

CHAPTER 383B

HENNEPIN COUNTY

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383B.042 DEFINITIONS.

[For text of subs 1 to 12, see M.S.2004]

Subd. 13. **Political committee.** "Political committee" means any political party, association or person other than an individual that seeks as its major purpose to influence the outcome of any election for a city ballot issue or for any city office in the city of Bloomington; for a city or school district ballot issue and for any city or school district office in the city of Minneapolis, and in Special School District No. 1, Minneapolis; or for any countywide ballot issue or county office in Hennepin County; and not to influence the outcome of any other election.

Subd. 14. **Political fund.** "Political fund" means any accumulation of dues or voluntary contributions by an association other than a political committee, which accumulation is collected or expended for the purpose of influencing the outcome of any election for a city ballot issue or for any city office in the city of Bloomington; for a city or school district ballot issue and for any city or school district office in the city of Minneapolis, and in Special School District No. 1, Minneapolis; or for any countywide ballot issue or county office in Hennepin County; and not for the purpose of influencing the outcome of any other election.

[For text of subd 15, see M.S.2004]

Subd. 16. **Principal campaign committee.** "Principal campaign committee" means the single political committee designated by a candidate for election for any city office in the city of Bloomington; for any city office in the city of Minneapolis; for any school district office in Special School District No. 1, Minneapolis; or for any county office in Hennepin County.

[For text of subd 17, see M.S.2004]

History: 2005 c 11 s 1-3

383B.046 REGISTRATION OF POLITICAL COMMITTEES, POLITICAL FUNDS, AND PRINCIPAL CAMPAIGN COMMITTEES.

Subdivision 1. **Filing office; deadline.** Every political committee, political fund and principal campaign committee as defined in section 383B.042, subdivisions 13, 14, and 16, shall register with the filing officer within 14 days after the date by which the committee or fund has received contributions or made expenditures in excess of \$100. A political committee, political fund, or principal campaign committee that is registered with the Campaign Finance and Public Disclosure Board under section 10A.14 need not register under this section.

Subd. 2. **Statement required.** A political committee, political fund, or principal campaign committee registers by filing a statement of organization that includes:

- (a) the name and address of the political committee, political fund, or principal campaign committee;
- (b) the name and address of the chair, the treasurer, and any deputy treasurers;
- (c) the name and address of the depository used by the committee or fund;
- (d) the name and address of any supporting association of a political fund; and
- (e) a statement as to whether the committee is a principal campaign committee.

The statement of organization shall be filed by the treasurer of the political committee, political fund or principal campaign committee.

History: 2005 c 11 s 4

383B.047 ACCOUNTS WHICH MUST BE KEPT.

Subdivision 1. **Contributions; expenditures; transfers.** The treasurer of any political committee, political fund or principal campaign committee shall keep an account of:

- (1) the sum of all contributions made to the political committee, political fund, or principal campaign committee;
- (2) the name and address of each source of a transfer or donation in kind, together with the date and amount;
- (3) each expenditure made by or on behalf of the committee or fund together with the date and amount; and
- (4) the name and address of each political committee, political fund, or principal campaign committee to which transfers have been made, together with the date and amount.

Subd. 2. **Authorization of expenditures; receipts.** Each expenditure by a political committee, political fund or principal campaign committee shall be authorized by the treasurer. The treasurer may authorize not more than \$20 per week as petty cash for miscellaneous expenditures. The treasurer shall obtain a receipted bill stating the particulars for every expenditure made by or on behalf of the political committee, political fund, or principal campaign committee.

History: 2005 c 11 s 5

383B.048 CAMPAIGN REPORTS.

Subdivision 1. **Committees required to report; deadlines.** (a) The treasurer of any political committee, political fund, or principal campaign committee required to register pursuant to section 383B.046 shall file campaign reports with the filing officer. In each year in which the name of the candidate is on the ballot, the report of the principal campaign committee shall be filed one week before a regular primary and a regular election. Political committees and political funds shall file campaign reports one week before a regular primary or regular election.

(b) The treasurer of a principal campaign committee shall file reports one week before a special primary or other special election and 30 days after a special election.

(c) The reports shall cover the period from the day after the end of the previous reporting period to one week before the filing date.

(d) A campaign report shall be filed by all treasurers on January 31 of each year covering the period from the day after the end of the previous reporting period to December 31 of the preceding calendar year.

Subd. 2. **Content of reports.** Each campaign report required under this section shall disclose:

(1) the amount of liquid assets on hand at the beginning of the reporting period;

(2) the name, address and employer, or occupation if self-employed, of each individual, committee or political fund that made transfers or donations in kind to the political committee, political fund, or principal campaign committee in an aggregate amount or value in excess of \$100, together with the amount and date;

(3) the sum of all contributions made to the political committee, political fund, or principal campaign committee;

(4) each loan made or received by the political committee, political fund, or principal campaign committee within the year in aggregate in excess of \$100, together with the name, address, occupation and the principal place of business, if any, of the lender and any endorser and the date and amount of the loan. A loan made to a political committee, political fund, or principal campaign committee which is forgiven or is repaid by an entity other than that political committee or fund shall be reported as a contribution;

(5) the sum of all receipts, including all contributions and loans, during the reporting period;

(6) the name and address of each person to whom aggregate expenditures have been made by or on behalf of the political committee, political fund, or principal campaign committee within the year in excess of \$100, the amount, date and purpose of each expenditure and the ballot question or the name and address of the candidate supported or opposed by the expenditure;

(7) the sum of all expenditures made by the political committee, political fund, or principal campaign committee;

(8) the amount and nature of any advance of credit incurred by the political committee, political fund, or principal campaign committee continuously reported until paid or forgiven. An advance of credit incurred by a political committee, political fund, or principal campaign committee which is forgiven or is paid by an entity other than that political committee, political fund, or principal campaign committee shall be reported as a donation in kind;

(9) the name and address of each political committee, political fund, or principal campaign committee to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

(10) the sum of all transfers made to political committees, political funds, or principal campaign committees; and

(11) the sum of all disbursements not made to influence the outcome of an election.

Subd. 3. **Party sample ballots.** Expenditures by a political party as defined in section 200.02, subdivision 7, or a substate unit of such a party, for the preparation, display and distribution of an official party sample ballot containing the names of three or more individuals whose names are to appear on the ballot shall not be considered contributions or expenditures on behalf of any candidate.

Subd. 4. **Termination reports.** (a) A political committee, political fund, or principal campaign committee created pursuant to section 383B.046 may dissolve upon filing of a termination report indicating that the committee or fund has settled all of its debts and disposed of all assets in excess of \$100. The termination report shall include all information required in a periodic campaign report.

(b) Political committees and political funds that were created for purposes of supporting or opposing candidates or ballot issues beyond the scope of those identified in section 383B.042, subdivision 5, 13, or 14, may terminate their registration with Hennepin County. Termination of a registration under this provision does not require

termination of the political committee or political fund and does not require settlement of all debts and disposition of all assets in excess of \$100.

History: 2005 c 11 s 6

383B.049 EXPENDITURES BY INDIVIDUALS.

Subdivision 1. **Reports.** Except as provided in subdivision 2, any individual who makes expenditures in an aggregate amount of \$100 or more in any year, which expenditures are not required to be reported by any political committee, political fund, or principal campaign committee as contributions to that political committee, political fund, or principal campaign committee, shall file campaign reports in the form required by section 383B.048 with respect to those expenditures.

Subd. 2. **Exception; independent expenditures.** An individual shall not be required to report any expenditure which is made without the cooperation or express or implied consent of any candidate, political committee, political fund, or agent of a candidate, political committee, or political fund, unless the expenditure expressly advocates the election or defeat of a clearly identified candidate or the approval or rejection of a clearly identified county or city ballot question at any election.

History: 2005 c 11 s 7

383B.05 ADDITIONAL INFORMATION TO BE DISCLOSED.

