device, including prescribing a drug or device for other than medically accepted therapeutic or experimental or investigative purposes authorized by a state or federal agency.

(t) Engaging in conduct with a patient which is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior which is seductive or sexually demeaning to a patient.

(u) Failure to make reports as required by section 147.111 or to cooperate with an investigation of the board as required by section 147.131.

(v) Knowingly providing false or misleading information that is directly related to the care of that patient unless done for an accepted therapeutic purpose such as the administration of a placebo.

(w) Aiding suicide or aiding attempted suicide in violation of section 609.215 as established by any of the following:

(1) a copy of the record of criminal conviction or plea of guilty for a felony in violation of section 609.215, subdivision 1 or 2;

(2) a copy of the record of a judgment of contempt of court for violating an injunction issued under section 609.215, subdivision 4;

(3) a copy of the record of a judgment assessing damages under section 609.215, subdivision 5; or

(4) a finding by the board that the person violated section 609.215, subdivision 1 or 2. The board shall investigate any complaint of a violation of section 609.215, subdivision 1 or 2.

(x) Practice of a board-regulated profession under lapsed or nonrenewed credentials.

(y) Failure to repay a state or federally secured student loan in accordance with the provisions of the loan.

(z) Providing interstate telehealth services other than according to section 147.032.

Sec. 128. Minnesota Statutes 2024, section 147.091, subdivision 6, is amended to read:

Subd. 6. **Mental examination; access to medical data.** (a) If the board has probable cause to believe that a regulated person comes under subdivision 1, paragraph (1), it may direct the person to submit to a mental or physical examination. For the purpose of this subdivision every regulated person is deemed to have consented to submit to a mental or physical examination when directed in writing by the board and further to have waived all objections to the admissibility of the examining physicians' testimony or examination reports on the ground that the same constitute a privileged communication. Failure of a regulated person to submit to an examination when directed constitutes an admission of the allegations against the person, unless the failure was due to circumstance beyond the person's control, in which case a default and final order may be entered without the taking of testimony or presentation of evidence. A regulated person affected under this paragraph shall at reasonable intervals be given an opportunity to demonstrate that the person can resume the competent practice of the regulated profession with reasonable skill and safety to the public.

In any proceeding under this paragraph, neither the record of proceedings nor the orders entered by the board shall be used against a regulated person in any other proceeding.

(b) In addition to ordering a physical or mental examination, the board may, notwithstanding section 13.384, 144.651, or any other law limiting access to medical or other health data, obtain medical data and health records relating to a regulated person or applicant without the person's or applicant's consent if the board has probable cause to believe that a regulated person comes under subdivision 1, paragraph (1). The medical data may be requested from a provider, as defined in section 144.291, subdivision 2, paragraph (i); an insurance company; or a government agency, including the Department of Human Services. A provider, insurance company, or government agency shall comply with any written request of the board under this subdivision and is not liable in any action for damages for releasing the data requested by the board if the data are released pursuant to a written request under this subdivision, unless the information is false and the provider giving the information knew, or had reason to believe, the information was false. Information obtained under this subdivision is classified as private under sections 13.01 to 13.87.

Sec. 129. Minnesota Statutes 2024, section 147.111, subdivision 6, is amended to read:

Subd. 6. **Courts.** The court administrator of district court or any other court of competent jurisdiction shall report to the board any judgment or other determination of the court which adjudges or includes a finding that a physician is mentally ill, mentally incompetent, guilty of a felony, ~~or~~ guilty of a violation of federal or state narcotics laws or controlled substances act, or guilty of an abuse or fraud under Medicare or Medicaid; appoints a guardian of the physician pursuant to sections 524.5-101 to 524.5-502; or commits a physician pursuant to chapter 253B.

Sec. 130. Minnesota Statutes 2024, section 147A.01, subdivision 20, is amended to read:

Subd. 20. **Prescribe.** "Prescribe" means to direct, order, or designate by means of a prescription the preparation of, use of, or manner of using a drug or medical device.

Sec. 131. Minnesota Statutes 2024, section 147A.09, subdivision 3, is amended to read:

Subd. 3. **Practice agreement review.** A physician assistant shall have a practice agreement at the practice level that describes the practice of the physician assistant. The practice agreement must be reviewed on an annual basis by a licensed physician within the same clinic, hospital, health system, or other facility as the physician assistant and who has knowledge of the physician assistant's practice to ensure that the

physician assistant's medical practice is consistent with the practice agreement. A document stating that the review occurred must be maintained at the practice level and made available to the board, upon request.

Sec. 132. Minnesota Statutes 2024, section 147A.13, subdivision 4, is amended to read:

Subd. 4. **Temporary suspension of license.** (a) In addition to any other remedy provided by law, the board may, without a hearing, temporarily suspend the license of a physician assistant if the board finds that the physician assistant has violated a statute or rule which the board is empowered to enforce and continued practice by the physician assistant would create a serious risk of harm to the public. The suspension shall take effect upon written notice to the physician assistant, specifying the statute or rule violated. The suspension shall remain in effect until the board issues a final order in the matter after a hearing. At the time it issues the suspension notice, the board shall schedule a disciplinary hearing to be held pursuant to the Administrative Procedure Act.

(b) The physician assistant shall be provided with at least 20 days' notice of any hearing held pursuant to this subdivision. The hearing shall be scheduled to begin no later than 30 days after the issuance of the suspension order.

Sec. 133. Minnesota Statutes 2024, section 147A.13, subdivision 6, is amended to read:

Subd. 6. **Mental examination; access to medical data.** (a) If the board has probable cause to believe that a physician assistant comes under subdivision 1, clause (1), it may direct the physician assistant to submit to a mental or physical examination. For the purpose of this subdivision, every physician assistant licensed under this chapter is deemed to have consented to submit to a mental or physical examination when directed in writing by the board and further to have waived all objections to the admissibility of the examining physicians' testimony or examination reports on the ground that the same constitute a privileged communication. Failure of a physician assistant to submit to an examination when directed constitutes an admission of the allegations against the physician assistant, unless the failure was due to circumstance beyond the physician assistant's control, in which case a default and final order may be entered without the taking of testimony or presentation of evidence. A physician assistant affected under this subdivision shall at reasonable intervals be given an opportunity to demonstrate that the physician assistant can resume competent practice with reasonable skill and safety to patients. In any proceeding under this subdivision, neither the record of proceedings nor the orders entered by the board shall be used against a physician assistant in any other proceeding.

(b) In addition to ordering a physical or mental examination, the board may, notwithstanding sections 13.384, 144.651, or any other law limiting access to medical or other health data, obtain medical data and health records relating to a licensee or applicant without the licensee's or applicant's consent if the board has probable cause to believe that a physician assistant comes under subdivision 1, clause (1).

(c) The medical data may be requested from a provider, as defined in section 144.291, subdivision 2, paragraph (i), an insurance company, or a government agency, including the Department of Human Services. A provider, insurance company, or government agency shall comply with any written request of the board under this subdivision and is not liable in any action for damages for releasing the data requested by the board if the data are released pursuant to a written request under this subdivision, unless the information is false and the provider giving the information knew, or had reason to believe, the information was false. Information obtained under this subdivision is classified as private under chapter 13.

Sec. 134. Minnesota Statutes 2024, section 147A.13, subdivision 7, is amended to read:

Subd. 7. **Tax clearance certificate.** (a) In addition to the provisions of subdivision 1, the board may not issue or renew a license if the commissioner of revenue notifies the board and the licensee or applicant for licensure that the licensee or applicant owes the state delinquent taxes in the amount of \$500 or more. The board may issue or renew the license only if:

(1) the commissioner of revenue issues a tax clearance certificate; and

(2) the commissioner of revenue, the licensee, or the applicant forwards a copy of the clearance to the board.

(b) The commissioner of revenue may issue a clearance certificate only if the licensee or applicant does not owe the state any uncontested delinquent taxes.

~~(b)~~ (c) For purposes of this subdivision, the following terms have the meanings given:

(1) "Taxes" are all taxes payable to the commissioner of revenue, including penalties and interest due on those taxes, and

(2) "Delinquent taxes" do not include a tax liability if:

(i) an administrative or court action that contests the amount or validity of the liability has been filed or served;

(ii) the appeal period to contest the tax liability has not expired; or

(iii) the licensee or applicant has entered into a payment agreement to pay the liability and is current with the payments.

~~(c)~~ (d) When a licensee or applicant is required to obtain a clearance certificate under this subdivision, a contested case hearing must be held if the licensee or applicant requests a hearing in writing to the commissioner of revenue within 30 days of the date of the notice provided in paragraph (a). The hearing must be held within 45 days of the date the commissioner of revenue refers the case to the Office of Administrative Hearings. Notwithstanding any law to the contrary, the licensee or applicant must be served with 20 days' notice in writing specifying the time and place of the hearing and the allegations against the registrant or applicant. The notice may be served personally or by mail.

~~(d)~~ (e) The board shall require all licensees or applicants to provide their Social Security number and Minnesota business identification number on all license applications. Upon request of the commissioner of revenue, the board must provide to the commissioner of revenue a list of all licensees and applicants, including their names and addresses, Social Security numbers, and business identification numbers. The commissioner of revenue may request a list of the licensees and applicants no more than once each calendar year.

Sec. 135. Minnesota Statutes 2024, section 147A.14, subdivision 6, is amended to read:

Subd. 6. **Courts.** The court administrator of district court or any other court of competent jurisdiction shall report to the board any judgment or other determination of the court which adjudges or includes a finding that a physician assistant is mentally ill, mentally incompetent, guilty of a felony, guilty of a violation of federal or state narcotics laws or controlled substances act, or guilty of an abuse or fraud under Medicare or Medicaid; appoints a guardian of the physician assistant pursuant to sections 524.5-101 to 524.5-502; or commits a physician assistant pursuant to chapter 253B.

Sec. 136. Minnesota Statutes 2024, section 147A.17, subdivision 1, is amended to read:

Subdivision 1. **Investigation.** (a) The board shall maintain and keep current a file containing the reports and complaints filed against physician assistants in the state. Each complaint filed with the board pursuant to section 214.10, subdivision 1, shall be investigated according to section 214.10, subdivision 2.

(b) Whenever the files maintained by the board show that a medical malpractice settlement or award to the plaintiff has been made against a physician assistant as reported by insurers pursuant to this chapter, the executive director of the board shall notify the board and the board may authorize a review of the physician assistant's practice.

Sec. 137. Minnesota Statutes 2024, section 147B.02, subdivision 1, is amended to read:

Subdivision 1. **Licensure required.** Except as provided under subdivision 4, it is unlawful for any person to engage in the practice of acupuncture without a valid license ~~after June 30, 1997~~. Each licensed acupuncture practitioner shall conspicuously display the license in the place of practice.

Sec. 138. Minnesota Statutes 2024, section 147B.02, subdivision 7, is amended to read:

Subd. 7. **Licensure requirements.** (a) An applicant for licensure must:

(1) submit a completed application for licensure on forms provided by the board, which must include the applicant's name and address of record, which shall be public;

(2) unless licensed under subdivision ~~5 or~~ 6, submit evidence satisfactory to the board of current NCCAOM certification;

(3) sign a statement that the information in the application is true and correct to the best of the applicant's knowledge and belief;

(4) submit with the application all fees required; and

(5) sign a waiver authorizing the board to obtain access to the applicant's records in this state or any state in which the applicant has engaged in the practice of acupuncture.

(b) The board may ask the applicant to provide any additional information necessary to ensure that the applicant is able to practice with reasonable skill and safety to the public.

(c) The board may investigate information provided by an applicant to determine whether the information is accurate and complete. The board shall notify an applicant of action taken on the application and the reasons for denying licensure if licensure is denied.

Sec. 139. Minnesota Statutes 2024, section 147B.02, subdivision 9, is amended to read:

Subd. 9. **Renewal.** (a) To renew a license an applicant must:

(1) annually, or as determined by the board, complete a renewal application on a form provided by the board;

(2) submit the renewal fee;

(3) provide documentation of current and active NCCAOM certification; or

(4) if licensed under subdivision ~~5~~ or 6, meet the same NCCAOM professional development activity requirements as those licensed under subdivision 7.

(b) An applicant shall submit any additional information requested by the board to clarify information presented in the renewal application. The information must be submitted within 30 days after the board's request, or the renewal request is nullified.

(c) An applicant must maintain a correct mailing address with the board for receiving board communications, notices, and license renewal documents. Placing the license renewal application in first-class United States mail, addressed to the applicant at the applicant's last known address with postage prepaid, constitutes valid service. Failure to receive the renewal documents does not relieve an applicant of the obligation to comply with this section.

(d) The name of an applicant who does not return a complete license renewal application, annual license fee, or late application fee, as applicable, within the time period required by this section shall be removed from the list of individuals authorized to practice during the current renewal period. If the applicant's license is reinstated, the applicant's name shall be placed on the list of individuals authorized to practice.

Sec. 140. Minnesota Statutes 2024, section 147B.06, subdivision 4, is amended to read:

Subd. 4. **Scope of practice.** The scope of practice of acupuncture includes, but is not limited to, the following:

- (1) using Oriental medical theory to assess and diagnose a patient; and
- (2) using Oriental medical theory to develop a plan to treat a patient. The treatment techniques that may be chosen include:
 - (i) insertion of sterile acupuncture needles through the skin;
 - (ii) acupuncture stimulation including, but not limited to, electrical stimulation or the application of heat;
 - (iii) cupping;
 - (iv) dermal friction;
 - (v) acupressure;
 - (vi) herbal therapies;
 - (vii) dietary counseling based on traditional Chinese medical principles;
 - (viii) breathing techniques;
 - (ix) exercise according to Oriental medical principles; or
 - (x) Oriental massage.

Sec. 141. Minnesota Statutes 2024, section 147E.10, subdivision 1, is amended to read:

Subdivision 1. **Designation.** (a) No individual may use the title "registered naturopathic doctor," "naturopathic doctor," "doctor of naturopathic medicine," or use, in connection with the individual's name, the letters "R.N.D." or "N.M.D.," or any other titles, words, letters, abbreviations, or insignia indicating or

implying that the individual is a registered naturopathic doctor unless the individual has been registered as a registered naturopathic doctor according to this chapter.

(b) ~~After July 1, 2009,~~ Individuals who are registered under this chapter and who represent themselves as practicing naturopathic medicine by use of a term in paragraph (a) shall conspicuously display the registration in the place of practice.

Sec. 142. Minnesota Statutes 2024, section 147E.15, subdivision 11, is amended to read:

Subd. 11. **Cancellation due to nonrenewal.** The board shall not renew, reissue, reinstate, or restore a registration that has lapsed and has not been renewed within two annual registration renewal cycles ~~starting January 2009~~. A registrant whose registration is canceled for nonrenewal must obtain a new registration by applying for registration and fulfilling all requirements then in existence for initial registration as a registered naturopathic doctor.

Sec. 143. Minnesota Statutes 2024, section 147E.40, subdivision 1, is amended to read:

Subdivision 1. **Fees.** (a) Fees are as follows:

- (1) registration application fee, \$200;
- (2) renewal fee, \$150;
- (3) late fee, \$75;
- (4) inactive status fee, \$50;
- (5) temporary permit fee, \$25;
- (6) naturopathic doctor certification fee, \$25;
- ~~(7) naturopathic doctor duplicate license fee, \$20;~~
- ~~(8)~~ (7) naturopathic doctor emeritus registration fee, \$50;
- ~~(9)~~ (8) naturopathic doctor certification fee, \$25;
- ~~(10)~~ (9) duplicate license or registration fee, \$20;
- ~~(11)~~ (10) certification letter fee, \$25;
- ~~(12)~~ (11) verification fee, \$25;
- ~~(13)~~ (12) education or training program approval fee, \$100; and
- ~~(14)~~ (13) report creation and generation fee, \$60 per hour billed in quarter-hour increments with a quarter-hour minimum.

(b) The revenue generated from the fees must be deposited in an account in the state government special revenue fund.

Sec. 144. Minnesota Statutes 2024, section 147F.05, subdivision 2, is amended to read:

Subd. 2. **Unlicensed practice prohibited.** ~~Effective January 1, 2018,~~ No individual may practice genetic counseling unless the individual is licensed as a genetic counselor under this chapter except as otherwise provided under this chapter.

Sec. 145. Minnesota Statutes 2024, section 148E.285, subdivision 4, is amended to read:

Subd. 4. **Failure to report.** ~~On or after August 1, 2012,~~ Any person, institution, or organization that fails to report as required under subdivisions 1 and 2 shall be subject to civil penalties for failing to report as required by law.

Sec. 146. Minnesota Statutes 2024, section 150A.055, subdivision 1, is amended to read:

Subdivision 1. **Practice of dentistry.** A person licensed to practice dentistry under sections 150A.01 to 150A.14 shall be deemed to be practicing dentistry while participating in the administration of an influenza or COVID-19 vaccine. ~~The authority under this section to administer COVID-19 vaccines expires June 1, 2022.~~

Sec. 147. Minnesota Statutes 2024, section 150A.06, subdivision 12, is amended to read:

Subd. 12. **Licensure by credentials; dental therapist.** (a) Any dental therapist may, upon application and payment of a fee established by the board, apply for licensure based on an evaluation of the applicant's education, experience, and performance record. The applicant may be interviewed by the board to determine if the applicant:

(1) graduated with a baccalaureate or master's degree from a dental therapy program accredited by the Commission on Dental Accreditation;

(2) provided evidence of successfully completing the board's jurisprudence examination;

(3) actively practiced at least 2,000 hours within 36 months of the application date or passed a board-approved reentry program within 36 months of the application date;

(4) either:

(i) is currently licensed in another state or Canadian province and not subject to any pending or final disciplinary action; or

(ii) was previously licensed in another state or Canadian province in good standing and not subject to any final or pending disciplinary action at the time of surrender;

(5) passed a board-approved English proficiency test if English is not the applicant's primary language required at the board's discretion; and

(6) met all curriculum equivalency requirements regarding dental therapy scope of practice in Minnesota.

(b) The 2,000 practice hours required by paragraph (a), clause (3), may count toward the 2,000 practice hours required for consideration for advanced dental therapy certification, provided that all other requirements of section 150A.106, subdivision 1, are met.

(c) The board, at its discretion, may waive specific licensure requirements in paragraph (a).

(d) The board must license an applicant who fulfills the conditions of this subdivision and demonstrates the minimum knowledge in dental subjects required for licensure under subdivision 1d to practice the applicant's profession.

(e) The board must deny the application if the applicant does not demonstrate the minimum knowledge in dental subjects required for licensure under subdivision 1d. If licensure is denied, the board may notify the applicant of any specific remedy the applicant could take to qualify for licensure. A denial does not prohibit the applicant from applying for licensure under subdivision 1d.

(f) A candidate may appeal a denied application to the board according to subdivision 4a.

Sec. 148. Minnesota Statutes 2024, section 154.19, is amended to read:

154.19 VIOLATIONS.

(a) Each of the following constitutes a misdemeanor:

(1) the violation of any of the provisions of section 154.01;

(2) permitting any person in one's employ, supervision, or control to practice as a registered barber unless that person has a certificate of registration as a registered barber;

(3) obtaining or attempting to obtain a certificate of registration for money other than the required fee, or any other thing of value, or by fraudulent misrepresentation;

(4) practicing or attempting to practice by fraudulent misrepresentation;

(5) the willful failure to display a certificate of registration as required by section 154.14;

(6) the use of any room or place for barbering which is also used for residential or business purposes, except the sale of hair tonics, lotions, creams, cutlery, toilet articles, cigars, tobacco, candies in original package, and such commodities as are used and sold in barber shops, and except that shoeshining and an agency for the reception and delivery of laundry, or either, may be conducted in a barber shop without the same being construed as a violation of this section, unless a substantial partition of ceiling height separates the portion used for residential or business purposes, and where a barber shop is situated in a residence, poolroom, confectionery, store, restaurant, garage, clothing store, liquor store, hardware store, or soft drink parlor, there must be an outside entrance leading into the barber shop independent of any entrance leading into such business establishment, except that this provision as to an outside entrance shall not apply to barber shops in operation at the time of the passage of this section and except that a barber shop and cosmetology salon may be operated in conjunction, without the same being separated by partition of ceiling height;

(7) the failure or refusal of any barber or other person in charge of any barber shop, or any person in barber schools or colleges doing barber service work, to use separate and clean towels for each customer or patron, or to discard and launder each towel after once being used; or

(8) the failure or refusal by any barber or other person in charge of any barber shop or barber school or barber college to supply clean hot and cold water in such quantities as may be necessary to conduct such shop, or the barbering service of such school or college, in a sanitary manner, or the failure or refusal of any such person to have water and sewer connections from such shop, or barber school or college, with municipal water and sewer systems where the latter are available for use, or the failure or refusal of any such person to maintain a receptacle for hot water of a capacity of not less than five gallons;

~~(9)~~ (b) For the purposes of this section, barbers, students, or the proprietor or manager of a barber shop, or barber school or barber college, shall be responsible for all violations of the sanitation and disinfection provisions of this section. If any barber workstation in any barber shop, or barber school or barber college, upon inspection, shall be found to be in an unsanitary condition, the person making such inspection shall immediately issue an order to place the barber shop, or barber school, or barber college, in a sanitary condition, in a manner and within a time satisfactory to the Board of Barber Examiners, and for the failure to comply with such order the board shall immediately file a complaint for the arrest of the persons upon whom the order was issued, and any registered barber who shall fail to comply with the rules adopted by the Board of Barber Examiners, with the approval of the state commissioner of health, or the violation or commission of any of the offenses described in this section and section 154.161, subdivision 4, paragraph (a), clauses (1), (3), and (4) to (12), shall be fined not less than \$10 or imprisoned for ten days and not more than \$100 or imprisoned for 90 days.

Sec. 149. Minnesota Statutes 2024, section 161.125, subdivision 3, is amended to read:

Subd. 3. **Sound-abatement measures.** (a) For the purpose of this section, sound-abatement measures include but are not limited to the following:

(1) traffic-management measures, including reduced speed limits or exclusion and rerouting of excessively noisy vehicles;

(2) design and construction measures, including use of sound-absorbing road surface materials, landscaping and planning, acquisition of buffer zones or noise insulation of buildings on abutting property;

(3) enforcement of the motor vehicle source noise limits of the Pollution Control Agency and of the Federal ~~Bureau of~~ Motor Carrier Safety Administration; and

(4) other measures designed for the purpose of reducing motor vehicle source noise or reducing the effects of that noise.

(b) The commissioner of public safety shall cooperate with the commissioner of transportation in implementing any sound-abatement measures that include law enforcement activities.

Sec. 150. Minnesota Statutes 2024, section 161.45, subdivision 4, is amended to read:

Subd. 4. **High voltage transmission; placement in right-of-way.** (a) For purposes of this subdivision and subdivisions 5 to 7, "high voltage transmission line" has the meaning given in section ~~216E.01, subdivision 4~~ 216L.02, subdivision 8.

(b) Notwithstanding subdivision 1, paragraph (a), high voltage transmission lines under the laws of this state or the ordinance of any city or county may be constructed, placed, or maintained across or along any trunk highway, including an interstate highway and a trunk highway that is an expressway or a freeway, except as deemed necessary by the commissioner of transportation to protect public safety or ensure the proper function of the trunk highway system.

(c) If the commissioner denies a high voltage electric line colocation request, the reasons for the denial must be submitted for review within 90 days of the commissioner's denial to the chairs and ranking minority members of the legislative committees with jurisdiction over energy and transportation, the Public Utilities Commission executive secretary, and the commissioner of commerce.

Sec. 151. Minnesota Statutes 2024, section 161.46, subdivision 1, is amended to read:

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

(b) "Utility" means all publicly, privately, and cooperatively owned systems for supplying power, light, gas, telegraph, telephone, water, pipeline, or sewer service if such systems be authorized by law to use public highways for the location of its facilities.

(c) "Cost of relocation" means the entire amount paid by such utility properly attributable to such relocation after deducting therefrom any increase in the value of the new facility and any salvage value derived from the old facility.

(d) "High voltage transmission line" has the meaning given in section ~~216E.01, subdivision 4~~ 216I.02, subdivision 8.

Sec. 152. Minnesota Statutes 2024, section 162.09, subdivision 4, is amended to read:

Subd. 4. **Federal census is conclusive.** (a) In determining whether any city has a population of 5,000 or more, the last federal census shall be conclusive, except as otherwise provided in this subdivision.

(b) The governing body of a city may contract with the United States Bureau of the Census to take a special census. A certified copy of the results of the census shall be filed with the appropriate state authorities by the city. The result of the census shall be the population of the city for the purposes of any law providing that population is a required qualification for distribution of highway aids under this chapter ~~162~~. The special census shall remain in effect until the next federal census is completed and filed. The expense of taking the special census shall be paid by the city.

(c) If an entire area not heretofore incorporated as a city is incorporated as such during the interval between federal censuses, its population shall be determined by its incorporation census. The incorporation census shall be determinative of the population of the city only until the next federal census.

(d) The population of a city created by the consolidation of two or more previously incorporated cities shall be determined by the most recent population estimate of the Metropolitan Council or state demographer, until the first federal decennial census or special census taken after the consolidation.

(e) The population of a city that is not receiving a municipal state-aid street fund apportionment shall be determined, upon request of the city, by the most recent population estimate of the Metropolitan Council or state demographer. A municipal state-aid street fund apportionment received by the city must be based on this population estimate until the next federal decennial census or special census.

(f) A city that is found in the most recent federal decennial census to have a population of less than 5,000 is deemed for the purposes of this chapter and the Minnesota Constitution, article XIV, to have a population of 5,000 or more under the following circumstances: (1) immediately before the most recent federal decennial census, the city was receiving municipal state-aid street fund distributions; and (2) the population of the city was found in the most recent federal decennial census to be less than 5,000. Following the end of the first calendar year that ends in "5" after the decennial census and until the next decennial census, the population of any city must be determined under paragraphs (a) to (e).

Sec. 153. Minnesota Statutes 2024, section 163.161, is amended to read:

163.161 IMPASSABLE CITY THOROUGHFARE.

When a written complaint signed by five or more landowners of a statutory city of not more than 5,000 population is presented to the county board stating that a city thoroughfare located outside an urban ~~area~~ district as defined in section 169.011, subdivision 90, has not been properly maintained and because of the improper maintenance is not reasonably passable, the county board shall consider and act upon the complaint in the same manner provided for a complaint under section 163.16.

