

# New Laws 2012

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## Agriculture - 2012

### Regular Session

# Feed inspections become law

A new law will allow the Department of Agriculture to inspect non-medicated feed operations and to issue a voluntary Good Manufacturing Practice certificate, which at least three foreign countries now require.

When the federal Food Safety Modernization Act of 2011 was passed, the issuance of GMP certifications for non-medicated feed stopped until new stricter federal rules can be adopted, which has not yet happened. There is no such certificate offered at the state level.

Now, countries such as Brazil and Mexico are requiring the certificates from either a state or federal government before accepting imports of non-medicated feed. Some feed manufacturers said the lack of acquiring a certificate has stopped trade to those countries and hurt their business. The new law will provide for state inspections so that import routes can reopen. When the U.S. Food and Drug Administration implements its new rules and certificate, the MDA will continue to perform voluntary inspections, but will use FDA's standards instead of the state standards in this law.

Minnesota exports \$4.8 million of feed to Brazil annually.

Rep. Chris Swedzinski (R-Ghent) and Sen. Gary Dahms (R-Redwood Falls) sponsor the law, which is effective March 2, 2012.

HF1926\*/SF1527/CH124

[HF1926\\*](#) / [SF1527](#) / [CH124](#)

**House Chief Author:** [Swedzinski](#)

**Senate Chief Author:** [Dahms](#)

**Effective Dates:** 3/2/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## **Agriculture - 2012**

### **Regular Session**

# **From soils to consumption**

Minnesota now has a state soil.

The designation of Lester as the state soil in the omnibus agriculture law coincides with the University of Minnesota's 2013 celebration of the 100th Anniversary of the soil science program and the 40-year-old Minnesota Association of Professional Soil Scientists, according to Rep. Paul Anderson (R-Starbuck), who sponsors the law with Sen. Doug Magnus (R-Slayton). However, a large portion of the law will require new labeling of landscape and garden stock designed to help consumers choose hardy stock for Minnesota's extreme growing conditions.

The law is effective Aug. 1, 2012, unless otherwise noted.

HF2398\*/SF2061/CH244

#### **Planting guidelines**

The new law defines "non-hardy" as a plant that cannot be expected to survive or produce flowers in certain growing zones and requires non-hardy nursery stock to be labeled as such. Sellers of nursery stock will also be required to keep balled and burlapped stock moist at all times. (Art. 1, Secs. 12-14)

Similarly, nursery stock collected from the wild must be labeled as such when sold; unless it has been grown in nursery rows at least two years; and vegetable and flower seed packets could list the number of seeds in the packet, instead of the net weight. (Art. 1, Secs. 14, 29-30).

The Department of Agriculture's nursery and plant inspection and enforcement powers will expand to include the department's Wholesale Produce Dealer, Grain Buyer/Grain Storage, and Warehouse oversight responsibilities. The department can enter sites, inspect and sample products, issue commissioner's orders, and pursue administrative and criminal penalties for failure to follow the Wholesale Produce Dealer, Grain Buyer/Grain Storage, or Warehouse laws.

(Art. 1, Secs. 18-19, 51)

#### **Grains and livestock**

A public grain warehouse operator's license must be filed before the purchase or storage of grain may occur. The operator is required to post a bond, which under the new law, is determined according to annual average storage liability. (Art. 1, Sec. 60)

When a grain operator takes the product to the scale, an electronic scale ticket will no longer require a signature. (Art. 1, Sec. 63)

Farmers who grow feed for their own use will no longer be charged an inspection fee on the portion they use themselves. The provision is retroactive to Jan. 1, 2012. (Art. 1, Sec. 31)

Dairy producers have until Aug. 1, 2017, to establish a Dairy Research, Teaching and Consumer Education Authority and to find a site for the design and development of a research, teaching and visitor facility. There is no state appropriation for the authority, which shall depend upon grants, gifts and donations for support. (Art. 1, Secs. 34-39)

Another livestock provision dealing with diseased animals will remove the existing three-mile-radius limit on the size of the quarantine zone that the Board of Animal Health may establish around the location of a diseased animal. (Art. 1, Sec. 40)

### **Research, renewable energy, grants**

The agricultural growth, research, and innovation program, which was scheduled to sunset next year, is extended until June 30, 2015. Established to promote the advancement of the state's agricultural and renewable energy industries, the Department of Agriculture will also be allowed to provide cost-share grants for the installation of biofuel blender pumps. (Art. 1, Secs. 43-44)

Regarding biodiesel fuel content mandates, the law exempts Coast Guard vessels from having to comply with minimum content requirements and exempts No. 1 diesel fuel from blending during the winter months due to potential gel problems at colder temperatures. The exemptions are effective April 29, 2012, and expire May 1, 2015. (Art. 1, Sec. 70)

A report is due the Legislature in 2013 and 2014 from the agriculture commissioner, in consultation with the commerce commissioner and Biodiesel Fuel Task Force, on whether to continue with any biodiesel fuel exceptions. (Art. 1, Sec. 71)

The law delays until Aug. 30, 2015, the current mandate that gasoline sold in Minnesota contain at least 20 percent ethanol. (Art. 1, Sec. 72)

Another organization, the Rural Finance Authority, will now be able to accept gifts, bequests, grants or interest in property for purposes pertaining to the authority, which aids farmers in securing loans to purchase land and other agricultural assets. In addition, the authority will utilize an existing revolving loan account to offer loans up to \$10,000 to minorities and women for the purpose of growing horticultural products or to raise chickens to bring to market. The program will receive funding through a transfer of the balance in the dedicated agroforestry loan program account, which is abolished. (Art. 1, Secs. 45, 48-49, 82)

### **Miscellaneous**

A provision regarding the seizure of animals will prohibit pounds from turning over unclaimed animals for science. Dogs, cats and other animals seized by public animal control agencies must be held for at least five business days and records, including each animal's breed, sex, date and location of seizure, must be kept for six months or longer. Such records must be maintained for public inspection. The animals may not be used for research or product testing, which does not include transfer to a veterinary school for sterilization or medical care. (Art. 1, Sec. 73)

Effective July 1, 2012, \$200,000 remaining from a 2010 Lutheran Social Services appropriation may be expanded to more counties until spent. The original appropriation provides mental health counseling in rural communities affected by natural disasters. (Art. 1, Sec. 77)

Bonding authority is granted to Steele and Wadena counties to make capital improvements to their county fairgrounds. (Art. 1, Secs. 79-80)

Enforcement of food safety regulations will move into a new chapter of law. The Agriculture Department is also granted authority to issue civil penalties under the new chapter, in addition to criminal or administrative penalties. (Art. 2)

**[HF2398\\*](#) / [SF2061](#) / [CH244](#)**

**House Chief Author:** [Anderson, P.](#)

**Senate Chief Author:** [Magnus](#)

**Effective Dates:** Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Agriculture - 2012

### Regular Session

# Horse livestock classification

Horses are considered livestock for agricultural purposes but equine operations may mean something entirely different when it comes to assessing property taxes.

A new law, effective Aug. 1, 2012, clarifies the relationship between agriculture and property tax laws for horse breeders.

St. Michael horse breeder David Dayon sought to declare horses as livestock in state agricultural law after his local assessor classified his operation as a commercial business, rather than a farm. Under state property tax law, farmers pay a lower effective property tax rate than commercial businesses.

Rep. Bruce Anderson (R-Buffalo Township) and Sen. Amy Koch (R-Buffalo) sponsor the law, which states that horse training and breeding farms are considered agricultural operations, but this agricultural designation is not the only consideration when a local property tax assessor determines whether a particular property is a farm for property tax purposes. The law attempts to clarify that assessors still must consider the size of the operation, whether it is a for-profit or recreational activity, and other factors as specified in state property tax law.

There are about 13,000 horse farms in the state, typically consisting of 20 acres, according to an equine extension specialist at the University of Minnesota.

HF539/SF396\*/CH203

[SF0396\\*](#) / [HF0539](#) / [CH203](#)

**House Chief Author:** [Anderson, B.](#)

**Senate Chief Author:** [Koch](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Bonding - 2012

### Regular Session

# Bonding bill focuses on repairs

Although not thrilled with the size of spending in the capital investment bill, Gov. Mark Dayton, nonetheless, signed off on the nearly \$500 million plan.

"It's not as much as I had hoped for, but [...] I signed the bill, and most of them are good and important projects, ones that will benefit the people of Minnesota, and benefit the institutions where they are going, and most importantly, will put thousands of people throughout Minnesota to work, which was the No. 1 priority of this legislative session," he said.

Republicans said that when combined with the nearly \$500 million in bonding enacted in 2011 that puts the biennial total close to \$1 billion.

Rep. Larry Howes (R-Walker) and Senate Majority Leader David Senjem (R-Rochester) sponsor the new law, which is effective May 12, 2012.

HF1752\*/SF1463/CH293

In total, the new law calls for \$496.4 million in general obligation bonding.

Higher education will see the greatest share of the funds with the Minnesota State Colleges and Universities system receiving \$132.12 million and the University of Minnesota \$64 million. Most of these funds will be used for facility health and safety upgrades. However, the university expects to use the \$10 million in state money, plus its \$5 million share to pre-design, design, and begin renovation of the Old Main Steam Plant facility on the Minneapolis campus. The total steam plant project is estimated to cost \$54 million.

Some MnSCU facilities will see building construction and renovations. They include:

- \$26.29 million for a bioscience and health careers addition at North Hennepin Community College;
- \$13.38 million for renovations at the Minneapolis Community and Technical College workforce program space;
- \$13.3 million for classroom renovation at South Central College in Faribault; and
- \$8.7 million for space at the Rochester Community and Technical College to house the area workforce center. (Secs. 2-3)

Work on needed restoration and renovations to the State Capitol building can begin with a \$44 million appropriation. It is expected that the complete project will take six years to complete as funding is appropriated in later biennia. The initial funds are to be used for the project's plans and specifications. By July 15, 2013, the administration commissioner shall submit a report describing final plans and specifications for the Capitol restoration to the Legislature. (Sec. 27)

The law also appropriates:

- \$49.4 million for Department of Transportation projects, including \$30 million for local bridge replacement and rehabilitation (Sec. 16);

- \$46.5 million to the Department of Natural Resources, with \$30 million dedicated to flood mitigation (Sec. 7); and
- \$23.5 million to the Military Affairs Department with \$19.5 allocated for a new Camp Ripley Education Center (Sec. 15).

The Department of Employment and Economic Development is allocated \$76.5 million, including \$47.5 million for the new Business Development Through Capital Project Grants program. The commissioner shall make competitive grants to local governmental units for eligible projects and public infrastructure required to support an eligible project, which may include: predesign, design, acquisition of land or buildings, construction, furnishing and equipping a new or renovated building. The program sunsets June 30, 2016. (Sec. 33)

Funded projects include:

- \$13.5 million to construct a new building addition to the Hormel Institute in Austin;
- \$3 million for a new regional public television station in Bemidji; and
- \$500,000 for a floodwall extension in South St. Paul. (Sec. 21)

The Greater Minnesota Business Development Public Infrastructure Grant Program receives \$6 million, for grants to fund local and regional public infrastructure investment geared toward business expansion that would not occur without public financial assistance.

These competitive grants are available to local governmental units for eligible

projects. The state grant must be matched with at least an equal amount from non-state sources. If the Lake Superior-Poplar River Water District authorized in section 52, is established and receives a grant under the program, it must match the grant with at least \$1.2 million. (Sec. 21)

The law also addresses affordable housing initiatives. The Minnesota Housing Finance Agency may issue up to \$30 million in agency bonds to finance the cost of supportive housing for those without a permanent residence; and for rehabilitation of foreclosed or abandoned houses that will be used for affordable rental house. The law also makes a standing statutory appropriation of General Fund money to the agency of up to \$2.2 million per year, beginning in fiscal year 2013, to pay debt service on the bonds. (Sec. 36)

The Harriet Tubman Center in Maplewood will receive \$2 million to help transition the facility to a regional safety service center for domestic violence shelter. (Sec. 18)

The bill shines light on solar energy efforts in the state by encouraging the installation of Made in Minnesota solar energy systems for major renovations of state buildings. (Sec. 32)

**[HF1752\\*](#) / [SF1463](#) / [CH293](#)**

**House Chief Author:** [Howes](#)

**Senate Chief Author:** [Senjem](#)

**Effective Dates:** Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Budget - 2012

### Regular Session

# Fund transfers to end in 2015

Beginning in fiscal year 2016, the state will no longer take money out of a pair of special accounts to help shore up the General Fund.

The fire safety account and the construction code fund, both of which are funded by special surcharges, have been tapped in recent years to help balance the state's budget. Critics say this has diverted money away from these two funds' legitimate purposes: firefighting activities and building inspections.

Effective July 1, 2015, unless otherwise noted, a new law will end the statutory transfers of money out of these two accounts. It will also reduce the respective surcharges that fund them. Specifically:

• the 0.65 percent surcharge on homeowners' insurance that funds the fire safety account will be reduced to 0.5 percent, effective July 1, 2013; and

• the \$5 building permit surcharge that funds the construction code fund will be reduced to \$1, effective July 1, 2015.

Sponsored by Rep. Carolyn McElfrick (R-Deer River) and Sen. Al DeKruif (R-Madison Lake), the law also establishes base funding for the state fire marshal and for firefighter training and education for fiscal years 2014 and 2015. It also appropriates \$4.5 million for fiscal year 2013 to the Department of Public Safety for fire-related activities.

HF2172/SF1983\*/CH289

[SF1983\\*](#) / [HF2172](#) / [CH289](#)

House Chief Author: [McElfrick](#)

Senate Chief Author: [DeKruif](#)

Effective Dates: Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.



## Business and Commerce - 2012

### Regular Session

# Automated dispensing expands

More nursing homes will be able to distribute medications to their residents using an automated dispensing system designed to deter pharmaceutical waste and save money.

Rep. Kathy Lohmer (R-Lake Elmo) and Sen. Benjamin Kruse (R-Brooklyn Park) sponsor a new law, which expands a previous pilot program statewide. It takes effect Aug. 1, 2012.

Automatic drug dispensers are refilled daily at pharmacies, resulting in fewer medication errors, reduced drug waste from blister packs and improved control over prescription drugs, Lohmer said.

The bill also allows nursing home physicians to obtain a restricted limited service pharmacy license to dispense drugs in rural areas that have a health care provider shortage.

HF2626/SF2173\*/CH166

[SF2173\\*](#) / [HF2626](#) / [CH166](#)

House Chief Author: [Lohmer](#)

Senate Chief Author: [Kruse](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Business and Commerce - 2012

### Regular Session

# Salvage title requirements

A new law, effective Aug. 1, 2012, changes the time an insurance company has before being required to notify the Driver and Vehicle Services Division of the Department of Public Safety of acquiring a vehicle through paying a damage claim, so that the notification must occur within 10 days of obtaining a vehicle's title instead of within 48 hours of taking possession of the vehicle.

It also provides a new monetary threshold for requiring a salvage title by raising the cutoff of self-insured vehicle owners in the amount of vehicle damage from 70 percent to 80 percent of actual cash value prior to being damaged, while eliminating an exclusion of airbag replacement costs from the calculation of vehicle damage.

The definition of a "late-model vehicle" is amended to make a vehicle essentially those with a model year matching the current or five preceding calendar years; and the definition of an "older model vehicle" is amended to mean all vehicles older than late-model vehicles. The definition of "high-value vehicle" is also changed to match the clarifications in vehicle types.

Rep. Tim Sanders (R-Blaine), who sponsors the law with Sen. Paul Gazelka (R-Brainerd), said the legislation is the result of collaboration between the Alliance of Automotive Service Providers, the Insurance Federation of Minnesota, the Minnesota Automobile Dealers Association and the Department of Public Safety.

HF2136\*/SF1734/CH267

[HF2136\\*](#) / [SF1734](#) / [CH267](#)

House Chief Author: [Sanders](#)

Senate Chief Author: [Gazelka](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Business and Commerce - 2012

### Regular Session

# Derivative transactions authorized

Derivative transactions will be allowed at state chartered banks and holiday closures for financial institutions have been clarified.

Derivative transactions involve investments that have no value in themselves, but derive value from other investments. Derivatives may be based in a variety of assets, such as mortgage loans. Financial institutions could bundle 1,000 of those loans together and sell shares to investors.

Proponents said banning derivative transactions would put state chartered banks at a disadvantage to other banks, which may make these transactions. Opponents expressed concern that derivatives pose a potential danger to Minnesotans, who may make investments that are actually worth much less than they seem, as was the case leading up to the recession. The new language adds derivative transactions to an existing law that limits the total dollar amount that a state-chartered bank may allow any individual to owe the bank.

The new law also allows banks to close on Mondays following Sunday holidays. Banks may also close on Saturdays if the preceding Friday or following Sunday or Monday is a holiday.

Rep. Diane Anderson (R-Eagan) and Sen. Dan Sparks (DFL-Austin) sponsor the law. Clarification of bank operating hours is effective March 31, 2012, while the provision addressing derivative transactions takes effect Jan. 21, 2013.

HF2227/SF1735\*/CH142

[SF1735\\*](#) / [HF2227](#) / [CH142](#)

**House Chief Author:** [Anderson, D.](#)

**Senate Chief Author:** [Sparks](#)

**Effective Dates:** Sec. 1 and 3 effective 3/31/2012, Sec. 2 effective 1/21/2013 **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Business and Commerce - 2012

### Regular Session

# New window washer requirements

New window cleaning safety measures are now part of codes for buildings at least four stories tall.

The law requires the installation of dedicated anchorages on the exterior of the building for the purpose of suspended window cleaning. It will only apply to new buildings or those undergoing construction that exposes the structure of the roof.

The law is effective April 19, 2012.

Rep. Kirk Stensrud (R-Eden Prairie) and Sen. Ted Daley (R-Eagan) sponsor the law. Stensrud said the law will help ensure that cleaners are not injured on the job.

HF2263/SF1964\*/CH182

[SF1964\\*](#) / HF2263 / CH182

House Chief Author: [Stensrud](#)

Senate Chief Author: [Daley](#)

Effective Dates: 4/19/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Business and Commerce - 2012

### Regular Session

# Health care term confusion

State statutes lay out definitions to help clarify what is meant by terms that are used. Confusion over the use of "health plan company," prompted a new law sponsored by Rep. Tim Sanders (R-Blaine) and Sen. Gary Dahms (R-Redwood Falls).

Sanders said the term health plan company is used 130 times in statute, but the products referenced are "expressly excluded from the definition of health plan." The excluded products are ones that are not usually considered to be conventional health insurance, but are specialized products that provide such coverage as disability or long-term care, or income protection.

The new law, effective Aug. 1, 2012, states "the usage of the term does not apply to an entity that offers, sells, issues, or renews only products expressly excluded from the definition of a health plan," as laid out by statute.

HF1998/SF1793\*/CH160

[SF1793\\*](#) / HF1998 / CH160

House Chief Author: [Sanders](#)

Senate Chief Author: [Dahms](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Business and Commerce - 2012

### Regular Session

# Business solicitation restriction

Licensed health care providers will be prohibited from using third parties to solicit business from those who have been in automobile accidents, unless they clearly provide their names and the clinics where they work.

Sponsored by Rep. Jim Abeler (R-Anoka) and Sen. Paul Gazelka (R-Brainerd), the law will require this information to be disclosed to consumers. Violating the statute could result in license revocation.

Abeler explained that the law would impact companies that may use unethical business practices, such as promising specific financial payments to those injured, or using actors posing as law enforcement to attract customers.

The law is effective Jan. 1, 2013.

HF2749/SF2342\*/CH255

[SF2342\\*](#) / HF2749 / CH255

House Chief Author: [Abeler](#)

Senate Chief Author: [Gazelka](#)

Effective Dates: 1/1/2013 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Business and Commerce - 2012

### Regular Session

# Protection against coercion

Anyone who thinks they have been coerced into purchasing a home improvement product or service from a door-to-door sales agent will have three days to cancel or request a return of payment or goods without penalty.

The protection is contained in a new law, effective Aug. 1, 2012, sponsored by Rep. Andrea Kieffer (R-Woodbury) and Sen. Ted Daley (R-Eagan).

The law also implements fraud prevention measures directed at those providing money transmitting services.

Each money transmitter shall:

• provide a clear, concise and conspicuous consumer fraud warning on all transmittal forms used by consumers;

• provide consumer fraud prevention training for agents involved with transmittals;

• monitor agent activity relating to consumer transmittals; and

• establish a toll-free number for consumers to call to report fraud or suspected fraud.

Additionally, the law protects a vulnerable adult who may be coerced by a scam artist into transmitting money.

According to the nonpartisan House Research Department, the law requires money transmitters to allow individuals to disqualify themselves from sending or receiving money transfers. The disqualification lasts for one year, unless the consumer asks for it to be in effect for a longer period or terminates the disqualification.

HF2173\*/SF2067/CH234

[HF2173\\*](#) / [SF2067](#) / [CH234](#)

House Chief Author: [Kieffer](#)

Senate Chief Author: [Daley](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Business and Commerce - 2012

### Regular Session

# Portable electronic device insurance

Legislation regulating insurance on portable electronic devices receives clarification by a new law.

Rep. Diane Anderson (R-Eagan), who sponsors the new law with Sen. Paul Gazelka (R-Brainerd), said this insurance covers the loss or damage to portable devices such as mobile phones, laptops and iPads. Coverage is typically sold at the place of purchase.

Legislation passed in 2010 exempted the counterperson from having to be an independent insurance agent and required a vendor to provide training and keep a list of all locations that sell the insurance. Because many more places now sell portable electronics devices, supporters said system updates are needed.

The largely technical law, effective Jan. 1, 2013, requires that the insurance must be offered and sold separately, not as part of a package deal; allows training for sale of the insurance to be done electronically; requires a mandated disclosure to affirmatively state that upon cancellation of the insurance the premium will be refunded on a ratable basis to the customer; and allows coverage correspondence notices to be sent by mail or electronically.

HF2638\*/SF2310/CH259

[HF2638\\*](#) / [SF2310](#) / [CH259](#)

House Chief Author: [Anderson, D.](#)

Senate Chief Author: [Gazelka](#)

Effective Dates: 1/1/2013 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## Business and Commerce - 2012

### Regular Session

# Contract preference expansion

A transportation construction bid program that allows up to a 6 percent preference for bids by small businesses will expand. Sponsored by Rep. Bob Dettmer (R-Forest Lake) and Sen. Al DeKruif (R-Madison Lake), a new law, will enable the transportation commissioner to re-establish a dormant bid preference for targeted group businesses. The law also modifies preference requirements for veteran-owned small businesses, including ensuring that the preference applied to veteran-owned small businesses at least matches any percentage preference for targeted group businesses. The law is mostly effective May 1, but applies to contracts let on or after July 1, 2012.

The purpose is to help veterans transition from military to civilian life and to "keep that pool of talent here in Minnesota," Dettmer said.

While most of the work awarded thus far has been in the area of manual labor, the law will expand bid preferences for construction-related goods and services. That may mean that veteran-owned architectural and design businesses could be included in the program.

Goals will be set by the commissioner for prime contractors to subcontract to small businesses, such as veteran-owned companies. The prime contractors may receive financial incentives for exceeding the set goals.

As part of the changes made in the law to re-establish the bid preference for targeted group businesses, the department must periodically conduct a disparity study to determine whether there is sufficient underrepresentation of minority groups in the transportation construction industry to justify continuing the preference for those businesses.

Counties will be able to create a similar contracting preference program for veteran-owned businesses. This section takes effect July 1, 2012.

A biennial report will be due to the Legislature, providing a summary of the program and recommendations for any changes.

HF1821/SF1597\*/CH254

[SF1597\\*](#) / [HF1821](#) / [CH254](#)

**House Chief Author:**

**Senate Chief Author:** [DeKruif](#)

**Effective Dates:** 7/1/2012 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Business and Commerce - 2012

### Regular Session

# Insurance for farm homes clarified

Township mutual insurance companies insure a high percentage of the state's farms; however, some agents argue that the regulating statutes need clarification.

A new law will tweak current law as it relates to insuring farm homes through combination policies. These are policies in which a regular property-casualty insurance company insures the home portion of a township mutual insurance policy, since state law does not allow township mutuals to insure homes themselves.

Sponsored by Rep. Greg Davids (R-Preston) and Sen. Gary Dahms (R-Redwood Falls), the law comes in response to a case now before the Minnesota Supreme Court. It pertains to a value dispute between a farmer and his insurance company over the home that was a total loss due to fire.

Davids said the law will add needed clarification for insurance companies that operate under laws that don't quite line up with those covering more standard insurance coverage. The new law is effective April 6, 2012, and is not retroactive. Therefore it will not affect the outcome of the suit before the courts.

HF2342/SF1934\*/CH162

[SF1934\\*](#) / [HF2342](#) / [CH162](#)

House Chief Author: [Davids](#)

Senate Chief Author: [Dahms](#)

Effective Dates: 4/6/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Business and Commerce - 2012

### Regular Session

# Demolition loans, ombudsman office

Local governments will be able to apply for state loans to demolish old buildings and make way for redevelopment.

The provision is among a handful of economic development programs included in a new law. Rep. Bob Gunther (R-Fairmont) and Sen. Julie Rosen (R-Fairmont) are the sponsors. Unless otherwise noted, all provisions take effect Aug. 1, 2012.

The law will add demolition loans to the possible uses of a redevelopment account operated by the Department of Employment and Economic Development. The loans, which can be up to \$1 million in principal, can be used to tear down properties that pose a public safety threat and that meet certain other criteria specified in the law. They will have a maximum term of 15 years and a maximum interest rate of 2 percent. Various other terms and conditions apply.

The law also codifies the ombudsman position within DEED to help small businesses navigate government regulations. The office is meant to provide "one-stop access" for businesses that require "information or assistance in obtaining or renewing licenses, meeting state regulatory requirements, or resolving disputes with state agencies."

Another provision in the law addresses an issue specific to Albert Lea, where the city has excess sewer capacity and seeks to entice new industrial developments. It allows the city to establish a "sewer charge rebate program" to incentivize new or expanded businesses. This provision is effective upon local compliance.