Subdivision 1. **Earmarked contributions.** Any individual, political committee, political fund, or principal campaign committee that receives a contribution from any person or association in an aggregate in excess of \$50 with the express or implied condition that the contribution or any part of it be directed to a particular candidate shall disclose to the ultimate recipient and in any report required by section 383B.048, the original source of the contribution, the fact that it was earmarked and the candidate to whom it is directed. The ultimate recipient of any earmarked contribution shall also disclose the original source and the individual, political committee, political fund, or principal campaign committee through which it was directed. Any individual, political committee, political fund, or principal campaign committee that knowingly accepts earmarked funds and fails to make the disclosure required by this subdivision is guilty of a misdemeanor.

Subd. 2. **Bills when rendered and paid.** Every person who has a bill, charge or claim against any political committee, political fund, or principal campaign committee for any expenditure shall render in writing to the treasurer of the committee or fund the bill, charge or claim within 60 days after the material or service is provided. Failure to present the bill, charge or claim as required by this subdivision is a petty misdemeanor.

History: 2005 c 11 s 8

383B.053 ECONOMIC INTEREST DISCLOSURE.

Subdivision 1. **Officials required to file; deadlines.** Every candidate for county office, every elected official of Hennepin County, every candidate for office and every elected official of a home rule charter city or statutory city located wholly within Hennepin County and having a population of 75,000 or more; and every candidate for school board and every elected official in Special School District No. 1, Minneapolis shall file statements of economic interest as required by this section with the filing officer. A candidate shall file an original statement within 14 days of the filing of an affidavit or petition to appear on the ballot. Every individual required to file a statement shall file a supplementary statement on April 15 of each year in which the individual remains a candidate or elected official. An official required to file a statement of economic interest under section 10A.09 is not required to comply with this section.

[For text of subd 2, see M.S.2004]

History: 2005 c 11 s 9

383B.117 CERTIFICATES OF INDEBTEDNESS.

[For text of subd 1, see M.S.2004]

Subd. 2. Equipment acquisition; capital notes. The board may, by resolution and without public referendum, issue capital notes within existing debt limits for the purpose of purchasing ambulance and other medical equipment, road construction or maintenance equipment, public safety equipment and other capital equipment having an expected useful life at least equal to the term of the notes issued. The notes shall be payable in not more than five years and shall be issued on terms and in a manner as the board determines. The total principal amount of the notes issued for any fiscal year shall not exceed one percent of the total annual budget for that year and shall be issued solely for the purchases authorized in this subdivision. A tax levy shall be made for the payment of the principal and interest on such notes, as in the case of bonds. For purposes of this subdivision, the term "medical equipment" includes computer hardware and software and other intellectual property for use in medical diagnosis, medical procedures, research, record keeping, billing, and other hospital applications, together with application development services and training related to the use of the computer hardware and software and other intellectual property, all without regard to their useful life. For purposes of determining the amount of capital notes which the county may issue in any year, the budget of the county and Hennepin Healthcare System, Inc. shall be combined and the notes issuable under this subdivision shall be in addition to obligations issuable under section 373.01, subdivision 3.

[For text of subd 3, see M.S.2004]

History: 2005 c 125 art 2 s 6

NOTE: The amendment to subdivision 2 by Laws 2005, chapter 125, article 2, section 6, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34; and Laws 2005, chapter 125, article 2, section 10.

383B.151 FINANCIAL INTEREST FORBIDDEN.

No official, person authorized to make purchases, or county employee shall be financially interested, either directly or indirectly, in any contract or purchase order for any goods, materials, supplies, equipment or contracted service furnished to or used by any department, board, commission or agency of the county government. No public official, person authorized to make purchases, or county employee may accept or receive, directly or indirectly from any person, firm or corporation to which any contract or purchase order may be awarded any money or anything of value whatsoever or any promise, obligation or contract for future reward or compensation, except as authorized under section 10A.071, subdivision 3, or 471.895, subdivision 3. Any violation of the provisions of this section shall be a gross misdemeanor.

History: 2005 c 156 art 6 s 64

383B.217 MEDICAL CENTER AND HMO.

[For text of subs 1 to 6, see M.S.2004]

Subd. 7. Purchasing, contracting, meetings, data. (a) Contracting and purchasing made on behalf of the HMO, ambulatory health center, or other clinics authorized under section 383B.219, of goods, materials, supplies, equipment, and services that are incidental to or that are included as part of a contract for the purchase of goods, materials, supplies, or equipment are specifically exempted from sections 383B.141 to 383B.151 and 471.345 or other applicable laws related to public procurement. Contracting and purchasing of services shall comply with sections 383B.141 to 383B.151 or other applicable laws related to public procurement.

(b) Notwithstanding chapter 13D, the county board on behalf of the HMO or Hennepin Healthcare System, Inc., may meet in closed session to discuss and take action on specific products or services that are in direct competition with other

providers of goods or services in the public or private sector, if disclosure of information pertaining to those matters would clearly harm the competitive position of the HMO or Hennepin Healthcare System, Inc.

(c) The HMO or Hennepin Healthcare System, Inc., shall inform the county board when there are matters that are appropriate for discussion or action under paragraph (b). The county administrator or the administrator's designee shall give the board an opinion on the propriety of discussion or action under paragraph (b) for each of the matters. The county board may, by a majority vote in a public meeting, decide to hold a closed meeting under paragraph (b). The purpose, time, and place of the meeting must be announced at a public meeting. A written roll of members present at a closed meeting must be made available to the public after the closed meeting. The proceedings of a closed meeting must be tape recorded at the expense of the county board and be preserved for not less than five years after the meeting. The data on the tape are nonpublic data under section 13.02, subdivision 9, until two years after the meeting. A contract entered into by the county board at a meeting held on behalf of the HMO is subject to section 471.345. All bids and any related materials that are considered at the meeting must be retained for a period of not less than five years. After the expiration of the term of any contract entered into pursuant to this subdivision or a period of two years, whichever is less, the contract, the bids, and any related materials are public data. The contract, the bids, and any related materials are subject to review by the state auditor at any time.

(d) Data concerning specific products or services that are in direct competition with other providers of goods or services in the public or private sector are trade secret information for purposes of section 13.37, to the extent disclosure of information pertaining to the matters would clearly harm the competitive position of the HMO. The data are trade secret information for the term of the contract or a two-year period, whichever is less.

(e) Notwithstanding section 471.345 or other applicable law, the county board on behalf of the HMO, ambulatory health center, or other clinics authorized under section 383B.219, may contract, except for services, by any means that the county board or at its direction the HMO, ambulatory health center, or other clinics authorized under section 383B.219, may determine. When contracting for services, the county board must comply with sections 383B.141 to 383B.151 and other applicable law, except that the board may contract with a private or public cooperative purchasing organization if it can be established that the purchasing organization's services that are purchased have been awarded through a competitive or request for proposal process.

(f) This subdivision applies to the HMO, Hennepin Healthcare System, Inc., ambulatory health centers, or other clinics authorized under section 383B.219, as well as any other organization, association, partnership, or corporation authorized by Hennepin County under section 144.581.

[For text of subd 8, see M.S.2004]

History: 2005 c 125 art 2 s 7; 1Sp2005 c 7 s 31

NOTE: Subdivisions 1, 2, 3, 4, 5, 6, and 8 are repealed by Laws 2005, chapter 125, article 2, section 9, effective the day after the Hennepin County Board files a certificate of local approval in compliance with section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34; and Laws 2005, chapter 125, article 2, section 10.

NOTE: The amendment to subdivision 7 by Laws 2005, chapter 125, article 2, section 7, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34; and Laws 2005, chapter 125, article 2, section 10.

383B.225 MEDICAL EXAMINER.

