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**ARTICLE 1**  
**STATE GOVERNMENT**

238.15  
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**ARTICLE 14**  
**STATE GOVERNMENT OPERATIONS**

238.17 Section 1. Minnesota Statutes 2016, section 1.26, subdivision 1, is amended to read:

238.18 Subdivision 1. ~~Political subdivision defined~~ **Definitions.** As used in this section:

238.19 (1) "declared emergency" has the meaning given in section 12.03, subdivision 1e; and

238.20 (2) "political subdivision" includes counties, home rule charter and statutory cities,  
238.21 towns, townships, school districts, authorities, and other public corporations and entities  
238.22 whether organized and existing under charter or general law.

238.23 Sec. 2. Minnesota Statutes 2016, section 1.26, subdivision 2, is amended to read:

238.24 Subd. 2. **State government.** When, due to ~~an emergency resulting from the effects of~~  
238.25 ~~enemy attack, or the anticipated effects of a threatened enemy attack~~ a declared emergency,  
238.26 it becomes imprudent, inexpedient, or impossible to conduct the affairs of state government  
238.27 in the city of St. Paul, Ramsey County, Minnesota, the governor shall, as often as the  
238.28 exigencies of the situation require, by proclamation, declare an emergency temporary  
238.29 location, or locations, for the seat of government at a place, or places, in or out of the state  
238.30 as the governor deems advisable under the circumstances, and shall take action and issue  
239.1 orders as necessary for an orderly transition of the affairs of state government to the  
239.2 emergency temporary location, or locations. To the extent practical, the governor's orders  
239.3 must be consistent with the state comprehensive emergency operations plan required by  
239.4 section 12.21, subdivision 3. The emergency temporary location, or locations, shall remain  
239.5 the seat of government until the legislature by law establishes a new location, or locations,  
239.6 or until the emergency is declared to be ended by the governor and the seat of government  
239.7 is returned to its normal location.

239.8 Sec. 3. **[2.92] DISTRICTING PRINCIPLES.**

239.9 Subdivision 1. **Applicability.** The principles in this section apply to legislative and  
239.10 congressional districts.

239.11 Subd. 2. **Nesting.** A representative district may not be divided in the formation of a  
239.12 senate district.

239.13 Subd. 3. **Equal population.** (a) Legislative districts must be substantially equal in  
239.14 population. The population of a legislative district must not deviate from the ideal by more  
239.15 than 0.5 percent, plus or minus.

239.16 (b) Congressional districts must be as nearly equal in population as practicable.

239.17 Subd. 4. **Contiguity; compactness.** The districts must be composed of convenient  
239.18 contiguous territory. To the extent consistent with the other principles in this section, districts  
239.19 should be compact. Contiguity by water is sufficient if the water is not a serious obstacle  
239.20 to travel within the district. Point contiguity is not sufficient.

239.21 Subd. 5. **Numbering.** (a) Legislative districts must be numbered in a regular series,  
239.22 beginning with house district 1A in the northwest corner of the state and proceeding across  
239.23 the state from west to east, north to south, but bypassing the 11-county metropolitan area  
239.24 until the southeast corner has been reached; then to the 11-county metropolitan area. In a  
239.25 county that includes more than one whole senate district, the districts must be numbered  
239.26 consecutively.

239.27 (b) Congressional district numbers must begin with district one in the southeast corner  
239.28 of the state and end with district eight in the northeast corner of the state.

239.29 Subd. 6. **Minority representation.** (a) The dilution of racial or ethnic minority voting  
239.30 strength is contrary to the laws of the United States and the state of Minnesota. These  
239.31 principles must not be construed to supersede any provision of the Voting Rights Act of  
239.32 1965, as amended.

240.1 (b) A redistricting plan must not have the intent or effect of dispersing or concentrating  
240.2 minority population in a manner that prevents minority communities from electing their  
240.3 candidates of choice.

240.4 Subd. 7. **Minor civil divisions.** (a) A county, city, or town must not be unduly divided  
240.5 unless required to meet equal population requirements or to form districts composed of  
240.6 convenient, contiguous territory.

240.7 (b) A county, city, or town is not unduly divided in the formation of a legislative or  
240.8 congressional district if:

240.9 (1) the division occurs because a portion of a city or town is noncontiguous with another  
240.10 portion of the same city or town; or

240.11 (2) despite the division, the known population of any affected county, city, or town  
240.12 remains wholly located within a single district.

240.13 Subd. 8. **Preserving communities of interest.** (a) Districts should attempt to preserve  
240.14 identifiable communities of interest where that can be done in compliance with the principles  
240.15 under this section.

240.16 (b) For purposes of this subdivision, "communities of interest" means recognizable areas  
240.17 with similarities of interests including but not limited to racial, ethnic, geographic, social,  
240.18 or cultural interests.

240.19 Subd. 9. **Data to be used.** (a) The geographic areas and population counts used in maps,  
240.20 tables, and legal descriptions of the districts must be those used by the Geographic  
240.21 Information Systems Office of the Legislative Coordinating Commission. The population  
240.22 counts shall be the block population counts provided to the state under Public Law 94-171  
240.23 after each decennial census, subject to correction of any errors acknowledged by the United  
240.24 States Census Bureau.

240.25 (b) Nothing in this subdivision prohibits the use of additional data, as determined by the  
240.26 legislature.

240.27 Subd. 10. **Consideration of plans.** A redistricting plan must not be considered for  
240.28 adoption by the senate or house of representatives until a block equivalency file showing  
240.29 the district to which each census block has been assigned, in a form prescribed by the director  
240.30 of the Geographic Information Systems Office, has been filed with the director.

240.31 Subd. 11. **Priority of principles.** Where it is not possible to fully comply with the  
240.32 principles contained in subdivisions 2 to 8, a redistricting plan must give priority to those  
241.1 principles in the order in which they are listed, except to the extent that doing so would  
241.2 violate federal or state law.

241.3 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
241.4 applies to any plan for districts enacted or established for use on or after that date.

241.5 Sec. 4. Minnesota Statutes 2016, section 3.303, is amended by adding a subdivision to  
241.6 read:

241.7 Subd. 12. **Emergency operations and continuity of the legislative branch.** The  
241.8 commission must adopt and regularly review an emergency operations and continuity of  
241.9 government plan for the legislative branch, as required by section 12.401.

5.22 Section 1. Minnesota Statutes 2016, section 3.855, subdivision 1a, is amended to read:

5.23 Subd. 1a. **Definitions.** (a) "Commission" means the Legislative Coordinating Commission  
5.24 or a legislative commission established by the coordinating commission, as provided in  
5.25 section 3.305, subdivision 6, to exercise the powers and discharge the duties of the  
5.26 coordinating commission under this section or other law requiring action by the coordinating  
5.27 commission on matters of public employment or compensation.

5.28 (b) "Ratification" must be by law. If a law makes ratification contingent upon the  
5.29 fulfillment of an express condition, or has an effective date contingent upon the fulfillment  
5.30 of an express condition, then ratification occurs on the date that the express condition has  
5.31 been fulfilled or on the effective date, whichever is later. An express condition may include  
5.32 the enactment of a law. The commissioner of management and budget shall determine  
5.33 whether an express condition has been fulfilled.

5.34 Sec. 2. Minnesota Statutes 2016, section 3.855, subdivision 2, is amended to read:

5.35 Subd. 2. **State employee negotiations.** (a) The commissioner of management and budget  
5.36 shall regularly advise the commission on the progress of collective bargaining activities  
5.37 with state employees under the state Public Employment Labor Relations Act. During  
5.38 negotiations, the commission may make recommendations to the commissioner as it deems  
6.1 appropriate but no recommendation shall impose any obligation or grant any right or privilege  
6.2 to the parties.

6.3 (b) The commissioner shall submit to the chair of the commission any negotiated  
6.4 collective bargaining agreements, arbitration awards, compensation plans, or salaries for  
6.5 legislative approval or disapproval. Negotiated agreements shall be submitted within five  
6.6 days of the date of approval by the commissioner or the date of approval by the affected  
6.7 state employees, whichever occurs later. Arbitration awards shall be submitted within five  
6.8 days of their receipt by the commissioner. If the commission disapproves a collective  
6.9 bargaining agreement, award, compensation plan, or salary, the commission shall specify  
6.10 in writing to the parties those portions with which it disagrees and its reasons. If the  
6.11 commission approves a collective bargaining agreement, award, compensation plan, or  
6.12 salary, it shall submit the matter to the legislature to be accepted or rejected under this  
6.13 section.

6.14 (c) The commissioner shall submit to the chair of the commission any negotiated or  
6.15 otherwise proposed changes affecting the provision of insurance to state employees, including  
6.16 any changes to coverage and costs. Any changes must be submitted to the commission  
6.17 within five days of approval of the commissioner and at least 45 days before submitting a  
6.18 collective bargaining agreement or compensation plan that incorporates the proposed changes  
6.19 to the insurance program. If the commission disapproves changes to the state employee  
6.20 insurance program, the commission shall specify in writing to the commissioner those

6.21 portions with which it disagrees and its reasons. The commissioner must not submit to the  
6.22 commission any collective bargaining agreement or compensation plan that includes any  
6.23 changes to state employee insurance previously disapproved by the commission unless the  
6.24 agreement or plan incorporates changes identified by the commission or otherwise addresses  
6.25 the commission's objections to the changes to the insurance program. The requirements in  
6.26 this paragraph do not apply to the premiums for insurance that are determined solely by the  
6.27 commissioner of management and budget and are not negotiated with representatives of  
6.28 employees.

6.29 ~~(e)~~ (d) When the legislature is not in session, the commission may give interim approval  
6.30 to a negotiated collective bargaining agreement, salary, compensation plan, or arbitration  
6.31 award. When the legislature is not in session, failure of the commission to disapprove a  
6.32 collective bargaining agreement or arbitration award within 30 days constitutes approval.  
6.33 The commission shall submit the negotiated collective bargaining agreements, salaries,  
6.34 compensation plans, or arbitration awards for which it has provided approval to the entire  
6.35 legislature for ratification at a special legislative session called to consider them or at its  
7.1 next regular legislative session as provided in this section. Approval or disapproval by the  
7.2 commission is not binding on the legislature.

7.3 ~~(d)~~ (e) When the legislature is not in session, the proposed collective bargaining  
7.4 agreement, arbitration decision, salary, or compensation plan must be implemented upon  
7.5 its approval by the commission, and state employees covered by the proposed agreement  
7.6 or arbitration decision do not have the right to strike while the interim approval is in effect.  
7.7 Wages and economic fringe benefit increases provided for in the agreement or arbitration  
7.8 decision paid in accordance with the interim approval by the commission are not affected,  
7.9 but the wages or benefit increases must cease to be paid or provided effective upon the  
7.10 rejection of the agreement, arbitration decision, salary, or compensation plan, or upon  
7.11 adjournment of the legislature without acting on it.

7.12 Sec. 3. Minnesota Statutes 2016, section 3.855, is amended by adding a subdivision to  
7.13 read:

7.14 Subd. 5. **Information required.** The commissioner of management and budget must  
7.15 submit to the Legislative Coordinating Commission the following information with the  
7.16 submission of a collective bargaining agreement or compensation plan under subdivisions  
7.17 2 and 3:

7.18 (1) for each agency and for each proposed agreement, a comparison of biennial  
7.19 compensation costs under the current agreement or plan to the projected biennial  
7.20 compensation costs under the proposed agreement or plan, paid with funds appropriated  
7.21 from the general fund;

7.22 (2) for each agency and for each proposed agreement and plan, a comparison of biennial  
 7.23 compensation costs under the current agreement or plan to the projected compensation costs  
 7.24 under the proposed agreement or plan, paid with funds appropriated from each fund other  
 7.25 than the general fund;

7.26 (3) for each agency and for each proposed agreement and plan, an identification of the  
 7.27 amount of the additional biennial compensation costs that are attributable to salary and  
 7.28 wages and to the cost of nonsalary and nonwage benefits; and

7.29 (4) for each agency, for each of clauses (1) to (3), the impact of the aggregate of all  
 7.30 agreements and plans being submitted to the commission.

8.1 Sec. 4. Minnesota Statutes 2017 Supplement, section 3.8853, subdivision 1, is amended  
 8.2 to read:

8.3 Subdivision 1. **Establishment; duties.** The Legislative Budget Office is established  
 8.4 ~~under control of the Legislative Coordinating Commission~~ to provide the house of  
 8.5 representatives and senate with nonpartisan, accurate, and timely information on the fiscal  
 8.6 impact of proposed legislation, without regard to political factors.

8.7 **EFFECTIVE DATE.** This section is effective July 1, 2018.

241.10 Sec. 5. Minnesota Statutes 2016, section 3.8841, subdivision 9, is amended to read:

241.11 Subd. 9. **Powers; duties; Metropolitan Council appointments oversight.** The  
 241.12 commission must monitor appointments to the Metropolitan Council and may make  
 241.13 recommendations on appointments ~~to the nominating committee under section 473.123,~~  
 241.14 ~~subdivision 3, or~~ to the governor before the governor makes the appointments. The  
 241.15 commission may also make recommendations to the senate before appointments are presented  
 241.16 to the senate for its advice and consent.

241.17 Sec. 6. Minnesota Statutes 2017 Supplement, section 3.8853, subdivision 1, is amended  
 241.18 to read:

241.19 Subdivision 1. **Establishment; duties.** The Legislative Budget Office is established  
 241.20 ~~under control of the Legislative Coordinating Commission~~ to provide the house of  
 241.21 representatives and senate with nonpartisan, accurate, and timely information on the fiscal  
 241.22 impact of proposed legislation, without regard to political factors.

241.23 **EFFECTIVE DATE.** This section is effective July 1, 2018.

241.24 Sec. 7. Minnesota Statutes 2017 Supplement, section 3.8853, subdivision 1, is amended  
 241.25 to read:

241.26 Subdivision 1. **Establishment; duties.** The Legislative Budget Office is established  
 241.27 under control of the Legislative Coordinating Commission to provide the house of  
 241.28 representatives and senate with nonpartisan, accurate, and timely information on the fiscal  
 241.29 impact of proposed legislation, and to evaluate the effectiveness of state and county programs  
 241.30 authorized by the legislature using the return on taxpayer investment methodology established  
 242.1 by the Pew-MacArthur Results First framework. The duties of the office must be conducted  
 242.2 without regard to political factors.

8.8 Sec. 5. Minnesota Statutes 2017 Supplement, section 3.8853, subdivision 2, is amended  
8.9 to read:

8.10 Subd. 2. ~~Director; staff.~~ ~~The Legislative Coordinating Commission~~ Legislative Budget  
8.11 Office Oversight Commission must appoint a director ~~who~~ and establish the director's duties.  
8.12 The director may hire staff necessary to do the work of the office. The director serves in  
8.13 the unclassified service for a term of six years and may not be removed during a term except  
8.14 for cause after a public hearing.

8.15 EFFECTIVE DATE. This section is effective July 1, 2018.

8.16 Sec. 6. Minnesota Statutes 2017 Supplement, section 3.8853, is amended by adding a  
8.17 subdivision to read:

8.18 Subd. 3. **Uniform procedures.** The director of the Legislative Budget Office must adopt  
8.19 uniform procedures governing the timely preparation of fiscal notes as required by this  
8.20 section and section 3.98. The procedures are not effective until they are approved by the  
8.21 oversight commission. Upon approval, the procedures must be published in the State Register  
8.22 and on the office's Web site.

8.23 EFFECTIVE DATE. This section is effective January 8, 2019, provided that the uniform  
8.24 procedures may be approved by the oversight commission as early as July 1, 2018.

8.25 Sec. 7. Minnesota Statutes 2017 Supplement, section 3.8853, is amended by adding a  
8.26 subdivision to read:

8.27 Subd. 4. **Access to data; treatment.** Upon request of the director of the Legislative  
8.28 Budget Office, the head or chief administrative officer of each department or agency of  
8.29 state government, including the Supreme Court, must promptly supply data that are used  
8.30 to prepare a fiscal note, including data that are not public data under section 13.64. Not  
8.31 public data supplied under this subdivision may only be used by the Legislative Budget  
9.1 Office to review a department or agency's work in preparing a fiscal note and may not be  
9.2 used or disseminated for any other purpose, including use by or dissemination to a legislator  
9.3 or to any officer, department, agency, or committee within the legislative branch. Violation  
9.4 of this paragraph by the director or other staff of the Legislative Budget Office is cause for  
9.5 removal, suspension without pay, or immediate dismissal at the direction of the oversight  
9.6 commission.

9.7 EFFECTIVE DATE. This section is effective January 8, 2019.

242.3 EFFECTIVE DATE. This section is effective January 8, 2019.

243.3 Sec. 9. Minnesota Statutes 2017 Supplement, section 3.8853, subdivision 2, is amended  
243.4 to read:

243.5 Subd. 2. **Staff.** ~~The Legislative Coordinating Commission~~ Legislative Budget Office  
243.6 Oversight Commission must appoint a director ~~who~~ and establish the director's duties. The  
243.7 director may hire staff necessary to do the work of the office. The director serves in the  
243.8 unclassified service for a term of six years and may not be removed during a term except  
243.9 for cause after a public hearing. The director of the office is a public official for purposes  
243.10 of sections 10A.07 to 10A.09.

243.11 EFFECTIVE DATE. This section is effective July 1, 2018.

243.12 Sec. 10. Minnesota Statutes 2017 Supplement, section 3.8853, is amended by adding a  
243.13 subdivision to read:

243.14 Subd. 3. **Standards and guidelines.** The Legislative Budget Office must adopt uniform  
243.15 standards, guidelines, and procedures governing the timely preparation of fiscal notes as  
243.16 required by this section and section 3.98. The standards, guidelines, and procedures are not  
243.17 effective until they are approved by the oversight commission. Upon approval, the standards  
243.18 and guidelines must be published in the State Register and on the office's Web site.

243.19 EFFECTIVE DATE. This section is effective January 8, 2019, provided that the uniform  
243.20 procedures to be used may be developed and adopted by the oversight commission prior to  
243.21 the effective date of this section.

243.22 Sec. 11. Minnesota Statutes 2017 Supplement, section 3.8853, is amended by adding a  
243.23 subdivision to read:

243.24 Subd. 4. **Access to data.** (a) Upon request of the director of the Legislative Budget  
243.25 Office, the head or chief administrative officer of each department or agency of state  
243.26 government, including the Supreme Court, must promptly supply any data that, in the  
243.27 director's judgment, is relevant to legislation that is the subject of a fiscal note prepared by  
243.28 the department or agency.

243.29 (b) To the extent that data supplied to the Legislative Budget Office are classified as not  
243.30 public under chapter 13 or other applicable law, the Legislative Budget Office must maintain  
243.31 and administer the data in the same manner as required of a government entity subject to  
243.32 that classification. Not public data supplied under this subdivision may only be used by the  
244.1 Legislative Budget Office to review a department or agency's work in preparing a fiscal  
244.2 note and may not be used or disseminated for any other purpose, including use by or  
244.3 dissemination to a legislator or to any officer, department, agency, or committee within the  
244.4 legislative branch. A violation of this paragraph by the director or other staff of the

9.8 Sec. 8. Minnesota Statutes 2017 Supplement, section 3.8853, is amended by adding a  
9.9 subdivision to read:

9.10 Subd. 4a. **Fiscal note delivery and posting.** The director of the Legislative Budget  
9.11 Office must deliver a completed fiscal note to the legislative committee chair who made  
9.12 the request, and to the chief author of the legislation to which it relates. Within 24 hours of  
9.13 completion of a fiscal note, the director of the Legislative Budget Office must post a  
9.14 completed fiscal note on the office's public Web site. This subdivision does not apply to an  
9.15 unofficial fiscal note that is not public data under section 13.64, subdivision 3.

9.16 **EFFECTIVE DATE.** This section is effective January 6, 2020.

9.17 Sec. 9. **[3.8854] LEGISLATIVE BUDGET OFFICE OVERSIGHT COMMISSION.**

9.18 (a) The Legislative Budget Office Oversight Commission consists of:

9.19 (1) two members of the senate appointed by the senate majority leader;

9.20 (2) two members of the senate appointed by the senate minority leader;

9.21 (3) two members of the house of representatives appointed by the speaker of the house;

9.22 and

9.23 (4) two members of the house of representatives appointed by the minority leader.

9.24 The director of the Legislative Budget Office is the executive secretary of the commission.  
9.25 The chief nonpartisan fiscal analyst of the house of representatives, the lead nonpartisan  
9.26 fiscal analyst of the senate, the state budget director, and the legislative auditor are ex-officio,  
9.27 nonvoting members of the commission.

244.5 Legislative Budget Office is subject to the penalties and remedies provided in sections 13.08  
244.6 and 13.09, and any other applicable law governing the unauthorized use or acquisition of  
244.7 not public data.

244.14 **EFFECTIVE DATE.** This section is effective January 8, 2019.

244.8 (c) Upon approval by the Legislative Budget Office, a completed fiscal note must be  
244.9 delivered to the legislative committee chair who made the request, and to the chief author  
244.10 of the legislation to which it relates. Within 24 hours of approval, a completed fiscal note  
244.11 must be posted on the office's public Web site, unless data maintained by a government  
244.12 entity related to the fiscal note are classified as not public under section 13.64, subdivision  
244.13 3.

242.4 Sec. 8. Minnesota Statutes 2017 Supplement, section 3.8853, is amended by adding a  
242.5 subdivision to read:

242.6 Subd. 1a. **Oversight commission.** (a) The Legislative Budget Office Oversight  
242.7 Commission is established. The commission consists of:

242.8 (1) two members of the senate appointed by the Subcommittee on Committees of the  
242.9 Committee on Rules and Administration;

242.10 (2) two members of the senate appointed by the senate minority leader;

242.11 (3) two members of the house of representatives appointed by the speaker of the house;

242.12 and

242.13 (4) two members of the house of representatives appointed by the minority leader.

242.14 The director of the Legislative Budget Office is the executive secretary of the commission.  
242.15 The chief nonpartisan fiscal analyst of the house of representatives, the lead nonpartisan  
242.16 fiscal analyst of the senate, the state budget director, and the legislative auditor are ex-officio,  
242.17 nonvoting members of the commission.



9.28 (b) Members serve at the pleasure of the appointing authority, or until they are not  
 9.29 members of the legislative body from which they were appointed. Appointing authorities  
 9.30 shall fill vacancies on the commission within 30 days of a vacancy being created.

10.1 (c) The commission shall meet in January of each odd-numbered year to elect its chair  
 10.2 and vice-chair. They shall serve until successors are elected. The chair and vice-chair shall  
 10.3 alternate biennially between the senate and the house of representatives. The commission  
 10.4 shall meet at the call of the chair. The members shall serve without compensation but may  
 10.5 be reimbursed for their reasonable expenses consistent with the rules of the legislature  
 10.6 governing expense reimbursement.

10.7 (d) The commission shall review the work of the Legislative Budget Office and make  
 10.8 recommendations, as the commission determines necessary, to improve the office's ability  
 10.9 to fulfill its duties, and shall perform other functions as directed by this section.

10.10 **Sec. 10. [3.9736] EVALUATION OF INFORMATION TECHNOLOGY PROJECTS.**

10.11 Subdivision 1. **Definition.** For purposes of this section, "information technology project"  
 10.12 means a project performed by the Division of Information Technology under a service-level  
 10.13 agreement for a state agency.

10.14 Subd. 2. **Selection of project for review; schedule for evaluation; report.** Annually,  
 10.15 the legislative auditor may submit to the Legislative Audit Commission a list of three to  
 10.16 five information technology projects proposed for review. In selecting projects to include  
 10.17 on the list, the legislative auditor may consider the cost of the project to the state, the impact  
 10.18 of the project on state agencies and public users, and the legislature's interest in ensuring  
 10.19 that state agencies meet the needs of the public. The legislative auditor may include  
 10.20 completed projects and ongoing projects and shall give particular consideration to forensic  
 10.21 review of high-profile problematic projects from which recommendations may be developed  
 10.22 to prevent problems on future projects. Annually, the Legislative Audit Commission may  
 10.23 select at least one information technology project for the legislative auditor's evaluation.  
 10.24 The legislative auditor may evaluate the selected information technology project according  
 10.25 to an evaluation plan established under subdivision 3 and submit a written report to the  
 10.26 Legislative Audit Commission.

10.27 Subd. 3. **Evaluation plan.** The Legislative Audit Commission may establish an evaluation  
 10.28 plan that identifies elements the legislative auditor must include in an evaluation of an  
 10.29 information technology project. The Legislative Audit Commission may modify the  
 10.30 evaluation plan as needed.

242.18 (b) Members serve at the pleasure of the appointing authority, or until they are not  
 242.19 members of the legislative body from which they were appointed. Appointing authorities  
 242.20 shall fill vacancies on the commission within 30 days of a vacancy being created.

242.21 (c) The commission shall meet in January of each odd-numbered year to elect its chair  
 242.22 and vice-chair. They shall serve until successors are elected. The chair and vice-chair shall  
 242.23 alternate biennially between the senate and the house of representatives. The commission  
 242.24 shall meet at the call of the chair. The members shall serve without compensation but may  
 242.25 be reimbursed for their reasonable expenses consistent with the rules of the legislature  
 242.26 governing expense reimbursement.

242.27 (d) The commission shall review the work of the Legislative Budget Office and make  
 242.28 recommendations, as the commission determines necessary, to improve the office's ability  
 242.29 to fulfill its duties, and shall perform other functions as directed by this section.

**THIS SECTION IS EFFECTIVE THE DAY FOLLOWING FINAL ENACTMENT.**

- 11.1 Sec. 11. Minnesota Statutes 2017 Supplement, section 3.98, subdivision 1, is amended to  
11.2 read:
- 11.3 Subdivision 1. ~~Preparation; duties.~~ ~~(a)~~ The head or chief administrative officer of each  
11.4 department or agency of the state government, including the Supreme Court, shall ~~cooperate~~  
11.5 ~~with the Legislative Budget Office and the Legislative Budget Office must~~ prepare a fiscal  
11.6 note at the request of the chair of the standing committee to which a bill has been referred,  
11.7 or the chair of the house of representatives Ways and Means Committee, or the chair of the  
11.8 senate Committee on Finance.
- 11.9 (b) ~~Upon request of the Legislative Budget Office, the head or chief administrative~~  
11.10 ~~officer of each department or agency of state government, including the Supreme Court,~~  
11.11 ~~must promptly supply all information necessary for the Legislative Budget Office to prepare~~  
11.12 ~~an accurate and timely fiscal note.~~
- 11.13 (e) ~~The Legislative Budget Office may adopt standards and guidelines governing timing~~  
11.14 ~~of responses to requests for information and governing access to data, consistent with laws~~  
11.15 ~~governing access to data. Agencies must comply with these standards and guidelines and~~  
11.16 ~~the Legislative Budget Office must publish them on the office's Web site.~~
- 11.17 ~~(d)~~ For purposes of this subdivision, "Supreme Court" includes all agencies, committees,  
11.18 and commissions supervised or appointed by the state Supreme Court or the state court  
11.19 administrator.
- 11.20 Sec. 12. Minnesota Statutes 2017 Supplement, section 3.98, subdivision 1, as amended  
11.21 by article 1, section 11, is amended to read:
- 11.22 Subdivision 1. **Preparation.** The head or chief administrative officer of each department  
11.23 or agency of the state government, including the Supreme Court, shall, in consultation with  
11.24 the Legislative Budget Office and consistent with the standards, guidelines, and procedures  
11.25 adopted under section 3.8853, prepare a fiscal note at the request of the chair of the standing  
11.26 committee to which a bill has been referred, or the chair of the house of representatives  
11.27 Ways and Means Committee, or the chair of the senate Committee on Finance.
- 11.28 For purposes of this subdivision, "Supreme Court" includes all agencies, committees,  
11.29 and commissions supervised or appointed by the state Supreme Court or the state court  
11.30 administrator.

- 244.15 Sec. 12. Minnesota Statutes 2017 Supplement, section 3.98, subdivision 1, is amended to  
244.16 read:
- 244.17 Subdivision 1. **Preparation; duties.** (a) The head or chief administrative officer of each  
244.18 department or agency of the state government, including the Supreme Court, shall ~~cooperate~~,  
244.19 in consultation with the Legislative Budget Office ~~and the Legislative Budget Office must~~  
244.20 and consistent with the standards, guidelines, and procedures adopted under section 3.8853,  
244.21 prepare a fiscal note at the request of the chair of the standing committee to which a bill  
244.22 has been referred, or the chair of the house of representatives Ways and Means Committee,  
244.23 or the chair of the senate Committee on Finance.
- 244.24 (b) ~~Upon request of the Legislative Budget Office, the head or chief administrative~~  
244.25 ~~officer of each department or agency of state government, including the Supreme Court,~~  
244.26 ~~must promptly supply all information necessary for the Legislative Budget Office to prepare~~  
244.27 ~~an accurate and timely fiscal note.~~
- 244.28 (e) ~~The Legislative Budget Office may adopt standards and guidelines governing timing~~  
244.29 ~~of responses to requests for information and governing access to data, consistent with laws~~  
244.30 ~~governing access to data. Agencies must comply with these standards and guidelines and~~  
244.31 ~~the Legislative Budget Office must publish them on the office's Web site.~~
- 245.1 ~~(d)~~ (b) For purposes of this subdivision, "Supreme Court" includes all agencies,  
245.2 committees, and commissions supervised or appointed by the state Supreme Court or the  
245.3 state court administrator.
- 245.4 **EFFECTIVE DATE.** This section is effective January 8, 2019.

11.31 **EFFECTIVE DATE.** This section is effective January 6, 2020.

12.1 Sec. 13. Minnesota Statutes 2017 Supplement, section 3.98, subdivision 4, is amended to  
12.2 read:

12.3 Subd. 4. **Uniform procedure.** The ~~Legislative Budget Office~~ commissioner of  
12.4 management and budget shall prescribe a uniform procedure to govern the departments and  
12.5 agencies of the state in complying with the requirements of this section.

12.6 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
12.7 supersedes the amendment under Laws 2017, First Special Session chapter 4, article 2,  
12.8 section 8.

245.5 Sec. 13. **[4.074] PAYMENTS FROM EXECUTIVE AGENCIES.**

245.6 The Office of the Governor may not receive payments to the governor's office account  
245.7 in the special revenue fund of more than \$750,000, in total, each fiscal year from other  
245.8 executive agencies under section 15.53 to support costs, not including the residence  
245.9 groundskeeper, incurred by the office.

245.10 Sec. 14. **[5.42] DISPLAY OF BUSINESS ADDRESS ON WEB SITE.**

245.11 (a) A business entity may request in writing that all addresses submitted by the business  
245.12 entity to the secretary of state be omitted from display on the secretary of state's Web site.  
245.13 A business entity may only request that all addresses be omitted from display if the entity  
245.14 certifies that:

245.15 (1) there is only one shareholder, member, manager, or owner of the business entity;

245.16 (2) the shareholder, manager, member, or owner is a natural person; and

245.17 (3) at least one of the addresses provided is the residential address of the sole shareholder,  
245.18 manager, member, or owner.

245.19 The secretary of state shall post a notice that this option is available and a link to the form  
245.20 needed to make a request on the secretary's Web site. The secretary of state shall also attach  
245.21 a copy of the request form to all business filing forms provided in a paper format that require  
245.22 a business entity to submit an address.

245.23 (b) This section does not change the classification of data under chapter 13 and addresses  
245.24 shall be made available to the public in response to requests made by telephone, mail,  
245.25 electronic mail, and facsimile transmission.

245.26 **EFFECTIVE DATE.** This section is effective August 1, 2018, and applies to business  
245.27 entity filings filed with the secretary of state on or after that date.

246.1 Sec. 15. Minnesota Statutes 2017 Supplement, section 6.481, subdivision 3, is amended  
246.2 to read:

246.3 Subd. 3. **CPA firm audit.** (a) A county audit performed by a CPA firm must meet the  
246.4 standards and be in a form meeting recognized industry auditing standards. The state auditor  
246.5 may require additional information from the CPA firm if the state auditor determines that  
246.6 is in the public interest, but the state auditor must accept the audit unless the state auditor  
246.7 determines the audit or its form does not meet recognized industry auditing standards. The  
246.8 state auditor may make additional examinations as the auditor determines to be in the public  
246.9 interest.

246.10 (b) When the state auditor requires additional information from the CPA firm or makes  
246.11 additional examinations that the state auditor determines to be in the public interest, the  
246.12 state auditor must afford counties and CPA firms an opportunity to respond to potential  
246.13 findings, conclusions, or questions, as follows:

246.14 (1) at least 30 days before beginning a review for work performed by a certified public  
246.15 accountant firm licensed in chapter 326A, the state auditor must notify the county and CPA  
246.16 firm that the state auditor will be conducting a review and must identify the type and scope  
246.17 of review the state auditor will perform;

246.18 (2) throughout the state auditor's review, the auditor shall allow the county and the CPA  
246.19 firm at least 30 days to respond to any request by the auditor for documents or other  
246.20 information;

246.21 (3) the state auditor must provide the CPA firm with a draft report of the state auditor's  
246.22 findings at least 30 days before issuing a final report;

246.23 (4) at least 20 days before issuing a final report, the state auditor must hold a formal exit  
246.24 conference with the CPA firm to discuss the findings in the state auditor's draft report;

246.25 (5) the state auditor shall make changes to the draft report that are warranted as a result  
246.26 of information provided by the CPA firm during the state auditor's review; and

246.27 (6) the state auditor's final report must include any written responses provided by the  
 246.28 CPA firm.

246.29 Sec. 16. Minnesota Statutes 2016, section 8.065, is amended to read:

246.30 **8.065 PRIVATE ATTORNEY CONTRACTS.**

246.31 Subdivision 1. **Contracts for legal services in excess of \$1,000,000.** The attorney  
 246.32 general may not enter into a contract for legal services in which the fees and expenses paid  
 247.1 by the state exceed, or can reasonably be expected to exceed, \$1,000,000 unless the attorney  
 247.2 general first submits the proposed contract to the Legislative Advisory Commission, and  
 247.3 waits at least 20 days to receive a possible recommendation from the commission.

247.4 Subd. 2. **Contingent fee contracts.** (a) Except as provided in paragraph (b), the attorney  
 247.5 general may not contract for legal services on a contingent fee basis.