HF1721\*/SF1441/CH288

[HF1721\\*](#) / [SF1441](#) / [CH288](#)

House Chief Author: [Gunther](#)

Senate Chief Author: [Rosen](#)

**Effective Dates:** Sec. 1-10, and 12 effective 8/1/2012; Sec. 11 effective upon local compliance **Effective Dates:** See *chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Business and Commerce - 2012

### Regular Session

# Collection agency licensure amended

Collection agencies are required to run criminal background checks, search for locations of past residences and conduct other screening processes on applicants for debt collection jobs to determine whether they are eligible for collector registration by the Department of Commerce.

Debt collectors must also give written notice to the state regarding change of address and name within 30 days. A new law will also ban those who have been convicted of identity theft or financial crime from being registered by the state.

The law takes effect Aug. 1, 2012.

Rep. Tim Sanders (R-Blaine), who sponsors the law with Sen. Dave Thompson (R-Lakeville), said it "expands consumer protection and clarification in the debt collector industry."

HF2335\*/SF1888/CH225

[HF2335\\*](#) / [SF1888](#) / [CH225](#)

**House Chief Author:** [Sanders](#)

**Senate Chief Author:** [Thompson](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Business and Commerce - 2012

### Regular Session

# Licensing for satellite installers

Those who install satellite systems at customers' homes will find themselves going through a separate licensing process beginning Oct. 1, 2012.

Currently, these installers, as well as those who work with pools, heating and air conditioning, must obtain a low-voltage technician license.

Rep. Tim Sanders (R-Blaine) and Sen. John Pederson (R-St. Cloud) sponsor a new law that provides for a separate licensing structure that the sponsors believe more appropriately fits the duties of satellite installers.

Sanders said the law is needed because a 2002 statute creating the current licensing structure unnecessarily included satellite installers, whose work differs from others who need the license. He said the change will not affect the Department of Labor and Industry, which will still oversee the issuance of these licenses.

HF2732/SF2324\*/CH262

[SF2324\\*](#) / HF2732 / CH262

House Chief Author: [Sanders](#)

Senate Chief Author: [Pederson](#)

Effective Dates: 10/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Business and Commerce - 2012

### Regular Session

# Licensure clarification for closers

Some misplaced cross references in law significantly changed which entities would be exempted from licensure as a real estate broker when acting as a closing agent.

A new law, effective May 2, 2012, reinstates previous law. It exempts licensed attorneys and their direct employees from being licensed by the Department of Commerce as a real estate closing agent in order to handle real estate closings.

The law is sponsored by Rep. Pat Mazorol (R-Bloomington) and Sen. Scott Newman (R-Hutchinson).

HF2705\*/SF2340/CH260

[HF2705\\*](#) / [SF2340](#) / [CH260](#)

House Chief Author: [Mazorol](#)

Senate Chief Author: [Newman](#)

Effective Dates: 5/2/2012 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Business and Commerce - 2012

### Regular Session

# Travel insurance gets new definitions

To adapt to the changing modes of travel and traveler expectations, changes need to be made to state statute regarding travel insurance.

Effective July 1, 2012, a new law "modernizes the definition of travel insurance and regulates how travel agents disseminate travel insurance information," according to Rep. Jenifer Loon (R-Eden Prairie), who sponsors the law with Sen. David Brown (R-Becker).

Of note, the new law clarifies that travel insurance does not include major medical plans, which provide comprehensive medical protection for travelers with trips lasting six months or longer, including those working overseas as an expatriate or military personnel being deployed.

HF2544/SF2069\*/CH157

[SF2069\\*](#) / [HF2544](#) / [CH157](#)

House Chief Author: [Loon](#)

Senate Chief Author: [Brown](#)

Effective Dates: 7/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Business and Commerce - 2012

### Regular Session

# Dayton signs real estate law

A new law exempts real estate brokers from legal responsibility for management of properties in which they have an ownership interest or own outright.

Effective March 21, 2012, the new law applies only to property management performed on that date or later.

Rep. Bruce Vogel (R-Willmar) and Sen. Benjamin Kruse (R-Brooklyn Park) sponsor the law.

HF2152\*/SF1739/CH134

[HF2152\\*](#) / [SF1739](#) / [CH134](#)

House Chief Author: [Vogel](#)

Senate Chief Author: [Kruse](#)

Effective Dates: 3/21/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## Civil Law - 2012

### Regular Session

# Conciliation court claim limit upped

The monetary limit for filing a civil action in conciliation court is increasing for the first time since 1994.

Effective Aug. 1, 2012, the general monetary limit for filing a civil action in conciliation court will increase from \$7,500 to \$10,000. That cap will increase to \$15,000, which will coincide with the limit on forfeitures, beginning Aug. 1, 2014. Consumer credit transaction claims will keep a \$4,000 cap.

According to the Office of Attorney General, "Conciliation court is often called 'people's court' or 'small claims court' because its basic purpose is to help people recover relatively small sums of money without having to hire a lawyer. Conciliation court allows you to bring your legal disputes to a court without the hassles of confusing legal procedures and high costs. Court rules are generally simple and informal, and the cost of filing in conciliation court is low."

Opponents said this law will give Minnesota the second-highest limits in the country, which could be detrimental to consumers.

Rep. Ron Shimanski (R-Silver Lake), who sponsors the law with Sen. Julianne Ortman (R-Chanhassen), said the law is in response to a December 2011 report put forth by Minnesota Supreme Court Civil Justice Reform Task Force. He said the law meets the needs of the courts and provides a savings by removing some district court burden from hearing claims that can be addressed in the less expensive conciliation court.

HF868/SF506\*/CH283

[SF0506\\*](#) / [HF0868](#) / [CH283](#)

House Chief Author: [Shimanski](#)

Senate Chief Author: [Ortman](#)

**Effective Dates:** Sec. 1 and 3 effective 8/1/2012; Sec. 2 effective 8/1/2014 **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Civil Law - 2012

### Regular Session

# Alterations for property/casualty insurance services

Insurers may obtain accident reports from the Department of Public Safety without authorization from customers.

This, along with several other changes relating to insurance, became law April 19, 2012.

The law also permits insurance identification cards to be provided in an electronic form, if the insured person has given approval.

A third section of the law states that when insurers or insurance agents sell property or casualty insurance policies over the phone, they may provide a written notice of guaranty association coverage when the policy is delivered.

Rep. Kurt Daudt (R-Crown) said the law will allow insurers to streamline their processes of delivering services to customers. He and Sen. Gary Dahms (R-Redwood Falls) sponsor the law.

HF2307/SF1875\*/CH185

[SF1875\\*](#) / HF2307 / CH185

House Chief Author: [Daudt](#)

Senate Chief Author: [Dahms](#)

Effective Dates: 4/19/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Civil Law - 2012

### Regular Session

# More judges can perform marriages

Larry Neilson of St. Paul would like his sister to perform the marriage of his daughter. A new law will allow her to do so.

His sister is an administrative judge. While most judges are able to perform the duty, administrative judges were not, under previous law.

That will change effective Aug. 1, 2012.

Rep. Bev Scalze (DFL-Little Canada) and Sen. John Marty (DFL-Roseville) sponsor the law.

HF2447\*/SF2106/CH241

[HF2447\\*](#) / [SF2106](#) / [CH241](#)

House Chief Author: [Scalze](#)

Senate Chief Author: [Marty](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Civil Law - 2012

### Regular Session

# Housekeeping changes

A handful of policy changes are included in a new law that makes housekeeping and federal conforming changes relating to the state's unemployment insurance system.

Rep. Bob Gunther (R-Fairmont) and Sen. John Pederson (R-St. Cloud) sponsor the law, which represents the work of the Unemployment Insurance Advisory Committee. The bipartisan group works under the umbrella of the Department of Employment and Economic Development.

Policy changes in the law include:

• requiring that penalties and interest payments be deposited in the UI trust fund rather than the administration account (effective July 1, 2013);

• clarifying when the tax rate for "new employers" applies (effective July 1, 2012);

• reducing from 55 percent to 50 percent the amount of weekly employment earnings that can be deducted from an applicant's weekly benefit amount in cases where their earnings are less than their benefits (effective July 1, 2013);

• providing that overpayment, penalty and interest balances must be canceled after 10 years instead of 15 years (effective July 1, 2012); and

• banning agreements whereby employers agree not to contest payment of benefits in exchange for certain concessions from the employee (effective July 1, 2012).

The federal conforming changes in the law deal with penalties levied against employers who fail to provide requested information on unemployment applicants' eligibility for benefits, resulting in overpayment of benefits. These changes mostly take effect July 1, 2013.

The law also includes a number of noncontroversial housekeeping provisions that replace obsolete references, clarify statutes and make technical changes. These take effect July 1, 2012.

HF2582/SF2224\*/CH201

[SF2224\\*](#) / HF2582 / CH201

House Chief Author: [Gunther](#)

Senate Chief Author: [Pederson](#)

**Effective Dates:** Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Civil Law - 2012

### Regular Session

# Liability limit for nonprofit events

When a nonprofit organization hosts an event on public land or waters, they are required to have liability coverage. The policy cost depends on the amount needed.

A new law will cap the total liability of the state or a municipality at \$1 million, rather than \$1.5 million.

Rep. David Dill (R-Crane Lake), who sponsors the law with Sen. Julianne Ortman (R-Chanhassen), said the law will provide that the total liability of the state or a municipality may not exceed \$1 million in total if the claims involve nonprofit corporations engaged in or administering outdoor recreational activities funded or operating under a government-issued permit. He said it will make it easier for an organization to purchase needed insurance for events, such as ice-fishing contests.

The law is effective March 16, 2012.

HF32/SF1183\*/CH131

[SF1183\\*](#) / HF0032 / CH131

House Chief Author: [Dill](#)

Senate Chief Author: [Ortman](#)

Effective Dates: 3/16/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Civil Law - 2012

### Regular Session

# Looking out for children and families

Policies regarding adoption, child support, and the care and safety of children, as well as Minnesota Family Investment Program provisions, are included in a new Department of Human Services policy law.

Rep. Jim Abeler (R-Anoka) and Sen. Michelle Benson (R-Ham Lake) sponsor the law that is effective Aug. 1, 2012, unless otherwise noted.

HF1967/SF1675\*/CH216

#### **Child protection and foster care**

The "Give Life A Chance" provision gives mothers wishing to relinquish their newborns without prosecution another legal option besides hospitals.

Under the law, ambulances can pick up a child after a 911 call is placed by the mother or a person with the mother's permission to give up the child. The timeline of when the mother may relinquish her child will expand from 72 hours after giving birth to seven days. (Art. 2, Secs. 1-3)

Children in foster care who turn 18 will be able to stay in foster care until age 21 if they have not been adopted. (Art. 1, Sec. 25)

If a child is discharged from foster care, the social service agency must develop a personalized transition plan with the youth during the 90 days preceding discharge. (Art. 4, Sec. 18)

Effective Aug. 2, 2012, all children in foster care for at least six months will receive a progress review for permanent placement, whereas previously only children under age 8 were reviewed. At the review, the court may order the child's placement agency to develop a plan for permanent legal custody under certain circumstances, such as when a parent is not maintaining regular visits with the child. (Art. 1, Sec. 15)

If the Department of Human Services learns that a parent of a newborn was involved in the child protection system, the department may share information with local social service agencies who may take action to ensure the newborn's safety. (Art. 1, Sec. 47)

Technical updates were made to laws regarding state and federal adoption assistance funding policies and the language moved into a new section of law. (Art. 3, Secs. 1-16)

Child protection policies are consolidated into the same chapter of law and amended so that when trying to reunify a child with a parent, an agency does not need to seek reunification if a court determines that the parent has committed an act of sexual abuse or is required to register as a predatory offender. (Art. 4, Sec. 1)

#### **Child support and assistance**

Another section of the law permits a reciprocal agreement to be established between Minnesota and Bermuda to enforce child support laws. Larger countries have reciprocity with the United States, but the federal government leaves it up to each state to share reciprocity with smaller countries. The provision was also signed into law as HF795\*/SF639/CH204. The provision is effective only if Bermuda provides written agreement to enforce reciprocal child support orders. (Art. 5)

Those who provide day care to children on child care assistance will have to follow more detailed procedures as outlined in modified provisions. For example, the daily attendance record required must be completed daily and include the times when each child was dropped off and picked up. If possible, the person dropping off or picking up the child should be the one making the recorded entry. (Art. 7, Sec. 6)

A program for school-age children that cares for children before or after school hours will receive an exemption from a licensing requirement until July 1, 2014. (Art. 16, Sec. 1)

MFIP, the state's welfare reform program for low-income families with children, will be amended to simplify program requirements. In addition to face-to-face interviews, phone interviews will be allowed between county agencies and MFIP participants seeking to recertify their eligibility, effective Oct. 1, 2012. (Art. 8, Sec. 3)

### **Adult services**

The law also addresses provisions for continuing care services, including delaying a moratorium on new adult foster care licenses from 2011 until June 30, 2014. (Art. 9, Sec. 4)

The human services commissioner will provide a biennial report beginning Jan. 1, 2013, about goals and priorities for administering home care services and waivers for people with disabilities. In addition, the commissioner is directed to seek federal approval for disability and community-based waivers to allow up to five individuals in a licensed adult foster care home, effective July 1, 2012. (Art. 9, Secs. 7, 36)

People on elderly waivers will receive case management services from their health plan and a written coordinated service and support plan to identify the level of service needs and how those needs will be met. (Art. 11, Sec. 21)

The delivery of human services is transferring from Mahnomon County to the White Earth Nation and the new law directs the human services commissioner to identify, evaluate and report on efforts to effectively continue with the transfer of services. Specific recommendations are due to the Legislature by Feb. 1, 2013, on any additionally needed legislation to complete the transfer of services to the tribe. (Art. 12, Sec. 2)

A new responsibility of the commissioner is to develop a new list of diagnostic codes to define mental illness for the statewide mental health system. An advisory committee will be established to help with determining the code. (Art. 12, Sec. 3)

**[SF1675\\*](#) / [HF1967](#) / [CH216](#)**

**House Chief Author:** [Abeler](#)

**Senate Chief Author:** [Benson](#)

**Effective Dates:** Various **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Civil Law - 2012

### Regular Session

# Timeshares face foreclosure problem

Timeshare associations, formed to look out for all the owners' interests, including property maintenance, are left to foreclose on those who are delinquent in payments. For some associations, how the property's title is recorded can make the process extremely expensive.

Sponsored by Rep. Torrey Westrom (R-Elbow Lake) and Sen. Warren Limmer (R-Maple Grove), a new law could provide some relief and eliminate a barrier to timeshare resale. It is effective Aug. 1, 2012.

Carrie Ruud, a governmental lobbying consultant from Breezy Point, told a House committee that there are 12,000 timeshare owners in Breezy Point represented by 14 timeshare associations. Because the county uses a Torrens recording system, the legal costs can be prohibitive for associations.

Timeshare values average between \$200 to \$600 a week. The cost to foreclose can average \$2,000 to \$2,500, she said; however, in a Torrens situation, the costs can double.

The law, while protecting due process, would allow associations to secure new certificates of title after the completion of property conducted foreclosures.

HF2763/ SF2184\*/CH178

[SF2184\\*](#) / HF2763 / CH178

House Chief Author: [Westrom](#)

Senate Chief Author: [Limmer](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## Civil Law - 2012

### Regular Session

# Clawbacks reduced to two years

A new law that took effect April 4, 2012, aims to protect nonprofits and religious groups from the lawsuits that are often used in an attempt to recover funds stolen from Ponzi scheme victims.

Rep. Greg Davids (R-Preston), who sponsors the law with Sen. Benjamin Kruse (R-Brooklyn Park), said the legislation comes as a result of the Tom Petters case. A trustee for the Petters fraud victims is currently trying to get millions of dollars back from charities that received Petters-run foundation donations, in some cases many years after the donation was made.

Because the donated money was fraudulently obtained by the donor, state law allows demands to give the money back so it can be fairly distributed among all victims. The law requires recipients to return tainted contributions, if a lawsuit seeking the return is begun within two years after a donation, rather than within six years as was permitted under previous law.

Although he understands the bill could hurt investors in Ponzi schemes, Davids said it's very difficult for charities operating on a shoestring budget to return large sums of money they may have received and already spent many years ago.

HF1384\*/SF1084/CH151

[HF1384\\*](#) / [SF1084](#) / [CH151](#)

House Chief Author: [Davids](#)

Senate Chief Author: [Kruse](#)

Effective Dates: 4/4/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Civil Law - 2012

### Regular Session

# Legal framework for receiverships

The process where a court orders an outside party to take custodial responsibility of another's property is called receivership.

It's a common law process that goes back about 500 years or so; however, there is little guidance in state law regarding the practice.

Rep. Joe Hoppe (R-Chaska) and Sen. Dave Thompson (R-Lakeville) sponsor a new law that lays out a framework for receiverships. It takes effect Aug. 1, 2012.

Court-appointed receiverships can be used to protect real estate, liquidate fraudulently operated businesses or seize assets being withheld in a divorce.

HF382\*/SF352/CH143

[HF0382\\*](#) / [SF0352](#) / [CH143](#)

House Chief Author: [Hoppe](#)

Senate Chief Author: [Thompson](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Civil Law - 2012

### Regular Session

# Judge could decide relocation costs

Current law provides for relocation assistance funds for those whose property is acquired by a local jurisdiction through eminent domain. However, a new law will address situations when agreement can't be reached.

Sponsored by Rep. Denise Dittrich (DFL-Champlin) and Sen. Benjamin Kruse (R-Brooklyn Park), the new law will provide an opportunity for an administrative judge hearing if an agreement can't be reached.

The law will provide for a contested case hearing to determine whether a person is eligible to receive relocation assistance in the first place, if it is denied by the acquiring authority. Current law permits this process for determinations of the amount of relocation assistance, but not for disputes over whether a person qualifies for assistance. The administrative law judge's determination of the amount of the assistance will be final.

The law is effective April 19, 2012, and applies to relocation assistance claims and claims of eligibility for relocation assistance pending on or made after that date.

HF1833/SF1620\*/CH184

[SF1620\\*](#) / [HF1833](#) / [CH184](#)

House Chief Author: [Dittrich](#)

Senate Chief Author: [Kruse](#)

Effective Dates: 4/19/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Civil Law - 2012

### Regular Session

# Child support liens addressed

A law was enacted in 2010 that extended the time a lien could be in place on real estate for unpaid child support. But the 20-year timeframe has caused some problems for those tracking real estate liens, because all others are established at 10 years.

Sponsored by Rep. Mary Liz Holberg (R-Lakeville) and Sen. Scott Newman (R-Hutchinson), a new law will revert the lien provision back to its original 10 years and make it retroactive to April 15, 2010.

Holberg said that since enactment of the original law, "they tried to come up with some sort of solution, but it is unworkable the way real estate records are kept."

Rep. Tim Mahoney (DFL-St. Paul) acknowledged the sensitivity over the issue. "Anytime you get into the area of child support, people get a little worried," he said.

HF2476/SF2114\* /CH183

[SF2114\\*](#) / [HF2476](#) / [CH183](#)

**House Chief Author:** [Holberg](#)

**Senate Chief Author:** [Newman](#)

**Effective Dates:** Retroactively from 4/15/2010 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Civil Law - 2012

### Regular Session

# Child support reciprocity

A constituent of Rep. Joe Hoppe (R-Chaska) may finally get the back child support owed her from her ex-husband who lives in Bermuda.

Hoppe sponsors a new law with Sen. Julianne Ortman (R-Chanhassen) that will allow the commissioner of human services to enter into a reciprocal agreement with Bermuda for the enforcement of child support obligations.

Hoppe's constituent told a House committee last year that her ex-husband owes more than \$53,000 in child support payments for her two sons. Larger countries have reciprocity with the United States, but the federal government leaves it up to each state to share reciprocity with smaller countries, he said.

The law takes effect when Bermuda provides written agreement to enforce reciprocal child support orders. The law will expire Dec. 31, 2013, if Bermuda officials decline or fail to accept enforcement of Minnesota child support orders.

HF795\*/SF639/CH204

[HF0795\\*](#) / [SF0639](#) / [CH204](#)

**House Chief Author:** [Hoppe](#)

**Senate Chief Author:** [Ortman](#)

**Effective Dates:** Upon Bermuda's written acceptance. Otherwise, this section expires December 31, 2013. **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Civil Law - 2012

### Regular Session

# Contractor insurance law modified

A residential contractor providing home improvement or repairs cannot compensate a homeowner by paying his or her insurance deductibles in exchange for the homeowner hiring the contractor to do work covered by insurance.

This is outlined in a new law that expands a trade practices law already in place, which had previously banned only contractors seeking to repair or replace residential roofing or siding from offering to make those payments.

The law is effective Aug. 1, 2012. Rep. Joe Hoppe (R-Chaska) and Sen. Gary Dahms (R-Redwood Falls) are the sponsors.

HF2553/SF2137\*/CH248

[SF2137\\*](#) / HF2553 / CH248

House Chief Author: [Hoppe](#)

Senate Chief Author: [Dahms](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Civil Law - 2012

### Regular Session

# Disclosure of settlement information

The Burnsville-Eagan-Savage School District paid an employee more than a quarter-million dollars as part of a settlement package earlier this year. The district believed data practices laws prohibited it from providing the public with detailed information about the agreement.

A new law, sponsored by Rep. Pam Myhra (R-Burnsville) and Sen. Dan Hall (R-Burnsville), clarifies the conditions for data release relating to dismissal of a public employee, if the government entity is paying out \$10,000 or more.

The law also requires certain information to be disclosed about complaints against certain employees in local units of government. Regardless of the size of a community, if a complaint is filed against a chief administrative officer or a person acting in an equivalent position, they would be required to be identified. In a city with a population of more than 7,500 or a county with a population of more than 5,000, the law would relate to a broader category of positions.

Data relating to a complaint or charge against an employee will be public only if the complaint or charge results in disciplinary action; the employee resigns or is terminated from employment while the complaint or charge is pending; or potential legal claims arising out of the conduct that is the subject of the complaint or charge are released as part of a settlement agreement with another person.

The law is effective May 5, 2012, and applies to any agreement entered into or modified after that date.

HF2647\*/SF2409/CH280

[HF2647\\*](#) / [SF2409](#) / [CH280](#)

House Chief Author: [Myhra](#)

Senate Chief Author: [Hall](#)

Effective Dates: 5/5/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Consumers - 2012

### Regular Session

# Buying junkers for parts, metal

The number of people who can purchase vehicles at insurance auctions is expanding.

A new law allows new and used motor vehicle dealers who hold a scrap metal processor license to acquire a vehicle declared a total loss and sell both the vehicle parts and remaining scrap metal. Under current law, only dealers with a used parts vehicle dealer license can perform such activity.

According to the nonpartisan House Research Department, "a scrap metal processor license permits the licensee to engage in the business of acquiring operable vehicles for selling the metal for remelting, while a used vehicle parts dealer license permits the licensee to operate a business that acquires vehicles, dismantles it for parts, and sells both the parts and the remaining scrap materials."

Supporters said the change will be beneficial for car insurance purchasers because theoretically they'd get more money for resale than if there is a more limited set of buyers.

Signed April 5 by Gov. Mark Dayton, the law takes effect Aug. 1, 2012. Rep. Chris Swedzinski (R-Ghent) and Sen. John Howe (R-Red Wing) are the sponsors.

HF2736/SF2273\*/CH163

[SF2273\\*](#) / HF2736 / CH163

House Chief Author: [Swedzinski](#)

Senate Chief Author: [Howe](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## Consumers - 2012

### Regular Session

# Sump pump installation changes

Minnesota's plumbing code will broaden to allow licensed waterproofing contractors to install a sump pump in an existing single-family dwelling.

The law addresses code inconsistencies between cities and counties as it relates to sump pump installation. Sponsored by Rep. Tim Sanders (R-Blaine) and Sen. John Pederson (R-St. Cloud) it takes effect Aug. 1, 2012.

"Basically what it is saying is that you don't need a full-blown license to do the work," Sanders said.

HF2354/SF1993\*/CH159

[SF1993\\*](#) / [HF2354](#) / [CH159](#)

House Chief Author: [Sanders](#)

Senate Chief Author: [Pederson](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Consumers - 2012

### Regular Session

# Alcohol permitted at Gopher games

College football fans will soon be able to purchase alcohol at the University of Minnesota's TCF Bank Stadium.

As part of this session's omnibus liquor law, alcohol will be available for the general public as well as those seated in suites. The law states that one of the beers served in the designated "beer garden" within the stadium must be brewed in Minnesota. The types of other beers sold would be determined by the university's Board of Regents. This section takes effect Aug. 1, 2012. (Sec. 3)

Sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights) and Sen. Chris Gerlach (R-Apple Valley), the law also:

- allows for use of "bulk wine" at licensed farm wineries, effective April 29, 2012 (Sec. 1);
- clarifies that farm winery licenses may only be issued on agricultural lands, for all licenses issued on or after March 1, 2012 (Sec. 2);
- allows wine festivals to sell up to six bottles of wine for off-sale consumption, effective April 29, 2012 (Sec. 4);
- allows on-sale licenses to be issued to "wine educators" who meet certain requirements, effective Aug. 1, 2012 (Sec. 5);
- allows liquor stores to sell clothing bearing the logo of the store, effective April 28, 2012. This would expand the types of products stores may sell, which range from alcohol to home-brewing equipment to tobacco products, effective April 29, 2012 (Sec. 6);
- grants liquor stores permission to hold classes where there is tasting of alcohol in limited amounts, effective April 29, 2012. Store owners previously testified that this is an additional service they would like to offer customers. (Sec. 7);
- allows out-of-state craft brewers to import beer for a beer festival in Winnebago, effective upon local compliance (Sec. 8);
- allows a liquor license to be issued to the Bluestem Center for the Arts in Moorhead, effective upon local compliance (Sec. 9); and
- permits a liquor store damaged by the 2011 tornado in north Minneapolis to operate at an interim location until the business can move to a new facility, effective upon local compliance (Sec. 10).

HF2784/SF2392\*/CH235

[SF2392\\*](#) / [HF2784](#) / [CH235](#)

House Chief Author: [Atkins](#)

Senate Chief Author: [Gerlach](#)

Effective Dates: Various Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Education - 2012

### Regular Session

# School spending flexibility allowed

School districts will no longer be required to use a state-determined formula to determine how they distribute staff development revenue.