[For text of subs 1 to 4, see M.S.2004]

Subd. 5. Reports of death. All sudden or unexpected deaths and all deaths which may be due entirely, or in part, to any factor other than natural disease must be reported to the medical examiner for evaluation. These include, but are not limited to:

(1) unnatural deaths, including violent deaths arising from homicide, suicide, or accident;

(2) deaths associated with burns or chemical, electrical, or radiational injury;

(3) maternal deaths due to abortion;

(4) deaths under suspicious circumstances;

(5) deaths of inmates of public institutions who have not been hospitalized primarily for organic disease and deaths of persons in custody of law enforcement officers;

(6) deaths that occur during, in association with, or as the result of diagnostic, therapeutic, or anesthetic procedures;

(7) deaths due to neglect;

(8) stillbirths of 20 weeks or longer gestation unattended by a physician;

(9) sudden deaths of persons not disabled by recognizable disease;

(10) unexpected deaths of persons notwithstanding a history of underlying disease;

(11) deaths of persons to be cremated if an autopsy was not performed;

(12) deaths in which a fracture of a major bone such as a femur, humerus, or tibia, has occurred within the past six months;

(13) deaths unattended by a physician occurring outside of a licensed health care facility;

(14) deaths of persons not seen by their physician within 90 days of demise, or within 180 days for deaths of persons under the care of a licensed hospice provider;

(15) physician attended deaths of persons occurring in an emergency department; or

(16) deaths of unborn or newborn infants in which there has been maternal use of or exposure to unprescribed controlled substances.

No person, other than the medical examiner, shall issue a record of death in cases of accidental, suicidal, violent, or mysterious deaths, including suspected homicides, occurring in the county.

[For text of subs 6 to 13, see M.S.2004]

History: 2005 c 122 s 4

383B.46 SUPPLEMENTAL RETIREMENT ACCOUNT.

Subdivision 1. Eligibility for coverage. Any person who was employed by the county of Hennepin or its agencies, boards, commissions, authorities and committees before April 14, 1982, as an employee or an officer in the classified service as defined in sections 383B.26 to 383B.42, or as an employee in the unclassified service, and who has served for five years as a county employee or an officer in the classified service, or as a county employee in the unclassified service, which need not necessarily be continuous, and which must include time served as a county employee before June 8, 1965, if the person is an employee in the classified service of the county or if the person is an employee of Hennepin Healthcare System, Inc., is entitled to elect to obtain coverage by the Hennepin County supplemental retirement program. The election to obtain coverage may be exercised only once and must be exercised within 30 days of the date on which the person first becomes entitled to elect to obtain coverage. No person hired, rehired, or reinstated by the county as an employee in the classified or unclassified service on or after April 14, 1982, is eligible for coverage by the Hennepin County supplemental retirement program.

Subd. 2. Establishment of account; contributions. The county of Hennepin or Hennepin Healthcare System, Inc., whichever applies, shall deduct from the salary of every person who is eligible for coverage and who elected to retain or obtain coverage by the Hennepin County supplemental retirement program a sum equal to one percent of the total salary of the person. The deduction shall be made in the same manner as other retirement deductions are made from the salary of the person. An amount equal

to the amounts deducted during each payroll period must be contributed by the county of Hennepin or Hennepin Healthcare System, Inc., whichever applies. The total amount deducted and contributed must be deposited to the credit of the supplemental retirement account in a separate account administered by the Minnesota State Retirement System on behalf of Hennepin County. The Hennepin County supplemental retirement account is hereby established as an account separate and distinct from other funds, accounts, or assets of the county of Hennepin.

History: 2005 c 125 art 3 s 6; 1Sp2005 c 8 art 11 s 4

NOTE: The amendment to this section by Laws 2005, chapter 125, article 3, section 6, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34; and Laws 2005, chapter 125, article 3, section 7.

NOTE: The amendment to subdivision 2 by Laws 2005, First Special Session chapter 8, article 11, section 4, is effective the day after the board of Hennepin County and its chief clerical officer complete in a timely manner their compliance with section 645.021, subdivisions 2 and 3. Laws 2005, First Special Session chapter 8, article 11, section 19.

383B.47 RETIREMENT MONEY FOR STATE SUPPLEMENTAL FUND SHARES.

With the moneys deposited to the credit of the supplemental retirement account, the Minnesota State Retirement System shall purchase shares on behalf of Hennepin County in the accounts of the Minnesota supplemental investment fund as provided in section 383B.48.

History: 1Sp2005 c 8 art 11 s 5

NOTE: The amendment to this section by Laws 2005, First Special Session chapter 8, article 11, section 5, is effective the day after the board of Hennepin County and its chief clerical officer complete in a timely manner their compliance with section 645.021, subdivisions 2 and 3. Laws 2005, First Special Session chapter 8, article 11, section 19.

383B.48 BUYING STATE SUPPLEMENTAL INVESTMENT FUND SHARES.

A participant in the Hennepin County supplemental retirement program shall indicate the account of the Minnesota supplemental investment fund in which the participant wishes salary deductions and county matching contributions attributable to salary deductions to be invested for such time as allowed by the Minnesota State Retirement System. The Minnesota State Retirement System shall purchase with the salary deductions and county matching funds attributable to the salary deductions shares in the appropriate account of the Minnesota supplemental investment fund in accordance with the indicated preferences of the participant. However, the county of Hennepin has the authority to determine which accounts of the Minnesota supplemental investment fund will be available for participant investment. The shares purchased must stand in the name of the county of Hennepin. A record must be kept by the Minnesota State Retirement System indicating the number of shares in each account of the Minnesota supplemental investment fund purchased with the salary deductions and county matching funds attributable to the salary deductions of each participant. The record must be known as the "participant's share account record." The participant's share account record must show, in addition to the number of shares in the account, any cash balance of salary deductions or county matching funds attributable to those deductions which stand uninvested in shares. At the option of the county of Hennepin, and subject to any terms and conditions established and communicated in writing by the county to a participant, the participant may designate no more often than once each month that prior salary deductions and county matching contributions attributable to the salary deductions, together with any interest earned, be reinvested in another account of the Minnesota supplemental investment fund made available by the county of Hennepin.

History: 1Sp2005 c 8 art 11 s 6

NOTE: The amendment to this section by Laws 2005, First Special Session chapter 8, article 11, section 6, is effective the day after the board of Hennepin County and its chief clerical officer complete in a timely manner their compliance with section 645.021, subdivisions 2 and 3. Laws 2005, First Special Session chapter 8, article 11, section 19.

383B.49 SUPPLEMENTAL RETIREMENT BENEFITS; REDEMPTION OF SHARES.

When requested to do so, in writing, on forms provided by the Minnesota State Retirement System, by a participant, surviving spouse, a guardian of a surviving child or a personal representative, whichever is applicable, the Minnesota State Retirement System shall on behalf of Hennepin County redeem shares in the accounts of the Minnesota supplemental investment fund standing in a participant's share account record under the following circumstances and in accordance with the laws and regulations governing the Minnesota supplemental investment fund:

(1) A participant who is no longer employed by the county of Hennepin is entitled to receive the cash realized on the redemption of the shares to the credit of the participant's share account record of the person. The participant may request the redemption of all or a portion of the shares in the participant's share account record of the person, but may not request more than one redemption in any one calendar year. If only a portion of the shares in the participant's share account record is requested to be redeemed the person may request to redeem not less than 20 percent of the shares in any one calendar year and the redemption must be completed in no more than five years. The person may select annual redemption in a single lump sum or in monthly payments. An election is irrevocable except that a participant may request an amendment of the election to redeem all of the person's remaining shares. All requests under this paragraph are subject to application to and approval of the Minnesota State Retirement System upon verification by Hennepin County through the county administrator of the recipient's eligibility to redeem funds.