Sec. 154. Minnesota Statutes 2024, section 168.012, subdivision 13, is amended to read:

Subd. 13. **Vehicles registered by certain veterans.** (a) A passenger automobile, one-ton pickup truck, motorcycle, or recreational vehicle registered by a veteran with a total service-connected disability, as defined in section 171.01, subdivision 51, is not subject to:

- (1) registration taxes under this chapter;
- (2) administrative fees imposed under subdivision 1c;
- (3) filing fees and surcharges imposed under section 168.33, subdivision 7; or
- (4) plate and validation sticker fees imposed under this chapter, including but not limited to:
 - (i) fees under section 168.12, subdivision 5;
 - (ii) fees identified in any section authorizing special plates; and
 - (iii) transfer fees.

(b) The exemptions under this subdivision apply to a motor vehicle that is jointly registered by a qualifying veteran and a spouse or domestic partner.

(c) The fees identified under paragraph (a), clause (4), do not include:

- (1) a fee for personalized plates under section 168.12, subdivision 2a; or
- (2) a required contribution or donation for a special plate, including but not limited to a contribution under sections 168.1255, subdivision 1, clause (6); 168.1258, subdivision 1, clause (4); 168.1259, subdivision 2, paragraph (a), clause (5); 168.1287, subdivision 1, clause (5); 168.129, subdivision 1, clause (5); 168.1295, subdivision 1, paragraph (a), clause (5); 168.1296, subdivision 1, paragraph (a), clause (5); and 168.1299, subdivision 1, clause (3).

(d) A qualifying veteran may register no more than two motor vehicles at the same time with the exemptions under this subdivision. Nothing in this paragraph prevents registration of additional motor vehicles as otherwise provided in this chapter.

Sec. 155. Minnesota Statutes 2024, section 168.10, subdivision 1c, is amended to read:

Subd. 1c. **Collector's vehicle, collector plate.** (a) The owner of any self-propelled motor vehicle, including any truck, (1) that is (i) at least 20 model years old, or (ii) at least ten model years old and with a body or engine style of which not more than 500 were manufactured in or imported into the United States in any model year, (2) that was manufactured after 1935, and (3) that is owned and operated solely as a collector's vehicle, shall list the vehicle for taxation and registration as provided in paragraph (b).

(b) The owner shall execute an affidavit stating (1) the name and address of the person from whom purchased and of the new owner, (2) the make of the motor vehicle, (3) the year and number of the model, (4) the manufacturer's identification number, (5) in the case of a vehicle described in paragraph (a), clause ~~(1)~~⁽ⁱⁱ⁾ (1), item (ii), that the vehicle has a body or engine style of which not more than 500 were manufactured or imported into the United States in any model year, and (6) that the vehicle is owned and operated solely as a collector's item and not for general transportation purposes.

(c) The owner shall provide a statement of the manufacturer or importer regarding the number of vehicles manufactured or imported during the model year.

(d) The owner shall also prove that the owner also has one or more vehicles with regular license plates.

(e) If the commissioner is satisfied that the affidavit is true and correct and the owner pays a \$25 tax and the plate fee authorized under section 168.12, the commissioner shall list the vehicle for taxation and registration and shall issue a single number plate.

(f) The number plate issued shall bear the inscription "Collector," "Minnesota," and the registration number or other combination of characters authorized under section 168.12, subdivision 2a, but no date. The number plate is valid without renewal as long as the vehicle is in existence in Minnesota. The commissioner has the power to revoke the plate for failure to comply with this subdivision.

Sec. 156. Minnesota Statutes 2024, section 168.1291, subdivision 5, is amended to read:

Subd. 5. **Applicability.** This section does not apply to a special motorcycle plate designed by the commissioner under section 168.123, subdivision 1, paragraph (a), clause (2).

Sec. 157. Minnesota Statutes 2024, section 168.187, subdivision 17, is amended to read:

Subd. 17. **Trip permit.** Subject to agreements or arrangements made or entered into pursuant to subdivision 7, the commissioner may issue trip permits for use of Minnesota highways by individual vehicles, on an occasional basis, for periods not to exceed 120 hours ~~in compliance with rules promulgated pursuant to subdivision 23~~. The fee for the trip permit is calculated as one-twelfth of the amount determined under section 168.013, subdivision 1e, rounded to the nearest whole dollar. For the purposes of this subdivision, "on an occasional basis" means no more than one permit per vehicle within a 30-day period, which begins the day a permit is effective.

Sec. 158. Minnesota Statutes 2024, section 168.27, subdivision 2, is amended to read:

Subd. 2. **New motor vehicle dealer.** (a) A new motor vehicle dealer licensee may sell, broker, wholesale, or auction and solicit and advertise the sale, brokerage, wholesale, or auction of new motor vehicles covered by the franchise and any used motor vehicles, and may lease and solicit and advertise the lease of new motor vehicles and any used motor vehicles. New motor vehicle dealer sales or leases may be either for consumer use at retail or for resale to a dealer. A new motor vehicle dealer may engage in the business of buying or otherwise acquiring vehicles for dismantling the vehicles and selling used parts and remaining scrap materials under chapter 168A, except that a new motor vehicle dealer may not purchase a junked vehicle from a salvage pool, insurance company, or its agent unless the dealer is also licensed as a used vehicle parts dealer or licensed as a scrap metal processor. Nothing in this subdivision requires an applicant for a dealer license who proposes to deal in: (1) new and unused motor vehicle bodies; or (2) type A, B, or C motor homes as defined in section 168.002, subdivision ~~27~~ 17, to have a bona fide contract or franchise in effect with either the first-stage manufacturer of the motor home or the manufacturer or distributor of any motor vehicle chassis

upon which the new and unused motor vehicle body is mounted. The modification or conversion of a new van-type vehicle into a multipurpose passenger vehicle which is not a motor home does not constitute dealing in new or unused motor vehicle bodies, and a person engaged in the business of selling these van-type vehicles must have a bona fide contract or franchise with the appropriate manufacturer under subdivision 10. A van converter or modifier who owns these modified or converted van-type vehicles may sell them at wholesale to new motor vehicle dealers having a bona fide contract or franchise with the first-stage manufacturer of the vehicles.

(b) The requirements pertaining to franchises do not apply to persons who remodel or convert motor vehicles for medical purposes. For purposes of this subdivision, "medical purpose" means certification by a licensed physician that remodeling or conversion of a motor vehicle is necessary to enable a disabled person to use the vehicle.

(c) A new motor vehicle dealer shall not deliver a manufacturer's or importer's certificate of origin for a passenger automobile, pickup truck, or van requiring a certificate of title according to chapter 168A to any person in conjunction with the sale of a vehicle except to the department, another new motor vehicle dealer licensed to sell the same line or make, or a person whose primary business is picking up and delivering motor vehicle title documents.

(d) If a new motor vehicle dealer agrees to sell or lease a new motor vehicle using the services of a motor vehicle broker, the new motor vehicle dealer may not refuse to deliver possession of the vehicle to the buyer or lessee. This paragraph does not require delivery unless all arrangements have been properly completed for payment, insurance required by law, titling, transfer, and registration of the new vehicle and any trade-in vehicle. Delivery may take place at or away from the dealership.

Sec. 159. Minnesota Statutes 2024, section 168.327, subdivision 6, is amended to read:

Subd. 6. **Review and audit of subscription services.** Each subscriber under subdivision 4 or 5a must annually engage an independent professional organization to audit its uses of data and its information technology security procedures, including: (1) the methods and practices employed in the processing and use of driver and vehicle services data; and (2) compliance with the certification required under section 171.12, subdivision 7b, paragraph ~~(d)~~ (e). Within 30 days of the date of the audit report, each subscriber must submit each report to the legislative auditor and the commissioner.

Sec. 160. Minnesota Statutes 2024, section 168.345, subdivision 2, is amended to read:

Subd. 2. **Lessees; information.** (a) The commissioner may not furnish information about ~~registered owners of~~ motor vehicle lessees under a lease for a term of 180 days or more to any person except:

- (1) the owner of the vehicle;
- (2) the lessee;
- (3) personnel of law enforcement agencies;
- (4) trade associations performing a member service under section 604.15, subdivision 4a;
- (5) licensed dealers in connection with a vehicle sale or lease;
- (6) federal, state, and local governmental units; and

(7) at the commissioner's discretion, to persons who use the information to notify lessees of automobile recalls.

(b) The commissioner may release information about motor vehicle lessees in the form of summary data, as defined in section 13.02, to persons who use the information in conducting statistical analysis and market research.

Sec. 161. Minnesota Statutes 2024, section 168A.01, subdivision 18, is amended to read:

Subd. 18. **Secured party.** "Secured party" means a secured party as defined in section ~~336.9-102(a)(73)~~ 336.9-102, paragraph (a), clause (73), having a security interest in a vehicle.

Sec. 162. Minnesota Statutes 2024, section 168A.01, subdivision 19, is amended to read:

Subd. 19. **Security agreement.** "Security agreement" means a security agreement as defined in section ~~336.9-102(a)(74)~~ 336.9-102, paragraph (a), clause (74).

Sec. 163. Minnesota Statutes 2024, section 168A.01, subdivision 20, is amended to read:

Subd. 20. **Security interest.** "Security interest" means a security interest as defined in section ~~336.1-201(b)(35)~~ 336.1-201, paragraph (b), clause (35). A security interest is "perfected" when it is valid against third parties generally, subject only to specific statutory exception.

Sec. 164. Minnesota Statutes 2024, section 168A.14, subdivision 1a, is amended to read:

Subd. 1a. **New certificate after security interest filed.** The department, upon receipt of an affidavit as provided in section ~~524.3-1201(a)~~ 524.3-1201, paragraph (a), an application for a new certificate of title, and any required fee, shall issue a new certificate of title in the name of the successor as owner, listing any secured party on it. The department shall deliver the certificate to the successor and shall issue any secured party a notification that the security interest has been filed.

Sec. 165. Minnesota Statutes 2024, section 169.345, subdivision 3c, is amended to read:

Subd. 3c. **Fees; organization, temporary, and short-term certificates.** The commissioner may charge a fee of \$5 for issuance of each organization certificate, each temporary certificate, and each short-term certificate and a fee of \$5 for a duplicate to replace a lost, stolen, or damaged organization, temporary, or short-term certificate. The commissioner shall not issue more than three duplicate certificates for lost, stolen, or canceled certificates within any six-year period without the approval of the Minnesota ~~State~~ Council on Disability.

Sec. 166. Minnesota Statutes 2024, section 169.345, subdivision 4, is amended to read:

Subd. 4. **Unauthorized use or noncompliance; cancellation; misdemeanor.** (a) If a peace officer, authorized parking enforcement employee or agent of a statutory or home rule charter city or town, representative of the Minnesota ~~State~~ Council on Disability, or an authorized agent of a citizen enforcement program under section 169.346, subdivision 4, finds that a certificate, permit, or disability plate is being improperly used, or the applicant is no longer eligible, the officer, municipal employee, representative, or agent shall report the violation or situation to the commissioner. The commissioner may cancel the certificate, permit, or disability plates issued under section 168.021 on determining that:

- (1) the certificate, permit, or plates were used improperly;
- (2) the certificate, permit, or plates were fraudulently obtained;
- (3) the certificate, permit, or plates were issued in error;
- (4) the person who was issued the certificate, permit, or plates is deceased;
- (5) the person who was issued the certificate, permit, or plates no longer maintains a Minnesota address;

or

- (6) the person or organization has failed to comply with the requirements of this section.

(b) A person who uses a certificate, permit, or disability plates in violation of this section is guilty of a misdemeanor and is subject to a fine of \$500.

Sec. 167. Minnesota Statutes 2024, section 169.58, subdivision 5, is amended to read:

Subd. 5. **Transportation network company vehicle.** (a) For purposes of this subdivision, the definitions in section 65B.472, subdivision 1, apply except that "transportation network company vehicle" has the meaning given to "personal vehicle" in section 65B.472, subdivision 1, paragraph ~~(e)~~ (h).

(b) A transportation network company vehicle may be equipped with no more than two removable, interior-mounted, trade dress identifying devices as provided by the transportation network company that are designed to assist riders in identifying and communicating with drivers. The identifying device may be illuminated and emit a steady beam of solid colored light in any direction when the driver is logged into the digital network. The identifying device must not: (1) display the colors red, amber, or blue; (2) project a flashing, oscillating, alternating, or rotating light; or (3) project a glaring or dazzling light.

Sec. 168. Minnesota Statutes 2024, section 169.781, subdivision 3, is amended to read:

Subd. 3. **Inspector certification; suspension and revocation; hearing.** (a) An inspection required by this section may be performed only by:

(1) an employee of the Department of Public Safety or Transportation who has been certified by the commissioner after having received training provided by the State Patrol; or

(2) another person who has been certified by the commissioner after having received training provided by the State Patrol or other training approved by the commissioner.

(b) A person who is not an employee of the Department of Public Safety or Transportation may be certified by the commissioner if the person is:

(1) an owner, or employee of the owner, of one or more commercial motor vehicles that are power units;

(2) a dealer licensed under section 168.27 and engaged in the business of buying and selling commercial motor vehicles, or an employee of the dealer;

(3) engaged in the business of repairing and servicing commercial motor vehicles; or

(4) employed by a governmental agency that owns commercial vehicles.

(c) Certification of persons described in paragraph (b), clauses (1) to (4), is effective for two years from the date of certification. The commissioner may require biennial retraining of persons holding a certificate

under paragraph (b) as a condition of renewal of the certificate. The commissioner may charge a fee of not more than \$10 for each certificate issued and renewed. A certified person described in paragraph (b), clauses (1) to (4), may charge a reasonable fee for each inspection of a vehicle not owned by the person or the person's employer.

(d) Except as otherwise provided in subdivision 5, the standards adopted by the commissioner for commercial motor vehicle inspections under sections 169.781 to 169.783 must be the standards prescribed in Code of Federal Regulations, title 49, section 396.17, and ~~in chapter III, subchapter B, Appendix A to part 396-Minimum Periodic Inspection Standards.~~

(e) The commissioner may classify types of vehicles for inspection purposes and may issue separate classes of inspector certificates for each class.

(f) The commissioner, after notice and an opportunity for a hearing, may suspend a certificate issued under paragraph (b) for failure to meet annual certification requirements prescribed by the commissioner or failure to inspect commercial motor vehicles in accordance with inspection procedures established by the State Patrol. The commissioner shall revoke a certificate issued under paragraph (b) if the commissioner determines after notice and an opportunity for a hearing that the certified person issued an inspection decal for a commercial motor vehicle when the person knew or reasonably should have known that the vehicle was in such a state of repair that it would have been declared out of service if inspected by an employee of the State Patrol. Suspension and revocation of certificates under this subdivision are not subject to sections 14.57 to 14.69.

Sec. 169. Minnesota Statutes 2024, section 169.81, subdivision 3, is amended to read:

Subd. 3. **Length of vehicle combinations.** (a) Statewide, except on the highways identified under provisions in paragraph (c), no combination of vehicles may exceed a total length of 75 feet.

(b) However, the total length limitation does not apply to combinations of vehicles transporting:

(1) telephone poles, electric light and power poles, piling, or pole-length pulpwood; or

(2) pipe or other objects by a public utility when required for emergency or repair of public service facilities or when operated under special permits as provided in section 169.86.

These combinations of vehicles must be equipped with sufficient clearance markers, or lamps for night transportation, on both sides and upon the extreme ends of a projecting load to clearly mark the dimensions of the load.

(c) The following combination of vehicles regularly engaged in the transportation of commodities, property, or equipment may operate only on divided highways having four or more lanes of travel, and on other highways as may be designated by the commissioner of transportation subject to section 169.87, subdivision 1, and subject to the approval of the authority having jurisdiction over the highway, for the purpose of providing reasonable access between the divided highways of four or more lanes of travel and terminals, facilities for food, fuel, repair, and rest, and points of loading and unloading for household goods carriers, livestock carriers, or for the purpose of providing continuity of route:

(1) a truck-tractor and semitrailer exceeding 75 feet in length;

(2) a combination of vehicles including a truck-tractor and semitrailer drawing one additional semitrailer which may be equipped with an auxiliary dolly;

(3) a combination of vehicles including a truck-tractor and semitrailer drawing one full trailer;

(4) a truck-tractor and semitrailer designed and used exclusively for the transportation of motor vehicles or boats and exceeding an overall length of 75 feet including the load; and

(5) a truck or truck-tractor transporting similar vehicles by having the front axle of the transported vehicle mounted onto the center or rear part of the preceding vehicle, defined in Code of Federal Regulations, title 49, sections 390.5 and 393.5 as drive-away saddlemount combinations or drive-away saddlemount vehicle transporter combinations, when the overall length exceeds 75 feet but does not exceed 97 feet.

(d) Vehicles operated under the provisions of this section must conform to the standards for those vehicles prescribed by the United States Department of Transportation, Federal ~~Highway Administration, Bureau of~~ Motor Carrier Safety Administration, as amended.

Sec. 170. Minnesota Statutes 2024, section 171.017, subdivision 2, is amended to read:

Subd. 2. **Procedure.** (a) The commissioner must request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on all individuals specified in subdivision 1. A request under this section must be accompanied by an executed criminal history consent form, including fingerprints, signed by the agent or the current or prospective employee being investigated.

(b) After receiving a request under paragraph (a), the superintendent of the Bureau of Criminal Apprehension shall perform the background check required under subdivision 1. The superintendent shall retrieve criminal history data as defined in section 13.87, conduct a search of the national criminal records repository, and provide wants and warrant information from federal and state repositories. The superintendent is authorized to exchange fingerprints with the Federal Bureau of Investigation for purposes of the criminal history check. The superintendent shall return the results of the background checks to the commissioner to determine whether:

(1) the agent, employee, or applicant for employment specified in subdivision 1, clause (1) or (2), has committed a disqualifying crime under Code of Federal Regulations, title 49, section 1572.103; or

(2) the employee or applicant for employment specified in subdivision 1, clause (3), has a conviction of the type specified by Code of Federal Regulations, title 49, section ~~384.228(j)~~ 384.228, paragraph (h).

(c) The superintendent shall recover the bureau's background check cost for the person on whom the background check is performed through a fee charged to the commissioner or the driver's license agent who requested the background check.

Sec. 171. Minnesota Statutes 2024, section 171.06, subdivision 6, is amended to read:

Subd. 6. **Compliance with selective service system registration requirements.** (a) By applying for an original, duplicate, or renewal instruction permit, provisional driver's license, driver's license, enhanced driver's license, commercial driver's license, state identification card, or enhanced identification card, an applicant under the age of 26, who is a United States citizen or resident, consents to registration in compliance with the requirements of the Military Selective Service Act, United States Code, title 50, ~~appendix chapter 49, section 453~~ 3802. The application form must state that submission of the application constitutes consent to registration with the selective service system, if required by federal law.

(b) The commissioner shall forward to the selective service system in an electronic format the necessary personal information required for registration of an applicant described in paragraph (a). If the applicant is

under the age of 18, and the license or card to be issued will expire after the applicant's 18th birthday, then the commissioner shall forward the necessary information to the selective service system when the applicant reaches the age of 18.

Sec. 172. Minnesota Statutes 2024, section 171.0605, subdivision 3, is amended to read:

Subd. 3. **Evidence; lawful status.** Only a form of documentation identified under subdivision 2, paragraph (a), clauses (2) to ~~(10)~~ (13), or a document issued by a federal agency that demonstrates the applicant's lawful status are satisfactory evidence of an applicant's lawful status under section 171.06, subdivision 3, paragraph (b), clause (2).

Sec. 173. Minnesota Statutes 2024, section 171.12, subdivision 7, is amended to read:

Subd. 7. **Privacy of data.** (a) Data on individuals provided to obtain a driver's license or Minnesota identification card shall be treated as provided by United States Code, title 18, section 2721, as in effect on May 23, 2005, and shall be disclosed as required or permitted by that section. The commissioner shall disclose the data in bulk form upon request to an authorized recipient under United States Code, title 18, section 2721. For any disclosure of data on individuals related to a noncompliant driver's license or identification card, the commissioner must require a certification pursuant to subdivision 7b, paragraph ~~(d)~~ (e).

(b) An applicant for a driver's license or a Minnesota identification card may consent, in writing, to the commissioner to disclose the applicant's personal information exempted by United States Code, title 18, section 2721, to any person who makes a request for the personal information. If the applicant so authorizes disclosures, the commissioner shall implement the request and the information may be used.

(c) If authorized by an applicant for a driver's license or a Minnesota identification card, as indicated in paragraph (b), the applicant's personal information may be used, rented, or sold solely for bulk distribution by organizations for business purposes, including surveys, marketing, or solicitation.

(d) An applicant for a driver's license, instruction permit, or Minnesota identification card may request that the applicant's residence address be classified as "private data on individuals," as defined in section 13.02, subdivision 12. The commissioner shall grant the classification on receipt of a signed statement by the individual that the classification is required for the safety of the applicant or the applicant's family, if the statement also provides a valid, existing address where the applicant consents to receive service of process. The commissioner shall use the service for process mailing address in place of the residence address in all documents and notices pertaining to the driver's license, instruction permit, or Minnesota identification card. The residence address and any information provided in the classification request, other than the mailing address, are private data on individuals and may be provided to requesting law enforcement agencies, probation and parole agencies, and public authorities, as defined in section 518A.26, subdivision 18.

Sec. 174. Minnesota Statutes 2024, section 171.301, subdivision 1, is amended to read:

Subdivision 1. **Conditions of issuance.** (a) The commissioner may issue a reintegration driver's license to any person:

(1) who is 18 years of age or older;

(2) who has been released from a period of at least 180 consecutive days of confinement or incarceration in:

(i) an adult correctional facility under the control of the commissioner of corrections or licensed by the commissioner of corrections under section 241.021;

(ii) a federal correctional facility for adults; or

(iii) an adult correctional facility operated under the control or supervision of any other state; and

(3) whose license has been suspended or revoked under the circumstances listed in section 171.30, subdivision 1, paragraph (a), clauses (1) to (4), for a violation that occurred before the individual was incarcerated for the period described in clause (2).

(b) If the person's driver's license or permit to drive has been revoked under section 169.792 or 169.797, the commissioner may only issue a reintegration driver's license to the person after the person has presented an insurance identification card, policy, or written statement indicating that the driver or owner has insurance coverage satisfactory to the commissioner.

(c) If the person's driver's license or permit to drive has been suspended under section 171.186, the commissioner may only issue a reintegration driver's license to the person after the commissioner receives notice of a court order provided pursuant to section 518A.65, paragraph ~~(e)~~ (h), showing that the person's driver's license or operating privileges should no longer be suspended.

(d) If the person's driver's license has been revoked under section 171.17, subdivision 1, paragraph (a), clause (1), the commissioner may only issue a reintegration driver's license to the person after the person has completed the applicable revocation period.

(e) The commissioner must not issue a reintegration driver's license:

(1) to any person described in section 171.04, subdivision 1, clause (7), (8), (10), or (11);

(2) to any person described in section 169A.55, subdivision 5;

(3) if the person has committed a violation after the person was released from custody that results in the suspension, revocation, or cancellation of a driver's license, including suspension for nonpayment of child support or maintenance payments as described in section 171.186, subdivision 1; or

(4) if the issuance would conflict with the requirements of the nonresident violator compact.

(f) The commissioner must not issue a class A, class B, or class C reintegration driver's license.

Sec. 175. Minnesota Statutes 2024, section 174.02, subdivision 5, is amended to read:

Subd. 5. **Cooperation.** To facilitate the development of a unified and coordinated intrastate and interstate transportation system:

(1) the commissioner shall maintain close liaison, coordination, and cooperation with the private sectors of transportation, the ~~Upper Great Lakes~~ St. Lawrence Seaway Development Commission Corporation, and any multistate organization involved in transportation issues affecting the state;

(2) the commissioner shall participate in the planning, regulation, and development of the port authorities of the state;

(3) the commissioner or the commissioner's designee is a nonvoting member of the Metropolitan Airports Commission, as organized and established under sections 473.601 to 473.679;

(4) the commissioner shall cooperate with all federal agencies for the purpose of harmonizing state rules and federal regulations within the state to the extent and in the manner deemed advisable;

(5) the commissioner may conduct joint hearings with any federal agency within or outside the state and, to the extent allowed under federal law or regulation, may approve and establish freight rates and charges that depart from the distance principle required by any state law; and

(6) the commissioner may nominate members to any joint board as provided by federal acts.

Sec. 176. Minnesota Statutes 2024, section 174.22, subdivision 7, is amended to read:

Subd. 7. **Public transportation.** "Public transportation" means regular, continuing shared-ride surface transportation services that are open to the general public or open to a segment of the general public defined by age, disability, or low income. Public transportation does not include:

(1) intercity passenger rail transportation provided by the entity described in United States Code, title 49, ~~section~~ chapter 243, or a successor entity;

(2) intercity bus service;

(3) charter bus service;

(4) school bus service;

(5) sightseeing service;

(6) courtesy shuttle service for patrons of one or more specific establishments; or

(7) intraterminal or intrafacility shuttle services.

Sec. 177. Minnesota Statutes 2024, section 174.24, subdivision 1a, is amended to read:

Subd. 1a. **Greater Minnesota transit investment plan.** (a) The commissioner must develop a greater Minnesota transit investment plan that contains a goal of meeting at least 80 percent of total transit service needs in greater Minnesota by July 1, 2015, and meeting at least 90 percent of total transit service needs in greater Minnesota by July 1, 2025.

(b) The plan must include, but is not limited to, the following:

(1) an analysis of ridership and total transit service needs throughout greater Minnesota;

(2) a calculation of the level and type of service required to meet total transit service needs, for the transit system classifications as provided under subdivision 3b, paragraph ~~(e)~~ (b), of large urbanized area, small urbanized area, rural area, elderly and disabled service, and complementary paratransit service (ADA);

(3) an analysis of costs and revenue options;

(4) a plan to reduce total transit service needs as specified in this subdivision; and

(5) identification of the operating and capital costs necessary to meet 100 percent of the greater Minnesota transit targeted and projected bus service hours, as identified in the greater Minnesota transit plan, for 2010, 2015, 2020, 2025, and 2030.

(c) The plan must specifically address special transportation service ridership and needs. The plan must also provide that recipients of operating assistance under this section provide fixed route public transportation service without charge for disabled veterans in accordance with subdivision 7.

Sec. 178. Minnesota Statutes 2024, section 174.29, subdivision 1, is amended to read:

Subdivision 1. **Definition.** For the purpose of sections 174.29 and 174.30 "special transportation service" means motor vehicle transportation provided on a regular basis by a public or private entity or person that is designed exclusively or primarily to serve individuals who are elderly or disabled and who are unable to use regular means of transportation but do not require ambulance service, as defined in section 144E.001, subdivision 3. Special transportation service includes but is not limited to service provided by specially equipped buses, vans, taxis, and volunteer drivers, as defined in section 65B.472, subdivision 1, paragraph ~~(h)~~ (p), using private automobiles. Special transportation service also means those nonemergency medical transportation services under section 256B.0625, subdivision 17, that are subject to the operating standards for special transportation service under sections 174.29 to 174.30 and Minnesota Rules, chapter 8840.