247.6 (b) Paragraph (a) does not apply to contracts for legal services on behalf of the  
 247.7 Department of Human Services for Medicaid third-party liability or false claims recoveries.  
 247.8 Contracts for these services may not exceed two years, but may be extended by amendment,  
 247.9 if necessary to continue representation in an active case referred during the original two-year  
 247.10 contract term. These contracts are subject to the competitive proposal requirements for  
 247.11 professional and technical services contracts provided in section 16C.08. No later than  
 247.12 January 15 of each year, the attorney general and the commissioner of human services must  
 247.13 jointly submit a report to the chairs and ranking minority members of the legislative  
 247.14 committees with jurisdiction over state government finance that includes a copy of the  
 247.15 contract for legal services, and details on:

247.16 (1) the number of claims for recovery filed by attorneys providing services on a contingent  
 247.17 fee basis;

247.18 (2) the number of recovery claims that were successful, including the amounts recovered  
 247.19 in each successful claim; and

247.20 (3) the total amount of attorney fees due or paid following each successful claim.

247.21 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
 247.22 applies to contracts entered into on or after that date. Subdivision 2, paragraph (b), applies  
 247.23 to legal services for claims filed on or after August 1, 2018.

12.9 Sec. 14. Minnesota Statutes 2016, section 10A.01, subdivision 35, is amended to read:

12.10 Subd. 35. **Public official.** "Public official" means any:

247.24 Sec. 17. Minnesota Statutes 2016, section 10A.01, subdivision 35, is amended to read:

247.25 Subd. 35. **Public official.** "Public official" means any:

- 12.11 (1) member of the legislature;
- 12.12 (2) individual employed by the legislature as secretary of the senate, legislative auditor,  
12.13 director of the Legislative Budget Office, chief clerk of the house of representatives, revisor  
12.14 of statutes, or researcher, legislative analyst, fiscal analyst, or attorney in the Office of  
12.15 Senate Counsel, Research, and Fiscal Analysis, House Research, or the House Fiscal Analysis  
12.16 Department;
- 12.17 (3) constitutional officer in the executive branch and the officer's chief administrative  
12.18 deputy;
- 12.19 (4) solicitor general or deputy, assistant, or special assistant attorney general;
- 12.20 (5) commissioner, deputy commissioner, or assistant commissioner of any state  
12.21 department or agency as listed in section 15.01 or 15.06, or the state chief information  
12.22 officer;
- 12.23 (6) member, chief administrative officer, or deputy chief administrative officer of a state  
12.24 board or commission that has either the power to adopt, amend, or repeal rules under chapter  
12.25 14, or the power to adjudicate contested cases or appeals under chapter 14;
- 12.26 (7) individual employed in the executive branch who is authorized to adopt, amend, or  
12.27 repeal rules under chapter 14 or adjudicate contested cases under chapter 14;
- 12.28 (8) executive director of the State Board of Investment;
- 12.29 (9) deputy of any official listed in clauses (7) and (8);
- 12.30 (10) judge of the Workers' Compensation Court of Appeals;
- 13.1 (11) administrative law judge or compensation judge in the State Office of Administrative  
13.2 Hearings or unemployment law judge in the Department of Employment and Economic  
13.3 Development;
- 13.4 (12) member, regional administrator, division director, general counsel, or operations  
13.5 manager of the Metropolitan Council;
- 13.6 (13) member or chief administrator of a metropolitan agency;
- 13.7 (14) director of the Division of Alcohol and Gambling Enforcement in the Department  
13.8 of Public Safety;
- 247.26 (1) member of the legislature;
- 247.27 (2) individual employed by the legislature as secretary of the senate, legislative auditor,  
247.28 director of the Legislative Budget Office, chief clerk of the house of representatives, revisor  
247.29 of statutes, or researcher, legislative analyst, fiscal analyst, or attorney in the Office of  
247.30 Senate Counsel, Research, and Fiscal Analysis, House Research, or the House Fiscal Analysis  
247.31 Department;
- 248.1 (3) constitutional officer in the executive branch and the officer's chief administrative  
248.2 deputy;
- 248.3 (4) solicitor general or deputy, assistant, or special assistant attorney general;
- 248.4 (5) commissioner, deputy commissioner, or assistant commissioner of any state  
248.5 department or agency as listed in section 15.01 or 15.06, or the state chief information  
248.6 officer;
- 248.7 (6) member, chief administrative officer, or deputy chief administrative officer of a state  
248.8 board or commission that has either the power to adopt, amend, or repeal rules under chapter  
248.9 14, or the power to adjudicate contested cases or appeals under chapter 14;
- 248.10 (7) individual employed in the executive branch who is authorized to adopt, amend, or  
248.11 repeal rules under chapter 14 or adjudicate contested cases under chapter 14;
- 248.12 (8) executive director of the State Board of Investment;
- 248.13 (9) deputy of any official listed in clauses (7) and (8);
- 248.14 (10) judge of the Workers' Compensation Court of Appeals;
- 248.15 (11) administrative law judge or compensation judge in the State Office of Administrative  
248.16 Hearings or unemployment law judge in the Department of Employment and Economic  
248.17 Development;
- 248.18 (12) member, regional administrator, division director, general counsel, or operations  
248.19 manager of the Metropolitan Council;
- 248.20 (13) member or chief administrator of a metropolitan agency;
- 248.21 (14) director of the Division of Alcohol and Gambling Enforcement in the Department  
248.22 of Public Safety;

- |       |   |        |   |
|-------|---|--------|---|
| 13.9  | (15) member or executive director of the Higher Education Facilities Authority;         | 248.23 | (15) member or executive director of the Higher Education Facilities Authority;               |
| 13.10 | (16) member of the board of directors or president of Enterprise Minnesota, Inc.;       | 248.24 | (16) member of the board of directors or president of Enterprise Minnesota, Inc.;             |
| 13.11 | (17) member of the board of directors or executive director of the Minnesota State High | 248.25 | (17) member of the board of directors or executive director of the Minnesota State High       |
| 13.12 | School League;  | 248.26 | School League;  |
| 13.13 | (18) member of the Minnesota Ballpark Authority established in section 473.755;         | 248.27 | (18) member of the Minnesota Ballpark Authority established in section 473.755;               |
| 13.14 | (19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;       | 248.28 | (19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;             |
| 13.15 | (20) manager of a watershed district, or member of a watershed management organization  | 248.29 | (20) manager of a watershed district, or member of a watershed management organization        |
| 13.16 | as defined under section 103B.205, subdivision 13;                                      | 248.30 | as defined under section 103B.205, subdivision 13;  |
| 13.17 | (21) supervisor of a soil and water conservation district;                              | 249.1  | (21) supervisor of a soil and water conservation district;                                    |
| 13.18 | (22) director of Explore Minnesota Tourism;   | 249.2  | (22) director of Explore Minnesota Tourism;   |
| 13.19 | (23) citizen member of the Lessard-Sams Outdoor Heritage Council established in section | 249.3  | (23) citizen member of the Lessard-Sams Outdoor Heritage Council established in section       |
| 13.20 | 97A.056;  | 249.4  | 97A.056;  |
| 13.21 | (24) citizen member of the Clean Water Council established in section 114D.30;          | 249.5  | (24) citizen member of the Clean Water Council established in section 114D.30;                |
| 13.22 | (25) member or chief executive of the Minnesota Sports Facilities Authority established | 249.6  | (25) member or chief executive of the Minnesota Sports Facilities Authority established       |
| 13.23 | in section 473J.07;   | 249.7  | in section 473J.07;   |
| 13.24 | (26) district court judge, appeals court judge, or Supreme Court justice;               | 249.8  | (26) district court judge, appeals court judge, or Supreme Court justice;                     |
| 13.25 | (27) county commissioner;   | 249.9  | (27) county commissioner;   |
| 13.26 | (28) member of the Greater Minnesota Regional Parks and Trails Commission; or           | 249.10 | (28) member of the Greater Minnesota Regional Parks and Trails Commission; or                 |
| 13.27 | (29) member of the Destination Medical Center Corporation established in section        | 249.11 | (29) member of the Destination Medical Center Corporation established in section              |
| 13.28 | 469.41.   | 249.12 | 469.41.   |
| 13.29 | <u><b>EFFECTIVE DATE.</b> This section is effective July 1, 2018.</u>                   | 249.13 | <u><b>EFFECTIVE DATE.</b> This section is effective July 1, 2018.</u>                         |
|       |   | 249.14 | Sec. 18. Minnesota Statutes 2016, section 10A.02, subdivision 7, is amended to read:          |
|       |   | 249.15 | Subd. 7. <b>Political activity.</b> All members and employees of the board are subject to any |
|       |   | 249.16 | provisions of law regulating political activity by state employees. In addition, no member    |

249.17 or employee of the board may be a candidate for, or holder of, (1) a national, state,  
 249.18 congressional district, legislative district, county, or precinct office in a political party, or  
 249.19 (2) an elected public office for which party designation is required by statute. For purposes  
 249.20 of this subdivision, "employee of the board" includes any board employee and any employee  
 249.21 of the Office of MN.IT Services assigned to provide information technology services to the  
 249.22 board.

249.23 Sec. 19. Minnesota Statutes 2016, section 12.09, subdivision 2, is amended to read:

249.24 Subd. 2. **State emergency plan.** The division shall develop and maintain a comprehensive  
 249.25 state emergency operations plan and emergency management program in accord with section  
 249.26 12.21, subdivision 3, ~~clause (2) paragraph (b)~~, and ensure that other state emergency plans  
 249.27 that may be developed are coordinated and consistent with the comprehensive state  
 249.28 emergency operations plan. The director of the division must provide assistance to the  
 249.29 legislative branch, the judicial branch, and the executive council in developing the plans  
 249.30 required by sections 12.401, 12.402, and 12.403.

250.1 Sec. 20. Minnesota Statutes 2016, section 12.21, subdivision 3, is amended to read:

250.2 Subd. 3. **Specific authority.** (a) In performing duties under this chapter and to effect its  
 250.3 policy and purpose, the governor may:

250.4 (1) make, amend, and rescind the necessary orders and rules to carry out the provisions  
 250.5 of this chapter and section 216C.15 within the limits of the authority conferred by this  
 250.6 section, with due consideration of the plans of the federal government and without complying  
 250.7 with sections 14.001 to 14.69, but no order or rule has the effect of law except as provided  
 250.8 by section 12.32;

250.9 ~~(2) ensure that a comprehensive emergency operations plan and emergency management~~  
 250.10 ~~program for this state are developed and maintained, and are integrated into and coordinated~~  
 250.11 ~~with the emergency plans of the federal government and of other states to the fullest possible~~  
 250.12 ~~extent;~~

250.13 ~~(2)~~ (2) in accordance with the emergency operations plan and the emergency management  
 250.14 program of this state, procure supplies, equipment, and facilities; institute training programs  
 250.15 and public information programs; and take all other preparatory steps, including the partial  
 250.16 or full activation of emergency management organizations in advance of actual disaster to  
 250.17 ensure the furnishing of adequately trained and equipped forces of emergency management  
 250.18 personnel in time of need;

250.19 ~~(4)~~ (3) make studies and surveys of the industries, resources, and facilities in this state  
 250.20 as may be necessary to ascertain the capabilities of the state for emergency management  
 250.21 and to plan for the most efficient emergency use of those industries, resources, and facilities;



- 250.22 ~~(5)~~ (4) on behalf of this state, enter into mutual aid arrangements or cooperative  
250.23 agreements with other states, tribal authorities, and Canadian provinces, and coordinate  
250.24 mutual aid plans between political subdivisions of this state;
- 250.25 ~~(6)~~ (5) delegate administrative authority vested in the governor under this chapter, except  
250.26 the power to make rules, and provide for the subdelegation of that authority;
- 250.27 ~~(7)~~ (6) cooperate with the president and the heads of the armed forces, the Emergency  
250.28 Management Agency of the United States and other appropriate federal officers and agencies,  
250.29 and with the officers and agencies of other states in matters pertaining to the emergency  
250.30 management of the state and nation, including the direction or control of:
- 250.31 (i) emergency preparedness drills and exercises;
- 250.32 (ii) warnings and signals for drills or actual emergencies and the mechanical devices to  
250.33 be used in connection with them;
- 251.1 (iii) shutting off water mains, gas mains, electric power connections and the suspension  
251.2 of all other utility services;
- 251.3 (iv) the conduct of persons in the state, including entrance or exit from any stricken or  
251.4 threatened public place, occupancy of facilities, and the movement and cessation of  
251.5 movement of pedestrians, vehicular traffic, and all forms of private and public transportation  
251.6 during, prior, and subsequent to drills or actual emergencies;
- 251.7 (v) public meetings or gatherings; and
- 251.8 (vi) the evacuation, reception, and sheltering of persons;
- 251.9 ~~(8)~~ (7) contribute to a political subdivision, within the limits of the appropriation for  
251.10 that purpose, not more than 25 percent of the cost of acquiring organizational equipment  
251.11 that meets standards established by the governor;
- 251.12 ~~(9)~~ (8) formulate and execute, with the approval of the Executive Council, plans and  
251.13 rules for the control of traffic in order to provide for the rapid and safe movement over  
251.14 public highways and streets of troops, vehicles of a military nature, and materials for national  
251.15 defense and war or for use in any war industry, for the conservation of critical materials, or  
251.16 for emergency management purposes; and coordinate the activities of the departments or  
251.17 agencies of the state and its political subdivisions concerned directly or indirectly with  
251.18 public highways and streets, in a manner that will best effectuate those plans;

251.19 ~~(H)~~ (9) alter or adjust by executive order, without complying with sections 14.01 to  
 251.20 14.69, the working hours, workdays and work week of, and annual and sick leave provisions  
 251.21 and payroll laws regarding all state employees in the executive branch as the governor  
 251.22 deems necessary to minimize the impact of the disaster or emergency, conforming the  
 251.23 alterations or adjustments to existing state laws, rules, and collective bargaining agreements  
 251.24 to the extent practicable;

251.25 ~~(H)~~ (10) authorize the commissioner of education to alter school schedules, curtail  
 251.26 school activities, or order schools closed as defined in section 120A.05, subdivisions 9, 11,  
 251.27 13, and 17, and including charter schools under chapter 124E, and elementary schools  
 251.28 enrolling prekindergarten pupils in district programs; and

251.29 ~~(H)~~ (11) transfer the direction, personnel, or functions of state agencies to perform or  
 251.30 facilitate response and recovery programs.

251.31 (b) In performing duties under this chapter and to effect its policy and purpose, the  
 251.32 governor must direct the Division of Emergency Management to adopt and maintain a  
 251.33 comprehensive emergency operations plan and emergency management program for this  
 252.1 state that is integrated into and coordinated with the emergency plans of the federal  
 252.2 government and other states to the fullest possible extent. The comprehensive emergency  
 252.3 operations plan must incorporate plans for the secure, continued operation of state  
 252.4 government in the event of a disaster or emergency, including those adopted under sections  
 252.5 12.401, 12.402, and 12.403.

252.6 Sec. 21. **[12.401] EMERGENCY OPERATIONS AND CONTINUITY PLAN;**  
 252.7 **LEGISLATIVE BRANCH.**

252.8 Subdivision 1. Adoption of plan required. (a) The Legislative Coordinating Commission  
 252.9 must adopt and maintain an emergency operations and continuity of government plan to  
 252.10 ensure the secure, continued operation of the house of representatives, senate, and joint  
 252.11 legislative offices in the event of a disaster, emergency, or declared emergency. In developing  
 252.12 the plan, the commission must consult and cooperate with the state director of emergency  
 252.13 management to ensure the plan's compatibility with the comprehensive state emergency  
 252.14 operations plan and emergency management program. The commission must also consult  
 252.15 with the governor or the governor's designee, and the chief justice of the Supreme Court or  
 252.16 the chief justice's designee, to ensure the plan's compatibility with those adopted for the  
 252.17 judicial branch under section 12.402 and the executive council under section 12.403, to the  
 252.18 extent practical.

252.19 (b) At a minimum, the commission's plan must address reasonably foreseeable effects  
 252.20 of a disaster, emergency, or declared emergency on the ability of the legislature to perform  
 252.21 its constitutional functions, including but not limited to the following:

- 252.22 (1) identification of at least three suitable locations within the state at which the legislature  
252.23 could conduct operations in the event of a disaster or declared emergency that makes the  
252.24 State Capitol unsafe or inaccessible, with one location designated as a primary alternate  
252.25 location and two designated as backup alternate locations if the primary location is unsafe  
252.26 or inaccessible;
- 252.27 (2) plans to provide timely and secure communications regarding a disaster, emergency,  
252.28 or declared emergency to all affected members and personnel, including alternate methods  
252.29 of communication if a primary method is unavailable;
- 252.30 (3) plans to securely transport all members, designated personnel, and necessary  
252.31 equipment and records to an alternate location and begin legislative operations at that location  
252.32 in a timely manner;
- 253.1 (4) plans to ensure reasonable public notice of the legislature's operations and access to  
253.2 its proceedings in-person or by electronic, broadcast, or other means as the circumstances  
253.3 of the emergency allow;
- 253.4 (5) additional procedures, as necessary, to implement the requirements of subdivisions  
253.5 2 and 3;
- 253.6 (6) procedures for the orderly return of legislative operations to the State Capitol, as  
253.7 soon as circumstances allow; and
- 253.8 (7) policy decisions that address any other procedures or protocols recommended for  
253.9 inclusion by the state director of emergency management.
- 253.10 (c) The plan must be adopted and maintained by the Legislative Coordinating Commission  
253.11 no later than January 30, 2019, and may be subsequently amended at any time. At a minimum,  
253.12 the plan must be reviewed by the full commission and designated legislative staff no later  
253.13 than January 30 of each odd-numbered year. A meeting of the commission may be closed  
253.14 to the public for any of these purposes.
- 253.15 (d) Copies of the plan must be filed with the governor, the secretary of state, the state  
253.16 director of emergency management, and at each of the alternate locations designated in the  
253.17 plan. Unless otherwise directed by the Legislative Coordinating Commission, the copies of  
253.18 the plan must be securely maintained and may not be further disclosed to any person except  
253.19 as required by this chapter, or as necessary to develop and implement the plan's requirements.  
253.20 To the extent data regarding the plan is held by a government entity, as defined in section  
253.21 13.02, subdivision 7a, the data are security information under section 13.37.

253.22 Subd. 2. **Implementation of plan.** (a) The governor or the chair of the Legislative  
253.23 Coordinating Commission may order that the legislature's emergency operations and  
253.24 continuity of government plan be implemented in whole or in part, if an emergency is  
253.25 declared or if circumstances indicate a disaster or emergency is occurring or a declared  
253.26 emergency may be imminent. If a change in location is ordered, the legislature must be  
253.27 directed to a location designated in the plan, or if those designated locations are unsafe or  
253.28 inaccessible, to any other location within or outside of the state which the governor or chair  
253.29 deems safe and accessible. If implementation of the plan is ordered by the chair of the  
253.30 Legislative Coordinating Commission, the chair must notify the governor and the state  
253.31 director of emergency management as soon as practicable following implementation.

253.32 (b) A legislative session convened at an alternate location must be reconvened at the  
253.33 State Capitol as soon as practical after the capitol is secured and restored to accessibility.

254.1 Subd. 3. **Special session at an alternate location; legislative procedure.** (a) In the  
254.2 event of a declared emergency, if the legislature is not in session, the governor shall convene  
254.3 a special session when required by section 12.31, subdivisions 1 and 2.

254.4 (b) If the governor fails to convene a special session after declaring a national security  
254.5 emergency, the chair of the Legislative Coordinating Commission shall order implementation  
254.6 of the legislature's emergency operations and continuity of government plan, and the  
254.7 legislature shall convene at the State Capitol, or alternate location designated by the plan,  
254.8 on the first Tuesday after the first Monday more than 30 days after the national security  
254.9 emergency was declared.

254.10 (c) At a special session convened at an alternate location due to a disaster, emergency,  
254.11 or declared emergency, the quorum requirement for the legislature is a majority of the  
254.12 members of each house who convene for the session. If the affirmative vote of a specified  
254.13 proportion of members of the legislature would otherwise be required to approve a bill,  
254.14 resolution, or for any other action, the same proportion of the members of each house  
254.15 convening at the session is sufficient. At the time the special session convenes, the legislature  
254.16 shall adopt temporary joint rules as necessary to ensure the orderly conduct of legislative  
254.17 business in the alternate location, including compliance with the requirements of the  
254.18 Minnesota Constitution and the rules of parliamentary practice.

254.19 Sec. 22. **[12.402] EMERGENCY OPERATIONS AND CONTINUITY PLAN;**  
254.20 **JUDICIAL BRANCH.**

254.21 Subdivision 1. **Adoption of plan required.** (a) The Supreme Court must adopt and  
254.22 maintain an emergency operations and continuity of government plan to ensure the secure,  
254.23 continued operation of the judicial branch in the event of a disaster, emergency, or declared  
254.24 emergency. In developing the plan, the court must consult and cooperate with the state  
254.25 director of emergency management to ensure the plan's compatibility with the comprehensive

254.26 state emergency operations plan and emergency management program. The court must also  
254.27 consult the governor or the governor's designee, and the chair of the Legislative Coordinating  
254.28 Commission, or the chair's designee, to ensure the plan's compatibility with those adopted  
254.29 for the executive council and legislative branch under sections 12.401 and 12.403, to the  
254.30 extent practical.

254.31 (b) At a minimum, the Supreme Court's plan must address reasonably foreseeable effects  
254.32 of a disaster, emergency, or declared emergency, on the ability of the judicial branch to  
254.33 perform its constitutional functions, including but not limited to the following:

255.1 (1) identification of at least three suitable locations within the state at which the Supreme  
255.2 Court, Court of Appeals, and central administrative functions of the judicial branch could  
255.3 operate in the event of a disaster or declared emergency that make its regular location unsafe  
255.4 or inaccessible, with one location designated as a primary alternate location and two  
255.5 designated as backup alternate locations if the primary location is unsafe or inaccessible;

255.6 (2) plans to provide timely and secure communications regarding a disaster, emergency,  
255.7 or declared emergency to all affected personnel, including alternate methods of  
255.8 communication if a primary method is unavailable;

255.9 (3) plans to securely transport affected justices, judges, designated personnel, and  
255.10 necessary equipment and records to an alternate location and begin judicial operations at  
255.11 that location in a timely manner;

255.12 (4) plans to ensure reasonable public notice of the judicial branch's operations and access  
255.13 to its proceedings and records in-person or by electronic, broadcast, or other means as the  
255.14 rules of the court require and the circumstances of the emergency allow;

255.15 (5) plans to ensure the rights and protections guaranteed by the federal and state  
255.16 constitutions to criminal defendants, petitioners, and civil litigants are preserved;

255.17 (6) procedures for the orderly return of judicial branch operations to their regular location,  
255.18 as soon as circumstances allow; and

255.19 (7) policy decisions that address any other procedures or protocols recommended for  
255.20 inclusion by the state director of emergency management.

255.21 (c) The plan must be adopted and maintained by the Supreme Court no later than January  
255.22 30, 2019, and may be subsequently amended at any time. At a minimum, the plan must be  
255.23 reviewed by the justices and judges of the Supreme Court and Court of Appeals, and  
255.24 designated staff, no later than January 30 of each odd-numbered year.

255.25 (d) Copies of the plan must be filed with the governor, the secretary of state, the state  
 255.26 director of emergency management, and at each of the alternate locations designated in the  
 255.27 plan. Unless otherwise directed by the court, the copies of the plan must be securely  
 255.28 maintained and may not be further disclosed to any person except as required by this chapter,  
 255.29 or as necessary to develop and implement the plan's requirements. To the extent data  
 255.30 regarding the plan is held by a government entity, as defined in section 13.02, subdivision  
 255.31 7a, the data are security information under section 13.37.

255.32 Subd. 2. **Implementation of plan.** (a) The governor or the chief justice may order that  
 255.33 the judiciary's emergency operations and continuity of government plan be implemented in  
 256.1 whole or in part, if an emergency is declared or if circumstances indicate a disaster or  
 256.2 emergency is occurring or a declared emergency may be imminent. If a change in location  
 256.3 is ordered, the affected personnel must be directed to a location designated in the plan, or  
 256.4 if those designated locations are unsafe or inaccessible, to any other location within or  
 256.5 outside of the state which the governor or chief justice deems safe and accessible. If  
 256.6 implementation of the plan is ordered by the chief justice, the chief justice must notify the  
 256.7 governor and the state director of emergency management as soon as practicable following  
 256.8 implementation.

256.9 (b) A court convened at an alternate location must be reconvened at its regular location  
 256.10 as soon as practical after the location is secured and restored to accessibility.

256.11 Sec. 23. **[12.403] EMERGENCY OPERATIONS AND CONTINUITY PLAN;**  
 256.12 **CONSTITUTIONAL OFFICERS.**

256.13 Subdivision 1. **Adoption of plan required.** (a) The executive council must adopt and  
 256.14 maintain an emergency operations and continuity of government plan to ensure the secure,  
 256.15 continued operation of each constitutional office in the event of a disaster, emergency, or  
 256.16 declared emergency. In developing the plan, the council must consult and cooperate with  
 256.17 the state director of emergency management to ensure the plan's compatibility with the  
 256.18 comprehensive state emergency operations plan and emergency management program. The  
 256.19 council must also consult the chair of the Legislative Coordinating Commission or the chair's  
 256.20 designee, and the chief justice of the Supreme Court or the chief justice's designee, to ensure  
 256.21 the plan's compatibility with those adopted for the legislative branch and judicial branch  
 256.22 under sections 12.401 and 12.402, to the extent practical.

256.23 (b) At a minimum, the council's plan must address reasonably foreseeable effects of a  
 256.24 disaster, emergency, or declared emergency, on the ability of the state constitutional officers  
 256.25 to perform their constitutional functions, including but not limited to the following:

256.26 (1) identification of at least three suitable locations within the state at which the  
 256.27 constitutional officers could conduct operations in the event of a disaster, emergency, or  
 256.28 declared emergency that make their regular locations unsafe or inaccessible, with one

- 256.29 location designated as a primary alternate location and two designated as backup alternate  
256.30 locations if the primary location is unsafe or inaccessible;
- 256.31 (2) plans to provide timely and secure communications regarding a disaster, emergency,  
256.32 or declared emergency to all affected constitutional officers and personnel, including alternate  
256.33 methods of communication if a primary method is unavailable;
- 257.1 (3) plans to securely transport all constitutional officers, designated personnel, and  
257.2 necessary equipment and records to an alternate location and begin operations at that location  
257.3 in a timely manner;
- 257.4 (4) plans to ensure reasonable public notice of each constitutional officer's operations  
257.5 and access to the officers and records in person or by electronic, broadcast, or other means  
257.6 as the circumstances of the emergency allow;
- 257.7 (5) procedures for the orderly return of operations to the State Capitol, as soon as  
257.8 circumstances allow; and
- 257.9 (6) policy decisions that address any other procedures or protocols recommended for  
257.10 inclusion by the state director of emergency management.
- 257.11 (c) The plan must be adopted no later than January 30, 2019, and may be subsequently  
257.12 amended at any time. At a minimum, the plan must be reviewed by the executive council  
257.13 and designated staff no later than January 30 of each odd-numbered year. A meeting of the  
257.14 council may be closed to the public for any of these purposes.
- 257.15 (d) Copies of the plan must be filed with each constitutional officer, the state director  
257.16 of emergency management, and at each of the alternate locations designated in the plan.  
257.17 Unless otherwise directed by the executive council, the copies of the plan are security data  
257.18 under section 13.37, must be securely maintained, and may not be further disclosed to any  
257.19 person except as required by this chapter, or as necessary to develop and implement its  
257.20 requirements.
- 257.21 Subd. 2. **Implementation of plan.** (a) The governor or any constitutional officer, with  
257.22 respect to that officer's constitutional office, may order that the executive council's emergency  
257.23 operations and continuity of government plan be implemented in whole or in part, if an  
257.24 emergency is declared or if circumstances indicate a disaster or emergency is occurring or  
257.25 a declared emergency may be imminent. If a change in location is ordered, affected personnel  
257.26 must be directed to a location designated in the plan, or if those designated locations are  
257.27 unsafe or inaccessible, to any other location within or outside of the state which the governor  
257.28 or constitutional officer deems safe and accessible. If implementation of the plan is ordered

257.29 by a constitutional officer other than the governor, the officer must notify the governor and  
257.30 the state director of emergency management as soon as practicable following implementation.

257.31 (b) A constitutional officer's primary office must be returned to its regular location as  
257.32 soon as practical after that location is secured and restored to accessibility.

258.1 Sec. 24. Minnesota Statutes 2016, section 13.02, is amended by adding a subdivision to  
258.2 read:

258.3 Subd. 1a. **Chief administrative law judge.** "Chief administrative law judge" means the  
258.4 chief administrative law judge of the state Office of Administrative Hearings.

258.5 Sec. 25. Minnesota Statutes 2016, section 13.02, is amended by adding a subdivision to  
258.6 read:

258.7 Subd. 8b. **Information policy analysis unit.** "Information policy analysis unit" means  
258.8 the work unit within the Office of Administrative Hearings established under section 13.071.

258.9 Sec. 26. **[13.071] INFORMATION POLICY ANALYSIS UNIT; DATA PRACTICES**  
258.10 **COORDINATOR.**

258.11 Subdivision 1. **Information policy analysis unit established.** An information policy  
258.12 analysis unit is established as a work unit within the Office of Administrative Hearings.

258.13 Subd. 2. **Data practices coordinator.** (a) The chief administrative law judge shall  
258.14 appoint a data practices coordinator in the unclassified service who shall oversee the  
258.15 operations of the information policy analysis unit.

258.16 (b) The coordinator must be knowledgeable about the Minnesota Government Data  
258.17 Practices Act, the Minnesota Open Meeting Law, and federal laws and regulations regarding  
258.18 data privacy. The coordinator must have experience in dealing with both private enterprise  
258.19 and governmental entities, interpreting laws and regulations, record keeping, report writing,  
258.20 public speaking, and management.

258.21 Subd. 3. **Duties.** The information policy analysis unit shall:

258.22 (1) informally advise and serve as a technical resource for government entities on  
258.23 questions related to public access to government data, rights of subjects of data, classification  
258.24 of data, or applicable duties under chapter 13D;

258.25 (2) informally advise persons regarding their rights under this chapter or chapter 13D;



- 258.26 (3) administer training on chapter 13D and the public information policy training program  
 258.27 under section 13.073;
- 258.28 (4) issue advisory opinions pursuant to section 13.072;
- 258.29 (5) operate in a manner that effectively screens the work of the information policy  
 258.30 analysis unit from any administrative law judges assigned to a contested case pursuant to  
 258.31 section 13.085; and
- 259.1 (6) perform other duties as directed by the chief administrative law judge.
- 259.2 Subd. 4. **Effect of informal advice.** Informal advice or trainings offered by the  
 259.3 information policy analysis unit is not binding on a government entity or members of a body  
 259.4 subject to chapter 13D, does not constitute legal advice or an advisory opinion under section  
 259.5 13.072, and has no effect on liability, fines, or fee awards arising from a violation of this  
 259.6 chapter or chapter 13D. This section does not preclude a person from, in addition to or  
 259.7 instead of requesting advice from the information policy analysis unit, seeking an advisory  
 259.8 opinion under section 13.072, or bringing any other action under this chapter or other law.
- 259.9 Subd. 5. **Data submitted to information policy analysis unit.** A government entity  
 259.10 may submit not public data to the information policy analysis unit for the purpose of  
 259.11 requesting advice. Government data submitted to the information policy analysis unit by a  
 259.12 government entity or copies of government data submitted by other persons have the same  
 259.13 classification as the data have when held by the government entity.
- 259.14 Sec. 27. Minnesota Statutes 2016, section 13.072, is amended to read:
- 259.15 **13.072 ADVISORY OPINIONS BY THE COMMISSIONER INFORMATION**  
 259.16 **POLICY ANALYSIS UNIT.**
- 259.17 Subdivision 1. **Advisory opinion; when required.** (a) Upon request of a government  
 259.18 entity, the ~~commissioner may~~ information policy analysis unit shall give a written advisory  
 259.19 opinion on any question relating to public access to government data, rights of subjects of  
 259.20 data, or classification of data under this chapter or other Minnesota statutes governing  
 259.21 government data practices. Upon request of any person who disagrees with a determination  
 259.22 regarding data practices made by a government entity, the ~~commissioner may~~ information  
 259.23 policy analysis unit shall give a written advisory opinion regarding the person's rights as a  
 259.24 subject of government data or right to have access to government data.
- 259.25 (b) Upon request of a body subject to chapter 13D, the ~~commissioner may~~ information  
 259.26 policy analysis unit shall give a written advisory opinion on any question relating to the  
 259.27 body's duties under chapter 13D. Upon request of a person who disagrees with the manner  
 259.28 in which members of a governing body perform their duties under chapter 13D, the

259.29 ~~commissioner may~~ information policy analysis unit shall give a written advisory opinion  
259.30 on compliance with chapter 13D. ~~A governing body or person requesting an opinion under~~  
259.31 ~~this paragraph must pay the commissioner a fee of \$200. Money received by the~~  
259.32 ~~commissioner under this paragraph is appropriated to the commissioner for the purposes of~~  
259.33 ~~this section.~~

260.1 (c) ~~If the commissioner determines that no opinion will be issued, the commissioner~~  
260.2 ~~shall give the government entity or body subject to chapter 13D or person requesting the~~  
260.3 ~~opinion notice of the decision not to issue the opinion within five business days of receipt~~  
260.4 ~~of the request. If this notice is not given, the commissioner~~ The information policy analysis  
260.5 unit shall issue an advisory opinion within 20 days of receipt of the request.

260.6 (d) For good cause and upon written notice to the person requesting the advisory opinion,  
260.7 ~~the commissioner~~ chief administrative law judge may extend this deadline for one additional  
260.8 30-day period. The notice must state the reason for extending the deadline. The government  
260.9 entity or the members of a body subject to chapter 13D must be provided a reasonable  
260.10 opportunity to explain the reasons for its decision regarding the data or how they perform  
260.11 their duties under chapter 13D. ~~The commissioner~~ information policy analysis unit or the  
260.12 government entity or body subject to chapter 13D may choose to give notice to the subject  
260.13 of the data concerning the dispute regarding the data or compliance with chapter 13D.

260.14 (e) This section does not apply to a determination made by the commissioner of health  
260.15 under section 13.3805, subdivision 1, paragraph (b), or 144.6581.

260.16 (f) A written, numbered, and published opinion issued by the attorney general shall take  
260.17 precedence over an advisory opinion issued by the ~~commissioner~~ information policy analysis  
260.18 unit under this section.

260.19 (g) A decision of the Office of Administrative Hearings issued under section 13.085  
260.20 shall take precedence over an advisory opinion issued by the information policy analysis  
260.21 unit under this section.