(2) In the event of the death of a participant leaving a surviving spouse, the surviving spouse is entitled to receive the cash realized on the redemption of all or a portion of the shares in the participant's share account record of the deceased spouse, but in no event may the spouse request more than one redemption in each calendar year. If only a portion of the shares in the participant's share account record is requested to be redeemed, the surviving spouse may request the redemption of not less than 20 percent of the shares in any one calendar year. The surviving spouse may elect annual redemption in a single lump sum payment or in monthly payments. Redemption must be completed in no more than five years. An election is irrevocable except that the surviving spouse may request an amendment of the election to redeem all of the participant's remaining shares. All requests under this paragraph are subject to application to and approval of the Minnesota State Retirement System upon verification by Hennepin County through the county administrator of the recipient's eligibility to redeem funds. Upon the death of the surviving spouse, any shares remaining in the participant's share account record must be redeemed on behalf of Hennepin County by the Minnesota State Retirement System and the cash realized from the redemption distributed to the estate of the surviving spouse.

(3) In the event of the death of a participant leaving no surviving spouse, but leaving a minor surviving child or minor surviving children, the guardianship estate of the minor child is, or the guardianship estates of the minor children are, entitled to receive the cash realized on the redemption of all shares to the credit of the participant's share account record of the deceased participant. In the event of minor surviving children, the cash realized must be paid in equal shares to the guardianship estates of the minor surviving children.

(4) In the event of the death of a participant leaving no surviving spouse and no minor surviving children, the estate of the deceased participant is entitled to receive the cash realized on the redemption of all shares to the credit of the participant's share account record of the deceased participant.

History: *1Sp2005 c 8 art 11 s 7*

NOTE: The amendment to this section by Laws 2005, First Special Session chapter 8, article 11, section 7, is effective the day after the board of Hennepin County and its chief clerical officer complete in a timely manner their compliance with section 645.021, subdivisions 2 and 3. Laws 2005, First Special Session chapter 8, article 11, section 19.

383B.491 MINNESOTA STATE RETIREMENT SYSTEM BILLING AUTHORITY.

The Minnesota State Retirement System executive director is authorized to enter into an interagency agreement with Hennepin County under which the Minnesota State Retirement System would directly bill the county for the cost of the Minnesota State Retirement System's administration of the Hennepin County Supplemental Retirement Plan.

History: *1Sp2005 c 8 art 11 s 8*

NOTE: This section, as added by Laws 2005, First Special Session chapter 8, article 11, section 8, is effective the day after the board of Hennepin County and its chief clerical officer complete in a timely manner their compliance with section 645.021, subdivisions 2 and 3. Laws 2005, First Special Session chapter 8, article 11, section 19.

383B.68 SEVEN HENNEPIN REGIONAL PARK DISTRICT COMMISSIONERS.

Subdivision 1. As provided in this section. Notwithstanding any provision of sections 398.02 to 398.04, or any other law to the contrary, the Board of Park District Commissioners of the Three Rivers Park District shall consist of seven commissioners appointed or elected as provided in this section.

Subd. 2. Two residents appointed by county board. Two park district commissioners shall be appointed by the Board of Commissioners of Hennepin County. An appointee must be a resident of the Three Rivers Park District in order to qualify and serve as a park district commissioner. Each park district commissioner appointed pursuant to this subdivision shall serve for a four-year term. If a vacancy occurs among the commissioners appointed pursuant to this subdivision, the Board of Commissioners of Hennepin County shall appoint a successor.

[For text of subd 3, see M.S.2004]

Subd. 4. Decennial redistricting. After September 1, 1985, and after at least 30 days' notice and public hearing, the Board of Park District Commissioners of the Three Rivers Park District shall divide the territory of Hennepin County outside the city of Minneapolis into five districts, which constitute the Three Rivers Park District. Each district shall be composed of contiguous territory as regular and compact in form as practicable and as nearly equal in population as possible, provided that no district shall vary in population more than ten percent from the average of all the districts, unless compliance with this requirement requires division of a voting precinct. After each federal census and by the date prescribed for redistricting of election districts in section 204B.135, subdivision 2, after at least 30 days' notice and public hearing, the Board of Park District Commissioners of the Three Rivers Park District shall redistrict the territory of the Three Rivers Park District into new commissioner districts as necessary to comply with the provisions of this subdivision. The districts established pursuant to this subdivision shall remain effective until new districts are established. Any person aggrieved by a districting plan established pursuant to this subdivision may challenge the plan in the same manner as a county commissioner districting plan may be challenged pursuant to section 375.025. The district court in reviewing any challenge to a districting plan under this subdivision shall proceed in the manner prescribed by section 375.025. Each districting plan established pursuant to this subdivision shall be filed in the office of the director of finance of Hennepin County or any successor office and shall be effective 31 days after its publication in a newspaper of general circulation in the county.

History: *2005 c 82 s 1-3*

383B.70 COMPENSATION OF COMMISSIONERS.

Notwithstanding the provisions of section 398.05 or any other law, the compensation of commissioners of the Three Rivers Park District must be set by the Board of Park Commissioners.

History: *2005 c 82 s 4*

383B.702 DEPOSITORIES.

Notwithstanding section 398.18, the Three Rivers Park District may exercise the powers of a municipality under chapter 118A.

History: 2005 c 82 s 5

383B.703 DISTRICT RENAMING.

The Suburban Hennepin Regional Park District, a local government unit organized and existing under the provisions of sections 398.01 to 398.36, is renamed the Three Rivers Park District. The district so named is the legal successor in all respects of the Suburban Hennepin Regional Park District as previously named and constituted. All bonds, resolutions, contracts, and liabilities of the Suburban Hennepin Regional Park District are the bonds, resolutions, contracts, and liabilities of the Three Rivers Park District as so renamed and reconstituted. The boundaries of the Three Rivers Park District shall include all of Hennepin County except the city of Minneapolis.

History: 2005 c 82 s 6

383B.71 TRAIL SYSTEM.

In addition to the authority granted by chapter 398, the Three Rivers Park District is authorized to acquire, establish, operate, and maintain trail systems.

History: 2005 c 82 s 7

383B.72 LAND ACQUISITION; TOWN CONSENT.

Notwithstanding the provisions of section 398.09, the Board of Park District Commissioners of the Three Rivers Park District, before acquiring by purchase or condemnation real estate located within the boundaries of any organized town in Hennepin County, other than real estate located within an area designated for development of a park in the most recent revised plan which has been prepared by the district in accordance with section 398.19, and is on file on June 9, 1971, with the state department of parks, shall secure the consent of the town board of such town to such acquisition, by resolution duly adopted by such board.

History: 2005 c 82 s 8

383B.73 PARK DISTRICT TAX LEVY.

Subdivision 1. **Levy.** To provide funds for the purposes of the Three Rivers Park District as set forth in its annual budget; in lieu of the levies authorized by any other special law for such purposes, the Board of Park District Commissioners may levy taxes on all the taxable property in the county and park district at a rate not exceeding 0.03224 percent of market value. Notwithstanding section 398.16, on or before October 1 of each year, after public hearing, the Board of Park District Commissioners shall adopt a budget for the ensuing year and shall determine the total amount necessary to be raised from ad valorem tax levies to meet its budget. The Board of Park District Commissioners shall submit the budget to the county board. The county board may veto or modify an item contained in the budget. If the county board determines to veto or to modify an item in the budget, it must, within 15 days after the budget was submitted by the district board, state in writing the specific reasons for its objection to the item vetoed or the reason for the modification. The Park District Board, after consideration of the county board's objections and proposed modifications, may reapprove a vetoed item or the original version of an item with respect to which a modification has been proposed, by a two-thirds majority. If the district board does not reapprove a vetoed item, the item shall be deleted from the budget. If the district board does not reapprove the original version of a modified item, the item shall be included in the budget as modified by the county board. After adoption of the final budget and no later than October 1, the superintendent of the park district shall certify to the office of the Hennepin County director of tax and public records exercising the functions of the county auditor the total amount to be raised from ad valorem tax levies to meet its budget for the ensuing year. The director of tax and public records shall add

the amount of any levy certified by the district to other tax levies on the property of the county within the district for collection by the director of tax and public records with other taxes. When collected, the director shall make settlement of such taxes with the district in the same manner as other taxes are distributed to the other political subdivisions in Hennepin County.