Sec. 179. Minnesota Statutes 2024, section 174.30, subdivision 1, is amended to read:

Subdivision 1. **Applicability.** (a) The operating standards for special transportation service adopted under this section do not apply to special transportation provided by:

- (1) a public transit provider receiving financial assistance under sections 174.24 or 473.371 to 473.449;
- (2) a volunteer driver, as defined in section 65B.472, subdivision 1, paragraph ~~(h)~~ (p), using a private automobile;
- (3) a school bus as defined in section 169.011, subdivision 71; or
- (4) an emergency ambulance regulated under chapter 144E.

(b) The operating standards adopted under this section only apply to providers of special transportation service who receive grants or other financial assistance from either the state or the federal government, or both, to provide or assist in providing that service; except that the operating standards adopted under this section do not apply to any nursing home licensed under section 144A.02, to any board and care facility licensed under section 144.50, or to any day training and habilitation services, day care, or group home facility licensed under sections 245A.01 to 245A.19 unless the facility or program provides transportation to nonresidents on a regular basis and the facility receives reimbursement, other than per diem payments, for that service under rules promulgated by the commissioner of human services.

(c) Notwithstanding paragraph (b), the operating standards adopted under this section do not apply to any vendor of services licensed under chapter 245D that provides transportation services to consumers or residents of other vendors licensed under chapter 245D and transports 15 or fewer persons, including consumers or residents and the driver.

Sec. 180. Minnesota Statutes 2024, section 174.30, subdivision 10, is amended to read:

Subd. 10. **Background studies.** (a) Providers of special transportation service regulated under this section must initiate background studies in accordance with chapter 245C on the following individuals:

(1) each person with a direct or indirect ownership interest of five percent or higher in the transportation service provider;

(2) each controlling individual as defined under section 245A.02;

(3) managerial officials as defined in section 245A.02;

(4) each driver employed by the transportation service provider;

(5) each individual employed by the transportation service provider to assist a passenger during transport; and

(6) all employees of the transportation service agency who provide administrative support, including those who:

(i) may have face-to-face contact with or access to passengers, their personal property, or their private data;

(ii) perform any scheduling or dispatching tasks; or

(iii) perform any billing activities.

(b) The transportation service provider must initiate the background studies required under paragraph (a) using the online NETStudy system operated by the commissioner of human services.

(c) The transportation service provider shall not permit any individual to provide any service or function listed in paragraph (a) until the transportation service provider has received notification from the commissioner of human services indicating that the individual:

(1) is not disqualified under chapter 245C; or

(2) is disqualified, but has received a set-aside of that disqualification according to sections 245C.22 and 245C.23 related to that transportation service provider.

(d) When a local or contracted agency is authorizing a ride under section 256B.0625, subdivision 17, by a volunteer driver, as defined in section 65B.472, subdivision 1, paragraph ~~(h)~~ (p), and the agency authorizing the ride has reason to believe the volunteer driver has a history that would disqualify the individual or that may pose a risk to the health or safety of passengers, the agency may initiate a background study to be completed according to chapter 245C using the commissioner of human services' online NETStudy system, or through contacting the Department of Human Services background study division for assistance. The agency that initiates the background study under this paragraph shall be responsible for providing the volunteer driver with the privacy notice required under section 245C.05, subdivision 2c, and payment for the background study required under section 245C.10, subdivision ~~11~~ 13, before the background study is completed.

Sec. 181. Minnesota Statutes 2024, section 181.953, subdivision 5a, is amended to read:

Subd. 5a. **Oral fluid testing.** (a) When drug and alcohol testing or cannabis testing is otherwise authorized under section 181.951, an employer may request an employee or job applicant to undergo oral fluid testing according to the procedures under this subdivision as an alternative to using the services of a testing laboratory under subdivision 1.

(b) The employee must be informed of the test result at the time of the oral fluid test. Within 48 hours of an oral fluid test that indicates a positive test result or that is inconclusive or invalid, the employee or job applicant may request drug or alcohol testing or cannabis testing at no cost to the employee or job applicant using the services of a testing laboratory under subdivision 1, and according to the existing laboratory testing standards in subdivisions 1 to 5. The rights, notice, and limitations in subdivision 6, paragraph (b), and subdivisions 7 to 8 and 10 to 11 apply to an employee or job applicant and a laboratory test conducted pursuant to this paragraph.

(c) If the laboratory test under paragraph (b) indicates a positive result, any subsequent confirmatory retest, if requested by the employee or job applicant, must be conducted following the retest procedures provided in subdivision 6, paragraph (c), and subdivision 9 at the employee's or job applicant's own expense.

(d) Nothing in this subdivision is intended to modify the existing requirements for drug and alcohol testing or cannabis testing in the workplace under sections 181.950 to ~~18.957~~ 181.957, unless stated otherwise.

Sec. 182. Minnesota Statutes 2024, section 216B.023, subdivision 3, is amended to read:

Subd. 3. **Separate billing for natural gas.** (a) A landlord who submeters natural gas service must bill tenants according to the methodology described in subdivision 2, paragraph (b), and comply with:

- (1) subdivision 1, paragraph (c);
- (2) section 216B.022; and
- (3) applicable provisions of section ~~504.216~~ 504B.216.

(b) A landlord who submeters or apportions natural gas service (1) must comply with subdivisions 4 to 8, and (2) is subject to section 216B.024.

Sec. 183. Minnesota Statutes 2024, section 216B.1691, subdivision 2h, is amended to read:

Subd. 2h. **Distributed solar energy standard.** (a) For the purposes of this subdivision, the following terms have the meanings given:

- (1) "capacity" has the meaning given in section 216B.164, subdivision 2a;
- (2) "industrial customer" means a retail electricity customer:
 - (i) whose numerical classification under the North American Industry Classification System begins with the numbers 31, 32, or 33;
 - (ii) that is a pipeline, as defined in section 216G.01, subdivision 3; or
 - (iii) that is an iron mining extraction and processing facility, including a scam mining facility, as defined in Minnesota Rules, part 6130.0100, subpart 16; and
- (3) "solar energy generating system" has the meaning given in Minnesota Statutes Supplement 2023, section 216E.01, subdivision 9a.

(b) In addition to the other requirements of this section, by the end of 2030, the following proportions of a public utility's total retail electric sales in Minnesota must be generated from solar energy generating systems:

- (1) for a public utility with at least 200,000 retail electric customers in Minnesota, at least three percent;

(2) for a public utility with at least 100,000 but fewer than 200,000 retail electric customers in Minnesota, at least three percent; and

(3) for a public utility with fewer than 100,000 retail electric customers in Minnesota, at least one percent.

For a public utility subject to clause (2) or (3), sales to industrial customers in Minnesota must be subtracted from the utility's total retail electric sales for the purpose of calculating total retail electric sales in Minnesota.

(c) To be counted toward a public utility's standard established in paragraph (a), a solar energy generating system must:

- (1) have a capacity of ten megawatts or less;
- (2) be connected to the public utility's distribution system;
- (3) be located in the Minnesota service territory of the public utility; and
- (4) be constructed or procured after August 1, 2023.

(d) A solar energy generating system with a capacity of 100 kilowatts or more does not count toward compliance with the standard established in paragraph (a) unless the public utility verifies that construction trades workers who constructed the solar energy generating system were all paid no less than the prevailing wage rate, as defined in section 177.42, and whose employer participated in an apprenticeship program that is registered under chapter 178 or Code of Federal Regulations, title 29, part 29.

(e) A public utility shall select projects to satisfy the standard established under this subdivision through a competitive bidding process approved by the commission.

(f) The commission may modify or delay the implementation of the standard established under this subdivision in accordance with the provisions of subdivision 2b.

Sec. 184. Minnesota Statutes 2024, section 216B.241, subdivision 5a, is amended to read:

Subd. 5a. **Qualifying solar energy project.** (a) A utility or association may include in its conservation plan programs for the installation of qualifying solar energy projects as defined by section 216B.2411 to the extent of the spending allowed for generation projects by section 216B.2411. The cost-effectiveness of a qualifying solar energy project may be determined by a different standard than for other energy conservation improvements under this section if the commissioner determines it is in the public interest to do so to encourage solar energy projects. Energy savings from qualifying solar energy projects may not be counted toward the minimum energy-savings goal of at least one percent for energy conservation improvements required under subdivision 1c, but may, if the conservation plan is approved:

(1) be counted toward energy savings above that minimum percentage; and

(2) be eligible for a performance incentive under subdivision 2c or section 216B.16, subdivision 6c, or 216B.241, subdivision 2e, that is distinct from the incentive for energy conservation and is based on the competitiveness and cost-effectiveness of solar projects in relation to other potential solar projects available to the utility.

(b) Qualifying solar energy projects may not be considered when establishing demand-side management targets under section 216B.2422, 216B.243, or any other section of this chapter.

Sec. 185. Minnesota Statutes 2024, section 216C.377, subdivision 1, is amended to read:

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

(b) "Cooperative electric association" means a cooperative association organized under chapter 308A for the purpose of providing rural electrification at retail.

(c) "Developer" means an entity that installs and may own, maintain, or decommission a solar energy generating system on a public building awarded a grant under this section.

(d) "Local unit of government" means:

(1) a county, statutory or home rule charter city, town, or other local government jurisdiction, excluding a school district eligible to receive financial assistance under section 216C.375; or

(2) a federally recognized Indian Tribe in Minnesota.

(e) "Municipal electric utility" means a utility that (1) provides electric service to retail customers in Minnesota, and (2) is governed by a city council or a local utilities commission.

(f) "Public building" means:

(1) a building owned and operated by a local unit of government; or

(2) a building owned by a federally recognized Indian Tribe in Minnesota whose primary purpose is Tribal government operations.

(g) "Solar energy generating system" has the meaning given in Minnesota Statutes Supplement 2023, section 216E.01, subdivision 9a.

Sec. 186. Minnesota Statutes 2024, section 216C.379, is amended to read:

216C.379 ENERGY STORAGE INCENTIVE PROGRAM.

(a) The public utility subject to section 216C.779 must develop and operate a program to provide a grant to customers to reduce the cost to purchase and install an on-site energy storage system, as defined in section 216B.2422, subdivision 1, paragraph (f). The public utility subject to this section must file a plan with the commissioner to operate the program no later than November 1, 2023. The public utility must not operate the program until the program is approved by the commissioner. Any change to an operating program must be approved by the commissioner.

(b) In order to be eligible to receive a grant under this section, an energy storage system must:

(1) have a capacity no greater than 50 kilowatt hours; and

(2) be located within the electric service area of the public utility subject to this section.

(c) An owner of an energy storage system is eligible to receive a grant under this section if:

(1) a solar energy generating system is operating at the same site as the proposed energy storage system;
or

(2) the owner has filed an application with the public utility subject to this section to interconnect a solar energy generating system at the same site as the proposed energy storage system.

(d) The amount of a grant awarded under this section must be based on the number of watt-hours that reflects the duration of the energy storage system at the system's rated capacity, up to a maximum of \$5,000.

(e) The commissioner must annually review and may adjust the amount of grants awarded under this section, but must not increase the amount over that awarded in previous years unless the commissioner demonstrates in writing that an upward adjustment is warranted by market conditions.

(f) A customer who receives a grant under this section is eligible to receive financial assistance under programs operated by the state or the public utility for the solar energy generating system operating in conjunction with the energy storage system.

(g) For the purposes of this section, "solar energy generating system" has the meaning given in Minnesota Statutes Supplement 2023, section 216E.01, subdivision 9a.

Sec. 187. Minnesota Statutes 2024, section 216I.07, subdivision 3, is amended to read:

Subd. 3. **Environmental review.** (a) For the projects identified in subdivision 2 and following the procedures under this section, the applicant must prepare and submit an environmental assessment with the application. A draft of the environmental assessment must also be provided to commission staff as part of the preapplication review under section 216I.05, subdivision 6. The environmental assessment must (1) contain information regarding the proposed project's human and environmental impacts, and (2) address mitigating measures for identified impacts. The environmental assessment is the only state environmental review document that must be prepared for the proposed project.

(b) If after the public meeting the commission identifies other sites or routes or potential impacts for review, the commission must prepare an addendum to the environmental assessment that evaluates (1) the human and environmental impacts of the alternative site or route, and (2) any additional mitigating measures related to the identified impacts consistent with the scoping decision made pursuant to section ~~216I.06~~ 216I.05, subdivision 10, clause (2). The public may provide comments on the environmental assessment and any addendum to the environmental assessment at the public hearing and comment period under subdivision 4. When making the commission's final decision, the commission must consider the environmental assessment, the environmental assessment addendum, if any, and the entirety of the record related to human and environmental impacts.

Sec. 188. Minnesota Statutes 2024, section 216I.19, subdivision 2, is amended to read:

Subd. 2. **Application.** This section applies to an LWECS issued a site permit or site permit amendment, including a site permit amendment for an LWECS repowering project, by the commission under section ~~216F.04~~ 216I.07 or by a county under section ~~216F.08~~ 216I.08, provided that the application for a site permit or permit amendment is filed after July 1, 2021.

Sec. 189. Minnesota Statutes 2024, section 216I.19, subdivision 4, is amended to read:

Subd. 4. **Exemptions.** (a) The Public Utilities Commission or a county that has assumed permitting authority under section ~~216F.08~~ 216I.08 must grant an owner of an LWECS an exemption from subdivision 3, paragraph (a), if the Federal Aviation Administration denies the owner's application to equip an LWECS with a light-mitigating technology.

(b) The Public Utilities Commission or a county that has assumed permitting authority under section ~~216F.08~~ 216I.08 must grant an owner of an LWECS an exemption from or an extension of time to comply

with subdivision 3, paragraph (a), if after notice and public hearing the owner of the LWECS demonstrates to the satisfaction of the commission or county that:

- (1) equipping an LWECS with a light-mitigating technology is technically infeasible;
- (2) equipping an LWECS with a light-mitigating technology imposes a significant financial burden on the permittee; or
- (3) a vendor approved by the Federal Aviation Administration cannot deliver a light-mitigating technology to the LWECS owner in a reasonable amount of time.

Sec. 190. Minnesota Statutes 2024, section 218.011, subdivision 8, is amended to read:

Subd. 8. **Commission.** "Commission" means the Midwest Interstate Passenger Rail ~~Compact~~ Commission.

Sec. 191. Minnesota Statutes 2024, section 219.015, subdivision 1, is amended to read:

Subdivision 1. **Program established; inspector powers and duties.** (a) The commissioner of transportation must establish a state rail safety inspection program that may include state rail safety inspectors and supervision as determined by the commissioner. The commissioner shall apply to and enter into agreements with the Federal Railroad Administration (FRA) of the United States Department of Transportation to participate in the federal State Rail Safety Participation Program to train and certify inspectors under authority of United States Code, title 49, sections 20103, 20105, 20106, and 20113, and Code of Federal Regulations, title 49, part 212.

(b) A state rail safety inspector may:

- (1) inspect mainline track, secondary track, and yard and industry track;
- (2) inspect railroad right-of-way, including adjacent or intersecting drainage, culverts, bridges, overhead structures, and traffic and other public crossings;
- (3) inspect yards and physical plants;
- (4) inspect train equipment;
- (5) inspect railroad operations;
- (6) inspect railroad-highway grade crossings;
- (7) inspect railroad signal and train control systems;
- (8) review and enforce safety requirements;
- (9) review maintenance and repair records; and
- (10) review railroad security measures.

(c) A state rail safety inspector may perform, but is not limited to, the duties described in the federal State Rail Safety Participation Program. An inspector may train, be certified, and participate in any of the federal State Rail Safety Participation Program disciplines, including: track, signal and train control, motive power and equipment, operating practices compliance, hazardous materials, and highway-rail grade crossings.

(d) To the extent delegated by the Federal Railroad Administration and authorized by the commissioner, an inspector may issue citations for violations of this chapter, or to ensure railroad employee and public safety and welfare.

Sec. 192. Minnesota Statutes 2024, section 219.055, subdivision 2a, is amended to read:

Subd. 2a. **Training.** (a) Each railroad must offer training to each fire department and each local organization for emergency management under section 12.25 having jurisdiction along routes over which the railroad transports oil or other hazardous substances. Refresher training must be offered to each fire department and local organization for emergency management at least once every three years after initial training under this subdivision.

(b) The training must address methods to identify rail cars and hazardous substance contents, responder safety issues, rail response tactics, public notification and evacuation considerations, environmental contamination response, railroad response personnel and resources coordination at an incident, and other protocols and practices for safe initial local response as required under section 115E.042, subdivision 4, including the notification requirements and the responsibilities of an incident commander during a rail incident involving oil or other hazardous substances, as provided in subdivision 3a and section 115E.042, subdivisions 3 and subdivision 4.

Sec. 193. Minnesota Statutes 2024, section 221.031, subdivision 3b, is amended to read:

Subd. 3b. **Passenger transportation; exemptions.** (a) A person who transports passengers for hire in intrastate commerce, who is not made subject to the rules adopted in section 221.0314 by any other provision of this section, must comply with the rules for hours of service of drivers while transporting employees of an employer who is directly or indirectly paying the cost of the transportation.

(b) This subdivision does not apply to:

(1) a local transit commission;

(2) a transit authority created by law; or

(3) persons providing transportation:

(i) in a school bus as defined in section 169.011, subdivision 71;

(ii) in a Head Start bus as defined in section 169.011, subdivision 34;

(iii) in a commuter van;

(iv) in an authorized emergency vehicle as defined in section 169.011, subdivision 3;

(v) in special transportation service certified by the commissioner under section 174.30;

(vi) that is special transportation service as defined in section 174.29, subdivision 1, when provided by a volunteer driver, as defined in section 65B.472, subdivision 1, paragraph ~~(h)~~ (p), operating a private passenger vehicle as defined in section 169.011, subdivision 52;

(vii) in a limousine the service of which is licensed by the commissioner under section 221.84; or

(viii) in a taxicab, if the fare for the transportation is determined by a meter inside the taxicab that measures the distance traveled and displays the fare accumulated.

Sec. 194. Minnesota Statutes 2024, section 221.031, subdivision 10, is amended to read:

Subd. 10. **Controlled substance and alcohol use and testing exemption.** The state of Minnesota, a political subdivision of the state, or any person required to comply with the alcohol and controlled substances testing requirements of Code of Federal Regulations, title 49, part 219, 382, ~~653~~, or ~~654~~ 655, is exempt from sections 181.950 to 181.957 if the testing also complies with the procedures for transportation workplace drug and alcohol testing programs in Code of Federal Regulations, title 49, part 40.

Sec. 195. Minnesota Statutes 2024, section 221.0314, subdivision 2, is amended to read:

Subd. 2. **Qualification of driver.** Code of Federal Regulations, title 49, part 391 and ~~appendixes D and E~~ appendix A, are incorporated by reference except for sections 391.2; 391.11, paragraph (b)(1); 391.47; 391.49; 391.62; 391.64; 391.67; 391.68; and 391.69. In addition, cross-references to sections or paragraphs not incorporated in this subdivision are not incorporated by reference. For medical examinations conducted on and after May 21, 2014, the term "medical examiner" as used in this section and in the rules adopted under this section means an individual certified by the Federal Motor Carrier Safety Administration and listed on the National Registry of Certified Medical Examiners.

Sec. 196. Minnesota Statutes 2024, section 221.81, subdivision 4, is amended to read:

Subd. 4. **License revocation, suspension, denial.** The commissioner, after notice and a hearing, may revoke, suspend, or deny a license for:

(1) failure of the applicant or license holder to reimburse the road authority for damage to public highways, roads, streets, or utilities that are not paid for by the license holder's insurer;

(2) conduct of the applicant or license holder that endangers the health and safety of users of the public highways, roads, streets, or utilities;

(3) conduct of the applicant or license holder that obstructs traffic in a manner other than as authorized in the permit;

(4) violation of this section;

(5) failure to obtain or comply with required local moving permits, or permits required by section ~~168B.15~~ 169.8296 or 169.86;

(6) placing or leaving a building on property without the permission of the owner of the property or in violation of local ordinances; or

(7) abandoning a building after it is first moved under the road permit. For purposes of this subdivision, "abandon" means conduct that shows that a building mover has failed to use reasonable diligence in moving a building to the location described in the road permit.

Sec. 197. Minnesota Statutes 2024, section 245.4905, subdivision 1, is amended to read:

Subdivision 1. **Creation.** The first episode of psychosis grant program is established in the Department of Human Services to fund evidence-based interventions for youth at risk of developing or experiencing a first episode of psychosis and a public awareness campaign on the signs and symptoms of psychosis. First episode of psychosis services are eligible for children's mental health grants as specified in section 245.4889, subdivision 1, paragraph (b), clause ~~(15)~~ (16).

Sec. 198. Minnesota Statutes 2024, section 245.495, is amended to read:

245.495 ADDITIONAL FEDERAL REVENUES.

(a) Each local children's mental health collaborative shall report expenditures eligible for federal reimbursement in a manner prescribed by the commissioner of human services under section 256.01, subdivision 2, paragraph (o). The commissioner of human services shall pay all funds earned by each local children's mental health collaborative to the collaborative. Each local children's mental health collaborative must use these funds to expand the operational target population or to develop or provide mental health services through the local integrated service system to children in the target population. Funds may not be used to supplant funding for services to children in the target population.

For purposes of this section, "mental health services" are community-based, nonresidential services, which may include respite care, that are identified in the child's multiagency plan of care.

(b) The commissioner may set aside a portion of the federal funds earned under this section to repay the special revenue maximization account under section 256.01, subdivision 2, paragraph ~~(o)~~ (n). The set-aside must not exceed five percent of the federal reimbursement earned by collaboratives and repayment is limited to:

(1) the costs of developing and implementing sections 245.491 to 245.495, including the costs of technical assistance from the Departments of Human Services, Education, Health, and Corrections to implement the children's mental health integrated fund;

(2) programming the information systems; and

(3) any lost federal revenue for the central office claim directly caused by the implementation of these sections.

(c) Any unexpended funds from the set-aside described in paragraph (b) shall be distributed to counties.

Sec. 199. Minnesota Statutes 2024, section 245.735, subdivision 4d, is amended to read:

Subd. 4d. **Requirements for integrated treatment plans.** (a) An integrated treatment plan must be completed within 60 calendar days following the preliminary screening and risk assessment and updated no less frequently than every six months or when the client's circumstances change.

(b) Only a mental health professional may complete an integrated treatment plan. The mental health professional must consult with an alcohol and drug counselor when substance use disorder services are deemed clinically appropriate. An alcohol and drug counselor may approve the integrated treatment plan. The integrated treatment plan must be developed through a shared decision-making process with the client, the client's support system if the client chooses, or, for children, with the family or caregivers.

(c) The integrated treatment plan must:

(1) use the ASAM 6 dimensional framework; and

(2) incorporate prevention, medical and behavioral health needs, and service delivery.

(d) The psychiatric evaluation and management service fulfills requirements for the integrated treatment plan when a client of a CCBHC is receiving exclusively psychiatric evaluation and management services. The CCBHC must complete an integrated treatment plan within 60 calendar days of a client's referral for additional CCBHC services.

(e) Notwithstanding any law to the contrary, an integrated treatment plan developed by a CCBHC that meets the requirements of this subdivision satisfies the requirements in:

- (1) section 245G.06, subdivision 1;
- (2) section 245G.09, subdivision 3, clause (6);
- (3) section 245I.10, subdivisions 7 and 8; and
- ~~(4) section 256B.0623, subdivision 10; and~~
- ~~(5)~~ (4) section 256B.0943, subdivision 6, paragraph (b), clause (2).

Sec. 200. Minnesota Statutes 2024, section 245A.07, subdivision 3, is amended to read:

Subd. 3. **License suspension, revocation, or fine.** (a) The commissioner may suspend or revoke a license, or impose a fine if:

(1) a license holder fails to comply fully with applicable laws or rules including but not limited to the requirements of this chapter and chapter 245C;

(2) a license holder, a controlling individual, or an individual living in the household where the licensed services are provided or is otherwise subject to a background study has been disqualified and the disqualification was not set aside and no variance has been granted;

(3) a license holder knowingly withholds relevant information from or gives false or misleading information to the commissioner in connection with an application for a license, in connection with the background study status of an individual, during an investigation, or regarding compliance with applicable laws or rules;

(4) a license holder is excluded from any program administered by the commissioner under section 245.095;

(5) revocation is required under section 245A.04, subdivision 7, paragraph (d); or

(6) suspension is necessary under subdivision 2a, paragraph (b), clause (2).

A license holder who has had a license issued under this chapter suspended, revoked, or has been ordered to pay a fine must be given notice of the action by certified mail, by personal service, or through the provider licensing and reporting hub. If mailed, the notice must be mailed to the address shown on the application or the last known address of the license holder. The notice must state in plain language the reasons the license was suspended or revoked, or a fine was ordered.

(b) If the license was suspended or revoked, the notice must inform the license holder of the right to a contested case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The license holder may appeal an order suspending or revoking a license. The appeal of an order suspending or revoking a license must be made in writing by certified mail, by personal service, or through the provider licensing and reporting hub. If mailed, the appeal must be postmarked and sent to the commissioner within ten calendar days after the license holder receives notice that the license has been suspended or revoked. If a request is made by personal service, it must be received by the commissioner within ten calendar days after the license holder received the order. If the order is issued through the provider hub, the appeal must be received by the commissioner within ten calendar days from the date the commissioner issued the order through the hub. Except as provided in subdivision 2a, paragraph (c), if a license holder submits a timely appeal of an order

suspending or revoking a license, the license holder may continue to operate the program as provided in section 245A.04, subdivision 7, paragraphs (i) and (j), until the commissioner issues a final order on the suspension or revocation.

(c)(1) If the license holder was ordered to pay a fine, the notice must inform the license holder of the responsibility for payment of fines and the right to a contested case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The appeal of an order to pay a fine must be made in writing by certified mail, by personal service, or through the provider licensing and reporting hub. If mailed, the appeal must be postmarked and sent to the commissioner within ten calendar days after the license holder receives notice that the fine has been ordered. If a request is made by personal service, it must be received by the commissioner within ten calendar days after the license holder received the order. If the order is issued through the provider hub, the appeal must be received by the commissioner within ten calendar days from the date the commissioner issued the order through the hub.

(2) The license holder shall pay the fines assessed on or before the payment date specified. If the license holder fails to fully comply with the order, the commissioner may issue a second fine or suspend the license until the license holder complies. If the license holder receives state funds, the state, county, or municipal agencies or departments responsible for administering the funds shall withhold payments and recover any payments made while the license is suspended for failure to pay a fine. A timely appeal shall stay payment of the fine until the commissioner issues a final order.