260.22 Subd. 2. **Effect.** (a) Advisory opinions issued by the ~~commissioner~~ information policy  
260.23 analysis unit under this section are not binding on the government entity or members of a  
260.24 body subject to chapter 13D whose data or performance of duties is the subject of the  
260.25 advisory opinion, but an advisory opinion described in subdivision 1, paragraph (a), must  
260.26 be given deference by a court or other tribunal in a proceeding involving the data. The  
260.27 ~~commissioner~~ information policy analysis unit shall arrange for public dissemination of  
260.28 advisory opinions issued under this section, and shall indicate when the principles stated in  
260.29 an advisory opinion are not intended to provide guidance to all similarly situated persons  
260.30 or government entities. This section does not preclude a person from bringing any other  
260.31 action under this chapter or other law in addition to or instead of requesting a written advisory  
260.32 opinion. A government entity, members of a body subject to chapter 13D, or person that

260.33 acts in conformity with a written advisory opinion of the ~~commissioner~~ information policy  
 260.34 analysis unit issued to the government entity, members, or person or to another party is not  
 261.1 liable for compensatory or exemplary damages or awards of attorneys fees in actions for  
 261.2 violations arising under section 13.08 or 13.085, or for a penalty under section 13.09 or for  
 261.3 fines, awards of attorney fees, or any other penalty under chapter 13D. A member of a body  
 261.4 subject to chapter 13D is not subject to forfeiture of office if the member was acting in  
 261.5 reliance on an advisory opinion.

261.6 (b) The information policy analysis unit shall publish and maintain all previously issued  
 261.7 written opinions of the commissioner of administration in the same manner as advisory  
 261.8 opinions issued by the information policy analysis unit. A previously issued written opinion  
 261.9 by the commissioner of administration has the same effect as an advisory opinion issued  
 261.10 by the information policy analysis unit.

261.11 Subd. 4. **Data submitted to ~~commissioner~~ information policy analysis unit.** A  
 261.12 government entity may submit not public data to the ~~commissioner~~ information policy  
 261.13 analysis unit for the purpose of requesting or responding to a person's request for an advisory  
 261.14 opinion. Government data submitted to the ~~commissioner~~ information policy analysis unit  
 261.15 by a government entity or copies of government data submitted by other persons have the  
 261.16 same classification as the data have when held by the government entity. If the nature of  
 261.17 the advisory opinion is such that the release of the advisory opinion would reveal not public  
 261.18 data, the ~~commissioner~~ information policy analysis unit may issue an advisory opinion using  
 261.19 pseudonyms for individuals. Data maintained by the ~~commissioner~~ information policy  
 261.20 analysis unit, in the record of an advisory opinion issued using pseudonyms that would  
 261.21 reveal the identities of individuals protected by the use of the pseudonyms, are private data  
 261.22 on individuals.

261.23 Sec. 28. Minnesota Statutes 2016, section 13.08, subdivision 4, is amended to read:

261.24 Subd. 4. **Action to compel compliance.** (a) Actions to compel compliance may be  
 261.25 brought either under this subdivision or section 13.085. For actions under this subdivision,  
 261.26 in addition to the remedies provided in subdivisions 1 to 3 or any other law, any aggrieved  
 261.27 person seeking to enforce the person's rights under this chapter or obtain access to data may  
 261.28 bring an action in district court to compel compliance with this chapter and may recover  
 261.29 costs and disbursements, including reasonable attorney's fees, as determined by the court.  
 261.30 If the court determines that an action brought under this subdivision is frivolous and without  
 261.31 merit and a basis in fact, it may award reasonable costs and attorney fees to the responsible  
 261.32 authority. If the court issues an order to compel compliance under this subdivision, the court  
 261.33 may impose a civil penalty of up to \$1,000 against the government entity. This penalty is  
 261.34 payable to the state general fund and is in addition to damages under subdivision 1. The  
 262.1 matter shall be heard as soon as possible. In an action involving a request for government  
 262.2 data under section 13.03 or 13.04, the court may inspect in camera the government data in  
 262.3 dispute, but shall conduct its hearing in public and in a manner that protects the security of  
 262.4 data classified as not public. If the court issues an order to compel compliance under this

- 262.5 subdivision, the court shall forward a copy of the order to the ~~commissioner of administration~~  
 262.6 chief administrative law judge.
- 262.7 (b) In determining whether to assess a civil penalty under this subdivision, the court or  
 262.8 other tribunal shall consider whether the government entity has substantially complied with  
 262.9 general data practices under this chapter, including but not limited to, whether the government  
 262.10 entity has:
- 262.11 (1) designated a responsible authority under section 13.02, subdivision 16;
- 262.12 (2) designated a data practices compliance official under section 13.05, subdivision 13;
- 262.13 (3) prepared the data inventory that names the responsible authority and describes the  
 262.14 records and data on individuals that are maintained by the government entity under section  
 262.15 13.025, subdivision 1;
- 262.16 (4) developed public access procedures under section 13.03, subdivision 2; procedures  
 262.17 to guarantee the rights of data subjects under section 13.025, subdivision 3; and procedures  
 262.18 to ensure that data on individuals are accurate and complete and to safeguard the data's  
 262.19 security under section 13.05, subdivision 5;
- 262.20 (5) acted in conformity with an advisory opinion issued under section 13.072 that was  
 262.21 sought by a government entity or another person;
- 262.22 (6) acted in conformity with a decision of the Office of Administrative Hearings issued  
 262.23 under section 13.085; or
- 262.24 ~~(6)~~ (7) provided ongoing training to government entity personnel who respond to requests  
 262.25 under this chapter.
- 262.26 (c) The court shall award reasonable attorney fees to a prevailing plaintiff who has  
 262.27 brought an action under this subdivision if the government entity that is the defendant in  
 262.28 the action was also the subject of ~~a written~~ an advisory opinion issued under section 13.072  
 262.29 or a decision of the Office of Administrative Hearings issued under section 13.085 and the  
 262.30 court finds that the opinion or decision is directly related to the cause of action being litigated  
 262.31 and that the government entity did not act in conformity with the opinion or decision.
- 263.1 Sec. 29. Minnesota Statutes 2016, section 13.085, subdivision 2, is amended to read:
- 263.2 Subd. 2. **Complaints.** (a) A complaint alleging a violation of this chapter or chapter  
 263.3 13D for which an order to compel compliance is requested may be filed with the office. An

263.4 action to compel compliance does not include procedures pursuant to section 13.04,  
263.5 subdivision 4 or 4a.

263.6 (b) The complaint must be filed with the office within two years after the occurrence of  
263.7 the act or failure to act that is the subject of the complaint, except that if the act or failure  
263.8 to act involves concealment or misrepresentation by the government entity that could not  
263.9 be discovered during that period, the complaint may be filed with the office within one year  
263.10 after the concealment or misrepresentation is discovered.

263.11 (c) The complaint must be made in writing, submitted under oath, and detail the factual  
263.12 basis for the claim that a violation of law has occurred. The office may prescribe a standard  
263.13 form for the complaint. The complaint must be accompanied by a filing fee of ~~\$1,000~~ \$250  
263.14 or a bond to guarantee the payment of this fee.

263.15 (d) Upon receipt of a filed complaint, the office must immediately notify the respondent  
263.16 and, if known, the applicable responsible authority for the government entity, if the  
263.17 responsible authority is not otherwise named as the respondent. The office must provide  
263.18 the respondent with a copy of the complaint by the most expeditious means available. Notice  
263.19 to a responsible authority must be delivered by certified mail. The office must also notify,  
263.20 to the extent practicable, any individual or entity that is the subject of all or part of the data  
263.21 in dispute.

263.22 ~~(e) The office must notify the commissioner of administration of an action filed under~~  
263.23 ~~this section. Proceedings under this section must be dismissed without prejudice as untimely~~  
263.24 ~~and the complainant's filing fee must be refunded if a request for an advisory opinion from~~  
263.25 ~~the commissioner was accepted on the matter under section 13.072 before the complaint~~  
263.26 ~~was filed, and the complainant's filing fee must be refunded if an advisory opinion has not yet~~  
263.27 ~~been issued.~~

263.28 (f) The respondent must file a response to the complaint within 15 business days of  
263.29 receipt of the notice. For good cause shown, the office may extend the time for filing a  
263.30 response.

263.31 Sec. 30. Minnesota Statutes 2016, section 13.085, subdivision 3, is amended to read:

263.32 Subd. 3. **Probable cause review.** (a) In conformity with the Minnesota Code of Judicial  
263.33 Conduct, the chief administrative law judge must assign an administrative law judge to  
264.1 review each complaint. The chief administrative law judge must ensure that any assigned  
264.2 administrative law judge is screened from any involvement with any informal advice provided  
264.3 under section 13.071 or with an advisory opinion issued under section 13.072 that involves  
264.4 the parties to the complaint. Within 20 business days after a response is filed, or the  
264.5 respondent's time to file the response, including any extension, has expired, the administrative  
264.6 law judge must make a preliminary determination for its disposition as follows:

264.7 (1) if the administrative law judge determines that the complaint and any timely response  
264.8 of the respondent agency do not present sufficient facts to believe that a violation of this  
264.9 chapter has occurred, the complaint must be dismissed; or

264.10 (2) if the administrative law judge determines that the complaint and any timely response  
264.11 of the respondent agency do present sufficient facts to believe that a violation of this chapter  
264.12 has occurred, the judge must schedule a hearing as provided in subdivision 4.

264.13 (b) The office must notify all parties of the determination made under paragraph (a).  
264.14 The notice must provide as follows:

264.15 (1) if the complaint is scheduled for a hearing, the notice must identify the time and  
264.16 place of the hearing and inform all parties that they may submit evidence, affidavits,  
264.17 documentation, and argument for consideration by the administrative law judge; or

264.18 (2) if the complaint is dismissed for failure to present sufficient facts to believe that a  
264.19 violation of this chapter has occurred, the notice must inform the parties of the right of the  
264.20 complainant to seek reconsideration of the decision on the record by the chief administrative  
264.21 law judge, as provided in paragraph (c).

264.22 (c) A petition for reconsideration may be filed no later than five business days after a  
264.23 complaint is dismissed for failure to present sufficient facts to believe that a violation of  
264.24 this chapter has occurred. The chief administrative law judge must review the petition and  
264.25 make a final ruling within ten business days after its receipt. If the chief administrative law  
264.26 judge determines that the assigned administrative law judge made a clear material error,  
264.27 the chief administrative law judge must schedule the matter for a hearing as provided in  
264.28 subdivision 4.

264.29 Sec. 31. Minnesota Statutes 2016, section 13.085, subdivision 4, is amended to read:

264.30 Subd. 4. **Hearing; procedure.** (a) A hearing on a complaint must be held within 30  
264.31 business days after the parties are notified that a hearing will be held. An oral hearing to  
264.32 resolve questions of law may be waived upon consent of all parties and the ~~presiding~~ assigned  
264.33 administrative law judge. For good cause shown, the judge may delay the date of a hearing  
265.1 by no more than ten business days. The judge may continue a hearing to enable the parties  
265.2 to submit additional evidence or testimony.

265.3 (b) The administrative law judge must consider any evidence and argument submitted  
265.4 until the hearing record is closed, including affidavits and documentation.

265.5 (c) All hearings, and any records relating to the hearing, must be open to the public,  
265.6 except that the judge may inspect in camera any government data in dispute. If the hearing

265.7 record contains information that is not public data, the judge may conduct a closed hearing  
265.8 to consider the information, issue necessary protective orders, and seal all or part of the  
265.9 hearing record, as provided in section 14.60, subdivision 2. If a party contends, and the  
265.10 judge concludes, that not public data could be improperly disclosed while that party is  
265.11 presenting its arguments, the judge shall close any portion of the hearing as necessary to  
265.12 prevent the disclosure. A hearing may be conducted by conference telephone call or  
265.13 interactive audio/video system, at the discretion of the ~~presiding~~ assigned judge, and upon  
265.14 consent of all parties.

265.15 Sec. 32. Minnesota Statutes 2016, section 13.085, subdivision 5, is amended to read:

265.16 Subd. 5. **Disposition.** (a) Following a hearing, the judge must determine whether the  
265.17 violation alleged in the complaint occurred and must make at least one of the following  
265.18 dispositions. The judge may:

265.19 (1) dismiss the complaint;

265.20 (2) find that an act or failure to act constituted a violation of this chapter;

265.21 (3) impose a civil penalty against the respondent of up to \$300;

265.22 (4) issue an order compelling the respondent to comply with a provision of law that has  
265.23 been violated, and may establish a deadline for production of data, if necessary; and

265.24 (5) refer the complaint to the appropriate prosecuting authority for consideration of  
265.25 criminal charges.

265.26 (b) In determining whether to assess a civil penalty, the office shall consider the factors  
265.27 described in section 13.08, subdivision 4.

265.28 (c) The judge must render a decision on a complaint within ten business days after the  
265.29 hearing record closes. ~~The chief administrative law judge shall provide for public~~  
265.30 ~~dissemination of orders issued under this section. If the judge determines that a government~~  
265.31 ~~entity has violated a provision of law and issues an order to compel compliance, the office~~  
265.32 ~~shall forward a copy of the order to the commissioner of administration.~~ Any order issued  
266.1 pursuant to this section is enforceable through the district court for the district in which the  
266.2 respondent is located.

266.3 (d) A party aggrieved by a final decision on a complaint filed under this section is entitled  
266.4 to judicial review as provided in sections 14.63 to 14.69. Proceedings on a complaint are  
266.5 not a contested case within the meaning of chapter 14 and are not otherwise governed by  
266.6 chapter 14.

266.7 ~~(e) A decision of the office under this section is not controlling in any subsequent action~~  
266.8 ~~brought in district court alleging the same violation and seeking damages.~~

266.9 ~~(f)~~ (e) A government entity or person that releases not public data pursuant to an order  
266.10 under this section is immune from civil and criminal liability for that release. A government  
266.11 entity or person that acts in conformity with an order issued under this section to the  
266.12 government entity or to any other person is not liable for compensatory or exemplary damage  
266.13 or awards of attorney fees for acting in conformity with that order in actions under this  
266.14 section or section 13.08, or for a penalty under section 13.09.

266.15 Sec. 33. Minnesota Statutes 2016, section 13.085, subdivision 6, is amended to read:

266.16 Subd. 6. **Costs; attorney fees.** (a) A rebuttable presumption shall exist that a complainant  
266.17 who substantially prevails on the merits in an action brought under this section is entitled  
266.18 to an award of reasonable attorney fees, not to exceed \$5,000. An award of attorney fees  
266.19 may be denied if the judge determines that the violation is merely technical or that there is  
266.20 a genuine uncertainty about the meaning of the governing law.

266.21 (b) Reasonable attorney fees, not to exceed \$5,000, must be awarded to a substantially  
266.22 prevailing complainant if the government entity that is the respondent in the action was also  
266.23 the subject of ~~a written an advisory~~ an advisory opinion issued under section 13.072 or a prior decision  
266.24 of the Office of Administrative Hearings issued under this section and the administrative  
266.25 law judge finds that the opinion or decision is directly related to the matter in dispute and  
266.26 that the government entity did not act in conformity with the opinion or decision.

266.27 (c) The office shall refund the filing fee of a substantially prevailing complainant in full,  
266.28 less \$50, and the office's costs in conducting the matter shall be billed to the respondent,  
266.29 not to exceed \$1,000.

266.30 (d) A complainant that does not substantially prevail on the merits shall be entitled to a  
266.31 refund of the filing fee, less any costs incurred by the office in conducting the matter.

266.32 (e) If the administrative law judge determines that a complaint is frivolous, or brought  
266.33 for purposes of harassment, the judge must order that the complainant pay the respondent's  
267.1 reasonable attorney fees, not to exceed \$5,000. The complainant shall not be entitled to a  
267.2 refund of the filing fee.

267.3 (f) The court shall award the complainant costs and attorney fees incurred in bringing  
267.4 an action in district court to enforce an order of the Office of Administrative Hearings under  
267.5 this section.



14.1 Sec. 15. Minnesota Statutes 2016, section 13.64, is amended by adding a subdivision to  
14.2 read:

14.3 Subd. 4. **Fiscal note data must be shared with Legislative Budget Office.** A head or  
14.4 chief administrative officer of a department or agency of the state government, including  
14.5 the Supreme Court, must provide data that are used to prepare a fiscal note, including data  
14.6 that are not public data under this section to the director of the Legislative Budget Office  
14.7 upon the director's request and consistent with section 3.8853, subdivision 4. The data must  
14.8 be supplied according to any procedures adopted under section 3.8853, subdivision 3,  
14.9 including any procedures governing timeliness. Notwithstanding section 13.05, subdivision  
14.10 9, a responsible authority may not require the Legislative Budget Office to pay a cost for  
14.11 supplying data requested under this subdivision.

14.12 **EFFECTIVE DATE.** This section is effective January 8, 2019.

267.6 Sec. 34. Minnesota Statutes 2016, section 13.085, is amended by adding a subdivision to  
267.7 read:

267.8 Subd. 8. **Publication and authority of decisions.** (a) The chief administrative law judge  
267.9 shall provide for public dissemination of the office's decisions issued under this section.  
267.10 Public dissemination must include the publication and maintenance of all decisions in a  
267.11 user-friendly, searchable database conspicuously located on the office's Web site. Not public  
267.12 data contained in a decision must be redacted prior to public dissemination.

267.13 (b) Unless the decision states otherwise, a decision of the office issued under this section  
267.14 has precedential effect on future complaints under this section and shall, where appropriate,  
267.15 be used to provide guidance to similarly situated persons or government entities.

267.16 (c) A government entity, member of a body subject to chapter 13D, or person that acts  
267.17 in conformity with a decision of the office made under this section is not liable for  
267.18 compensatory or exemplary damages or awards of attorney fees in actions for violations  
267.19 arising under this section or section 13.08, or for a penalty under section 13.09 or for fines,  
267.20 awards of attorney fees, or any other penalty under chapter 13D. A member of a body subject  
267.21 to chapter 13D is not subject to forfeiture of office if the member was acting in reliance on  
267.22 a decision of the office made under this section.

267.23 Sec. 35. Minnesota Statutes 2016, section 13.64, is amended by adding a subdivision to  
267.24 read:

267.25 Subd. 4. **Fiscal note data must be shared with Legislative Budget Office.** A  
267.26 government entity must provide any data, regardless of its classification, to the director of  
267.27 the Legislative Budget Office for review, upon the director's request and consistent with  
267.28 section 3.8853, subdivision 4. The data must be supplied according to any standards,  
267.29 guidelines, or procedures adopted under section 3.8853, subdivision 3, including any  
267.30 standards or procedures governing timeliness. Notwithstanding section 13.05, subdivision  
267.31 9, a responsible authority may not require the Legislative Budget Office to pay a cost for  
267.32 supplying data requested under this subdivision.

268.1 **EFFECTIVE DATE.** This section is effective January 8, 2019.

268.2 Sec. 36. Minnesota Statutes 2016, section 13.685, is amended to read:

268.3 **13.685 MUNICIPAL UTILITY CUSTOMER DATA.**

268.4 Data on customers of municipal electric utilities are private data on individuals or  
268.5 nonpublic data, but may be released to:

- 268.6 (1) a law enforcement agency that requests access to the data in connection with an  
268.7 investigation;
- 268.8 (2) a school for purposes of compiling pupil census data;
- 268.9 (3) the Metropolitan Council for use in studies or analyses required by law;
- 268.10 (4) a public child support authority for purposes of establishing or enforcing child support;  
268.11 or
- 268.12 (5) a person where use of the data directly advances the general welfare, health, or safety  
268.13 of the public; the ~~commissioner of administration~~ information policy analysis unit may issue  
268.14 advisory opinions construing this clause pursuant to section 13.072.
- 268.15 Sec. 37. Minnesota Statutes 2016, section 13D.06, subdivision 4, is amended to read:
- 268.16 Subd. 4. **Costs; attorney fees; requirements; limits.** (a) In addition to other remedies,  
268.17 the court may award reasonable costs, disbursements, and reasonable attorney fees of up to  
268.18 \$13,000 to any party in an action under this chapter.
- 268.19 (b) The court may award costs and attorney fees to a defendant only if the court finds  
268.20 that the action under this chapter was frivolous and without merit.
- 268.21 (c) A public body may pay any costs, disbursements, or attorney fees incurred by or  
268.22 awarded against any of its members in an action under this chapter.
- 268.23 (d) No monetary penalties or attorney fees may be awarded against a member of a public  
268.24 body unless the court finds that there was an intent to violate this chapter.
- 268.25 (e) The court shall award reasonable attorney fees to a prevailing plaintiff who has  
268.26 brought an action under this section if the public body that is the defendant in the action  
268.27 was also the subject of a prior ~~written~~ advisory opinion issued under section 13.072 or a  
268.28 prior decision of the Office of Administrative Hearings issued under section 13.085, and  
268.29 the court finds that the opinion or decision is directly related to the cause of action being  
268.30 litigated and that the public body did not act in conformity with the opinion or decision.  
269.1 The court shall give deference to the opinion or decision in a proceeding brought under this  
269.2 section.

**[14.1275] IS FROM ARTICLE 8**

14.13 Sec. 16. **[14.1275] RULES IMPACTING RESIDENTIAL CONSTRUCTION OR**  
 14.14 **REMODELING; LEGISLATIVE NOTICE AND REVIEW.**

14.15 Subdivision 1. **Definition.** As used in this section, "residential construction" means the  
 14.16 new construction or remodeling of any building subject to the Minnesota Residential Code.

14.17 Subd. 2. **Impact on housing; agency determination.** (a) An agency must determine if  
 14.18 implementation of a proposed rule, or any portion of a proposed rule, will, on average,  
 14.19 increase the cost of residential construction by \$1,000 or more per unit, and whether the  
 14.20 proposed rule meets the state regulatory policy objectives described in section 14.002. In  
 14.21 calculating the cost of implementing a proposed rule, the agency may consider the impact  
 14.22 of other related proposed rules on the overall cost of residential construction. If applicable,  
 14.23 the agency may include offsetting savings that may be achieved through implementation  
 14.24 of related proposed rules in its calculation under this subdivision.

14.25 (b) The agency must make the determination required by paragraph (a) before the close  
 14.26 of the hearing record, or before the agency submits the record to the administrative law  
 14.27 judge if there is no hearing. Upon request of a party affected by the proposed rule, the  
 14.28 administrative law judge must review and approve or disapprove an agency's determination  
 14.29 under this subdivision.

14.30 Subd. 3. **Notice to legislature; legislative review.** If the agency determines that the  
 14.31 impact of a proposed rule meets or exceeds the cost threshold provided in subdivision 2, or  
 14.32 if the administrative law judge separately confirms the cost of any portion of a rule exceeds  
 14.33 the cost threshold provided in subdivision 2, the agency must notify, in writing, the chair  
 15.1 and ranking minority members of the policy committees of the house of representatives and  
 15.2 the senate with jurisdiction over the subject matter of the proposed rule within ten days of  
 15.3 the determination. The agency shall not adopt the proposed rule until after the adjournment  
 15.4 of the next session of the legislature convened on or after the date that notice required in  
 15.5 this subdivision is given to the chairs and ranking minority members.

15.6 **EFFECTIVE DATE.** This section is effective August 1, 2018, and applies to  
 15.7 administrative rules for which a request for comment is published on or after that date.

174.17 Section 1. **[14.1275] RULES IMPACTING RESIDENTIAL CONSTRUCTION OR**  
 174.18 **REMODELING; LEGISLATIVE NOTICE AND REVIEW.**

174.19 Subdivision 1. **Definition.** As used in this section, "residential construction" means the  
 174.20 new construction or remodeling of any building subject to the Minnesota Residential Code.

174.21 Subd. 2. **Impact on housing; agency determination.** (a) An agency must determine if  
 174.22 implementation of a proposed rule, or any portion of a proposed rule, will, on average,  
 174.23 increase the cost of residential construction or remodeling by \$1,000 or more per unit, and  
 174.24 whether the proposed rule meets the state regulatory policy objectives described in section  
 174.25 14.002. In calculating the cost of implementing a proposed rule, the agency may consider  
 174.26 the impact of other related proposed rules on the overall cost of residential construction. If  
 174.27 applicable, the agency may include offsetting savings that may be achieved through  
 174.28 implementation of related proposed rules in its calculation under this subdivision.

174.29 (b) The agency must make the determination required by paragraph (a) before the close  
 174.30 of the hearing record, or before the agency submits the record to the administrative law  
 174.31 judge if there is no hearing. Upon request of a party affected by the proposed rule, the  
 175.1 administrative law judge must review and approve or disapprove an agency's determination  
 175.2 under this subdivision.

175.3 Subd. 3. **Notice to legislature; legislative review.** If the agency determines that the  
 175.4 impact of a proposed rule meets or exceeds the cost threshold provided in subdivision 2, or  
 175.5 if the administrative law judge separately confirms the cost of any portion of a rule exceeds  
 175.6 the cost threshold provided in subdivision 2, the agency must notify, in writing, the chair  
 175.7 and ranking minority members of the policy committees of the legislature with jurisdiction  
 175.8 over the subject matter of the proposed rule within ten days of the determination. The agency  
 175.9 shall not adopt the proposed rule until after the adjournment of the next annual session of  
 175.10 the legislature convened on or after the date that notice required in this subdivision is given  
 175.11 to the chairs and ranking minority members.

175.12 **EFFECTIVE DATE.** This section is effective August 1, 2018, and applies to  
 175.13 administrative rules proposed on or after that date.

269.3 Sec. 38. Minnesota Statutes 2017 Supplement, section 15A.0815, subdivision 3, is amended  
 269.4 to read:

269.5 Subd. 3. **Group II salary limits.** The salary for a position listed in this subdivision shall  
 269.6 not exceed 120 percent of the salary of the governor. This limit must be adjusted annually  
 269.7 on January 1. The new limit must equal the limit for the prior year increased by the percentage  
 269.8 increase, if any, in the Consumer Price Index for all urban consumers from October of the

269.9 second prior year to October of the immediately prior year. The commissioner of management  
 269.10 and budget must publish the limit on the department's Web site. This subdivision applies  
 269.11 to the following positions:

269.12 Executive director of Gambling Control Board;

269.13 Commissioner of Iron Range resources and rehabilitation;

269.14 Commissioner, Bureau of Mediation Services;

269.15 Ombudsman for Mental Health and Developmental Disabilities;

269.16 ~~Chair, Metropolitan Council;~~

269.17 School trust lands director;

269.18 Executive director of pari-mutuel racing; and

269.19 Commissioner, Public Utilities Commission.

269.20 **EFFECTIVE DATE.** This section is effective January 1, 2019.

269.21 Sec. 39. Minnesota Statutes 2016, section 16A.013, is amended by adding a subdivision  
 269.22 to read:

269.23 Subd. 1a. **Opportunity to make gifts via Web site.** The commissioner of management  
 269.24 and budget must maintain a secure Web site which permits any person to make a gift of  
 269.25 money electronically for any purpose authorized by subdivision 1. Gifts made using the  
 269.26 Web site are subject to all other requirements of this section, sections 16A.014 to 16A.016,  
 269.27 and any other applicable law governing the receipt of gifts by the state and the purposes for  
 269.28 which a gift may be used. The Web site must include historical data on the total amount of  
 269.29 gifts received using the site, itemized by month.

15.8 Sec. 17. **[16A.104] FEDERAL FUNDS REPORT.**

15.9 The commissioner must report to the chairs and ranking minority members of the house  
 15.10 of representatives Ways and Means and senate Finance Committee on receipt of federal  
 15.11 funds by the state. The report must be submitted with the governor's detailed operating  
 15.12 budget in accordance with section 16A.11, subdivision 1, in an odd-numbered year and  
 15.13 within ten days prior to the start of the regular session in accordance with section 3.3005,  
 15.14 subdivision 2, in an even-numbered year. The report must include the total amount of federal  
 15.15 funds received by the state in the fiscal year ending the prior June 30 and the total amount

- 15.16 of federal funds anticipated to be received by the state in the current fiscal year. For each  
 15.17 category of federal funding, the report must list:
- 15.18 (1) the name of the federal grant or federal funding source, the federal agency providing  
 15.19 the funding, a federal identification number, a description of the purpose of the federal  
 15.20 funding, and an electronic address at which additional relevant documents related to the  
 15.21 grant or funding program may be found;
- 15.22 (2) the amount of federal funding the state received through that grant or source in the  
 15.23 fiscal year ending the prior June 30 and the total amount of federal funds anticipated to be  
 15.24 received by the state in the current fiscal year;
- 15.25 (3) if there is a federal maintenance-of-effort requirement associated with the funding;
- 15.26 (4) the number of full-time equivalent state employees assigned to implement the federal  
 15.27 funding's purpose;
- 15.28 (5) the amount of funds spent, as a match or otherwise, in conjunction with receipt of  
 15.29 the federal funding in the fiscal year ending the prior June 30, and the amount of funds  
 15.30 anticipated to be spent in the current fiscal year, listing state and nonstate sources of spent  
 15.31 funds separately; and
- 15.32 (6) the maximum amount of the federal funds that may be used for indirect costs  
 15.33 associated with implementing the funds' purpose.

270.1 Sec. 40. Minnesota Statutes 2016, section 16A.11, subdivision 1, is amended to read:

270.2 Subdivision 1. **When.** The governor shall submit a three-part budget to the legislature.  
 270.3 Parts one and two, the budget message and detailed operating budget, must be submitted  
 270.4 by the fourth Tuesday in January in each odd-numbered year. However, in a year following  
 270.5 the election of a governor who had not been governor the previous year, parts one and two  
 270.6 must be submitted by the third Tuesday in February. Part three, the detailed recommendations  
 270.7 as to capital expenditure, must be submitted as follows: agency capital budget requests by  
 270.8 July 15 of each odd-numbered year, and governor's recommendations by January 15 of each  
 270.9 even-numbered year. ~~Detailed recommendations as to information technology expenditure~~  
 270.10 ~~must be submitted as part of the detailed operating budget. Information technology~~  
 270.11 ~~recommendations must include projects to be funded during the next biennium and planning~~  
 270.12 ~~estimates for an additional two bienniums. Information technology recommendations must~~  
 270.13 ~~specify purposes of the funding such as infrastructure, hardware, software, or training.~~

270.14 Sec. 41. Minnesota Statutes 2016, section 16A.11, is amended by adding a subdivision to  
270.15 read:

270.16 Subd. 6a. **Information technology and cyber security.** (a) Detailed recommendations  
270.17 as to information and telecommunications technology systems and services expenditures  
270.18 must be submitted as part of the detailed operating budget. These recommendations must  
270.19 include projects to be funded during the next biennium and planning estimates for an  
270.20 additional two bienniums, and must specify purposes of the funding, such as infrastructure,  
270.21 hardware, software, or training. The detailed operating budget must also separately  
270.22 recommend expenditures for the maintenance and enhancement of cyber security for the  
270.23 state's information and telecommunications technology systems and services.

270.24 (b) The commissioner of management and budget, in consultation with the state chief  
270.25 information officer, shall establish budget guidelines for the recommendations required by  
270.26 this subdivision. Unless otherwise set by the commissioner at a higher amount, the amount  
270.27 to be budgeted each fiscal year for maintenance and enhancement of cyber security must  
270.28 be at least 3.5 percent of a department's or agency's total operating budget for information  
270.29 and telecommunications technology systems and services in that year.

270.30 (c) As used in this subdivision:

270.31 (1) "cyber security" has the meaning given in section 16E.03, subdivision 1, paragraph  
270.32 (d); and

271.1 (2) "information and telecommunications technology systems and services" has the  
271.2 meaning given in section 16E.03, subdivision 1, paragraph (a).

271.3 Sec. 42. Minnesota Statutes 2017 Supplement, section 16A.152, subdivision 2, is amended  
271.4 to read:

271.5 Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general fund  
271.6 revenues and expenditures, the commissioner of management and budget determines that  
271.7 there will be a positive unrestricted budgetary general fund balance at the close of the  
271.8 biennium, the commissioner of management and budget must allocate money to the following  
271.9 accounts and purposes in priority order:

271.10 (1) the cash flow account established in subdivision 1 until that account reaches  
271.11 \$350,000,000;

271.12 (2) the budget reserve account established in subdivision 1a until that account reaches  
271.13 \$1,596,522,000;

271.14 (3) the amount necessary to increase the aid payment schedule for school district aids  
 271.15 and credits payments in section 127A.45 to not more than 90 percent rounded to the nearest  
 271.16 tenth of a percent without exceeding the amount available and with any remaining funds  
 271.17 deposited in the budget reserve; and

271.18 (4) the amount necessary to restore all or a portion of the net aid reductions under section  
 271.19 127A.441 and to reduce the property tax revenue recognition shift under section 123B.75,  
 271.20 subdivision 5, by the same amount; and.

271.21 ~~(5) the clean water fund established in section 114D.50 until \$22,000,000 has been~~  
 271.22 ~~transferred into the fund.~~

271.23 (b) The amounts necessary to meet the requirements of this section are appropriated  
 271.24 from the general fund within two weeks after the forecast is released or, in the case of  
 271.25 transfers under paragraph (a), clauses (3) and (4), as necessary to meet the appropriations  
 271.26 schedules otherwise established in statute.

271.27 (c) The commissioner of management and budget shall certify the total dollar amount  
 271.28 of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of education.  
 271.29 The commissioner of education shall increase the aid payment percentage and reduce the  
 271.30 property tax shift percentage by these amounts and apply those reductions to the current  
 271.31 fiscal year and thereafter.

272.1 ~~(d) Paragraph (a), clause (5), expires after the entire amount of the transfer has been~~  
 272.2 ~~made.~~

272.3 Sec. 43. Minnesota Statutes 2016, section 16D.09, is amended to read:

272.4 **16D.09 UNCOLLECTIBLE DEBTS.**

272.5 Subdivision 1. **Generally.** (a) When a debt is determined by a state agency to be  
 272.6 uncollectible, the debt may be written off by the state agency from the state agency's financial  
 272.7 accounting records and no longer recognized as an account receivable for financial reporting  
 272.8 purposes. A debt is considered to be uncollectible when (1) all reasonable collection efforts  
 272.9 have been exhausted, (2) the cost of further collection action will exceed the amount  
 272.10 recoverable, (3) the debt is legally without merit or cannot be substantiated by evidence,  
 272.11 (4) the debtor cannot be located, (5) the available assets or income, current or anticipated,  
 272.12 that may be available for payment of the debt are insufficient, (6) the debt has been  
 272.13 discharged in bankruptcy, (7) the applicable statute of limitations for collection of the debt  
 272.14 has expired, or (8) it is not in the public interest to pursue collection of the debt.