The new law strikes previous language that mandated schools spend 50 percent of that revenue at each school site based on plans developed by the site council, 25 percent for district-wide efforts and 25 percent on grants for sites to use on best practice methods.

The law is intended to give school boards increased flexibility in how they spend state funds. The 2011 Legislature suspended the staff development revenue set-aside for the current biennium; the law will give school boards greater flexibility to spend staff development revenue in future biennia.

This new statute also requires that schools provide one-time, hands-on CPR training to students in grades 7-12, starting in the 2014-15 school year. The training must include automatic external defibrillator, or AED, instruction.

The portion of the law pertaining to CPR is effective April 24, 2012. The section relating to spending is effective July 1, 2012.

Rep. Jenifer Loon (R-Eden Prairie) and Sen. Carla Nelson (R-Rochester) sponsor the law.

HF2506\*/SF2059/CH206

[HF2506\\*](#) / [SF2059](#) / [CH206](#)

House Chief Author: [Loon](#)

Senate Chief Author: [Nelson](#)

**Effective Dates:** Section 1: 4/24/2012, Section 2: 7/1/2012 **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Education - 2012

### Regular Session

# Education pilot program gets OK

A pilot program will allow school districts to pool resources to provide innovative delivery of programs and activities, with increased student achievement in mind.

Rep. Sondra Erickson (R-Princeton) and Sen. Al DeKruif (R-Madison Lake) sponsor the law that will establish a five-year pilot project managed by the Education Department. Groups of schools will apply for the program, with three to six selected to participate. The department will then monitor the project for successful results and recommend whether it should be continued.

Erickson said that the law will provide schools with an opportunity to be innovative and "move away from the status quo of programming or the status quo of using resources. â€œ I think this is really an exciting time for school districts to consider this."

The law is effective May 2, 2012, and applies to the 2013-2014 through 2017-2018 school years.

HF755/SF946\*/CH263

[SF0946\\*](#) / [HF0755](#) / [CH263](#)

House Chief Author: [Erickson](#)

Senate Chief Author: [DeKruif](#)

Effective Dates: 7/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## **Education - 2012**

### **Regular Session**

# **Education provisions also include some cost savings.**

The 2012 omnibus education law will affect a broad range of areas, including charter school regulations, postsecondary enrollment options and payment to teachers charged with a felony.

The law will have fiscal implications, as detailed here:

Cost savings for the General Fund are expected to be \$311,000 in fiscal year 2012 and \$678,000 in fiscal year 2013. Those are resulting in changes to the postsecondary education options program and early graduation scholarships, effective April 28, 2012. (Art. 1, Sec. 32)

The law also will decrease early childhood education scholarships funding from \$4 million to \$2 million, with an increase in the base for the program from \$2 million to \$3 million. (Art. 3, Sec. 4)

Finally, the law also appropriates from the General Fund \$250,000 for fiscal year 2013. The money will be used for a parent-child home program to increase child literacy. (Art. 3, Sec. 5)

Rep. Pat Garofalo (R-Farmington) and Sen. Gen Olson (R-Minnetrissa) are the sponsors. The law is effective Aug. 1, 2012, unless otherwise noted.

HF2949\*/ SF2482/CH239

### **Homeless students**

The new law establishes that homeless students' districts are where their parents reside, unless the parent is incarcerated, not within the state or in a halfway house. Exceptions are made if parental rights have been terminated. If there is a dispute regarding definitive residence for the student, the commissioner of education may intervene. The law also clearly defines the serving district's responsibilities for transporting the student. (Art. 1, Sec. 1)

Homeless students who are not residents within the district of enrollment must be provided transportation to and from school. Homeless students whose parent or guardian moves to another district can continue to attend at the original school without approval of the district's school board. (Art. 1, Secs. 12-13)

Additionally, the law requires that general education revenue be paid to a homeless student's resident district, if he or she attends a school other than an independent or special school district or charter school. (Art. 1, Sec. 28)

### **Home School**

A further change in the law will narrow the age range of homeschooled students who must be assessed with a standardized examination. The superintendent of the district where a child is learning as well as the child's instructor must agree on the logistics of the exam. (Art. 1, Sec. 2)

All schools will need to submit student information to the superintendent of a resident district in which the student receives instruction. Information showing compliance with statute must be maintained and available to the county attorney if needed. (Art. 1, Secs. 3-4)

Charter schools who instruct homeschooled students for part of the day will receive shared time revenue as compensation for educating these students. Shared time revenue is paid by the state to schools that only instruct students part-time. The law removes a 1991 provision expressly banning charter schools from enrolling students for the purposes of receiving shared time revenue. (Art. 1, Sec. 20)

### **Career and Technical Courses**

Students who will graduate during the 2014-15 school year or later will be permitted to take a career and technical education credit that meets standards based on physics, chemistry or biology classes. That career and technical education credit may replace a physics or chemistry credit required for graduation. Students in the ninth grade for the 2011-12 school year or later must receive three science credits, including chemistry, physics or technical and career education. Students may take a qualifying career and technical class to help them meet that requirement. Agricultural science may also fit that requirement, and does not necessarily need to be designated strictly as a biology credit. Career and technical education may also fulfill science, math or arts subject requirements. (Art 1, Secs. 5-6)

The law will also change the amount a school may levy for its career and technical program, if it has one. That amount is now set to 35 percent of approved expenditures per fiscal year. That money may be used for staff, travel and supplies as needed. The levy for career and technical programs must match taxes payable in 2012. These changes are effective April 28, 2012. (Art. 1, Secs. 21-23)

### **Early Graduation Scholarships**

General education revenue schools receive for students who have graduated early must be transferred to an early graduation scholarship fund, instead of the school's general fund. Students who graduate ahead of schedule are eligible to participate in the early graduation achievement scholarship program. Students who receive a scholarship may use that money for higher education, as recognized by the United States Department of Education. Students who graduate early to enter into the armed forces are eligible for the early graduation military service award program, as well. However, students may not receive both scholarships. These sections are effective for fiscal 2012 and later. (Art. 1, Secs. 7-9)

### **AP, IB and PSEO**

The commissioner of education must submit information to the Legislature annually regarding rigorous course data throughout Minnesota. Rigorous courses include Advanced Placement, International Baccalaureate and postsecondary education options classes. That report must include data on enrollment as well as recommendations for the state programs. This portion of the law is effective for the 2012-13 school year and later. (Art. 1, Sec. 10)

Another change to advanced education programs will broaden PSEO availability to 10th grade students by permitting them to enroll in career or technical courses at qualified postsecondary institutions. If a student receives a "C" or better in the class, he or she will be able to take additional credits at the school. (Art. 1, Sec. 14)

Students may also have extra time to decide whether they will choose PSEO for the following year. The law will extend the deadline for high school students to notify their schools about intent to enroll in PSEO from March 30 to May 30. The information provided by the student will be binding. (Art. 1, Sec. 15)

A controversial change to PSEO will allow postsecondary institutions to advertise available PSEO programs to high school students. Some lawmakers worried that advertising from postsecondary institutions will push students to make academic choices that may not be right for them. (Art 1, Secs. 16, 29)

The law will also strike language banning students from either receiving secondary or postsecondary credit for PSEO courses. Under the law, students may simultaneously receive credit at both institutions for a course. It also strikes an explanation in statute outlining purposes for Advanced Placement and International Baccalaureate classes. (Art. 1, Sec. 17; Art. 2, Sec. 3)

An additional expansion to PSEO will permit students participating in the program to apply to the postsecondary institution for reimbursement of transportation costs, if the student's family is at or below the federal poverty level. Technical changes are also made to statute to reflect alterations to PSEO law, which are effective for the 2012-2013 school year and later. (Art. 1, Secs. 18-19)

## **Public School Funding**

The law will adjust which school districts are within the metro equity region. According to the nonpartisan House Research Department, this change will move the Northfield School District to the non-metro region for purposes of revenue calculation. This is effective for fiscal 2013 and later. (Art. 1, Sec. 24)

A portion of statute will be removed that previously allowed districts to reallocate general education revenue for the purpose of all-day kindergarten and pre-kindergarten. However, a school may still spend general education revenue on those two. (Art. 1, Sec. 25)

Proficiency aid for fiscal year 2013 and later will reflect the number of third grade students at a school, as opposed to overall student population. Proficiency aid is calculated by determining the percentage of students that meet or exceed third grade reading expectancy on the Minnesota Comprehensive Assessment. (Art. 2, Sec. 16)

A similar change will be made to growth aid for fiscal year 2013 and later. It will reflect the number of fourth grade students at a school, instead of overall student population. Growth aid is calculated to show students making medium or high growth on the fourth grade reading Minnesota Comprehensive Assessment. (Art. 2, Sec. 17)

The law will also extend the leasing abilities of districts who are members of the Technology and Information Education Systems data processing joint board, which provide technology, computing and accounting support for metro school districts. These districts may levy for their portions of lease costs to finance improvements to buildings and land. This section also allows districts to levy to lease administrative space, upon receiving approval from the commissioner. The levy amount cannot be greater than the lease cost. This section is effective for taxes payable in 2013 and later. (Art. 2, Sec. 18)

## **Charter Schools**

Charter schools will be allowed to claim a student as a resident for state aid purposes, if the student is attending shared time classes there. This section also provides for resident districts to allow charter schools to bill them for those students' education costs. It also permits the charter school and district to negotiate an agreement for payment of transportation costs. This section of the law is effective for fiscal 2014 and later. (Art. 1, Sec. 26)

The law will also affect special education funds for charter schools. It will increase from 150 to 200 the number of students a charter school must teach to receive accelerated special education funds. To receive that accelerated funding, over 90 percent of enrolled students must be eligible for special education funds. (Art. 1, Sec. 27)

Further changes will impact charter authorizers, which sponsor and review activities of charter schools. The types of organizations that authorize charter schools vary from colleges to nonprofits to groups that serve no other purpose besides authorizing. As stated in the new law, any charter authorizer's governing board will be allowed to vote to withdraw as a charter authorizer, instead of giving that ability to only those who have authorized multiple charter schools. (Art. 2, Sec. 9)

Another portion of the law affecting charter authorizers will ban them from assessing charter schools a fee for any services, except those already provided in law. Authorizers offer services including monitoring charter school operation, from student performance to financial management.

Another measure will mandate that charter schools increase flow of information on their websites. The law states that a charter school must make public and maintain on its website minutes from its board of directors' meetings, as well as minutes of meetings for members and committees with duties delegated by the board. Charter schools must also include director information for those members, as well as contact information for the school's authorizer. Financial information for the school must also be available upon request. The school must also include the type of training its board members have received in its annual report. However, that training does not need to be approved by the Department of Education.

Included in the list of changes to charter schools will be the initial length for a charter school contract, which will increase from three years to five. The contract gives a description of the school's program, admissions policies, procedures for oversight, and other relevant information pertaining to the operation of the school. (Art. 2, Sec. 11)

A technical change within the law aligns school year length for charter schools with public schools by providing the length in hours, not days. (Art. 2, Sec. 12)

Charter schools will also see new statutes pertaining to construction. According to the law, when charter schools affiliate themselves with nonprofit building corporations, those corporations must be in compliance with Internal Revenue Service regulations. The law includes any "supporting organizations" in those requirements. Charter schools must have an established plan for renovation or building purchase, when schools work with these nonprofit corporations. The charter schools, to do this, must have had a net positive unreserved general fund balance in the last five fiscal years. This section of the law also states that the school, or the corporation organized by the school, cannot initiate a contract or solicit bids for construction costing \$1.4 million or more unless it fulfills requirements listed in law and receives permission from the commissioner of education. (Art. 2, Sec. 14)

Charter schools will also be granted some additional flexibility. The new law allows a charter school to enter into a two-year agreement with the district within whose boundaries the charter school operates. The purpose of the collaboration agreement is to facilitate sharing of resources and support student achievement. (Art. 2, Sec. 15)

### **Military Employees**

A part of the bill receiving widespread support will require school districts to pay employee salary differential to those who have been deployed in the National Guard or other reserves. Funds remaining at the end of the year can be used to pay for substitutes for the deployed employees. This section is included because school employees who are deployed in the military typically have received only a portion of their pay, with the remainder used to offset costs for hiring substitutes. The change is effective for school districts with employees serving in active military duty on or after July 1, 2012. (Art. 1, Sec. 30)

### **Academic Excellence**

The law heavily focuses on increasing academic excellence throughout Minnesota, with its entire second article bearing that title. Included in that article is a measure that moves the date when districts must report on student achievement to the commissioner. The date will now be July 1, instead of June 1, and must identify students in kindergarten and first and second grade who are not reading at grade level. (Art. 2, Sec. 2)

Also incorporated into that article is an adjustment to certain student testing. It allows students who have not passed the state's basic skills test by the end of this academic year to take the GRAD math test at least twice or until the student passes, while permitting the student to continue satisfying graduation requirements. (Art. 2, Sec. 4)

The law creates changes that will affect probationary teachers. Under state law, teachers are hired on a probationary basis for the first three years of their initial employment in a Minnesota school. Following that initial job, any first year they spend at a new district is probationary. The law authorizes schools to notify probationary teachers whose contracts will not be renewed for the next school year to do so by July 1, instead of June 1. The law is effective for the 2012-2013 school year and later. (Art. 2, Sec. 5)

Lawmakers also added to the law a provision that would establish a statutory framework for schools to promote individualized learning. This type of instruction helps develop unique curricula for individual students based on their strengths, needs and interests. Supporters say that individualized learning helps students learn at their own pace, instead of confirming them to a "one size fits all" style of education. This section is effective April 28, 2012. (Art. 2, Sec. 7)

School principals will see a change in their annual evaluations. The law states that 35 percent of the evaluations must be based on student growth. According to the law, the evaluation must help support the principal's skills as a leader as well as enhance students' learning and achievement. This section is effective for the 2013-2014 school year and later. (Art. 2, Sec. 8)

### **Special Education**

The law will make several alterations to special education law. Statute newly requires that all education tuition billing be done on standardized forms for children in residential facilities, if those children have been temporarily placed there for care. This applies to education programs for students in residential facilities.



The new law also requires commissioner approval of on-site education programs for children in residential facilities. That approval is needed before the Department of Human Services or the Department of Corrections licenses the program. On-site education must be provided directly on the grounds of the facility. (Art. 3, Secs. 2-3)

### **Early Childhood Education**

The amount for fiscal year 2013 early childhood education scholarships will be reduced from \$4 million to \$2 million, while the base amount for the program would be increased from \$2 million to \$3 million each following year.

A one-time fund transfer will be made for early childhood education by appropriating \$250,000 from the General Fund to the Department of Education for a parent-child home program that is intended to promote literacy through evidence-based methods. (Art. 3, Sec. 5)

### **Teacher pay and licensing**

School districts will be permitted to suspend without pay teachers who have been charged with a felony. Pay may be suspended pending the resolution of the charges. If a teacher is found to be not guilty, the school board must reimburse him or her the full salary withheld. Supporters say this measure is necessary to ensure that employees do not receive money from schools when they are potentially unfit to teach. This section is effective April 28, 2012. (Art. 2, Sec. 6)

Teachers who obtained a one-year teaching license and taught during the 2011-12 school year may be approved by the Board of Teaching to continue teaching through the next school year. This measure will especially affect language immersion teachers who will only teach in Minnesota on a temporary basis. This section is retroactively effective Feb. 22, 2012. (Art. 2, Sec. 20)

**[HF2949\\*](#) / [SF2482](#) / [CH239](#)**

**House Chief Author:** [Garofalo](#)

**Senate Chief Author:** [Olson](#)

**Effective Dates:** Various **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Education - 2012

### Regular Session

# Eye screening change becomes law

School districts are required to provide a developmental screening for pre-school age children. This helps schools identify children who may benefit from district or community resources for follow-up diagnosis or treatment.

A new law, effective March 27, 2012, requires districts to share information about vision screenings with parents. It explains the benefits of vision screening and states it is not a substitute for a comprehensive eye exam.

Rep. Sondra Erickson (R-Princeton) and Sen. David Hann (R-Eden Prairie) sponsor the law.

HF300\*/SF1160/CH136

[HF0300\\*](#) / [SF1160](#) / [CH136](#)

House Chief Author: [Erickson](#)

Senate Chief Author: [Hann](#)

Effective Dates: 3/27/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Education - 2012

### Regular Session

# Continuing education for principals

Retired principals serving as a substitute or assistant principal for 15 days or fewer will not be subject to continuing education requirements typically required of the position.

Supporters said the law, effective March 30, 2012, is intended to streamline the process for allowing substitute principals to work on a temporary basis.

Rep. Carlos Mariani (DFL-St. Paul) and Sen. Terri Bonoff (DFL-Minnetonka) sponsor the law.

HF1524\*/SF1932/CH139

[HF1524\\*](#) / [SF1932](#) / [CH139](#)

House Chief Author: [Mariani](#)

Senate Chief Author: [Bonoff](#)

Effective Dates: 3/30/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Education - 2012

### Regular Session

# Buying lunchroom equipment

Schools will no longer need approval from the Department of Education to purchase lunchroom equipment with surplus funds from their food service fund.

School administrators brought forth a concern that making updates to lunchrooms was too cumbersome under the previous law. The new law, which simplifies the buying process for districts, is effective for purchases made on or after July 1, 2012.

Rep. Mike LeMieur (R-Little Falls) and Sen. Paul Gazelka (R-Brainerd) sponsor the law.

HF2376\*/SF1971/CH138

[HF2376\\*](#) / SF1971 / CH138

House Chief Author: [LeMieur](#)

Senate Chief Author: [Gazelka](#)

Effective Dates: 7/1/2012 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Education - 2012

### Regular Session

# Local government fund deposits expanded

Four types of local governmental units — school districts, towns, counties and some cities — will now be able to deposit more than the \$250,000 FDIC-insured amount into a financial institution, such as a credit union or bank.

The financial institution may place the funds into a transaction account with another institution in excess of the insured limit. That money could be deposited throughout the country in an exchange program. The money beyond \$250,000 would be insured through another bank's FDIC account.

Rep. Tim O'Driscoll (R-Sartell), who sponsors the law with Sen. Ted Lillie (R-Lake Elmo), said this will allow local governments to deposit funds without risking taxpayer money.

The law is effective April 24, 2012.

HF2174\*/SF1737/CH209

[HF2174\\*](#) / [SF1737](#) / [CH209](#)

House Chief Author: [O'Driscoll](#)

Senate Chief Author: [Lillie](#)

Effective Dates: 4/24/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Education - 2012

### Regular Session

# Administrators board can enforce fees

School administrators who don't pay their annual licensing fees to the Board of School Administrators will have their licenses suspended until they pay the \$75 fee.

A new law requires the board to notify administrators that missing the payment will lead to an automatic suspension of the license. When an administrator's license is suspended, the board must immediately notify the administrator's district of the suspension.

This provision is effective for fiscal year 2013 and later.

The Board of School Administrators will change from a calendar year to a fiscal year structure. The law provides for the board to adjust fees as needed during the transition. This section is effective May 1, 2012.

The law clarifies that, effective Aug, 1, 2012, the board may approve as well as disapprove preparation programs for school administrators.

Rep. Sondra Erickson (R-Princeton) and Sen. Gen Olson (R-Minnetrissa) sponsor the law.

HF2759/SF2535\*/CH257

[SF2535\\*](#) / [HF2759](#) / [CH257](#)

House Chief Author: [Erickson](#)

Senate Chief Author: [Olson](#)

Effective Dates: 5/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Education - 2012

### Regular Session

# Digital learning requirements for teachers

A new law, sponsored by Rep. Pam Myhra (R-Burnsville) and Sen. Carla Nelson (R-Rochester), is an effort to better prepare teachers to work in a digital learning environment.

After June 30, 2014, any state college or university, approved by the Board of Teaching to train teacher candidates must include in its teacher preparation program digital and blended learning, and curriculum that will engage students with technology.

The law also directs the an Online Learning Advisory Council to review state laws and rules affecting classroom learning and determine which ones, if any, inhibit digital learning. A report to the Legislature is due by June 30, 2013, at which time the council's work will be completed.

The Department of Education will receive \$104,000 in fiscal year 2013 only to help support needed staffing for the digital and online learning efforts. The base for fiscal year 2014 and later will be increased annually by \$26,000.

HF2127/SF1528\*/CH273

[SF1528\\*](#) / HF2127 / CH273

House Chief Author: [Myhra](#)

Senate Chief Author: [Nelson](#)

Effective Dates: Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Education - 2012

### Regular Session

# Textbook aid expanded

State aid for textbook purchases made by schools now may extend to software and other educational technology.

The law, sponsored by Rep. Denise Dittich (DFL-Champlin) and Sen. Benjamin Kruse (R-Brooklyn Park), will allow districts flexibility in using those funds for materials other than traditional books.

The statute requires that these materials, as currently required of books, must be secular, non-ideological and neutral in tone. Gov. Mark Dayton signed this into law March 30. The new law takes effect July 1, 2012.

HF2078/SF1990\*/CH144

[HF2078\\*](#) / SF1990 / CH144

House Chief Author: [Dittich](#)

Senate Chief Author: [Kruse](#)

Effective Dates: 7/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## Education - 2012

### Regular Session

# High school conference membership changes

High schools will now be able to more quickly get help from the Minnesota State High School League in arranging conference membership.

Previously, if a high school needed the league's help in arranging a conference membership, it had to spend 180 days making a "good faith" effort to join a conference. The new law, effective March 2, 2012, reduces the wait to 90 days.

Rep. Paul Anderson (R-Starbuck) and Sen. Joe Gimse (R-Willmar) are the sponsors.

HF1585\*/SF1322/CH125

[HF1585\\*](#) / [SF1322](#) / [CH125](#)

House Chief Author: [Anderson, P.](#)

Senate Chief Author: [Gimse](#)

Effective Dates: 3/2/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Education - 2012

### Regular Session

# Dayton signs teacher exam law

Teachers-to-be must now pass a basic skills reading, writing and math exam before receiving a license to teach in Minnesota.

Previous law allowed those who completed a teacher preparation program to receive up to three one-year licenses without passing the basic skills exam. Under the new statute, teaching candidates must pass the exam before obtaining their teaching license. The law is effective Feb. 23, 2012.

Rep. Andrea Kieffer (R-Woodbury), who sponsors the law with Sen. Ted Daley (R-Eagan), introduced the legislation out of concern that teachers who might not be able to pass the basic skills test were instructing children. She believes this measure will increase the quality and rigor of teachers in Minnesota.

HF1770\*/SF1493/CH122

[HF1770\\*](#) / [SF1493](#) / [CH122](#)

House Chief Author: [Kieffer](#)

Senate Chief Author: [Daley](#)

Effective Dates: 2/23/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Education - 2012

### Regular Session

# Transition options encouraged

Rep. Carol McFarlane (R-White Bear Lake) and Sen. Carla Nelson (R-Rochester) sponsor a new law, which offers a plan for schools to use when assisting students in determining their interests and learning styles, with the intention that these tools will provide assistance when students need to make career and college-related choices.

The law will require these plans to emphasize the need for students to develop good academic habits and teamwork skills. Plans will also need to implement programs that will increase students' and families' access to information about college and careers.

McFarlane said that this plan will be especially helpful because it will prevent problems students may encounter following graduation from high school. She also claimed that a growing number of jobs in Minnesota require college education, which is a change the law seeks to address.

The law is effective April 24, 2012, and affects students graduating in 2014 or later. An additional portion of the law strongly encourages schools to maintain an adequate student-to-counselor ratio starting in the 2015-16 school year.

HF1272/ SF1073\*/CH207

[SF1073\\*](#) / [HF1272](#) / [CH207](#)

House Chief Author: [McFarlane](#)

Senate Chief Author: [Nelson](#)

Effective Dates: 4/24/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Education - 2012

### Regular Session

# Dayton signs adult ed bill

Adult basic education programs must implement a performance tracking system to provide the federal government with information about program effectiveness.

Rep. Tim Kelly (R-Red Wing) and Sen. Carla Nelson (R-Rochester) sponsor the law.

Under federal law changes, organizations providing adult basic education must track student outcomes so the government can analyze program effectiveness. These education programs help adults become literate, obtain employment skills and earn their high school diploma or equivalency certificate.

The new law expands state and federal requirements that adult basic education programs measure student and graduate employment, literacy skills, and secondary and postsecondary education completion. The new law adds an additional category: requires data on learners' participation in the diversionary work program, Minnesota Family Investment Program and food support education and training program. These programs help low-income individuals, especially families, find employment.

The law is effective March 9, 2012, and is in effect through the 2020-2021 school year.

HF1484/SF1213\*/CH130

[SF1213\\*](#) / [HF1484](#) / [CH130](#)

House Chief Author: [Kelly](#)

Senate Chief Author: [Nelson](#)

Effective Dates: 3/9/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Education - 2012

### Regular Session

# Flexibility for adult basic education

Adult basic education programs help adults become literate and obtain skills needed for employment. They also work with students so they may earn their high school diplomas or equivalency certificates.

To receive state funds, adult basic education programs must be in contact with students for a certain number of hours. When a disruptive force like a natural disaster occurs, the program could become inaccessible to students for a limited amount of time. Under the new law, adult basic education programs can make adjustments to the scheduled hours they spend instructing learners, without facing penalties.

Rep. Carlos Mariani (DFL-St. Paul) and Sen. Carla Nelson (R-Rochester) sponsor the law, which is effective for fiscal year 2013 and later.

HF2291\*/SF2346/CH145

[HF2291\\*](#) / [SF2346](#) / [CH145](#)

House Chief Author: [Mariani](#)

Senate Chief Author: [Nelson](#)

Effective Dates: 7/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Elections - 2012

### Regular Session

# HAVA appropriations

The Office of the Secretary of State will have another \$750,000 to carry out its election administration duties.

A new law appropriates funds from the Help America Vote Act reserve account, which is funded by the federal government. Appropriating money from the fund is a routine duty for the Legislature.

The law specifies that \$120,000 of the total amount is to support local election officials and \$50,000 is for compliance with the Military and Overseas Voter Empowerment Act.

A provision in the law also states that the office may not compensate for any funding reductions for its election duties by reducing business services.