(3) A license holder shall promptly notify the commissioner of human services, in writing, when a violation specified in the order to forfeit a fine is corrected. If upon reinspection the commissioner determines that a violation has not been corrected as indicated by the order to forfeit a fine, the commissioner may issue a second fine. The commissioner shall notify the license holder by certified mail, by personal service, or through the provider licensing and reporting hub that a second fine has been assessed. The license holder may appeal the second fine as provided under this subdivision.

(4) Fines shall be assessed as follows:

(i) the license holder shall forfeit \$1,000 for each determination of maltreatment of a child under chapter 260E or the maltreatment of a vulnerable adult under section 626.557 for which the license holder is determined responsible for the maltreatment under section 260E.30, subdivision 4, paragraphs (a) and (b), or 626.557, subdivision 9c, paragraph (c);

(ii) if the commissioner determines that a determination of maltreatment for which the license holder is responsible is the result of maltreatment that meets the definition of serious maltreatment as defined in section 245C.02, subdivision 18, the license holder shall forfeit \$5,000;

(iii) the license holder shall forfeit \$200 for each occurrence of a violation of law or rule governing matters of health, safety, or supervision, including but not limited to the provision of adequate staff-to-child or adult ratios, and failure to comply with background study requirements under chapter 245C; and

(iv) the license holder shall forfeit \$100 for each occurrence of a violation of law or rule other than those subject to a \$5,000, \$1,000, or \$200 fine in items (i) to ~~(iv)~~ (iii).

For purposes of this section, "occurrence" means each violation identified in the commissioner's fine order. Fines assessed against a license holder that holds a license to provide home and community-based services, as identified in section 245D.03, subdivision 1, and a community residential setting or day services facility license under chapter 245D where the services are provided, may be assessed against both licenses

for the same occurrence, but the combined amount of the fines shall not exceed the amount specified in this clause for that occurrence.

(5) When a fine has been assessed, the license holder may not avoid payment by closing, selling, or otherwise transferring the licensed program to a third party. In such an event, the license holder will be personally liable for payment. In the case of a corporation, each controlling individual is personally and jointly liable for payment.

(d) Except for background study violations involving the failure to comply with an order to immediately remove an individual or an order to provide continuous, direct supervision, the commissioner shall not issue a fine under paragraph (c) relating to a background study violation to a license holder who self-corrects a background study violation before the commissioner discovers the violation. A license holder who has previously exercised the provisions of this paragraph to avoid a fine for a background study violation may not avoid a fine for a subsequent background study violation unless at least 365 days have passed since the license holder self-corrected the earlier background study violation.

Sec. 201. Minnesota Statutes 2024, section 245C.02, subdivision 6a, is amended to read:

Subd. 6a. **Child care background study subject.** (a) "Child care background study subject" means an individual who is affiliated with a licensed child care center, certified license-exempt child care center, licensed family child care program, or legal nonlicensed child care provider authorized under chapter 142E, and who is:

- (1) employed by a child care provider for compensation;
 - (2) assisting in the care of a child for a child care provider;
 - (3) a person applying for licensure, certification, or enrollment;
 - (4) a controlling individual as defined in section 245A.02, subdivision 5a;
 - (5) an individual 13 years of age or older who lives in the household where the licensed program will be provided and who is not receiving licensed services from the program;
 - (6) an individual ten to 12 years of age who lives in the household where the licensed services will be provided when the commissioner has reasonable cause as defined in section 245C.02, subdivision 15;
 - (7) an individual who, without providing direct contact services at a licensed program, certified program, or program authorized under chapter 142E, may have unsupervised access to a child receiving services from a program when the commissioner has reasonable cause as defined in section 245C.02, subdivision 15;
 - (8) a volunteer, contractor providing services for hire in the program, prospective employee, or other individual who has unsupervised physical access to a child served by a program and who is not under supervision by an individual listed in clause (1) or (5), regardless of whether the individual provides program services; or
 - (9) an authorized agent in a license-exempt certified child care center as defined in section 142C.01, subdivision 3.
- (b) Notwithstanding paragraph (a), an individual who is providing services that are not part of the child care program is not required to have a background study if:

(1) the child receiving services is signed out of the child care program for the duration that the services are provided;

(2) the licensed child care center, certified license-exempt child care center, licensed family child care program, or legal nonlicensed child care provider authorized under chapter 142E has obtained advanced written permission from the parent authorizing the child to receive the services, which is maintained in the child's record;

(3) the licensed child care center, certified license-exempt child care center, licensed family child care program, or legal nonlicensed child care provider authorized under chapter ~~149B~~ 142E maintains documentation on site that identifies the individual service provider and the services being provided; and

(4) the licensed child care center, certified license-exempt child care center, licensed family child care program, or legal nonlicensed child care provider authorized under chapter ~~149B~~ 142E ensures that the service provider does not have unsupervised access to a child not receiving the provider's services.

Sec. 202. Minnesota Statutes 2024, section 245D.091, subdivision 2, is amended to read:

Subd. 2. **Positive support professional qualifications.** A positive support professional providing positive support services as identified in section 245D.03, subdivision 1, paragraph (c), clause (1), item (i), must have competencies in the following areas as required under the brain injury, community access for disability inclusion, community alternative care, and developmental disabilities waiver plans or successor plans:

- (1) ethical considerations;
- (2) functional assessment;
- (3) functional analysis;
- (4) measurement of behavior and interpretation of data;
- (5) selecting intervention outcomes and strategies;
- (6) behavior reduction and elimination strategies that promote least restrictive approved alternatives;
- (7) data collection;
- (8) staff and caregiver training;
- (9) support plan monitoring;
- (10) co-occurring mental disorders or neurocognitive disorder;
- (11) demonstrated expertise with populations being served; and
- (12) must be a:

(i) psychologist licensed under sections 148.88 to 148.98, who has stated to the Board of Psychology competencies in the above identified areas;

(ii) clinical social worker licensed as an independent clinical social worker under chapter ~~148D~~ 148E, or a person with a master's degree in social work from an accredited college or university, with at least 4,000

hours of post-master's supervised experience in the delivery of clinical services in the areas identified in clauses (1) to (11);

(iii) physician licensed under chapter 147 and certified by the American Board of Psychiatry and Neurology or eligible for board certification in psychiatry with competencies in the areas identified in clauses (1) to (11);

(iv) licensed professional clinical counselor licensed under sections 148B.29 to 148B.39 with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services who has demonstrated competencies in the areas identified in clauses (1) to (11);

(v) person with a master's degree from an accredited college or university in one of the behavioral sciences or related fields, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services with demonstrated competencies in the areas identified in clauses (1) to (11);

(vi) person with a master's degree or PhD in one of the behavioral sciences or related fields with demonstrated expertise in positive support services, as determined by the person's needs as outlined in the person's assessment summary; or

(vii) registered nurse who is licensed under sections 148.171 to 148.285, and who is certified as a clinical specialist or as a nurse practitioner in adult or family psychiatric and mental health nursing by a national nurse certification organization, or who has a master's degree in nursing or one of the behavioral sciences or related fields from an accredited college or university or its equivalent, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services.

Sec. 203. Minnesota Statutes 2024, section 245I.23, subdivision 15, is amended to read:

Subd. 15. **Intensive residential treatment services admission criteria.** (a) An eligible client for intensive residential treatment services is an individual who:

(1) is age 18 or older;

(2) is diagnosed with a mental illness;

(3) because of a mental illness, has a substantial disability and functional impairment in three or more areas listed in section 245I.10, subdivision 9, paragraph (a), clause (4), that markedly reduce the individual's self-sufficiency;

(4) has one or more of the following: a history of recurring or prolonged inpatient hospitalizations during the past year, significant independent living instability, homelessness, or very frequent use of mental health and related services with poor outcomes for the individual; and

(5) in the written opinion of a mental health professional, needs mental health services that available community-based services cannot provide, or is likely to experience a mental health crisis or require a more restrictive setting if the individual does not receive intensive rehabilitative mental health services.

(b) The license holder must not limit or restrict intensive residential treatment services to a client based solely on:

(1) the client's substance use;

(2) the county in which the client resides; or

(3) whether the client elects to receive other services for which the client may be eligible, including case management services.

(c) This subdivision does not prohibit the license holder from restricting admissions of individuals who present an imminent risk of harm or danger to themselves or others.

Sec. 204. Minnesota Statutes 2024, section 256.01, subdivision 2, is amended to read:

Subd. 2. **Specific powers.** Subject to the provisions of section 241.021, subdivision 2, the commissioner of human services shall carry out the specific duties in paragraphs (a) through ~~(bb)~~ (z):

(a) Administer and supervise the forms of public assistance provided for by state law and other welfare activities or services that are vested in the commissioner. Administration and supervision of human services activities or services includes, but is not limited to, assuring timely and accurate distribution of benefits, completeness of service, and quality program management. In addition to administering and supervising human services activities vested by law in the department, the commissioner shall have the authority to:

(1) require county agency participation in training and technical assistance programs to promote compliance with statutes, rules, federal laws, regulations, and policies governing human services;

(2) monitor, on an ongoing basis, the performance of county agencies in the operation and administration of human services, enforce compliance with statutes, rules, federal laws, regulations, and policies governing welfare services and promote excellence of administration and program operation;

(3) develop a quality control program or other monitoring program to review county performance and accuracy of benefit determinations;

(4) require county agencies to make an adjustment to the public assistance benefits issued to any individual consistent with federal law and regulation and state law and rule and to issue or recover benefits as appropriate;

(5) delay or deny payment of all or part of the state and federal share of benefits and administrative reimbursement according to the procedures set forth in section 256.017;

(6) make contracts with and grants to public and private agencies and organizations, both profit and nonprofit, and individuals, using appropriated funds; and

(7) enter into contractual agreements with federally recognized Indian Tribes with a reservation in Minnesota to the extent necessary for the Tribe to operate a federally approved family assistance program or any other program under the supervision of the commissioner. The commissioner shall consult with the affected county or counties in the contractual agreement negotiations, if the county or counties wish to be included, in order to avoid the duplication of county and Tribal assistance program services. The commissioner may establish necessary accounts for the purposes of receiving and disbursing funds as necessary for the operation of the programs.

The commissioner shall work in conjunction with the commissioner of children, youth, and families to carry out the duties of this paragraph when necessary and feasible.

(b) Inform county agencies, on a timely basis, of changes in statute, rule, federal law, regulation, and policy necessary to county agency administration of the programs.

(c) Administer and supervise all noninstitutional service to persons with disabilities, including persons who have vision impairments, and persons who are deaf, deafblind, and hard-of-hearing or with other disabilities. The commissioner may provide and contract for the care and treatment of qualified indigent

children in facilities other than those located and available at state hospitals when it is not feasible to provide the service in state hospitals.

(d) Assist and actively cooperate with other departments, agencies and institutions, local, state, and federal, by performing services in conformity with the purposes of Laws 1939, chapter 431.

(e) Act as the agent of and cooperate with the federal government in matters of mutual concern relative to and in conformity with the provisions of Laws 1939, chapter 431, including the administration of any federal funds granted to the state to aid in the performance of any functions of the commissioner as specified in Laws 1939, chapter 431, and including the promulgation of rules making uniformly available medical care benefits to all recipients of public assistance, at such times as the federal government increases its participation in assistance expenditures for medical care to recipients of public assistance, the cost thereof to be borne in the same proportion as are grants of aid to said recipients.

(f) Establish and maintain any administrative units reasonably necessary for the performance of administrative functions common to all divisions of the department.

(g) Act as designated guardian of both the estate and the person of all the wards of the state of Minnesota, whether by operation of law or by an order of court, without any further act or proceeding whatever, except as to persons committed as developmentally disabled.

(h) Act as coordinating referral and informational center on requests for service for newly arrived immigrants coming to Minnesota.

(i) The specific enumeration of powers and duties as hereinabove set forth shall in no way be construed to be a limitation upon the general transfer of powers herein contained.

(j) Establish county, regional, or statewide schedules of maximum fees and charges which may be paid by county agencies for medical, dental, surgical, hospital, nursing and nursing home care and medicine and medical supplies under all programs of medical care provided by the state and for congregate living care under the income maintenance programs.

(k) Have the authority to conduct and administer experimental projects to test methods and procedures of administering assistance and services to recipients or potential recipients of public welfare. To carry out such experimental projects, it is further provided that the commissioner of human services is authorized to waive the enforcement of existing specific statutory program requirements, rules, and standards in one or more counties. The order establishing the waiver shall provide alternative methods and procedures of administration, shall not be in conflict with the basic purposes, coverage, or benefits provided by law, and in no event shall the duration of a project exceed four years. It is further provided that no order establishing an experimental project as authorized by the provisions of this section shall become effective until the following conditions have been met:

(1) the United States Secretary of Health and Human Services has agreed, for the same project, to waive state plan requirements relative to statewide uniformity; and

(2) a comprehensive plan, including estimated project costs, shall be approved by the Legislative Advisory Commission and filed with the commissioner of administration.

(l) According to federal requirements and in coordination with the commissioner of children, youth, and families, establish procedures to be followed by local welfare boards in creating citizen advisory committees, including procedures for selection of committee members.

(m) Allocate federal fiscal disallowances or sanctions which are based on quality control error rates for medical assistance in the following manner:

(1) one-half of the total amount of the disallowance shall be borne by the county boards responsible for administering the programs. Disallowances shall be shared by each county board in the same proportion as that county's expenditures for the sanctioned program are to the total of all counties' expenditures for medical assistance. Each county shall pay its share of the disallowance to the state of Minnesota. When a county fails to pay the amount due hereunder, the commissioner may deduct the amount from reimbursement otherwise due the county, or the attorney general, upon the request of the commissioner, may institute civil action to recover the amount due; and

(2) notwithstanding the provisions of clause (1), if the disallowance results from knowing noncompliance by one or more counties with a specific program instruction, and that knowing noncompliance is a matter of official county board record, the commissioner may require payment or recover from the county or counties, in the manner prescribed in clause (1), an amount equal to the portion of the total disallowance which resulted from the noncompliance, and may distribute the balance of the disallowance according to clause (1).

(n) Develop and implement special projects that maximize reimbursements and result in the recovery of money to the state. For the purpose of recovering state money, the commissioner may enter into contracts with third parties. Any recoveries that result from projects or contracts entered into under this paragraph shall be deposited in the state treasury and credited to a special account until the balance in the account reaches \$1,000,000. When the balance in the account exceeds \$1,000,000, the excess shall be transferred and credited to the general fund. All money in the account is appropriated to the commissioner for the purposes of this paragraph.

(o) Have the authority to establish and enforce the following county reporting requirements:

(1) the commissioner shall establish fiscal and statistical reporting requirements necessary to account for the expenditure of funds allocated to counties for human services programs. When establishing financial and statistical reporting requirements, the commissioner shall evaluate all reports, in consultation with the counties, to determine if the reports can be simplified or the number of reports can be reduced;

(2) the county board shall submit monthly or quarterly reports to the department as required by the commissioner. Monthly reports are due no later than 15 working days after the end of the month. Quarterly reports are due no later than 30 calendar days after the end of the quarter, unless the commissioner determines that the deadline must be shortened to 20 calendar days to avoid jeopardizing compliance with federal deadlines or risking a loss of federal funding. Only reports that are complete, legible, and in the required format shall be accepted by the commissioner;

(3) if the required reports are not received by the deadlines established in clause (2), the commissioner may delay payments and withhold funds from the county board until the next reporting period. When the report is needed to account for the use of federal funds and the late report results in a reduction in federal funding, the commissioner shall withhold from the county boards with late reports an amount equal to the reduction in federal funding until full federal funding is received;

(4) a county board that submits reports that are late, illegible, incomplete, or not in the required format for two out of three consecutive reporting periods is considered noncompliant. When a county board is found to be noncompliant, the commissioner shall notify the county board of the reason the county board is considered noncompliant and request that the county board develop a corrective action plan stating how the

county board plans to correct the problem. The corrective action plan must be submitted to the commissioner within 45 days after the date the county board received notice of noncompliance;

(5) the final deadline for fiscal reports or amendments to fiscal reports is one year after the date the report was originally due. If the commissioner does not receive a report by the final deadline, the county board forfeits the funding associated with the report for that reporting period and the county board must repay any funds associated with the report received for that reporting period;

(6) the commissioner may not delay payments, withhold funds, or require repayment under clause (3) or (5) if the county demonstrates that the commissioner failed to provide appropriate forms, guidelines, and technical assistance to enable the county to comply with the requirements. If the county board disagrees with an action taken by the commissioner under clause (3) or (5), the county board may appeal the action according to sections 14.57 to 14.69; and

(7) counties subject to withholding of funds under clause (3) or forfeiture or repayment of funds under clause (5) shall not reduce or withhold benefits or services to clients to cover costs incurred due to actions taken by the commissioner under clause (3) or (5).

(p) Allocate federal fiscal disallowances or sanctions for audit exceptions when federal fiscal disallowances or sanctions are based on a statewide random sample in direct proportion to each county's claim for that period.

(q) Be responsible for ensuring the detection, prevention, investigation, and resolution of fraudulent activities or behavior by applicants, recipients, and other participants in the human services programs administered by the department.

(r) Require county agencies to identify overpayments, establish claims, and utilize all available and cost-beneficial methodologies to collect and recover these overpayments in the human services programs administered by the department.

(s) Have the authority to administer the federal drug rebate program for drugs purchased under the medical assistance program as allowed by section 1927 of title XIX of the Social Security Act and according to the terms and conditions of section 1927. Rebates shall be collected for all drugs that have been dispensed or administered in an outpatient setting and that are from manufacturers who have signed a rebate agreement with the United States Department of Health and Human Services.

(t) Have the authority to administer a supplemental drug rebate program for drugs purchased under the medical assistance program. The commissioner may enter into supplemental rebate contracts with pharmaceutical manufacturers and may require prior authorization for drugs that are from manufacturers that have not signed a supplemental rebate contract. Prior authorization of drugs shall be subject to the provisions of section 256B.0625, subdivision 13.

(u) Operate the department's communication systems account established in Laws 1993, First Special Session chapter 1, article 1, section 2, subdivision 2, to manage shared communication costs necessary for the operation of the programs the commissioner supervises. Each account must be used to manage shared communication costs necessary for the operations of the programs the commissioner supervises. The commissioner may distribute the costs of operating and maintaining communication systems to participants in a manner that reflects actual usage. Costs may include acquisition, licensing, insurance, maintenance, repair, staff time and other costs as determined by the commissioner. Nonprofit organizations and state, county, and local government agencies involved in the operation of programs the commissioner supervises may participate in the use of the department's communications technology and share in the cost of operation.

The commissioner may accept on behalf of the state any gift, bequest, devise or personal property of any kind, or money tendered to the state for any lawful purpose pertaining to the communication activities of the department. Any money received for this purpose must be deposited in the department's communication systems accounts. Money collected by the commissioner for the use of communication systems must be deposited in the state communication systems account and is appropriated to the commissioner for purposes of this section.

(v) Receive any federal matching money that is made available through the medical assistance program for the consumer satisfaction survey. Any federal money received for the survey is appropriated to the commissioner for this purpose. The commissioner may expend the federal money received for the consumer satisfaction survey in either year of the biennium.

(w) Designate community information and referral call centers and incorporate cost reimbursement claims from the designated community information and referral call centers into the federal cost reimbursement claiming processes of the department according to federal law, rule, and regulations. Existing information and referral centers provided by Greater Twin Cities United Way or existing call centers for which Greater Twin Cities United Way has legal authority to represent, shall be included in these designations upon review by the commissioner and assurance that these services are accredited and in compliance with national standards. Any reimbursement is appropriated to the commissioner and all designated information and referral centers shall receive payments according to normal department schedules established by the commissioner upon final approval of allocation methodologies from the United States Department of Health and Human Services Division of Cost Allocation or other appropriate authorities.

(x) Develop recommended standards for adult foster care homes that address the components of specialized therapeutic services to be provided by adult foster care homes with those services.

(y) Authorize the method of payment to or from the department as part of the human services programs administered by the department. This authorization includes the receipt or disbursement of funds held by the department in a fiduciary capacity as part of the human services programs administered by the department.

(z) Designate the agencies that operate the Senior LinkAge Line under section 256.975, subdivision 7, and the Disability Hub under subdivision 24 as the state of Minnesota Aging and Disability Resource Center under United States Code, title 42, section 3001, the Older Americans Act Amendments of 2006, and incorporate cost reimbursement claims from the designated centers into the federal cost reimbursement claiming processes of the department according to federal law, rule, and regulations. Any reimbursement must be appropriated to the commissioner and treated consistent with section 256.011. All Aging and Disability Resource Center designated agencies shall receive payments of grant funding that supports the activity and generates the federal financial participation according to Board on Aging administrative granting mechanisms.

Sec. 205. Minnesota Statutes 2024, section 256.0451, subdivision 3, is amended to read:

Subd. 3. **Agency appeal summary.** (a) Except in fair hearings and appeals under section 256.045, subdivision 3, paragraph (a), clauses (4), (8), and (9), ~~and (10)~~, the agency involved in an appeal must prepare a state agency appeal summary for each fair hearing appeal. The state agency appeal summary shall be mailed or otherwise delivered to the person who is involved in the appeal at least three working days before the date of the hearing. The state agency appeal summary must also be mailed or otherwise delivered to the department's Appeals Office at least three working days before the date of the fair hearing appeal.

(b) In addition, the human services judge shall confirm that the state agency appeal summary is mailed or otherwise delivered to the person involved in the appeal as required under paragraph (a). The person involved in the fair hearing should be provided, through the state agency appeal summary or other reasonable methods, appropriate information about the procedures for the fair hearing and an adequate opportunity to prepare. These requirements apply equally to the state agency or an entity under contract when involved in the appeal.

(c) The contents of the state agency appeal summary must be adequate to inform the person involved in the appeal of the evidence on which the agency relies and the legal basis for the agency's action or determination.

Sec. 206. Minnesota Statutes 2024, section 256.0451, subdivision 11, is amended to read:

Subd. 11. **Hearing facilities and equipment.** The human services judge shall conduct the hearing in the county where the person involved resides, unless an alternate location is mutually agreed upon before the hearing, or unless the person has agreed to a hearing by telephone. Hearings under section 256.045, subdivision 3, paragraph (a), clauses (4), (8), and (9), ~~and (10)~~, must be conducted in the county where the determination was made, unless an alternate location is mutually agreed upon before the hearing. The hearing room shall be of sufficient size and layout to adequately accommodate both the number of individuals participating in the hearing and any identified special needs of any individual participating in the hearing. The human services judge shall ensure that all communication and recording equipment that is necessary to conduct the hearing and to create an adequate record is present and functioning properly. If any necessary communication or recording equipment fails or ceases to operate effectively, the human services judge shall take any steps necessary, including stopping or adjourning the hearing, until the necessary equipment is present and functioning properly. All reasonable efforts shall be undertaken to prevent and avoid any delay in the hearing process caused by defective communication or recording equipment.

Sec. 207. Minnesota Statutes 2024, section 256.0451, subdivision 19, is amended to read:

Subd. 19. **Developing the record.** The human services judge shall accept all evidence, except evidence privileged by law, that is commonly accepted by reasonable people in the conduct of their affairs as having probative value on the issues to be addressed at the hearing. Except in fair hearings and appeals under section 256.045, subdivision 3, paragraph (a), clauses (4), (8), (9), ~~(10)~~, and ~~(12)~~ (11), in cases involving medical issues such as a diagnosis, a physician's report, or a review team's decision, the human services judge shall consider whether it is necessary to have a medical assessment other than that of the individual making the original decision. When necessary, the human services judge shall require an additional assessment be obtained at agency expense and made part of the hearing record. The human services judge shall ensure for all cases that the record is sufficiently complete to make a fair and accurate decision.

Sec. 208. Minnesota Statutes 2024, section 256B.0625, subdivision 5m, is amended to read:

Subd. 5m. **Certified community behavioral health clinic services.** (a) Medical assistance covers services provided by a not-for-profit certified community behavioral health clinic (CCBHC) that meets the requirements of section 245.735, subdivision 3.

(b) The commissioner shall reimburse CCBHCs on a per-day basis for each day that an eligible service is delivered using the CCBHC daily bundled rate system for medical assistance payments as described in paragraph (c). The commissioner shall include a quality incentive payment in the CCBHC daily bundled

rate system as described in paragraph (e). There is no county share for medical assistance services when reimbursed through the CCBHC daily bundled rate system.

(c) The commissioner shall ensure that the CCBHC daily bundled rate system for CCBHC payments under medical assistance meets the following requirements:

(1) the CCBHC daily bundled rate shall be a provider-specific rate calculated for each CCBHC, based on the daily cost of providing CCBHC services and the total annual allowable CCBHC costs divided by the total annual number of CCBHC visits. For calculating the payment rate, total annual visits include visits covered by medical assistance and visits not covered by medical assistance. Allowable costs include but are not limited to the salaries and benefits of medical assistance providers; the cost of CCBHC services provided under section 245.735, subdivision 3, paragraph (a), clauses (6) and (7); and other costs such as insurance or supplies needed to provide CCBHC services;

(2) payment shall be limited to one payment per day per medical assistance enrollee when an eligible CCBHC service is provided. A CCBHC visit is eligible for reimbursement if at least one of the CCBHC services listed under section 245.735, subdivision 3, paragraph (a), clause (6), is furnished to a medical assistance enrollee by a health care practitioner or licensed agency employed by or under contract with a CCBHC;

(3) initial CCBHC daily bundled rates for newly certified CCBHCs under section 245.735, subdivision 3, shall be established by the commissioner using a provider-specific rate based on the newly certified CCBHC's audited historical cost report data adjusted for the expected cost of delivering CCBHC services. Estimates are subject to review by the commissioner and must include the expected cost of providing the full scope of CCBHC services and the expected number of visits for the rate period;

(4) the commissioner shall rebase CCBHC rates once every two years following the last rebasing and no less than 12 months following an initial rate or a rate change due to a change in the scope of services. For CCBHCs certified after September ~~31~~ 30, 2020, and before January 1, 2021, the commissioner shall rebase rates according to this clause for services provided on or after January 1, 2024;

(5) the commissioner shall provide for a 60-day appeals process after notice of the results of the rebasing;

(6) an entity that receives a CCBHC daily bundled rate that overlaps with another federal Medicaid rate is not eligible for the CCBHC rate methodology;

(7) payments for CCBHC services to individuals enrolled in managed care shall be coordinated with the state's phase-out of CCBHC wrap payments. The commissioner shall complete the phase-out of CCBHC wrap payments within 60 days of the implementation of the CCBHC daily bundled rate system in the Medicaid Management Information System (MMIS), for CCBHCs reimbursed under this chapter, with a final settlement of payments due made payable to CCBHCs no later than 18 months thereafter;

(8) the CCBHC daily bundled rate for each CCBHC shall be updated by trending each provider-specific rate by the Medicare Economic Index for primary care services. This update shall occur each year in between rebasing periods determined by the commissioner in accordance with clause (4). CCBHCs must provide data on costs and visits to the state annually using the CCBHC cost report established by the commissioner; and

(9) a CCBHC may request a rate adjustment for changes in the CCBHC's scope of services when such changes are expected to result in an adjustment to the CCBHC payment rate by 2.5 percent or more. The CCBHC must provide the commissioner with information regarding the changes in the scope of services, including the estimated cost of providing the new or modified services and any projected increase or decrease

in the number of visits resulting from the change. Estimated costs are subject to review by the commissioner. Rate adjustments for changes in scope shall occur no more than once per year in between rebasing periods per CCBHC and are effective on the date of the annual CCBHC rate update.