272.15 (b) The determination of the uncollectibility of a debt must be reported by the state  
 272.16 agency along with the basis for that decision as part of its quarterly reports to the

272.17 commissioner of management and budget. If a state agency's quarterly report includes an  
 272.18 uncollectible debt that exceeds \$10,000, a copy of the report must be submitted to the chairs  
 272.19 and ranking minority members of the legislative committees with jurisdiction over the state  
 272.20 agency's budget at the same time the report is delivered to the commissioner of management  
 272.21 and budget. Determining that the debt is uncollectible does not cancel the legal obligation  
 272.22 of the debtor to pay the debt.

16.1 Sec. 18. Minnesota Statutes 2016, section 16E.01, subdivision 1, is amended to read:

16.2 Subdivision 1. ~~Creation; chief information officer.~~ The ~~Office of MN.IT Services~~  
 16.3 ~~Division of Information Technology,~~ referred to in this chapter as the ~~"office," "division,"~~  
 16.4 ~~is an agency in the executive branch headed by a~~ under the supervision of the commissioner,  
 16.5 ~~who also is the state chief information officer of administration.~~ The appointment of the  
 16.6 commissioner is subject to the advice and consent of the senate under section 15.066.

16.7 Sec. 19. Minnesota Statutes 2016, section 16E.015, is amended by adding a subdivision  
16.8 to read:

16.9 Subd. 2a. Commissioner. "Commissioner" means the commissioner of administration.

16.10 Sec. 20. Minnesota Statutes 2016, section 16E.016, is amended to read:

16.11 **16E.016 RESPONSIBILITY FOR INFORMATION TECHNOLOGY SERVICES**  
 16.12 **AND EQUIPMENT.**

16.13 (a) The chief information officer is responsible for providing or entering into managed  
 16.14 services contracts for the provision, improvement, and development of the following  
 16.15 information technology systems and services to state agencies:

- 16.16 (1) state data centers;
- 16.17 (2) mainframes including system software;
- 16.18 (3) servers including system software;
- 16.19 ~~(4) desktops including system software;~~
- 16.20 ~~(5) laptop computers including system software;~~
- 16.21 ~~(6)~~ (4) a data network including system software;

272.23 Sec. 44. Minnesota Statutes 2016, section 16E.016, is amended to read:

272.24 **16E.016 RESPONSIBILITY FOR INFORMATION TECHNOLOGY SERVICES**  
 272.25 **AND EQUIPMENT.**

272.26 (a) The chief information officer is responsible for providing or entering into managed  
 272.27 services contracts for the provision, improvement, and development of the following  
 272.28 information technology systems and services to state agencies:

- 272.29 (1) state data centers;
- 272.30 (2) mainframes including system software;
- 272.31 (3) servers including system software;
- 273.1 (4) desktops including system software;
- 273.2 (5) laptop computers including system software;
- 273.3 (6) a data network including system software;



16.22 ~~(7) database, (5) electronic mail, office systems, reporting, and other standard software~~  
 16.23 ~~tools;~~

16.24 ~~(8) business application software and related technical support services;~~

16.25 ~~(9) (6) help desk for the components listed in clauses (1) to (8) (5);~~

16.26 ~~(10) (7) maintenance, problem resolution, and break-fix for the components listed in~~  
 16.27 ~~clauses (1) to (8) (5); and~~

16.28 ~~(11) (8) regular upgrades and replacement for the components listed in clauses (1) to~~  
 16.29 ~~(8); and (5).~~

17.1 ~~(12) network-connected output devices.~~

17.2 (b) The chief information officer is responsible for providing or entering into managed  
 17.3 services contracts for the provision, improvement, and development of the following  
 17.4 information technology systems and services to a state agency, at the request of the agency:

17.5 (1) desktops including system software;

17.6 (2) laptop computers including system software;

17.7 (3) database, office systems, reporting, and other standard software tools;

17.8 (4) business application software and related technical support services;

17.9 (5) help desk for the components listed in clauses (1) to (4);

17.10 (6) maintenance, problem resolution, and break-fix for the components listed in clauses  
 17.11 (1) to (4);

17.12 (7) regular upgrades and replacement for the components listed in clauses (1) to (4); and

273.4 (7) database, electronic mail, office systems, reporting, and other standard software  
 273.5 tools;

273.6 (8) business application software and related technical support services;

273.7 (9) help desk for the components listed in clauses (1) to (8);

273.8 (10) maintenance, problem resolution, and break-fix for the components listed in clauses  
 273.9 (1) to (8);

273.10 (11) regular upgrades and replacement for the components listed in clauses (1) to (8);  
 273.11 and

273.12 (12) network-connected output devices.

273.30 (d) Effective upon certification by the chief information officer that the information  
 273.31 technology systems and services provided under this section meet all professional and  
 273.32 technical standards necessary for the entity to perform its functions, including functions  
 274.1 necessary to meet any fiduciary or other duties of care, the following are state agencies for  
 274.2 purposes of this section: the Campaign Finance and Public Disclosure Board, the State  
 274.3 Lottery, the Statewide Radio Board, the Minnesota State Retirement System, the Public  
 274.4 Employees Retirement Association, the Teachers Retirement Association, and the State  
 274.5 Board of Investment.

17.13 (8) network-connected output devices.

17.14 ~~(b)~~ (c) All state agency employees whose work primarily involves functions specified  
17.15 in paragraph (a) are employees of the Office of MN.IT Services in the Division of Information  
17.16 Technology under the Department of Administration. This includes employees who directly  
17.17 perform the functions in paragraph (a), as well as employees whose work primarily involves  
17.18 managing, supervising, or providing administrative services or support services to employees  
17.19 who directly perform these functions. The chief information officer may assign employees  
17.20 of the office division to perform work exclusively for another state agency.

17.21 ~~(e)~~ (d) Subject to sections 16C.08 and 16C.09, the chief information officer may allow  
17.22 a state agency to obtain services specified in paragraph (a) through a contract with an outside  
17.23 vendor when the chief information officer and the agency head agree that a contract would  
17.24 provide best value, as defined in section 16C.02, under the service-level agreement. The  
17.25 chief information officer must require that Agency contracts with outside vendors ensure  
17.26 that systems and services are compatible with standards established by ~~the Office of MN.IT~~  
17.27 Services the Division of Information Technology.

17.28 ~~(d)~~ (e) The Minnesota State Retirement System, the Public Employees Retirement  
17.29 Association, the Teachers Retirement Association, the State Board of Investment, the  
17.30 Campaign Finance and Public Disclosure Board, the State Lottery, and the Statewide Radio  
17.31 Board are not state agencies for purposes of this section.

18.1 EFFECTIVE DATE. This section is effective July 1, 2018, and applies to contracts  
18.2 entered into on or after that date.

18.3 Sec. 21. Minnesota Statutes 2016, section 16E.02, is amended to read:

18.4 ~~16E.02 OFFICE OF MN.IT SERVICES DIVISION OF INFORMATION~~  
18.5 TECHNOLOGY; STRUCTURE AND PERSONNEL.

18.6 Subdivision 1. **Office management and structure.** (a) The chief information officer is  
18.7 appointed by the ~~governor commissioner~~, subject to the advice and consent of the senate  
18.8 under section 15.066. The chief information officer serves in the unclassified service at the  
18.9 pleasure of the governor commissioner. The chief information officer must have experience  
18.10 leading enterprise-level information technology organizations. The chief information officer  
18.11 is the state's chief information officer and information and telecommunications technology  
18.12 advisor to the governor.

18.13 (b) The chief information officer may appoint other employees of the office division.  
18.14 The staff of the office division must include individuals knowledgeable in information and  
18.15 telecommunications technology systems and services and individuals with specialized  
18.16 training in information security and accessibility.

273.13 (b) All state agency employees whose work primarily involves functions specified in  
273.14 paragraph (a) are employees of the Office of MN.IT Services. This includes employees who  
273.15 directly perform the functions in paragraph (a), as well as employees whose work primarily  
273.16 involves managing, supervising, or providing administrative services or support services  
273.17 to employees who directly perform these functions. The chief information officer may assign  
273.18 employees of the office to perform work exclusively for another state agency.

273.19 (c) Subject to sections 16C.08 and 16C.09, the chief information officer may allow a  
273.20 state agency to obtain services specified in paragraph (a) through a contract with an outside  
273.21 vendor when the chief information officer and the agency head agree that a contract would  
273.22 provide best value, as defined in section 16C.02, under the service-level agreement. The  
273.23 chief information officer must require that agency contracts with outside vendors ensure  
273.24 that systems and services are compatible with standards established by the Office of MN.IT  
273.25 Services.

273.26 ~~(d) The Minnesota State Retirement System, the Public Employees Retirement~~  
273.27 ~~Association, the Teachers Retirement Association, the State Board of Investment, the~~  
273.28 ~~Campaign Finance and Public Disclosure Board, the State Lottery, and the Statewide Radio~~  
273.29 ~~Board are not state agencies for purposes of this section.~~

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

18.17 (c) The chief information officer may appoint a Webmaster responsible for the supervision  
 18.18 and development of state Web sites under the control of the ~~office division~~. The Webmaster,  
 18.19 if appointed, shall ensure that these Web sites are maintained in an easily accessible format  
 18.20 that is consistent throughout state government and are consistent with the accessibility  
 18.21 standards developed under section 16E.03, subdivision 9. The Webmaster, if appointed,  
 18.22 shall provide assistance and guidance consistent with the requirements of this paragraph to  
 18.23 other state agencies for the maintenance of other Web sites not under the direct control of  
 18.24 the ~~office division~~.

18.25 Subd. 1a. **Accountability.** The chief information officer reports to the ~~governor~~  
 18.26 ~~commissioner~~. The chief information officer must consult regularly with the commissioners  
 18.27 of ~~administration~~, management and budget, human services, revenue, and other  
 18.28 commissioners as designated by the governor, on technology projects, standards, and services  
 18.29 as well as management of resources and staff utilization.

274.7 Sec. 45. Minnesota Statutes 2016, section 16E.03, subdivision 4, is amended to read:

274.8 Subd. 4. **Evaluation procedure.** The chief information officer shall establish and, as  
 274.9 necessary, update and modify procedures to evaluate information and communications  
 274.10 projects proposed by state agencies. The evaluation procedure must assess the necessity,  
 274.11 design and plan for development, ability to meet user requirements, accessibility, feasibility,  
 274.12 and flexibility of the proposed data processing device or system, its relationship to other  
 274.13 state or local data processing devices or systems, and its costs and benefits when considered  
 274.14 by itself and when compared with other options. The evaluation procedure must also include  
 274.15 a process for consultation with affected local units of government, if implementation of the  
 274.16 proposed project requires the participation of both a state agency and a local government.

274.17 **EFFECTIVE DATE.** This section is effective July 1, 2018, and applies to the evaluation  
 274.18 procedure for information and telecommunications technology projects reviewed by the  
 274.19 state chief information officer on or after January 1, 2019.

274.20 Sec. 46. Minnesota Statutes 2016, section 16E.03, subdivision 7, is amended to read:

274.21 Subd. 7. **Cyber security systems.** In consultation with the attorney general and  
 274.22 appropriate agency heads, the chief information officer shall develop cyber security policies,  
 274.23 guidelines, and standards, and shall install and administer state data security systems on the  
 274.24 state's computer facilities consistent with these policies, guidelines, standards, and state law  
 274.25 to ensure the integrity of computer-based and other data and to ensure applicable limitations  
 274.26 on access to data, consistent with the public's right to know as defined in chapter 13. The  
 274.27 chief information officer is responsible for overall security of state agency networks  
 274.28 connected to the Internet. Each department or agency head is responsible for the security  
 274.29 of the department's or agency's data within the guidelines of established enterprise policy.

274.30 Unless otherwise expressly provided by law, at least 3.5 percent of each department's or  
 274.31 agency's expenditures in a fiscal year for information and telecommunications technology  
 274.32 systems and services must be directed to the maintenance and enhancement of cyber security.

275.1 **EFFECTIVE DATE.** This section is effective July 1, 2018, and applies to expenditures  
 275.2 in fiscal years beginning on or after that date.

275.3 Sec. 47. Minnesota Statutes 2016, section 16E.03, is amended by adding a subdivision to  
 275.4 read:

275.5 **Subd. 11. Systems impacting local government.** An information and telecommunications  
 275.6 technology project that includes the participation of both a state agency and a local unit of  
 275.7 government may not be approved for full release or deployment until the project has been  
 275.8 field tested by at least one local unit of government, and the results of the field test  
 275.9 successfully demonstrate the integrity, security, and quality of the technology, and that the  
 275.10 functionality and usability of the overall project meet the expectations described in the  
 275.11 project's proposal. Standards for field testing that meet the requirements of this subdivision  
 275.12 must be incorporated into the project's development plan before it may be approved by the  
 275.13 chief information officer under subdivision 3.

275.14 **EFFECTIVE DATE.** This section is effective July 1, 2018, and applies to information  
 275.15 and telecommunications technology projects approved by the state chief information officer  
 275.16 on or after that date.

19.1 Sec. 22. Minnesota Statutes 2017 Supplement, section 16E.0466, subdivision 1, is amended  
 19.2 to read:

19.3 Subdivision 1. **Consultation required.** (a) Every state agency with an information or  
 19.4 telecommunications project must consult with the ~~Office of MN.IT Services~~ Division of  
 19.5 Information Technology to determine the information technology cost of the project if the  
 19.6 division is selected by an agency to perform the project. Upon agreement between the  
 19.7 commissioner of a particular agency and the chief information officer, the agency must  
 19.8 transfer the information technology cost portion of the project to the ~~Office of MN.IT~~  
 19.9 ~~Services~~ commissioner of administration. Service level agreements must document all  
 19.10 project-related transfers under this section. Those agencies specified in section 16E.016,  
 19.11 paragraph ~~(d)~~ (e), are exempt from the requirements of this section.

19.12 (b) Notwithstanding section 16A.28, subdivision 3, any unexpended operating balance  
 19.13 appropriated to a state agency may be transferred to the information and telecommunications  
 19.14 technology systems and services account for the information technology cost of a specific  
 19.15 project, subject to the review of the Legislative Advisory Commission, under section 16E.21,  
 19.16 subdivision 3.

19.17 Sec. 23. Minnesota Statutes 2016, section 16E.055, is amended to read:

19.18 **16E.055 ELECTRONIC GOVERNMENT SERVICES.**

19.19 A state agency that implements electronic government services for fees, licenses, sales,  
19.20 or other purposes ~~must~~ may use the single entry site created by the chief information officer  
19.21 for all agencies to use for electronic government services.

19.22 Sec. 24. Minnesota Statutes 2016, section 16E.14, is amended to read:

19.23 **16E.14 ~~MN.IT SERVICES INFORMATION TECHNOLOGY~~ REVOLVING**  
19.24 **FUND.**

19.25 Subdivision 1. **Creation.** The ~~MN.IT services~~ information technology revolving fund  
19.26 is created in the state treasury.

19.27 Subd. 2. **Appropriation and uses of fund.** Money in the ~~MN.IT services~~ information  
19.28 technology revolving fund is appropriated annually to the ~~chief information officer~~  
19.29 commissioner to operate information and telecommunications services, including  
19.30 management, consultation, and design services.

19.31 Subd. 3. **Reimbursements.** Except as specifically provided otherwise by law, each  
19.32 agency shall reimburse the ~~MN.IT services~~ information technology revolving fund for the  
20.1 cost of all services, supplies, materials, labor, and depreciation of equipment, including  
20.2 reasonable overhead costs, which the ~~chief information officer~~ commissioner is authorized  
20.3 and directed to furnish an agency. The ~~chief information officer~~ commissioner shall report  
20.4 the rates to be charged for the revolving fund no later than ~~July 1 each June 1 each~~  
20.5 even-numbered calendar year to the chair of the committee or division in the senate and  
20.6 house of representatives with primary jurisdiction over the budget of the ~~Office of MN.IT~~  
20.7 Services Division of Information Technology. These rates shall apply for the biennium  
20.8 beginning July 1 of the following calendar year.

20.9 Subd. 4. **Cash flow.** The commissioner of management and budget shall make appropriate  
20.10 transfers to the revolving fund when requested by the chief information officer. The chief  
20.11 information officer may make allotments and encumbrances in anticipation of such transfers.  
20.12 In addition, the ~~chief information officer~~ commissioner, with the approval of the  
20.13 commissioner of management and budget, may require an agency to make advance payments  
20.14 to the revolving fund sufficient to cover the ~~office's~~ division's estimated obligation for a  
20.15 period of at least 60 days. All reimbursements and other money received by the ~~chief~~  
20.16 ~~information officer~~ commissioner under this section must be deposited in the ~~MN.IT services~~  
20.17 information technology revolving fund.

20.18 Subd. 5. **Liquidation.** If the ~~MN.IT services~~ information technology revolving fund is  
20.19 abolished or liquidated, the total net profit from the operation of the fund must be distributed

20.20 to the various funds from which purchases were made. The amount to be distributed to each  
20.21 fund must bear to the net profit the same ratio as the total purchases from each fund bears  
20.22 to the total purchases from all the funds during the same period of time.

20.23 **EFFECTIVE DATE.** This section is effective July 1, 2018. The commissioner shall  
20.24 report rates to be charged for the revolving fund no later than July 1, 2018, for the biennium  
20.25 beginning July 1, 2019.

20.26 Sec. 25. Minnesota Statutes 2016, section 16E.18, subdivision 4, is amended to read:

20.27 Subd. 4. **Program participation.** The chief information officer may ~~require~~ request the  
20.28 participation of state agencies ~~and~~, the commissioner of education, ~~and may request the~~  
20.29 ~~participation of~~ the Board of Regents of the University of Minnesota, and the Board of  
20.30 Trustees of the Minnesota State Colleges and Universities; in the planning and  
20.31 implementation of the network to provide interconnective technologies. The Board of  
20.32 Trustees of the Minnesota State Colleges and Universities may opt out of participation as  
20.33 a subscriber on the network, in whole or in part, if the board is able to secure  
21.1 telecommunications services from another source that ensures it will achieve the policy  
21.2 objectives set forth in subdivision 1.

21.3 Sec. 26. Minnesota Statutes 2016, section 16E.18, subdivision 6, is amended to read:

21.4 Subd. 6. **Rates.** (a) The chief information officer shall establish reimbursement rates in  
21.5 cooperation with the commissioner of management and budget to be billed to participating  
21.6 agencies and educational institutions sufficient to cover the operating, maintenance, and  
21.7 administrative costs of the system.

21.8 (b) An invoice or statement to an agency from the chief information officer must include  
21.9 clear descriptions of the services the Division of Information Technology has provided. The  
21.10 invoice or statement must categorize or code services in a manner prescribed by the agency,  
21.11 or the chief information office must provide supplemental information with an invoice or  
21.12 statement that categorizes or codes all services reflected on the invoice or statement in a  
21.13 manner prescribed by the agency.

21.14 (c) Except as otherwise provided in subdivision 4, a direct appropriation made to an  
21.15 educational institution for usage costs associated with the state information infrastructure  
21.16 must only be used by the educational institution for payment of usage costs of the network  
21.17 as billed by the chief information officer.

275.17 Sec. 48. [43A.035] USE OF AGENCY SAVINGS FROM VACANT POSITIONS.

275.18 (a) To the extent that an executive branch agency accrues savings in personnel costs  
275.19 resulting from the departure of an agency employee or the maintenance of a vacant position,  
275.20 those savings may only be used to support a new employee in that position at an equal or  
275.21 lesser rate of compensation, and for an equal or lesser full-time equivalent work status.  
275.22 Savings accrued from departed personnel or maintenance of a vacant position may not be  
275.23 transferred or reallocated to another program or activity within the executive branch agency,  
275.24 or used to increase the number of full-time equivalent employees at the agency, unless  
275.25 expressly authorized by law.

275.26 (b) For purposes of this section, an "executive branch agency" does not include the  
275.27 Minnesota State Colleges and Universities or statewide pension plans.

275.28 Sec. 49. **[43A.385] HARASSMENT, MISCONDUCT, AND DISCRIMINATION;**  
275.29 **INDEPENDENT OFFICE ESTABLISHED.**

275.30 Subdivision 1. **Office established; purpose.** An independent, centralized office to  
275.31 receive and investigate complaints of harassment, misconduct, and discrimination, including  
275.32 sexual harassment, in executive branch state agencies is established. The office shall be led  
276.1 by a director, appointed by the commissioner of management and budget, who serves in  
276.2 the unclassified service. The purpose of the office is to apply consistent practices in the  
276.3 investigation of these complaints across agencies and reinforce a culture that encourages  
276.4 the reporting of such complaints by increasing confidence in the process and the fairness  
276.5 of the outcome.

276.6 Subd. 2. **Office duties.** (a) In addition to the requirements of subdivisions 3 to 7, the  
276.7 office must:

276.8 (1) collect, maintain, and analyze data related to complaints of harassment, misconduct,  
276.9 and discrimination across state government and must provide public, de-identified summary  
276.10 reports on the data;

276.11 (2) provide an opportunity for state employees, and members of the public who interact  
276.12 with state employees, to report a complaint, provided that the office's complaint procedures  
276.13 must be in addition to existing opportunities for reporting available through other means;

276.14 (3) review complaints filed, and provide related investigation services, to all state  
276.15 agencies;

276.16 (4) in the event the office determines that a complaint is substantiated, determine an  
276.17 appropriate corrective action in response, in consultation with the agency employing the  
276.18 person found to have engaged in improper conduct;

- 276.19 (5) track the outcomes of disciplinary or other corrective action, and advise agencies as  
276.20 needed to ensure consistency in these actions; and
- 276.21 (6) employ trained staff to provide resources and information to all parties to a complaint.
- 276.22 (b) State agencies must provide applicable data to the office as required by this section,  
276.23 and must otherwise assist the office in fulfilling its responsibilities, as requested by the  
276.24 director.
- 276.25 Subd. 3. **State employee community survey.** The office must administer an employee  
276.26 community survey to gain feedback on the workplace in state agencies. Results of the survey  
276.27 must be used to review the effectiveness of existing agency leadership efforts, and the  
276.28 application of existing policies and procedures within each agency. The survey must be  
276.29 intended to solicit feedback from employees on:
- 276.30 (1) whether they feel safe in their workplaces;
- 276.31 (2) whether they are knowledgeable about the process for reporting complaints of  
276.32 harassment, misconduct, or discrimination;
- 277.1 (3) their level of satisfaction with reporting a complaint, if applicable; and
- 277.2 (4) suggestions for ways their employing agency can provide additional support to  
277.3 employees who have made a complaint.
- 277.4 Subd. 4. **Complaint hotline.** The office may enter a contract for the development and  
277.5 maintenance of a hotline that may be used by state employees to report a complaint of  
277.6 harassment, misconduct, or discrimination.
- 277.7 Subd. 5. **Audits.** The office must conduct audits, to ensure state agencies have effective  
277.8 and consistent policies and procedures to prevent and correct harassment, misconduct, and  
277.9 discrimination. The audits must include an evaluation of outcomes related to complaints of  
277.10 harassment based on a status protected under chapter 363A. The office must provide technical  
277.11 guidance and otherwise assist agencies in making corrections in response to an audit's  
277.12 findings, and in ensuring consistency in the handling of complaints.
- 277.13 Subd. 6. **Training.** The office must provide a centralized, consistent, regular training  
277.14 program for all state agencies designed to increase the knowledge of state employees in the  
277.15 state's harassment, misconduct, and discrimination prevention policies, procedures, and  
277.16 resources, and to create a culture of prevention and support for victims. The content of the  
277.17 program must include bystander training, retaliation prevention training, and respect in the  
277.18 workplace training. Customized training programs must be offered for: (1) general state



21.18 Sec. 27. Minnesota Statutes 2016, section 155A.25, subdivision 1a, is amended to read:

21.19 Subd. 1a. **Schedule.** (a) The schedule for fees and penalties is as provided in this  
21.20 subdivision.

21.21 (b) Three-year license fees are as follows:

21.22 (1) \$195 initial practitioner, manager, or instructor license, divided as follows:

21.23 (i) \$155 for each initial license; and

21.24 (ii) \$40 for each initial license application fee;

21.25 (2) \$115 renewal of practitioner license, divided as follows:

21.26 (i) \$100 for each renewal license; and

277.19 employees; (2) supervisors and managers; and (3) agency affirmative action and human  
277.20 resources employees.

277.21 Subd. 7. **Annual legislative report required.** No later than January 15, 2019, and  
277.22 annually thereafter, the office must provide a written report to the chairs and ranking minority  
277.23 members of the legislative committees with jurisdiction over state government finance and  
277.24 state government operations on the work of the office. The report must include detail on  
277.25 disciplinary and other corrective actions taken by state agencies in response to a substantiated  
277.26 complaint. The report must not identify a party to a complaint, unless the identity is public  
277.27 under applicable law.

277.28 Subd. 8. **Transfer of responsibilities to office.** To the extent that a responsibility  
277.29 described in subdivisions 1 to 7 conflicts with or duplicates the responsibilities of an existing  
277.30 office or department within a state agency, those responsibilities are transferred to the  
277.31 centralized office established by this section, consistent with the requirements of section  
277.32 15.039. The commissioner of administration may, with the approval of the governor, issue  
277.33 reorganization orders under section 16B.37 as necessary to complete the transfer of duties  
277.34 required by this subdivision.

278.1 Sec. 50. Minnesota Statutes 2016, section 155A.23, subdivision 8, is amended to read:

278.2 Subd. 8. **Manager.** A "manager" is any person who is a cosmetologist, esthetician,  
278.3 advanced practice esthetician, or nail technician practitioner, ~~or eyelash technician~~  
278.4 ~~practitioner~~, and who has a manager license and provides any services under that license,  
278.5 as defined in subdivision 3.

278.6 Sec. 51. Minnesota Statutes 2016, section 155A.25, subdivision 1a, is amended to read:

278.7 Subd. 1a. **Schedule.** (a) The schedule for fees and penalties is as provided in this  
278.8 subdivision.

278.9 (b) Three-year license fees are as follows:

278.10 (1) \$195 initial practitioner, manager, or instructor license, divided as follows:

278.11 (i) \$155 for each initial license; and

278.12 (ii) \$40 for each initial license application fee;

278.13 (2) \$115 renewal of practitioner license, divided as follows:

278.14 (i) \$100 for each renewal license; and

- |       |  |        |  |
|-------|--|--------|--|
| 21.27 | (ii) \$15 for each renewal application fee;                                      | 278.15 | (ii) \$15 for each renewal application fee;                                      |
| 21.28 | (3) \$145 renewal of manager or instructor license, divided as follows:          | 278.16 | (3) \$145 renewal of manager or instructor license, divided as follows:          |
| 21.29 | (i) \$130 for each renewal license; and  | 278.17 | (i) \$130 for each renewal license; and  |
| 21.30 | (ii) \$15 for each renewal application fee;                                      | 278.18 | (ii) \$15 for each renewal application fee;                                      |
| 22.1  | (4) \$350 initial salon license, divided as follows:                             | 278.19 | (4) \$350 initial salon license, divided as follows:                             |
| 22.2  | (i) \$250 for each initial license; and  | 278.20 | (i) \$250 for each initial license; and  |
| 22.3  | (ii) \$100 for each initial license application fee;                             | 278.21 | (ii) \$100 for each initial license application fee;                             |
| 22.4  | (5) \$225 renewal of salon license, divided as follows:                          | 278.22 | (5) \$225 renewal of salon license, divided as follows:                          |
| 22.5  | (i) \$175 for each renewal; and  | 278.23 | (i) \$175 for each renewal; and  |
| 22.6  | (ii) \$50 for each renewal application fee;                                      | 278.24 | (ii) \$50 for each renewal application fee;                                      |
| 22.7  | (6) \$4,000 initial school license, divided as follows:                          | 278.25 | (6) \$4,000 initial school license, divided as follows:                          |
| 22.8  | (i) \$3,000 for each initial license; and  | 278.26 | (i) \$3,000 for each initial license; and  |
| 22.9  | (ii) \$1,000 for each initial license application fee; and                       | 278.27 | (ii) \$1,000 for each initial license application fee; and                       |
| 22.10 | (7) \$2,500 renewal of school license, divided as follows:                       | 278.28 | (7) \$2,500 renewal of school license, divided as follows:                       |
| 22.11 | (i) \$2,000 for each renewal; and  | 279.1  | (i) \$2,000 for each renewal; and  |
| 22.12 | (ii) \$500 for each renewal application fee.                                     | 279.2  | (ii) \$500 for each renewal application fee.                                     |
| 22.13 | (c) Penalties may be assessed in amounts up to the following:                    | 279.3  | (c) Penalties may be assessed in amounts up to the following:                    |
| 22.14 | (1) reinspection fee, \$150;   | 279.4  | (1) reinspection fee, \$150;   |
| 22.15 | (2) manager and owner with expired practitioner found on inspection, \$150 each; | 279.5  | (2) manager and owner with expired practitioner found on inspection, \$150 each; |
| 22.16 | (3) expired practitioner or instructor found on inspection, \$200;               | 279.6  | (3) expired practitioner or instructor found on inspection, \$200;               |

- |       |   |        |   |
|-------|---|--------|---|
| 22.17 | (4) expired salon found on inspection, \$500;   | 279.7  | (4) expired salon found on inspection, \$500;   |
| 22.18 | (5) expired school found on inspection, \$1,000;  | 279.8  | (5) expired school found on inspection, \$1,000;  |
| 22.19 | (6) failure to display current license, \$100;  | 279.9  | (6) failure to display current license, \$100;  |
| 22.20 | (7) failure to dispose of single-use equipment, implements, or materials as provided        | 279.10 | (7) failure to dispose of single-use equipment, implements, or materials as provided        |
| 22.21 | under section 155A.355, subdivision 1, \$500;   | 279.11 | under section 155A.355, subdivision 1, \$500;   |
| 22.22 | (8) use of prohibited razor-type callus shavers, rasps, or graters under section 155A.355,  | 279.12 | (8) use of prohibited razor-type callus shavers, rasps, or graters under section 155A.355,  |
| 22.23 | subdivision 2, \$500;   | 279.13 | subdivision 2, \$500;   |
| 22.24 | (9) performing nail or cosmetology services in esthetician salon, or performing esthetician | 279.14 | (9) performing nail or cosmetology services in esthetician salon, or performing esthetician |
| 22.25 | or cosmetology services in a nail salon, \$500;   | 279.15 | or cosmetology services in a nail salon, \$500;   |
| 22.26 | (10) owner and manager allowing an operator to work as an independent contractor,           | 279.16 | (10) owner and manager allowing an operator to work as an independent contractor,           |
| 22.27 | \$200;  | 279.17 | \$200;  |
| 22.28 | (11) operator working as an independent contractor, \$100;                                  | 279.18 | (11) operator working as an independent contractor, \$100;                                  |
| 23.1  | (12) refusal or failure to cooperate with an inspection, \$500;                             | 279.19 | (12) refusal or failure to cooperate with an inspection, \$500;                             |
| 23.2  | (13) practitioner late renewal fee, \$45; and   | 279.20 | (13) practitioner late renewal fee, \$45; and   |
| 23.3  | (14) salon or school late renewal fee, \$50.  | 279.21 | (14) salon or school late renewal fee, \$50.  |
| 23.4  | (d) Administrative fees are as follows:   | 279.22 | (d) Administrative fees are as follows:   |
| 23.5  | (1) homebound service permit, \$50 three-year fee;  | 279.23 | (1) homebound service permit, \$50 three-year fee;  |
| 23.6  | (2) name change, \$20;  | 279.24 | (2) name change, \$20;  |
| 23.7  | (3) certification of licensure, \$30 each;  | 279.25 | (3) certification of licensure, \$30 each;  |
| 23.8  | (4) duplicate license, \$20;  | 279.26 | (4) duplicate license, \$20;  |
| 23.9  | (5) special event permit, \$75 per year;  | 279.27 | (5) special event permit, \$75 per year;  |
| 23.10 | <del>(6) registration of hair braiders, \$20 per year;</del>                                | 279.28 | <del>(6) registration of hair braiders, \$20 per year;</del>                                |

23.11 ~~(7)~~(6) \$100 for each temporary military license for a cosmetologist, nail technician,  
23.12 esthetician, or advanced practice esthetician one-year fee;

23.13 ~~(8)~~(7) expedited initial individual license, \$150;

23.14 ~~(9)~~(8) expedited initial salon license, \$300;

23.15 ~~(10)~~(9) instructor continuing education provider approval, \$150 each year; and

23.16 ~~(11)~~(10) practitioner continuing education provider approval, \$150 each year.

23.17 Sec. 28. Minnesota Statutes 2016, section 155A.28, is amended by adding a subdivision  
23.18 to read:

23.19 Subd. 5. **Hair braiders exempt.** The practice of hair braiding is exempt from the  
23.20 requirements of this chapter.

23.21 Sec. 29. Minnesota Statutes 2016, section 179A.06, subdivision 3, is amended to read:

23.22 Subd. 3. **Fair share fee.** An exclusive representative ~~may~~ shall not require employees  
23.23 who are not members of the exclusive representative to contribute a fair share fee for services  
23.24 rendered by the exclusive representative. ~~The fair share fee must be equal to the regular~~  
23.25 ~~membership dues of the exclusive representative, less the cost of benefits financed through~~  
23.26 ~~the dues and available only to members of the exclusive representative. In no event may~~  
23.27 ~~the fair share fee exceed 85 percent of the regular membership dues. The exclusive~~  
23.28 ~~representative shall provide advance written notice of the amount of the fair share fee to~~

280.1 ~~(7)~~(6) \$100 for each temporary military license for a cosmetologist, nail technician,  
280.2 esthetician, or advanced practice esthetician one-year fee;

280.3 ~~(8)~~(7) expedited initial individual license, \$150;

280.4 ~~(9)~~(8) expedited initial salon license, \$300;

280.5 ~~(10)~~(9) instructor continuing education provider approval, \$150 each year; and

280.6 ~~(11)~~(10) practitioner continuing education provider approval, \$150 each year.

280.7 Sec. 52. Minnesota Statutes 2016, section 155A.28, is amended by adding a subdivision  
280.8 to read:

280.9 Subd. 5. **Hair braiders exempt.** The practice of hair braiding is exempt from the  
280.10 requirements of this chapter.