History: 2005 c 82 s 9

HENNEPIN HEALTH CARE SYSTEM

383B.901 CREATION OF A COUNTY SUBSIDIARY CORPORATION.

There is created a corporation which shall be public in nature, operating as a subsidiary of the county of Hennepin. The public corporation shall be known as Hennepin Healthcare System, Inc. The purpose of the corporation is to engage in the organization and delivery of health care and related services to the general public, including the indigent as defined by state and federal law and as determined by the Hennepin County Board of Commissioners, and to conduct related programs of education and research. The corporation shall have one class of members, the governing member, who shall be Hennepin County, as represented by the Hennepin County Board of Commissioners. The governing member has all the rights, duties, and privileges specified under Laws 2005, chapter 125, and the bylaws of the corporation.

History: 2005 c 125 art 1 s 1

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 1, is effective when the initial board of the corporation is appointed by the county board. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.902 DEFINITIONS.

For the purpose of sections 383B.901 to 383B.928, the terms defined in this section have the meanings given them unless the context clearly indicates otherwise.

(a) "Corporation" means the county subsidiary corporation created by section 383B.901.

(b) "County" means the county of Hennepin.

(c) "County board" means the Hennepin County Board of Commissioners and its members.

(d) "HCMC" means the Hennepin County Medical Center, which is the medical center established and operated by the county under section 383B.217.

(e) "Effective date" means the effective date of the sections of Laws 2005, chapter 125, as defined in Laws 2005, chapter 125, article 1, section 29.

History: 2005 c 125 art 1 s 2

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 2, is effective when the initial board of the corporation is appointed by the county board. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.903 BOARD.

Subdivision 1. **Governance.** The corporation shall be governed by a board of directors consisting of between 11 and 15 directors. Two of the directors on the board of the corporation must be county commissioners currently serving as elected officials on the county board who are chosen and may be removed by a majority vote of the county board.

Subd. 2. **Term, quorum, and manner of acting.** The term of office for directors, rules governing quorum, and manner of acting for the board of directors must be specified in the bylaws of the corporation which shall be approved by the county board, except that:

(1) a vote of a majority of the board shall be required to hire or discharge the corporation's administrator, to approve the annual budget, and for any action which requires subsequent approval by the county board as specified in section 383B.908; and

(2) directors of the board of directors or any committee or advisory assembly or council appointed by the board of directors may participate in a meeting by means of telephone conference or similar communications equipment which enables all persons participating in the meeting to hear each other during the conduct of that meeting. Participation shall be considered presence in person at the meeting for purposes of notice and quorum requirements as specified in the bylaws.

Subd. 3. **Appointment of board members.** The county board shall appoint the initial board of the corporation. Thereafter, the county board shall appoint directors of the corporation by slate to open positions due to the completion of a director's term as specified in the bylaws of the corporation. The slate shall be nominated by a committee of the board of the corporation. The board of the corporation may by majority vote appoint a board member to fill a vacancy on the board occurring prior to the completion of the term, provided the newly appointed board member is submitted to the county board for approval when the next slate of directors is submitted to the county board for approval.

Subd. 4. **Qualifications.** Members of the board shall possess a high degree of experience and knowledge in relevant fields and possess a high degree of interest in the corporation and support for its mission. Members shall be appointed based in part on the objective of ensuring that the corporation includes diverse and beneficial perspectives and experience including, but not limited to, those of medical or other health professionals, urban, cultural and ethnic perspectives of the population served by the corporation, business management, law, finance, health sector employees, public health, serving the uninsured, health professional training, and the patient or consumer perspective. The corporation shall provide a public announcement of vacancies on the board of the corporation in the manner normally used by Hennepin County to provide public notice of open appointments.

Subd. 5. **Removal.** A director who is not a county commissioner may be removed without cause by a two-thirds majority vote of the board of the corporation. The county board may remove any board member for violation of the director's ethical and legal duties as a board member as specified in section 383B.905 or for the repeated failure to act in the best interests of the corporation. In addition, the county board may remove the corporate board in its entirety as specified in section 383B.908, subdivision 7.

History: 2005 c 125 art 1 s 3

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 3, is effective when the initial board of the corporation is appointed by the county board. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.904 OFFICERS.

Subdivision 1. **Election.** (a) The officers of the board of the corporation shall consist of the chair, vice-chair, secretary, treasurer, and other officers as the board shall from time to time deem necessary. The board shall elect officers by a majority vote of the board at the annual meeting, or in the case of the initial board, at the first meeting following appointment by the county board.

(b) Any of the offices or functions, with the exception of the chair and vice-chair, may be held or exercised by the same person.

Subd. 2. **Removal.** An officer may be removed without cause by a two-thirds majority vote of the board of the corporation.

History: 2005 c 125 art 1 s 4

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 4, is effective when the initial board of the corporation is appointed by the county board. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.905 AUTHORITY AND DUTIES OF OFFICERS AND DIRECTORS.

Subdivision 1. **In bylaws or by board.** Officers and directors have the authority and duties in the management of the business of the corporation that the bylaws prescribe or, in the absence of such prescription, as the board determines.

Subd. 2. **Ordinary prudent person standard.** Officers and directors shall discharge their duties in good faith, in the manner the officer or director reasonably believes to be in the best interests of the corporation, and with the care an ordinary prudent person in a like position would exercise under similar circumstances.

Subd. 3. **Not trustees.** Officers and directors are not considered to be trustees with respect to the corporation or with respect to property held or administered by the corporation, including, without limit, property that may be subject to restrictions imposed by the donor or transferor of the property.

History: 2005 c 125 art 1 s 5.

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 5, is effective when the initial board of the corporation is appointed by the county board. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.906 BYLAWS.

Prior to the appointment of the initial board of the corporation, the county board shall approve the bylaws of the corporation. Thereafter, the board of the corporation may adopt, amend, or repeal bylaws relating to the management of the business or regulation of the affairs of the corporation, except that the county board shall approve any bylaws change relating to:

- (1) board composition, board and officer selection, terms, removal, or qualifications;
- (2) the county board's reserved powers as specified in the bylaws;
- (3) the ability of the corporation to engage in joint ventures;
- (4) the ability of the corporation to incur debt through the county;
- (5) the ability of the corporation to create subsidiaries;
- (6) the ability of the corporation to merge or dissolve;
- (7) the ability of the corporation to use subsidiaries to undertake functions or activities performed by employees of the corporation; or
- (8) the mission of the corporation.

History: 2005 c 125 art 1 s 6

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 6, is effective when the initial board of the corporation is appointed by the county board. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.907 CORPORATE POWERS.

Subdivision 1. **Authority and powers of the board.** Subject to the reserved powers and limitations specified in sections 383B.903 and 383B.908, or as specified in the bylaws of the corporation, the corporation, through its board, shall, relative to the delivery of health care services, have, in addition to any authority vested by law, the authority and legal capacity of a nonprofit corporation under chapter 317A including the authority to:

- (1) have members of its board or its officers or administrators serve as directors, officers, or employees of the corporation's ventures, associations, or corporations;
- (2) hire and discharge an administrator;
- (3) approve personnel policies and practices, any applicable labor agreements, and levels of compensation and benefits recommended by the administrator;
- (4) use employees, agents, consultants, and facilities of the county, as necessary in the discretion of the board, paying the county its agreed proportion of the compensation or costs pursuant to an agreement with the county;
- (5) spend funds, including public funds in any form, or devote the resources of the corporation to recruit and retain physicians whose services are necessary or desirable for meeting the health care needs of the population and for the successful performance of the public purpose of the corporation. Allowable uses of funds and resources include the retirement of medical education debt, payment of onetime amounts in consideration of services rendered or to be rendered, payment of recruitment expenses,

payment of moving expenses, and the provision of other financial assistance necessary for the recruitment and retention of physicians, provided that the expenditures in whatever form are reasonable under the facts and circumstances of the situation;

(6) offer, directly or indirectly, products and services of the corporation and/or affiliated entities to the general public, and retain any profits earned through the provision of these products and services for the purpose of advancing the mission of the corporation;

(7) own shares of stock in business corporations;

(8) borrow money and issue bonds in support and promotion of the corporation's purpose and mission and providing any rights and obligations related thereto;

(9) accept gifts, grants, loans, or contributions of funds or property or financial or other aid in any form from, and enter into contracts or other transactions with, the federal government, the state of Minnesota, third-party payors, or any other source and to use any gifts, grants, loans, or contributions for any of its corporate purposes;

(10) enter shared service and other cooperative ventures;

(11) join or sponsor membership in organizations intended to benefit the corporation;

(12) enter partnerships, joint ventures, or other business arrangements to advance the mission of the corporation;

(13) sue or be sued; and

(14) incorporate other corporations, both for profit and nonprofit.