(d) Managed care plans and county-based purchasing plans shall reimburse CCBHC providers at the CCBHC daily bundled rate. The commissioner shall monitor the effect of this requirement on the rate of access to the services delivered by CCBHC providers. If, for any contract year, federal approval is not received for this paragraph, the commissioner must adjust the capitation rates paid to managed care plans and county-based purchasing plans for that contract year to reflect the removal of this provision. Contracts between managed care plans and county-based purchasing plans and providers to whom this paragraph applies must allow recovery of payments from those providers if capitation rates are adjusted in accordance with this paragraph. Payment recoveries must not exceed the amount equal to any increase in rates that results from this provision. This paragraph expires if federal approval is not received for this paragraph at any time.

(e) The commissioner shall implement a quality incentive payment program for CCBHCs that meets the following requirements:

(1) a CCBHC shall receive a quality incentive payment upon meeting specific numeric thresholds for performance metrics established by the commissioner, in addition to payments for which the CCBHC is eligible under the CCBHC daily bundled rate system described in paragraph (c);

(2) a CCBHC must be certified and enrolled as a CCBHC for the entire measurement year to be eligible for incentive payments;

(3) each CCBHC shall receive written notice of the criteria that must be met in order to receive quality incentive payments at least 90 days prior to the measurement year; and

(4) a CCBHC must provide the commissioner with data needed to determine incentive payment eligibility within six months following the measurement year. The commissioner shall notify CCBHC providers of their performance on the required measures and the incentive payment amount within 12 months following the measurement year.

(f) All claims to managed care plans for CCBHC services as provided under this section shall be submitted directly to, and paid by, the commissioner on the dates specified no later than January 1 of the following calendar year, if:

(1) one or more managed care plans does not comply with the federal requirement for payment of clean claims to CCBHCs, as defined in Code of Federal Regulations, title 42, section 447.45(b), and the managed care plan does not resolve the payment issue within 30 days of noncompliance; and

(2) the total amount of clean claims not paid in accordance with federal requirements by one or more managed care plans is 50 percent of, or greater than, the total CCBHC claims eligible for payment by managed care plans.

If the conditions in this paragraph are met between January 1 and June 30 of a calendar year, claims shall be submitted to and paid by the commissioner beginning on January 1 of the following year. If the conditions in this paragraph are met between July 1 and December 31 of a calendar year, claims shall be submitted to and paid by the commissioner beginning on July 1 of the following year.

(g) Peer services provided by a CCBHC certified under section 245.735 are a covered service under medical assistance when a licensed mental health professional or alcohol and drug counselor determines

that peer services are medically necessary. Eligibility under this subdivision for peer services provided by a CCBHC supersede eligibility standards under sections 256B.0615, 256B.0616, and 245G.07, subdivision 2, clause (8).

Sec. 209. Minnesota Statutes 2024, section 256L.02, subdivision 1, is amended to read:

Subdivision 1. **Purpose.** The MinnesotaCare program is established to promote access to appropriate health care services to ~~assure~~ ensure healthy children and adults.

Sec. 210. Minnesota Statutes 2024, section 256P.001, is amended to read:

256P.001 APPLICABILITY.

General assistance and Minnesota supplemental aid under chapter 256D, child care assistance programs under chapter 142E, and programs governed by chapter 142G or 256I ~~or 256J~~ are subject to the requirements of this chapter, unless otherwise specified or exempted.

Sec. 211. Minnesota Statutes 2024, section 256P.04, subdivision 9, is amended to read:

Subd. 9. **MFIP-only recertification.** In addition to subdivision 8, the agency shall verify the following for programs under chapter ~~256J~~ 142G:

- (1) the presence of the minor child in the home, if questionable; and
- (2) whether a single-caregiver household meets the requirements in section 142G.75, subdivision 3.

Sec. 212. Minnesota Statutes 2024, section 256P.06, subdivision 3, is amended to read:

Subd. 3. **Income inclusions.** The following must be included in determining the income of an assistance unit:

- (1) earned income; and
- (2) unearned income, which includes:
 - (i) interest and dividends from investments and savings;
 - (ii) capital gains as defined by the Internal Revenue Service from any sale of real property;
 - (iii) contract for deed payments in excess of the principal and interest portion owed on property;
 - (iv) income from trusts, excluding special needs and supplemental needs trusts;
 - (v) interest income from loans made by the participant or household;
 - (vi) cash prizes and winnings;
 - (vii) unemployment insurance income that is received by an adult member of the assistance unit unless the individual receiving unemployment insurance income is:
 - (A) 18 years of age and enrolled in a secondary school; or
 - (B) 18 or 19 years of age, a caregiver, and is enrolled in school at least half-time;

(viii) for the purposes of programs under chapters 256D and 256I, retirement, survivors, and disability insurance payments;

(ix) retirement benefits;

(x) cash assistance benefits, as defined by each program in chapters 142E, 142G, 256D, and 256I;

(xi) income from members of the United States armed forces unless excluded from income taxes according to federal or state law;

(xii) for the purposes of programs under chapters 142E, 256D, and 256I, all child support payments;

(xiii) for the purposes of programs under chapter 142G, the amount of child support received that exceeds \$100 for assistance units with one child and \$200 for assistance units with two or more children;

(xiv) spousal support;

(xv) workers' compensation; and

(xvi) for the purposes of programs under chapters ~~142B~~ 142E and ~~256J~~ 142G, the amount of retirement, survivors, and disability insurance payments that exceeds the applicable monthly federal maximum Supplemental Security Income payments.

Sec. 213. Minnesota Statutes 2024, section 256P.10, subdivision 3, is amended to read:

Subd. 3. **When to terminate assistance.** (a) An agency must terminate benefits when the assistance unit fails to submit the household report form before the end of the six-month review period. If the assistance unit submits the household report form within 30 days of the termination of benefits and remains eligible, benefits must be reinstated and made available retroactively for the full benefit month.

(b) When an assistance unit is determined to be ineligible for assistance according to this section and chapter 142G, 256D, or 256I, ~~or 256J~~, the agency must terminate assistance.

Sec. 214. Minnesota Statutes 2024, section 256R.02, subdivision 19, is amended to read:

Subd. 19. **External fixed costs.** "External fixed costs" means costs related to the nursing home surcharge under section 256.9657, subdivision 1; licensure fees under section 144.122; the family advisory council fee under section 144A.33; scholarships under section 256R.37; planned closure rate adjustments under section 256R.40; consolidation rate adjustments under section 144A.071, subdivisions 4c, paragraph (a), clauses (5) and (6), and 4d; single-bed room incentives under section 256R.41; property taxes, special assessments, and payments in lieu of taxes; employer health insurance costs; quality improvement incentive payment rate adjustments under section 256R.39; performance-based incentive payments under section 256R.38; special dietary needs under section 256R.51; Public Employees Retirement Association employer costs; and border city rate adjustments under section 256R.481.

Sec. 215. Minnesota Statutes 2024, section 257.0769, subdivision 1, is amended to read:

Subdivision 1. **Appropriations.** (a) \$23,000 from the special account authorized by section 256.01, subdivision 2, paragraph ~~(n)~~ (n), is annually appropriated to the Office of Ombudsperson for American Indian Families for the purpose of section 3.9215.

(b) \$69,000 from the special account authorized by section 256.01, subdivision 2, paragraph ~~(e)~~ (n), is annually appropriated to the Office of Ombudsperson for Families for the purposes of sections 257.0755 to 257.0768.

Sec. 216. Minnesota Statutes 2024, section 260.762, subdivision 2a, is amended to read:

Subd. 2a. **Required findings that active efforts were provided.** (a) A court shall not order a child placement, termination of parental rights, guardianship to the commissioner of children, youth, and families under section 260C.325, or temporary or permanent change in custody of an Indian child unless the court finds that the child-placing agency or petitioner demonstrated that active efforts were made to preserve the Indian child's family. Active efforts to preserve the Indian child's family include efforts to prevent placement of the Indian child to correct the conditions that led to the placement by ensuring remedial services and rehabilitative programs designed to prevent the breakup of the family were provided in a manner consistent with the prevailing social and cultural conditions of the Indian child's Tribe and in partnership with the Indian child, the Indian child's parents, the Indian custodian, extended family members, and Tribe, and that these efforts have proved unsuccessful.

(b) The court, in determining whether active efforts were made to preserve the Indian child's family for purposes of child placement or permanency, shall ensure the provision of active efforts designed to correct the conditions that led to the placement of the Indian child and shall make findings regarding whether the following activities were appropriate and necessary, and whether the child-placing agency or petitioner ensured appropriate and meaningful services were available based upon the family's specific needs, whether listed in this paragraph or not:

(1) whether active efforts were made at the earliest point possible to inquire into the child's heritage, to identify any federally recognized Indian Tribe the child may be affiliated with, to notify all potential Tribes at the earliest point possible, and to request participation of the Indian child's Tribe;

(2) whether a Tribally designated representative with substantial knowledge of the prevailing social and cultural standards and child-rearing practices within the Tribal community was provided an opportunity to consult with and be involved in any investigations or assessments of the family's circumstances, participate in identifying the family's needs, and participate in development of any plan to keep the Indian child safely in the home, identify services designed to prevent the breakup of the Indian child's family, and to reunify the Indian child's family as soon as safety can be assured if out-of-home placement has occurred;

(3) whether the Tribal representative was provided with all information available regarding the proceeding, and whether it was requested that the Tribal representative assist in identifying services designed to prevent the breakup of the Indian child's family and to reunify the Indian child's family as soon as safety can be assured if out-of-home placement has occurred;

(4) whether, before making a decision that may affect an Indian child's safety and well-being or when contemplating placement of an Indian child, guidance from the Indian child's Tribe was sought regarding family structure, how the family can seek help, what family and Tribal resources are available, and what barriers the family faces that could threaten the family's preservation;

(5) whether a Tribal representative was consulted to determine and arrange for visitation in the most natural setting that ensures the Indian child's safety, when the Indian child's safety requires supervised visitation;

(6) whether early and ongoing efforts occurred to identify, locate, and include extended family members as supports for the Indian child and the Indian child's family;

(7) whether continued active efforts were made to identify and place the Indian child in a home that is compliant with the placement preferences in sections 260.751 to 260.835, including whether extended family members were consulted to provide support to the Indian child and Indian child's parents; to inform the child-placing agency, petitioner, and court as to cultural connections and family structure; to assist in identifying appropriate cultural services and supports for the Indian child and Indian child's parents; and to identify and serve as placement and permanency resources for the Indian child. If there was difficulty contacting or engaging extended family members, whether assistance was sought from the Tribe, the Department of Human Services, or other agencies with expertise in working with Indian families;

(8) whether services and resources were provided to extended family members who are considered the primary placement option for an Indian child, as agreed upon by the child-placing agency or petitioner and the Tribe, to overcome licensing and other barriers to providing care to an Indian child. The need for services or resources shall not be a basis to exclude an extended family member from consideration as a primary placement. Services and resources include but are not limited to child care assistance, financial assistance, housing resources, emergency resources, and foster care licensing assistance and resources;

(9) whether concrete services and access to both Tribal and non-Tribal services were provided to the Indian child's parents and Indian custodian and, where necessary, members of the Indian child's extended family ~~members~~ who provide support to the Indian child and the Indian child's parents; and whether these services were provided in an ongoing manner throughout the child-placing agency or petitioner's involvement with the Indian family to directly assist the Indian family in accessing and utilizing services to maintain the Indian family, or to reunify the Indian family as soon as safety can be assured if out-of-home placement has occurred. Services include but are not limited to financial assistance, food, housing, health care, transportation, in-home services, community support services, and specialized services; and

(10) whether visitation occurred whenever possible in the home of the Indian child's parent, Indian custodian, or extended family member or in another noninstitutional setting in order to keep the Indian child in close contact with the Indian child's parents, siblings, and other relatives regardless of the Indian child's age and to allow the Indian child and those with whom the Indian child visits to have natural, unsupervised interaction when consistent with protecting the child's safety.

Sec. 217. Minnesota Statutes 2024, section 260C.151, subdivision 2a, is amended to read:

Subd. 2a. **Notice; termination of parental rights or permanency proceeding.** (a) After a petition for termination of parental rights or petition for permanent placement of a child away from a parent under section 260C.505 has been filed, the court shall set a time for the admit or deny hearing as required under the Minnesota Rules of Juvenile Protection Procedure and shall issue a summons requiring the parents of the child to appear before the court at the time and place stated. The court shall issue a notice to:

(1) a putative father who has timely registered with the Minnesota Fathers' Adoption Registry and who is entitled to notice of an adoption proceeding under section 259.49, subdivision 1; and

(2) a grandparent with the right to participate under section 260C.163, subdivision 2.

(b) Neither summons nor notice under this section or section 260C.152 of a termination of parental rights matter or other permanent placement matter under sections 260C.503 to 260C.521 is required to be given to a putative father who has failed to timely register with the Minnesota Fathers' Adoption Registry under section 259.52 unless that individual also meets the requirements of section 257.55 or is required to be given notice under section 259.49, subdivision 1. When a putative father is not entitled to notice under this paragraph and is therefore not given notice, any order terminating the putative father's rights does not

give rise to a presumption of parental unfitness under section 260C.301, subdivision 1, paragraph (b), clause ~~(4)~~ (3).

Sec. 218. Minnesota Statutes 2024, section 260C.178, subdivision 1, is amended to read:

Subdivision 1. **Hearing and release requirements.** (a) If a child was taken into custody under section 260C.175, subdivision 1, clause (1) or (2), item (ii), the court shall hold a hearing within 72 hours of the time that the child was taken into custody, excluding Saturdays, Sundays, and holidays, to determine whether the child should continue to be in custody.

(b) Unless there is reason to believe that the child would endanger self or others or not return for a court hearing, or that the child's health or welfare would be immediately endangered, the child shall be released to the custody of a parent, guardian, custodian, or other suitable person, subject to reasonable conditions of release including, but not limited to, a requirement that the child undergo a chemical use assessment as provided in section 260C.157, subdivision 1.

(c) If the court determines that there is reason to believe that the child would endanger self or others or not return for a court hearing, or that the child's health or welfare would be immediately endangered if returned to the care of the parent or guardian who has custody and from whom the child was removed, the court shall order the child:

(1) into the care of the child's noncustodial parent and order the noncustodial parent to comply with any conditions that the court determines appropriate to ensure the safety and care of the child, including requiring the noncustodial parent to cooperate with paternity establishment proceedings if the noncustodial parent has not been adjudicated the child's father; or

(2) into foster care as defined in section 260C.007, subdivision 18, under the legal responsibility of the responsible social services agency or responsible probation or corrections agency for the purposes of protective care as that term is used in the juvenile court rules. The court shall not give the responsible social services legal custody and order a trial home visit at any time prior to adjudication and disposition under section 260C.201, subdivision 1, paragraph (a), clause (3), but may order the child returned to the care of the parent or guardian who has custody and from whom the child was removed and order the parent or guardian to comply with any conditions the court determines to be appropriate to meet the safety, health, and welfare of the child.

(d) In determining whether the child's health or welfare would be immediately endangered, the court shall consider whether the child would reside with a perpetrator of domestic child abuse.

(e) The court, before determining whether a child should be placed in or continue in foster care under the protective care of the responsible agency, shall also make a determination, consistent with section 260.012 as to whether reasonable efforts were made to prevent placement or whether reasonable efforts to prevent placement are not required. In the case of an Indian child, the court shall determine whether active efforts, according to section 260.762 and the Indian Child Welfare Act of 1978, United States Code, title 25, section 1912(d), were made to prevent placement. The court shall enter a finding that the responsible social services agency has made reasonable efforts to prevent placement when the agency establishes either:

(1) that the agency has actually provided services or made efforts in an attempt to prevent the child's removal but that such services or efforts have not proven sufficient to permit the child to safely remain in the home; or

(2) that there are no services or other efforts that could be made at the time of the hearing that could safely permit the child to remain home or to return home. The court shall not make a reasonable efforts determination under this clause unless the court is satisfied that the agency has sufficiently demonstrated to the court that there were no services or other efforts that the agency was able to provide at the time of the hearing enabling the child to safely remain home or to safely return home. When reasonable efforts to prevent placement are required and there are services or other efforts that could be ordered that would permit the child to safely return home, the court shall order the child returned to the care of the parent or guardian and the services or efforts put in place to ensure the child's safety. When the court makes a prima facie determination that one of the circumstances under paragraph ~~(g)~~ (h) exists, the court shall determine that reasonable efforts to prevent placement and to return the child to the care of the parent or guardian are not required.

(f) If the court finds the social services agency's preventive or reunification efforts have not been reasonable but further preventive or reunification efforts could not permit the child to safely remain at home, the court may nevertheless authorize or continue the removal of the child.

(g) The court may not order or continue the foster care placement of the child unless the court makes explicit, individualized findings that continued custody of the child by the parent or guardian would be contrary to the welfare of the child and that placement is in the best interest of the child.

(h) At the emergency removal hearing, or at any time during the course of the proceeding, and upon notice and request of the county attorney, the court shall determine whether a petition has been filed stating a prima facie case that:

- (1) the parent has subjected a child to egregious harm as defined in section 260C.007, subdivision 14;
 - (2) the parental rights of the parent to another child have been involuntarily terminated;
 - (3) the child is an abandoned infant under section 260C.301, subdivision 2, paragraph (a), clause (2);
 - (4) the parents' custodial rights to another child have been involuntarily transferred to a relative under a juvenile protection proceeding or a similar process of another jurisdiction;
 - (5) the parent has committed sexual abuse as defined in section 260E.03, against the child or another child of the parent;
 - (6) the parent has committed an offense that requires registration as a predatory offender under section 243.166, subdivision 1b, paragraph (a) or (b); or
 - (7) the provision of services or further services for the purpose of reunification is futile and therefore unreasonable.
- (i) When a petition to terminate parental rights is required under section 260C.301, subdivision 4, or 260C.503, subdivision 2, but the county attorney has determined not to proceed with a termination of parental rights petition, and has instead filed a petition to transfer permanent legal and physical custody to a relative under section 260C.507, the court shall schedule a permanency hearing within 30 days of the filing of the petition.
- (j) If the county attorney has filed a petition under section 260C.307, the court shall schedule a trial under section 260C.163 within 90 days of the filing of the petition except when the county attorney determines that the criminal case shall proceed to trial first under section 260C.503, subdivision 2, paragraph (c).

(k) If the court determines the child should be ordered into foster care and the child's parent refuses to give information to the responsible social services agency regarding the child's father or relatives of the child, the court may order the parent to disclose the names, addresses, telephone numbers, and other identifying information to the responsible social services agency for the purpose of complying with sections 260C.150, 260C.151, 260C.212, 260C.215, 260C.219, and 260C.221.

(l) If a child ordered into foster care has siblings, whether full, half, or step, who are also ordered into foster care, the court shall inquire of the responsible social services agency of the efforts to place the children together as required by section 260C.212, subdivision 2, paragraph (d), if placement together is in each child's best interests, unless a child is in placement for treatment or a child is placed with a previously noncustodial parent who is not a parent to all siblings. If the children are not placed together at the time of the hearing, the court shall inquire at each subsequent hearing of the agency's reasonable efforts to place the siblings together, as required under section 260.012. If any sibling is not placed with another sibling or siblings, the agency must develop a plan to facilitate visitation or ongoing contact among the siblings as required under section 260C.212, subdivision 1, unless it is contrary to the safety or well-being of any of the siblings to do so.

(m) When the court has ordered the child into the care of a noncustodial parent or in foster care, the court may order a chemical dependency evaluation, mental health evaluation, medical examination, and parenting assessment for the parent as necessary to support the development of a plan for reunification required under subdivision 7 and section 260C.212, subdivision 1, or the child protective services plan under section 260E.26, and Minnesota Rules, part 9560.0228.

(n) When the court has ordered an Indian child into an emergency child placement, the Indian child shall be placed according to the placement preferences in the Minnesota Indian Family Preservation Act, section 260.773.

Sec. 219. Minnesota Statutes 2024, section 260C.71, subdivision 1, is amended to read:

Subdivision 1. **Judicial review.** When the responsible social services agency has legal authority to place a child at a qualified residential treatment facility under section 260C.007, subdivision 21a, and the child's assessment under section 260C.704 recommends placing the child in a qualified residential treatment facility, the agency shall place the child at a qualified residential treatment facility. Within 60 days of placing the child at a qualified residential treatment facility, the agency must obtain a court order finding that the child's placement is appropriate and meets the child's individualized needs.

Sec. 220. Minnesota Statutes 2024, section 260E.03, subdivision 23, is amended to read:

Subd. 23. **Threatened injury.** (a) "Threatened injury" means a statement, overt act, condition, or status that represents a substantial risk of physical or sexual abuse or mental injury.

(b) Threatened injury includes, but is not limited to, exposing a child to a person responsible for the child's care, as defined in subdivision 17, who has:

(1) subjected a child to, or failed to protect a child from, an overt act or condition that constitutes egregious harm under subdivision 5 or a similar law of another jurisdiction;

(2) been found to be palpably unfit under section 260C.301, subdivision 1, paragraph (b), clause ~~(4)~~ (3), or a similar law of another jurisdiction;

(3) committed an act that resulted in an involuntary termination of parental rights under section 260C.301, or a similar law of another jurisdiction; or

(4) committed an act that resulted in the involuntary transfer of permanent legal and physical custody of a child to a relative or parent under section 260C.515, subdivision 4, or a similar law of another jurisdiction.

(c) A child is the subject of a report of threatened injury when the local welfare agency receives birth match data under section 260E.14, subdivision 4, from the Department of Children, Youth, and Families.

Sec. 221. Minnesota Statutes 2024, section 260E.14, subdivision 1, is amended to read:

Subdivision 1. **Facilities and schools.** (a) The local welfare agency is the agency responsible for investigating allegations of maltreatment in child foster care, family child care, legally nonlicensed child care, and reports involving children served by an unlicensed personal care provider organization under section 256B.0659. Copies of findings related to personal care provider organizations under section 256B.0659 must be forwarded to the Department of Human Services provider enrollment.

(b) The Department of ~~Children, Youth, and Families~~ Human Services is the agency responsible for screening and investigating allegations of maltreatment in juvenile correctional facilities listed under section 241.021 located in the local welfare agency's county and in facilities licensed or certified under chapters 245A and 245D.

(c) The Department of Health is the agency responsible for screening and investigating allegations of maltreatment in facilities licensed under sections 144.50 to 144.58 and 144A.43 to 144A.482 or chapter 144H.

(d) The Department of Education is the agency responsible for screening and investigating allegations of maltreatment in a school as defined in section 120A.05, subdivisions 9, 11, and 13, and chapter 124E. The Department of Education's responsibility to screen and investigate includes allegations of maltreatment involving students 18 through 21 years of age, including students receiving special education services, up to and including graduation and the issuance of a secondary or high school diploma.

(e) A health or corrections agency receiving a report may request the local welfare agency to provide assistance pursuant to this section and sections 260E.20 and 260E.22.

(f) The Department of Children, Youth, and Families is the agency responsible for screening and investigating allegations of maltreatment in facilities or programs not listed in paragraph (a) that are licensed or certified under chapters 142B and 142C.

Sec. 222. Minnesota Statutes 2024, section 260E.30, subdivision 6, is amended to read:

Subd. 6. **Notification to parent, child, or offender following investigation.** (a) Within ten working days of the conclusion of an investigation, the local welfare agency or agency responsible for investigating the report of maltreatment in a facility shall notify the parent or guardian of the child, the person determined to be maltreating the child, and the director of the facility of the determination and a summary of the specific reasons for the determination.

(b) When the investigation involves a child foster care setting that is monitored by a private licensing agency under section ~~245A.16~~ 142B.30, the local welfare agency responsible for investigating the report shall notify the private licensing agency of the determination and shall provide a summary of the specific

reasons for the determination. The notice to the private licensing agency must include identifying private data, but not the identity of the reporter of maltreatment.

(c) The notice must also include a certification that the information collection procedures under section 260E.20, subdivision 3, were followed and a notice of the right of a data subject to obtain access to other private data on the subject collected, created, or maintained under this section.

(d) In addition, the notice shall include the length of time that the records will be kept under section 260E.35, subdivision 6.

(e) The investigating agency shall notify the parent or guardian of the child who is the subject of the report and any person or facility determined to have maltreated a child of their appeal or review rights under this section.

(f) The notice must also state that a finding of maltreatment may result in denial of a license or certification application or background study disqualification under chapter 245C related to employment or services that are licensed by the Department of Human Services under chapter 245A; the Department of Children, Youth, and Families under chapter 142B or 142C; the Department of Health under chapter 144 or 144A; or the Department of Corrections under section 241.021 and from providing services related to an unlicensed personal care provider organization under chapter 256B.

Sec. 223. Minnesota Statutes 2024, section 260E.36, subdivision 5, is amended to read:

Subd. 5. **Priority training.** The commissioners of ~~human services~~ children, youth, and families and public safety shall provide the program courses described in subdivision 2 at convenient times and locations in the state. The commissioners shall give training priority in the program areas cited in subdivision 2 to persons currently performing assessments and investigations pursuant to this chapter.

Sec. 224. Minnesota Statutes 2024, section 270.075, subdivision 1, is amended to read:

Subdivision 1. **Rate of tax.** The commissioner shall determine the rate of tax to be levied and collected against the net tax capacity as determined pursuant to section 270.074, subdivision 3, to generate revenues sufficient to fund the air flight property tax portion of each year's state ~~airport~~ airports fund appropriation, as certified to the commissioner by the commissioner of transportation. The certification shall be presented to the commissioner prior to December 31 of each year. The property tax portion of the state ~~airport~~ airports fund appropriation is the difference between the total fund appropriation and the estimated total fund revenues from other sources for the state fiscal year in which the tax is payable and may include a portion of the balance in the state airports fund as determined to be available by the commissioner of transportation. The certification by the commissioner of transportation to the commissioner shall state the total fund appropriation and shall list individually the estimated fund revenues including the account carryover balance in the ~~airport~~ airports fund. The difference of these amounts shall be shown as the property tax portion of the state ~~airport~~ airports fund appropriation.