The law takes effect July 1, 2012. Rep. Morrie Lanning (R-Moorhead) and Sen. Mike Parry (R-Waseca) are the sponsors.

HF2269\*/SF1832/CH282

[HF2269\\*](#) / [SF1832](#) / [CH282](#)

House Chief Author: [Lanning](#)

Senate Chief Author: [Parry](#)

Effective Dates: 7/1/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Elections - 2012

### Regular Session

# Photo ID question put to voters

A new law proposes a constitutional amendment that would require Minnesotans to present a government-issued form of photo ID at their polling place and requires that all voters be subject to substantially equivalent identity and eligibility verification before a ballot is cast or counted. A question will appear on the November 2012 ballot asking voters to approve the measure. It reads as follows:

"Shall the Minnesota Constitution be amended to require all voters to present valid photo identification to vote and to require the state to provide free identification to eligible voters, effective July 1, 2013?"

A majority of voters voting at the election must approve the amendment in order for it to take effect.

Republicans have traditionally supported a photo ID law, saying it's needed to ensure the integrity of the state's elections. Most DFLers oppose it, arguing it could make voting more difficult for groups like students, the poor and the elderly.

Under the proposed amendment, the state would be obligated to provide a free photo ID card to any eligible voter who needs one. It also calls for a provisional balloting system, whereby a voter who is unable to present photo ID on Election Day could cast a provisional ballot. Their ballot would only be counted if the voter certifies the ballot following procedures that would be enacted by law at a later date. If voters ratify the amendment this year, next year's Legislature will be tasked with passing an enabling law that spells out additional details of how the photo ID requirement will be implemented.

Rep. Mary Kiffmeyer (R-Big Lake) and Sen. Scott Newman (R-Hutchinson) are the sponsors.

HF2738\*/ SF1577/CH167

[HF2738\\*](#) / [SF1577](#) / [CH167](#)

House Chief Author: [Kiffmeyer](#)

Senate Chief Author: [Newman](#)

**Effective Dates:** Amendment failed to pass in general election. **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Elections - 2012

### Regular Session

# Voter list access authorization

An inadvertent repeal from 2004 has been corrected.

When the state courts create a jury source list, information on driver's license and state identification card holders is taken from the Driver and Vehicle Services Division of the Public Safety Department and merged with the registered voter lists from the Office of the Secretary of State.

When originally enacted, the law prohibited the use of voter birth dates in the jury selection process. Effective Aug. 1, 2012, a new law will permit the sharing of such information.

Rep. Ron Shimanski (R-Silver Lake) and Sen. Warren Limmer (R-Maple Grove) are the sponsors.

HF2680/SF2379\*/CH208

[SF2379\\*](#) / HF2680 / CH208

House Chief Author: [Shimanski](#)

Senate Chief Author: [Limmer](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## Elections - 2012

### Regular Session

# Disclosure requirements for utilities

Public utility companies will be required to itemize their lobbying disclosure reports instead of just reporting a single, summary dollar amount.

A new law is designed to help the public distinguish between different types of lobbying activity by electric utilities. It will require them to separate out normal lobbying activity from cases of rate setting, certificates of need, and power plant and power-line siting in their disclosure reports.

The utilities requested the change. They argued that the old requirement of reporting a single number made it appear as if their lobbying expenditures were unusually high, when in fact much of what fell under the disclosure reporting requirements didn't amount to "lobbying" in the usual sense.

The law takes effect March 15, 2013. Rep. Joyce Peppin (R-Rogers) and Sen. Ray Vandevveer (R-Forest Lake) are the sponsors.

HF2684/SF2334\*/CH251

[SF2334\\*](#) / [HF2684](#) / [CH251](#)

House Chief Author: [Peppin](#)

Senate Chief Author: [Vandevveer](#)

**Effective Dates:** Effective for reports due 3/15/2013 and thereafter. **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Elections - 2012

### Regular Session

# Election changes now law

Uniformed and overseas absentee voters will no longer have their ballots rejected just because they forget to write the date on the envelope.

The change is included in a new law that makes a handful of mostly minor changes to the state's election statutes.

Previously, uniformed and overseas absentee voters' ballots were not counted if they forgot to write in the date next to their signature on the ballot envelope. Effective June 29, 2012, these voters are still required to sign the required oath, but no longer have to write in the date. (Sec. 1)

Two other provisions are included in the law:

- effective Aug. 1, 2012, making a technical change necessary to accommodate the date for this year's Republican National Convention (Sec. 2); and

- effective April 28, 2012, banning political party units from punishing non-endorsed candidates from running for office by imposing financial penalties (Sec. 3).

At one point, a provision was included that would have moved the state's primary from August to June, but it was removed in conference committee.

Rep. Tim Sanders (R-Blaine) sponsors the law with Sen. Roger Chamberlain (R-Lino Lakes).

HF2545/SF2296\*/CH250

[SF2296\\*](#) / [HF2545](#) / [CH250](#)

House Chief Author: [Sanders](#)

Senate Chief Author: [Chamberlain](#)

Effective Dates: Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Employment - 2012

### Regular Session

# Fighting employee misclassification

Unscrupulous employers sometimes label their workers independent contractors to avoid paying things like unemployment insurance, workers' compensation and employment taxes. In doing so, they deny those workers the benefits and protections afforded to regular employees.

Supporters of a new law hope it will help put an end to the practice. Effective July 1, 2012, the law will clarify who is considered an independent contractor and require the Department of Labor and Industry to implement a pilot project to ensure that all construction workers are properly registered with the state.

Under the provisions, anyone performing construction services in the state who is not already licensed or registered under another section of law will have to register under the new program. This program will replace the old Independent Contractor Exemption Certificate. There will be no registration fee, but penalties may apply to those who fail to register.

A 2007 report by the Office of the Legislative Auditor found that one out of every seven employers had misclassified one or more workers in 2005. The report stated that it was likely a conservative estimate, because it didn't account for employers who pay cash under the table or who don't register with the unemployment system. The report also found that the practice of misclassification was highest in industries like real estate and construction, particularly the areas of roofing, drywall and residential remodeling.

The law also includes a number of technical and housekeeping changes requested by the Department of Labor and Industry. These take effect Aug. 1, 2012.

Rep. Tim Sanders (R-Blaine) and Sen. John Pederson (R-St. Cloud) are the sponsors.

HF2093/SF1653\*/CH295

[SF1653\\*](#) / HF2093 / CH295

House Chief Author: [Sanders](#)

Senate Chief Author: [Pederson](#)

Effective Dates: Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Employment - 2012

### Regular Session

# Pension changes now law

The state's pension system will have to assume a lower rate of return on its investments, under a plan that supporters hope will strengthen its long-term financial outlook.

The change is one of a handful of key provisions in this year's omnibus retirement law. Sponsored by Rep. Morrie Lanning (R-Moorhead) and Sen. Julie Rosen (R-Fairmont), it comprises the work of the bipartisan Legislative Commission on Pensions and Retirement.

Under the provisions, the assumed rate of return used to calculate the fiscal health of the state's pension funds will be lowered from 8.5 percent to 8 percent for a period of five years, during which time actuarial studies would determine whether further adjustments are needed.

Supporters say the change will ensure the state's pension funds have a realistic assessment of their unfunded liabilities. Since 1980, the State Board of Investment has produced annualized returns of slightly less than 10 percent; however, in the last 10 years, the rate of return has been just 5.9 percent.

Lowering the assumed rate of return will not directly impact the levels of contributions or benefits affecting current and former public employees. However, since it might increase the state's unfunded liabilities, adjustments might be needed in the future.

Other provisions in the law include a variety of technical and federal conforming changes and provisions to address a number of specific pension issues around the state. A more detailed, article-by-article breakdown of its provisions can be found on the commission's website.

The law has various effective dates.

HF2199/SF1808\*/CH286

[SF1808\\*](#) / HF2199 / CH286

House Chief Author: [Lanning](#)

Senate Chief Author: [Rosen](#)

Effective Dates: Various Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Employment - 2012

### Regular Session

# Judges can serve past 70

Administrative law judges and compensation judges will no longer face mandatory retirement at age 70. A new law, effective April 24, 2012, repeals the age ceiling for administrative law and compensation judges. The change was necessitated after the U.S. Equal Employment Opportunity Commission deemed the law unfair, and the Office of the Attorney General determined that the state would probably lose a potential court challenge.

Rep. Tim Mahoney (DFL-St. Paul) and Sen. Ted Lillie (R-Lake Elmo) sponsor the law.

HF2614\*/SF2227/CH224

[HF2614\\*](#) / [SF2227](#) / [CH224](#)

House Chief Author: [Mahoney](#)

Senate Chief Author: [Lillie](#)

Effective Dates: 4/24/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Employment - 2012

### Regular Session

# Gainsharing award raised

State employees who find ways to save the taxpayers' money will be eligible for a slightly larger one-time bonus.

A new law increases the maximum award provided by the state's gainsharing program for state workers. The program was hatched in 2011 as a way to encourage employees to find more cost-effective ways of conducting government business. Workers whose suggestions or involvement in a project results in documented cost savings to the state are eligible for the award.

Previously, participating employees were eligible for one-time bonus compensation of up to 10 percent of the savings achieved in the first fiscal year, up to a maximum of \$1,000 per individual or \$2,500 per group of employees. Effective Aug. 1, 2012, the cap will be raised to \$50,000 for either individuals or groups.

Rep. Keith Downey (R-Edina) and Sen. Julianne Ortman (R-Chanhassen) are the sponsors.

HF1850\*/SF2253/CH205

[HF1850\\*](#) / [SF2253](#) / [CH205](#)

**House Chief Author:** [Downey](#)

**Senate Chief Author:** [Ortman](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Energy - 2012

### Regular Session

# Lights on for transmission law

As wind and solar energy increasingly are integrated into the electric grid, the rights of public utilities to build transmission lines carrying 100 kilovolts will be more clearly defined.

A new law, signed April 18 by Gov. Mark Dayton, establishes the right of first refusal for Minnesota utilities for transmission lines connecting to their facilities. It takes effect Aug. 1, 2012.

State action was needed after the July 2011 transfer of regional high-voltage transmission lines to individual states by the Federal Energy Regulatory Commission. The law does not limit the rights of transmission lines carrying less than 100 kilovolts. Those lower voltage transmission lines commonly are from wind and solar energy installations.

In addition to transferring transmission oversight to states, the law requires transmission owners to give the Public Utilities Commission 90-days notice on whether they intend to build a transmission line and 18 months to file a certificate of need for the line.

If the commission does not receive notice, it may determine whether the existing utility or another entity should build the transmission line.

Rep. Tom Hackbarth (R-Cedar) and Sen. David Brown (R-Becker) sponsor the law.

HF1989/SF1815\*/CH179

[SF1815\\*](#) / [HF1989](#) / [CH179](#)

House Chief Author: [Hackbarth](#)

Senate Chief Author: [Brown](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Energy - 2012

### Regular Session

# Renewable account management

A new law clarifies oversight of an account by the Public Utilities Commission, which approves renewable energy grants and removes \$5 million a year from the University of Minnesota's Initiative for Renewable Energy & the Environment.

Xcel Energy pays \$19.5 million a year into the renewable account. Payment is based on the number of nuclear fuel casks stored near the utility's Monticello and Prairie Island nuclear power plants. It has paid more than \$180 million into the fund since 1999.

Sponsored by Rep. Mike Beard (R-Shakopee) and Sen. Julie Rosen (R-Fairmont), the new law is effective April 24, 2012.

The law specifies that renewable account funds be spent to increase market penetration of renewable energy; promote the start-up, expansion of renewable energy projects; stimulate research and development of renewable electric technology; and develop renewable electric and infrastructure projects that enhance delivery of renewable energy.

The law specifies that the account is to be managed by Xcel, which must consult with an advisory group representing Xcel ratepayers and other interests determined by the commission. While Xcel can apply for a grant, an independent third-party must evaluate grant applications. Xcel must attempt to reach agreement with the advisory group regarding projects to be funded, but has sole authority to make funding recommendations to the commission.

HF2650/SF2181\*/CH196

[SF2181\\*](#) / HF2650 / CH196

House Chief Author: [Beard](#)

Senate Chief Author: [Rosen](#)

Effective Dates: 7/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.



## Energy - 2012

### Regular Session

# Energy efficiency funds available

Community energy assistance totaling \$500,000 will be available for efficiency projects through the Department of Commerce.

Effective July 1, 2012, grants will be available through June 30, 2013, to be used for community energy technical assistance or outreach.

Sponsored by Rep. Paul Torkelson (R-Nelson Township) and Sen. Doug Magnus (R-Slayton), the law also requires that people or organizations receiving grants submit detailed reports of efficiency project spending to the Legislature by Oct. 1, 2013.

HF2731\*/SF2216/CH237

[HF2731\\*](#) / [SF2216](#) / [CH237](#)

House Chief Author: [Torkelson](#)

Senate Chief Author: [Magnus](#)

Effective Dates: 7/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Energy - 2012

### Regular Session

# Easing co-op regulations

Electric cooperatives that generate more than 80 percent of their business outside Minnesota will have a second option with respect to filling out Minnesota regulatory forms.

A new law, effective April 29, 2012, applies to electric associations that have at least 80 percent of its member distribution cooperatives located outside the state, and that provide less than 4 percent of the electricity annually sold at retail in the state.

In lieu of filing a resource plan, the cooperative can elect to file an annual report that must include projected demand levels for the next 15 years and identify generation resources to meet any projected generation deficiencies.

The law is sponsored by Rep. Rich Murray (R-Albert Lea) and Sen. Dan Sparks (DFL-Austin).

HF2747/ SF2098\*/CH268

[SF2098\\*](#) / [HF2747](#) / [CH268](#)

House Chief Author: [Murray](#)

Senate Chief Author: [Sparks](#)

Effective Dates: 5/3/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Environment and Natural Resources - 2012

### Regular Session

# Money for conservation, invasive species programs

Increased funding for conservation and aquatic invasive species programs are the primary focus of the 2012 omnibus Legacy Funding law.

Sponsored by Rep. Dean Urdahl (R-Grove City) and Sen. Bill Ingebrigtsen (R-Alexandria), the law provides \$99.9 million in fiscal year 2013 for a range of prairie, forest, wetlands, and other habitat projects from the Outdoor Heritage Fund. (Art. 1) Appropriations by category include:

- \$31.1 million for wetlands;
- \$28.6 million for natural habitat;
- \$24.6 million for prairies; and
- \$15.3 million for forests.

Other Legacy Fund appropriations include \$6 million from the Clean Water Fund (Art. 2) and \$1.6 million from the Arts and Cultural Heritage Fund (Art. 5).

The law includes a number of provisions to defend Minnesota waters against Asian carp and other aquatic invasive species. The largest portion of that funding, \$7.5 million, will be appropriated to the Department of Natural Resources to design, construct, operate and evaluate structural deterrents against the fish. (Art. 1, Sec. 2, Subd. 5)

In addition, the University of Minnesota will receive \$3.8 million to create an Aquatic Invasive Species Cooperative Research Center, with \$2 million of that funding being redirected from appropriations made last year from the environment and natural resources trust fund. The university will collaborate with the DNR to develop aquatic invasive species controls. A portion of the funding may also be spent to educate Minnesotans on how to prevent the spread of aquatic invasive species. (Art. 2, Sec. 4; Art. 4, Sec. 3)

Other major appropriations include:

- \$11 million to acquire land for the Mississippi River Northwoods Habitat Complex near Brainerd (Art. 1, Sec. 2, Subd. 3);
- \$5.4 million for an agreement with Pheasants Forever to acquire land for waterfowl production (Art. 1, Sec. 2, Subd. 4);
- \$5 million for a competitive grant program, administered by the DNR, for a variety of conservation purposes (Art. 1, Sec. 2, Subd. 5);
- \$4.6 million for an agreement with the Nature Conservancy to acquire native prairie and savanna, and restore and enhance grasslands and savanna (Art. 1, Sec. 2, Subd. 2);

- \$4.5 million for an agreement with Ducks Unlimited to assess, restore and enhance shallow lakes and wetlands (Art. 1, Sec. 2, Subd. 4); and

- \$4.3 million for accelerated prairie restoration and enhancement on DNR lands (Art. 1, Sec. 2, Subd. 2).

The law includes \$600,000 for a new film production incentive program to be administered by the Minnesota Film and TV Board. The program will reimburse producers for production costs incurred while making a film or documentary in the state. (Art. 5, Sec. 6)

Most of the law's provisions take effect July 1, 2012.

HF2430/SF2493\*/CH264

**[SF2493\\*](#) / HF2430 / CH264**

**House Chief Author:** [Urdahl](#)

**Senate Chief Author:** [Ingebrigtsen](#)

**Effective Dates:** Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Environment and Natural Resources - 2012

### Regular Session

# Trust land management overhauled

Management of Minnesota's school trust lands will undergo significant changes.

When it became a state, Minnesota received the lands from the federal government with the requirement that they be used for the benefit of the state's schools, this has included being sold and leased to provide revenues that help fund education. Sponsored by Rep. Tim O'Driscoll (R-Sartell) and Sen. Benjamin Kruse (R-Brooklyn Park), the new law establishes additional advisory and oversight responsibilities for school trust lands of a new school trust lands director and modifies the existing Permanent School Fund Advisory Committee to a 12-member, all legislator commission (the Legislative Permanent School Fund Commission) with modified and expanded duties.

Along with the input of the commissioner of natural resources, the legislative commission and director will review bills related to the lands and provide advice to the commissioner to ensure the lands are managed efficiently to increase economic returns. Supporters of the new law say that the department has failed to do this. The department will continue to be the chief trustee of the lands.

HF2244\*/SF1889/CH249

[HF2244\\*](#) / [SF1889](#) / [CH249](#)

**House Chief Author:** [O'Driscoll](#)

**Senate Chief Author:** [Kruse](#)

**Effective Dates:** Sections 1-10 effective 7/1/2013; Section 11 effective 7/1/2012 **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Environment and Natural Resources - 2012

### Regular Session

# Land exchanges authorized

State lands within the Boundary Waters Canoe Area Wilderness could be swapped out for federal lands located outside of its borders, under the provisions of the 2012 omnibus lands law.

The law provides for expedited land exchanges in northern Minnesota that supporters hope will benefit the state's K-12 schools. The state currently owns school trust lands within the BWCA that, because of their location, don't actually generate revenue for the permanent school fund. The law will allow these land parcels to be exchanged for others that will generate revenue. (Secs. 4, 5)

Other provisions in the law include a number of boundary adjustments for state parks, forests and recreation areas. It also authorizes the sale and conveyance of a number of publicly owned lands. (Secs. 6-10, 12-30)

Other miscellaneous provisions include:

- allowing the Department of Natural Resources to convey road easements across school trust lands to private individuals for up to 50-year terms (Sec. 1);
- requiring the Heartland Trail to connect to Itasca State Park (Sec. 2);
- allowing the DNR to lease certain lands for up to 21 years instead of 10 years (Sec. 3); and
- exempting certain portions of the Mississippi River in the cities of Dayton and Ramsey from the state's wild, scenic and recreational rivers system, and establishing their zoning standards (Sec. 11).

Most of the law's provisions take effect Aug. 1, 2012; however, some of the provisions authorize sales or conveyances of land are effective April 2, 2012, or upon local approval.

Rep. David Hancock (R-Bemidji) and Sen. John Carlson (R-Bemidji) are the sponsors.

HF2214/SF1750\*/CH236

[SF1750\\*](#) / [HF2214](#) / [CH236](#)

House Chief Author: [Hancock](#)

Senate Chief Author: [Carlson](#)

Effective Dates: Sec. 12, 16-21, 28 04/28/12; Sec. 29 Local Approval; Sec. 1-11, 13-15, 22-27, 30 08/01/12

Effective Dates: *See chapter summary in the file link above.*

\* *The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Environment and Natural Resources - 2012

### Regular Session

# Environment omnibus law signed

Helping business owners, fighting the spread of invasive species and improving water management are among the major themes of this year's omnibus environment and natural resources law.

Effective July 1, 2012, the law establishes an advisory inspection process to help businesses proactively comply with regulations. Rather than find out the hard way that they're in violation of state laws or rules and face financial penalties, the idea is that businesses can contact state agencies and request an advisory inspection.

If an inspector identifies violations, the business can avoid any penalties as long as they're corrected within 60 days. Several agencies are exempted from the provisions, including the Department of Revenue. The law also states that the exemption from penalties does not apply to conduct involving fraud and various other circumstances. (Sec. 1)

Another main focus of the law is combating the spread of invasive aquatic species. It increases civil penalties for transporting certain aquatic invasive species and doubles the fines for repeat offenders. (Sec. 15) Conservation officers will also be granted authority to order watercraft and other equipment to be removed from waters when necessary, and the DNR can require mandatory inspections at water access sites. (Sec. 13) The state's ban on placing watercraft with invasive species attached into public waters is expanded to include all water-related equipment. (Sec. 11)

The law will also establish a new aquatic invasive species prevention program that includes educational courses and testing. Beginning July 1, 2015, the law will require that all watercraft trailers display an "aquatic invasive species trailer decal." (Failure to do so will be punishable only by a warning, however.) (Sec. 21)

To improve watershed management in the state, the law includes a number of provisions that will allow local entities to better coordinate with other local entities and the Board of Water and Soil Resources (BWSR), to allow for more comprehensive, watershed based plans called "comprehensive water management plans." (Sec. 29-37) It will also allow BWSR's three citizen members to include employees or elected officials of governmental entities other than the state. (Sec. 28)

Other selected provisions, in order of where they appear in the law, include:

- expanding the DNR's ability to issue general permits (Sec. 2, 24, 47, 50, 52-58);
- requiring the DNR to establish a public prairie and grasslands grazing program (Sec. 6);
- making certain yacht clubs and similar organizations' employees subject to existing aquatic invasive species training applicable to certain service providers and requiring them and other service providers who move water-related equipment to display a permit decal (Sec. 7 and 14);
- providing certain benefits to persons with disabilities in conformity with federal law (Sec. 17, 18);
- reducing some penalties for damaging or defacing state parks and related areas from a misdemeanor to a petty misdemeanor (Sec. 19);
- requiring the balance of the minerals management account in excess of \$3 million be distributed proportionally to certain counties as well as the permanent school fund and the permanent university fund (Sec. 23);

- specifying that removal of logs, dead trees and branches from shoreland is exempt from permit requirements, except when required by local governments (Sec. 39, 40);
- allowing several state agencies to adopt rules for the regulation and discharge of dredged and fill material into state waters in order to obtain approval to administer certain federal permitting and wetland banking programs if approved by the federal government (Sec. 45);
- allowing local governments to establish alternative standards for subsurface sewage treatment systems, under certain conditions (Sec. 62);
- repealing language that allowed the PCA to increase recycling percentages for counties in some cases (Sec. 67);
- changing, consolidating or eliminating a number of reporting requirements for various state agencies (Sec. 59-61, 63-66, 68, 69, 71, 72, 74, 75, 82-85, 98).

Signed May 3 by Gov. Mark Dayton, the law takes effect Aug. 1, 2012, except where otherwise noted. Rep. Denny McNamara (R-Hastings) and Sen. Bill Ingebrigtsen (R-Alexandria) are the sponsors.

HF2164\*/SF1830/CH272

[HF2164\\*](#) / [SF1830](#) / [CH272](#)

**House Chief Author:** [McNamara](#)

**Senate Chief Author:** [Ingebrigtsen](#)

**Effective Dates:** Various **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## Environment and Natural Resources - 2012

### Regular Session

# Permitting bill signed into law

Environmental permitting for Minnesota projects will speed up under a new law that streamlines the process and creates a "permit applicant professional" to submit applications to state agencies.

"This is an historic day in the state of Minnesota," said Rep. Dan Fabian (R-Roseau), who sponsors the law with Sen. Bill Ingebrigtsen (R-Alexandria). Added Dayton: "We want to make sure the state is viewed as an ally rather than an adversary" during the permitting process.

Effective April 3, 2012, the law requires the commissioners of the Pollution Control Agency (PCA) and Department of Natural Resources (DNR) to notify project applicants if permits are complete or incomplete within 30 days. If incomplete, the PCA must detail application deficiencies and how they can be solved. The law builds on a 2011 law that required all environmental permits to be issued or denied within 150 days of receiving a "substantially complete" application. The new law changes when the clock would start by requiring an agency to act within 150 days of receiving any application.

Another nuance in the law is the expansion of a multi-agency collaboration, "Minnesota Business First Stop," to coordinate federal, state and local government programs related to air, water and land resources.

Additionally, an alternative environmental review program involving the DNR and PCA would be able to process up to three projects without environmental assessment worksheets. It is anticipated that one of the projects selected will be a project for a proposed iron ore pellet plant in northern Minnesota.

HF2095/SF1567\*/CH150

**[SF1567\\*](#) / HF2095 / CH150**

**House Chief Author:** [Fabian](#)

**Senate Chief Author:** [Ingebrigtsen](#)

**Effective Dates:** 4/3/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Game and Fish - 2012

### Regular Session

# Open season

Minnesotans will have to pay more for virtually every game and fish license they acquire in the state, but they will also have the opportunity to hunt and trap wolves.

The omnibus game and fish law raises dozens of license fees charged to anglers and hunters in the state. The fee increases, most of which take effect March 1, 2013, were requested by the Department of Natural Resources and many private hunting and fishing groups with the goal of improving the state's conservation and wildlife management programs. (Art. 1, Sec. 32-34, 59; Art. 2) As examples, a resident fishing license will increase from \$17 to \$22, and a resident deer hunting license will increase from \$26 to \$30. Fees for snowmobile registrations and the state trail sticker are combined into one fee required of all snowmobilers required to be registered in the state (Art. 1, Sec. 5, 7).