280.11 Sec. 53. Minnesota Statutes 2016, section 155A.29, subdivision 1, is amended to read:

280.12 Subdivision 1. **Licensing.** A person must not offer cosmetology services for compensation  
280.13 unless the services are provided by a licensee in a licensed salon or as otherwise provided  
280.14 in this section. Each salon must be licensed as a cosmetology salon, a nail salon, esthetician  
280.15 salon, or advanced practice esthetician salon, ~~or eyelash extension salon.~~ A salon may hold  
280.16 more than one type of salon license.

280.17 Sec. 54. Minnesota Statutes 2016, section 155A.29, subdivision 6, is amended to read:

280.18 Subd. 6. **Exemption.** The facility in which a person provides threading or eyelash  
280.19 extension services and no other services requiring licensure by this chapter is exempt from  
280.20 the requirement for a salon license under this section.

24.1 ~~the employer and to unit employees who will be assessed the fee. The employer shall provide~~  
24.2 ~~the exclusive representative with a list of all unit employees.~~

24.3 A challenge by an employee or by a person aggrieved by the fee must be filed in writing  
24.4 with the commissioner, the public employer, and the exclusive representative within 30  
24.5 days after receipt of the written notice. All challenges must specify those portions of the  
24.6 fee challenged and the reasons for the challenge. The burden of proof relating to the amount  
24.7 of the fair share fee is on the exclusive representative. The commissioner shall hear and  
24.8 decide all issues in these challenges.

24.9 The employer shall deduct the fee from the earnings of the employee and transmit the  
24.10 fee to the exclusive representative 30 days after the written notice was provided. If a challenge  
24.11 is filed, the deductions for a fair share fee must be held in escrow by the employer pending  
24.12 a decision by the commissioner.

24.13 **EFFECTIVE DATE.** This section is effective the day following a decision by the  
24.14 United States Supreme Court holding that public employees who are not members of an  
24.15 exclusive representative shall not be required to pay fair share fees, but if that decision with  
24.16 that holding is issued before July 1, 2018, then the effective date is July 1, 2018.

24.17 Sec. 30. Minnesota Statutes 2016, section 201.022, is amended by adding a subdivision  
24.18 to read:

24.19 **Subd. 4. Voter records updated due to voting report.** No later than eight weeks after  
24.20 the election, the county auditor must use the statewide voter registration system to produce  
24.21 a report that identifies each voter whose record indicates that it was updated due to voting.  
24.22 The county auditor must investigate each record that is challenged for a reason related to  
24.23 eligibility to determine if the voter appears to have been ineligible to vote. If the county  
24.24 auditor determines that a voter appears to have been ineligible to vote and either registered  
24.25 to vote or voted in the previous election, the county auditor must notify the law enforcement  
24.26 agency or the county attorney as provided in section 201.275.

24.27 Sec. 31. Minnesota Statutes 2016, section 201.022, is amended by adding a subdivision  
24.28 to read:

24.29 **Subd. 5. Inactive voter report.** By November 6, 2018, the secretary of state must develop  
24.30 a report within the statewide voter registration system that provides information on inactive  
24.31 voters who registered on election day and were possibly ineligible. For elections on or after  
24.32 November 6, 2018, no later than eight weeks after the election, the county auditor must use  
24.33 the statewide voter registration system to produce the report. The county auditor must  
25.1 investigate each record to determine if the voter appears to have been ineligible to vote. If  
25.2 the county auditor determines that a voter appears to have been ineligible to vote and

25.3 registered to vote in the previous election, the county auditor must notify the law enforcement  
 25.4 agency or the county attorney as provided in section 201.275.

280.21 Sec. 55. Minnesota Statutes 2016, section 240.01, is amended by adding a subdivision to  
 280.22 read:

280.23 Subd. 18a. **Racing or gaming-related vendor.** "Racing or gaming-related vendor"  
 280.24 means any person or entity that manufactures, sells, provides, distributes, repairs, or maintains  
 280.25 equipment or supplies used at a Class A facility or provides services to a Class A facility  
 280.26 or Class B license holder that are directly related to the running of a horse race, simulcasting,  
 280.27 pari-mutuel betting, or card playing.

281.1 Sec. 56. Minnesota Statutes 2016, section 240.02, subdivision 6, is amended to read:

281.2 Subd. 6. **Annual report.** The commission shall on February 15 of each odd-numbered  
 281.3 year submit a report to the governor and legislature on its activities, organizational structure,  
 281.4 receipts and disbursements, and recommendations for changes in the laws relating to racing  
 281.5 and pari-mutuel betting.

281.6 Sec. 57. Minnesota Statutes 2016, section 240.08, subdivision 5, is amended to read:

281.7 Subd. 5. **Revocation and suspension.** (a) The commission may revoke a class C license  
 281.8 for a violation of law or rule which in the commission's opinion adversely affects the integrity  
 281.9 of horse racing in Minnesota, the public health, welfare, or safety, or for an intentional false  
 281.10 statement made in a license application.

281.11 The commission may suspend a class C license for up to one year for a violation of law,  
 281.12 order or rule.

281.13 The commission may delegate to its designated agents the authority to impose suspensions  
 281.14 of class C licenses, and the revocation or suspension of a class C license may be appealed  
 281.15 to the commission according to its rules.

281.16 ~~(b) A license revocation or suspension~~ (b) If the commission revokes or suspends a license  
 281.17 for more than 90 180 days is, in lieu of appealing to the commission under paragraph (a),  
 281.18 the license holder has the right to request a contested case hearing under sections 14.57 to  
 281.19 14.69 of the Administrative Procedure Act and is in addition to criminal penalties imposed  
 281.20 for a violation of law or rule, chapter 14. The request must be made in writing to the  
 281.21 commission by certified mail or personal service. A request sent by certified mail must be  
 281.22 postmarked within ten days after the license holder receives the revocation or suspension  
 281.23 order from the commission. A request sent by personal service must be received by the

281.24 commission within ten days after the license holder receives the revocation or suspension  
 281.25 order from the commission. The commission may summarily suspend a license for more  
 281.26 than up to 90 days prior to a contested case hearing where it is necessary to ensure the  
 281.27 integrity of racing or to protect the public health, welfare, or safety. The license holder may  
 281.28 appeal a summary suspension by making a written request to the commission within five  
 281.29 calendar days after the license holder receives notice of the summary suspension. A contested  
 281.30 case hearing must be held within 30 ten days of the commission's receipt of the request for  
 281.31 appeal of a summary suspension and the administrative law judge's report must be issued  
 281.32 within 30 days from the close of the hearing record. In all cases involving summary  
 281.33 suspension the commission must issue its final decision within 30 days from receipt of the  
 281.34 report of the administrative law judge and subsequent exceptions and argument under section  
 282.1 14.61, to determine whether the license should remain suspended pending a final disciplinary  
 282.2 action.

282.3 Sec. 58. Minnesota Statutes 2016, section 240.131, subdivision 7, is amended to read:

282.4 Subd. 7. **Payments to state.** (a) A regulatory fee is imposed at the rate of one percent  
 282.5 of all amounts wagered by Minnesota residents with an authorized advance deposit wagering  
 282.6 provider. The fee shall be declared on a form prescribed by the commission. The ADW  
 282.7 provider must pay the fee to the commission no more than ~~seven~~ 15 days after the end of  
 282.8 the month in which the wager was made. Fees collected under this paragraph must be  
 282.9 deposited in the state treasury and credited to a racing and card-playing regulation account  
 282.10 in the special revenue fund and are appropriated to the commission to offset the costs  
 282.11 associated with regulating horse racing and pari-mutuel wagering in Minnesota.

282.12 (b) A breeders fund fee is imposed in the amount of one-quarter of one percent of all  
 282.13 amounts wagered by Minnesota residents with an authorized advance deposit wagering  
 282.14 provider. The fee shall be declared on a form prescribed by the commission. The ADW  
 282.15 provider must pay the fee to the commission no more than ~~seven~~ 15 days after the end of  
 282.16 the month in which the wager was made. Fees collected under this paragraph must be  
 282.17 deposited in the state treasury and credited to a racing and card-playing regulation account  
 282.18 in the special revenue fund and are appropriated to the commission to offset the cost of  
 282.19 administering the breeders fund and promote horse breeding in Minnesota.

282.20 Sec. 59. Minnesota Statutes 2016, section 240.22, is amended to read:

282.21 **240.22 FINES.**

282.22 (a) The commission shall by rule establish a schedule of civil fines for violations of laws  
 282.23 related to horse racing or of the commission's rules. The schedule must be based on and  
 282.24 reflect the culpability, frequency and severity of the violator's actions. The commission may  
 282.25 impose a fine from this schedule on a licensee for a violation of those rules or laws relating  
 282.26 to horse racing. The fine is in addition to any criminal penalty imposed for the same violation.

282.27 Fines imposed by the commission must be paid to the commission and except as provided  
282.28 in paragraph (c), forwarded to the commissioner of management and budget for deposit in  
282.29 the state treasury and credited to a racing and card-playing regulation account in the special  
282.30 revenue fund and appropriated to the commission to distribute in the form of grants, contracts,  
282.31 or expenditures to support racehorse adoption, retirement, and repurposing.

282.32 (b) If the commission issues a fine in excess of \$5,000, the license holder has the right  
282.33 to request a contested case hearing under chapter 14, to be held as set forth in Minnesota  
283.1 Rules, chapter 1400. The appeal of a fine must be made in writing to the commission by  
283.2 certified mail or personal service. An appeal sent by certified mail must be postmarked  
283.3 within ten days after the license holder receives the fine order from the commission. An  
283.4 appeal sent by personal service must be received by the commission within ten days after  
283.5 the license holder receives the fine order from the commission.

283.6 (c) If the commission is the prevailing party in a contested case proceeding, the  
283.7 commission may recover, from amounts to be forwarded under paragraph (a), reasonable  
283.8 attorney fees and costs associated with the contested case.

283.9 Sec. 60. Minnesota Statutes 2016, section 270C.13, subdivision 1, is amended to read:

283.10 Subdivision 1. **Biennial report.** The commissioner shall report to the legislature by  
283.11 March 1 of each odd-numbered year on the overall incidence of the income tax, sales and  
283.12 excise taxes, and property tax. The report shall present information on the distribution of  
283.13 the tax burden as follows: (1) for the overall income distribution, using a systemwide  
283.14 incidence measure such as the Suits index or other appropriate measures of equality and  
283.15 inequality; (2) by income classes, including at a minimum deciles of the income distribution;  
283.16 and (3) by other appropriate taxpayer characteristics. The report must also include information  
283.17 on the distribution of the burden of federal taxes borne by Minnesota residents.

283.18 Sec. 61. Minnesota Statutes 2016, section 340A.412, is amended by adding a subdivision  
283.19 to read:

283.20 Subd. 12a. **Wine transfers.** Notwithstanding the provisions of subdivision 12, the holder  
283.21 of an off-sale retail intoxicating liquor license may transfer wine from one licensed premises  
283.22 to another provided that:

283.23 (1) the license for the transferring and receiving premises are held by the same licensee;  
283.24 and

283.25 (2) only one transfer is made from a licensed premises in a three-month period.



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

283.27 Sec. 62. Minnesota Statutes 2016, section 349A.06, subdivision 11, is amended to read:

283.28 Subd. 11. **Cancellation, suspension, and refusal to renew contracts or locations.** (a)

283.29 The director shall cancel the contract of any lottery retailer or prohibit a lottery retailer from  
283.30 selling lottery tickets at a business location who:

283.31 (1) has been convicted of a felony or gross misdemeanor;

284.1 (2) has committed fraud, misrepresentation, or deceit;

284.2 (3) has provided false or misleading information to the lottery; or

284.3 (4) has acted in a manner prejudicial to public confidence in the integrity of the lottery.

284.4 (b) The director may cancel, suspend, or refuse to renew the contract of any lottery

284.5 retailer or prohibit a lottery retailer from selling lottery tickets at a business location who:

284.6 (1) changes business location;

284.7 (2) fails to account for lottery tickets received or the proceeds from tickets sold;

284.8 (3) fails to remit funds to the director in accordance with the director's rules;

284.9 (4) violates a law or a rule or order of the director;

284.10 (5) fails to comply with any of the terms in the lottery retailer's contract;

284.11 (6) fails to file a bond, securities, or a letter of credit as required under subdivision 3;

284.12 (7) in the opinion of the director fails to maintain a sufficient sales volume to justify

284.13 continuation as a lottery retailer; ~~or~~

284.14 (8) has violated section 340A.503, subdivision 2, clause (1), two or more times within

284.15 a two-year period; or

284.16 (9) has violated the rules adopted pursuant to subdivision 6, clause (1), requiring a lottery

284.17 retailer to retain appropriate amounts from gross receipts from the sale of lottery tickets in

284.18 order to pay prizes to holders of winning tickets, three or more times within a one-year

284.19 period.

284.20 (c) The director may also cancel, suspend, or refuse to renew a lottery retailer's contract  
284.21 or prohibit a lottery retailer from selling lottery tickets at a business location if there is a  
284.22 material change in any of the factors considered by the director under subdivision 2.

284.23 (d) A contract cancellation, suspension, refusal to renew, or prohibiting a lottery retailer  
284.24 from selling lottery tickets at a business location under this subdivision is a contested case  
284.25 under sections 14.57 to 14.69 and is in addition to any criminal penalties provided for a  
284.26 violation of law or rule.

284.27 (e) The director may temporarily suspend a contract or temporarily prohibit a lottery  
284.28 retailer from selling lottery tickets at a business location without notice for any of the reasons  
284.29 specified in this subdivision provided that a hearing is conducted within seven days after a  
284.30 request for a hearing is made by a lottery retailer. Within 20 days after receiving the  
284.31 administrative law judge's report, the director shall issue an order vacating the temporary  
285.1 suspension or prohibition or making any other appropriate order. If no hearing is requested  
285.2 within 30 days of the temporary suspension or prohibition taking effect, the suspension or  
285.3 prohibition becomes permanent unless the director vacates or modifies the order.

285.4 (f) A lottery retailer whose contract was solely canceled, suspended, or not renewed  
285.5 pursuant to paragraph (b), clause (9), may petition the director to reinstate a canceled or  
285.6 suspended contract, or enter into a new contract, after two years have passed since the order  
285.7 took effect.

285.8 Sec. 63. Minnesota Statutes 2016, section 424B.20, subdivision 4, is amended to read:

285.9 Subd. 4. **Benefit trust fund establishment.** (a) After the settlement of nonbenefit legal  
285.10 obligations of the special fund of the volunteer firefighters relief association under subdivision  
285.11 3, the board of the relief association shall transfer the remaining assets of the special fund,  
285.12 as securities or in cash, as applicable, to the chief financial official of the municipality in  
285.13 which the associated fire department was located if the fire department was a municipal fire  
285.14 department or to the chief financial official of the municipality with the largest population  
285.15 served by the fire department if the fire department was an independent nonprofit firefighting  
285.16 corporation. The board shall also compile a schedule of the relief association members to  
285.17 whom a service pension is or will be owed, any beneficiary to whom a benefit is owed, the  
285.18 amount of the service pension or benefit payable based on the applicable bylaws and state  
285.19 law and the service rendered to the date of the dissolution, and the date on which the pension  
285.20 or benefit would first be payable under the bylaws of the relief association and state law.

285.21 (b) The municipality in which is located a volunteer firefighters relief association that  
285.22 is dissolving under this section shall establish a separate account in the municipal treasury  
285.23 which must function as a trust fund for members of the volunteer firefighters relief association  
285.24 and their beneficiaries to whom the volunteer firefighters relief association owes a service  
285.25 pension or other benefit under the bylaws of the relief association and state law. Upon proper

285.26 application, on or after the initial date on which the service pension or benefit is payable,  
285.27 the municipal treasurer shall pay the pension or benefit due, based on the schedule prepared  
285.28 under paragraph (a) and the other records of the dissolved relief association. The trust fund  
285.29 under this section must be invested and managed consistent with chapter 356A and section  
285.30 424A.095.

285.31 (c) Upon payment of the last service pension or benefit due and owing, any remaining  
285.32 assets in the trust fund ~~cancel to~~ as follows:

286.1 (1) if the municipality was required to make contributions to the fund under chapter  
286.2 424A at any time during the ten years preceding the date of dissolution, the remaining assets  
286.3 cancel to the general fund of the municipality; or

286.4 (2) if the municipality was not required to make contributions to the fund under chapter  
286.5 424A at any time during the ten years preceding the date of dissolution, the remaining assets  
286.6 cancel to the general fund of the state.

286.7 (d) If the special fund of the volunteer firefighters relief association had an unfunded  
286.8 actuarial accrued liability upon dissolution, the municipality is liable for that unfunded  
286.9 actuarial accrued liability.

286.10 Sec. 64. Minnesota Statutes 2016, section 473.123, subdivision 1, is amended to read:

286.11 Subdivision 1. **Creation; membership.** (a) A Metropolitan Council with jurisdiction  
286.12 in the metropolitan area is established as a public corporation and political subdivision of  
286.13 the state. It shall be under the supervision and control of ~~17~~ 28 members, all of whom shall  
286.14 be residents of the metropolitan area; and who shall be appointed as follows:

286.15 (1) a county commissioner from each of Anoka, Carver, Dakota, Ramsey, Scott, and  
286.16 Washington Counties, appointed by the respective county boards;

286.17 (2) two county commissioners from Hennepin County appointed by the county board,  
286.18 one of whom must represent a ward that is predominantly located within the city of  
286.19 Minneapolis, and one of whom must represent a ward that does not include the city of  
286.20 Minneapolis;

286.21 (3) a local elected official appointed from each Metropolitan Council district by the  
286.22 municipal committee for the council district established in subdivision 2b;

286.23 (4) the commissioner of transportation or the commissioner's designee;

286.24 (5) one person to represent nonmotorized transportation, appointed by the commissioner  
 286.25 of transportation;

286.26 (6) one person to represent freight transportation, appointed by the commissioner of  
 286.27 transportation; and

286.28 (7) one person to represent public transit, appointed by the commissioner of  
 286.29 transportation.

286.30 (b) The local elected offices identified in paragraph (a) are compatible with the office  
 286.31 of a Metropolitan Council member.

287.1 (c) Notwithstanding any change to the definition of metropolitan area in section 473.121,  
 287.2 subdivision 2, the jurisdiction of the Metropolitan Council is limited to the seven-county  
 287.3 metropolitan area.

287.4 **EFFECTIVE DATE.** Paragraph (c) is effective the day following final enactment.

287.5 Sec. 65. Minnesota Statutes 2016, section 473.123, subdivision 2a, is amended to read:

287.6 Subd. 2a. **Terms.** (a) Following each apportionment of council districts, as provided  
 287.7 under subdivision 3a, council members must be appointed from newly drawn districts as  
 287.8 provided in subdivision 3a. Each council member, other than the chair, must reside in the  
 287.9 council district represented. Each council district must be represented by one member of  
 287.10 the council. The terms of members end with the term of the governor, except that all terms  
 287.11 expire on the effective date of the next apportionment. A member serves at the pleasure of  
 287.12 the governor. the municipal committee for each council district shall appoint a local elected  
 287.13 official who resides in the district to serve on the Metropolitan Council for a four-year term.  
 287.14 The terms of members appointed by municipal committees are staggered as follows: members  
 287.15 representing an odd-numbered district have terms ending the first Monday in January of  
 287.16 the year ending in the numeral "1" and members representing an even-numbered district  
 287.17 have terms ending the first Monday in January in the year ending in the numeral "3."  
 287.18 Thereafter, the term of each member is four years, with terms ending the first Monday in  
 287.19 January, except that all terms expire on the effective date of the next apportionment. A  
 287.20 member's position on the Metropolitan Council becomes vacant if the member ceases to be  
 287.21 a local elected official or as provided in chapter 351, and any vacancy must be filled as soon  
 287.22 as practicable for the unexpired term in the same manner as the initial appointment. A  
 287.23 member shall continue to serve the member's district until a successor is appointed and  
 287.24 qualified; except that, following each apportionment, the member shall continue to serve  
 287.25 at large until the governor appoints 16 council members, one municipal committee for the  
 287.26 council district appoints a member from each of the newly drawn council districts district  
 287.27 as provided under subdivision 3a, to serve terms as provided under this section. The

287.28 appointment to the council must be made by the first Monday in March of the year in which  
287.29 the term ends.

287.30 (b) The terms of members appointed by county boards are staggered as follows: members  
287.31 representing the counties of Anoka, Dakota, Ramsey, and Scott have terms ending the first  
287.32 Monday in January of the year ending in the numeral "1," and members representing the  
287.33 counties of Carver, Hennepin, and Washington have terms ending the first Monday in  
287.34 January of the year ending in the numeral "3." Thereafter, the term for each member is four  
288.1 years. A member's position on the Metropolitan Council becomes vacant if the member  
288.2 ceases to be a local elected official or as provided in chapter 351, and any vacancy must be  
288.3 filled as soon as practicable for the unexpired term in the same manner as the initial  
288.4 appointment.

288.5 (c) An individual appointed by the commissioner of transportation under subdivision 1  
288.6 serves at the pleasure of the appointing authority.

288.7 Sec. 66. Minnesota Statutes 2016, section 473.123, is amended by adding a subdivision  
288.8 to read:

288.9 Subd. 2b. **Municipal committee in each council district.** The governing body of each  
288.10 home rule charter or statutory city and town in each Metropolitan Council district shall  
288.11 appoint a member to serve on a municipal committee for the council district. If a city or  
288.12 town is in more than one council district, the governing body must appoint a member to  
288.13 serve on each council district's municipal committee. A member appointed to a council  
288.14 district's municipal committee must reside in the council district. The municipal committee  
288.15 must meet at least quarterly to discuss issues relating to the Metropolitan Council. Municipal  
288.16 committee meetings are subject to the Minnesota Open Meeting Law, chapter 13D.

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

288.18 Sec. 67. Minnesota Statutes 2016, section 473.123, subdivision 3a, is amended to read:

288.19 Subd. 3a. **Redistricting.** The legislature shall redraw the boundaries of the council  
288.20 districts after each decennial federal census so that each district has substantially equal  
288.21 population. Redistricting is effective in the year ending in the numeral "3." Within 60 days  
288.22 after a redistricting plan takes effect, the ~~governor~~ municipal committees shall appoint  
288.23 members from the newly drawn districts to serve terms as provided under subdivision 2a.

288.24 Sec. 68. Minnesota Statutes 2016, section 473.123, subdivision 4, is amended to read:

288.25 Subd. 4. **Chair; appointment, officers, selection; duties and compensation.** (a) The  
288.26 chair of the Metropolitan Council shall be ~~appointed~~ selected by ~~the governor as the 17th~~

288.27 ~~voting member thereof by and with the advice and consent of the senate to serve at the~~  
 288.28 ~~pleasure of the governor to represent the metropolitan area at large. Senate confirmation~~  
 288.29 ~~shall be as provided by section 15.066 and from among the members of the Metropolitan~~  
 288.30 ~~Council. The chair shall serve at the pleasure of the council. In addition to any compensation~~  
 288.31 ~~as a local elected official, the council shall pay the chair \$40,000 per year plus reimbursement~~  
 288.32 ~~of actual and necessary expenses as approved by the council.~~

289.1 The chair of the Metropolitan Council shall, if present, preside at meetings of the council,  
 289.2 have the primary responsibility for meeting with local elected officials, serve as the principal  
 289.3 legislative liaison, present to the governor and the legislature, after council approval, the  
 289.4 council's plans for regional governance and operations, serve as the principal spokesperson  
 289.5 of the council, and perform other duties assigned by the council or by law.

289.6 (b) The Metropolitan Council shall elect other officers as it deems necessary for the  
 289.7 conduct of its affairs for a one-year term. A secretary and treasurer need not be members  
 289.8 of the Metropolitan Council. Meeting times and places shall be fixed by the Metropolitan  
 289.9 Council and special meetings may be called by a majority of the members of the Metropolitan  
 289.10 Council or by the chair. ~~The chair and~~ In addition to any compensation as a local elected  
 289.11 official, each Metropolitan Council member shall be reimbursed for actual and necessary  
 289.12 expenses as approved by the council.

289.13 (c) Each member of the council shall attend and participate in council meetings and meet  
 289.14 regularly with local elected officials and legislative members from the council member's  
 289.15 district. Each council member shall serve on at least one division committee for  
 289.16 transportation, environment, or community development.

289.17 (d) In the performance of its duties the Metropolitan Council may adopt policies and  
 289.18 procedures governing its operation, establish committees, and, when specifically authorized  
 289.19 by law, make appointments to other governmental agencies and districts.

289.20 Sec. 69. Minnesota Statutes 2016, section 473.123, is amended by adding a subdivision  
 289.21 to read:

289.22 Subd. 9. Authority to vote; quorum; votes required for action. (a) The members  
 289.23 appointed by the counties and municipal committees may vote on all matters before the  
 289.24 council. The commissioner of transportation or the commissioner's designee and the three  
 289.25 members appointed by the commissioner may vote only on matters in which the council is  
 289.26 acting as the metropolitan planning organization for the region as provided in section  
 289.27 473.146.

289.28 (b) A quorum is a majority of the members permitted to vote on a matter. If a quorum  
 289.29 is present, the council may act on a majority vote of the members present, except:

289.30 (1) if a quorum is present, the council may adopt its levy only if at least 60 percent of  
 289.31 the members present vote in favor of the levy; and

289.32 (2) if a quorum is present, the council may adopt a metropolitan system plan or plan  
 289.33 amendment only if at least 60 percent of the members present vote in favor of its adoption.

290.1 **EFFECTIVE DATE; TRANSITION; APPLICATION.** This section is effective  
 290.2 January 1, 2019, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
 290.3 Scott, and Washington. Metropolitan Council members serving on the effective date of this  
 290.4 section shall continue to serve until members are appointed from districts by the municipal  
 290.5 committees as provided in this article.

290.6 Sec. 70. Minnesota Statutes 2016, section 473.146, subdivision 3, is amended to read:

290.7 Subd. 3. **Development guide: transportation.** The transportation chapter must include  
 290.8 policies relating to all transportation forms and be designed to promote the legislative  
 290.9 determinations, policies, and goals set forth in section 473.371. In addition to the  
 290.10 requirements of subdivision 1 regarding the contents of the policy plan, the nontransit  
 290.11 element of the transportation chapter must include the following:

290.12 (1) a statement of the needs and problems of the metropolitan area with respect to the  
 290.13 functions covered, including the present and prospective demand for and constraints on  
 290.14 access to regional business concentrations and other major activity centers and the constraints  
 290.15 on and acceptable levels of development and vehicular trip generation at such centers;

290.16 (2) the objectives of and the policies to be forwarded by the policy plan;

290.17 (3) a general description of the physical facilities and services to be developed;

290.18 (4) a statement as to the general location of physical facilities and service areas;

290.19 (5) a general statement of timing and priorities in the development of those physical  
 290.20 facilities and service areas;

290.21 (6) a detailed statement, updated every two years, of timing and priorities for  
 290.22 improvements and expenditures needed on the metropolitan highway system;

290.23 (7) a general statement on the level of public expenditure appropriate to the facilities;  
 290.24 and

290.25 (8) a long-range assessment of air transportation trends and factors that may affect airport  
 290.26 development in the metropolitan area and policies and strategies that will ensure a

290.27 comprehensive, coordinated, and timely investigation and evaluation of alternatives for  
290.28 airport development.

290.29 The council shall develop the nontransit element in consultation with ~~the transportation~~  
290.30 ~~advisory board and~~ the Metropolitan Airports Commission and cities having an airport  
290.31 located within or adjacent to its corporate boundaries. The council shall also take into  
291.1 consideration the airport development and operations plans and activities of the commission.  
291.2 The council shall transmit the results to the state Department of Transportation.

291.3 **EFFECTIVE DATE; APPLICATION.** This section is effective January 1, 2019, and  
291.4 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

291.5 Sec. 71. Minnesota Statutes 2016, section 473.146, subdivision 4, is amended to read:

291.6 Subd. 4. **Transportation planning.** ~~(a)~~ The Metropolitan Council is the designated  
291.7 planning agency for any long-range comprehensive transportation planning required by  
291.8 section 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation  
291.9 Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and other federal  
291.10 transportation laws. The council shall assure administration and coordination of transportation  
291.11 planning with appropriate state, regional and other agencies, counties, and municipalities.

291.12 ~~(b) The council shall establish an advisory body consisting of citizens and representatives~~  
291.13 ~~of municipalities, counties, and state agencies in fulfillment of the planning responsibilities~~  
291.14 ~~of the council. The membership of the advisory body must consist of:~~

291.15 ~~(1) the commissioner of transportation or the commissioner's designee;~~

291.16 ~~(2) the commissioner of the Pollution Control Agency or the commissioner's designee;~~

291.17 ~~(3) one member of the Metropolitan Airports Commission appointed by the commission;~~

291.18 ~~(4) one person appointed by the council to represent nonmotorized transportation;~~

291.19 ~~(5) one person appointed by the commissioner of transportation to represent the freight~~  
291.20 ~~transportation industry;~~

291.21 ~~(6) two persons appointed by the council to represent public transit;~~

291.22 ~~(7) ten elected officials of cities within the metropolitan area, including one representative~~  
291.23 ~~from each first-class city, appointed by the Association of Metropolitan Municipalities;~~



- 291.24 ~~(8) one member of the county board of each county in the seven-county metropolitan~~  
 291.25 ~~area, appointed by the respective county boards;~~
- 291.26 ~~(9) eight citizens appointed by the council, one from each council precinct;~~
- 291.27 ~~(10) one elected official from a city participating in the replacement service program~~  
 291.28 ~~under section 473.388, appointed by the Suburban Transit Association; and~~
- 291.29 ~~(11) one member of the council, appointed by the council.~~
- 291.30 ~~(e) The council shall appoint a chair from among the members of the advisory body.~~
- 292.1 **EFFECTIVE DATE; APPLICATION.** This section is effective January 1, 2019, and  
 292.2 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.
- 292.3 **Sec. 72. [474A.22] FORT SNELLING NATIONAL LANDMARK**  
 292.4 **REDEVELOPMENT.**
- 292.5 Subdivision 1. **Fort Snelling bonding authority allocation.** Notwithstanding any law,  
 292.6 rule, or policy to the contrary, the commissioner may reserve bonding authority allocated  
 292.7 to the Housing Finance Agency entitlement allocation during allocation year 2019 or 2020  
 292.8 for issuance of residential rental project bonds for purposes of the rehabilitation and  
 292.9 renovation of the Fort Snelling Upper Post as a qualified residential rental project as provided  
 292.10 in this section and section 474A.047. The qualified residential rental project shall be required  
 292.11 to enter into a minimum 25-year agreement with the issuer to provide the applicable rental  
 292.12 rates and incomes. The commissioner shall determine the needed amount of the bonding  
 292.13 allocation to qualify for low-income housing tax credits for the project, as selected by the  
 292.14 commissioner of natural resources, and may provide a preliminary resolution to allocate  
 292.15 the bonds over one or two years to allow the applicable developer to obtain necessary  
 292.16 historical and other approvals and be assured of available bond allocation.
- 292.17 Subd. 2. **Issuance; other issuer.** The commissioner may either issue the obligation  
 292.18 directly or may allocate the bonds under subdivision 1 to a suitable other issuer to issue the  
 292.19 obligations. Any such suballocation shall be subject to an agreement that provides for the  
 292.20 timing, process, and use for the bonds. Any other issuer receiving this allocation shall be  
 292.21 authorized to act as the issuer regardless of the geographical area of the other issuer. In no  
 292.22 event shall the bonds issued under this section be guaranteed as to payment by the state or  
 292.23 the other issuer.
- 292.24 Subd. 3. **Failure to permanently issue.** In the event the bonds reserved or allocated  
 292.25 under this section are not permanently issued by December 1, 2019, or December 1, 2020,  
 292.26 the bonding authority shall be allocated to the Housing Finance Agency for issuance for a  
 292.27 qualified residential rental project. The commissioner may utilize the bonds allocated under

25.5 Sec. 32. Minnesota Statutes 2017 Supplement, section 477A.03, subdivision 2b, is amended  
25.6 to read:

25.7 Subd. 2b. **Counties.** (a) For aids payable in 2018 through 2024, the total aid payable  
25.8 under section 477A.0124, subdivision 3, is \$103,795,000, of which \$3,000,000 shall be  
25.9 allocated as required under Laws 2014, chapter 150, article 4, section 6. For aids payable  
25.10 in 2025 and thereafter, the total aid payable under section 477A.0124, subdivision 3, is  
25.11 \$100,795,000. Each calendar year, \$500,000 of this appropriation shall be retained by the  
25.12 commissioner of revenue to make reimbursements to the commissioner of management and  
25.13 budget for payments made under section 611.27. The reimbursements shall be to defray the  
25.14 additional costs associated with court-ordered counsel under section 611.27. Any retained  
25.15 amounts not used for reimbursement in a year shall be included in the next distribution of  
25.16 county need aid that is certified to the county auditors for the purpose of property tax  
25.17 reduction for the next taxes payable year.

25.18 (b) For aids payable in 2018 and thereafter, the total aid under section 477A.0124,  
25.19 subdivision 4, is \$130,873,444. The commissioner of revenue shall transfer ~~to the~~  
25.20 ~~commissioner of management and budget~~ \$207,000 annually for the cost of preparation of  
25.21 local impact notes as required by section 3.987, ~~and other local government activities to the~~  
25.22 Legislative Coordinating Commission for use by the Legislative Budget Office.

25.23 The commissioner of revenue shall transfer to the commissioner of education \$7,000  
25.24 annually for the cost of preparation of local impact notes for school districts as required by  
25.25 section 3.987. The commissioner of revenue shall deduct the amounts transferred under this  
25.26 paragraph from the appropriation under this paragraph. The amounts transferred are  
25.27 appropriated to the commissioner of management and budget and the commissioner of  
25.28 education respectively.

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

292.28 this section for an alternative use, consistent with this chapter, in the event the commissioner  
292.29 determines no project at the Fort Snelling Upper Post will proceed in a timely fashion.

292.30 Subd. 4. **Low-income housing tax credits.** In the event of issuance of the bonds as  
292.31 provided in this section for a qualified residential rental project, notwithstanding any law,  
292.32 rule, or policy, the Housing Finance Agency shall approve the project for low-income  
292.33 housing tax credits subject to only the minimum requirements as required under section 42  
292.34 of the Internal Revenue Code, as amended, and shall be deemed meeting the qualified  
293.1 allocation plan in effect at that time. Any such approval shall be timely granted to allow the  
293.2 project to proceed.