If a levy amount has not been certified by December 31 of a levy year, the commissioner shall use the last previous certified amount to determine the rate of tax, and shall notify the chairs and the ranking minority members of the committees of the house of representatives and senate having jurisdiction over the Department of Transportation that a certification was not made under this subdivision.

Sec. 225. Minnesota Statutes 2024, section 270C.63, subdivision 13, is amended to read:

Subd. 13. **Lien search fees.** Upon request of any person, the filing officer shall issue a certificate showing whether there is recorded in that filing office, on the date and hour stated in the certificate, any notice of lien or certificate or notice affecting any lien filed on or after ten years before the date of the search certificate, naming a particular person, and giving the date and hour of filing of each notice or certificate naming the person. The fee for a certificate shall be as provided by section 336.9-525 or 357.18, subdivision 1, clause (3). Upon request, the filing officer shall furnish a copy of any notice of state lien, or notice or certificate affecting a state lien, for a fee of \$1 per page, except that ~~after the effective date of Laws 2009, chapter 101, article 2, section 11, that section shall govern~~ section 5.12, subdivision 1, governs the fee charged by the secretary of state for a copy or electronically transmitted image.

Sec. 226. Minnesota Statutes 2024, section 272.02, subdivision 104, is amended to read:

Subd. 104. **Certain property owned by an Indian Tribe.** ~~(a)~~ Property is exempt that:

(1) is located in a county with a population greater than 28,000 but less than 29,000 as of the 2010 federal census;

(2) was on January 2, 2018, and is for the current assessment owned by a federally recognized Indian Tribe or its instrumentality, that is located in Minnesota;

(3) was on January 2, 2018, erroneously treated as exempt under subdivision 7; and

(4) is used for the same purpose as the property was used on January 2, 2018.

~~(b) The owner of property exempt under paragraph (a) may apply to the county for a refund of any state general tax paid for property taxes payable in 2020 and 2021. The county may prescribe the form and manner of the application. The county auditor must certify to the commissioner of revenue the amount needed for refunds under this section, which the commissioner must pay to the county. An amount necessary for refunds under this paragraph is appropriated from the general fund to the commissioner of revenue in fiscal year 2022. This paragraph expires June 30, 2022.~~

Sec. 227. Minnesota Statutes 2024, section 273.42, subdivision 1, is amended to read:

Subdivision 1. **Tax rate; payment.** The property set forth in section 273.37, subdivision 2, consisting of transmission lines of less than 69 kv and transmission lines of 69 kv and above located in an unorganized township, and distribution lines not taxed as provided in sections 273.38, 273.40 and 273.41 shall be taxed at the average local tax rate of taxes levied for all purposes throughout the county after disparity reduction aid is applied, and shall be entered on the tax lists by the county auditor against the owner thereof and certified to the county treasurer at the same time and in the same manner that other taxes are certified, and, when paid, shall be credited as follows: 50 percent to the general revenue fund of the county and 50 percent to the general school fund of the county, except that if there are high voltage transmission lines as defined in section ~~216E.01~~ 216I.02, subdivision 8, the construction of which was commenced after July 1, 1974, and which are located in unorganized townships within the county, then the distribution of taxes within this subdivision shall be credited as follows: 50 percent to the general revenue fund of the county, 40 percent to the general school fund of the county and ten percent to a utility property tax credit fund, which is hereby established.

Sec. 228. Minnesota Statutes 2024, section 282.38, subdivision 1, is amended to read:

Subdivision 1. **Development.** In any county where the county board by proper resolution sets aside funds for forest development pursuant to section 282.08, clause ~~(5)~~ (4), item (i), or section 459.06, subdivision 2, the commissioner of Iron Range resources and rehabilitation, after consultation with the Iron Range Resources and Rehabilitation Board, may upon request of the county board assist said county in carrying out any project for the long range development of its forest resources through matching of funds or otherwise.

Sec. 229. Minnesota Statutes 2024, section 282.38, subdivision 2, is amended to read:

Subd. 2. **Tax levy.** In any county where the county board shall determine that insufficient moneys will be available from tax-forfeited funds to carry out the intentions of this section as set forth in the statutes enumerated in subdivision 1, the county board may levy a tax upon the real and personal property of the county for that purpose, and the proceeds of said levy may be used in the same manner as funds set aside pursuant to section 282.08, clause ~~(3)(a)~~ (4), item (i), and section 459.06, subdivision 2.

Sec. 230. Minnesota Statutes 2024, section 290.0132, subdivision 26, is amended to read:

Subd. 26. **Social Security benefits.** (a) A taxpayer is allowed a subtraction equal to the greater of the simplified subtraction allowed under paragraph (b) or the alternate subtraction determined under paragraph (e).

(b) A taxpayer's simplified subtraction equals the amount of taxable social security benefits, as reduced under paragraphs (c) and (d).

(c) For a taxpayer other than a married taxpayer filing a separate return with adjusted gross income above the phaseout threshold, the simplified subtraction is reduced by ten percent for each \$4,000 of adjusted gross income, or fraction thereof, in excess of the phaseout threshold. The phaseout threshold equals:

(1) \$100,000 for a married taxpayer filing a joint return or surviving spouse;

(2) \$78,000 for a single or head of household taxpayer; and

(3) for a married taxpayer filing a separate return, half the amount for a married taxpayer filing a joint return.

(d) For a married taxpayer filing a separate return, the simplified subtraction is reduced by ten percent for each \$2,000 of adjusted gross income, or fraction thereof, in excess of the phaseout threshold.

(e) A taxpayer's alternate subtraction equals the lesser of taxable Social Security benefits or a maximum subtraction subject to the limits under paragraphs (f), (g), and (h).

(f) For married taxpayers filing a joint return and surviving spouses, the maximum subtraction under paragraph ~~(e)~~ (e) equals \$5,840. The maximum subtraction is reduced by 20 percent of provisional income over \$88,630. In no case is the subtraction less than zero.

(g) For single or head-of-household taxpayers, the maximum subtraction under paragraph ~~(e)~~ (e) equals \$4,560. The maximum subtraction is reduced by 20 percent of provisional income over \$69,250. In no case is the subtraction less than zero.

(h) For married taxpayers filing separate returns, the maximum subtraction under paragraph ~~(e)~~ (e) equals one-half the maximum subtraction for joint returns under paragraph (f). The maximum subtraction

is reduced by 20 percent of provisional income over one-half the threshold amount specified in paragraph (d). In no case is the subtraction less than zero.

(i) For purposes of this subdivision, "provisional income" means modified adjusted gross income as defined in section 86(b)(2) of the Internal Revenue Code, plus one-half of the taxable Social Security benefits received during the taxable year, and "Social Security benefits" has the meaning given in section 86(d)(1) of the Internal Revenue Code.

(j) The commissioner shall adjust the phaseout threshold amounts in ~~paragraphs (c) and (d)~~ paragraph (c), clauses (1) and (2), as provided in section 270C.22. The statutory year is taxable year 2023. The maximum subtraction and threshold amounts as adjusted must be rounded to the nearest \$10 amount. If the amount ends in \$5, the amount is rounded up to the nearest \$10 amount.

Sec. 231. Minnesota Statutes 2024, section 290.06, subdivision 2c, is amended to read:

Subd. 2c. **Schedules of rates for individuals, estates, and trusts.** (a) The income taxes imposed by this chapter upon married individuals filing joint returns and surviving spouses as defined in section 2(a) of the Internal Revenue Code must be computed by applying to their taxable net income the following schedule of rates:

- (1) On the first \$38,770, 5.35 percent;
- (2) On all over \$38,770, but not over \$154,020, 6.8 percent;
- (3) On all over \$154,020, but not over \$269,010, 7.85 percent;
- (4) On all over \$269,010, 9.85 percent.

Married individuals filing separate returns, estates, and trusts must compute their income tax by applying the above rates to their taxable income, except that the income brackets will be one-half of the above amounts after the adjustment required in subdivision 2d.

(b) The income taxes imposed by this chapter upon unmarried individuals must be computed by applying to taxable net income the following schedule of rates:

- (1) On the first \$26,520, 5.35 percent;
- (2) On all over \$26,520, but not over \$87,110, 6.8 percent;
- (3) On all over \$87,110, but not over \$161,720, 7.85 percent;
- (4) On all over \$161,720, 9.85 percent.

(c) The income taxes imposed by this chapter upon unmarried individuals qualifying as a head of household as defined in section 2(b) of the Internal Revenue Code must be computed by applying to taxable net income the following schedule of rates:

- (1) On the first \$32,650, 5.35 percent;
- (2) On all over \$32,650, but not over \$131,190, 6.8 percent;
- (3) On all over \$131,190, but not over \$214,980, 7.85 percent;
- (4) On all over \$214,980, 9.85 percent.

(d) In lieu of a tax computed according to the rates set forth in this subdivision, the tax of any individual taxpayer whose taxable net income for the taxable year is less than an amount determined by the commissioner must be computed in accordance with tables prepared and issued by the commissioner of revenue based on income brackets of not more than \$100. The amount of tax for each bracket shall be computed at the rates set forth in this subdivision, provided that the commissioner may disregard a fractional part of a dollar unless it amounts to 50 cents or more, in which case it may be increased to \$1.

(e) An individual who is not a Minnesota resident for the entire year must compute the individual's Minnesota income tax as provided in this subdivision. After the application of the nonrefundable credits provided in this chapter, the tax liability must then be multiplied by a fraction in which:

(1) the numerator is the individual's Minnesota source federal adjusted gross income as defined in section 62 of the Internal Revenue Code and increased by:

(i) the additions required under sections 290.0131, subdivisions 2, 6, 8 to 10, 16, 17, 19, and 20, and 290.0137, paragraph (a); and reduced by

(ii) the Minnesota assignable portion of the subtraction for United States government interest under section 290.0132, subdivision 2, the subtractions under sections 290.0132, subdivisions 9, ~~10~~, 14, 15, ~~17~~, 18, 27, 31, and 32, and 290.0137, paragraph (c), after applying the allocation and assignability provisions of section 290.081, clause (a), or 290.17; and

(2) the denominator is the individual's federal adjusted gross income as defined in section 62 of the Internal Revenue Code, increased by:

(i) the additions required under sections 290.0131, subdivisions 2, 6, 8 to 10, 16, 17, 19, and 20, and 290.0137, paragraph (a); and reduced by

(ii) the subtractions under sections 290.0132, subdivisions 2, 9, ~~10~~, 14, 15, ~~17~~, 18, 27, 31, and 32, and 290.0137, paragraph (c).

(f) If an individual who is not a Minnesota resident for the entire year is a qualifying owner of a qualifying entity that elects to pay tax as provided in section 289A.08, subdivision 7a, paragraph (b), the individual must compute the individual's Minnesota income tax as provided in paragraph (e), and also must include, to the extent attributed to the electing qualifying entity:

(1) in paragraph (e), clause (1), item (i), and paragraph (e), clause (2), item (i), the addition under section 290.0131, subdivision 5; and

(2) in paragraph (e), clause (1), item (ii), and paragraph (e), clause (2), item (ii), the subtraction under section 290.0132, subdivision 3.

Sec. 232. Minnesota Statutes 2024, section 290.06, subdivision 23a, is amended to read:

Subd. 23a. **Pass-through entity tax paid to another state.** (a) A credit is allowed against the tax imposed on a qualifying entity under section 289A.08, subdivision 7a, for pass-through entity tax paid to another state. The credit under this subdivision is allowed as a credit for taxes paid to another state under subdivision 22, paragraph (a), and may only be claimed by a qualifying owner. The credit allowed under this subdivision must be claimed in a manner prescribed by the commissioner.

(b) This ~~section~~ subdivision expires at the same time and on the same terms as section 164(b)(6)(B) of the Internal Revenue Code, except that the expiration of this ~~section~~ subdivision does not affect the

commissioner's authority to audit or power of examination and assessments for credits claimed under this section.

(c) As used in this subdivision, the following terms have the meanings given:

(1) "income" has the meaning provided in section 290.01, subdivision 19, paragraph (i);

(2) "pass-through entity tax" means an entity-level tax imposed on the income of a partnership, limited liability corporation, or S corporation;

(3) "qualifying entity" has the meaning provided in section 289A.08, subdivision 7a, paragraph (a); and

(4) "qualifying owner" has the meaning provided in section 289A.08, subdivision 7a, paragraph (b).

Sec. 233. Minnesota Statutes 2024, section 297A.75, subdivision 1, is amended to read:

Subdivision 1. **Tax collected.** The tax on the gross receipts from the sale of the following exempt items must be imposed and collected as if the sale were taxable and the rate under section 297A.62, subdivision 1, applied. The exempt items include:

(1) building materials for an agricultural processing facility exempt under section 297A.71, subdivision 13;

(2) building materials for mineral production facilities exempt under section 297A.71, subdivision 14;

(3) building materials for correctional facilities under section 297A.71, subdivision 3;

(4) building materials used in a residence for veterans with a disability exempt under section 297A.71, subdivision 11;

(5) elevators and building materials exempt under section 297A.71, subdivision 12;

(6) materials and supplies for qualified low-income housing under section 297A.71, subdivision 23;

(7) materials, supplies, and equipment for municipal electric utility facilities under section 297A.71, subdivision 35;

(8) equipment and materials used for the generation, transmission, and distribution of electrical energy and an aerial camera package exempt under section 297A.68, subdivision 37;

(9) commuter rail vehicle and repair parts under section 297A.70, subdivision 3, paragraph (a), clause (10);

(10) materials, supplies, and equipment for construction or improvement of projects and facilities under section 297A.71, subdivision 40;

(11) enterprise information technology equipment and computer software for use in a qualified data center exempt under section 297A.68, subdivision 42;

(12) materials, supplies, and equipment for qualifying capital projects under section 297A.71, subdivision 44, ~~paragraph (a), clause (1), and paragraph~~ paragraphs (a) and (b);

(13) items purchased for use in providing critical access dental services exempt under section 297A.70, subdivision 7, paragraph (c);

(14) items and services purchased under a business subsidy agreement for use or consumption primarily in greater Minnesota exempt under section 297A.68, subdivision 44;

(15) building materials, equipment, and supplies for constructing or replacing real property exempt under section 297A.71, subdivisions 49; 50, paragraph (b); and 51;

(16) building materials, equipment, and supplies for qualifying capital projects under section 297A.71, subdivision 52; and

(17) building materials, equipment, and supplies for constructing, remodeling, expanding, or improving a fire station, police station, or related facilities exempt under section 297A.71, subdivision 53.

Sec. 234. Minnesota Statutes 2024, section 299F.051, subdivision 1a, is amended to read:

Subd. 1a. **Curriculum.** The arson training unit, in consultation with the Bureau of Criminal Apprehension, the state fire marshal, the Minnesota Peace Officer Standards and Training Board, the County Attorneys Association, the attorney general, and the ~~State Advisory Council on Fire Service Education and Research~~ Governor's Council on Fire Prevention and Control, shall establish a standardized curriculum to be included in the training programs. The standardized curriculum shall include fire scene investigation and preservation of evidence, interviewing of witnesses and suspects, constitutional limits on interrogation by sworn and nonsworn officers, and other topics deemed necessary to successful criminal investigation and prosecution. The training program offered to peace officers shall meet the applicable preservice training requirements established by the Peace Officer Standards and Training Board under section 626.8456.

Sec. 235. Minnesota Statutes 2024, section 299J.05, is amended to read:

299J.05 PIPELINE SETBACK ORDINANCE.

(a) The commissioner shall adopt, by December 31, 1990, a model ordinance under chapter 14 requiring a setback from pipelines in areas where residential or other development is allowed. The model ordinance must apply only to new development and not to development that has occurred, or for which development permits have been issued, before the effective date of the ordinance.

(b) By August 1, 1991, each statutory or home rule charter city, town, or county that has planning and zoning authority under sections ~~366.10 to 366.181~~, 394.21 to 394.37, or 462.351 to 462.365, and in which a pipeline is located, shall adopt a pipeline setback ordinance that meets or exceeds the minimum standards of the model ordinance and is approved by the commissioner. The model ordinance applies in a jurisdiction where the local governmental unit does not adopt a setback ordinance that is approved by the commissioner by August 1, 1991.

Sec. 236. Minnesota Statutes 2024, section 299K.08, subdivision 3a, is amended to read:

Subd. 3a. **Use of alternative threshold and certifications; restrictions.** (a) For Minnesota facilities required to report under subdivision 3, the alternative threshold quantities outlined in Code of Federal Regulations, title 40, section 372.27, ~~paragraphs (a)(1) and (a)(2)(ii)~~ paragraph (a), or a successor regulation, shall be changed back to the threshold levels prior to implementation of the toxic release inventory burden reduction rule of December 18, 2006.

(b) The use of Environmental Protection Agency certification form 9530-2, (Form A), or any equivalent successor to the form, shall not be used by facilities:

(1) if the total annual reportable amount is 500 pounds or more for nonpersistent bioaccumulative and toxic chemicals; or

(2) with respect to any chemical identified by the Environmental Protection Agency administrator as a chemical of special concern under Code of Federal Regulations, title 40, section 372.28, or a successor regulation.

(c) Facilities affected by paragraph (b) must use Environmental Protection Agency form 9350-1 (Form R), or any equivalent successor to the form.

Sec. 237. Minnesota Statutes 2024, section 308C.301, subdivision 8, is amended to read:

Subd. 8. **Deposits.** A cooperative may accept donations or deposits of money or real personal property from other cooperatives, associations, organizations, agencies, municipalities, and local, state, and federal governments.

Sec. 238. Minnesota Statutes 2024, section 308C.301, subdivision 9, is amended to read:

Subd. 9. **Lending, borrowing, investing.** A cooperative may loan or borrow money to or from members, other cooperatives, associations, organizations, agencies, municipalities, and local, state, and federal governments with security that it considers sufficient. A cooperative may invest and reinvest its funds.

Sec. 239. Minnesota Statutes 2024, section 308C.301, subdivision 13, is amended to read:

Subd. 13. **Fiduciary powers.** A cooperative may exercise any and all fiduciary powers in relations with members, other cooperatives, associations, organizations, agencies, municipalities, and local, state, and federal governments.

Sec. 240. Minnesota Statutes 2024, section 308C.411, subdivision 2, is amended to read:

Subd. 2. **Generally.** (a) Directors shall be elected for the term, at the time, and in the manner provided in this section and the bylaws.

(b) Except for the first board, all of the directors shall be members and shall be elected exclusively by the members holding occupant membership interests.

(c) The voting authority of the directors may be allocated according to equity classifications of the cooperative provided that at least two-thirds (~~2/3~~) of the voting power on general matters of the cooperative shall be allocated to the directors who are members holding occupant membership interests.

(d) A director holds office for the term the director was elected and until a successor is elected and has qualified, or until the earlier death, resignation, removal, or disqualification of the director.

(e) The expiration of a director's term with or without election of a qualified successor does not make the prior or subsequent acts of the director or the board void or voidable.

(f) Subject to any limitation in the articles or bylaws, directors shall not be compensated, but may be reimbursed reasonable and necessary expenses incurred when they are acting on behalf of the board of directors.

(g) Directors may be divided into or designated and elected by class or other distinction as provided in the articles or bylaws.

(h) A director may resign by giving written notice to the chair of the board or the board. The resignation is effective without acceptance when the notice is given to the chair of the board or the board unless a later effective time is specified in the notice.

Sec. 241. Minnesota Statutes 2024, section 308C.425, subdivision 3, is amended to read:

Subd. 3. **Electronic communications.** (a) A conference among directors by any means of communication through which the directors may simultaneously hear each other during the conference constitutes a board meeting if the same notice is given of the conference as would be required by subdivision 3 4 for a meeting and if the number of directors participating in the conference would be sufficient to constitute a quorum at a meeting. Participation in a meeting by that means constitutes presence in person at the meeting.

(b) A director may participate in an in-person board meeting by any means of communication through which the director, other directors so participating, and all directors physically present at the meeting may simultaneously hear each other during the meeting. Participation in a meeting by that means constitutes presence in person at the meeting.

Sec. 242. Minnesota Statutes 2024, section 308C.545, subdivision 1, is amended to read:

Subdivision 1. **Generally.** One membership shall be issued by the cooperative for each dwelling unit or lot in the project such that the resulting number of memberships outstanding at all times is equal to the number of dwelling units or lots in the project. Each membership shall have one vote in the affairs of the cooperative. If the cooperative has both occupant and nonoccupant members, on any matter of the cooperative, the entire occupant members voting power shall be voted collectively based upon the vote of the majority of occupant members voting on the issue and the collective vote of the nonoccupant members shall be a majority of the vote cast unless otherwise provided in the bylaws. The bylaws may not reduce the collective occupant member vote to less than 15 percent of the total vote on matters of the cooperative. A nonoccupant member has the voting rights in accordance with nonoccupant membership interests as granted in the bylaws, subject to the provisions of this chapter.

Sec. 243. Minnesota Statutes 2024, section 308C.571, subdivision 1, is amended to read:

Subdivision 1. **Member approval.** A cooperative, by affirmative vote of a majority of the board present, may sell, lease, transfer, or otherwise dispose of all or substantially all of its property and assets, including its good will, not in the usual and regular course of its business, a and grant a security interest in all or substantially all of the cooperatives property and assets whether or not in the usual and regular course of its business upon those terms and conditions and for those considerations, which may be money, securities, or other instruments for the payment of money or other property, as the board considers expedient, when approved at a regular or special meeting of the members by the affirmative vote of the owners of a majority of the voting power of the interests entitled to vote. Written notice of the meeting must be given to all members whether or not they are entitled to vote at the meeting. The written notice must state that a purpose of the meeting is to consider the sale, lease, transfer, or other disposition of all or substantially all of the property and assets of the cooperative.

Sec. 244. Minnesota Statutes 2024, section 308C.721, subdivision 2, is amended to read:

Subd. 2. **Distribution of cash or other assets.** The bylaws or operating agreement shall prescribe the distribution of cash or other assets of the cooperative among the membership interests of the cooperative. If not otherwise provided in the bylaws, distribution shall be made to the occupant membership interests

collectively and other members on the basis of the value of contributions to capital made and accepted by the cooperative, by the occupant membership interests collectively, and other membership interests. The distributions to occupant membership interests collectively shall not be less than 50 percent of the total distributions in any fiscal year, except that if authorized in the articles or bylaws adopted by the affirmative vote of the occupant members, or the articles or bylaws are amended by the affirmative vote of the occupant members, the distributions to ~~patron~~ occupant membership interests collectively shall not be less than 15 percent of the total distributions in any year.

Sec. 245. Minnesota Statutes 2024, section 308C.801, subdivision 2, is amended to read:

Subd. 2. **Plan.** To initiate a merger or consolidation of a cooperative, a written plan of merger or consolidation shall be prepared by the board or by a committee selected by the board to prepare a plan. The plan shall state:

(1) the names of the constituent domestic cooperatives, the name of any Minnesota limited liability company that is a party to the merger, to the extent authorized under sections 322C.1001 to 322C.1005 and 322C.1015, and any foreign business entities;

(2) the name of the surviving or new domestic cooperative, Minnesota limited liability company as required by section 322C.1002, or other foreign business entity;

(3) the manner and basis of converting membership or ownership interests of the constituent domestic cooperatives, the surviving Minnesota limited liability company as provided in section 322C.1002, or foreign business entities into membership or ownership interests in the surviving or new domestic cooperative, the surviving Minnesota limited liability company as authorized in section 322C.1002, or foreign business entity;

(4) the terms of the merger or consolidation;

(5) the proposed effect of the consolidation or merger on the members and ~~patron~~ occupant members of each constituent domestic cooperative; and

(6) for a consolidation, the plan shall contain the articles of the entity or organizational documents to be filed with the state in which the entity is organized or, if the surviving organization is a Minnesota limited liability company, the articles of organization.

Sec. 246. Minnesota Statutes 2024, section 319B.40, is amended to read:

319B.40 PROFESSIONAL HEALTH SERVICES.

(a) Individuals who furnish professional services pursuant to a license, registration, or certificate issued by the state of Minnesota to practice medicine pursuant to sections 147.01 to 147.22, as a physician assistant pursuant to sections 147A.01 to 147A.27, chiropractic pursuant to sections 148.01 to 148.106, registered nursing pursuant to sections 148.171 to 148.285, optometry pursuant to sections 148.52 to 148.62, psychology pursuant to sections 148.88 to 148.98, social work pursuant to chapter ~~148D~~ 148E, marriage and family therapy pursuant to sections 148B.29 to 148B.39, dentistry pursuant to sections 150A.01 to 150A.12, pharmacy pursuant to sections 151.01 to 151.40, or podiatric medicine pursuant to sections 153.01 to 153.26 are specifically authorized to practice any of these categories of services in combination if the individuals are organized under this chapter.

(b) This authorization does not authorize an individual to practice any profession, or furnish a professional service, for which the individual is not licensed, registered, or certified, but otherwise applies regardless of

any contrary provision of a licensing statute or rules adopted pursuant to that statute, related to practicing and organizing in combination with other health services professionals.

Sec. 247. Minnesota Statutes 2024, section 325D.44, subdivision 1a, is amended to read:

Subd. 1a. **Advertisements, displays, or offers.** (a) A person engages in a deceptive trade practice when, in the course of business, vocation, or occupation, the person advertises, displays, or offers a price for goods or services that does not include all mandatory fees or surcharges. If the person that disseminates an advertisement is independent of the advertiser, the person is not liable for the content of the advertisement.

(b) For purposes of this subdivision, "mandatory fee" includes but is not limited to a fee or surcharge that:

(1) must be paid in order to purchase the goods or services being advertised;

(2) is not reasonably avoidable by the consumer; or

(3) a reasonable person would expect to be included in the purchase of the goods or services being advertised.

For the purposes of this subdivision, mandatory fee does not include taxes imposed by a government entity on the sale, use, purchase, receipt, or delivery of the goods or services.

(c) A delivery platform is compliant with this subdivision if the platform satisfies all of the following requirements:

(1) at the point when a consumer views and selects either a vendor or items for purchase, a delivery platform must display in a clear and conspicuous manner that an additional flat fee or percentage is charged. The disclosure must include the additional fee or percentage amount; and

(2) after a consumer selects items for purchase, but prior to checkout, a delivery platform must display a subtotal page that itemizes the price of the menu items and the additional fee that is included in the total cost.

(d) A person may charge a reasonable postage or shipping fee that is actually incurred by a consumer who has purchased a good that requires shipping.

(e) Nothing in this subdivision prevents a person from offering goods or services at a discounted price from the advertised, displayed, or offered price.

(f) A person offering goods or services in an auction where consumers can place bids on the goods or services and the total cost is indeterminable is compliant with this subdivision if the person discloses in a clear and conspicuous manner any mandatory fees associated with the transaction and that the total cost of the goods or services may vary.