The law establishes a wolf-hunting license and specifies that revenue from the licenses is to be deposited into a special account that will be used for "wolf management, research, damage control, enforcement, and education." (Art. 1, Sec. 23) Wolf licenses will cost \$30 for residents and \$250 for nonresidents. (Art. 1, Sec. 42-43) The law also includes various requirements and restrictions for wolf hunters. (Art. 1, Sec. 36, 39-41, 46, 50-52, 55, 60-65, 71, 84, 85)

A "walk-in access" program is established to provide hunters with access to wildlife habitat on private land. The DNR will be allowed to enter into agreements with landowners and local units of government for this purpose, and the law specifies how and when hunters may use lands enrolled in the program. (Art. 1, Sec. 27) Hunters will be given the option to donate to the program when paying for their small game licenses. (Art. 1, Sec. 45)

Among other provisions of interest, the law will require publicly owned shooting ranges (such as police ranges) in the seven-county metropolitan area to open their doors to the public twice in the spring and twice in the summer for DNR youth firearms safety instruction courses. This provision does not apply to Minneapolis or St. Paul, or to correctional facilities. (Art. 1, Sec. 18, 82)

The following is a summary of selected provisions in the law. Except where otherwise noted, they take effect July 1, 2012. Rep. Tom Hackbarth (R-Cedar) and Sen. Bill Ingebriksen (R-Alexandria) are the sponsors.

HF2171\*/SF1943/CH277

#### **Fishing:**

The following provisions are included:

- allowing certain species of fish to be harvested from infested waters and used as bait under certain circumstances (Art. 1, Sec. 11);
- requiring anglers using portable ice-fishing shelters to remain within 200 feet of them unless they are properly marked with the owner's identifying information (Art. 1, Sec. 73, 74);
- allowing the winter season for brown trout, brook trout, rainbow trout and splake to begin on Jan. 1 for lakes located entirely within the Boundary Waters Canoe Area (Art. 1, Sec. 75, 83);

- effective July 1, 2013, requiring that live minnows to be used for feeding fish at a hatchery or aquatic farm must be obtained from within the state, and that dead minnows may only be imported under certain conditions (Art. 1, Sec. 77); and

- modifying the requirements that must be met for private fish hatcheries to receive a special permit to import live minnows from other states (Art. 1, Sec. 78).

### **Hunting:**

The following provisions are included:

- allowing the DNR to vacate a game refuge that has been open to hunting and trapping certain animals for at least five years by publishing a notice in the State Register (Art. 1, Sec. 24);

- appropriating revenues from the nonresident deer license surcharge, deer license donations and small game license donations to administration of the new walk-in access program mentioned above (Art. 1, Sec. 21);

- providing additional stand identification options for bear hunters leaving their portable stands overnight in a wildlife management area by leaving their driver's license number or their DNR license identification number (Art. 1, Sec. 28);

- allowing the DNR to issue replacement turkey hunting licenses, under certain circumstances, for those who wish to change permit areas and/or time periods (Art. 1, Sec. 30, 47);

- strengthening penalties for those who take deer using bait and those who are convicted of a violation that involves taking of a trophy deer (Art. 1, Sec. 31);

- modifying provisions that allow certain agricultural landowners to acquire licenses to take antlerless deer (Art. 1, Sec. 35);

- requiring nonresident 10- and 11-year-olds to pay the big game license fee (Art. 1, Sec. 38);

- removing a requirement that the annual deer hunting regulations include a statement about the venison donation program (Art. 1, Sec. 44);

- clarifying restrictions on when hunters may discharge firearms within 500 feet of occupied buildings or livestock enclosures (Art. 1, Sec. 49);

- exempting hunters from blaze orange clothing requirements when hunting deer by archery in a stationary location and when hunting small game by falconry (Art. 1, Sec. 54);

- allowing the use of radio communication between a handler and his dog and for certain remote-controlled decoys used for hunting migratory waterfowl and mourning doves (Art. 1, Sec. 56);

- allowing certain disabled hunters to use mounted firearms or bows and electronic or mechanical devices used to discharge them (Art. 1, Sec. 57);

- clarifying the prohibition on baiting deer in regard to what activities constitute "baiting" (Art. 1, Sec. 58);

- allowing local governments and road authorities to kill beaver when their dams are causing damage to property they own (Art. 1, Sec. 66);

- allowing the DNR to use administrative rulemaking to determine the payment rates for control programs for coyotes, foxes and wolves (Art. 1, Sec. 67, 68);

- eliminating a 2008 law requiring a four-week fall season for turkey in a certain permit area (Art. 1, Sec. 69);

- allowing hunters to take migratory waterfowl, coots or rails in certain open-water areas designated specifically by the DNR (Art. 1, Sec. 70);
- restricting the use of body-gripping or conibear-type traps (Art. 1, Sec. 72); and
- requiring public hearings on whether hunting should be allowed in the Twin Lakes Scientific and Natural Area (Art. 1, Sec. 87).

**Miscellaneous:**

The following provisions are included:

- adding the recruitment of new anglers, hunters campers and other "outdoor recreation participants" to the DNR's mission (Art. 1, Sec. 1), and requiring the DNR to collect information on hunter participation and satisfaction (Art. 1, Sec. 53);
- allowing electronic transactions for game and fish licenses to continue even during a state government shutdown (Art. 1, Sec. 2);
- requiring that when land is donated to the state via the DNR, the deed conveying the land must state whether the DNR is allowed to resell it (Art. 1, Sec. 3);
- effective Jan. 1, 2013, changing from nine feet to 10 feet the length of non-motorized watercraft that are exempted from watercraft licensing requirements (Art. 1, Sec. 12);
- modifying the process for the DNR to declare an area a migratory waterfowl sanctuary or a waterfowl feeding and resting area (Art. 1, Secs. 25, 26);
- defining "shallow lake" and allowing the DNR to draw down such lakes for fish, wildlife or ecological purposes under certain conditions (Art. 1, Sec. 79, 80); and
- adding noncommercial aviation activities to the definition of "recreational purpose" as it applies to landowner liability exemptions (Art. 1, Sec. 81).

**Snowmobiles:**

The following provisions are included:

- exempting snowmobiles registered by tribal governments and that have not been outside of reservation boundaries for more than 30 consecutive days from DNR registration requirements (Art. 1, Sec. 6);
- requiring that at least 60 percent of the revenue collected from snowmobile registrations go toward developing and maintaining state trails (Art. 1, Sec. 9);
- clarifying when snowmobilers are allowed to use "metal traction devices" on paved public trails (Art. 1, Sec. 10);
- requiring individuals to display a valid snowmobile state trail sticker until they renew their registration under the new provisions combining registration and the state trail sticker established by this law. (Art. 1, Sec. 86)

**[HF2171\\*](#) / [SF1943](#) / [CH277](#)**

**House Chief Author:** [Hackbarth](#)

**Senate Chief Author:** [Ingebrigtsen](#)

**Effective Dates:** Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Health and Human Services - 2012

### Regular Session

# Explosives background check

Law enforcement will be given electronic access to the Human Services Department civil commitment data for a background check on an applicant for a permit to possess explosives.

Currently, permits for explosives and firearms require a review of civil commitment as part of a determination as to whether an individual should receive the license or permit. However, law enforcement must get that information through a phone call or written request to the department.

This technical change, effective Aug. 1, 2012, will allow law enforcement access to the electronic civil commitment records within the department. Supporters said authorizing the access, like is currently the case with firearm permits, will minimize disruptions and promote efficiency.

Additionally, under current law it is illegal for a minor "to work in any occupation which the commissioner shall find to be particularly hazardous for the employment of children under 18 years of age or detrimental to their well-being."

The law states this section does not apply to minors who work in permanent, non-seasonal retail stores, like a Target or

Wal-Mart, even though they are selling explosives or pyrotechnics. The language was requested by the Labor and Industry and Public Safety departments. This section is effective May 3, 2012.

Rep. Kelby Woodard (R-Belle Plaine) and Sen. Warren Limmer (R-Maple Grove) sponsor the law.

HF2046\*/SF1958/CH266

[HF2046\\*](#) / [SF1958](#) / [CH266](#)

House Chief Author: [Woodard](#)

Senate Chief Author: [Limmer](#)

**Effective Dates:** Sec. 1, Subd. 5 effective 5/3/2012; Sec. 2 effective 8/1/2012 **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Health and Human Services - 2012

### Regular Session

# Licensing for social workers

Licensure and training requirements for Minnesota social workers will change, under a law that will require licensing for anyone employed as a social worker after July 1, 2016. Until that time, unlicensed social workers who meet specified criteria can apply to be "grandfathered in" to licensure.

Under current law, a social work license is required to practice in Minnesota, except for individuals employed by city, county and state agencies or individuals working for a nonprofit nontribal agency serving ethnic minority populations when the individual is also a member of the ethnic minority population or individuals employed by a tribal agency.

Social workers currently exempt from licensure can apply to obtain a license from the Board of Social Work and may be charged a fee for the board to perform a background check on the licensee. Those voluntarily seeking a license have between Jan. 1, 2013, and Dec. 31, 2014, to submit an application and the required fees.

Newly hired social workers at city agencies, state agencies, or nonprofit nontribal agencies will be required to be licensed after July 1, 2016, if the person provides social work services and is presented to the public as a social worker.

County social workers and social workers employed by a tribal agency will remain exempt. City, county and state agencies will still be allowed to employ licensed or unlicensed social workers.

Most of the law is effective Aug. 1, 2012, and after July 1, 2016, no one may represent themselves as a "social worker" without a valid license or if employed by a county in social work.

The law also creates a new statutory chapter and recodifies rules related to the regulation of alcohol and drug counselors. The Board of Behavioral Health and Therapy has been working on the language for alcohol and drug counselors for the past five years to replace outdated language.

Rep. Jim Abeler (R-Anoka) and Sen. Julie Rosen (R-Fairmont) sponsor the law.

HF1191/SF753\*/CH197

[SF0753\\*](#) / HF1191 / CH197

House Chief Author: [Abeler](#)

Senate Chief Author: [Rosen](#)

**Effective Dates:** 8/1/2012 (except for Article 3, Section 2 which is effective retroactively from 8/1/2011) **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Health and Human Services - 2012

### Regular Session

# Miscellaneous health policies

Medical clinics with only one or two doctors will have more time to comply with electronic prescription drug requirements. All others were required to comply in 2011. Effective July 1, 2012, the smaller clinics will have until Jan. 1, 2015, to comply.

Sponsored by Rep. Steve Gottwalt (R-St. Cloud) and Sen. David Hann (R-Eden Prairie), the new law also:

- allows the health commissioner to include Medical Assistance and MinnesotaCare enrollee's coverage expiration dates on a monthly roster, if the provider requests it. Proponents said this will help providers prevent lapses in public health care coverage;
- enables counties and local social service agencies to negotiate supplemental agreements with residential placement contract vendors. The agreement must be designed to encourage successful and cost-effective outcomes for clients and may include incentive pay for positive performance;
- allows the state to negotiate a reciprocal agreement with Bermuda to enforce child support obligations, effective if Bermuda provides a written agreement to enforce Minnesota child support orders;
- allows an exemption so that nursing service providers may participate in an elderly waiver assessment for people with disabilities; and
- exempts Webber swimming pond in Minneapolis from complying with certain Health Department swimming pool regulations, effective May 1, 2012.

HF2627\*/SF2208/CH253

[HF2627\\*](#) / [SF2208](#) / [CH253](#)

House Chief Author: [Gottwalt](#)

Senate Chief Author: [Hann](#)

Effective Dates: Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Health and Human Services - 2012

### Regular Session

# Registration for dental labs

Ever wonder where the materials come from that dentists use for filling your teeth or inserting dental implants?

A new law will require dental laboratories to register with the Board of Dentistry and track the origin of lab materials. The law calls for an initial biennial registration fee of \$50, with a biennial renewal fee of \$25.

Sponsored by Rep. Tim Kelly (R-Red Wing) and Sen. John Howe (R-Red Wing), most provisions in the law are effective Jan. 1, 2013.

The law also defines a dental laboratory as a corporation, partnership, sole proprietor or business entity engaged in the manufacture or repair of dental prosthetic appliances. This definition does not include a dental laboratory that is physically located within a dental practice if the dental prosthetic appliances are manufactured or repaired for the exclusive use of the dentist or dentists within the practice.

No registered dental laboratory will be authorized to perform or authorize any dental technological work without a valid work order from a licensed dentist, which may be handwritten, faxed or sent electronically using an electronic signature.

During fiscal year 2013, \$15,000 is appropriated from the state government special revenue fund to the Board of Dentistry to help implement the new law.

HF614/SF288\*/CH269

[SF0288\\*](#) / HF0614 / CH269

House Chief Author: [Kelly](#)

Senate Chief Author: [Howe](#)

**Effective Dates:** Sec. 1-8 effective 1/1/2013; Sec. 9 effective 7/1/2012 **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.



## Health and Human Services - 2012

### Regular Session

# Radiation therapy disclosure

A new law sponsored by Rep. Rod Hamilton (R-Mountain Lake) and Senate President Michelle Fischbach (R-Paynesville) will require proposed radiation therapy facilities to be built at least seven miles from an existing radiation therapy facility and be under common control with a hospital.

Effective July 1, 2012, a physician within the 14-county area who refers patients to a facility must give the patient a list of all radiation therapy locations within the 14-county area. Physicians with a financial interest in a radiation therapy facility must disclose that to the patient.

The law is needed, said proponents, because physicians were referring patients to locations that they had a financial interest in and that caused financial loss for hospitals.

The law also appropriates \$137,000 in fiscal year 2013 from the health care access fund for a study of the needs capacity for radiation therapy locations. Results of the study are due to the Legislature by March 15, 2013.

The law also allows HealthEast to move existing radiation therapy equipment from its Maplewood location to its Woodbury location.

HF383/SF248\*/CH217

[SF0248\\*](#) / [HF0383](#) / [CH217](#)

House Chief Author: [Hamilton](#)

Senate Chief Author: [Fischbach](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Health and Human Services - 2012

### Regular Session

# Prone restraint use reauthorized

School staff with specific training may physically restrain out-of-control students with special needs. The technique, called "prone restraint," involves holding a student age 5 or older face-down until the situation becomes manageable.

Gov. Mark Dayton renewed the authorization for qualified staff to use this technique through the upcoming school year, with the requirement that the Department of Education gather data on its use. In Minnesota, prone restraints may only be used with the minimum amount of time and force needed to ensure the student or another person will not be injured.

The new law, effective April 3, 2012, states that the department must examine this information with the intent of eventually replacing the practice with a safe alternative.

Rep. Jim Davnie (DFL-Mpls) and Sen. Pam Wolf (R-Spring Lake Park) sponsor the law.

HF2293/SF1917\*/CH146

[SF1917\\*](#) / [HF2293](#) / [CH146](#)

**House Chief Author:** [Davnie](#)

**Senate Chief Author:** [Wolf](#)

**Effective Dates:** 4/3/2012 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Health and Human Services - 2012

### Regular Session

# Pharmacy audit framework set

Rep. Rod Hamilton (R-Mountain Lake) and Sen. Gretchen Hoffman (R-Vergas) sponsor a new law, which provides a framework for audit procedures, requires an appeals process and prescribes who holds onto funds in question during the audit proceedings.

Pharmacists in Hamilton's district said up to \$6,000 in state and federal Medicaid payments were withheld from one rural pharmacist. Another pharmacist said a \$200 claim was not paid because the prescription was faxed into the pharmacy, but the pharmacy attendant had checked that it was called in on the phone.

Newly established audit standards will require:

• giving a pharmacy 14 days notice before an initial on-site audit is conducted;

• consulting with a licensed pharmacist when the audit involves clinical or professional judgments;

• applying the same audit standards and parameters to each pharmacy;

• limiting an audit period to no more than 24 months;

• establishing a written appeals process and reporting back within specific timeframes; and

• disclosing the audit claims and returning any recouped funds to the plan sponsor. The law is effective Aug. 1, 2012

HF1236\*/SF973/CH215

[HF1236\\*](#) / [SF0973](#) / [CH215](#)

House Chief Author: [Hamilton](#)

Senate Chief Author: [Hoffman](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Health and Human Services - 2012

### Regular Session

# Treatment options expanded

Parents of children who are deaf, deaf blind or hard-of-hearing and who need mental health treatment will have more options for where they can seek treatment for their children.

Current law limits reimbursement from public health care programs for specialized mental health services to facilities located in Minnesota or in bordering states.

Sponsored by Rep. Kathy Lohmer (R-Lake Elmo) and Sen. Michelle Benson (R-Ham Lake), a new law will allow parents of deaf, deaf blind or hard-of-hearing children who need mental health treatment to seek residential treatment in any state that meets a set of criteria.

Effective Aug. 1, 2012, the new law requires the chosen facilities to meet the following criteria: be located in a state that is a member of the Interstate Compact on Mental Health; accept clients who use American Sign Language as their first language; and be licensed by the state in which it is located.

Proponents said the additional options will save public money, too, because of lower residential treatment rates in other states.

HF2253\*/SF1861/CH148

[HF2253\\*](#) / [SF1861](#) / [CH148](#)

House Chief Author: [Lohmer](#)

Senate Chief Author: [Benson](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Health and Human Services - 2012

### Regular Session

# Health care focuses on reform, restoring cuts and delaying pending cuts

Sponsored by Rep. Jim Abeler (R-Anoka) and Sen. David Hann (R-Eden Prairie), the health care omnibus law authorizes spending \$18.1 million, and because it accounts for \$35 million in repayments from managed care organizations, whose gross revenues were capped at 1 percent, there is a positive balance of \$16.8 million for the fiscal year ending June 30, 2013.

Except where otherwise noted, the law, signed April 28 by Gov. Mark Dayton, takes effect Aug. 1, 2012.

#### **Welfare reform initiatives include:**

- restricting electronic benefit transfer cash card uses to Minnesota and surrounding states (Art. 3, Sec. 8);
- disqualifying anyone found guilty of using an EBT card to purchase tobacco or alcohol for one year for the first offense, two years for the second offense and permanently for the third offense (Art. 3, Sec.9);
- allowing data sharing between Department of Public Safety and Department of Human Services for purposes of preventing welfare fraud, effective July 1, 2013 (Art. 3, Sec. 2-4, 23);
- stopping landlord vendor payment on public assistance rent for convicted drug felons when the shelter is deemed uninhabitable (Art. 3, Sec. 17);
- looking back 10 years for felony drug offenses when determining eligibility for MFIP benefits (Art. 3, Sec. 16); and
- requiring personal care providers to grant immediate access to records to the Health Department if investigating Medicaid funds (Art 4, Sec. 19).

#### **Children and family policy reforms include:**

- extending the number of absent days that child care providers can be reimbursed when children of young mothers, still in school, miss day care, effective Jan. 1, 2013 (Art. 3, Sec. 1);
- using 80 percent of grants for construction or rehabilitation of early childhood, crisis nursery or parenting centers for counties outside the seven-county metropolitan area (Art. 3, Sec. 13);
- implementing a pediatric care coordination service for children with high-cost health conditions (Art. 1, Sec. 11);
- requiring managed care and county-based purchasing plans to implement strategies to reduce incidences of low-birth weight (Art. 1, Sec. 15); and
- requiring postpartum depression information to be available at WIC locations (Art. 2, Sec. 8).

#### **Repeals or delays of previous legislation include:**

- restoring cuts to dental care for the disabled;
- repealing the Minnesota Comprehensive Health Association's six-month residency requirement for Healthy Minnesota Contribution Program enrollees (Art. 1, Sec. 1);
- repealing a mandate that managed health care plans report the company's five highest salaries, including all types of compensation, in excess of \$50,000 (Art. 1, Sec. 32);
- delaying the 20 percent rate reduction to personal care assistants who are related to the assisted person until July 1, 2013 (Art. 4, Sec. 18);
- delaying the mandatory bed closure for adult foster care homes until July 2013 and conducting a needs determination study during the interim (Art. 4, Sec. 38); and
- delaying the 1.67 percent continuing care rate reduction until July 1, 2013 or until a federal waiver is received for persons with intermediate care facility or developmental disabled waivers (Art 4, Sec. 39).

**Adult-related provisions include:**

- raising the allowable earned income level to \$500 per month for employed adults with mental illness living in group homes, effective Oct. 1, 2012 (Art. 3, Sec. 10);
- providing exemptions to the nursing home moratorium (Art. 4, Sec. 2, 30);
- establishing a critical access nursing designation, effective April 29, 2012 (Art. 4, Sec 32);
- issuing a mental health certification for adult foster care homes (Art. 4, Sec. 5);
- enabling a variance for a fifth bed in a four-bed adult foster care facility to respite care (Art. 4, Sec. 7);
- requiring adherence to new regulations regarding overnight supervision of residents in adult group homes (Art. 4, Sec. 8-9);
- developing a Senior LinkAge Line referral service for older adults at-risk for long term care (Art. 4, Sec. 14, 23);
- removing the medical assistance asset cap for employed persons with disabilities reaching age 65, to prevent "spending down" of finances or moving into more expensive shelter care, effective April 1, 2012 (Art. 4, Sec. 16);
- encouraging a provider for persons in individualized community-living facilities to transfer the lease to the resident within two years (Art. 4, Sec. 36); and
- expanding the shelter options for "shelter needy" adults to live in units with more than four beds, provided no more than 25 percent of the units are used for this purpose (Art. 4, Sec. 40).

**Studies and task forces include:**

- appropriating \$200,000 for a study focused on the incidence of autism among the Somali community (Art. 6, Sec. 3);
- directing the departments of of Human Services, Education , Health, and Employment and Economic Development to study supportive housing models for children diagnosed with autism disorders (Art. 4, Sec. 50);
- changing the name of the Ladder Out of Poverty Task Force to the Asset Development and Financial Literacy Task Force (Art. 3, Sec. 25);
- establishing the Minnesota visible child work group to improve home children's well-being (Art. 3, Sec. 27);

- analyzing the differences in asset limit requirements in human services assistance programs and reporting findings by Jan. 15, 2013 (Art. 3, Sec. 28);
- requiring a nonemergency medical transportation advisory committee to advise and make policy recommendations to the Health Department (Art. 1, Sec. 3-7);
- requiring the Human Services Department to do an emergency medical assistance study (Art. 1, Sec. 28);
- establishing a Maternal and Child Health Advisory Task Force (Art. 2, Sec. 7);
- conducting a study of health record access (Art. 2, Sec. 10);
- requiring the Health Department to publicly report sexual violence data (Art. 2, Sec. 11);
- directing the Human Services Department to do a feasibility study on licensing personal care attendant services (Art. 4, Sec. 49);
- adding marriage and family therapy counselors to the State Advisory Council on Mental Health (Art. 5, Sec. 2); and
- appropriating \$137,000 one time to study the capacity need for radiation therapy facilities (Art. 6, Sec. 3).

**Other miscellaneous provisions include:**

- reimbursing for services performed by physician assistants and covered under Medical Assistance (Art. 1, Sec. 8-9);
- biennially conducting an independent third-party audit of managed care plans and county-based purchasing plans, beginning Jan. 1, 2014 (Art. 1, Sec. 14);
- lifting the moratorium on advanced diagnostic imaging facilities, effective Aug. 1, 2014 if certain criteria are met (Art. 2, Sec. 3-6); and
- appropriating \$300,000 to Gillette Children's Specialty Healthcare, upon federal approval, for Medical Education and Research Costs payments (Art. 2, Sec. 15).

HF2294\*/SF2093/CH247

[HF2294\\*](#) / [SF2093](#) / [CH247](#)

**House Chief Author:** [Abeler](#)

**Senate Chief Author:** [Hann](#)

**Effective Dates:** Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Health and Human Services - 2012

### Regular Session

# Guest license for charity dental care

Visiting dentists who plan to volunteer their services at an Aug. 17-18, 2012, event in Mankato will be able to obtain a guest license to practice in Minnesota.

Rep. Greg Davids (R-Preston) and Sen. John Carlson (R-Bemidji) sponsor the law, which will allow the visiting dental professionals to provide charity care, including free fillings, cleanings and extractions. The law will grant a guest license to a dentist, dental hygienist or dental assistant to provide free dental services for up to 10 days annually in Minnesota. It takes effect Aug. 1, 2012.

The Board of Dentistry will grant guest licenses that expire annually.

HF1972/SF1553\*/CH180

[SF1553\\*](#) / HF1972 / CH180

House Chief Author: [Davids](#)

Senate Chief Author: [Carlson](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.



## Health and Human Services - 2012

### Regular Session

# Loan forgiveness problem fixed

The omnibus health and human services law passed during the 2011 special session changed the definition of "designated rural area" for purposes of the Health Professional Education Loan Forgiveness Program.

As a result, about seven individuals who had been accepted to the loan forgiveness program were suddenly disqualified because the areas they served no longer qualified as "designated rural areas."

Rep. Pat Garofalo (R-Farmington) and Sen. Amy Koch (R-Buffalo) sponsor a new law to fix the effective date of the definition so those individuals accepted into, and later dropped from, the program can qualify for the program.

The law is retroactive to July 21, 2011.

HF2587/2360\*/CH189

[SF2360\\*](#) / HF2587 / CH189

House Chief Author: [Garofalo](#)

Senate Chief Author: [Koch](#)

Effective Dates: 4/19/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Health and Human Services - 2012

### Regular Session

# Ambulance, EMT regulations

Technical changes are made to the chapter of law regulating emergency medical responders and ambulance services. The new law also updates emergency medical service definitions to conform to federal terms and changes terminology from "first responder" to "emergency medical responder." It provides that registration is valid for two years and expires on October 31. Current law has a rolling expiration date.

Rep. Duane Quam (R-Byron) and Sen. Gretchen Hoffman (R-Vergas) sponsor the law, which has various effective dates.

HF2128\*/SF1876 /CH193

[HF2128\\*](#) / [SF1876](#) / [CH193](#)

House Chief Author: [Quam](#)

Senate Chief Author: [Hoffman](#)

Effective Dates: 4/19/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Health and Human Services - 2012

### Regular Session

# Paramedic services reimbursed

In 2011, the Legislature directed the human services commissioner to determine which community paramedic services could be covered under Medical Assistance and determine payment later for those services.

A new law authorizes community paramedics to now be reimbursed for such services, effective July 1, 2012, or upon federal approval, whichever is later.

For example, Medical Assistance may cover chronic disease monitoring, medication compliance, and immunizations and vaccinations for eligible recipients when the services are provided by a community paramedic. These services are covered for individuals who frequently use emergency rooms, or for whom the provision of community paramedic service would prevent admission to or allow discharge from a nursing facility or prevent readmission.

Rep. Tara Mack (R-Apple Valley) and Sen. Julie Rosen (R-Fairmont) sponsor the law.