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

293.4 Sec. 73. Minnesota Statutes 2017 Supplement, section 477A.03, subdivision 2b, is amended  
293.5 to read:

293.6 Subd. 2b. **Counties.** (a) For aids payable in 2018 through 2024, the total aid payable  
293.7 under section 477A.0124, subdivision 3, is \$103,795,000, of which \$3,000,000 shall be  
293.8 allocated as required under Laws 2014, chapter 150, article 4, section 6. For aids payable  
293.9 in 2025 and thereafter, the total aid payable under section 477A.0124, subdivision 3, is  
293.10 \$100,795,000. Each calendar year, \$500,000 of this appropriation shall be retained by the  
293.11 commissioner of revenue to make reimbursements to the commissioner of management and  
293.12 budget for payments made under section 611.27. The reimbursements shall be to defray the  
293.13 additional costs associated with court-ordered counsel under section 611.27. Any retained  
293.14 amounts not used for reimbursement in a year shall be included in the next distribution of  
293.15 county need aid that is certified to the county auditors for the purpose of property tax  
293.16 reduction for the next taxes payable year.

293.17 (b) For aids payable in 2018 and thereafter, the total aid under section 477A.0124,  
293.18 subdivision 4, is \$130,873,444. The commissioner of revenue shall transfer ~~to the~~  
293.19 ~~commissioner of management and budget~~ \$207,000 annually for the cost of preparation of  
293.20 local impact notes as required by section 3.987, ~~and other local government activities to the~~  
293.21 Legislative Coordinating Commission for use by the Legislative Budget Office.

293.22 The commissioner of revenue shall transfer to the commissioner of education \$7,000  
293.23 annually for the cost of preparation of local impact notes for school districts as required by  
293.24 section 3.987. The commissioner of revenue shall deduct the amounts transferred under this  
293.25 paragraph from the appropriation under this paragraph. The amounts transferred are  
293.26 appropriated to the commissioner of management and budget and the commissioner of  
293.27 education respectively.

293.28 **EFFECTIVE DATE.** This section is effective January 8, 2019.

26.12 Sec. 34. Laws 2017, First Special Session chapter 4, article 2, section 1, the effective date,  
26.13 is amended to read:

26.14 **EFFECTIVE DATE.** This section is effective ~~January 8, 2019~~ July 1, 2018.

26.15 **EFFECTIVE DATE.** This section is effective July 1, 2018.

26.16 Sec. 35. Laws 2017, First Special Session chapter 4, article 2, section 3, the effective date,  
26.17 is amended to read:

26.18 **EFFECTIVE DATE.** Except where otherwise provided by law, this section is effective  
26.19 ~~January 8, 2019~~ July 1, 2018.

26.20 **EFFECTIVE DATE.** This section is effective July 1, 2018.

26.21 Sec. 36. Laws 2017, First Special Session chapter 4, article 2, section 9, the effective date,  
26.22 is amended to read:

26.23 **EFFECTIVE DATE.** This section is effective ~~January 8, 2019~~ January 6, 2020.

26.24 Sec. 37. Laws 2017, First Special Session chapter 4, article 2, section 58, the effective  
26.25 date, is amended to read:

26.26 **EFFECTIVE DATE.** This section is effective ~~January 8, 2019~~ July 1, 2018. The contract  
26.27 required under this section must be executed no later than November 1, 2018, and must  
26.28 provide for the Legislative Budget Office to have access to the fiscal note tracking system  
26.29 from December 15, 2018, to January 5, 2020, and for the transfer of operational control of  
26.30 the fiscal note tracking system to the Legislative Budget Office on January 6, 2020.

27.1 **EFFECTIVE DATE.** This section is effective July 1, 2018.

27.2 Sec. 38. **LEGISLATIVE BUDGET OFFICE OVERSIGHT COMMISSION; FIRST**  
27.3 **APPOINTMENTS; FIRST CHAIR; FIRST MEETING.**

294.1 Sec. 74. Minnesota Statutes 2016, section 480.15, is amended by adding a subdivision to  
294.2 read:

294.3 **Subd. 13. Emergency operations and continuity of the judicial branch.** The court  
294.4 administrator shall assist the Supreme Court in developing an emergency operations and  
294.5 continuity of government plan, as required by section 12.402.

294.6 Sec. 75. Laws 2017, First Special Session chapter 4, article 2, section 1, the effective date,  
294.7 is amended to read:

294.8 **EFFECTIVE DATE.** This section is effective ~~January 8, 2019~~ July 1, 2018.

294.9 **EFFECTIVE DATE.** This section is effective July 1, 2018.

294.10 Sec. 76. Laws 2017, First Special Session chapter 4, article 2, section 3, the effective date,  
294.11 is amended to read:

294.12 **EFFECTIVE DATE.** Except where otherwise provided by law, this section is effective  
294.13 ~~January 8, 2019~~ July 1, 2018.

294.14 **EFFECTIVE DATE.** This section is effective July 1, 2018.

294.15 Sec. 77. Laws 2017, First Special Session chapter 4, article 2, section 58, the effective  
294.16 date, is amended to read:

294.17 **EFFECTIVE DATE.** This section is effective ~~January 8, 2019~~ July 1, 2018. The  
294.18 contract required under this section must be executed no later than November 1, 2018, and  
294.19 must provide for transfer of operational control of the fiscal note tracking system to the  
294.20 Legislative Budget Office effective December 15, 2018.

294.21 **EFFECTIVE DATE.** This section is effective July 1, 2018.

242.30 **EFFECTIVE DATE; FIRST MEETING.** This section is effective the day following  
242.31 final enactment. Appointments to the oversight commission must be made no later than  
242.32 June 15, 2018. The chair of the Legislative Coordinating Commission must designate one

27.4 Appointments to the Legislative Budget Office Oversight Commission under Minnesota  
 27.5 Statutes, section 3.8854, must be made by July 1, 2018. The chair of the Legislative  
 27.6 Coordinating Commission must designate one appointee to convene the commission's first  
 27.7 meeting. The designated appointee must convene the first meeting no later than July 15,  
 27.8 2018. The first chair of the Legislative Budget Office Oversight Commission shall be a  
 27.9 member of the senate and shall serve until the commission elects a chair at a meeting in  
 27.10 January 2019.

27.11 **Sec. 39. LEGISLATIVE BUDGET OFFICE DELIVERY OF FISCAL NOTES AND**  
 27.12 **LOCAL IMPACT NOTES BEFORE JANUARY 6, 2020.**

27.13 Subdivision 1. **Management and budget responsibility.** Until January 6, 2020, the  
 27.14 responsibilities of the commissioner of management and budget with regard to fiscal notes  
 27.15 and local impact notes remains the same as on May 1, 2017.

27.16 Subd. 2. **Fiscal note request.** Until January 6, 2020, the commissioner of management  
 27.17 and budget must submit to the director of the Legislative Budget Office a daily list of all  
 27.18 new requests for fiscal notes that have been requested since the previous list submitted under  
 27.19 this subdivision. The commissioner must submit the daily fiscal note list at the end of each  
 27.20 business day. For fiscal note requests received between the end of the business day on Friday  
 27.21 and Monday morning, the commissioner shall submit the list on Monday morning.  
 27.22 Notwithstanding the daily list requirement in this subdivision, when the legislature is not  
 27.23 in session, the commissioner shall submit a weekly list of all fiscal notes received during  
 27.24 the previous week.

27.25 Subd. 3. **Local impact note request.** Until January 6, 2020, the commissioner of  
 27.26 management and budget will forward to the director of the Legislative Budget Office at the  
 27.27 end of each week a list of all requests for local impact notes that the commissioner has  
 27.28 received since the previous list submitted under this subdivision.

27.29 Subd. 4. **Legislative Budget Office sampling.** (a) Until January 6, 2020, the director  
 27.30 of the Legislative Budget Office shall select from among the requests for fiscal notes and  
 27.31 local impact notes a subset for the Legislative Budget Office to coordinate on a test basis.  
 27.32 Within 48 hours of receiving a list of requests from the commissioner of management and  
 27.33 budget, the director shall communicate to the lead nonpartisan fiscal analyst of the senate  
 28.1 and the chief nonpartisan fiscal analyst of the house of representatives whether the Legislative  
 28.2 Budget Office will coordinate a fiscal note or local impact note from the listed requests.  
 28.3 The subset selected by the director must include a cross-section of the jurisdictions of the  
 28.4 standing committees in the house of representatives and senate and must include a  
 28.5 representative number of multiagency fiscal notes. During the 2019 legislative session, the  
 28.6 Legislative Budget Office shall complete coordination of at least 300 fiscal notes and at  
 28.7 least two local impact notes.

243.1 appointee to convene the commission's first meeting. The designated appointee must convene  
 243.2 the first meeting no later than July 1, 2018.

28.8 (b) By June 30, 2019, the director of the Legislative Budget Office shall deliver a  
28.9 summary report to the chairs and ranking minority members of the Committee on Finance  
28.10 in the senate and the Committee on Ways and Means in the house of representatives and to  
28.11 the lead nonpartisan fiscal analyst of the senate and the chief nonpartisan fiscal analyst of  
28.12 the house of representatives identifying each fiscal note and local impact note request  
28.13 received, the subset selected for coordination, the date the director received a list from the  
28.14 commissioner of management and budget identifying the request, and the date of delivery  
28.15 of completed notes.

28.16 Subd. 5. **Agency coordination.** (a) Until January 6, 2020, the head or chief administrative  
28.17 officer of each department or agency of the state government, including the Supreme Court,  
28.18 shall, in consultation with the Legislative Budget Office and consistent with the procedures  
28.19 adopted under Minnesota Statutes, section 3.8853, prepare a fiscal note at the request of the  
28.20 chair of the standing committee to which a bill has been referred, or the chair of the house  
28.21 of representatives Ways and Means Committee, or the chair of the senate Committee on  
28.22 Finance.

28.23 (b) For purposes of this subdivision, "Supreme Court" includes all agencies, committees,  
28.24 and commissions supervised or appointed by the state Supreme Court or the state court  
28.25 administrator.

28.26 Subd. 6. **Delivery of fiscal notes.** Until January 6, 2020, the director of the Legislative  
28.27 Budget Office shall timely deliver completed fiscal notes and local impact notes, each clearly  
28.28 labeled as "LBO-Coordinated Transition-Year Test Note," to the chair of the committee in  
28.29 the house of representatives or the senate who requested the note and to the chief author of  
28.30 the bill to which it relates.

28.31 Subd. 7. **Legislative Budget Office Oversight Commission performance assessment.**  
28.32 By November 1, 2019, the Legislative Budget Office Oversight Commission shall report  
28.33 to the chairs and members of the Committee on Finance in the senate and the Committee  
28.34 on Ways and Means in the house of representatives on the performance of the Legislative  
29.1 Budget Office in coordinating fiscal notes and local impact notes during the 2019 legislative  
29.2 session. The report shall consider the timeliness of the delivery of the notes and the quality  
29.3 of the notes in comparison to the timeliness and quality of the notes coordinated on the same  
29.4 bills by the commissioner of management and budget, and the cost-effectiveness of the  
29.5 work of the Legislative Budget Office.

29.6 **EFFECTIVE DATE.** This section is effective January 8, 2019, and expires on January  
29.7 6, 2020.

29.8 Sec. 40. **OFFICE OF MN.IT SERVICES; TRANSFER.**

29.9 Minnesota Statutes, sections 15.039 and 43A.045, apply to the transfer of the Office of  
 29.10 MN.IT Services to the commissioner of administration.

29.11 Sec. 41. **WORLD WAR I PLAQUE AUTHORIZED.**

29.12 The state honors all Minnesota veterans who have honorably and bravely served in the  
 29.13 United States armed forces, both at home and abroad, during World War I. The commissioner  
 29.14 of administration shall place a memorial plaque in the court of honor on the Capitol grounds  
 29.15 to recognize the valiant service of Minnesota veterans who have honorably and bravely  
 29.16 served in the United States armed forces, both at home and abroad, during World War I.  
 29.17 This plaque will replace the current plaque honoring veterans who served abroad during  
 29.18 World War I. The Capitol Area Architectural and Planning Board shall solicit design  
 29.19 submissions from the public. Each design submission must include a commitment to furnish  
 29.20 the plaque. The Capitol Area Architectural and Planning Board shall select a design from  
 29.21 those submitted to use as a basis for final production. The selected design must be approved  
 29.22 by the commissioner of veterans affairs and must be furnished by the person or group who  
 29.23 submitted the design.

294.22 Sec. 78. **TRANSFER OF DUTIES; RESULTS FIRST PROGRAM EVALUATIONS.**

294.23 Responsibilities of the commissioner of management and budget to develop and  
 294.24 implement a return on taxpayer investment methodology using the Pew-MacArthur Results  
 294.25 First framework, as first authorized by Laws 2015, chapter 77, article 1, section 13, including  
 294.26 the advisory committee established by the commissioner to assist in implementing these  
 294.27 responsibilities, are transferred from the commissioner to the Legislative Budget Office  
 294.28 established in Minnesota Statutes, section 3.8853. Minnesota Statutes, section 15.039,  
 294.29 applies to the transfer of these responsibilities. The commissioner of administration may,  
 295.1 with the approval of the governor, issue reorganization orders under Minnesota Statutes,  
 295.2 section 16B.37, as necessary to complete the transfer of duties required by this section.

295.3 **EFFECTIVE DATE.** This section is effective January 8, 2019.

295.4 Sec. 79. **TRANSFER OF DUTIES; DATA PRACTICES AND OPEN MEETINGS**  
 295.5 **LAW.**

295.6 (a) Responsibilities of the commissioner of administration under Minnesota Statutes,  
 295.7 sections 13.06, 13.07, 13.072, and 13.073, and any other law providing general oversight  
 295.8 responsibilities related to operation of the Minnesota Government Data Practices Act and  
 295.9 the Minnesota Open Meeting Law, are transferred from the commissioner to the chief  
 295.10 administrative law judge in the Office of Administrative Hearings. Minnesota Statutes,  
 295.11 section 15.039, applies to the transfer of these responsibilities, except that Minnesota Statutes,

295.12 section 15.039, subdivision 7, does not apply. The commissioner may, with the approval  
295.13 of the governor, issue reorganization orders under Minnesota Statutes, section 16B.37, as  
295.14 necessary to complete the transfer of duties consistent with the requirements of this section.

295.15 (b) Nothing in this section relieves the commissioner of administration from the duty to  
295.16 comply with Minnesota Statutes, chapter 13, or any other applicable law related to data  
295.17 collected, created, or maintained by the commissioner, or to comply with Minnesota Statutes,  
295.18 chapter 13D, related to meetings conducted by the commissioner.

295.19 **Sec. 80. ENTERPRISE SOFTWARE PROJECTS; RECODIFICATION OF**  
295.20 **INFORMATION TECHNOLOGY STATUTES.**

295.21 Subdivision 1. **Enterprise software projects.** (a) Except as provided in paragraph (b),  
295.22 an enterprise software project must be either purchased or built through a vendor contract.  
295.23 Vendors must be selected as provided by Minnesota Statutes, chapter 16C. In addition to  
295.24 the requirements of that chapter, a contract required by this section must include terms that  
295.25 provide:

295.26 (1) a payment schedule that is conditioned on the vendor's demonstration of satisfactory  
295.27 progress toward project completion; and

295.28 (2) a requirement that, upon 30 days written notice to the vendor, the contracting agency  
295.29 must terminate a contract and the vendor must refund to the agency all amounts paid to  
295.30 date, if the vendor fails to demonstrate satisfactory progress towards project completion.  
295.31 The contract terms must permit the contracting agency to fulfill its obligations under this  
295.32 clause without penalty.

296.1 (b) Paragraph (a) does not apply to an enterprise software project if the law appropriating  
296.2 money for the project expressly directs the state chief information officer to design or build  
296.3 the project in-house, or otherwise contains an exemption from paragraph (a) by specific  
296.4 reference to this subdivision.

296.5 Subd. 2. **Recodification recommendations.** (a) The state chief information officer must  
296.6 recommend, in consultation with the revisor of statutes and other appropriate legislative  
296.7 staff, legislation to clarify and reorganize Minnesota Statutes, chapter 16E, and any other  
296.8 applicable laws that relate to state information technology services or the scope of duties  
296.9 of the Office of MN.IT Services. Except for implementation of the requirements of  
296.10 subdivision 1, the recommendations must not be intended to change the meaning or prior  
296.11 interpretation of any law.

296.12 (b) The recommended legislation must be submitted to the chairs and ranking minority  
296.13 members of the house of representatives and senate committees with jurisdiction over state  
296.14 government finance no later than January 15, 2019.

296.15 **EFFECTIVE DATE.** This section is effective the day following final enactment. The  
296.16 restrictions on enterprise software projects, as described in subdivision 1, apply to projects  
296.17 newly approved for development on or after the effective date of this section.

296.18 Sec. 81. **STUDY OF VALUATION METHOD OF PIPELINE OPERATING**  
296.19 **PROPERTY.**

296.20 (a) The commissioner of revenue shall study and prepare a report on the current methods  
296.21 used to value pipeline operating property in the state of Minnesota. The commissioner must  
296.22 enter a contract with a consultant to assist in completing the study and preparing the report.

296.23 (b) The report must:

296.24 (1) describe, in detail, prior and current methods used to value pipeline operating property  
296.25 in Minnesota;

296.26 (2) evaluate whether the current methods used produce an accurate estimate of market  
296.27 value;

296.28 (3) compile and explain, in detail, the number of state-assessed pipeline valuations that  
296.29 have been appealed in the last 20 years, and the extent to which the market value was  
296.30 increased or reduced, by agreement, settlement, or judgment;

297.1 (4) evaluate the extent to which host political subdivisions and communities are  
297.2 adequately compensated under the existing Minnesota property tax system for the external  
297.3 costs imposed by pipeline systems;

297.4 (5) describe, analyze, and compare the methods used to value pipeline operating property  
297.5 in border states; and

297.6 (6) make recommendations and prepare legislation on improvements or alternative  
297.7 valuation methods that produce a more accurate estimate of market value.

297.8 (c) The commissioner shall report the findings of the study to the committees of the  
297.9 house of representatives and senate having jurisdiction over taxes by February 15, 2019,  
297.10 and file the report as required by Minnesota Statutes, section 3.195.



297.11 Sec. 82. NORDIC WORLD CUP SKI CHAMPIONSHIP.

297.12 (a) Upon request of U.S. Ski and Snowboard, The Loppet Foundation, or other affiliated  
297.13 organization, the Minnesota Amateur Sports Commission must support the preparation and  
297.14 submission of a competitive bid to host an International Ski Federation Nordic World Cup  
297.15 Ski Championship event in Minnesota. If the event is awarded, the commission must partner  
297.16 with the organizing committee as an event host. Commission activities may include but are  
297.17 not limited to assisting in the development of public-private partnerships to support the  
297.18 event; soliciting sponsors; participating in public outreach activities; permitting the  
297.19 commission's facilities to be developed and used as event venues; and providing other  
297.20 administrative, technical, logistical, or financial support, within available resources.

297.21 (b) Within 30 days after a bid is submitted and, if an event is awarded to Minnesota as  
297.22 a host, within 30 days after receiving notice of the award, the commission must notify the  
297.23 chairs and ranking minority members of the legislative committees with jurisdiction over  
297.24 the commission. The notification must describe the commission's work in support of the  
297.25 event and indicate whether the commission anticipates seeking supplemental state or local  
297.26 funds or other public resources to continue that work.

297.27 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
297.28 expires upon conclusion of a Nordic World Cup Ski Championship event hosted in  
297.29 Minnesota.

298.1 Sec. 83. CERTAIN VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATION  
298.2 SERVICE PENSIONS.

298.3 (a) As used in this section, "qualifying volunteer firefighters relief association" means  
298.4 a volunteer firefighters relief association with a funding ratio of greater than 100 percent  
298.5 as of the most recent fiscal year end, and which provides a lump sum pension benefit based  
298.6 on a lump sum pension amount equal to \$9,500 or more, as of the effective date of this  
298.7 section.

298.8 (b) Notwithstanding any provision of Minnesota Statutes, section 424A.02, subdivision  
298.9 3, paragraph (d), to the contrary, the maximum lump-sum pension amount for each year of  
298.10 service credited that may be provided for in the bylaws of a qualifying volunteer firefighters  
298.11 relief association is the maximum service pension figure corresponding to the average  
298.12 amount of available financing per active covered firefighter for the applicable specified  
298.13 period:

	<u>Minimum Average Amount of Available Financing per Firefighter</u>	<u>Maximum Lump-Sum Service Pension Amount Payable for Each Year of Service</u>
298.14		
298.15		
298.16		
298.17	\$ ...	\$ 10
298.18	<u>11</u>	<u>20</u>
298.19	<u>16</u>	<u>30</u>
298.20	<u>23</u>	<u>40</u>
298.21	<u>27</u>	<u>50</u>
298.22	<u>32</u>	<u>60</u>
298.23	<u>43</u>	<u>80</u>
298.24	<u>54</u>	<u>100</u>
298.25	<u>65</u>	<u>120</u>
298.26	<u>77</u>	<u>140</u>
298.27	<u>86</u>	<u>160</u>
298.28	<u>97</u>	<u>180</u>
298.29	<u>108</u>	<u>200</u>
298.30	<u>131</u>	<u>240</u>
298.31	<u>151</u>	<u>280</u>
298.32	<u>173</u>	<u>320</u>
298.33	<u>194</u>	<u>360</u>
298.34	<u>216</u>	<u>400</u>
298.35	<u>239</u>	<u>440</u>
298.36	<u>259</u>	<u>480</u>
298.37	<u>281</u>	<u>520</u>
299.1	<u>302</u>	<u>560</u>

299.2	<u>324</u>	<u>600</u>
299.3	<u>347</u>	<u>640</u>
299.4	<u>367</u>	<u>680</u>
299.5	<u>389</u>	<u>720</u>
299.6	<u>410</u>	<u>760</u>
299.7	<u>432</u>	<u>800</u>
299.8	<u>486</u>	<u>900</u>
299.9	<u>540</u>	<u>1000</u>
299.10	<u>594</u>	<u>1100</u>
299.11	<u>648</u>	<u>1200</u>
299.12	<u>702</u>	<u>1300</u>
299.13	<u>756</u>	<u>1400</u>
299.14	<u>810</u>	<u>1500</u>
299.15	<u>864</u>	<u>1600</u>
299.16	<u>918</u>	<u>1700</u>
299.17	<u>972</u>	<u>1800</u>
299.18	<u>1026</u>	<u>1900</u>
299.19	<u>1080</u>	<u>2000</u>
299.20	<u>1134</u>	<u>2100</u>
299.21	<u>1188</u>	<u>2200</u>
299.22	<u>1242</u>	<u>2300</u>
299.23	<u>1296</u>	<u>2400</u>
299.24	<u>1350</u>	<u>2500</u>
299.25	<u>1404</u>	<u>2600</u>

299.26	<u>1458</u>	<u>2700</u>
299.27	<u>1512</u>	<u>2800</u>
299.28	<u>1566</u>	<u>2900</u>
299.29	<u>1620</u>	<u>3000</u>
299.30	<u>1672</u>	<u>3100</u>
299.31	<u>1726</u>	<u>3200</u>
299.32	<u>1753</u>	<u>3250</u>
299.33	<u>1780</u>	<u>3300</u>
299.34	<u>1820</u>	<u>3375</u>
299.35	<u>1834</u>	<u>3400</u>
299.36	<u>1888</u>	<u>3500</u>
299.37	<u>1942</u>	<u>3600</u>
299.38	<u>1996</u>	<u>3700</u>
300.1	<u>2023</u>	<u>3750</u>
300.2	<u>2050</u>	<u>3800</u>
300.3	<u>2104</u>	<u>3900</u>
300.4	<u>2158</u>	<u>4000</u>
300.5	<u>2212</u>	<u>4100</u>
300.6	<u>2265</u>	<u>4200</u>
300.7	<u>2319</u>	<u>4300</u>
300.8	<u>2373</u>	<u>4400</u>
300.9	<u>2427</u>	<u>4500</u>
300.10	<u>2481</u>	<u>4600</u>
300.11	<u>2535</u>	<u>4700</u>

300.12	<u>2589</u>	<u>4800</u>
300.13	<u>2643</u>	<u>4900</u>
300.14	<u>2697</u>	<u>5000</u>
300.15	<u>2751</u>	<u>5100</u>
300.16	<u>2805</u>	<u>5200</u>
300.17	<u>2859</u>	<u>5300</u>
300.18	<u>2913</u>	<u>5400</u>
300.19	<u>2967</u>	<u>5500</u>
300.20	<u>3021</u>	<u>5600</u>
300.21	<u>3075</u>	<u>5700</u>
300.22	<u>3129</u>	<u>5800</u>
300.23	<u>3183</u>	<u>5900</u>
300.24	<u>3237</u>	<u>6000</u>
300.25	<u>3291</u>	<u>6100</u>
300.26	<u>3345</u>	<u>6200</u>
300.27	<u>3399</u>	<u>6300</u>
300.28	<u>3453</u>	<u>6400</u>
300.29	<u>3507</u>	<u>6500</u>
300.30	<u>3561</u>	<u>6600</u>
300.31	<u>3615</u>	<u>6700</u>
300.32	<u>3669</u>	<u>6800</u>
300.33	<u>3723</u>	<u>6900</u>
300.34	<u>3777</u>	<u>7000</u>
300.35	<u>3831</u>	<u>7100</u>

300.36	<u>3885</u>	<u>7200</u>
300.37	<u>3939</u>	<u>7300</u>
300.38	<u>3993</u>	<u>7400</u>
301.1	<u>4047</u>	<u>7500</u>
301.2	<u>4101</u>	<u>7600</u>
301.3	<u>4155</u>	<u>7700</u>
301.4	<u>4209</u>	<u>7800</u>
301.5	<u>4263</u>	<u>7900</u>
301.6	<u>4317</u>	<u>8000</u>
301.7	<u>4371</u>	<u>8100</u>
301.8	<u>4425</u>	<u>8200</u>
301.9	<u>4479</u>	<u>8300</u>
301.10	<u>4533</u>	<u>8400</u>
301.11	<u>4587</u>	<u>8500</u>
301.12	<u>4641</u>	<u>8600</u>
301.13	<u>4695</u>	<u>8700</u>
301.14	<u>4749</u>	<u>8800</u>
301.15	<u>4803</u>	<u>8900</u>
301.16	<u>4857</u>	<u>9000</u>
301.17	<u>4911</u>	<u>9100</u>
301.18	<u>4965</u>	<u>9200</u>
301.19	<u>5019</u>	<u>9300</u>
301.20	<u>5073</u>	<u>9400</u>
301.21	<u>5127</u>	<u>9500</u>

301.22	<u>5181</u>	<u>9600</u>
301.23	<u>5235</u>	<u>9700</u>
301.24	<u>5289</u>	<u>9800</u>
301.25	<u>5343</u>	<u>9900</u>
301.26	<u>5397</u>	<u>10,000</u>
301.27	<u>5451</u>	<u>10,100</u>
301.28	<u>5505</u>	<u>10,200</u>
301.29	<u>5559</u>	<u>10,300</u>
301.30	<u>5613</u>	<u>10,400</u>
301.31	<u>5667</u>	<u>10,500</u>
301.32	<u>5721</u>	<u>10,600</u>
301.33	<u>5775</u>	<u>10,700</u>
301.34	<u>5729</u>	<u>10,800</u>
301.35	<u>5883</u>	<u>10,900</u>
301.36	<u>5937</u>	<u>11,000</u>
301.37	<u>5991</u>	<u>11,100</u>
301.38	<u>6045</u>	<u>11,200</u>
302.1	<u>6099</u>	<u>11,300</u>
302.2	<u>6153</u>	<u>11,400</u>
302.3	<u>6207</u>	<u>11,500</u>
302.4	<u>6261</u>	<u>11,600</u>
302.5	<u>6315</u>	<u>11,700</u>
302.6	<u>6369</u>	<u>11,800</u>
302.7	<u>6423</u>	<u>11,900</u>

302.8	<u>6477</u>	<u>12,000</u>
302.9	<u>6531</u>	<u>12,100</u>
302.10	<u>6585</u>	<u>12,200</u>
302.11	<u>6639</u>	<u>12,300</u>
302.12	<u>6693</u>	<u>12,400</u>
302.13	<u>6747</u>	<u>12,500</u>
302.14	<u>any amount in excess of 6747</u>	<u>12,500</u>

302.15 (c) The maximum monthly service pension amount per month for each year of service  
 302.16 credited that may be provided for in the bylaws of the volunteer firefighters relief association  
 302.17 must be set pursuant to Minnesota Statutes, section 424A.02, subdivision 3, paragraph (c).

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

302.19 Sec. 84. **VETERANS HOMES CONSTRUCTION.**

302.20 Subdivision 1. **Short title.** This section may be cited as the "People's Veterans Homes  
 302.21 Act."

302.22 Subd. 2. **Veterans homes established.** (a) The commissioner of veterans affairs may  
 302.23 apply for federal funding and establish veterans homes with up to 140 beds available to  
 302.24 provide a continuum of care, including skilled nursing care, for eligible veterans and their  
 302.25 spouses in the following locations:

302.26 (1) Preston;

302.27 (2) Montevideo; and

302.28 (3) Bemidji.

302.29 (b) The state shall provide the necessary operating costs for the veterans homes in excess  
 302.30 of any revenue and federal funding for the homes that may be required to continue the  
 302.31 operation of the homes and care for Minnesota veterans.

302.32 Subd. 3. **Nonstate contribution.** The commissioner of administration may accept  
 302.33 contributions of land or money from private individuals, businesses, local governments,



- 303.1 veterans service organizations, and other nonstate sources for the purpose of providing  
 303.2 matching funding when soliciting federal funding for the development of the homes  
 303.3 authorized by this section.
- 303.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 303.5 Sec. 85. **REPORT ON INFORMATION TECHNOLOGY CONSOLIDATION.**
- 303.6 No later than January 15, 2019, the Campaign Finance and Public Disclosure Board,  
 303.7 the State Lottery, the Statewide Radio Board, the Minnesota State Retirement System, the  
 303.8 Public Employees Retirement Association, the Teachers Retirement Association, and the  
 303.9 State Board of Investment must each submit a report to the legislative committees with  
 303.10 jurisdiction over state government finance on the impacts of the information technology  
 303.11 services consolidation required by this act. The reports required by this section must be  
 303.12 developed in consultation with the state chief information officer and must detail:
- 303.13 (1) the expected costs to the entity to complete the consolidation;
- 303.14 (2) whether the state chief information officer and the entity agree that all conditions  
 303.15 for the certification required by this act have been met; and
- 303.16 (3) if all conditions for the certification have not been met, the joint work plan of the  
 303.17 entity and the state chief information officer to address the unresolved issues in a way that  
 303.18 leads to certification and, if applicable, recommendations for any additional legislation  
 303.19 needed to complete that work.
- 303.20 Sec. 86. **REVISOR'S INSTRUCTION.**
- 303.21 In Minnesota Statutes, chapter 13, the revisor of statutes shall replace the term  
 303.22 "commissioner of administration" with "chief administrative law judge" and the term  
 303.23 "commissioner" with "chief administrative law judge" where it is clear the text is referring  
 303.24 to the commissioner of administration.
- 30.15 Sec. 44. **REVISOR'S INSTRUCTION.**
- 30.16 (a) The revisor of statutes shall change "Office of MN.IT Services" to "Division of  
 30.17 Information Technology" and change "commissioner of MN.IT Services" to "commissioner  
 30.18 of administration" wherever these terms occur in Minnesota Statutes. The revisor of statutes  
 30.19 shall change "the office" to "the division" throughout Minnesota Statutes, chapter 16E.
- 30.20 (b) The revisor of statutes shall recodify Minnesota Statutes, chapter 16E, in Minnesota  
 30.21 Statutes, chapter 16B.
- 30.22 Sec. 45. **REPEALER.**
- 30.23 (a) Minnesota Statutes 2016, section 16E.145, is repealed.

30.24 (b) Minnesota Statutes 2016, section 155A.28, subdivisions 1, 3, and 4, are repealed.

30.25 (c) Laws 2017, First Special Session chapter 4, article 2, section 59, is repealed.

304.1 Subd. 4. **Hair braiding.** Minnesota Statutes 2016, section 155A.28, subdivisions 1, 3,  
304.2 and 4, are repealed, effective July 1, 2018.

304.3 Subd. 5. **Legislative Budget Office.** Minnesota Statutes 2017 Supplement, section 3.98,  
304.4 subdivision 4, and Laws 2017, First Special Session chapter 4, article 2, section 59, are  
304.5 repealed, effective January 8, 2018.

303.25 Sec. 87. **REPEALERS.**

303.26 Subdivision 1. **Continuity of legislature.** Minnesota Statutes 2016, sections 3.93; 3.94;  
303.27 3.95; and 3.96, are repealed, effective July 1, 2018.

303.28 Subd. 2. **Data practices transfer.** Minnesota Statutes 2016, section 13.02, subdivision  
303.29 2, is repealed, effective July 1, 2018.

303.30 Subd. 3. **Attorney general contingent fees.** Minnesota Statutes 2016, section 8.10, is  
303.31 repealed, effective July 1, 2018.

304.6 Subd. 6. **Metropolitan Council.** Minnesota Statutes 2016, section 473.123, subdivision  
304.7 3, and Laws 1994, chapter 628, article 1, section 8, are repealed, effective January 1, 2019.

## ARTICLE 15

### ADMINISTRATIVE RULE MAKING

304.10 Section 1. Minnesota Statutes 2016, section 14.03, subdivision 3, is amended to read:

304.11 **Subd. 3. Rulemaking procedures.** (a) The definition of a rule in section 14.02,  
304.12 subdivision 4, does not include:

304.13 (1) rules concerning only the internal management of the agency or other agencies that  
304.14 do not directly affect the rights of or procedures available to the public;

304.15 (2) an application deadline on a form; and the remainder of a form and instructions for  
304.16 use of the form to the extent that they do not impose substantive requirements other than  
304.17 requirements contained in statute or rule;

304.18 (3) the curriculum adopted by an agency to implement a statute or rule permitting or  
304.19 mandating minimum educational requirements for persons regulated by an agency, provided  
304.20 the topic areas to be covered by the minimum educational requirements are specified in  
304.21 statute or rule;

304.22 (4) procedures for sharing data among government agencies, provided these procedures  
304.23 are consistent with chapter 13 and other law governing data practices.