Subd. 2. Other powers. Subject to the reserved powers and limitations specified in sections 383B.903 and 383B.908, or as specified in the bylaws of the corporation, the corporation shall have all the powers necessary and convenient for the operation, administration, management, and control of the corporation's affairs. The enumeration of specific powers in this section is not intended to restrict the power of the corporation to take any action which, in the exercise of its discretion, is necessary or convenient to further the purposes for which the corporation exists and that is not otherwise prohibited by law, whether or not the power to take the action is necessarily implied from the powers expressly granted.

History: 2005 c 125 art 1 s 7

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 7, is effective when the initial board of the corporation is appointed by the county board. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.908 LIMITATIONS UPON CORPORATE POWERS; RESERVED POWERS.

Subdivision 1. Powers reserved to county. Notwithstanding the authority granted to the board in section 383B.907, the county board shall retain specific controls over the corporation's mission, ability to incur indebtedness through the county, indigent care, and governance. These county board controls must be specified in the bylaws or other transactional documents, which shall be approved by the county board.

Subd. 2. Restriction on disposition of assets. The corporation shall not have the power to dissolve, merge, consolidate, transfer, liquidate, or otherwise dispose of or distribute all, or substantially all, of the corporation's assets without a county board resolution approved by a majority of the county board.

Subd. 3. Distribution of assets upon dissolution. In the event of the dissolution of the corporation, the net assets of the corporation shall be distributed to the county for public purposes.

Subd. 4. Compensation and payment limitations. No part of the net earnings and assets of the corporation shall inure to the benefit of any private individual, nor shall any part of the income or assets of the corporation be distributed to or divided among any private individuals as dividends or otherwise.

Subd. 5. Financial oversight. The county board shall approve the annual budget of the corporation and receive an annual audited financial statement. The annual budget shall address how efficiencies and revenues contribute to stabilize or reduce county

liabilities for indigent care. The county board shall also retain the right to conduct an independent audit of the finances of the corporation.

Subd. 6. County services. The county board shall retain the authority to require the corporation to provide other health care or health care related services as the county board determines to be in the best interest of the county. The corporation shall provide these services as long as the county board provides funds to pay for the services. Payment to the corporation for the services shall be as agreed between the corporation and the county board.

Subd. 7. Dissolution or reorganization of corporation. The county board shall retain the right to dissolve the corporation, reorganize the corporation, or remove the entire corporate board in order to resume management of Hennepin County Medical Center upon a two-thirds vote of the entire county board.

History: 2005 c 125 art 1 s 8

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 8, is effective when the initial board of the corporation is appointed by the county board. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.909 CORPORATE SEAL.

The corporation shall not have a corporate seal.

History: 2005 c 125 art 1 s 9

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 9, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.910 BOARD MEETINGS.

In accordance with the bylaws of the corporation, the board shall provide for annual, regular, and special meetings to be held at a designated interval throughout the year. Notice of these meetings shall be provided in accordance with the bylaws of the corporation.

History: 2005 c 125 art 1 s 10

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 10, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.911 PUBLIC DEPOSITORY.

The corporation shall have jurisdiction over its accounts and payrolls and shall establish and maintain a public depository. The corporation may use the county as a public depository. If the depository is not the county, the depository must be subject to chapter 118A, except that the corporation shall determine the appropriate security. The corporation shall establish and maintain all necessary accounts. The corporation may establish reserve accounts, depreciation accounts, and working capital funds in order to operate on an accrual basis.

History: 2005 c 125 art 1 s 11

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 11, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.912 TRANSFER OF RIGHTS.

Subdivision 1. Corporation as continuation of HCMC. The corporation created by section 383B.901 shall be considered a continuation of HCMC for purposes of all the rights, liabilities, and contractual obligations of the county pertaining to the operations of HCMC except as otherwise provided herein. The corporation succeeds to all rights and contractual obligations of the county pertaining to the operations of HCMC with the same force and effect as if those rights and obligations had been continued by the county itself.

Subd. 2. **Pending matters.** The corporation may conduct and complete any legal action, administrative proceeding, or any other matter commenced by or against HCMC or the county, on behalf of HCMC, which was incurred before or pending as of the effective date, in the same manner, under the same conditions, and with the same effect as though the action, proceeding, or other matter were conducted or completed by HCMC or the county acting on behalf of HCMC.

Subd. 3. **Transfer of documents required.** On the effective date, HCMC, or the county on behalf of HCMC, shall have the authority to transfer and deliver to the corporation, as specified in the lease and other transactional documents referenced in section 383B.913, all contracts, books, bonds, plans, paper, records, including all personnel and medical records, and other property of every description within the jurisdiction or control of HCMC, or the county acting on behalf of HCMC, except as otherwise provided herein.

Subd. 4. **Transfer of funds.** On the effective date, HCMC, or the county on behalf of HCMC, shall have the authority to transfer to the corporation all unspent funds appropriated to HCMC, as specified in the lease and other transactional documents referenced in section 383B.913.

History: 2005 c 125 art 1 s 12

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 12, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.913 LEASE OR TRANSFER OF ASSETS.

Subdivision 1. **Corporate status.** The corporation shall be considered a "public corporation" for purposes of section 465.035.

Subd. 2. **Lease of real property.** Notwithstanding any other laws to the contrary, as of the effective date, the county shall have the authority to enter into a lease, mutually agreeable to both parties, with the corporation for substantially all of the real property acquired by or turned over to the county for the establishment, operation, or maintenance of HCMC prior to and as of the effective date and necessary for the operation of the corporation. Subject to restrictions specified in the written lease and other transaction documents by and between the county and the corporation, the county shall lease the real property exclusively to the corporation. For the purposes of this subdivision, real property shall mean the real property used by the county for the operations of HCMC that the county shall lease to Hennepin Healthcare System, Inc., as specified in the lease documents and Laws 2005, chapter 125, as of the effective date.

Subd. 3. **Requirements of lease.** In order for the county to enter into the lease described in subdivision 2, the lease must also address the following:

- (1) continued primary use of the property for health and hospital services;
- (2) indigent care;
- (3) capital improvements;
- (4) joint ventures and partnerships;
- (5) assignments and subleases; and
- (6) changes to hospital capacity.

Subd. 4. **Transfer of assets.** The county shall transfer to the corporation assets as designated by the county in transactional documents accompanying the lease for use in the operations of HCMC. For purposes of this subdivision, assets means the equipment and other personal property used by the county for the operations of HCMC that the county shall transfer to Hennepin Healthcare System, Inc., as specified in the transaction documents and Laws 2005, chapter 125, as of the effective date.

Subd. 5. **No advertising or bids.** The county may transfer and lease the assets and real property to the corporation as specified in subdivisions 2 and 3 without first advertising for or soliciting any bids.

History: 2005 c 125 art 1 s 13

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 13, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.914 STATUS OF PRESENT EMPLOYEES; BARGAINING UNITS; RETIREMENT COVERAGE.