HF2060/SF1543\*/CH169

[SF1543\\*](#) / [HF2060](#) / [CH169](#)

**House Chief Author:** [Mack](#)

**Senate Chief Author:** [Rosen](#)

**Effective Dates:** 7/1/2012, or upon federal approval, whichever is later. **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Health and Human Services - 2012

### Regular Session

# Comparing health care delivery

In 2008, the state began a process to reform health care by directing the health commissioner to design a way to rank hospitals on the quality and cost of care and to make the data available to the public.

However, there was a problem with the methodology and process and the information was never published. Officials went back to the table, resulting in Rep. Steve Gottwalt (R-St. Cloud) and Sen. David Hann (R-Eden Prairie) sponsoring a law that changes how hospital information is gathered, verified, appealed or corrected prior to publication.

The Minnesota Medical Association, Minnesota Hospital Association and the Minnesota Council of Health Plans worked with legislators on how to manage the Provider Peer Grouping process and the health provider's right to review their data prior to public release.

A new advisory committee will help the Health Department develop and administer the program. Committee members may include health care providers, health plan companies, consumers, state agencies, employers, academic researchers and other organizations.

The law, mostly effective July 1, 2012, also requires that data submitted by health care providers for comparison with their peers must be the most recent data available. Providers will have 60 days, instead of the previous 30 days, to review their data as presented by the state prior to its public release.

The law will empower consumers and reward providers who deliver high quality and lower cost care, according to Gottwalt. Eventually, all medical clinics will be ranked.

Last year, the Health Department was also directed to work on a plan to develop and approve community health initiatives. At the same time, Statewide Health Improvement Program grants, which help pay for community health initiatives, were reduced due to budget cuts.

Hospitals and medical clinics that engage in community benefit programs said their initiatives are in response to local needs and that they don't need the additional state oversight that last year's legislation required. The new law, removes some of the department's oversight responsibilities that passed last year.

For example, effective Aug. 1, 2012, a mandate is repealed that local community grantees must implement a plan approved by the commissioner to reduce obesity and tobacco use.

HF2237/SF1809\*/CH164

[SF1809\\*](#) / [HF2237](#) / [CH164](#)

House Chief Author: [Gottwalt](#)

Senate Chief Author: [Hann](#)

Effective Dates: Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Health and Human Services - 2012

### Regular Session

# Changes to MCHA are now law

Created by state law, Minnesota Comprehensive Health Association is a private, nonprofit corporation that offers health insurance to Minnesotans who would otherwise be unable to obtain coverage at an affordable rate, or at all, due to pre-existing health conditions.

A number of alterations to the organization's method of calculating premiums, its rate calendar and the products it offers took effect April 10, 2012.

Rep. Joe Hoppe (R-Chaska) and Sen. Chris Gerlach (R-Apple Valley) sponsor the law.

HF2216\*/SF1910/CH170

[HF2216\\*](#) / SF1910 / CH170

House Chief Author: [Hoppe](#)

Senate Chief Author: [Gerlach](#)

Effective Dates: 4/10/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Health and Human Services - 2012

### Regular Session

# MA billing for volunteer dentists

Volunteer dentists, who are not otherwise enrolled as Medical Assistance service providers, will be able to treat Medical Assistance patients at nonprofit or government-owned clinics beginning Aug. 1, 2012, if they complete and submit a volunteer agreement form to the Department of Human Services. The clinic will be able to bill Medical Assistance for services provided by the volunteer dentist.

The Good Samaritan Dental Clinic in Rochester provides emergency dental services to Olmsted County residents and is staffed by volunteer dentists, hygienists, and community volunteers, but due to current law, doctors have had unintended consequences in their own practices if they volunteer their services.

Rep. Kim Norton (DFL-Rochester) and Sen. Carla Nelson (R-Rochester) sponsor the law.

HF2094/SF1626\*/CH181

[SF1626\\*](#) / [HF2094](#) / [CH181](#)

House Chief Author: [Norton](#)

Senate Chief Author: [Nelson](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Health and Human Services - 2012

### Regular Session

# MRI services need accreditation

Advanced diagnostic imaging services will require the provider and facility to be accredited beginning Aug. 1, 2013, according to a new law.

Sponsored by Rep. Mary Kiffmeyer (R-Big Lake) and Sen. Sean Nienow (R-Cambridge), the law is needed to protect consumers and to align with federal standards for Medicaid reimbursement policy.

Services may be accredited by the American College of Radiology, the Intersocietal Accreditation Commission or another relevant accreditation organization designated by the federal government. The facilities must report their accreditation annually to the state health commissioner.

HF2276\*/SF1811/CH228

[HF2276\\*](#) / [SF1811](#) / [CH228](#)

House Chief Author: [Kiffmeyer](#)

Senate Chief Author: [Nienow](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Health and Human Services - 2012

### Regular Session

# Child care accreditation modified

A handful of national programs are named in state law to grant accreditation of child care centers, in order for the center to be paid more than non-accredited centers for taking care of children on public child care assistance.

Rep. Joyce Peppin (R-Rogers) said that resulted in the state picking winners and losers and "excluded other high quality (programs)."

Peppin and Sen. Benjamin Kruse (R-Brooklyn Park) sponsor a new law that modifies who can serve as an accrediting agency. The law takes effect Aug. 1, 2012.

The law directs the commissioners of health, human services and education to collaborate on developing a new application and approval process for child care accreditation. A report on their progress is due Feb. 15, 2013, to the legislative committees on early childhood issues.

The current list of accrediting programs will remain in place until the new criteria is established.

HF2097/SF1621\*/CH177

[SF1621\\*](#) / [HF2097](#) / [CH177](#)

House Chief Author: [Peppin](#)

Senate Chief Author: [Kruse](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## Health and Human Services - 2012

### Regular Session

# Pregnancy grant eligibility expands

Newer facilities that offer "alternatives to abortion" programming will be eligible to apply for state grants to counsel pregnant women.

The new law is retroactive to Feb. 1, 2012.

Previously, grants were available to programs in place by July 1, 2004, but several new ones have started since then, according to the House sponsor, Rep. Larry Howes (R-Walker).

Other criteria require an applicant to be a private, nonprofit organization and to provide the services to pregnant women free of charge. Services may include medical care, parenting education, housing assistance, adoption services and child care assistance.

Sen. John Carlson (R-Bemidji) is the Senate sponsor.

HF2676\*/SF2330/CH152

[HF2676\\*](#) / SF2330 / CH152

House Chief Author: [Howes](#)

Senate Chief Author: [Carlson](#)

Effective Dates: 2/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Higher Education - 2012

### Regular Session

# Bonding, textbook and health care changes

Bonding authority for the Minnesota State Colleges and Universities system will increase from \$300 million to \$405 million as part of the omnibus higher education law.

The law is effective Aug. 1, 2012, unless otherwise noted.

Sponsored by Rep. Bud Nornes (R-Fergus Falls) and Senate President Michelle Fischbach (R-Paynesville), the law will allow MnSCU to fund priority projects at five state universities and design future projects at other campuses. (Art. 1, Sec. 8)

The law also reallocates, beginning Jan. 1, 2013, up to \$25 million of the permanent University of Minnesota fund mineral research account that funds the Natural Resources Research Institute to fund development of a mining related engineering program offered by the university at Mesabi Range Community and Technical College, and provide scholarships for students in the program. (Art. 1, Sec. 10)

MnSCU must post course information, including, to the extent possible, a list of the required and recommended course materials, on a web site. Instructors will be required to notify bookstores of required and recommended course material at least 45 days before each term begins (Art. 1, Secs. 4-5).

Other provisions in the law include:

- effective July 1, 2012, MnSCU will be able to stay open during a government shutdown. The University of Minnesota already has this capacity (Art. 1, Sec. 7);
- the MnSCU Board of Trustees is to establish a work group to study ways to lower textbook costs for students (Art. 1, Sec. 14);
- the university is to transfer \$645,000 to Hennepin County Medical Center for graduate family medicine programs in fiscal year 2013 (Art. 1, Sec. 15); and
- public postsecondary institutions must grant waivers from their required student health insurance plan coverage if the student has plan coverage from another source and requests a waiver (Art. 1, Sec. 1).

HF2065/SF1573\*/CH270

**[SF1573\\*](#) / [HF2065](#) / [CH270](#)**

**House Chief Author:** [Nornes](#)

**Senate Chief Author:** [Fischbach](#)

**Effective Dates:** Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Housing - 2012

### Regular Session

# Motor home title process eased

Motor home owners can affix their vehicles to land and change the property designation from "vehicle" to "real estate." Owners can even get a mortgage on the house. But they have found it difficult to change back to "vehicle" status and sell their motor homes after the home and land where it sits are taxed as real estate.

A new process will be set up under a law. Effective Aug. 1, 2012, owners will be able to receive a title from the state when un-affixing their motor homes from the land.

Rep. Mark Murdock (R-Ottertail) and Senate President Michelle Fischbach (R-Paynesville) sponsor the law. Murdock said the measure is intended to create a process that did not previously exist for those planning on selling their motor homes separate from the land where the home was located.

HF1595/SF1416\*/CH198

[SF1416\\*](#) / HF1595 / CH198

House Chief Author: [Murdock](#)

Senate Chief Author: [Fischbach](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Housing - 2012

### Regular Session

# Subsidized renters and fees

Those renting under a federally subsidized program may see their interest rate on late fees come down from the current cap of 8 percent to correspond with the federal standard, under a new law.

The law clears up an "inadvertent oversight when state statutes were updated in 2010," according to the House sponsor, Rep. Mary Liz Holberg (R-Lakeville). The Senate sponsor is Sen. Scott Newman (R-Hutchinson). The law, effective Aug. 1, 2012, will allow landlords operating a lease under a federally subsidized tenancy program to charge late fees, but on a schedule consistent with that of federal guidelines.

It would also delay the effective dates on several provisions related to tenant evictions in a foreclosed property. The effective dates vary depending on the circumstances of the foreclosure.

HF1515\*/SF1272/CH132

[HF1515\\*](#) / [SF1272](#) / [CH132](#)

**House Chief Author:** [Holberg](#)

**Senate Chief Author:** [Newman](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Local Government - 2012

### Regular Session

# New Scott County registrar

A new library being built in Elko New Market will include a deputy registrar's office.

Sponsored by Rep. Mark Buesgens (R-Savage) and Sen. Claire Robling (R-Jordan), the law will require the Public Safety Department to open the facility.

Supporters say now is the time for the legislation because the office can be incorporated into the building, and the next closest registrar is approximately 10 miles away in the rapidly growing area of Scott County.

The law takes effect Aug. 1, 2012.

HF1175\*/SF929/CH219

[HF1175\\*](#) / [SF0929](#) / [CH219](#)

House Chief Author: [Buesgens](#)

Senate Chief Author: [Robling](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Local Government - 2012

### Regular Session

# Grants to EMS providers

Cities and townships will be able to make grants to first responders, just as they've done in the past with hospitals.

Effective Aug. 1, 2012, a new law will allow local governments to make grants to emergency medical services agencies that serve their communities. The grants will need to be authorized by the local town board or city council.

Under current statute, qualifying EMS agencies include any "agency, entity, or organization that employs or uses emergency medical services persons as employees or volunteers."

Rep. Carolyn McElfrick (R-Deer River) and Sen. Tom Saxhaug (DFL-Grand Rapids) are the sponsors.

HF2861\*/SF2466/CH226

[HF2861\\*](#) / [SF2466](#) / [CH226](#)

House Chief Author: [McElfrick](#)

Senate Chief Author: [Saxhaug](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Local Government - 2012

### Regular Session

# Simplified detachment process

Landowners in rural areas could have an easier time getting their property detached from a city, under a new law.

Effective Aug. 1, 2012, the process will be streamlined for some property owners who wish to have their land detached from a municipality and become part of an unincorporated town. As long as all parties involved agree, an administrative law judge can simply sign a petition authorizing the detachment, thereby avoiding a lengthier petition process.

Rep. Larry Howes (R-Walker) and Sen. John Carlson (R-Bemidji) are the sponsors.

HF1738\*/SF1450/CH135

[HF1738\\*](#) / [SF1450](#) / [CH135](#)

House Chief Author: [Howes](#)

Senate Chief Author: [Carlson](#)

Effective Dates: 8/1/2012 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Local Government - 2012

### Regular Session

# HRA jurisdictions clarified

A pair of housing redevelopment authorities — one in Anoka County and the other in Washington County — asked lawmakers to clarify their respective jurisdictions. A new law will do that.

Sponsored by Rep. Kathy Lohmer (R-Lake Elmo) and Sen. Ray Vandevveer (R-Forest Lake), the law will make a series of technical changes to clarify that both of the HRAs have the authority to operate countywide. Supporters say the change is needed to preserve the status quo. It takes effect upon approval by the local governing bodies.

There is one difference between the counties: whereas the Washington County HRA will have the authority to operate even in those areas of the county where another HRA exists, the Anoka County HRA will be allowed to operate only where there is no other HRA.

HF2132\*/SF2050/CH199

[HF2132\\*](#) / SF2050 / CH199

House Chief Author: [Lohmer](#)

Senate Chief Author: [Vandevveer](#)

**Effective Dates:** Upon local approval **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## Military and Veterans Affairs - 2012

### Regular Session

# Appointments for disabled veterans

A military veteran with a disability rating of 30 percent or more will be eligible for appointment to a classified service position on a non-competitive basis.

Sponsored by Rep. Bruce Anderson (R-Buffalo Township) and Sen. Ted Daley (R-Eagan), the new law will allow appointment of a veteran who meets the qualifying criteria and prevents interviewing anyone else. Additionally, the veteran must show written federal documentation of the disability and must meet the minimum qualifications for the vacant position.

Anderson estimated that there are more than 30,400 veterans in the state who fall under the category of being disabled 30 percent or more.

The law is effective Aug. 1, 2012.

HF2493/SF2354\*/CH231

[SF2354\\*](#) / [HF2493](#) / [CH231](#)

**House Chief Author:** [Anderson, B.](#)

**Senate Chief Author:** [Daley](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Military and Veterans Affairs - 2012

### Regular Session

# Awards for the non-military

Current state law allows the governor to award medals for valor, distinguished service, and good conduct, as well as certain marks of distinction to officers and enlisted personnel who served in war or other declared emergencies, provided the honor does not overlap with federal service medals.

A new law will allow the governor to also issue suitable awards to non-military individuals for distinguished service or support to military forces of the state.

Rep. Bruce Anderson (R-Buffalo Township) and Sen. Al DeKruif (R-Madison Lake) sponsor the law, which is effective Aug. 1, 2012.

HF2494/SF2271\*/CH202

[SF2271\\*](#) / HF2494 / CH202

House Chief Author: [Anderson, B.](#)

Senate Chief Author: [DeKruif](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Military and Veterans Affairs - 2012

### Regular Session

# Honor guards given equal priority

Honor guards are paid up to \$50 each time they provide services, such as playing "Taps," at the funeral of a military veteran.

Effective July 1, 2012, the veterans affairs commissioner cannot prioritize these payments based on whether the honor guard units are sponsored by organizations that have charitable gambling operations. Previously, when funding ran low, honor guards that were sponsored by charitable gambling organizations could see their payments delayed until the end of the year due to permissible language.

The new law is sponsored by Rep. Dean Urdahl (R-Grove City) and Sen. Mike Parry (R-Waseca).

HF1903\*/SF1814/CH149

[HF1903\\*](#) / [SF1814](#) / [CH149](#)

House Chief Author: [Urdahl](#)

Senate Chief Author: [Parry](#)

Effective Dates: 7/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Military and Veterans Affairs - 2012

### Regular Session

# State immunity waiver amended

The Uniformed Services Employment and Reemployment Rights Act ensures that veterans are not fired or discriminated against at their civilian jobs because of their absence during military service.

However, these protections did not apply to employees who work in Minnesota, but live in another state and were mobilized by another state's governor.

Rep. Glenn Gruenhagen (R-Glencoe) and Sen. Al DeKruif (R-Madison Lake) sponsor a law that amends the civilian job protections of National Guard members employed in Minnesota, even if they don't live here.

It provides a waiver of immunity for veterans to sue the state as an employer in court for USERRA violations. The new law is effective April 19, 2012.

State law is also amended so that a guard member who is convalescing due to injuries or disease resulting from active service may qualify for a leave of absence without pay, provided the required documentation is presented.

HF1416/SF1689\*/CH192

[SF1689\\*](#) / [HF1416](#) / [CH192](#)

**House Chief Author:** [Gruenhagen](#)

**Senate Chief Author:** [DeKruif](#)

**Effective Dates:** 4/19/2012 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Military and Veterans Affairs - 2012

### Regular Session

# Private business vet preference

Rep. John Kriesel (R-Cottage Grove) and Sen. Ted Daley (R-Eagan) sponsor a new law, which makes the veteran's preference voluntary for private employers, who could also extend the benefit to the spouse of a disabled or deceased veteran. Some publicly funded agencies currently are allowed to give veterans hiring preference.

Kriesel, a veteran, said the law will help returning veterans obtain employment.

Although the federal Civil Rights Act considers voluntary veteran's preference in employment as discriminatory, it is permitted if allowed under state or local laws.

HF2100/SF1599\*/CH186

[SF1599\\*](#) / HF2100 / CH186

House Chief Author: [Kriesel](#)

Senate Chief Author: [Daley](#)

Effective Dates: 8/1/2012 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Military and Veterans Affairs - 2012

### Regular Session

# Time limit for termination hearing

In cities or counties where there are civil service boards or merit system authorities, a military veteran employed in a public service job has certain rights before he or she can be terminated. The employer must first notify the employee, which starts the clock. Within 60 days, the employee can request a hearing.

Where there is no board or authority, a three-person panel is appointed. The employee chooses one representative to serve on the panel; the employer chooses one representative; and the third panelist is a mutually agreed upon person.

A new law will change the hearing process to ensure a timely hearing. It will require the employee being terminated to identify within 60 days who they want to represent him or her at a three-person panel hearing. In some instances, hearings have been delayed for months or years because the employee did not provide a name.

If the employee does not produce a panel representative within the 60 days required, he or she will waive the right to a hearing and all other remedies available for reinstatement of employment.

Under current law, only the veteran can appeal a panel's decision. A second provision in the law will enable the employer to also appeal.

Rep. Bruce Anderson (R-Buffalo Township) and Sen. Doug Magnus (R-Slayton) sponsor the law, which is effective Aug. 1, 2012.

HF2495/SF2316\*/CH230

[SF2316\\*](#) / [HF2495](#) / [CH230](#)

House Chief Author: [Anderson, B.](#)

Senate Chief Author: [Magnus](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Military and Veterans Affairs - 2012

### Regular Session

# Honor guard stipends increased

Members of some military honor guards will be eligible for a larger stipend for their performances.

Effective Aug. 1, 2012, charitable gambling organizations will be authorized to pay a per diem stipend of up to \$50 per person for military honor guard, color guard or "marching unit" performances. The stipend was previously capped at \$35.

Under statute, stipends for military honor guards are among the lawful uses of gross profits from charitable gaming operations.

Rep. Bob Dettmer (R-Forest Lake) and Sen. Mike Parry (R-Waseca) are the sponsors.

HF2259/SF1754\*/CH242

[SF1754\\*](#) / HF2259 / CH242

House Chief Author: [Dettmer](#)

Senate Chief Author: [Parry](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Public Safety - 2012

### Regular Session

# Felony DWI technical fix

Sponsored by Rep. Kurt Daudt (R-Crown) and Sen. Sean Nienow (R-Cambridge), a new law fixes some problems when legislative changes were made to allow enhanced sentences for DWI offenses.

In particular, a statutory reference was misstated and has since caused some legal problems.

When the law was changed and the statute was renumbered, reorganized and relisted some of the criminal vehicular operation offenses used different numbers. The new statutory references carried over to the felony DWI statute, but the previous numbering did not.

The law is effective April 24, 2012.

HF2246\*/SF1825/CH222

[HF2246\\*](#) / SF1825 / CH222

House Chief Author: [Daudt](#)

Senate Chief Author: [Nienow](#)

Effective Dates: 4/24/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.



## Public Safety - 2012

### Regular Session

# Selling forfeited firearms to dealers

Effective Aug. 1, 2012, law enforcement agencies will be permitted to sell forfeited firearms to federally licensed firearms dealers.

Under current law, any contraband weapons that are subject to summary forfeiture must be destroyed, unless they are used by the appropriate law enforcement agency for training purposes.

As stated in statute, 70 percent of the sale proceeds would go to the law enforcement agency, 20 percent to the prosecuting agency and 10 percent to the state's General Fund.

Rep. Mike LeMieur (R-Little Falls) and Sen. Paul Gazelka (R-Brainerd) sponsor the law.

HF1468/SF1371\*/CH127

[SF1371\\*](#) / HF1468 / CH127

House Chief Author: [LeMieur](#)

Senate Chief Author: [Gazelka](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Public Safety - 2012

### Regular Session

# Notification loophole closed

Residents near where a Level III sex offender released from the state secure hospital will be living must be notified by law enforcement about their discharge into the community, closing what some said was a loophole in the notification law.

The law is in response to the court-ordered discharge of Clarence Opheim, the state's first sex offender discharged from the Minnesota Sex Offender Program in St. Peter. Following nearly 20 years in the treatment program, Opheim is due to be transferred to a halfway house, where he will be required to comply with 32 conditions of discharge. Previously, community notification was not required until the person was being released from a halfway house or was released directly into the community

Sponsored by Rep. Kathy Lohmer (R-Lake Elmo) and Sen. Julianne Ortman (R-Chanhassen), the law is effective Feb. 24, 2012.

HF2394\*/SF1994/CH123

[HF2394\\*](#) / [SF1994](#) / [CH123](#)

House Chief Author: [Lohmer](#)

Senate Chief Author: [Ortman](#)

Effective Dates: 2/24/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Public Safety - 2012

### Regular Session

# Genital mutilation enhanced penalty

Within the state's domestic violence statutes is a list of offenses that qualify a person for an enhanced offense, potentially leading to a harsher sentence.

Effective Aug. 1, 2012, a new law adds to that list the crime of female genital mutilation.

The law is based on a July 2011 case in Hopkins where a man held his wife against a wall by her chest and neck during an argument and then threw her to the floor.

Following the man's arrest, the city's prosecuting attorney reviewed the man's criminal history to see if he had been previously convicted of a qualified domestic violence-related offense that would have allowed the case to start as a gross misdemeanor, rather than a misdemeanor.

Current qualified domestic violence-related offenses include: murder; violating an order for protection; harassment restraining order or no-contact order; stalking; domestic assault; or criminal sexual conduct. None of these was in the man's past, but he had been convicted of female genital mutilation in 2000 for which he was on probation until 2001.

Rep. Steve Simon (DFL-St. Louis Park) and Sen. Ron Latz (DFL-St. Louis Park) sponsor the law.

HF2149\*/SF1657/CH227

[HF2149\\*](#) / [SF1657](#) / [CH227](#)

House Chief Author: [Simon](#)

Senate Chief Author: [Latz](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Public Safety - 2012

### Regular Session

# Harsher vulnerable adult penalties

Sponsored by Rep. Steve Gottwalt (R-St. Cloud) and Sen. Warren Limmer (R-Maple Grove), a new law creates a felony crime for intentional deprivation of a vulnerable adult, such as with food, clothing, shelter or health care, when the caregiver "is reasonably able to make the necessary provisions."

Supporters said the law comes in response to a number of cases where people were literally left to rot in their own filth and other abuse stories where the perpetrator could only be charged with gross misdemeanor.

Gottwalt said the law is a bipartisan collaboration of many interested parties, including the provider community, law enforcement and prosecutors.

The bill provides for three affirmative defenses:

â€¢ the person employed by a facility is unable to "reasonably make the necessary provisions due to inadequate staffing levels, inadequate supervision, or institutional policies;"

â€¢ the defendant operates or manages a facility and did not knowingly or intentionally permit an employee to permit the criminal act; and

â€¢ where the caregiver "was acting reasonably and necessarily to provide care to another identified vulnerable adult."

Additionally, the law creates a new two-year felony offense for child mistreatment that results in "demonstrable bodily harm."

The provision comes from HF2220/SF1725, sponsored by Rep. Jeanne Poppe (DFL-Austin) and Sen. Dan Sparks (DFL-Austin), which is based on a 2011 Mower County case where a 5-year-old child was chained to the slats of his crib every evening. The parents could only be charged with a gross misdemeanor.

Because there wasn't substantial bodily harm, only demonstrable bodily harm â€" any harm that can be observed by another person â€" could be used in the charging.

The law takes effect Aug. 1, 2012.

HF1945/SF1586\*/CH175

[SF1586\\*](#) / HF1945 / CH175

House Chief Author: [Gottwalt](#)

Senate Chief Author: [Limmer](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Public Safety - 2012

### Regular Session

# Going after gas drive-offs

With gas prices increasing, so does the number of people filling up and fleeing.

Sponsored by Rep. Chris Swedzinski (R-Ghent) and Sen. Scott Newman (R-Hutchinson), a new law will help small businesses streamline the process of collecting money from motor fuel drive-offs.

The law will allow a trade association acting on behalf of member organizations and retailers to serve notice and collect payments within current civil liability statutes. It will also help prosecutors by creating a permissive inference of theft if a person drives off without paying.

The Minnesota Petroleum Marketers Association, which represents many of the mom-and-pop or smaller convenience stores across the state, brought forth the proposal.

When a customer now drives off without paying, a station employee either contacts local police right away or they contact the trade association to determine the address, name, phone number of the individual that stole it based on the vehicle's license plate.

Under the law, the trade association, for a fee, will be permitted to contact the individual in certain circumstances and give them 30 days to reply and hopefully collect payment and give the money to the retailer.

The law takes effect Aug. 1, 2012.

HF2333\*/SF1870/CH173

[HF2333\\*](#) / [SF1870](#) / [CH173](#)

House Chief Author: [Swedzinski](#)

Senate Chief Author: [Newman](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Public Safety - 2012

### Regular Session

# Electronic prescriptions permitted

Technical changes will be made to laws governing how doctors submit prescriptions to pharmacies for controlled substances, effective Aug. 1, 2012.

The modifications will allow doctors to issue prescriptions electronically in instances where current law requires prescribing through a written or oral method.