304.24 (b) The definition of a rule in section 14.02, subdivision 4, does not include:

304.25 (1) rules of the commissioner of corrections relating to the release, placement, term, and  
304.26 supervision of inmates serving a supervised release or conditional release term, the internal  
304.27 management of institutions under the commissioner's control, and rules adopted under  
304.28 section 609.105 governing the inmates of those institutions;

304.29 (2) rules relating to weight limitations on the use of highways when the substance of the  
304.30 rules is indicated to the public by means of signs;

304.31 (3) opinions of the attorney general;

305.1 (4) the data element dictionary and the annual data acquisition calendar of the Department  
305.2 of Education to the extent provided by section 125B.07;

305.3 (5) the occupational safety and health standards provided in section 182.655;

305.4 (6) revenue notices and tax information bulletins of the commissioner of revenue;

305.5 (7) uniform conveyancing forms adopted by the commissioner of commerce under  
305.6 section 507.09;

305.7 (8) standards adopted by the Electronic Real Estate Recording Commission established  
305.8 under section 507.0945; ~~or~~

305.9 (9) the interpretive guidelines developed by the commissioner of human services to the  
305.10 extent provided in chapter 245A; or

305.11 (10) policies established pursuant to section 14.031.

305.12 Sec. 2. **[14.031] POLICY PRONOUNCEMENTS.**

305.13 Subdivision 1. **Definition.** (a) As used in this section, "policy" means a public written  
305.14 policy, guideline, bulletin, manual, or similar document providing an interpretation,  
305.15 clarification, or explanation of a statute or rule to provide guidance for agency regulatory  
305.16 functions including but not limited to permits or enforcement actions.

305.17 The definition of a policy does not include:

305.18 (1) policies concerning only the internal management of the agency or other agencies  
305.19 that do not directly affect the rights of or procedures available to the public;

305.20 (2) forms and instructions for use of the form to the extent that they do not impose  
305.21 substantive requirements other than requirements contained in statute or rule;

305.22 (3) curriculums adopted by an agency to implement a statute or rule permitting or  
305.23 mandating minimum educational requirements for persons regulated by an agency, provided  
305.24 the topic areas to be covered by the minimum educational requirements are specified in  
305.25 statute or rule;

305.26 (4) procedures for sharing data among government agencies, provided these procedures  
305.27 are consistent with chapter 13 and other law governing data practices; or

305.28 (5) policies concerning agency actions required to comply with treaty obligations.

305.29 (b) A policy does not have the force of law.

305.30 (c) Policies established by the agency are subject to all of the following requirements:

306.1 (1) a policy shall comply with the statutes and rules that are in existence at the time the  
306.2 policy is established;

306.3 (2) a policy shall not establish any new requirement;

306.4 (3) a policy shall be established only by the commissioner of the agency; and

306.5 (4) the following statement must be printed on the first page of each policy in uppercase  
306.6 letters: "Every five years the agency shall review and update each policy that is established  
306.7 before the effective date of this section or that it establishes after the effective date of this  
306.8 section and shall prepare written documentation certifying that the policy has been reviewed  
306.9 and updated. A policy that has not been reviewed and updated pursuant to this paragraph  
306.10 is void."

306.11 Subd. 2. **Notice to legislature.** By January 15 each year, each agency must submit each  
306.12 policy the agency has or intends to publish under subdivision 3 in the upcoming calendar  
306.13 year to the policy and funding committees and divisions with jurisdiction over the agency.  
306.14 Each agency must post a link to its policies on the agency's Web site.

306.15 Subd. 3. **Public notice.** Before a policy is in effect, the agency must publish public notice  
306.16 of the proposed policy and solicit public comment. The agency shall use the procedure set  
306.17 forth under section 14.22 to provide public notice and meeting. The agency shall publish  
306.18 the public notice on the agency's Web site. The agency must send a copy of the same notice  
306.19 to the chairs and ranking minority members of the legislative policy and budget committees  
306.20 with jurisdiction over the subject matter of the proposed policy. The public comment period  
306.21 shall be 30 days after the date of a public meeting on the policy.

306.22 Subd. 4. **Final publication.** The agency must make all policies that conform to this  
306.23 section available electronically on the agency's Web site within 60 days of the completion  
306.24 of requirements in this section.

306.25 Subd. 5. **Committee action; delay action.** The agency shall not use a policy until the  
306.26 legislature adjourns the annual legislative session that began the year the legislature received  
306.27 notice of the policy under subdivision 2. The speaker of the house and the president of the  
306.28 senate shall determine if a committee has jurisdiction over the agency before a committee  
306.29 may act under this section.

306.30 Subd. 6. **Policy docket.** (a) Each agency shall maintain a policy docket with the agency's  
306.31 current public rulemaking docket under section 14.366.

306.32 (b) The policy docket must contain:

306.33 (1) a listing of the precise subject matter;

307.1 (2) the name and address of agency personnel with whom persons may communicate  
307.2 with respect to the matter and an indication of its present status within the agency;

307.3 (3) any known timetable for agency decisions or other action in the proceeding;

307.4 (4) the date of the public hearing on the policy;

307.5 (5) the schedule for public comments on the policy; and

307.6 (6) the date the policy became or becomes effective.

307.7 Sec. 3. Minnesota Statutes 2016, section 14.127, subdivision 4, is amended to read:

307.8 Subd. 4. **Exceptions.** (a) Subdivision 3 does not apply if the administrative law judge  
307.9 approves an agency's determination that the legislature has appropriated money to sufficiently  
307.10 fund the expected cost of the rule upon the business or city proposed to be regulated by the  
307.11 rule.

307.12 (b) Subdivision 3 does not apply if the administrative law judge approves an agency's  
 307.13 determination that the rule has been proposed pursuant to a specific federal statutory or  
 307.14 regulatory mandate.

307.15 (c) This section does not apply if the rule is adopted under section 14.388 or under  
 307.16 another law specifying that the rulemaking procedures of this chapter do not apply.

307.17 (d) This section does not apply to a rule adopted by the Public Utilities Commission.

307.18 ~~(e) Subdivision 3 does not apply if the governor waives application of subdivision 3.~~  
 307.19 ~~The governor may issue a waiver at any time, either before or after the rule would take~~  
 307.20 ~~effect, but for the requirement of legislative approval. As soon as possible after issuing a~~  
 307.21 ~~waiver under this paragraph, the governor must send notice of the waiver to the speaker of~~  
 307.22 ~~the house and the president of the senate and must publish notice of this determination in~~  
 307.23 ~~the State Register.~~

307.24 Sec. 4. **[14.1275] RULES IMPACTING RESIDENTIAL CONSTRUCTION OR**  
 307.25 **REMODELING; LEGISLATIVE NOTICE AND REVIEW.**

307.26 Subdivision 1. **Definition.** As used in this section, "residential construction" means the  
 307.27 new construction or remodeling of any building subject to the Minnesota Residential Code.

307.28 Subd. 2. **Impact on housing; agency determination.** (a) An agency must determine if  
 307.29 implementation of a proposed rule, or any portion of a proposed rule, will, on average,  
 307.30 increase the cost of residential construction or remodeling by \$1,000 or more per unit, and  
 307.31 whether the proposed rule meets the state regulatory policy objectives described in section  
 308.1 14.002. In calculating the cost of implementing a proposed rule, the agency may consider  
 308.2 the impact of other related proposed rules on the overall cost of residential construction. If  
 308.3 applicable, the agency may include offsetting savings that may be achieved through  
 308.4 implementation of related proposed rules in its calculation under this subdivision.

308.5 (b) The agency must make the determination required by paragraph (a) before the close  
 308.6 of the hearing record, or before the agency submits the record to the administrative law  
 308.7 judge if there is no hearing. Upon request of a party affected by the proposed rule, the  
 308.8 administrative law judge must review and approve or disapprove an agency's determination  
 308.9 under this subdivision.

308.10 Subd. 3. **Notice to legislature; legislative review.** If the agency determines that the  
 308.11 impact of a proposed rule meets or exceeds the cost threshold provided in subdivision 2, or  
 308.12 if the administrative law judge separately confirms the cost of any portion of a rule exceeds  
 308.13 the cost threshold provided in subdivision 2, the agency must notify, in writing, the chair  
 308.14 and ranking minority members of the policy committees of the house of representatives and  
 308.15 the senate with jurisdiction over the subject matter of the proposed rule within ten days of

308.16 the determination. The agency shall not adopt the proposed rule until after the adjournment  
308.17 of the next annual session of the legislature convened on or after the date that notice required  
308.18 in this subdivision is given to the chairs and ranking minority members.

308.19 **EFFECTIVE DATE.** This section is effective August 1, 2018, and applies to  
308.20 administrative rules proposed on or after that date.

308.21 Sec. 5. Minnesota Statutes 2016, section 14.381, is amended by adding a subdivision to  
308.22 read:

308.23 **Subd. 4. Fees and expenses.** (a) The administrative law judge shall award fees and other  
308.24 expenses to the prevailing party under subdivision 1, unless special circumstances make an  
308.25 award unjust.

308.26 (b) A party seeking an award of fees and other expenses shall, within 30 days of  
308.27 administrative law judge's report issued in the action, submit to the administrative law judge  
308.28 an application of fees and other expenses that shows that the party is a prevailing party and  
308.29 is eligible to receive an award, and the amount sought, including an itemized statement from  
308.30 any attorney or expert witness representing or appearing on behalf of the party stating the  
308.31 actual time expended and the rate at which fees and other expenses were computed.

308.32 (c) The administrative law judge may reduce the amount to be awarded under this section,  
308.33 or deny an award, to the extent that during the proceedings the prevailing party engaged in  
309.1 conduct that unduly and unreasonably protracted the final resolution of the matter in  
309.2 controversy. The decision of an administrative law judge under this section must be made  
309.3 a part of the record containing the final decision of the agency and must include written  
309.4 findings and conclusions.

309.5 (d) This section does not preclude a party from recovering costs, disbursements, fees,  
309.6 and expenses under other applicable law.

309.7 Sec. 6. **REPEALER.**

309.8 Minnesota Statutes 2016, section 14.381, subdivision 3, is repealed.

309.9 Sec. 7. **EFFECTIVE DATE; APPLICATION.**

309.10 (a) This article is effective August 1, 2018, and applies to rules for which a notice of  
309.11 hearing under Minnesota Statutes, section 14.14; a notice of intent to adopt under Minnesota  
309.12 Statutes, section 14.22; or a dual notice under Minnesota Statutes, section 14.225, is published  
309.13 in the State Register on or after that date.

309.14 (b) This article also applies to policies established on or after January 1, 2019. All policies  
309.15 existing on or before the date of enactment shall be posted on the agency's public docket  
309.16 on or before January 1, 2019.

309.17

**ARTICLE 16**

309.18

**CAMPAIGN FINANCE**

309.19 Section 1. Minnesota Statutes 2016, section 10A.02, subdivision 13, is amended to read:

309.20 Subd. 13. **Rules.** (a) Chapter 14 applies to the board. The board may adopt rules to carry  
309.21 out the purposes of this chapter if, before June 1, 2018, the board has published a notice of  
309.22 intent to adopt a rule without public hearing under section 14.22, subdivision 1, 14.389,  
309.23 subdivision 2, or 14.3895, subdivision 3; a dual notice under section 14.22, subdivision 2;  
309.24 or a notice of hearing on a proposed rule under section 14.14.

309.25 (b) After May 31, 2018, the board may only adopt rules that:

309.26 (1) incorporate specific changes set forth in applicable statutes when no interpretation  
309.27 of law is required; or

309.28 (2) make changes to rules that do not alter the sense, meaning, or effect of a rule.

309.29 (c) In addition to the notice required under chapter 14, the board shall notify the chairs  
309.30 and ranking minority members of the committees or subcommittees in the senate and house  
310.1 of representatives with primary jurisdiction over elections within seven calendar days of  
310.2 taking the following actions:

310.3 (1) publication of a notice of intent to adopt rules or a notice of hearing;

310.4 (2) publication of proposed rules in the State Register;

310.5 (3) issuance of a statement of need and reasonableness; or

310.6 (4) adoption of final rules.

310.7 **EFFECTIVE DATE.** This section is effective the day following final enactment for  
310.8 rules for which a notice of intent to adopt a rule without public hearing under Minnesota  
310.9 Statutes, section 14.22, subdivision 1, 14.389, subdivision 2, or 14.3895, subdivision 3; a  
310.10 dual notice under Minnesota Statutes, section 14.22, subdivision 2; or a notice of hearing



310.11 on a proposed rule under Minnesota Statutes, section 14.14, was published before June 1,  
310.12 2018.

310.13 Sec. 2. Minnesota Statutes 2016, section 10A.31, subdivision 1, is amended to read:

310.14 Subdivision 1. **Designation.** An individual resident of this state who files an income tax  
310.15 return or a renter and homeowner property tax refund return with the commissioner of  
310.16 revenue may designate on their original return that \$5 be paid from the general fund of the  
310.17 state into the state elections campaign account. If a husband and wife file a joint return,  
310.18 each spouse may designate that \$5 be paid. No individual is allowed to designate \$5 more  
310.19 than once in any year. ~~The taxpayer may designate that the amount be paid into the account~~  
310.20 ~~of a political party or into the general account.~~

310.21 Sec. 3. Minnesota Statutes 2016, section 10A.31, subdivision 3, is amended to read:

310.22 Subd. 3. **Form.** The commissioner of revenue must provide on the first page of the  
310.23 income tax form and the renter and homeowner property tax refund return a space for the  
310.24 individual to indicate a wish to pay \$5 (\$10 if filing a joint return) from the general fund of  
310.25 the state to finance election campaigns. ~~The form must also contain language prepared by~~  
310.26 ~~the commissioner that permits the individual to direct the state to pay the \$5 (or \$10 if filing~~  
310.27 ~~a joint return) to: (1) one of the major political parties; (2) any minor political party that~~  
310.28 ~~qualifies under subdivision 3a; or (3) all qualifying candidates as provided by subdivision~~  
310.29 ~~7. The renter and homeowner property tax refund return must include instructions that the~~  
310.30 ~~individual filing the return may designate \$5 on the return only if the individual has not~~  
310.31 ~~designated \$5 on the income tax return.~~

311.1 Sec. 4. Minnesota Statutes 2016, section 10A.31, subdivision 4, is amended to read:

311.2 Subd. 4. **Appropriation.** (a) The amounts designated by individuals for the state elections  
311.3 campaign account, less three percent, ~~are appropriated from the general fund,~~ must be  
311.4 transferred and credited to the ~~appropriate account in the~~ state elections campaign account,  
311.5 and are annually appropriated for distribution as set forth in ~~subdivisions 5, 5a, 6, and 7~~ this  
311.6 section. The remaining three percent must be kept in the general fund for administrative  
311.7 costs.

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

311.11 Sec. 5. Minnesota Statutes 2016, section 10A.31, subdivision 5, is amended to read:

311.12 Subd. 5. **Allocation.** ~~(a) General account.~~ In each calendar year the money in the general  
311.13 account must be allocated to candidates as follows:

- 311.14 (1) 21 percent for the offices of governor and lieutenant governor together;
- 311.15 (2) 4.2 percent for the office of attorney general;
- 311.16 (3) 2.4 percent each for the offices of secretary of state and state auditor;
- 311.17 (4) in each calendar year during the period in which state senators serve a four-year  
311.18 term, 23-1/3 percent for the office of state senator, and 46-2/3 percent for the office of state  
311.19 representative; and
- 311.20 (5) in each calendar year during the period in which state senators serve a two-year term,  
311.21 35 percent each for the offices of state senator and state representative.
- 311.22 ~~(b) Party account. In each calendar year the money in each party account must be~~  
311.23 ~~allocated as follows:~~
- 311.24 ~~(1) 14 percent for the offices of governor and lieutenant governor together;~~
- 311.25 ~~(2) 2.8 percent for the office of attorney general;~~
- 311.26 ~~(3) 1.6 percent each for the offices of secretary of state and state auditor;~~
- 311.27 ~~(4) in each calendar year during the period in which state senators serve a four-year~~  
311.28 ~~term, 23-1/3 percent for the office of state senator, and 46-2/3 percent for the office of state~~  
311.29 ~~representative;~~
- 311.30 ~~(5) in each calendar year during the period in which state senators serve a two-year term,~~  
311.31 ~~35 percent each for the offices of state senator and state representative; and~~
- 312.1 (6) ten percent or \$50,000, whichever is less, for the state committee of a political party;  
312.2 one-third of any amount in excess of that allocated to the state committee of a political party  
312.3 under this clause must be allocated to the office of state senator and two-thirds must be  
312.4 allocated to the office of state representative under clause (4).
- 312.5 Money allocated to each state committee under clause (6) must be deposited in a separate  
312.6 account and must be spent for only those items enumerated in section 10A.275. Money  
312.7 allocated to a state committee under clause (6) must be paid to the committee by the board  
312.8 as it is received in the account on a monthly basis, with payment on the 15th day of the  
312.9 calendar month following the month in which the returns were processed by the Department  
312.10 of Revenue, provided that these distributions would be equal to 90 percent of the amount  
312.11 of money indicated in the Department of Revenue's weekly unedited reports of income tax  
312.12 returns and property tax refund returns processed in the month, as notified by the Department

312.13 of Revenue to the board. The amounts paid to each state committee are subject to biennial  
 312.14 adjustment and settlement at the time of each certification required of the commissioner of  
 312.15 revenue under subdivisions 7 and 10. If the total amount of payments received by a state  
 312.16 committee for the period reflected on a certification by the Department of Revenue is  
 312.17 different from the amount that should have been received during the period according to  
 312.18 the certification, each subsequent monthly payment must be increased or decreased to the  
 312.19 fullest extent possible until the amount of the overpayment is recovered or the underpayment  
 312.20 is distributed.

312.21 Sec. 6. Minnesota Statutes 2016, section 10A.31, subdivision 7, is amended to read:

312.22 Subd. 7. **Distribution of general account.** (a) As soon as the board has obtained the  
 312.23 results of the primary election from the secretary of state, but no later than one week after  
 312.24 certification of the primary results by the State Canvassing Board, the board must distribute  
 312.25 the available money in the ~~general~~ state elections campaign account, as certified by the  
 312.26 commissioner of revenue one week before the state primary and according to allocations  
 312.27 set forth in subdivision 5, in equal amounts to all candidates of a major political party whose  
 312.28 names are to appear on the ballot in the general election and who:

312.29 (1) have signed a spending limit agreement under section 10A.322;

312.30 (2) have filed the affidavit of contributions required by section 10A.323; and

312.31 (3) were opposed in either the primary election or the general election.

312.32 (b) The public subsidy paid under this subdivision may not be paid in an amount that  
 312.33 would cause the sum of the public subsidy paid from the party account plus the public  
 313.1 subsidy paid from the general account to exceed 50 percent of the expenditure limit for the  
 313.2 candidate or 50 percent of the expenditure limit that would have applied to the candidate if  
 313.3 the candidate had not been freed from expenditure limits under section 10A.25, subdivision  
 313.4 10. Money from the ~~general~~ account not paid to a candidate because of the 50 percent limit  
 313.5 must be distributed equally among all other qualifying candidates for the same office until  
 313.6 all have reached the 50 percent limit or the balance in the ~~general~~ account is exhausted.

313.7 Sec. 7. Minnesota Statutes 2016, section 10A.31, subdivision 10, is amended to read:

313.8 Subd. 10. **December distribution.** In the event that on the date of either certification  
 313.9 by the commissioner of revenue as provided in subdivision ~~6 or~~ 7, less than 98 percent of  
 313.10 the tax returns have been processed, the commissioner of revenue must certify to the board  
 313.11 by December 1 the amount accumulated in ~~each~~ the account since the previous certification.  
 313.12 By December 15, the board must distribute to each candidate according to the ~~allocations~~  
 313.13 ~~in subdivisions 5 and 5a~~ allocation in subdivision 5 the amounts to which the candidates  
 313.14 are entitled.

313.15 Sec. 8. Minnesota Statutes 2016, section 10A.31, subdivision 10b, is amended to read:

313.16 Subd. 10b. **Remainder.** Money accumulated after the final certification must be kept  
313.17 in the ~~respective accounts~~ state elections campaign account for distribution in the next  
313.18 general election year.

313.19 Sec. 9. Minnesota Statutes 2016, section 10A.315, is amended to read:

313.20 **10A.315 SPECIAL ELECTION SUBSIDY.**

313.21 (a) Each eligible candidate for a legislative office in a special election must be paid a  
313.22 public subsidy equal to the ~~sum of:~~

313.23 ~~(1) the party account money at the last general election for the candidate's party for the~~  
313.24 ~~office the candidate is seeking; and~~

313.25 ~~(2) the general account amount of state elections campaign~~ money paid to a candidate  
313.26 for the same office at the last general election.

313.27 (b) A candidate who wishes to receive this public subsidy must submit a signed agreement  
313.28 under section 10A.322 to the board and must meet the contribution requirements of section  
313.29 10A.323. The special election subsidy must be distributed in the same manner as money in  
313.30 the ~~party and general accounts~~ state elections campaign account is distributed to legislative  
313.31 candidates in a general election.

314.1 (c) The amount necessary to make the payments required by this section is appropriated  
314.2 from the general fund for transfer to the state special elections campaign account for  
314.3 distribution by the board as set forth in this section.

314.4 Sec. 10. Minnesota Statutes 2016, section 10A.321, subdivision 1, is amended to read:

314.5 Subdivision 1. **Calculation and certification of estimates.** The commissioner of revenue  
314.6 must calculate and certify to the board one week before the first day for filing for office in  
314.7 each election year an estimate of the total amount in the ~~state general account of the state~~  
314.8 ~~elections campaign account~~ and the amount of money each candidate who qualifies, as  
314.9 provided in section 10A.31, ~~subdivisions 6 and subdivision 7~~, may receive from the  
314.10 ~~candidate's party account in the state elections campaign~~ account. This estimate must be  
314.11 based upon the allocations ~~and formulas~~ in section 10A.31, ~~subdivisions 5 and 5a, any~~  
314.12 ~~necessary vote totals provided by the secretary of state to apply the formulas in section~~  
314.13 ~~10A.31, subdivisions 5 and 5a, subdivision 5,~~ and the amount of money expected to be  
314.14 available after 100 percent of the tax returns have been processed.

314.15 Sec. 11. Minnesota Statutes 2016, section 290.06, subdivision 23, is amended to read:

314.16 Subd. 23. **Refund of contributions to political parties and candidates.** (a) A taxpayer  
 314.17 may claim a refund equal to the amount of the taxpayer's contributions made in the calendar  
 314.18 year to candidates and to a political party. The maximum refund for an individual must not  
 314.19 exceed \$50 and for a married couple, filing jointly, must not exceed \$100. A refund of a  
 314.20 contribution is allowed only if the taxpayer files a form required by the commissioner and  
 314.21 attaches to the form a copy of an official refund receipt form issued by the candidate or  
 314.22 party and signed by the candidate, the treasurer of the candidate's principal campaign  
 314.23 committee, or the chair or treasurer of the party unit, after the contribution was received.  
 314.24 The receipt forms must be numbered, and the data on the receipt that are not public must  
 314.25 be made available to the campaign finance and public disclosure board upon its request. A  
 314.26 claim must be filed with the commissioner no sooner than January 1 of the calendar year  
 314.27 in which the contribution was made and no later than April 15 of the calendar year following  
 314.28 the calendar year in which the contribution was made. A taxpayer may file only one claim  
 314.29 per calendar year. Amounts paid by the commissioner after June 15 of the calendar year  
 314.30 following the calendar year in which the contribution was made must include interest at the  
 314.31 rate specified in section 270C.405.

314.32 (b) No refund is allowed under this subdivision for a contribution to a candidate unless  
 314.33 the candidate:

315.1 (1) has signed an agreement to limit campaign expenditures as provided in section  
 315.2 10A.322;

315.3 (2) is seeking an office for which voluntary spending limits are specified in section  
 315.4 10A.25; and

315.5 (3) has designated a principal campaign committee.

315.6 This subdivision does not limit the campaign expenditures of a candidate who does not  
 315.7 sign an agreement but accepts a contribution for which the contributor improperly claims  
 315.8 a refund.

315.9 (c) For purposes of this subdivision, "political party" means a major political party as  
 315.10 defined in section 200.02, subdivision 7, or a minor political party ~~qualifying for inclusion~~  
 315.11 ~~on the income tax or property tax refund form under section 10A.31, subdivision 3a as~~  
 315.12 defined in section 200.02, subdivision 23.

315.13 A "major party" or "minor party" includes the aggregate of that party's organization  
 315.14 within each house of the legislature, the state party organization, and the party organization  
 315.15 within congressional districts, counties, legislative districts, municipalities, and precincts.

315.16 "Candidate" means a candidate as defined in section 10A.01, subdivision 10, except a  
315.17 candidate for judicial office.

315.18 "Contribution" means a gift of money.

315.19 (d) The commissioner shall make copies of the form available to the public and candidates  
315.20 upon request.

315.21 (e) The following data collected or maintained by the commissioner under this subdivision  
315.22 are private: the identities of individuals claiming a refund, the identities of candidates to  
315.23 whom those individuals have made contributions, and the amount of each contribution.

315.24 (f) The commissioner shall report to the campaign finance and public disclosure board  
315.25 by each August 1 a summary showing the total number and aggregate amount of political  
315.26 contribution refunds made on behalf of each candidate and each political party. These data  
315.27 are public.

315.28 (g) The amount necessary to pay claims for the refund provided in this section is  
315.29 appropriated from the general fund to the commissioner of revenue.

315.30 (h) For a taxpayer who files a claim for refund via the Internet or other electronic means,  
315.31 the commissioner may accept the number on the official receipt as documentation that a  
315.32 contribution was made rather than the actual receipt as required by paragraph (a).

316.1 Sec. 12. **REPEALER.**

316.2 Minnesota Statutes 2016, sections 10A.30, subdivision 2; and 10A.31, subdivisions 3a,  
316.3 5a, 6, and 6a, are repealed.

316.4 Sec. 13. **EFFECTIVE DATE; APPLICABILITY.**

316.5 This article is effective the day following final enactment, and provisions impacting the  
316.6 public subsidy for candidates apply to elections held on or after that date. No later than July  
316.7 1, 2018, the Campaign Finance and Public Disclosure Board must notify, in writing, all  
316.8 candidates who have signed an agreement applicable for the 2018 general election of the  
316.9 changes enacted by this article, and provide each candidate an opportunity, at the candidate's  
316.10 discretion, to sign a new agreement that reflects these changes. Agreements applicable for  
316.11 the 2018 general election that were signed prior to the effective date of this section remain  
316.12 valid for the sole purpose of establishing the candidate's eligibility to participate in the  
316.13 political contribution refund program authorized by Minnesota Statutes, section 290.06,  
316.14 subdivision 23, but are otherwise unenforceable and invalid for any other purpose.

316.15

**ARTICLE 17**

316.16

**MINNESOTA SPORTS FACILITIES AUTHORITY**

316.17 Section 1. Minnesota Statutes 2016, section 13.55, subdivision 1, is amended to read:

316.18 Subdivision 1. **Not public classification.** The following data received, created, or  
 316.19 maintained by or for publicly owned and operated convention facilities, civic center  
 316.20 authorities, or the ~~Metropolitan~~ Minnesota Sports Facilities Commission Authority are  
 316.21 classified as nonpublic data pursuant to section 13.02, subdivision 9; or private data on  
 316.22 individuals pursuant to section 13.02, subdivision 12:

316.23 (a) a letter or other documentation from any person who makes inquiry to or who is  
 316.24 contacted by the facility regarding the availability of the facility for staging events;

316.25 (b) identity of firms and corporations which contact the facility;

316.26 (c) type of event which they wish to stage in the facility;

316.27 (d) suggested terms of rentals; and

316.28 (e) responses of authority staff to these inquiries.

317.1 Sec. 2. Minnesota Statutes 2016, section 13.55, subdivision 2, is amended to read:

317.2 Subd. 2. **Public data.** (a) The data made not public by the provisions of subdivision 1  
 317.3 shall become public upon the occurrence of any of the following:

317.4 ~~(a)~~ (1) five years elapse from the date on which the lease or contract is entered into  
 317.5 between the facility and the inquiring party or parties or the event which was the subject of  
 317.6 inquiry occurs at the facility, whichever occurs earlier;

317.7 ~~(b)~~ (2) the event which was the subject of inquiry does not occur; or

317.8 ~~(c)~~ (3) the event which was the subject of inquiry occurs elsewhere.

317.9 (b) Data regarding persons receiving free or discounted admission, tickets, or other gifts  
 317.10 from publicly owned and operated convention facilities, civic center authorities, or the  
 317.11 Minnesota Sports Facilities Authority are public data unless the data are subject to the  
 317.12 provisions of subdivision 1 or 4, paragraph (b).

317.13 Sec. 3. Minnesota Statutes 2016, section 16A.965, is amended by adding a subdivision to  
317.14 read:

317.15 Subd. 11. **Prepayment of bonds.** By June 30, 2020, and every fiscal year thereafter,  
317.16 the commissioner shall set aside, in a separate account in the special revenue fund, an amount  
317.17 equal to the cumulative reduction in the payment for stadium operating expenses under  
317.18 section 473J.13, subdivision 2, paragraph (b), over the prior fiscal year. When a sufficient  
317.19 amount has accumulated in that account to make it practicable, the commissioner must  
317.20 transfer those amounts to the general fund. The transferred amounts are appropriated to the  
317.21 commissioner to prepay or defease bonds in a manner that preserves the tax exempt status  
317.22 of the bonds.

317.23 **EFFECTIVE DATE.** This section is effective July 1, 2020, and applies to reductions  
317.24 to stadium operating expense payments made in that fiscal year and thereafter.

317.25 Sec. 4. Minnesota Statutes 2016, section 297A.994, subdivision 4, is amended to read:

317.26 Subd. 4. **General fund allocations.** The commissioner must retain and deposit to the  
317.27 general fund the following amounts, as required by subdivision 3, clause (3):

317.28 (1) for state bond debt service support beginning in calendar year 2021, and for each  
317.29 calendar year thereafter through calendar year 2046, periodic amounts so that not later than  
317.30 December 31, 2046, an aggregate amount equal to a present value of \$150,000,000 has been  
317.31 deposited in the general fund. To determine aggregate present value, the commissioner must  
318.1 consult with the commissioner of management and budget regarding the present value dates,  
318.2 discount rate or rates, and schedules of annual amounts. The present value date or dates  
318.3 must be based on the date or dates bonds are sold under section 16A.965, or the date or  
318.4 dates other state funds, if any, are deposited into the construction fund. The discount rate  
318.5 or rates must be based on the true interest cost of the bonds issued under section 16A.965,  
318.6 or an equivalent 30-year bond index, as determined by the commissioner of management  
318.7 and budget. The schedule of annual amounts must be certified to the commissioner by the  
318.8 commissioner of management and budget and the finance officer of the city;

318.9 (2) for the capital improvement reserve appropriation to the Minnesota Sports Facilities  
318.10 Authority beginning in calendar year 2021, and for each calendar year thereafter through  
318.11 calendar year 2046, an aggregate annual amount equal to the amount paid by the state for  
318.12 this purpose in that calendar year under section 473J.13, subdivision 4;

318.13 (3) for the operating expense appropriation to the Minnesota Sports Facilities Authority  
318.14 beginning in calendar year 2021, and for each calendar year thereafter through calendar  
318.15 year 2046, an aggregate annual amount equal to the amount paid by the state for this purpose  
318.16 in that calendar year under section 473J.13, subdivision 2, determined without regard to  
318.17 any reduction under section 473J.13, subdivision 2, paragraph (b);



318.18 (4) for recapture of state advances for capital improvements and operating expenses for  
 318.19 calendar years 2016 through 2020 beginning in calendar year 2021, and for each calendar  
 318.20 year thereafter until all amounts under this clause have been paid, proportionate amounts  
 318.21 periodically until an aggregate amount equal to the present value of all amounts paid by the  
 318.22 state have been deposited in the general fund. To determine the present value of the amounts  
 318.23 paid by the state to the authority and the present value of amounts deposited to the general  
 318.24 fund under this clause, the commissioner shall consult with the commissioner of management  
 318.25 and budget regarding the present value dates, discount rate or rates, and schedule of annual  
 318.26 amounts. The present value dates must be based on the dates state funds are paid to the  
 318.27 authority, or the dates the commissioner of revenue deposits taxes for purposes of this clause  
 318.28 to the general fund. The discount rates must be based on the reasonably equivalent cost of  
 318.29 state funds as determined by the commissioner of management and budget. The schedule  
 318.30 of annual amounts must be revised to reflect amounts paid under section 473J.13, subdivision  
 318.31 2, paragraph (b), for 2016 to 2020, and subdivision 4, paragraph (c), for 2016 to 2020, and  
 318.32 taxes deposited to the general fund from time to time under this clause, and the schedule  
 318.33 and revised schedules must be certified to the commissioner by the commissioner of  
 318.34 management and budget and the finance officer of the city, and are transferred as accrued  
 318.35 from the general fund for repayment of advances made by the state to the authority.  
 319.1 Determination of the present value amounts must be made without regard to any reduction  
 319.2 in the state advances resulting from a reduction in the payments under section 473J.13,  
 319.3 subdivision 2, paragraph (b); and

319.4 (5) to capture increases in taxes imposed under the special law, for the benefit of the  
 319.5 Minnesota Sports Facilities Authority, beginning in calendar year 2013 and for each calendar  
 319.6 year thereafter through 2046, there shall be deposited to the general fund in proportionate  
 319.7 periodic payments in the following year, an amount equal to the following:

319.8 (i) 50 percent of the difference, if any, by which the amount of the net annual taxes for  
 319.9 the previous year exceeds the sum of the net actual taxes in calendar year 2011 plus  
 319.10 \$1,000,000, inflated at two percent per year since 2011, minus

319.11 (ii) 25 percent of the difference, if any, by which the amount of the net annual taxes for  
 319.12 the preceding year exceeds the sum of the net actual taxes in calendar year 2011 plus  
 319.13 \$3,000,000, inflated at two percent per year since 2011.

319.14 **EFFECTIVE DATE.** This section is effective upon compliance by the governing body  
 319.15 of the city of Minneapolis with Minnesota Statutes, section 645.021.