Subdivision 1. Health system human resources system. Persons employed at the corporation created shall be subject to a human resources system that is designed to offer appropriate benefits to workers employed in a health care setting. This human resources system shall replace the general county human resources system prescribed in sections 383B.26 to 383B.42, and any rules related to it. The corporation shall have the authority to establish all personnel policies and practices, negotiate applicable labor agreements, and set all levels of compensation and benefits which are considered appropriate by the board except as limited in this section. The human resources system is subject to the following human resources requirements:

(1) determine compensation according to the pay equity requirements under sections 471.991 to 471.999;

(2) provide preferences for veterans according to the Veterans Preference Act under sections 197.455, 197.46, and 375.63; and

(3) provide an appeals process for an individual who is discharged, demoted, or suspended.

Subd. 2. Employee transfer. All persons employed by the county whose employment is accounted for in the county enterprise fund for HCMC, on the effective date, shall be transferred to the corporation as specified in the lease and other transactional documents referenced in section 383B.913. The transfer of employees to the corporation under this subdivision does not constitute severance or termination of employment or a layoff entitling transferred employees to severance pay, termination benefits, a retirement plan refund, or any other right that may be applicable in the case of severance, termination, or layoff.

Subd. 3. Current positions. Each person employed by the county who is transferred to the corporation on the effective date shall retain employment and accrued benefits, including participation in deferred compensation programs, and will be recorded by most recent date of employment with Hennepin County upon transfer to the corporation created in section 383B.901.

Subd. 4. Bargaining units. The corporation shall recognize existing bargaining units organized by employees of HCMC and the exclusive representatives of those bargaining units as of the effective date. The corporation shall adopt all current labor agreements as of the effective date for the term of those agreements, except for countywide references, countywide provisions, and countywide human resources rules.

Subd. 5. General employee retirement benefits. (a) Except as provided in paragraph (b), employees of the corporation, other than paramedics, emergency medical technicians and the supervisors and managers of such employees, and protection officers and supervisors of such employees, are "public employees" under chapter 353 and are members of the general employees retirement plan of the Public Employees Retirement Association, including employees transferred to the corporation under subdivision 2 and employees hired by the corporation after the effective date.

(b) Notwithstanding sections 356.24 and 356.25, the corporation has the authority to create alternative retirement plans that are not defined benefit pension plans for the following classes of employees: supervisors, managers, physicians, and independent health practitioners who bill independently for their time, provided the value of the aggregate benefits are substantially comparable to the general employee retirement plan of the Public Employees Retirement Association. These classes of employees are eligible to participate in the general retirement plan of the Public Employees Retirement Association until and unless the corporation creates alternative retirement plans. Only those employees who are within the designated class and who are hired after the date of creation of the alternative plan may be enrolled in the alternative retirement plan in lieu of participation in the general employees retirement plan of the Public

Employees Retirement Association. Any alternative retirement benefit plan established by the corporation must comply with the financial reporting requirements for public pension plans under section 356.20 and the investment performance reporting requirements for public pension plans under section 356.219.

Subd. 6. Employees eligible to continue participation in public employee retirement association correctional, police; and fire benefit plans. Notwithstanding subdivision 5, both existing and future employees of the corporation in the positions of paramedic and emergency medical technician, including supervisors and managers of such employees, as provided in section 353.64, subdivision 10, are members of the public employees police and fire retirement plan under sections 353.63 to 353.68 and in the position of protection officer, including supervisors of such employees, as provided in section 353E.02, subdivision 2a, are members of the local government correctional retirement plan under chapter 353E.

Subd. 7. Participation in state deferred compensation plan. (a) Existing employees of the corporation, at the election of the corporation, if otherwise qualified, are eligible to participate in the Hennepin County supplemental retirement plan under sections 383B.46 and 383B.52.

(b) Existing and future employees of the corporation, at the election of the corporation, are eligible to participate in the Minnesota state deferred compensation plan under section 352.96, the postretirement health care savings plan under section 352.98, and all other deferred compensation arrangements for which all persons employed by the county whose employment is accounted for in the county enterprise fund for HCMC were eligible.

Subd. 8. Subsidiaries. Any subsidiary created by the corporation shall be subject to the same human resources requirements as those that apply to the corporation under subdivision 1.

History: 2005 c 125 art 1 s 14

NOTE: Subdivision 1, as added by Laws 2005, chapter 125, article 1, section 14, subdivision 1, is effective when the initial board of the corporation is appointed by the county board. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

NOTE: Subdivisions 2 to 8, as added by Laws 2005, chapter 125, article 1, section 14, subdivisions 2 to 8, are effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.915 BONDING AUTHORITY OF CORPORATION.

Subdivision 1. Municipality. The corporation shall be considered a "municipality" pursuant to section 475.51, subdivision 2, for purposes of bond issuance and shall have all the authority conferred on municipalities by chapter 475, unless that authority is modified in this section.

Subd. 2. Sale of bonds. Subject to the reserved powers and limitations specified in section 383B.908 and notwithstanding any of the corporation's enumerated powers, the corporation may issue and sell revenue bonds or other revenue obligations to finance capital improvements or for the acquisition and betterment of facilities or other property to be utilized for the delivery of health care and related research, the establishment of reserves for bond payment, or for other proper corporate purposes.

Subd. 3. Security for bonds. Subject to the reserved powers and limitations specified in section 383B.908 and notwithstanding any of the corporation's enumerated powers, the bonds may be secured by a mortgage of or security interest in any property owned by the corporation or any interest of the corporation in any property and by a pledge of revenues to be derived from operation of the corporation's facilities as a first and prior lien thereon or as a lien subordinate to the costs of operation and maintenance of the facilities. The bonds must be in an amount, and shall mature, as provided by resolution of the board and may be issued in one or more series and shall bear a date or dates, bear interest at a rate or rates, be in a denomination or denominations, be in the form either coupon or registered, carry the conversion or registration privileges, have rank or priority, be executed in the manner, be payable in

medium of payment at the place or places, and be subject to the terms of redemption, with or without premium, as the resolution may provide. The bonds may be sold at public or private sale at a price or prices determined by the resolution. Notwithstanding any law to the contrary, the bonds must be fully negotiable. The corporation may enter into the covenants the board, by resolution, shall deem necessary and proper to secure payment of the bonds. The revenue bonds must state on their face that they are not payable from, nor may be a charge upon, any funds other than the revenues and property pledged or mortgaged for their payment, nor shall the corporation be subject to any liability on them or have the power to obligate itself to pay or pay the revenue bonds from funds other than the revenues and property pledged and mortgaged. No holder or holders of the bonds shall ever have the right to compel any exercise of any taxing power of the county or any other public body to pay the principal of or interest on any of them, nor to enforce payment of them against any property other than that expressly pledged or mortgaged for their payment.

History: 2005 c 125 art 1 s 15

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 15, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.916 FINANCING THROUGH COUNTY.

In addition to the authority granted in section 15, the county may finance any improvements, equipment, or other property to be operated by the corporation and may issue bonds for such purposes pursuant to and subject to the procedures and limitations set forth in section 373.40, 383B.117, 447.45, or other law, as appropriate, whether or not the capital improvement or equipment to be financed is to be owned by the county or the corporation.

History: 2005 c 125 art 1 s 16; 1Sp2005 c 7 s 33

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 16, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.917 OPEN MEETING LAW; GOVERNMENT DATA PRACTICES ACT.

Subdivision 1. **Data Practices Act.** (a) The corporation is subject to chapter 13, the Minnesota Government Data Practices Act.

(b) "Competitive data," as defined in this subdivision, are nonpublic data pursuant to section 13.02, subdivision 9, or private data on individuals pursuant to section 13.02, subdivision 12. Competitive data are any type of data that the corporation, in its discretion, determines that if disclosed could cause competitive disadvantage to the corporation, including causing adverse effects on the current or future competitive position of the corporation or the entities, facilities, and operations for which it is responsible. Data discussed at an open meeting of the corporation retains the data's original classification, including classification as competitive data, as provided in section 13D.05, subdivision 1, paragraph (c). Any data disseminated by the corporation to the county shall retain the same classification in the hands of the county, including the classification as competitive data, as provided in section 13.03, subdivision 4.