Rep. Bob Barrett (R-Lindstrom) and Sen. David Hann (R-Eden Prairie) sponsor the law.

Proponents said the technical changes should result in more efficient prescribing and a cost savings.

HF2532\*/SF2128/CH246

[HF2532\\*](#) / [SF2128](#) / [CH246](#)

House Chief Author: [Barrett](#)

Senate Chief Author: [Hann](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Public Safety - 2012

### Regular Session

# Filing a false lien penalty

The number of people for which it is a five-year felony to file a false lien against will expand to include sheriffs, deputy sheriffs and county recorders.

Prosecutors, defense attorneys or officers of the court already have this protection.

Rep. Tony Cornish (R-Vernon Center), who sponsors the law with Sen. Bill Ingebrigtsen (R-Alexandria), said there are now people who when they do not like a sheriff's decision will, in retaliation, encumber their property by filing frivolous liens against property and land totaling millions of dollars in order to cause all sorts of financial problems for the law enforcement official. It also wastes court time.

Under current law, fraudulent lien filing against anyone is a gross misdemeanor.

Supporters said the tougher penalty is needed because sheriffs, deputy sheriffs and county recorders should not have to be harassed simply for doing their job, be it a sheriff's sale of real property or filing a lien placed on real property.

The law takes effect Aug. 1, 2012.

HF2373\*/SF1874/CH210

[HF2373\\*](#) / [SF1874](#) / [CH210](#)

House Chief Author: [Cornish](#)

Senate Chief Author: [Ingebrigtsen](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Public Safety - 2012

### Regular Session

# Restraining order charge locale

The venue options for charging violators of harassment restraining orders will expand.

Effective Aug. 1, 2012, a person who commits a violation in two or more counties can be prosecuted in either jurisdiction for all of the acts.

The new law also provides that if the harassment is done through wireless or electronic communication, such as by phone, text message or through social media sites, the perpetrator can be charged in the county from where the information was sent or where the victim resides.

Sponsored by Rep. Tony Cornish (R-Vernon Center) and Sen. Bill Ingebrigtsen (R-Alexandria), the law further requires the Department of Corrections to post on its website at least 30 days before a hearing to consider the release of an inmate sentenced to life imprisonment for first-degree murder involving the killing of a peace officer or correction facility guard information about the hearing.

The law is effective Aug. 1, 2012.

HF738\*/SF1000/CH218

[HF0738\\*](#) / [SF1000](#) / [CH218](#)

House Chief Author: [Cornish](#)

Senate Chief Author: [Ingebrigtsen](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.



## Public Safety - 2012

### Regular Session

# Forfeiture changes signed into law

A number of changes to the state's forfeiture provisions that were proposed by a working group have become law.

Rep. Tony Cornish (R-Vernon Center), who sponsors the law with Sen. Dave Thompson (R-Lakeville), said The Institute for Justice and associations representing law enforcement, public defenders and county attorneys all agreed to the changes.

Among its provisions, the law, effective Aug. 1, 2012, will:

• require a law enforcement officer to provide a forfeiture receipt when seizing an off-highway vehicle;

• make it mandatory, instead of permissive, for officers to secure seized property and prevent waste;

• prohibit employees of law enforcement agencies or the prosecuting authority and their relatives from purchasing forfeited items seized by the agency;

• amend the conciliation court jurisdiction law to increase the monetary limit to \$15,000 of certain forfeiture claims the court may hear; and

• allow the owner of a seized vehicle "unless it's being held for investigatory purposes" to regain the item pending the forfeiture's outcome by posting a bond or giving security equal to the property value. Law enforcement can currently veto this.

The provision that created the most controversy in committee calls for the striking of Hmong, Somali and Spanish from the list of languages required in printing the forfeiture notification. Instead, the notification must only be printed in English and printing in other languages could be done at an agency's discretion.

Opponents said the change might not ensure that people's rights are protected, it will put an extra burden on a non-English speaking property owner and it could potentially create lawsuits about due process.

In addition to mandate relief, proponents said it does not prohibit a local law enforcement agency from printing the notification in multiple languages, especially languages that reflect the diversity of a geographic area. They also note that agencies would likely do the right thing to protect themselves from potential litigation.

HF1535/SF1240\*/CH128

**[SF1240\\*](#) / [HF1535](#) / [CH128](#)**

**House Chief Author:** [Cornish](#)

**Senate Chief Author:** [Thompson](#)

**Effective Dates:** 8/1/2012 (except for Sec. 17, Subd. 6a which is effective 7/1/2012) **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Public Safety - 2012

### Regular Session

# Responsibility clarification in cases

Clarification of responsibilities for providing public defense and appointed counsel when it comes to criminal and juvenile court is part of a new law.

In addition to statewide consistency, supporters say the law should help resolve some issues that have been outstanding for 20 or more years regarding public defense and when public defenders are appointed to a case. They say the lack of clarity has resulted in county attorneys spending a lot of time going through an appeals process of who is to provide this representation.

Rep. Kelby Woodard (R-Belle Plaine), who sponsors the law with Sen. Dan Hall (R-Burnsville), said the law is the result of discussion over the past few years between county attorneys, public defenders and the state judiciary. It also incorporates gubernatorial recommendations regarding income guidelines for public defenders.

Among its provisions, the law deletes the statutory right to counsel on sex offender end-of-confinement risk-level assignment appeals and expands the right to representation by a public defender for a person appealing a conviction of a misdemeanor crime.

Other provisions in the law include:

• specifies whether various parties in child protection cases will be represented by a public defender or court-appointed counsel at county expense;

• establishes financial responsibility for misdemeanor appeals, which the Supreme Court, in a 2011 case deemed is a state responsibility;

• in an effort to prove paternity as soon as possible and reduce social service costs, provides that a court shall appoint counsel in paternity proceedings if the party would be unable to afford counsel and limits such representation to establishment of parentage;

• pre-sentence investigation and lifetime imprisonment reports will be provided at no charge to counsel representing the defendant on appeals or post-conviction relief petitions;

• the state court administrator's office will pay costs if a court appoints standby or advisory counsel; however, if the prosecutor has requested one, the governmental unit conducting the prosecution must pay; and

• prior to the appointment of a public defender to represent a defendant charged with a misdemeanor, the court shall inquire of the prosecutor whether the prosecutor intends to certify the case as a petty misdemeanor. If an offense is certified as a petty misdemeanor, the defendant is not eligible for a public defender.

Signed April 23 by Gov. Mark Dayton, most of the law takes effect Aug. 1, 2012.

HF2059/SF1678\*/CH212

**SF1678\*** / HF2059 / CH212  
House Chief Author: [Woodard](#)  
Senate Chief Author: [Hall](#)

**Effective Dates:** Various **Effective Dates:** See *chapter summary in the file link above.*

\* *The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Public Safety - 2012

### Regular Session

# Firefighters memorial day change

The date of the state's Fallen Firefighters Memorial Day will change to accommodate the dedication of a new memorial on the State Capitol grounds.

Sponsored by Rep. Doug Wardlow (R-Eagan) and Sen. Ted Daley (R-Eagan), a new law designates the last Sunday in September as the new memorial day. Previously, it was the first Sunday in October.

The change is needed to incorporate the unveiling of the state's new Minnesota Fire Service Foundation Memorial, which will be located on the Capitol Mall, near the Veterans Service Building. It is scheduled to be dedicated Sept. 30, 2012.

The memorial will honor the state's 194 firefighters who have died in the line of duty. A previously built memorial has existed for many years at the Minneapolis-St. Paul International Airport, but supporters successfully raised enough money to build a larger memorial at the Capitol.

Wardlow said the change will also allow family members of fallen firefighters to travel to Washington, D.C., the following week to observe National Fallen Firefighters Memorial Day.

The law takes effect Aug. 1, 2012.

HF2365/SF1492\*/CH188

[SF1492\\*](#) / HF2365 / CH188

House Chief Author: [Wardlow](#)

Senate Chief Author: [Daley](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Public Safety - 2012

### Regular Session

# County attorneys can carry guns

County attorneys or assistant county attorneys can now carry a firearm on duty provided they have a state-issued permit to carry.

State statute previously prohibited local government employees, other than licensed peace officers, from carrying firearms on duty.

Rep. Tony Cornish (R-Vernon Center), who sponsors the law with Sen. Bill Ingebrigtsen (R-Alexandria), stressed the law is not a knee-jerk reaction to the Dec. 15, 2011, shooting of Cook County Attorney Tim Scannell by a defendant just convicted of third-degree criminal sexual conduct. Supporters said the law is about personal safety, not courtroom security, and will, for example, let them carry a weapon in their vehicle or keep one in their office.

The law, effective April 10, 2012, does not supersede a judge's right to ban firearms from their courtroom or courtroom complex, nor does it prohibit a county attorney from restricting a assistant county attorney from carrying while on duty.

HF1829\*/SF1648/CH171

[HF1829\\*](#) / [SF1648](#) / [CH171](#)

House Chief Author: [Cornish](#)

Senate Chief Author: [Ingebrigtsen](#)

Effective Dates: 4/10/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Public Safety - 2012

### Regular Session

# Gang activity definition expands

An expansion of the 2007 criminal gang injunction law will close a loophole exploited by some adult gang members who use younger members to hold their firearms as a way to avoid additional criminal charges.

Sponsored by Rep. Carol McFarlane (R-White Bear Lake) and Sen. John Harrington (DFL-St. Paul), the law will expand the list of offenses that constitute gang activity to include unlawful possession of a firearm by a minor. It takes effect

Aug. 1, 2012.

A criminal gang that continuously or regularly engages in gang activity is considered a public nuisance, and a prosecutor can seek, and a court can enter, an order enjoining a person from engaging in gang activity.

The law was brought forth by Ramsey County Attorney John Choi and is supported by the law enforcement community, cities and public event organizers who've had trouble with gang activity.

Youth legally carrying a firearm for hunting or target practice will not be affected by the change.

HF1245/SF1123\*/CH200

[SF1123\\*](#) / [HF1245](#) / [CH200](#)

House Chief Author: [McFarlane](#)

Senate Chief Author: [Harrington](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Public Safety - 2012

### Regular Session

# Sex offender grid calculation fix

A mathematical rounding error has resulted in incorrect presumptive sentences on the sex offender grid.

Requested by the Sentencing Guidelines Commission and supported by the judicial branch, a new law corrects the problem to ensure courts do not sentence someone beyond the presumptive range and potentially avoid lawsuits.

The change is needed so the commission can publish a new grid out of sequence, otherwise the change would not happen until next summer.

A person's criminal sexual misconduct sentence is determined by the severity of the offense and the person's criminal history score. When the lines are matched up on a grid, it shows the presumptive sentence for that offense. The commission is statutorily ordered to put a range "15 percent below or 20 percent above the presumptive sentence" on the grid that a judge can sentence within.

When the grid was created in 2006 the math calculations were performed incorrectly, leaving some of the ranges off by one month. Once the error was discovered, the calculations were changed to be correct, and the grid was reissued. However, the commission's enabling legislation prevents it from officially putting the grid out until after its 2013 report to the Legislature. Those proposed modifications will be scheduled to take effect Aug. 1, 2013.

The new grid will apply to cases from the effective date forward. The commission has identified all offenders incorrectly sentenced. For offenders sentenced at the lower end of the range nothing will change because a court can't increase a sentence once it's been imposed. For offenders affected on the high end, there is a rule of criminal procedure allowing the courts to correct that sentence.

Rep. Doug Wardlow (R-Eagan) and Sen. Warren Limmer (R-Maple Grove) sponsor the law that took effect April 24, 2012. HF2896/SF2464\*/CH229

[SF2464\\*](#) / HF2896 / CH229

House Chief Author: [Wardlow](#)

Senate Chief Author: [Limmer](#)

Effective Dates: 4/24/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Public Safety - 2012

### Regular Session

# Notifying an abuse victim's parents

An extra phone call will need to be made when a child is a crime victim.

Sponsored by Rep. Bruce Vogel (R-Willmar) and Sen. Gary Dahms (R-Redwood Falls), a new law will add to the custody order in a divorce agreement so that each party must "notify the other party if the minor child is the victim of an alleged crime and shall provide the name of the investigating law enforcement officer." It will also require law enforcement to immediately notify a local welfare agency if the child is a victim of neglect, physical abuse or sexual abuse outside the family.

The law takes effect July 1, 2012.

"The (law) stems from an incident where we had a young child, 6 years old, who was abused by a neighbor child who was also a minor," Vogel said. "When they went to contact the father he said he didn't want to press charges; therefore, law enforcement let the case go, didn't follow up in notifying the mom. This was a divorce case and the child was staying with the dad at the time this happened."

The mother did not find out until four years later when her son told a social worker. She subsequently spoke with a county investigator who informed her that her ex-husband was informed, and that state statute was followed because they contacted "a parent."

Parents who are under a protective order or in the Safe at Home program will have the notification provided through a third party so as to avoid direct contact with their former spouse.

HF1899/SF2297\*/CH153

[SF2297\\*](#) / HF1899 / CH153

House Chief Author: [Vogel](#)

Senate Chief Author: [Dahms](#)

Effective Dates: 7/1/2012 **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.



## Public Safety - 2012

### Regular Session

# Fighting synthetic drug sale, use

It isn't easy for law enforcement to keep up with the changing compounds of synthetic drugs, but a new law tries to help.

Sponsored by Rep. Bob Barrett (R-Lindstrom) and Sen. Scott Newman (R-Hutchinson), a new law will enhance the penalty for selling such substances to a felony, expand the list of illicit synthetic substances and grant the Board of Pharmacy expedited rulemaking authority to handle new chemical formulas used by drug producers.

The law piggybacks on a 2011 law that added substances known as 2C-E and 2C-I, "plant food," "bath salts" and synthetic cannabinoids to the Schedule I drugs in the controlled substances chapter of state law; made it a gross misdemeanor to sell synthetic marijuana; and made possession a misdemeanor. The goal of both laws is to help keep synthetic drugs — also called designer drugs — out of storefronts and off the streets by making them more difficult to sell.

According to the law, if the Board of Pharmacy adds a drug to the schedule through expedited rulemaking they must notify the Legislature, which must ratify the addition the following session to keep it on the schedule. Additionally, there is a two-year sunset on the expedited rulemaking.

Because not all shops have been compliant with the 2011 law, and instead are willing to pay the fine for a misdemeanor in order to keep doing business, the law makes it a felony to sell synthetic drugs. Supporters hope some sellers will decide what they're doing isn't worth the potential price of a \$10,000 fine and five years in prison.

Courts will also be permitted to offer a diversion program to first-time users of synthetic drugs, just as they can to other first-time other drug users.

HF2508\*/SF2319/CH240

[HF2508\\*](#) / [SF2319](#) / [CH240](#)

House Chief Author: [Barrett](#)

Senate Chief Author: [Newman](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Public Safety - 2012

### Regular Session

# Seeking to demonstrate firearm silencers

Federally licensed firearms dealers, manufacturers or importers will be permitted to possess silencers for the purpose of selling them or firearms tested with silencers for authorized activities. A silencer partially suppresses, but does not actually fully eliminate, the sound of a gunshot.

The issue was brought forth by some federally licensed firearm manufacturers and dealers who are authorized by federal law to possess and sell silencers but are prohibited by state law from doing so.

Under current state statute, the sale and possession of firearm silencers is prohibited, except for certain law enforcement and wildlife control activities. Therefore, federally licensed firearms manufacturers and dealers in Minnesota who wish to sell firearms to police and government agencies throughout the nation have been unable to fully demonstrate their products. There are an estimated 25 federally licensed firearms manufacturers and 1,600 dealers in the state.

The law, sponsored by Rep. Mike Benson (R-Rochester) and Sen. Bill Ingebrigtsen (R-Alexandria), is effective Aug. 1, 2012. It was neither officially supported nor opposed by law enforcement associations.

Since 1934, federal law has strictly regulated and taxed the sale, possession and use of firearm silencers. The majority of states, not including Minnesota, do not further regulate their possession. However, one federally licensed Minnesota dealer testified during the committee process that if he were to sell a silencer to an unlicensed person for personal use, he could face prison time, a hefty fine and the loss of his license to sell firearms.

Among concerns expressed by opponents was that these silencers will be stolen from dealers and used for illegal purposes.

HF1816\*/SF2125/CH194

**[HF1816\\*](#) / [SF2125](#) / [CH194](#)**

**House Chief Author:** [Benson, M.](#)

**Senate Chief Author:** [Ingebrigtsen](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Public Safety - 2012

### Regular Session

# Restraining order jurisdiction

Changes to the state's harassment restraining order are designed to clear up state statute and remove an administrative barrier for victims.

Sponsored by Rep. Glenn Gruenhagen (R-Glencoe) and Sen. Roger Chamberlain (R-Lino Lakes), the law will allow an application for a harassment restraining order to be filed in the county of residence of either party or in the county where the alleged harassment occurred. The law takes effect Aug. 1, 2012.

Because current statute doesn't clearly give direction to the courts about filing a restraining order, this has led to inconsistent handling of requests, especially in Greater Minnesota. Advocates working with victims found they would appear in one county to help their clients file an order for petition, only to be told that they would have to go to another county to seek court protection.

Supporters said it will help in cases like when a victim tried to file the petition in a county of residence, but was told by a court clerk she had to file for a petition in the county where the incident took place. When the petitioner went to the second county, she saw the perpetrator who had harassed her.

Courts will be permitted to waive filing fees for certain restraining order petitions. The fee can now be waived if the alleged acts would constitute criminal sexual conduct or gross misdemeanor or felony stalking. In order to be eligible for federal grants to combat violence crimes against women, states must certify their laws do not require victims of sexual assault, stalking or domestic violence bear the cost of filing for a protection order.

HF469\*/SF574/CH223

**[HF0469\\*](#) / [SF0574](#) / [CH223](#)**

**House Chief Author:** [Gruenhagen](#)

**Senate Chief Author:** [Chamberlain](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Public Safety - 2012

### Regular Session

# Civilian review authority changes

Sponsored by Rep. Ron Shimanski (R-Silver Lake) and Sen. Scott Newman (R-Hutchinson), a new law will allow Minneapolis to give its law enforcement personnel the same rights and privileges as other law enforcement agencies across the state.

Under current law, the Minneapolis Civilian Police Review Authority has a statutory exemption from compliance with the Peace Officer Discipline Procedures Act.

The law will prohibit the authority from making binding findings of fact about police complaints and imposing discipline on peace officers, and, like other authorities, could only make advisory recommendations. The law takes effect Aug. 1, 2012.

Shimanski said the law is all about due process. The Civilian Review Authority can now make findings of fact and determinations that become a part of an officer's record even if he or she is exonerated or the chief does not agree with the charges. The chief decides whether to impose discipline.

In the past year, the authority filed 53 complaints against officers, but only seven were acted upon by the police chief.

HF2409/SF1981\*/CH156

[SF1981\\*](#) / [HF2409](#) / [CH156](#)

House Chief Author: [Shimanski](#)

Senate Chief Author: [Newman](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Public Safety - 2012

### Regular Session

# Inmate gardening program

Part of the omnibus corrections law is a provision calling for the Corrections Department to establish an inmate gardening program at each correctional facility where space and security allows.

"The produce is to be used for feeding the offenders; excess produce would be donated to food shelves or charities," said Rep. Glenn Gruenhagen (R-Glencoe), who sponsors this provision in the House as HF467.

"Some of the results of this in other states is they see lower recidivism rates with gardening programs, it also saves thousands of dollars â€" some states save several million dollars â€" in food costs to the prisoners," Gruenhagen said, adding inmates have sought a gardening program for many years.

Rep. Carly Melin (DFL-Hibbing) said it's important to teach prisoners skills to help reduce recidivism when they are released. Other provisions in the omnibus law:

â€" will allow victims who want to be informed when their offender is released from prison or a secure hospital to be notified electronically;

â€" allow the Department of Corrections' Fugitive Apprehension Unit to apply for a search warrant;

â€" bar offenders convicted of murder, manslaughter, criminal sexual conduct, assault, drive-by shooting, assault, robbery, arson and other specified crimes from participating in the Challenge Incarceration Program; and

â€" eliminate an annual performance report from the Department of Corrections, instead reverting back to a biennial report. This is expected to save the department approximately \$8,000.

The Challenge Incarceration Program and biennial report provisions are effective April 5, 2012; the remainder Aug. 1, 2012.

Rep. Tony Cornish (R-Vernon Center) and Sen. Warren Limmer (R-Maple Grove) sponsor the law.

HF2415/SF2084\*/CH155

[SF2084\\*](#) / [HF2415](#) / [CH155](#)

House Chief Author: [Cornish](#)

Senate Chief Author: [Limmer](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Public Safety - 2012

### Regular Session

# Fingerprint taking of an arrestee

Law enforcement will be permitted to take fingerprints from offenders for any offense if they are needed to resolve a file that is in suspense.

A file is in suspense when the Bureau of Criminal Apprehension is unable to link a record with a booking because law enforcement did not collect an offender's fingerprints during a previous booking.

When a person is arrested for a felony, gross misdemeanor or targeted misdemeanors they are required to be fingerprinted. Sometimes the fingerprinting does not occur or there is no arrest, but someone is charged. If the person does not have their fingerprints taken, there's a bad set of prints or some data inconsistencies, the record can end up in suspense.

Supporters note that fingerprints are important in building a person's criminal history and linking crimes together. For example, a person could use different names for different crimes, but their fingerprints do not change.

Authorities will not be permitted to pick up someone if it is discovered their file is in suspense; the person must first re-offend.

Rep. Tony Cornish (R-Vernon Center) and Sen. Bill Ingebrigtsen (R-Alexandria) sponsor the law that is effective Aug. 1, 2012.

HF2160\*/SF2108/CH211

[HF2160\\*](#) / [SF2108](#) / [CH211](#)

House Chief Author: [Cornish](#)

Senate Chief Author: [Ingebrigtsen](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Public Safety - 2012

### Regular Session

# Capitol area security

Effective May 2, 2012, a new law authorizes state troopers to provide security on a short-term basis in response to "credible threats" against legislators, Supreme Court justices and constitutional officers.

The law does not specify criteria for what constitutes a credible threat. Instead, that decision will be left to the governor and the commissioner of public safety.

The law also establishes an Advisory Committee on Capitol Area Security, consisting of the lieutenant governor, two House members, two senators and the chief justice of the Minnesota Supreme Court (or their designee). The committee will meet at least four times a year to discuss security concerns and make recommendations to the Legislature. It will sunset on June 30, 2022.

Rep. Kelby Woodard (R-Belle Plaine), who sponsors the law with Sen. Michelle Benson (R-Ham Lake), said the provisions are partially a response to the January 2011 mass shooting near Tucson, Ariz., that killed or wounded 19 people, including former congresswoman Gabrielle Giffords. After that incident, Gov. Mark Dayton convened a joint executive-legislative committee to make recommendations on improving security in the Capitol Complex. The group advocated for many of the provisions embodied in the new law.

HF1607\*/SF1283/CH258

[HF1607\\*](#) / [SF1283](#) / [CH258](#)

House Chief Author: [Woodard](#)

Senate Chief Author: [Benson](#)

Effective Dates: 5/2/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Recreation and Tourism - 2012

### Regular Session

# 'People's Stadium' deal gets done

In a few years, the Metrodome will likely be replaced by a purple palace.

The dream of Minnesota Vikings' owners and fans were realized when a funding plan to replace the domed facility received legislative approval, and the autograph of Gov. Mark Dayton.

"This is a great day for Minnesota, a great day for the Vikings fans throughout the entire country," team owner Zygi Wilf said after Dayton signed a law that will help build a new home for the NFL team.

Team officials say the 30-year-old Metrodome is antiquated and does not provide the needed revenue to remain competitive, nor provide a proper fan experience.

The plan is to break ground next year with the Vikings playing in the new facility in 2016. As currently envisioned the team will play in the Metrodome through the 2014 season and then at TCF Bank Stadium for a season, while the current stadium is razed and the new facility completed.

Rep. Morrie Lanning (R-Moorhead) and Sen. Julie Rosen (R-Fairmont) sponsor the law that is effective May 15, 2012, unless noted otherwise.

HF2958\*/SF2469/CH299

### Funding

The law calls for a \$975 million, 65,000-seat state-owned "People's Stadium" to be built primarily on the Metrodome site on the eastern edge of downtown Minneapolis. The fixed-roof stadium will be expandable to 72,000 seats and will include approximately 150 suites and approximately 7,500 club seats. Space will be created for team-related exhibitions and sales, such as a team museum and Hall of Fame, retail store and themed concessions or restaurants.

Located within a block of the stadium must be 2,000 parking spaces connected by skyway or tunnel to the stadium, and 500 parking spaces must be within two blocks of the stadium, with a dedicated walkway on game days.

The Vikings will cover \$477 million of construction costs; the state \$348 million; and Minneapolis \$150 million. The team could make the roof retractable at its expense, an idea that Wilf is strongly considering. (Art. 1, Sec. 15)

The team contribution is \$50 million higher than Vikings' officials consistently said the team was willing to contribute; however, it is \$55 million less than the contribution request passed by the House.

"We've agreed to contribute up front \$477 million, which remains the third-largest private contribution in NFL history. We've agreed to contribute \$13 million annually in operating costs, which is now 54 percent of the life-cycle costs of the project," Lester Bagley, the team's vice president of public affairs and stadium development said in announcing the team's approval of the deal. "The Wilfs have stepped up and made a huge commitment to Minnesota and a huge commitment to Minnesota Viking fans. They've made a commitment to secure this franchise and to stabilize this franchise for the future generations in Minnesota."

Naming rights revenue will go to the team, which is required to sign a 30-year lease from "the date of substantial completion of the stadium for professional football games" to play in the facility. The team will be required to



contribute 25 percent of a sale price to pay down remaining debt service if the team is sold within the first 10 years, declining to 15 percent in years 11-15 and 10 percent for years 16-20. (Art. 1, Sec. 19)

Commemorative bricks can be sold at a yet-to-be-determined amount and displayed "at a prominent location in the new stadium." (Art. 1, Sec. 16)

State-issued bonds for the project will be funded from expanded electronic pull tabs and electronic linked bingo. Sports-themed tipboards will be legalized; however, they are not tied to the law's financial structure, instead the lawful gambling organizations will be allowed to keep all the revenue from those games for lawful purposes and charitable contributions. Some of these provisions are effective July 1, 2012.