319.16 Sec. 5. Minnesota Statutes 2016, section 297E.021, subdivision 3, is amended to read:

319.17 Subd. 3. **Available revenues.** For purposes of this section, "available revenues" equals  
 319.18 the amount determined under subdivision 2, ~~plus up to \$20,000,000 each fiscal year from~~  
 319.19 ~~the taxes imposed under section 290.06, subdivision 1.~~

- 319.20 (1) reduced by the following amounts paid for the fiscal year under:
- 319.21 (i) the appropriation to principal and interest on appropriation bonds under section  
319.22 16A.965, subdivision 8;
- 319.23 (ii) the appropriation from the general fund to make operating expense payments under  
319.24 section 473J.13, subdivision 2, paragraph (b);
- 319.25 (iii) the appropriation for contributions to the capital reserve fund under section 473J.13,  
319.26 subdivision 4, paragraph (c);
- 319.27 (iv) the appropriations under Laws 2012, chapter 299, article 4, for administration and  
319.28 any successor appropriation;
- 319.29 (v) the reduction in revenues resulting from the sales tax exemptions under section  
319.30 297A.71, subdivision 43;
- 319.31 (vi) reimbursements authorized by section 473J.15, subdivision 2, paragraph (d);
- 320.1 (vii) the compulsive gambling appropriations under section 297E.02, subdivision 3,  
320.2 paragraph (c), and any successor appropriation; and
- 320.3 (viii) the appropriation for the city of St. Paul under section 16A.726, paragraph (c); and
- 320.4 (2) increased by the revenue deposited in the general fund under section 297A.994,  
320.5 subdivision 4, clauses (1) to (3), for the fiscal year.
- 320.6 **EFFECTIVE DATE.** This section is effective for fiscal years beginning after June 30,  
320.7 2019.
- 320.8 Sec. 6. Minnesota Statutes 2016, section 297E.021, subdivision 4, is amended to read:
- 320.9 Subd. 4. **Appropriation; general reserve account.** (a) To the extent the commissioner  
320.10 determines that revenues are available under subdivision 3 for the fiscal year, those amounts  
320.11 are appropriated from the general fund for deposit in a general reserve account established  
320.12 by order of the commissioner of management and budget. Appropriations under this  
320.13 subdivision for each fiscal year are limited to the amounts necessary to provide a balance  
320.14 in the reserve account up to the limit under paragraph (b). Amounts in this reserve are  
320.15 appropriated as necessary for application against any shortfall in the amounts deposited to  
320.16 the general fund under section 297A.994 or, after consultation with the Legislative  
320.17 Commission on Planning and Fiscal Policy, amounts in this reserve are appropriated to the  
320.18 commissioner of management and budget for ~~other~~ uses related to the stadium authorized

- 320.19 under section 473J.03, subdivision 8, that the commissioner deems financially prudent  
 320.20 ~~including but not~~, limited to reimbursements for ~~capital and~~ operating costs relating to the  
 320.21 stadium, refundings, and prepayment of debt. In no event, shall available revenues be  
 320.22 pledged, nor shall the appropriations of available revenues made by this section constitute  
 320.23 a pledge of available revenues as security for the prepayment of principal and interest on  
 320.24 the appropriation bonds under section 16A.965.
- 320.25 (b) The balance in the reserve account established by the commissioner under this  
 320.26 subdivision must not exceed \$26,821,000.
- 320.27 **EFFECTIVE DATE.** This section is effective July 1, 2019, and any amount above the  
 320.28 limit set in paragraph (b) on that date cancels to the general fund.
- 320.29 Sec. 7. Minnesota Statutes 2016, section 340A.404, subdivision 1, is amended to read:
- 320.30 Subdivision 1. **Cities.** (a) A city may issue an on-sale intoxicating liquor license to the  
 320.31 following establishments located within its jurisdiction:
- 320.32 (1) hotels;
- 321.1 (2) restaurants;
- 321.2 (3) bowling centers;
- 321.3 (4) clubs or congressionally chartered veterans organizations with the approval of the  
 321.4 commissioner, provided that the organization has been in existence for at least three years  
 321.5 and liquor sales will only be to members and bona fide guests, except that a club may permit  
 321.6 the general public to participate in a wine tasting conducted at the club under section  
 321.7 340A.419;
- 321.8 (5) sports facilities, restaurants, clubs, or bars located on land owned or leased by the  
 321.9 Minnesota Sports Facilities Authority; and
- 321.10 ~~(6) sports facilities located on land owned by the Metropolitan Sports Commission; and~~
- 321.11 ~~(7)~~ (6) exclusive liquor stores.
- 321.12 (b) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or  
 321.13 an on-sale malt liquor license to a theater within the city, notwithstanding any law, local  
 321.14 ordinance, or charter provision. A license issued under this paragraph authorizes sales on  
 321.15 all days of the week to persons attending events at the theater.

321.16 (c) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or  
321.17 an on-sale malt liquor license to a convention center within the city, notwithstanding any  
321.18 law, local ordinance, or charter provision. A license issued under this paragraph authorizes  
321.19 sales on all days of the week to persons attending events at the convention center. This  
321.20 paragraph does not apply to convention centers located in the seven-county metropolitan  
321.21 area.

321.22 (d) A city may issue an on-sale wine license and an on-sale malt liquor license to a  
321.23 person who is the owner of a summer collegiate league baseball team, or to a person holding  
321.24 a concessions or management contract with the owner, for beverage sales at a ballpark or  
321.25 stadium located within the city for the purposes of summer collegiate league baseball games  
321.26 at the ballpark or stadium, notwithstanding any law, local ordinance, or charter provision.  
321.27 A license issued under this paragraph authorizes sales on all days of the week to persons  
321.28 attending baseball games at the ballpark or stadium.

321.29 Sec. 8. Minnesota Statutes 2016, section 352.01, subdivision 2a, is amended to read:

321.30 Subd. 2a. **Included employees.** (a) "State employee" includes:

321.31 (1) employees of the Minnesota Historical Society;

321.32 (2) employees of the State Horticultural Society;

322.1 (3) employees of the Minnesota Crop Improvement Association;

322.2 (4) employees of the adjutant general whose salaries are paid from federal funds and  
322.3 who are not covered by any federal civilian employees retirement system;

322.4 (5) employees of the Minnesota State Colleges and Universities who are employed under  
322.5 the university or college activities program;

322.6 (6) currently contributing employees covered by the system who are temporarily  
322.7 employed by the legislature during a legislative session or any currently contributing  
322.8 employee employed for any special service as defined in subdivision 2b, clause (6);

322.9 (7) employees of the legislature who are appointed without a limit on the duration of  
322.10 their employment;

322.11 (8) trainees who are employed on a full-time established training program performing  
322.12 the duties of the classified position for which they will be eligible to receive immediate  
322.13 appointment at the completion of the training period;

- 322.14 (9) employees of the Minnesota Safety Council;
- 322.15 (10) any employees who are on authorized leave of absence from the Transit Operating  
322.16 Division of the former Metropolitan Transit Commission and who are employed by the  
322.17 labor organization which is the exclusive bargaining agent representing employees of the  
322.18 Transit Operating Division;
- 322.19 (11) employees of the Metropolitan Council, Metropolitan Parks and Open Space  
322.20 Commission, ~~Metropolitan Sports Facilities Commission~~, or Metropolitan Mosquito Control  
322.21 Commission unless excluded under subdivision 2b or are covered by another public pension  
322.22 fund or plan under section 473.415, subdivision 3;
- 322.23 (12) judges of the Tax Court;
- 322.24 (13) personnel who were employed on June 30, 1992, by the University of Minnesota  
322.25 in the management, operation, or maintenance of its heating plant facilities, whose  
322.26 employment transfers to an employer assuming operation of the heating plant facilities, so  
322.27 long as the person is employed at the University of Minnesota heating plant by that employer  
322.28 or by its successor organization;
- 322.29 (14) personnel who are employed as seasonal employees in the classified or unclassified  
322.30 service;
- 323.1 (15) persons who are employed by the Department of Commerce as a peace officer in  
323.2 the Commerce Fraud Bureau under section 45.0135 who have attained the mandatory  
323.3 retirement age specified in section 43A.34, subdivision 4;
- 323.4 (16) employees of the University of Minnesota unless excluded under subdivision 2b,  
323.5 clause (3);
- 323.6 (17) employees of the Middle Management Association whose employment began after  
323.7 July 1, 2007, and to whom section 352.029 does not apply;
- 323.8 (18) employees of the Minnesota Government Engineers Council to whom section  
323.9 352.029 does not apply;
- 323.10 (19) employees of the Minnesota Sports Facilities Authority;
- 323.11 (20) employees of the Minnesota Association of Professional Employees;
- 323.12 (21) employees of the Minnesota State Retirement System;

323.13 (22) employees of the State Agricultural Society;

323.14 (23) employees of the Gillette Children's Hospital Board who were employed in the  
323.15 state unclassified service at the former Gillette Children's Hospital on March 28, 1974; and

323.16 (24) if approved for coverage by the Board of Directors of Conservation Corps Minnesota,  
323.17 employees of Conservation Corps Minnesota so employed on June 30, 2003.

323.18 (b) Employees specified in paragraph (a), clause (13), are included employees under  
323.19 paragraph (a) if employer and employee contributions are made in a timely manner in the  
323.20 amounts required by section 352.04. Employee contributions must be deducted from salary.  
323.21 Employer contributions are the sole obligation of the employer assuming operation of the  
323.22 University of Minnesota heating plant facilities or any successor organizations to that  
323.23 employer.

323.24 Sec. 9. Minnesota Statutes 2016, section 473.121, subdivision 5a, is amended to read:

323.25 Subd. 5a. **Metropolitan agency.** "Metropolitan agency" means the Metropolitan Parks  
323.26 and Open Space Commission; and the Metropolitan Airports Commission; ~~and Metropolitan~~  
323.27 ~~Sports Facilities Commission.~~

323.28 Sec. 10. Minnesota Statutes 2016, section 473.164, is amended to read:

323.29 **473.164 SPORTS, AIRPORT COMMISSIONS COMMISSION TO PAY COUNCIL**  
323.30 **COSTS.**

324.1 Subdivision 1. **Annually reimburse.** ~~The Metropolitan Sports Facilities Commission~~  
324.2 ~~and the Metropolitan Airports Commission~~ shall annually reimburse the council for costs  
324.3 incurred by the council in the discharge of its responsibilities relating to the commission.  
324.4 The costs may be charged against any revenue sources of the commission as determined  
324.5 by the commission.

324.6 Subd. 2. **Estimates, budget, transfer.** On or before May 1 of each year, the council  
324.7 shall transmit to ~~each~~ each the commission an estimate of the costs which the council will incur  
324.8 in the discharge of its responsibilities related to the commission in the next budget year  
324.9 including, without limitation, costs in connection with the preparation, review,  
324.10 implementation and defense of plans, programs and budgets of the commission. ~~Each~~ The  
324.11 commission shall include the estimates in its budget for the next budget year and may  
324.12 transmit its comments concerning the estimated amount to the council during the budget  
324.13 review process. Prior to December 15 of each year, the amount budgeted by ~~each~~ each the  
324.14 commission for the next budget year may be changed following approval by the council.  
324.15 During each budget year, the commission shall transfer budgeted funds to the council in  
324.16 advance when requested by the council.

324.17 Subd. 3. **Final statement.** At the conclusion of each budget year, the council, in  
324.18 cooperation with ~~each~~ the commission, shall adopt a final statement of costs incurred by  
324.19 the council for ~~each~~ the commission. Where costs incurred in the budget year have exceeded  
324.20 the amount budgeted, ~~each~~ the commission shall transfer to the council the additional moneys  
324.21 needed to pay the amount of the costs in excess of the amount budgeted, and shall include  
324.22 a sum in its next budget. Any excess of budgeted costs over actual costs may be retained  
324.23 by the council and applied to the payment of budgeted costs in the next year.

324.24 Sec. 11. Minnesota Statutes 2016, section 473.565, subdivision 1, is amended to read:

324.25 Subdivision 1. **In MSRS; exceptions.** All employees of the former commission shall  
324.26 be members of the Minnesota State Retirement System with respect to service rendered on  
324.27 or after May 17, 1977, except as provided in this section.

324.28 Sec. 12. Minnesota Statutes 2016, section 473.755, subdivision 4, is amended to read:

324.29 Subd. 4. **Bylaws.** The authority shall adopt bylaws to establish rules of procedure, the  
324.30 powers and duties of its officers, and other matters relating to the governance of the authority  
324.31 and the exercise of its powers. Except as provided in this section, the bylaws adopted under  
324.32 this subdivision shall be similar in form and substance to bylaws adopted by the Metropolitan  
324.33 Sports Facilities Commission pursuant to Minnesota Statutes 2012, section 473.553.

325.1 Sec. 13. Minnesota Statutes 2016, section 473.763, subdivision 2, is amended to read:

325.2 Subd. 2. **Acquisition.** Subject to the rules of Major League Baseball, the governor ~~and~~  
325.3 ~~the Metropolitan Sports Facilities Commission~~ must attempt to facilitate the formation of  
325.4 a corporation to acquire the baseball franchise and to identify an individual private managing  
325.5 owner of the corporation. The corporation formed to acquire the franchise shall have a  
325.6 capital structure in compliance with all of the following provisions:

325.7 (1) there may be two classes of capital stock: common stock and preferred stock. Both  
325.8 classes of stock must give holders voting rights with respect to any relocation or voluntary  
325.9 contraction of the franchise;

325.10 (2) the private managing owner must own no less than 25 percent and no more than 35  
325.11 percent of the common stock. For purposes of this restriction, shares of common stock  
325.12 owned by the private managing owner include shares of common stock owned by any related  
325.13 taxpayer as defined in section 1313(c) of the Internal Revenue Code of 1986, as amended.  
325.14 Other than the rights of all other holders of common stock and preferred stock with respect  
325.15 to relocation or voluntary contraction of the franchise, the private managing owner must  
325.16 control all aspects of the operation of the corporation;

325.17 (3) other than the private managing owner, no individual or entity may own more than  
325.18 five percent of the common stock of the corporation;

325.19 (4) at least 50 percent of the ownership of the common stock must be sold to members  
325.20 of the general public in a general solicitation and a person or entity must not own more than  
325.21 one percent of common stock of the corporation; and

325.22 (5) the articles of incorporation, bylaws, and other governing documents must provide  
325.23 that the franchise may not move outside of the state or agree to voluntary contraction without  
325.24 approval of at least 75 percent of the shares of common stock and at least 75 percent of the  
325.25 shares of preferred stock. Notwithstanding any law to the contrary, these 75 percent approval  
325.26 requirements shall not be amended by the shareholders or by any other means.

325.27 Except as specifically provided by Laws 2006, chapter 257, no state agency may spend  
325.28 money from any state fund for the purpose of generating revenue under this subdivision or  
325.29 for the purpose of providing operating support or defraying operating losses of a professional  
325.30 baseball franchise.

326.1 Sec. 14. Minnesota Statutes 2016, section 473J.03, is amended by adding a subdivision  
326.2 to read:

326.3 Subd. 13. Stadium space. "Stadium space" means a seat, personal seat license, suite,  
326.4 club room, parking, or any other part of the stadium or license to access any part of the  
326.5 stadium that a member of the general public would have to pay to use or access.

326.6 Sec. 15. Minnesota Statutes 2016, section 473J.07, subdivision 2, is amended to read:

326.7 Subd. 2. **Membership.** (a) The authority shall consist of five members.

326.8 (b) ~~The chair and two~~ Three members shall be appointed by the governor and confirmed  
326.9 by the house of representatives and the senate. One member appointed by the governor shall  
326.10 serve until December 31 of the third year following appointment and one member shall  
326.11 serve until December 31 of the fourth year following appointment. Thereafter, members  
326.12 appointed by the governor shall serve four-year terms, beginning January 1. Each member  
326.13 serves until a successor is appointed and takes office unless removed by the appointing  
326.14 authority for cause. Cause for removal includes violation of the employee code of ethics in  
326.15 section 43A.38. ~~The chair serves at the pleasure of the governor.~~

326.16 (c) The mayor of the city shall appoint and the house of representatives and the senate  
326.17 shall confirm two members to the authority. One member appointed by the mayor of the  
326.18 city shall serve until December 31 of the third year following appointment and one member  
326.19 shall serve until December 31 of the fourth year following appointment. Thereafter, members



326.20 appointed under this paragraph shall serve four-year terms beginning January 1. Each  
326.21 member serves until a successor is appointed and takes office unless removed by the  
326.22 appointing authority for cause. Cause for removal includes violation of the employee code  
326.23 of ethics in section 43A.38. Members appointed under this paragraph may reside within the  
326.24 city and may be appointed officials of a political subdivision.

326.25 ~~(d) The initial members of the authority must be appointed not later than June 13, 2012.~~

326.26 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
326.27 applies to members appointed on or after the day following final enactment.

326.28 Sec. 16. Minnesota Statutes 2016, section 473J.07, subdivision 3, is amended to read:

326.29 Subd. 3. **Compensation.** The authority may compensate its members, ~~other than the~~  
326.30 ~~chair, as provided in section 15.0575. The chair shall receive, unless otherwise provided by~~  
326.31 ~~other law, a salary in an amount fixed by the authority, no more than half of the salary of~~  
327.1 the executive director of the authority in fiscal year 2019 and shall be reimbursed for  
327.2 reasonable expenses to the same extent as a member.

327.3 Sec. 17. Minnesota Statutes 2016, section 473J.07, subdivision 4, is amended to read:

327.4 Subd. 4. **Chair.** The chair presides at all meetings of the authority, if present, and  
327.5 performs all other assigned duties and functions. The members of the authority shall  
327.6 biennially elect a chair from among its members. The authority may appoint from among  
327.7 its members a vice-chair to act for the chair during the temporary absence or disability of  
327.8 the chair, and any other officers the authority determines are necessary or convenient.

327.9 Sec. 18. Minnesota Statutes 2016, section 473J.07, subdivision 7, is amended to read:

327.10 Subd. 7. **Audit.** The legislative auditor shall audit the books and accounts of the authority  
327.11 once each year or as often as the legislative auditor's funds and personnel permit. The  
327.12 authority shall pay the total cost of the audit pursuant to section 3.9741. The legislative  
327.13 auditor may conduct examinations of the authority's finances, budgets, expenditures,  
327.14 revenues, and its operation. The legislative auditor may periodically examine the authority's  
327.15 use of stadium space by the authority's members, staff, family, friends, charitable  
327.16 organizations, and vendors.

327.17 Sec. 19. Minnesota Statutes 2016, section 473J.07, subdivision 8, is amended to read:

327.18 Subd. 8. **Executive director; employees.** The authority may appoint an executive director  
327.19 to serve as the chief executive officer of the authority. The executive director serves at the  
327.20 pleasure of the authority and receives compensation as determined by the authority not to

327.21 exceed \$135,000. The executive director may be responsible for the operation, management,  
327.22 and promotion of activities of the authority, as prescribed by the authority. The executive  
327.23 director has the powers necessarily incident to the performance of duties required and powers  
327.24 granted by the authority, but does not have authority to incur liability or make expenditures  
327.25 on behalf of the authority without general or specific directions by the authority, as shown  
327.26 by the bylaws or minutes of a meeting of the authority. The executive director is responsible  
327.27 for hiring, supervision, and dismissal of all other employees of the authority. The authority  
327.28 must conduct an annual employee evaluation of the executive director, which must be  
327.29 reviewed and approved by the entire board.

328.1 Sec. 20. Minnesota Statutes 2016, section 473J.07, is amended by adding a subdivision  
328.2 to read:

328.3 Subd. 8a. **Budget; report.** After adoption, the authority shall submit its annual budget  
328.4 to the commissioner of management and budget and to the chairs and ranking minority  
328.5 members of the senate finance and house of representatives ways and means committees.

328.6 Sec. 21. Minnesota Statutes 2016, section 473J.07, is amended by adding a subdivision  
328.7 to read:

328.8 Subd. 8b. **Contracts.** The authority may not enter a contract with a value of more than  
328.9 \$5,000 unless the terms of the contract have been approved by the authority by public vote  
328.10 at a regular or special meeting. The authority may not delegate or authorize the executive  
328.11 director to execute contracts on behalf of the authority in a manner that conflicts with this  
328.12 subdivision.

328.13 Sec. 22. Minnesota Statutes 2016, section 473J.07, subdivision 9, is amended to read:

328.14 Subd. 9. **Web site.** The authority shall establish a Web site for purposes of providing  
328.15 information to the public concerning all actions taken by the authority. At a minimum, the  
328.16 Web site must contain a current version of the authority's bylaws, notices of upcoming  
328.17 meetings, minutes of the authority's meetings, each annual budget, each use agreement,  
328.18 each management agreement, each sponsorship agreement, meeting minutes for all meetings,  
328.19 policies, and procedures, and contact telephone, electronic mail, and facsimile numbers for  
328.20 public comments. This subdivision does not apply to information that is classified as not  
328.21 public data, as defined in section 13.02, subdivision 8a, under other law.

328.22 Sec. 23. Minnesota Statutes 2016, section 473J.09, is amended by adding a subdivision  
328.23 to read:

328.24 Subd. 7a. **Code of conduct and political activities.** (a) The authority shall adopt and  
328.25 comply with the latest version of the state code of conduct promulgated by Minnesota

328.26 Management and Budget, and sections 43A.32 and 43A.38 apply to the authority members  
328.27 and the authority's employees.

328.28 (b) For purposes of section 43A.38, subdivision 4, use of or preferential access to stadium  
328.29 space by an authority member or employee constitutes an impermissible use of state property  
328.30 for the employee's private interest, unless the use or terms of access are expressly permitted  
328.31 by this section.

329.1 Sec. 24. Minnesota Statutes 2016, section 473J.09, subdivision 13, is amended to read:

329.2 Subd. 13. **Legislative report.** (a) The authority must report in writing to the chairs and  
329.3 ranking minority members of the legislative committees with jurisdiction over state  
329.4 government finance and to the senate Finance Committee and the house of representatives  
329.5 Ways and Means Committee by January 15 of each year on the following, and in person to  
329.6 the Legislative Commission on Minnesota Sports Facilities at least quarterly. The reports  
329.7 must describe:

329.8 (1) any recommended increases in the rate or dollar amount of tax;

329.9 (2) any recommended increases in the debt of the authority;

329.10 (3) the overall work and role of the authority;

329.11 (4) the authority's proposed operating and capital budgets; ~~and~~

329.12 (5) the authority's implementation of the operating and capital budgets, including  
329.13 information on actual revenues and expenditures, events conducted, and all expected or  
329.14 unexpected maintenance and capital repair needs arising since the time of the last report;

329.15 (6) a listing of all stadium amenities under the control of the authority since the time of  
329.16 the last report, and how the amenities were used; and

329.17 (7) at least once each year, a detailed accounting of amounts expended for operating  
329.18 expenses of the stadium for the most recently available year by functional category or object  
329.19 or both, estimates of those expenses for the current and coming year, and description of any  
329.20 plans for managing and improving efficiencies in the operation of the stadium.

329.21 (b) Copies of each report containing the information required by paragraph (a), clause  
329.22 (5), must also be provided to the commissioner of management and budget. The authority  
329.23 must also provide, at the request of the commissioner, any additional information on its  
329.24 expenditures on and plans for managing and budgeting for the costs of operating the stadium,  
329.25 including the reserve for capital expenditures. The commissioner must, at least once each

329.26 biennium, review the amounts expended for stadium operations and make recommendations  
329.27 to the governor on the amount needed for state payment of those costs. The governor's  
329.28 budget must include recommendations for the payments under section 473J.13, subdivisions  
329.29 2, paragraph (b), and 4, paragraph (c), and whether modification of the statutorily  
329.30 appropriated amounts is recommended or required.

330.1 Sec. 25. Minnesota Statutes 2016, section 473J.09, is amended by adding a subdivision  
330.2 to read:

330.3 Subd. 15. **Consignment agreement; authority's suites.** (a) The authority must negotiate  
330.4 an agreement providing for consignment of the authority's suites to the primary tenant  
330.5 consistent with the use agreement and subject to this subdivision. The final terms of the  
330.6 consignment must be approved by the chairs of the committees of the house of representatives  
330.7 and the senate with jurisdiction over state government finance and must include the following:

330.8 (1) the primary tenant is the consignee and must make all commercially reasonable  
330.9 efforts to sell access to the suites to third parties;

330.10 (2) the authority must receive a percentage of the revenues from consignment of the  
330.11 suites each year equal to at least 90 percent of the first \$400,000 of revenue and 65 percent  
330.12 of any amount in excess of that and the amount of revenue retained by the primary tenant  
330.13 must not exceed its actual transaction, marketing, and administrative costs that it would not  
330.14 have incurred but for the consignment; and

330.15 (3) the terms of the consignment agreement are effective for a period of five years  
330.16 beginning no later than August 1, 2018, and must be renegotiated no later than August 1,  
330.17 2023, and every five years thereafter.

330.18 (b) Data collected, created, or maintained by the authority related to negotiation of the  
330.19 consignment required by this paragraph are nonpublic data, as defined in section 13.02,  
330.20 subdivision 9. Data provided to the legislative chairs under the approval requirement in  
330.21 paragraph (a) may not be disclosed without the consent of the primary tenant.

330.22 (c) The authority must use revenues from the consignment agreement to pay the operating  
330.23 expenses of the stadium.

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

330.25 Sec. 26. Minnesota Statutes 2016, section 473J.09, is amended by adding a subdivision  
330.26 to read:

330.27 Subd. 16. Report on stadium space use by authority members, staff, and vendors.

330.28 The authority shall report the following information annually to the governor, the mayor of

330.29 the city of Minneapolis, the chair of the Legislative Commission on Minnesota Sports

330.30 Facilities, and the chairs and ranking minority members of the senate Finance Committee

330.31 and the house of representatives Ways and Means Committee regarding use of stadium

330.32 space by authority members, staff, family, friends, charitable organizations, and vendors or

330.33 their guests:

331.1 (1) the costs of use;

331.2 (2) the identity of each adult attendee and their legitimate business purpose for attendance;

331.3 (3) the date, time, and a general description of the stadium event at which the suite was

331.4 used; and

331.5 (4) the value and description of any food, parking, or other benefits provided to attendees.

331.6 Sec. 27. [473J.095] AUTHORITY'S USE OF STADIUM SPACE.

331.7 Subdivision 1. Application. The restrictions in this section apply to the use of stadium

331.8 space provided to the authority under the terms of the lease or use agreement required under

331.9 section 473J.15, subdivision 3.

331.10 Subd. 2. Use of stadium space by authority members and staff. (a) Authority members

331.11 and authority staff, including the executive director of the authority, may not use stadium

331.12 space unless the use is for a legitimate business purpose. For purposes of this subdivision,

331.13 "legitimate business purpose" means:

331.14 (1) in the case of a suite, the executive director's use of the suite to conduct oversight of

331.15 stadium operations; or

331.16 (2) in the case of stadium space other than a suite:

331.17 (i) participating in a marketing effort arranged by the authority's management vendor;

331.18 (ii) conducting oversight of stadium operations; or

331.19 (iii) making stadium space available to nonprofit charitable organizations to provide

331.20 access to events at the stadium for people served by the charitable organization.

331.21 The executive director of the authority must ensure that use of stadium space does not  
331.22 violate open meeting laws.

331.23 (b) Use of stadium space by authority staff must be based on an express written  
331.24 assignment of duties by the executive director or, in the case of use by the executive director,  
331.25 an express written assignment of duties by the authority chair. In all cases, use of stadium  
331.26 space by authority staff must be approved by a vote of the authority at a public meeting,  
331.27 and the legitimate business purpose for use must be made a part of the public record.  
331.28 Authority staff may not be provided free food, beverages, or stadium parking unless necessary  
331.29 to complete the assigned duties.

331.30 Subd. 4. **Use of stadium space by family, friends, and other guests.** The authority or  
331.31 its members may not grant access to stadium space to family members, friends, or other  
332.1 guests of the authority's members or staff unless the use is for a legitimate business purpose.  
332.2 The use must be approved by a vote of the authority at a public meeting, and the legitimate  
332.3 business purpose must be made a part of the public record. For purposes of this subdivision,  
332.4 "legitimate business purpose" means being a prospective user of the stadium.

332.5 Subd. 5. **Open market purchase.** This section does not prohibit an authority member,  
332.6 authority staff, or family, friends, or other guests of authority members or staff from attending  
332.7 events or renting stadium space, if a ticket or a right of access to the space was purchased  
332.8 on the open market through the same channels, and for the same price, as those available  
332.9 to the general public.

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

332.11 Sec. 28. Minnesota Statutes 2016, section 473J.13, subdivision 2, is amended to read:

332.12 Subd. 2. **Operating expenses.** (a) The authority must pay or cause to be paid all operating  
332.13 expenses of the stadium. The authority must require in the lease or use agreement with the  
332.14 NFL team that the NFL team pay the authority, beginning January 1, 2016, or other date as  
332.15 mutually agreed upon by the parties, toward operating costs of the stadium, \$8,500,000  
332.16 each year, increased by a three percent annual inflation rate.

332.17 (b)(1) Beginning January 1, 2016, or other date as mutually agreed upon by the parties,  
332.18 and continuing through 2020, the state shall pay the authority operating expenses, \$6,000,000  
332.19 each year, increased by an annual adjustment factor. The payment of \$6,000,000 per year  
332.20 beginning in 2016 is a payment by the state, which shall be repaid to the state, using funds  
332.21 as provided under section 297A.994, subdivision 4, clause (4). After 2020, the state shall  
332.22 assume this payment, using funds generated in accordance with the city of Minneapolis as  
332.23 specified under section 297A.994, subdivision 4, clause (3); and

332.24 (2) beginning for fiscal year 2020, the payment under this section must be reduced by  
332.25 the additional revenue received by the authority under the consignment under section 473J.09,  
332.26 subdivision 15, in the prior fiscal year.

332.27 (c) The authority may establish an operating reserve to cover operating expense shortfalls  
332.28 and may accept funds from any source for deposit in the operating reserve. The establishment  
332.29 or funding of an authority operating reserve must not decrease the amounts required to be  
332.30 paid to the authority toward operating costs under this subdivision unless agreed to by the  
332.31 authority.

332.32 (d) The authority will be responsible for operating cost overruns.

333.1 (e) After the joint selection of the third-party manager or program manager, the authority  
333.2 may agree with a program manager or other third-party manager of the stadium on a fixed  
333.3 cost operating, management, or employment agreement with operating cost protections  
333.4 under which the program manager or third-party manager assumes responsibility for stadium  
333.5 operating costs and shortfalls. The agreement with the manager must require the manager  
333.6 to prepare an initial and ongoing operating plan and operating budgets for approval by the  
333.7 authority in consultation with the NFL team. The manager must agree to operate the stadium  
333.8 in accordance with the approved operating plan and operating budget.

333.9 **EFFECTIVE DATE.** This section is effective July 1, 2018.

333.10 Sec. 29. Minnesota Statutes 2016, section 473J.13, subdivision 3, is amended to read:

333.11 Subd. 3. **Public access.** The authority will work to maximize access for public and  
333.12 amateur sports, community, and civic events, and other public events in type and on terms  
333.13 consistent with those ~~currently~~ held at the ~~existing~~ football stadium, as defined in Minnesota  
333.14 Statutes 2012, section 473.551, subdivision 9. The authority may provide that these events  
333.15 have exclusive use of the premises at agreed-upon times subject to the scheduling rights of  
333.16 the NFL team under the lease or use agreement.

333.17 Sec. 30. Minnesota Statutes 2016, section 473J.25, subdivision 3, is amended to read:

333.18 Subd. 3. **Metropolitan Sports Facilities Commission abolished; interim powers**  
333.19 **conferred on authority.** Upon transfer to the authority of all remaining assets, liabilities,  
333.20 and obligations of the Metropolitan Sports Facilities Commission, in subdivision 2, the  
333.21 Metropolitan Sports Facilities Commission is abolished. When the remaining assets,  
333.22 liabilities, and obligations of the Metropolitan Sports Facilities Commission have been  
333.23 transferred to the authority and the commission has been abolished, the powers and duties  
333.24 of the commission under Minnesota Statutes 2012, sections 473.551 to 473.599, and any  
333.25 other law shall devolve upon the authority, in addition to the powers and duties of the  
333.26 authority under chapter 473J, until the first NFL home game is played at the stadium.

333.27 Sec. 31. Minnesota Statutes 2016, section 473J.27, subdivision 2, is amended to read:

333.28 Subd. 2. **High school league.** The lessee of the stadium must make the facilities of the  
333.29 stadium available for use by the Minnesota State High School League for at least seven  
333.30 days each year for high school soccer and football tournaments. The lessee of the stadium  
333.31 must provide, and may not directly, or through a management company, charge the league  
334.1 a fee for, this use, including security, ticket takers, custodial or cleaning services, or other  
334.2 similar services in connection with this use.

334.3 Sec. 32. **RECOVERY; MINNESOTA SPORTS FACILITIES AUTHORITY.**

334.4 The Minnesota Sports Facilities Authority must make every effort to recover the fair  
334.5 market value of any food, parking, tickets, and access to stadium suites provided to a person  
334.6 prior to January 1, 2017, if the provision of those benefits to the person was not in the public  
334.7 interest. The authority shall report on recovery efforts to the commissioner of management  
334.8 and budget and to the chairs and ranking minority members of the senate finance and house  
334.9 of representatives ways and means committees by May 31, 2018. Money recovered under  
334.10 this section is transferred by July 1, 2018, to the commissioner of management and budget  
334.11 for deposit in the general reserve account established under Minnesota Statutes, section  
334.12 297E.021, subdivision 4.

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

334.14 Sec. 33. **CHAIR SALARY; MINNESOTA SPORTS FACILITIES AUTHORITY.**

334.15 By February 15, 2019, the committees in the house of representatives and the senate  
334.16 with jurisdiction over state government finance shall recommend legislation limiting the  
334.17 salary of the chair of the Minnesota Sports Facilities Authority that shall apply beginning  
334.18 in fiscal year 2020.

334.19 Sec. 34. **REPEALER.**

334.20 (a) Minnesota Statutes 2016, sections 137.50, subdivision 5; 473.551; 473.552; 473.553,  
334.21 subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13; 473.556, subdivisions 1, 2, 3, 4, 5,  
334.22 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, and 17; 473.561; 473.564, subdivisions 2 and 3; 473.572;  
334.23 473.581; 473.592, subdivision 1; 473.595; 473.598; 473.599; and 473.76, are repealed.

334.24 (b) Minnesota Statutes 2016, section 473J.09, subdivision 14, is repealed.

334.25 Sec. 35. **EFFECTIVE DATE.**



334.26 This article is effective the day following final enactment. The terms of all current  
334.27 members of the Minnesota Sports Facilities Authority terminate January 31, 2019. Appointing  
334.28 authorities must appoint new members of the authority by January 15, 2019, to serve terms  
334.29 beginning February 1, 2019. Appointments shall be effective and the appointees may exercise  
334.30 the duties of the office upon receipt of the letter of appointment by the president of the  
334.31 senate and the speaker of the house.