(c) A subsidiary, joint venture, association, partnership, or other entity that is formed by the corporation is not subject to chapter 13, except that if the corporation enters into a contract with such an entity to perform any functions of the corporation, the corporation shall include in the contract terms that make it clear that data created, collected, received, stored, used, maintained, or disseminated by the contracting entity in performing those functions is subject to the same requirements under chapter 13 as the corporation under this subdivision. However, this section does not create a duty on the part of the contracting entity to provide access to public data to the public if the public data are available from the corporation, except as required by the terms of the contract. Any entity contracting to perform functions of the corporation may classify data as competitive data as defined in paragraph (b).

Subd. 2. **Open Meeting Law.** (a) The board of directors of the corporation is subject to chapter 13D, the Minnesota Open Meeting Law.

(b) The board may close all or part of a board meeting when discussing competitive data or considering strategic, business, planning, or operational issues the disclosure of which, in its discretion, it determines could cause competitive disadvantage to the corporation, including causing adverse effects on the current or future competitive position of the corporation or the entities, facilities, and operations for which it is responsible. Meetings of committees of the board of directors may, at the discretion of the board, be closed to the public.

(c) In addition, the following meetings of the corporation shall be held and shall be open meetings: (1) an annual public meeting to report on the affairs of the corporation and the goals for the future, including a report on the health services plan specified in section 383B.918; (2) meetings of the corporation held during the development and implementation phase of the health services plan for the purpose of informing the public and receiving public comment; and (3) that portion of a meeting at which the board of the corporation approves the annual budget prior to submission to the county board for approval. Meetings held under clause (1) or (2) may be chaired by a member of the board of directors or a member of the administration as designated by the board of directors. Except as provided in paragraphs (a), (b), and (c), other meetings of the corporation are not subject to chapter 13D.

(d) Chapter 13D does not apply to a subsidiary, joint venture, association, or partnership of the corporation unless such entity has been organized to assume management of the corporation.

History: 2005 c 125 art 1 s 17

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 17, is effective when the initial board of the corporation is appointed by the county board. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.918 HEALTH SERVICES PLAN.

The corporation shall prepare, and submit to the county board for review and approval, a health services plan that draws from a population health needs assessment and delineates the corporation's role in the community, including education, research, and services to improve the health status of the community including indigent populations. The health services plan shall contain a description of how the corporation shall continue to coordinate with the county to provide health-related services to the residents of Hennepin County, including the indigent as defined by state and federal law and as determined by the Hennepin County Board of Commissioners.

History: 2005 c 125 art 1 s 18

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 18, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.919 TORT LIABILITY.

The corporation shall be a "municipality" for purposes of tort liability pursuant to chapter 466; except that chapter 466 does not apply to an action against any subsidiary, joint venture, association, or partnership of the corporation alleging malpractice, error, mistake, or failure to cure because of the actions of physicians or other health care providers employed by the entity, unless that entity has been organized to assume management of the entire corporation.

History: 2005 c 125 art 1 s 19

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 19, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.920 REVENUE RECAPTURE ACT.

The corporation shall be considered a "claimant agency" for purposes of the Revenue Recapture Act, chapter 270A.

History: 2005 c 125 art 1 s.20

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 20, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.921 PURCHASING.

Subdivision 1. **Public procurement.** Notwithstanding any law to the contrary, contracting and purchasing of goods, materials, supplies, equipment, and services that are included as part of a contract for the purchase of goods, materials, supplies, equipment, or services are specifically exempted from sections 383B.141 to 383B.151 and 471.345 to 471.371, or other applicable laws related to public procurement.

Subd. 2. **Purchasing and service contracts.** The corporation may purchase directly or utilize the services of a nonprofit cooperative hospital service organization, the county, the state of Minnesota, the University of Minnesota, or any other political subdivision or agency of the state of Minnesota in the purchase of all goods, materials, and services that the corporation may require.

History: 2005 c 125 art 1 s 21

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 21, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.922 LEGAL COUNSEL.

With respect to the provisions of section 388.051, the corporation shall be deemed a part of Hennepin County for purposes of the Hennepin County attorney serving as legal counsel to the corporation; provided, however, that the corporation and the Hennepin County attorney may enter into an arrangement with respect to the hiring of outside counsel on behalf of the corporation. The corporation shall reimburse the county for legal services provided by the Hennepin County attorney, including any and all costs; and the reimbursement shall be credited to the budget of the Hennepin County attorney.

History: 2005 c 125 art 1 s 22

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 22, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.923 SELF-INSURANCE.

Subdivision 1. **Self-insurance.** The corporation may participate in any self-insurance program established by the county in accordance with section 383B.155.

Subd. 2. **Additional benefits to employees.** The corporation may provide for the payment of additional benefits to employees from their accumulated vacation, sick leave, or overtime credits if the employees of the corporation and any of its subsidiaries are entitled to the benefits of the Workers' Compensation Law and have at the time of compensable injury accumulated credits under a vacation, sick leave, or overtime plan or system maintained by the corporation. The additional payments to an employee may not exceed the amount of the total sick leave, vacation, or overtime credits accumulated by the employee and shall not result in the payment of a total weekly rate of compensation that exceeds the weekly wage of the employee. The additional payments to any employee shall be charged against the sick leave, vacation, and overtime credits accumulated by the employee. Employees of the corporation and any of its subsidiaries entitled to the benefits of the Workers' Compensation Law may receive additional benefits pursuant to a collective bargaining agreement or other plan, entered into or in effect on or after January 1, 2003, providing payments by or on behalf of the employer, and these additional benefits may be unrelated to any accumulated sick leave, holiday,

or overtime credits and need not be charged against any accumulation; provided that the additional payments must not result in the payment of a total weekly rate of compensation that exceeds the weekly wage of the employee. The corporation and its subsidiaries may adopt rules and regulations consistent with chapter 179, to carry out the section relating to payment of additional benefits to employees from accumulated sick leave, vacation, overtime credits, or other sources.

History: 2005 c 125 art 1 s 23

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 23, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.924 HOSPITAL AUTHORITIES.

The corporation shall not be considered a hospital or hospital district subject to section 144.581.

History: 2005 c 125 art 1 s 24

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 24, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.925 TAX-EXEMPT STATUS.

The corporation is an organization exempt from taxation pursuant to chapters 290 and 297A.

History: 2005 c 125 art 1 s 25

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 25, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.926 PREPAID HEALTH PLAN.

The corporation is a county-affiliated public teaching hospital for purposes of section 256D.03, subdivision 4.

History: 2005 c 125 art 1 s 26

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 26, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.927 INTERGOVERNMENTAL TRANSFERS.

For purposes of medical assistance, Medicaid, Medicare, and other public programs, the corporation shall continue to be a "unit of state or local government" and a "government owned or operated hospital," and shall be eligible to receive "intergovernmental transfers" and "certified public expenditures" as may be authorized from time to time by the state of Minnesota or Hennepin County.

History: 2005 c 125 art 1 s 27

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 27, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.

383B.928 INDIGENT CARE.

Subdivision 1. **Services.** The corporation shall provide health care and related services for the indigent of the county as required by the terms of the lease as specified in section 383B.913, subdivisions 2 and 3, consistent with any agreement for payment for those services made with the county.

Subd. 2. **Funds.** Notwithstanding any law to the contrary, the county may provide funds for the purchase of medical care for the indigent of the county from a provider selected by the county with or without public bid.

History: 2005 c 125 art 1 s 28

NOTE: This section, as added by Laws 2005, chapter 125, article 1, section 28, is effective the day after the Hennepin County Board files a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3. Laws 2005, chapter 125, article 1, section 29, as amended by Laws 2005, First Special Session chapter 7, section 34.