(g) A person offering services where the total cost of a service is determined by consumer selections and preferences, or where the total cost of the service relates to distance or time, is compliant with this subdivision if the person discloses in a clear and conspicuous manner (1) the factors that determine the total price, (2) any mandatory fees associated with the transaction, and (3) that the total cost of the services may vary.

(h) A food or beverage service establishment, including a hotel, is compliant with this subdivision if, in every offer or advertisement for the purchase of a good or service that includes pricing information, the

total price of the good or service being offered or advertised includes a clear and conspicuous disclosure of the percentage of any automatic and mandatory gratuities charged.

(i) A person is compliant with this subdivision if the person providing broadband Internet access service on its own or as part of a bundle is compliant with the broadband consumer label requirements under Code of Federal Regulations, title 47, section 8.1(a).

(j) A person is compliant with this subdivision if the person is compliant with the pricing requirements ~~under~~ adopted by the Federal Communications Commission in Report and Order FCC 24-29, pursuant to United States Code, title 47, section 552.

(k) This subdivision is enforceable unless preempted by federal law.

Sec. 248. Minnesota Statutes 2024, section 336.3-206, is amended to read:

336.3-206 RESTRICTIVE ENDORSEMENT.

(a) An endorsement limiting payment to a particular person or otherwise prohibiting further transfer or negotiation of the instrument is not effective to prevent further transfer or negotiation of the instrument.

(b) An endorsement stating a condition to the right of the endorsee to receive payment does not affect the right of the endorsee to enforce the instrument. A person paying the instrument or taking it for value or collection may disregard the condition, and the rights and liabilities of that person are not affected by whether the condition has been fulfilled.

(c) If an instrument bears an endorsement (i) described in section 336.4-201(b), or (ii) in blank or to a particular bank using the words "for deposit," "for collection," or other words indicating a purpose of having the instrument collected by a bank for the endorser or for a particular account, the following rules apply:

(1) A person, other than a bank, who purchases the instrument when so endorsed converts the instrument unless the amount paid for the instrument is received by the endorser or applied consistently with the endorsement.

(2) A depository bank that purchases the instrument or takes it for collection when so endorsed converts the instrument unless the amount paid by the bank with respect to the instrument is received by the endorser or applied consistently with the endorsement.

(3) A payor bank that is also the depository bank or that takes the instrument for immediate payment over the counter from a person other than a collecting bank converts the instrument unless the proceeds of the instrument are received by the endorser or applied consistently with the endorsement.

(4) Except as otherwise provided in paragraph (3), a payor bank or intermediary bank may disregard the endorsement and is not liable if the proceeds of the instrument are not received by the endorser or applied consistently with the endorsement.

(d) Except for an endorsement covered by subsection (c), if an instrument bears an endorsement using words to the effect that payment is to be made to the endorsee as agent, trustee, or other fiduciary for the benefit of the endorser or another person, the following rules apply:

(1) Unless there is notice of breach of fiduciary duty as provided in section 336.3-307, a person who purchases the instrument from the endorsee or takes the instrument from the endorsee for collection or payment may pay the proceeds of payment or the value given for the instrument to the endorsee without regard to whether the endorsee violates a fiduciary duty to the endorser.

(2) A subsequent transferee of the instrument or person who pays the instrument is neither given notice nor otherwise affected by the restriction in the endorsement unless the transferee or payor knows that the fiduciary dealt with the instrument or its proceeds in breach of fiduciary duty.

(e) The presence on an instrument of an endorsement to which this section applies does not prevent a purchaser of the instrument from becoming a holder in due course of the instrument unless the purchaser is a converter under subsection (c) or has notice or knowledge of breach of fiduciary duty as stated in subsection (d).

(f) In an action to enforce the obligation of a party to pay the instrument, the obligor has a defense if payment would violate an endorsement to which this section applies and the payment is not permitted by this section.

~~(g) Nothing in this section prohibits or limits the effectiveness of a restrictive endorsement made under section 256.9831, subdivision 3.~~

Sec. 249. Minnesota Statutes 2024, section 336.9-301, is amended to read:

336.9-301 LAW GOVERNING PERFECTION AND PRIORITY OF SECURITY INTERESTS.

Except as otherwise provided in sections 336.9-303 through ~~336.306B~~ 336.9-306B, the following rules determine the law governing perfection, the effect of perfection or nonperfection, and the priority of a security interest in collateral:

(1) Except as otherwise provided in this section, while a debtor is located in a jurisdiction, the local law of that jurisdiction governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in collateral.

(2) While collateral is located in a jurisdiction, the local law of that jurisdiction governs perfection, the effect of perfection or nonperfection, and the priority of a possessory security interest in that collateral.

(3) Except as otherwise provided in paragraph (4), while negotiable tangible documents, goods, instruments, or tangible money is located in a jurisdiction, the local law of that jurisdiction governs:

(A) perfection of a security interest in the goods by filing a fixture filing;

(B) perfection of a security interest in timber to be cut; and

(C) the effect of perfection or nonperfection and the priority of a nonpossessory security interest in the collateral.

(4) The local law of the jurisdiction in which the wellhead or minehead is located governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in as-extracted collateral.

Sec. 250. Minnesota Statutes 2024, section 336.12-107, is amended to read:

336.12-107 GOVERNING LAW.

(a) **Governing law: general rule.** Except as provided in subsection (b), the local law of a controllable electronic record's jurisdiction governs a matter covered by this article.

(b) **Governing law: section 336.12-106.** For a controllable electronic record that evidences a controllable account or controllable payment intangible, the local law of the controllable electronic record's jurisdiction

governs a matter covered by section 336.12-106 unless an effective agreement determines that the local law of another jurisdiction governs.

(c) Controllable electronic record's jurisdiction. The following rules determine a controllable electronic record's jurisdiction under this section:

(1) If the controllable electronic record, or a record attached to or logically associated with the controllable electronic record and readily available for review, expressly provides that a particular jurisdiction is the controllable electronic record's jurisdiction for purposes of this article or this chapter, that jurisdiction is the controllable electronic record's jurisdiction.

(2) If paragraph (1) does not apply and the rules of the system in which the controllable electronic record is recorded are readily available for review and expressly provide that a particular jurisdiction is the controllable electronic record's jurisdiction for purposes of this article or this chapter, that jurisdiction is the controllable electronic record's jurisdiction.

(3) If paragraphs (1) and (2) do not apply and the controllable electronic record, or a record attached to or logically associated with the controllable electronic record and readily available for review, expressly provides that the controllable electronic record is governed by the law of a particular jurisdiction, that jurisdiction is the controllable electronic record's jurisdiction.

(4) If paragraphs (1), (2), and (3) do not apply and the rules of the system in which the controllable electronic record is recorded are readily available for review and expressly provide that the controllable electronic record or the system is governed by the law of a particular jurisdiction, that jurisdiction is the controllable electronic record's jurisdiction.

(5) If paragraphs (1) through (4) do not apply, the controllable electronic record's jurisdiction is the District of Columbia.

(d) Applicability of Article 12. If subsection (c)(5) applies and article 12 is not in effect in the District of Columbia without material modification, the governing law for a matter covered by this article is the law of the District of Columbia as though article 12 were in effect in the District of Columbia without material modification. In this subsection, "article 12" means article 12 of Uniform Commercial Code Amendments (2022).

(e) Relation of matter or transaction to controllable electronic record's jurisdiction not necessary. To the extent subsections (a) and (b) provide that the local law of the controllable electronic record's jurisdiction governs a matter covered by this article, that law governs even if the matter or a transaction to which the matter relates does not bear any relation to the controllable electronic record's jurisdiction.

(f) Rights of purchasers determined at time of purchase. The rights acquired under section ~~366.12-104~~ 336.12-104 by a purchaser or qualifying purchaser are governed by the law applicable under this section at the time of purchase.

Sec. 251. Minnesota Statutes 2024, section 352.91, subdivision 3c, is amended to read:

Subd. 3c. **Nursing personnel.** (a) "Covered correctional service" means service by a state employee in one of the employment positions at a correctional facility, in the state-operated forensic services program, or in the Minnesota Sex Offender Program that are specified in paragraph (b) if at least 75 percent of the employee's working time is spent in direct contact with inmates or patients and the fact of this direct contact is certified to the executive director by the appropriate commissioner or executive board.

(b) The employment positions are as follows:

- (1) registered nurse - senior;
- (2) registered nurse;
- (3) registered nurse - principal;
- (4) licensed practical nurse;
- (5) registered nurse ~~advance~~ advanced practice; and
- (6) psychiatric ~~advance~~ advanced practice registered nurse.

Sec. 252. Minnesota Statutes 2024, section 353D.07, subdivision 2, is amended to read:

Subd. 2. **Payment of benefits.** (a) A participant is entitled to receive a distribution of the participant's benefit after termination of service for any reason, disability, or death, or on or after attaining age 65 if still employed by a public employer.

(b) Unless the distribution is required under section ~~353D.071~~ 356.635, no distribution shall be made unless the participant has submitted an application requesting:

- (1) a distribution;
- (2) a direct rollover;
- (3) a transfer as permitted under subdivision 3, paragraph (b); or
- (4) installments as permitted under subdivision 4.

If the distribution is an eligible rollover distribution as defined in section 356.633, subdivision 1, paragraph (d), the executive director shall provide notice to the participant or beneficiary, as applicable, of the right to elect a direct rollover.

Sec. 253. Minnesota Statutes 2024, section 353G.01, subdivision 7b, is amended to read:

Subd. 7b. **Lump-sum division.** "Lump-sum division" means the division of the defined benefit plan ~~governed by section 353G.11~~ that distributes retirement benefits under section 353G.14, subdivision 1, in the form of a single lump sum.

Sec. 254. Minnesota Statutes 2024, section 353G.01, subdivision 8b, is amended to read:

Subd. 8b. **Monthly division.** "Monthly division" means the division of the defined benefit plan ~~governed by section 353G.112~~ that distributes retirement benefits under section 353G.14, subdivision 2, in the form of monthly payments.

Sec. 255. Minnesota Statutes 2024, section 353G.01, subdivision 10a, is amended to read:

Subd. 10a. **Retirement benefit plan document.** "Retirement benefit plan document," for an account in the monthly division, means the articles of incorporation and bylaws of the prior former firefighters relief association in effect on the day before the date on which the retirement coverage transfer under section 353G.05 occurred or as provided in the most recent modification under section ~~353G.121~~ 353G.11.

Sec. 256. Minnesota Statutes 2024, section 353G.09, subdivision 1a, is amended to read:

Subd. 1a. **Retirement benefit.** (a) A volunteer firefighter who is entitled to a retirement benefit under subdivision 1 must receive a retirement benefit under paragraph (b), (c), or (d), as applicable.

(b) The retirement benefit of a member of the lump-sum division is equal to the number of years of service credit certified under section 353G.07 for the member, multiplied by the benefit level applicable to the member under section 353G.11, multiplied by the member's vested percentage under subdivision 2.

(c) The retirement benefit of a member of the monthly division is equal to the number of years of service credit certified under section 353G.07 for the member, multiplied by the benefit level applicable to the member under section ~~353G.112~~ 353G.11, multiplied by the member's vested percentage under subdivision 2.

(d) The retirement benefit of a member of the defined contribution plan is equal to the balance in the member's account in the plan as of the end of the month after the month in which the executive director receives the application for a distribution of the retirement benefit multiplied by the member's vested percentage under subdivision 2.

Sec. 257. Minnesota Statutes 2024, section 354B.31, subdivision 6, is amended to read:

Subd. 6. **Eligibility for credit.** Only teachers who are public employees as defined in section 179A.03, subdivision 14, during the school year preceding the period of part-time employment pursuant to this section qualify for employee contributions to the retirement plan for part-time teaching service under subdivision 4. Notwithstanding section 179A.03, subdivision 14, paragraph (a), clauses (5) and (6), teachers who are employed on a part-time basis for purposes of this section and who would therefore be disqualified from the bargaining unit by one or both of those provisions, continue to be in the bargaining unit during the period of part-time employment under this section for purposes of compensation, fringe benefits, and the grievance procedure.

Sec. 258. Minnesota Statutes 2024, section 360.013, subdivision 36, is amended to read:

Subd. 36. **Air school.** "Air school" means any person engaged in giving, or offering to give, instruction in aeronautics, either in flying or ground subjects, or both, for or without hire or reward, and advertising, representing, or holding out as giving or offering to give such instructions. It does not include any public school, the University of Minnesota, or any institution of higher learning accredited by the ~~North Central Association of Colleges and Secondary Schools~~ Higher Learning Commission and approved by it for carrying on collegiate work.

Sec. 259. Minnesota Statutes 2024, section 360.031, is amended to read:

360.031 DEFINITION OF MUNICIPALITY.

For the purposes of sections 360.031 to ~~360.045~~ 360.046, ~~(and except for section 360.042),~~ "municipality" means any county, city, town, or airport authority of this state.

Sec. 260. Minnesota Statutes 2024, section 360.032, subdivision 1a, is amended to read:

Subd. 1a. **Relocating airport property; reimbursement.** A municipality may exercise the powers set forth in this subdivision solely for the purpose of assisting the relocation of air navigation facilities,

structures, and other property incidental to airport operations, which are located at an airport owned or formerly owned by the municipality.

A municipality may acquire air navigation facilities, structures, and other property incidental to airport operations, which are located at an airport owned or formerly owned by the municipality. In lieu of such acquisition, the municipality may move and relocate such property to another public airport. The manner of acquisition of such property shall be in accordance with subdivision 2. The municipality may expend its funds to pay for the costs of such acquisition, moving, and relocation. The commissioner may pay a portion of such acquisition, moving, and relocation costs in accordance with the provisions of section 360.305, subdivision 4, paragraph (b) ~~or (e)~~.

Sec. 261. Minnesota Statutes 2024, section 360.62, is amended to read:

360.62 TAX REFUND.

(a) Except as provided herein the tax upon any aircraft which has been paid for any year, shall be refunded only for errors made in computing the tax or fees or for the error on the part of an owner who may in error have registered an aircraft that was not before, nor at the time of such registration, nor at any time thereafter during the tax period, subject to such tax in this state; provided that after more than 24 months after such tax was paid no refund shall be made for any tax paid on any aircraft. Refunds as provided by sections 360.511 to 360.67 shall be made in the manner provided by ~~Laws 1947, chapter 416~~ section 16A.48. The former owner of a transferred aircraft by an assignment in writing endorsed upon the former owner's registration certificate and delivered to the commissioner within the time provided herein may sell and assign to the new owner thereof the right to have the tax paid by the former owner accredited to such new owner who duly registers such aircraft. Any owner whose aircraft shall be destroyed or permanently removed from the state shall be entitled to a refund for the unused portion of the tax paid upon the aircraft so destroyed or removed from the state, such refund to be computed pro rata by the month, and to be equal to the monthly tax rate multiplied by the number of full calendar months remaining in the fiscal year.

(b) In order to secure such refund, the aircraft owner shall submit a signed statement that such aircraft has either been sold out of state or destroyed, the date of such sale or destruction, and such other information as the commissioner may require. Any false statement willfully and knowingly made in regard thereto shall be deemed a perjury and punished accordingly. No refund shall be made if application is not made within 12 months after the date the aircraft was sold out of state or destroyed.

Sec. 262. Minnesota Statutes 2024, section 360.654, is amended to read:

360.654 AIRCRAFT DEALER'S COMMERCIAL USE PERMIT.

Upon written application by a dealer licensed in accordance with section 360.63 and payment of a fee of \$20 for each aircraft identified in the application, the commissioner of revenue shall issue a commercial use permit which shall entitle the dealer to use the aircraft for commercial purposes for a period of 12 months or until the aircraft is sold, whichever first occurs. The dealer shall pay the tax imposed by section 297A.63 on all consideration received for use of the aircraft for commercial purposes during the period the dealer holds the commercial use permit. Commercial purposes as used herein does not include rental or lease of the aircraft for which the aircraft dealers normally collect the sales tax from their customers. Applications shall be on forms prescribed and furnished by the commissioner of revenue and shall include the federal aircraft registration number of each aircraft for which a permit is to be issued. A permit shall be affixed to the dealer's license and shall be conspicuously displayed in the aircraft for which it was issued, which aircraft shall remain in the possession of or under the control of the licensed dealer to whom the permit was issued.

The permit shall expire and the tax imposed by section 297A.62 or 297A.63 shall become due upon either sale of the aircraft by the dealer or expiration of the 12-month period. If the aircraft has not been sold within the 12-month period the tax is due on the purchase price of the aircraft and its auxiliary equipment to the dealer and the tax imposed by section 297A.62 shall become due on the eventual sale of the aircraft. ~~Laws 1971, chapter 740~~ This section and section 297A.82, subdivision 4, paragraph (c), shall in no way apply to registration or taxation pursuant to sections 360.511 to 360.67.

Sec. 263. Minnesota Statutes 2024, section 360.915, subdivision 1, is amended to read:

Subdivision 1. **Definition.** (a) For purposes of this section, "stand-alone meteorological tower" means a structure, whether self-standing or supported by guy wires and ground anchors, that:

(1) is designed with accessory facilities on which antenna, sensor, camera, meteorological, or other equipment is able to be mounted;

(2) has a height of at least 50 feet and not more than 200 feet; and

(3) has a diameter of ten feet or less at the aboveground base, excluding concrete footing.

(b) A stand-alone meteorological tower does not include a structure that is:

(1) affixed or adjacent to a building, including a house, barn, or utility station;

(2) an electric transmission or distribution line;

(3) a streetlight erected or maintained by a governmental entity;

(4) a wind energy conversion system, as defined in section ~~216F.01, subdivision 4~~ 216I.02, subdivision 20, that has rotor blades with a length of more than six feet;

(5) a facility registered with the Federal Communications Commission or any structure with the primary purpose of supporting telecommunications equipment, including microwave relay facilities and towers erected for the purpose of providing commercial mobile radio service or commercial mobile data service, as the terms are defined in Code of Federal Regulations, title 47, section 20.3; or

(6) a utility pole located in the public right-of-way.

Sec. 264. Minnesota Statutes 2024, section 393.07, subdivision 10, is amended to read:

Subd. 10. **SNAP; Maternal and Child Nutrition Act.** (a) The local social services agency shall establish and administer the Supplemental Nutrition Assistance Program (SNAP) according to rules of the commissioner of children, youth, and families, the supervision of the commissioner as specified in section ~~256.01~~ 142A.03, and all federal laws and regulations. The commissioner of children, youth, and families shall monitor SNAP delivery on an ongoing basis to ensure that each county complies with federal laws and regulations. Program requirements to be monitored include, but are not limited to, number of applications, number of approvals, number of cases pending, length of time required to process each application and deliver benefits, number of applicants eligible for expedited issuance, length of time required to process and deliver expedited issuance, number of terminations and reasons for terminations, client profiles by age, household composition and income level and sources, and the use of phone certification and home visits. The commissioner shall determine the county-by-county and statewide participation rate.

(b) On July 1 of each year, the commissioner of children, youth, and families shall determine a statewide and county-by-county SNAP participation rate. The commissioner may designate a different agency to administer the SNAP in a county if the agency administering the program fails to increase the SNAP participation rate among families or eligible individuals, or comply with all federal laws and regulations governing the SNAP. The commissioner shall review agency performance annually to determine compliance with this paragraph.

(c) A person who commits any of the following acts has violated section 256.98 or 609.821, or both, and is subject to both the criminal and civil penalties provided under those sections:

(1) obtains or attempts to obtain, or aids or abets any person to obtain by means of a willful statement or misrepresentation, or intentional concealment of a material fact, SNAP benefits or vouchers issued according to sections 145.891 to 145.897 to which the person is not entitled or in an amount greater than that to which that person is entitled or which specify nutritional supplements to which that person is not entitled; or

(2) presents or causes to be presented, coupons or vouchers issued according to sections 145.891 to 145.897 for payment or redemption knowing them to have been received, transferred or used in a manner contrary to existing state or federal law; or

(3) willfully uses, possesses, or transfers SNAP benefits, authorization to purchase cards or vouchers issued according to sections 145.891 to 145.897 in any manner contrary to existing state or federal law, rules, or regulations; or

(4) buys or sells SNAP benefits, authorization to purchase cards, other assistance transaction devices, vouchers issued according to sections 145.891 to 145.897, or any food obtained through the redemption of vouchers issued according to sections 145.891 to 145.897 for cash or consideration other than eligible food.

(d) A peace officer or welfare fraud investigator may confiscate SNAP benefits, authorization to purchase cards, or other assistance transaction devices found in the possession of any person who is neither a recipient of SNAP benefits nor otherwise authorized to possess and use such materials. Confiscated property shall be disposed of as the commissioner may direct and consistent with state and federal SNAP law. The confiscated property must be retained for a period of not less than 30 days to allow any affected person to appeal the confiscation under section 256.045.

(e) Establishment of an overpayment is limited to 12 months prior to the month of discovery due to agency error. Establishment of an overpayment is limited to six years prior to the month of discovery due to client error or an intentional program violation determined under section 256.046.

(f) With regard to the federal tax revenue offset program only, recovery incentives authorized by the federal food and consumer service shall be retained at the rate of 50 percent by the state agency and 50 percent by the certifying county agency.

(g) A peace officer, welfare fraud investigator, federal law enforcement official, or the commissioner of health may confiscate vouchers found in the possession of any person who is neither issued vouchers under sections 145.891 to 145.897, nor otherwise authorized to possess and use such vouchers. Confiscated property shall be disposed of as the commissioner of health may direct and consistent with state and federal law. The confiscated property must be retained for a period of not less than 30 days.

(h) The commissioner of children, youth, and families may seek a waiver from the United States Department of Agriculture to allow the state to specify foods that may and may not be purchased in Minnesota with benefits funded by the federal Supplemental Nutrition Assistance Program. The commissioner shall

consult with the members of the house of representatives and senate policy committees having jurisdiction over SNAP issues in developing the waiver. The commissioner, in consultation with the commissioners of health and education, shall develop a broad public health policy related to improved nutrition and health status. The commissioner must seek legislative approval prior to implementing the waiver.

Sec. 265. Minnesota Statutes 2024, section 403.36, subdivision 1, is amended to read:

Subdivision 1. **Membership.** (a) The commissioner of public safety shall convene and chair the Statewide Radio Board to develop a project plan for a statewide, shared, trunked public safety radio communication system. The system may be referred to as "Allied Radio Matrix for Emergency Response," or "ARMER."

(b) The board consists of the following members or their designees:

- (1) the commissioner of public safety;
- (2) the commissioner of transportation;
- (3) the state chief information officer;
- (4) the commissioner of natural resources;
- (5) the chief of the Minnesota State Patrol;
- (6) the chair of the Metropolitan Council;
- (7) two elected city officials, one from the ten-county metropolitan area and one from Greater Minnesota, appointed by the governing body of the League of Minnesota Cities;
- (8) two elected county officials, one from the ten-county metropolitan area and one from Greater Minnesota, appointed by the governing body of the Association of Minnesota Counties;
- (9) two sheriffs, one from the ten-county metropolitan area and one from Greater Minnesota, appointed by the governing body of the Minnesota Sheriffs' Association;
- (10) two chiefs of police, one from the ten-county metropolitan area and one from Greater Minnesota, appointed by the governor after considering recommendations made by the Minnesota Chiefs' of Police Association;
- (11) two fire chiefs, one from the ten-county metropolitan area and one from Greater Minnesota, appointed by the governor after considering recommendations made by the Minnesota State Fire Chiefs' Chiefs Association;
- (12) two representatives of emergency medical service providers, one from the ten-county metropolitan area and one from Greater Minnesota, appointed by the governor after considering recommendations made by the Minnesota Ambulance Association;
- (13) the chair of the Metropolitan Emergency Services Board; and
- (14) a representative of Greater Minnesota elected by those units of government in phase three and any subsequent phase of development as defined in the statewide, shared radio and communication plan, who have submitted a plan to the Statewide Radio Board and where development has been initiated.

(c) The Statewide Radio Board shall coordinate the appointment of board members representing Greater Minnesota with the appointing authorities and may designate the geographic region or regions from which an appointed board member is selected where necessary to provide representation from throughout the state.

Sec. 266. Minnesota Statutes 2024, section 446A.073, subdivision 1, is amended to read:

Subdivision 1. **Program established.** When money is appropriated for grants under this program, the authority shall award grants up to a maximum of \$7,000,000 to governmental units to cover 80 percent of the cost of water infrastructure projects made necessary by:

(1) a wasteload reduction prescribed under a total maximum daily load plan required by section 303(d) of the federal Clean Water Act, United States Code, title 33, section 1313(d);

(2) a phosphorus concentration or mass limit which requires discharging one milligram per liter or less at permitted design flow which is incorporated into a permit issued by the Pollution Control Agency;

(3) any other water quality-based effluent limit established under section 115.03, subdivision 1, paragraph ~~(e)~~ (a), clause ~~(8)~~ (5), item (viii), and incorporated into a permit issued by the Pollution Control Agency that exceeds secondary treatment limits; or

(4) a total nitrogen concentration or mass limit that requires discharging ten milligrams per liter or less at permitted design flow.

Sec. 267. Minnesota Statutes 2024, section 446A.073, subdivision 2, is amended to read:

Subd. 2. **Grant application.** Application for a grant must be made to the authority on forms prescribed by the authority, including a project schedule and cost estimate for the work necessary to comply with the requirements listed in subdivision 1. The Pollution Control Agency shall review and certify to the authority those projects that have plans and specifications approved under section 115.03, subdivision 1, paragraph ~~(f)~~ (a), clause (6).

Sec. 268. Minnesota Statutes 2024, section 462A.051, subdivision 1, is amended to read:

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

(b) "Project sponsor" means an individual, legal entity, or nonprofit board that exercises control, financial responsibility, and decision-making authority over a housing development.

(c) "Developer" means an individual, legal entity, or nonprofit board that is responsible for the coordination of financing and building of a housing development.

~~(e)~~ (d) "Funding" means all forms of financial assistance or the allocation or award of federal low-income housing tax credits.

Sec. 269. Minnesota Statutes 2024, section 462A.2096, is amended to read:

462A.2096 ANNUAL PROJECTION OF EMERGENCY RENTAL ASSISTANCE NEEDS.

The agency must develop a projection of emergency rental assistance needs in consultation with the commissioner of human services and representatives from county and Tribal housing administrators and housing nonprofit agencies. The projection must identify the amount of funding required to meet all emergency

rental assistance needs, including the family ~~homelessness~~ homeless prevention and assistance program, the emergency assistance program, and emergency general assistance. By January 15 each year, the commissioner must submit a report on the projected need for emergency rental assistance to the chairs and ranking minority members of the legislative committees having jurisdiction over housing and human services finance and policy.

Sec. 270. Minnesota Statutes 2024, section 469.002, subdivision 25, is amended to read:

Subd. 25. **Workforce housing project.** (a) "Workforce housing project" means any work or undertaking by an authority located in an eligible project area to develop market rate residential rental properties, as defined in section 462A.39, subdivision 2, paragraph (d), or single-family housing, as defined under section 462C.02, subdivision 4.

(b) For the purposes of this ~~paragraph~~ subdivision, "eligible project area" means an area that meets the criteria under section 462A.39, subdivisions 2, paragraph (b), and 4, paragraph (a).

Sec. 271. Minnesota Statutes 2024, section 469.53, is amended to read:

469.53 REGIONAL EXCHANGE DISTRICT PUBLIC INFRASTRUCTURE PROJECTS.

(a) The following projects shall be eligible for state appropriation support payments upon approval by the Duluth City Council. Costs may be reimbursed for eligible projects that begin construction prior to September 30, 2020, but in no case may the total state payment per project exceed the amount established in this section. Eligible costs for the projects in this paragraph may include expenditures as defined in section 469.54, subdivision 1, including but not limited to planning, acquisition, predesign, design, construction, site preparation, demolition costs, furnishing, and equipping. Eligible projects include:

(1) demolition and replacement of a skywalk connected to an existing medical district parking ramp in an amount not to exceed \$2,100,000, including any land acquisition;

(2) a ramp with up to 1,400 new parking stalls to serve medical business entity west in an amount not to exceed \$37,900,000, including any land acquisition;

(3) extension of 6th Avenue East from 2nd Street to 1st Street in an amount not to exceed \$6,650,000, including any land acquisition;

(4) demolition of existing hospital structure for site reuse, to accomplish the purposes in section 469.51, subdivision 2, in an amount not to exceed \$11,820,000;

(5) roadway, utility, and site improvements and capacity upgrades to support medical business entity west hospital construction in an amount not to exceed \$13,950,000;

(6) district energy connections, capacity enhancement, a pressure pump station, and district energy utility improvements outside of the district reasonably necessary and advantageous to services developments within the district in an amount not to exceed \$7,000,000;

(7) a ramp with up to 400 new parking stalls to serve medical business entity east in an amount not to exceed \$14,000,000; and

(8) site improvements made upon private property and within the public realm, including retaining walls, public sidewalks, public stairs, and other related infrastructure, necessary to support medical business entity west hospital construction in an amount not less than \$1,300,000 or in excess of \$4,300,000.

(b) Upon notice to the commissioner of employment and economic development, any unexpended amount for the projects described in paragraph (a), clauses (1) to (4) and (8), that have been substantially completed may fund the project in paragraph (a), clause (5). The unexpended amounts applied to the project in paragraph (a), clause (5), shall be in addition to the amount specified for that project. The Duluth City Council must submit a written plan to the commissioner of employment and economic development to use unexpended funds in the manner under this paragraph.

(c) For any public infrastructure project that will not be let by the city for which state support is sought, the project must proceed and comply with any state and local contracting requirements otherwise applicable to the city had the city let the project. The city shall have the right to inspect, upon reasonable notice, the construction contracts and related documentation for any public infrastructure project for which state support is sought.

Sec. 272. Minnesota Statutes 2024, section 469.54, subdivision 3, is amended to read:

Subd. 3. **Appropriation support payments.** (a) Public financing for the construction of a parking structure for a medical business entity is not available until the commissioner determines that the medical business entity that would benefit from the parking structure to be financed has made at least \$50,000,000 in qualified expenditures. The requirements of this paragraph apply to each medical business entity individually. Upon certification of the required amount by either medical business entity, public financing for the construction of parking structures benefiting that entity is available.

(b) No appropriation support payments shall be paid before July 1, 2021. The maximum appropriation support payment paid in fiscal year 2022 is \$3,660,000. The maximum appropriation support payment in any subsequent fiscal year is limited to no more than \$8,100,000, each subject to paragraph (e). The total amount of appropriation support payments made under this subdivision is limited to an amount sufficient to finance \$97,720,000 of public infrastructure projects.

(c) The city must use the appropriation support payments it receives under this subdivision for public infrastructure projects, including the cost to finance such projects. The city must maintain appropriate records to document the use of the funds under this requirement.

(d) The commissioner must pay to the city the amount of appropriation support payments determined under this section for the year by September 1.

(e) In lieu of directly receiving the appropriation support payments, the city may elect to have the state issue appropriation bonds as provided in section 16A.968 to finance up to \$97,720,000 of public infrastructure projects. In the event the state issues appropriation bonds for these purposes, the amount of appropriation support payments in any year is reduced by an amount equal to the amount needed from the general fund under section 16A.968, subdivision 8.

Sec. 273. Minnesota Statutes 2024, section 473.4465, subdivision 3, is amended to read:

Subd. 3. **Use of funds; active transportation.** (a) Sales tax revenue allocated to the Transportation Advisory Board under subdivision 2, paragraph (a), clause (1), is for grants to support active transportation within the metropolitan area.

(b) The Transportation Advisory Board must establish eligibility requirements and a selection process to provide the grant awards. The process must include: solicitation; evaluation and prioritization, including technical review, scoring, and ranking; project selection; and award of funds. To the extent practicable and

subject to paragraph (c), the process must align with procedures and requirements established for allocation of other sources of funds.

(c) The selection process must include criteria and prioritization of projects based on:

- (1) the project's inclusion in a municipal or regional nonmotorized transportation system plan;
- (2) the extent to which policies or practices of the political subdivision encourage and promote complete streets planning, design, and construction;
- (3) the extent to which the project supports connections between communities and to key destinations within a community;
- (4) identified barriers or deficiencies in the nonmotorized transportation system;
- (5) identified safety or health benefits;
- (6) geographic equity in project benefits, with an emphasis on communities that are historically and currently underrepresented in local or regional planning; and
- (7) the ability of a grantee to maintain the active transportation infrastructure following project completion.

Sec. 274. Minnesota Statutes 2024, section 473J.23, is amended to read:

473J.23 LOCAL TAXES.

No new or additional local sales or use tax shall be imposed on sales at the stadium site unless the tax is applicable throughout the taxing jurisdiction. ~~Except for a tax imposed under section 16A.727,~~ No new or additional local tax shall be imposed on sales of tickets and admissions to NFL team, NFL team-owned major league soccer, or other team-related events at the stadium, notwithstanding any law or ordinance, unless the tax is applicable throughout the taxing jurisdiction. The admissions and amusements tax currently imposed by the city of Minneapolis pursuant to Laws 1967, extra session chapter 34, section 2, as amended by Laws 1969, chapter 1092, may apply to admissions for football and NFL team-related events, including NFL team-owned major league soccer, as provided in section 473J.15, subdivision 15, at the stadium.

Sec. 275. Minnesota Statutes 2024, section 477A.0126, subdivision 3a, is amended to read:

Subd. 3a. **Transfer of withheld aid amounts.** (a) For aid payable in 2023 and later, the commissioner of revenue must transfer the total amount of the aid reductions under subdivision 3, paragraph (d), for that year to the Board of Regents of the University of Minnesota for the Tribal and Training Certification Partnership in the College of Education and Human Service Professions at the University of Minnesota, Duluth.

(b) In order to support consistent training and county compliance with the Indian Child Welfare Act and the Minnesota Indian Family Preservation Act, the Tribal Training and Certification Partnership must use funds transferred under this subdivision to (1) enhance training on the Indian Child Welfare Act and Minnesota Indian Family Preservation Act for county workers and state guardians ad litem, and (2) build indigenous child welfare training for the Tribal child welfare workforce.

Sec. 276. Minnesota Statutes 2024, section 477A.013, subdivision 14, is amended to read:

Subd. 14. **Communication by electronic mail.** Prior to receiving aid pursuant to this section, a city must register an official electronic mail address with the commissioner of revenue, which the commissioner may use as an exclusive means to communicate with the city.

Sec. 277. Minnesota Statutes 2024, section 477A.0175, subdivision 1, is amended to read:

Subdivision 1. **Penalty for operating an unauthorized diversion program.** Notwithstanding any other law to the contrary, a county or city that operated a pretrial diversion program that a court determines was not authorized under section 169.999 or another statute or law must have its aid under sections 477A.011 to 477A.03 reduced by the amount of fees paid by participants into the program for the years in which the program operated. A court shall report any order that enjoins a county or city from operating a pretrial diversion program to the state auditor as required under subdivision 2. The state auditor shall determine the amount of fees collected under the diversion program and notify the commissioner of revenue of the amount. The commissioner shall reduce the county program aid paid to a county or the local government aid paid to a city by this amount beginning with the first aid payment made after receiving notice of the reduction amount. No aid payment may be less than zero but the amount of the reduction that cannot be made out of that payment shall be applied to future payments until the total amount has been deducted.

Sec. 278. Minnesota Statutes 2024, section 477A.24, subdivision 2, is amended to read:

Subd. 2. **Required notification.** Notwithstanding the requirements of Minnesota Rules, chapter 8100, a public utility must notify the commissioner when the public utility expects to retire an electric generating unit and remove that unit from the property tax base. The notification must be in the form and manner determined by the commissioner of revenue, include information required by the commissioner to calculate transition aid under this section, and be filed together with the reports required under section 273.371.

Sec. 279. Minnesota Statutes 2024, section 518A.60, is amended to read:

518A.60 COLLECTION; ARREARS ONLY.

(a) Remedies available for the collection and enforcement of support in this chapter and chapters 142A, 256, 257, 518, and 518C also apply to cases in which the child or children for whom support is owed are emancipated and the obligor owes past support or has an accumulated arrearage as of the date of the youngest child's emancipation. Child support arrearages under this section include arrearages for child support, medical support, child care, pregnancy and birth expenses, and unreimbursed medical expenses as defined in section 518A.41, subdivision 1, paragraph ~~(h)~~ (g).

(b) This section applies retroactively to any support arrearage that accrued on or before June 3, 1997, and to all arrearages accruing after June 3, 1997.

(c) Past support or pregnancy and confinement expenses ordered for which the obligor has specific court ordered terms for repayment may not be enforced using drivers' and occupational or professional license suspension and credit bureau reporting, unless the obligor fails to comply with the terms of the court order for repayment.

(d) If an arrearage exists at the time a support order would otherwise terminate and section 518A.53, subdivision 10, paragraph (c), does not apply to this section, the arrearage shall be repaid in an amount equal to the current support order until all arrears have been paid in full, absent a court order to the contrary.

(e) If an arrearage exists according to a support order which fails to establish a monthly support obligation in a specific dollar amount, the public authority, if it provides child support services, or the obligee, may establish a payment agreement which shall equal what the obligor would pay for current support after application of section 518A.34, plus an additional 20 percent of the current support obligation, until all arrears have been paid in full. If the obligor fails to enter into or comply with a payment agreement, the public authority, if it provides child support services, or the obligee, may move the district court or child support magistrate, if section 484.702 applies, for an order establishing repayment terms.

(f) If there is no longer a current support order because all of the children of the order are emancipated, the public authority may discontinue child support services and close its case under title IV-D of the Social Security Act if:

(1) the arrearage is under \$500; or

(2) the arrearage is considered unenforceable by the public authority because there have been no collections for three years, and all administrative and legal remedies have been attempted or are determined by the public authority to be ineffective because the obligor is unable to pay, the obligor has no known income or assets, and there is no reasonable prospect that the obligor will be able to pay in the foreseeable future.

(g) At least 60 calendar days before the discontinuation of services under paragraph (f), the public authority must mail a written notice to the obligee and obligor at the obligee's and obligor's last known addresses that the public authority intends to close the child support enforcement case and explaining each party's rights. Seven calendar days after the first notice is mailed, the public authority must mail a second notice under this paragraph to the obligee.

(h) The case must be kept open if the obligee responds before case closure and provides information that could reasonably lead to collection of arrears. If the case is closed, the obligee may later request that the case be reopened by completing a new application for services, if there is a change in circumstances that could reasonably lead to the collection of arrears.

Sec. 280. Minnesota Statutes 2024, section 518A.81, subdivision 8, is amended to read:

Subd. 8. **Refusal to cooperate with support requirements.** (a) Failure by a caregiver to satisfy any of the requirements of subdivision 5 constitutes refusal to cooperate, and the sanctions under paragraph (b) apply. The IV-D agency must determine whether a caregiver has refused to cooperate according to subdivision 5.

(b) Determination by the IV-D agency that a caregiver has refused to cooperate has the following effects:

(1) a caregiver is subject to the applicable sanctions under section ~~256J.46~~ 142G.70;

(2) a caregiver who is not a parent of a minor child in an assistance unit may choose to remove the child from the assistance unit unless the child is required to be in the assistance unit; and

(3) a parental caregiver who refuses to cooperate is ineligible for medical assistance.

Sec. 281. Minnesota Statutes 2024, section 518A.82, subdivision 1, is amended to read:

Subdivision 1. **Actions against parents for assistance furnished.** A parent of a child is liable for the amount of public assistance, as defined in section ~~256.741~~ 518A.81, furnished to and for the benefit of the child, including any assistance furnished for the benefit of the caretaker of the child, which the parent has

had the ability to pay. Ability to pay must be determined according to this chapter. The parent's liability is limited to the two years immediately preceding the commencement of the action, except that where child support has been previously ordered, the state or county agency providing the assistance, as assignee of the obligee, shall be entitled to judgments for child support payments accruing within ten years preceding the date of the commencement of the action up to the full amount of assistance furnished. The action may be ordered by the state agency or county agency and shall be brought in the name of the county or in the name of the state agency against the parent for the recovery of the amount of assistance granted, together with the costs and disbursements of the action.

Sec. 282. Minnesota Statutes 2024, section 518A.82, subdivision 1a, is amended to read:

Subd. 1a. **Continuing support contributions.** In addition to granting the county or state agency a money judgment, the court may, upon a motion or order to show cause, order continuing support contributions by a parent found able to reimburse the county or state agency. The order shall be effective for the period of time during which the recipient receives public assistance from any county or state agency and thereafter. The order shall require support according to this chapter and include the names and Social Security numbers of the father, mother, and the child or children. An order for continuing contributions is reinstated without further hearing upon notice to the parent by any county or state agency that public assistance, as defined in section ~~256.741~~ 518A.81, is again being provided for the child of the parent. The notice shall be in writing and shall indicate that the parent may request a hearing for modification of the amount of support or maintenance.

Sec. 283. Minnesota Statutes 2024, section 518A.82, subdivision 3, is amended to read:

Subd. 3. **Continuing contributions to former recipient.** The order for continuing support contributions shall remain in effect following the period after public assistance, as defined in section ~~256.741~~ 518A.81, granted is terminated unless the former recipient files an affidavit with the court requesting termination of the order.

Sec. 284. Minnesota Statutes 2024, section 518A.82, subdivision 5, is amended to read:

Subd. 5. **Child not receiving assistance.** A person or entity having physical custody of a dependent child not receiving public assistance as defined in section ~~256.741~~ 518A.81 has a cause of action for child support against the child's noncustodial parents. Upon a motion served on the noncustodial parent, the court shall order child support payments, including medical support and child care support, from the noncustodial parent under this chapter. A noncustodial parent's liability may include up to the two years immediately preceding the commencement of the action. This subdivision applies only if the person or entity has physical custody with the consent of a custodial parent or approval of the court.

Sec. 285. Minnesota Statutes 2024, section 518B.01, subdivision 4, is amended to read:

Subd. 4. **Order for protection.** There shall exist an action known as a petition for an order for protection in cases of domestic abuse.

(a) A petition for relief under this section may be made by any family or household member personally or by a family or household member, a guardian as defined in section 524.1-201, clause ~~(27)~~ (28), or, if the court finds that it is in the best interests of the minor, by a reputable adult age 25 or older on behalf of minor family or household members. A minor age 16 or older may make a petition on the minor's own behalf

against a spouse or former spouse, or a person with whom the minor has a child in common, if the court determines that the minor has sufficient maturity and judgment and that it is in the best interests of the minor.

(b) A petition for relief shall allege the existence of domestic abuse, and shall be accompanied by an affidavit made under oath stating the specific facts and circumstances from which relief is sought.

(c) A petition for relief must state whether the petitioner has ever had an order for protection in effect against the respondent.

(d) A petition for relief must state whether there is an existing order for protection in effect under this chapter governing both the parties and whether there is a pending lawsuit, complaint, petition or other action between the parties under chapter 257, 518, 518A, 518B, or 518C. The court administrator shall verify the terms of any existing order governing the parties. The court may not delay granting relief because of the existence of a pending action between the parties or the necessity of verifying the terms of an existing order. A subsequent order in a separate action under this chapter may modify only the provision of an existing order that grants relief authorized under subdivision 6, paragraph (a), clause (1). A petition for relief may be granted, regardless of whether there is a pending action between the parties.

(e) A petition for relief must state whether the petitioner has any minor children and, if so, must provide the name of any custodian of the minor children and must identify the location or residence of the custodian. If any custodian is a program participant as defined in section 5B.02, paragraph (g), the location or residence of the custodian is the address designated by the secretary of state as the address of the program participant. A petition must not be rejected or denied for failure to identify any custodian.

(f) The court shall provide simplified forms and clerical assistance to help with the writing and filing of a petition under this section.

(g) The court shall advise a petitioner under paragraph (f) of the right to file a motion and affidavit and to sue in forma pauperis pursuant to section 563.01 and shall assist with the writing and filing of the motion and affidavit.

(h) The court shall advise a petitioner under paragraph (f) of the right to serve the respondent by published notice under subdivision 5, paragraph (b), if the respondent is avoiding personal service by concealment or otherwise, and shall assist with the writing and filing of the affidavit.

(i) The court shall advise the petitioner of the right to seek restitution under the petition for relief.

(j) The court shall advise the petitioner of the right to request a hearing under subdivision 7, paragraph (c). If the petitioner does not request a hearing, the court shall advise the petitioner that the respondent may request a hearing and that notice of the hearing date and time will be provided to the petitioner and the custodian of any of the petitioner's minor children by mail at least five days before the hearing.

(k) The court shall advise the petitioner of the right to request supervised parenting time, as provided in section 518.175, subdivision 1a.

Sec. 286. Minnesota Statutes 2024, section 576.22, is amended to read:

576.22 APPLICABILITY OF CHAPTER AND OF COMMON LAW.

(a) This chapter applies to receiverships provided for in section 576.25, subdivisions 2 to 6, and to receiverships:

(1) pursuant to section 193.147, in connection with a mortgage on an armory;

- ~~(2)~~ pursuant to section 223.17, subdivision 8, paragraph (b), in connection with a defaulting grain buyer;
- ~~(3)~~ pursuant to section 232.22, subdivision 7, paragraph (c), in connection with a defaulting public grain warehouse;
- ~~(4)~~ (2) pursuant to section 296A.22, in connection with nonpayment of tax;
- ~~(5)~~ (3) pursuant to sections 302A.751, 302A.753, 308A.941, 308A.945, 308B.931, 308B.935, 317A.751, and 317A.753, or in an action relating to the dissolution of a foreign entity with property within the state;
- ~~(6)~~ (4) pursuant to section 321.0703, in connection with the rights of a creditor of a partner or transferee;
- ~~(7)~~ (5) pursuant to section 322.22, in connection with the rights of creditors of limited partners;
- ~~(8)~~ (6) pursuant to section 323A.0504, in connection with a partner's transferable interest;
- ~~(9)~~ (7) pursuant to section 453.55, in connection with bonds and notes;
- ~~(10)~~ (8) pursuant to section 453A.05, in connection with bonds and notes;
- ~~(11)~~ (9) pursuant to section 513.47, in connection with a proceeding for relief with respect to a transfer fraudulent as to a creditor or creditors;
- ~~(12)~~ (10) pursuant to section 514.06, in connection with the severance of a building and resale;
- ~~(13)~~ (11) pursuant to section 515.23, in connection with an action by a unit owners' association to foreclose a lien for nonpayment of delinquent assessments against condominium units;
- ~~(14)~~ (12) pursuant to section 518A.71, in connection with the failure to pay, or to provide security for, maintenance or support payments;
- ~~(15)~~ (13) pursuant to section 559.17, in connection with assignments of rents; however, any receiver appointed under section 559.17 shall be a limited receiver, and the court shall apply the provisions of this chapter to the extent not inconsistent with section 559.17;
- ~~(16)~~ (14) pursuant to section 571.84, in connection with a garnishee in possession of property subject to a garnishment proceeding;
- ~~(17)~~ (15) pursuant to section 575.05, in connection with property applied to judgment;
- ~~(18)~~ (16) pursuant to section 575.06, in connection with adverse claimants;
- ~~(19)~~ (17) pursuant to sections 582.05 to 582.10, in connection with mortgage foreclosures; however, any receiver appointed under sections 582.05 to 582.10 shall be a limited receiver, and the court shall apply the provisions of this chapter to the extent not inconsistent with sections 582.05 to 582.10;
- ~~(20)~~ (18) pursuant to section 609.904, in connection with criminal penalties; or
- ~~(21)~~ (19) pursuant to section 609.907, in connection with preservation of property subject to forfeiture.
- (b) This chapter does not apply to any receivership in which the receiver is a state agency or in which the receiver is appointed, controlled, or regulated by a state agency unless otherwise provided by law.
- (c) In receiverships not specifically referenced in paragraph (a) or (b), the court, in its discretion, may apply provisions of this chapter to the extent not inconsistent with the statutes establishing the receiverships.

(d) Unless explicitly displaced by this chapter, the provisions of other statutory law and the principles of common law remain in full force and effect and supplement the provisions of this chapter.

Sec. 287. Minnesota Statutes 2024, section 582.17, is amended to read:

582.17 OLD ACTIONS PENDING.

Nothing contained in sections ~~582.14~~ 582.15 to 582.18 shall apply to any action or proceeding pending at the time of the passage of Laws 1945, chapter 363, or commenced prior to January 1, 1946.

Sec. 288. Minnesota Statutes 2024, section 582.18, is amended to read:

582.18 CONSTRUCTION.

Sections ~~582.14~~ 582.15 to 582.18 shall be liberally construed for the purpose of ascertaining marketability of title as between vendors and purchasers.

Sec. 289. **[645.435] APPROPRIATIONS GIVEN EFFECT ONCE.**

If the same appropriation or transfer is enacted more than once in a legislative session, the appropriation or transfer must be given effect only once.

Sec. 290. Laws 2023, chapter 57, article 2, section 66, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective August 1, ~~2025~~ 2026, and applies to policies offered, issued, or renewed on or after that date.

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

Sec. 291. Laws 2024, chapter 115, article 4, section 3, is amended to read:

Sec. 3. APPROPRIATION.

Subdivision 1. **Department of Education.** The sum indicated in this section is appropriated from the general fund to the Department of Education for the fiscal year designated.

Subd. 2. **Permanent school fund supplemental aid.** (a) For permanent school fund supplemental aid to American Indian schools as defined under Minnesota Statutes, section ~~124D.73~~ 124D.83:

\$ 40,000 2025

(b) For fiscal year 2025 only, the permanent school fund supplemental aid for an American Indian school equals the product of:

(1) the amount appropriated under paragraph (a); and

(2) the ratio of (i) the fiscal year 2024 average daily membership served of the American Indian school, to (ii) the total fiscal year 2024 average daily membership served of all American Indian schools in the state.

(c) Aid under this subdivision must be paid 100 percent in the current year on a schedule determined by the commissioner.

(d) This is a onetime appropriation.

Sec. 292. Laws 2024, chapter 115, article 11, section 6, is amended to read:

Sec. 6. DIRECTION TO THE COMMISSIONER OF EDUCATION; ADJUSTING VOLUNTARY PREKINDERGARTEN PARTICIPATION LIMITS.

The commissioner of education must retroactively adjust the voluntary prekindergarten and school readiness plus seat allocation under Minnesota Statutes 2023 Supplement, section 124D.151, subdivision 5a, for fiscal year 2025 to match the participation limit under Minnesota Statutes 2023 Supplement, section ~~124D.141~~ 124D.151, subdivision 6, for fiscal year 2025. The commissioner of education, in consultation with the Department of Children, Youth, and Families Implementation Office, must finish allocating the new seats for fiscal year 2025 by June 17, 2024, and must notify qualifying school districts and charter schools about the new seats by July 1, 2024.

Sec. 293. Laws 2024, chapter 120, article 1, section 15, is amended to read:

Sec. 15. CANCELLATIONS.

(a) Notwithstanding Laws 2023, chapter 53, article 20, section 2, subdivision 2, paragraph (dd), if the Bureau International des Expositions does not approve the Expo 2027 project, the money appropriated in Laws 2023, chapter 53, article 20, section 2, subdivision 2, paragraph (dd), cancels to the general fund.

(b) The unencumbered balance of the appropriation to the commissioner of employment and economic development for the workforce housing grant program in Laws 2015, First Special Session chapter 1, article 1, section 2, subdivision 2, paragraph (l), is canceled to the general fund.

Sec. 294. REPEALER.

Subdivision 1. **Obsolete subdivision.** Minnesota Statutes 2024, section 13.465, subdivision 3, is repealed.

Subd. 2. **Obsolete subdivision.** Minnesota Statutes 2024, section 41B.0391, subdivision 6, is repealed.

Subd. 3. **Obsolete subdivision.** Minnesota Statutes 2024, section 115A.1441, subdivision 38, is repealed.

Subd. 4. **Obsolete subdivision.** Minnesota Statutes 2024, section 127A.50, subdivision 3, is repealed.

Subd. 5. **Obsolete subdivision.** Minnesota Statutes 2024, section 148E.130, subdivision 1a, is repealed.

Subd. 6. **Obsolete section.** Minnesota Statutes 2024, section 245.4902, is repealed.

Subd. 7. **Obsolete subdivision.** Minnesota Statutes 2024, section 245C.11, subdivision 4, is repealed.

Subd. 8. **Obsolete subdivision.** Minnesota Statutes 2024, section 275.71, subdivision 5, is repealed.

Subd. 9. **Obsolete subdivision.** Minnesota Statutes 2024, section 469.177, subdivision 1e, is repealed.

Subd. 10. **Obsolete subdivision.** Minnesota Statutes 2024, section 473.4465, subdivision 5, is repealed.

Subd. 11. **Obsolete subdivision.** Minnesota Statutes 2024, section 473J.09, subdivision 14, is repealed.

Subd. 12. **Obsolete section.** Minnesota Statutes 2024, section 473J.14, is repealed.

Subd. 13. **Conflict resolution.** Laws 2024, chapter 115, article 12, section 5, is repealed.

Subd. 14. **Conflict resolution.** Laws 2024, chapter 120, article 3, section 3, is repealed.

Presented to the governor May 13, 2025

Signed by the governor May 15, 2025, 1:01 p.m.