Supporters note that charities would get tax relief and more gambling proceeds under the law while the state also would get more revenue. (Art. 2, Sec. 1; Art. 4, Secs. 1-67)

Minneapolis would kick in its \$150 million by extending through 2046 and redirecting sales taxes used to pay off construction bonds for the city's convention center to the stadium once the convention center bonds are paid off in 2020. The sales tax money comes from hospitality taxes collected from hotels, bars and restaurants. This section is effective May 26, 2012. (Art. 3, Secs. 1-7)

It is anticipated that the state would get \$58 million per year in expanded gambling revenues. The charities would get \$14 million, although it is not as much tax relief as they sought.

The Human Services Department is to report annually to the Legislature, beginning in February 2014, "on the percentage of gambling revenues that come from gamblers identified as problem gamblers." A preliminary update is due one year prior. (Art. 5, Sec. 1)

In case the gambling revenue does not cover the state share, the law contains two blink-on taxes: a sports-themed lottery game that is expected to produce at least \$2.1 million per year and a 10 percent admission tax on luxury seats that is estimated to bring in \$1 million annually. (Art. 6, Secs. 1-3)

A portion of the city sales tax money would also be reallocated to potentially rehabilitate the Target Center in Minneapolis. Lanning said that without that provision, the city would not support the stadium deal. To help on its side of the Mississippi River, the City of St. Paul will receive \$2.7 million for 20 years beginning in Fiscal Year 2014 "for the operating or capital costs of new or existing sports facilities." City officials first plan to pay off the estimated \$35.5 million in outstanding bonds for the RiverCentre debt, and not on a new ballpark for the St. Paul Saints. (Art. 1, Sec. 5; Art. 5, Sec. 6)

Construction cost overruns are the responsibility of the builder, and operating cost overruns would be the responsibility of a newly formed public stadium authority. (Art. 1, Secs. 15, 18)

Materials and supplies used to build the facility will be exempt from sales taxes. (Art. 1, Sec. 6; Art. 5, Sec. 3)

### **Stadium design and oversight**

A Legislative Commission on Minnesota Sports Facilities will be established under the Legislative Coordinating Commission to oversee the operating and capital budgets of the newly created Minnesota Sports Facilities Authority that will oversee stadium operations. The authority is deemed a public body. (Art. 1, Secs. 1, 11-13)

The design, development and construction of the stadium shall be a collaborative process between the stadium authority and the Vikings. To the extent possible, at least 25 percent of the materials, supplies and equipment used in stadium and related facility construction and operation must be made or produced by Minnesota businesses. Also to the extent practicable, the stadium will be environmentally and energy efficient with the goal of being eligible to receive LEED (Leadership in Energy and Environmental Design) certification. (Art. 1, Secs. 15, 19)

The stadium must be built in Minneapolis and "be operated in a first-class manner, similar to and consistent with other comparable NFL stadiums." (Art. 1, Secs. 14, 18)

The stadium authority "shall study the feasibility of conducting a raffle for chances to win a pair or other limited numbers of prime seats (such as lower deck, 50-yard line seats) in the stadium for professional football games for the duration of the lease or use agreement." (Art. 1, Sec. 14)

In addition, the stadium authority is required "to contract with an employment assistance firm, preferably minority-owned, or owned by a disabled individual or a woman, to create an employment program to recruit, hire, and retain minorities for the stadium facility;" (Art. 1, Sec. 17)

#### **Other events**

"This facility is not just for a professional football team; it's for the whole state of Minnesota for all kinds of events and activities that we've had the benefit of with the Metrodome," Lanning said.

The law states that the authority "will work to maximize access for public and amateur sports, community, and civic events, and other public events in type and on terms consistent with those currently held at the existing football stadium." (Art. 1, Sec. 18)

The stadium lessee must make the facility available to the Minnesota Amateur Sports Commission up to 10 days a year and the Minnesota State High School League at least seven days a year for its state soccer and football tournaments. (Art. 5, Sec. 7)

For fans of the European football "or soccer, as it's known on this side of the Atlantic Ocean" the law gives the Vikings an exclusive five-year agreement to bring in a professional team. However, any such team will have to pay rent, unlike an earlier version of the final legislation. Capital improvements needed for a soccer franchise must be financed by the team owner, unless otherwise agreed to by the authority. (Art. 1, Sec. 19)

"We promise you that we will work together to build a first-class facility, one that we can all be proud of for generations to come," Team President Mark Wilf said at the bill signing ceremony.

**[HF2958\\*](#) / [SF2469](#) / [CH299](#)**

**House Chief Author:** [Lanning](#)

**Senate Chief Author:** [Rosen](#)

**Effective Dates:** various **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Recreation and Tourism - 2012

### Regular Session

# Card clubs, simulcasting can expand

Purses should be enhanced at Minnesota's horse racing tracks thanks to a new law that changes statutes governing the state's existing card clubs and allows simulcasting at tribal casinos.

Sponsored by Rep. Joe Hoppe (R-Chaska) and Sen. Claire Robling (R-Jordan), the law, in part, authorizes Canterbury Park and Running Aces Harness Park to increase the number of tables in their card rooms from 50 to 80 and increase the poker bet limit from \$60 to \$100. It also establishes limits on the number of poker tournaments the tracks can conduct; limits on the number of tables used in poker tournaments; and will allow banked and unbanked games at the establishments.

The law, effective Aug. 1, 2012, unless otherwise noted, also establishes a framework for the possible implementation of pari-mutuel simulcasting at the state's tribal casinos of horse races conducted at the tracks.

The law also removes statutory restrictions on the concentrations of non-steroidal anti-inflammatory drugs administered to horses, instead allowing the Minnesota Racing Commission to set those standards. This section is effective May 5, 2012.

HF2795/SF1727\*/CH279

[HF2795\\*](#) / [SF1727](#) / [CH279](#)

House Chief Author: [Hoppe](#)

Senate Chief Author: [Robling](#)

Effective Dates: 5/5/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## State Government - 2012

### Regular Session

# Protecting private data

A 2011 law change requires those covered by state insurance benefits to provide verification of dependent eligibility to Minnesota Management & Budget. This year's omnibus data practices law prohibits the commissioner from terminating the enrollment of a dependent in the State Employee Group Insurance Program for failing to submit proper documentation, unless certain conditions are met. It requires that notice be provided at least 30 days before the proposed termination, and an alternate method of compliance if the covered plan member has demonstrated that compliance is impractical.

Rep. Peggy Scott (R-Andover) and Sen. Warren Limmer (R-Maple Grove) sponsor the law that details how private data is collected, maintained or disseminated. It also updates the Data Practices Act and open meeting law. The law has various effective dates.

Other provisions include:

â€¢ allowing disclosure, under certain conditions, of certain electronic licenses and registrations issued by the Department of Natural Resources, currently classified as private data;

â€¢ classifying certain data related to adopt-a-highway program participants as private data, such as home addresses (except ZIP codes), e-mail addresses and telephone numbers; and

â€¢ adding veteran status to the list of data that are public on an applicant's application for appointment to a public body.

The following items are added to the list of additional data that becomes public once an individual is actually appointed to a public body: first and last dates of military service; the existence and status of any complaints or charges against the appointee; and a final investigative report once an investigation is complete, unless access would otherwise jeopardize an active investigation.

HF1466/SF1143\*/CH290

**[SF1143\\*](#) / [HF1466](#) / [CH290](#)**

**House Chief Author:** [Scott](#)

**Senate Chief Author:** [Limmer](#)

**Effective Dates:** 5/11/2012 **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## State Government - 2012

### Regular Session

# Council sunset dates extended

A quartet of advisory councils will have their sunset dates extended.

A new law extends the expiration date from June 30, 2012, to June 30, 2014, of the American Indian Advisory Council, which advises the human services commissioner on developing policies and procedures relating to chemical dependency and the abuse of alcohol and other drugs by American Indians, and the Citizens Advisory Council, which advises the commissioner on issues related to alcohol and other drug dependency and abuse.

Also extended by those dates are the American Indian Child Welfare Advisory Council and the Traumatic Brain Injury Advisory Council.

The law also recognizes the authority of the Sunset Commission to review the continuance of these councils when the Human Services Department is scheduled to do so 2014.

Rep. Bob Barrett (R-Lindstrom) and Sen. Dan Hall (R-Burnsville) sponsor the law that takes effect Aug. 1, 2012.

HF1993/SF1679\*/CH271

[SF1679\\*](#) / [HF1993](#) / [CH271](#)

**House Chief Author:** [Barrett](#)

**Senate Chief Author:** [Hall](#)

**Effective Dates:** 8/1/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## State Government - 2012

### Regular Session

# Statute clarification and correction

Near the end of each session, the Office of the Revisor of Statutes assists legislators in preparing a bill that corrects oversights, inconsistencies, ambiguities, unintended results and technical errors in bills considered earlier that session.

A new law makes clarifications and corrections from laws enacted in 2012.

The law has various effective dates, corresponding to those of original enactment. It is sponsored by Rep. Tim Kelly (R-Red Wing) and Sen. Warren Limmer (R-Maple Grove).

HF1702/SF1420\*/CH298

[SF1420\\*](#) / HF1702 / CH298

House Chief Author: [Kelly](#)

Senate Chief Author: [Limmer](#)

**Effective Dates:** At the time the provision being corrected takes effect. **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## State Government - 2012

### Regular Session

# Annual claims law

Nearly \$24,000 will be paid out to settle claims against the state "brought for losses suffered while incarcerated in a state correctional facility or for injuries suffered by and medical services provided to persons injured while performing community service or sentence-to-service work for correctional purposes or while incarcerated in a state correctional facility."

The largest award is \$12,270.75 to Chad Westring "for wage loss resulting from permanent injuries to his spine while performing sentence-to-service work in Todd County." Other payments range from to \$825 to \$5,268.

Each year, a Joint House-Senate Subcommittee on Claims meets to determine which petitions will be funded. All state agencies are eligible to receive funding to cover the claims.

Rep. Steve Smith (R-Mound) and Sen. Michael Jungbauer (R-East Bethel) sponsor the law, which is effective July 1, 2012.

HF2437/SF2112\*/CH232

[SF2112\\*](#) / [HF2437](#) / [CH232](#)

House Chief Author: [Smith](#)

Senate Chief Author: [Jungbauer](#)

Effective Dates: 8/1/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## State Government - 2012

### Regular Session

# Revisor allowed to clean up language

Each session, a law is needed to clean up statute language that could include erroneous, ambiguous, and omitted text and obsolete references. The law is based on suggestions from the Revisor of Statutes.

A new law gives that permission. Commonly known as the "revisor's bill," this year's law is sponsored by Rep. Doug Wardlow (R- Eagan) and Sen. Warren Limmer (R-Maple Grove).

The law has various effective dates.

HF2770/SF2060\*/CH187

[SF2060\\*](#) / [HF2770](#) / [CH187](#)

House Chief Author: [Wardlow](#)

Senate Chief Author: [Limmer](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## State Government - 2012

### Regular Session

# Protections for newborn information

Parents of newborns will have the chance to more clearly understand a medical facility's newborn screening program and what happens with the blood samples and testing results it collects.

A new law, primarily crafted to align appropriations contained in the February Economic Forecast, also lays out the newborn screening provision.

Rep. Mary Liz Holberg (R-Lakeville), who sponsors the law with Sen. Clare Robling (R-Jordan), said the provision begins to address her concern that privacy laws are not keeping pace with the changes to medical technology.

Parents would clearly have the ability to opt out of the testing prior to it taking place. The law also details how long samples and test results can be kept and how parents can revoke their consent for storage and use. While most of the law is effective Aug. 1, 2012, the newborn screening provisions takes effect May 11, 2012.

One-time appropriations made in the law include:

• \$472,000 in fiscal year 2012 to the commissioner of public safety for soft body armor reimbursements;

• \$457,000 in fiscal year 2013 for equipment updates needed by the Minnesota State Colleges and Universities system;

• \$235,000 in fiscal year 2012 to provide a match for Federal Emergency Management Agency disaster assistance;

• \$200,000 in fiscal year 2013 for Minnesota County Veteran Service Officers to help eligible veterans discern the availability of benefits they have earned and especially those relating to post-traumatic stress disorder; and

• \$100,000 in fiscal year 2013 to compensate honor guards at the funerals of veterans.

The new law also makes forecast adjustments for K-12 education programs and human services programming.

HF2967\*/SF2558/CH292

[HF2967\\*](#) / [SF2558](#) / [CH292](#)

House Chief Author: [Holberg](#)

Senate Chief Author: [Robling](#)

Effective Dates: Various Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## State Government - 2012

### Regular Session

# Rulemaking oversight

Lawmakers might soon be taking a closer, more critical look at the administrative rules promulgated by state agencies.

A new law will provide for greater legislative oversight of administrative rules, which have the full force and effect of law but which are created by state agencies rather than elected legislators. Provisions include:

• requiring agencies to assess the cumulative effect of proposed rules with existing state and federal regulations;

• requiring a number of state agencies to issue reports describing the rationale behind their existing rules and any recommended changes;

• requiring agencies to notify the Legislative Coordinating Commission of their intent to adopt any proposed rules; and

• requiring agencies to submit their rulemaking docket for the year and the previous year's rulemaking record to the relevant legislative committees.

Rep. Mike Beard (R-Shakopee) and Sen. John Pederson (R-St. Cloud) sponsor the law, which takes effect Aug. 1, 2012.

HF2169/SF1922\*/CH238

[SF1922\\*](#) / [HF2169](#) / [CH238](#)

House Chief Author: [Beard](#)

Senate Chief Author: [Pederson](#)

Effective Dates: 8/1/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## State Government - 2012

### Regular Session

# Improving agencies' management structures

The Department of Administration has a master list of contractors that state agencies can call upon at their discretion to help improve things like state building efficiency, tax collection methods and vehicle fleet management. A new law will add one more category.

Effective Aug. 1, 2012, the law will allow state agencies to contract with private vendors to look for efficiencies in their internal management structures. The department will provide a list of contractors who are eligible to perform those services.

The law is permissive, and does not require agencies to take advantage of the contractors' services. The department is directed to report back to the Legislature next year on how agencies have utilized the program.

Supporters say they hope the law will help reduce unnecessary layers of bureaucracy at state agencies.

Rep. Mike Benson (R-Rochester) and Sen. Carla Nelson (R-Rochester) are the sponsors.

HF1813\*/SF1650/CH220

[HF1813\\*](#) / SF1650 / CH220

House Chief Author: [Benson, M.](#)

Senate Chief Author: [Nelson](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## State Government - 2012

### Regular Session

# Council, board sunsets delayed

Several state councils and boards scheduled to expire this year, as recommended by the Sunset Advisory Commission, will have a reprieve for two or six more years.

Rep. Mary Kiffmeyer (R-Big Lake) and Sen. Terri Bonoff (DFL-Minnetonka) sponsor the law, which is effective Aug. 1, 2012, unless otherwise noted.

The Council on Affairs of Chicano/Latino People, Council on Black Minnesotans, Council on Asian-Pacific Minnesotans and the Indian Affairs Council and their advisory boards will now sunset June 30, 2014. The Capitol Area Architectural and Planning Board, Amateur Sports Commission, health-related licensing boards and Council on Disability and their advisory boards will sunset June 30, 2018.

The Office of the Legislative Auditor is requested to conduct a financial audit of the Council on Black Minnesotans by Dec. 1, 2013, and to complete a review of the sunset process in 2018.

The management and budget commissioner is also directed to report the number of full-time employees and their salary structure for each agency under review by the Sunset Advisory Commission. The Department of Administration is authorized to provide administrative support services to smaller agencies and some small agencies are required to use these services.

The Indian Affairs Council will be required to submit an annual report to the Legislature that identifies the major problems and issues confronting American Indian people and recommendations to address those issues.

The law also abolishes the Combative Sports Commission and transfers its duties to the Department of Labor and Industry, effective July 1, 2012.

There are several provisions related to health-related activities:

- makes public any corrective actions taken by the Board of Medical Practice, in addition to disciplinary measures;
- makes health care professionals and facilities, who fail to report actions that may result in disciplinary or corrective action, subject to civil penalties;
- requires health-related licensing boards to post on their public website the name and business address of each regulated person convicted of a felony or gross misdemeanor, beginning July 1, 2013. Malpractice judgments and disciplinary or corrective action must also be posted;
- prohibits transfer of the health-related licensing boards funds from the state government special revenue fund to the General Fund;
- requires reports by various health-related licensing boards to be submitted to the Legislature in January 2013 regarding fees, information systems, administrative support services and background checks; and
- modifies the complaint, hearing and investigation processes for health-related licensing boards.

The new law appropriates funds from the General Fund for the Sunset Advisory Commission and from the State Government Special Revenue Fund for the health-related licensing boards for implementation of this act.

HF2555\*/SF2304/CH278

[HF2555\\*](#) / SF2304 / CH278

House Chief Author: [Kiffmeyer](#)

Senate Chief Author: [Bonoff](#)

Effective Dates: Various **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Taxes - 2012

### Regular Session

# Stripped down tax law void of business credits

During the final days of the 2012 session, three omnibus tax bills were presented to the governor for consideration, but only one made it off his desk and into law.

While the first two bills targeted property tax relief for businesses, the third was void of those provisions.

Sponsored by Rep. Greg Davids (R-Preston) and Sen. Julianne Ortman (R-Chanhassen), the law provides approximately \$4.1 million of property tax relief for some homeowners. This may have been the catalyst for Gov. Mark Dayton signing the bill into law. He wrote, "While this program aids only those homeowners affected most severely, and only for one year despite permanent property tax increases, it is virtually the only aid this Legislature has provided them in the session."

With various effective dates, the law:

- provides targeted tax relief for homeowners equal to 90 percent of any tax increase over 12 percent for pay 2012 only (Sec. 6);
- freezes pay 2013 city local government aid payments at 100 percent of pay 2012 amounts for larger cities and at the greater of 2012 aid or 2013 aid under the LGA formula for smaller cities with a population under 5,000 (Sec. 3);
- provides additional aid payments of \$12,000 in 2012 and 2013 to the city of Tamarack (Sec. 5); and
- forgives the LGA penalties for late filing of 2010 city financial reports with the state auditor provided that all reports are in by May 31, 2012 (Sec. 4).

Rarely does a governor issue a written statement about a bill he signs into law, but Dayton wrote that the reallocation of LGA funding nearly caused a veto because this provision "would create many winners (i.e., cities which would receive more aid than was allocated under the LGA formula), but also some very serious losers, who would receive considerably less money than under current law." Since the bill was passed overwhelmingly by both bodies, Dayton questioned if legislators fully understood the consequences when they voted.

HF2690\*/SF2136/CH294

[HF2690\\*](#) / [SF2136](#) / [CH294](#)

House Chief Author: [Davids](#)

Senate Chief Author: [Ortman](#)

Effective Dates: Various **Effective Dates**: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Transportation - 2012

### Regular Session

# Vehicle plates, lien changes

Several years ago the auto dealers, deputy registrars and Driver and Vehicle Services Division in the Public Safety Department created a computerized vehicle registration system whereby the dealer and deputy registrar do the paperwork for the customer on a vehicle title. By using the optional system, the consumer receives their title usually within a week to 10 days.

However, the number of dealers using the system has reached a plateau. Among reasons cited by those not participating is state statute that requires the plating and stickering of cars at the time of sale. Supporters hope more dealers will join the system by removing the requirement that the vehicle plate and registration sticker be attached to the vehicle at the time of sale when using the CVR system. They believe this will allow dealers to have better control over their license plate and sticker inventory and in turn wanting them to be part of the CVR system.

This part of a new law, signed April 18, 2012, by Gov. Mark Dayton, is effective the next day.

Effective Aug. 1, 2012, the law also allows auto dealers to help customers more quickly get a clean title without a lien release from a previous lien holder.

Currently, if a vehicle owner has fully paid their lien but cannot locate the holder to obtain a lien release, on liens at least seven years old the person can get it canceled by sending a certified letter to the lien holder. The letter then serves as evidence of an attempt to contact and can be used to obtain a clean title from the Department of Public Safety. The law allows dealers to obtain a lien release in the same manner on behalf of their customer or for resale.

Rep. Bruce Vogel (R-Willmar) and Sen. Al. DeKruif (R-Madison Lake) sponsor the law.

HF2187\*/SF1791/CH174

[HF2187\\*](#) / [SF1791](#) / [CH174](#)

House Chief Author: [Vogel](#)

Senate Chief Author: [DeKruif](#)

**Effective Dates:** Sec. 1 effective 4/19/2012; Sec. 2 effective 8/1/2012 **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Transportation - 2012

### Regular Session

# Towing larger farm equipment

A new law, effective Aug. 1, 2012, will modify brake requirements for implements of husbandry, so that the implement does not need to have brakes if it is towed as part of a combination of vehicles and the towing vehicle's brake capacity meets state standards. It was signed April 18 by Gov. Mark Dayton.

"As farm equipment has grown larger and larger over the years, several of these pieces of equipment are technically not even legal to have on the highway. If they're over 24,000 pounds, they can't be there," said Rep. Dan Fabian (R-Roseau), who sponsors the law with Sen. John Howe (R-Red Wing). "I'm just trying to update laws that regulate farm machinery that's towed by either a farm tractor or a truck."

Fabian said the State Patrol and the Department of Transportation support the law.

"If a farm implement dealer sells a piece of equipment that weighs over 12,000 pounds, they are required under current statute to pull that to the farm where they've sold it with a tractor," Fabian said. "This language updates it so they can tow it with their semi provided the semi tractor has the braking capacity to be able to stop the vehicle should it need to."

HF2775/SF2394\*/CH172

[SF2394\\*](#) / [HF2775](#) / [CH172](#)

House Chief Author: [Fabian](#)

Senate Chief Author: [Howe](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## Transportation - 2012

### Regular Session

# Planes, trains and automobiles

A merging of two omnibus bills has resulted in one new transportation law.

Sponsored by Rep. Mike Beard (R-Shakopee) and Sen. Joe Gimse (R-Willmar), the law includes provisions from both the 2012 policy bill, and the 2011 version that was awaiting action in the Senate when the session concluded.

Here's a look at some provisions in the law. All are effective Aug. 1, 2012, unless otherwise noted.

HF2685\*/SF2321/CH287

#### Construction

The law establishes a temporary program whereby MnDOT can enter into contracts with a construction manager/general contractor for parts of construction project administration. This section is effective May 11, 2012, and expires one year following the acceptance of 10 construction manager/general contractor contracts. An interim report is due the Legislature within one year of the commissioner's acceptance of five construction manager/general contractor contracts. A final report is due the Legislature within one year of acceptance of 10 contracts.

Supporters said the efficient project delivery method "is best used on unique and challenging projects for which MnDOT personnel may not have the expertise" is considered a hybrid of design-bid-build, which is the majority of MnDOT contracts, and design-build, for which the department was given authority in 2001. According to a department fact sheet, "During the design stage, the CM/GC assists the owner with developing the project scope to meet the budget, optimizing the design to reduce costs, and improve quality through innovation. When the design is nearing completion, the contractor and owner enter into a negotiated construction contract." (Art. 3, Secs. 2-4, 62)

#### Trains and planes

Effective May 11, 2012, the Departments of Transportation and Employment and Economic Development are to conduct a freight rail economic development study. An interim report will be due to the Legislature by Jan. 15, 2013, and a final report Sept. 1, 2013.

"We have over 20 railroads in this state that move over 235 million tons of freight each year. For many manufacturers they're a vital link to the customers around the country and around the world," Beard said. "I believe a study can help us identify some other opportunities, some things that are hazards that we may want to avoid in the future and help us create more jobs." (Art. 3, Sec. 44)

Train engineers, conductors and other crew members will be exempt from having to show a peace officer a driver's license in relation to operation of a train or other on-track equipment and issuance of a citation for violating driver's license or traffic regulation prohibitions that involve operation of a train or on-track equipment. (Art. 4, Secs. 16, 33)

MnDOT can issue, effective May 11, 2012, a variance for licensing a public seaplane base on Flekkefjord Lake, which abuts the Elbow Lake Municipal Airport; and, effective Aug. 1, 2012, funds granted for land acquisition purposes for the Highway 23 bypass project may instead be used as the state's share of funds for airport improvements and other aeronautical purposes at the Paynesville airport. (Art. 4, Secs. 46-47)

#### Vehicles

The law will prevent speed limit violations of up to 10 mph over the limit in both 55 mph and 60 mph zones from going on a driver's record. Currently, a ticket does not appear on someone's driving record if the person was driving up to 10 mph over the speed limit in a 55 mph zone, or 5 mph over the limit in a 60 mph zone. The change is only effective until Aug. 1, 2014, after which point the cut-off for violations in a 60 mph zone will revert back to being up to 5 mph over the limit. A report on the impacts of the driver's record change is due the Legislature by Jan. 15, 2015. (Art. 4, Secs. 30, 35, 49)

A vehicle title will be issued for an older vehicle in the event that the owner or lienholder cannot be contacted provided the applicant submits an affidavit regarding the vehicle, proof they tried to locate an owner or lienholder and a surety bond of 150 percent of the vehicle's value. (Art. 3, Sec. 22)

In addition to the current brown and white, the main color of county sheriff's office vehicles will be expanded to include black or gold. Security companies can continue using gold security vehicles if in use before Aug. 1, 2012. Such companies can use any color for vehicles, except those specified for law enforcement vehicles. (Art. 3, Secs. 39-40)

The law expands the authority for buses to operate on freeway or expressway shoulders so that counties and towns having jurisdiction over the road can authorize the buses. (Art. 4, Sec. 21)

### **Bicycles and motorcycles**

The law treats electric-assisted bicycles more like pedal-powered bikes, including no longer requiring registration with the state, eliminating a license or permit requirement and preventing prohibition of e-bikes on any state or local trail where bikes are allowed, unless there is a safety issue.

It further states that "no person under the age of 15 shall operate an electric-assisted bicycle." (Art. 3, Secs. 21, 23-24, 30; Art. 4, Secs. 1-4, 20)

Bicycles will be permitted to have studded tires for better traction in snowy or icy conditions, and allowed to have forward-facing white flashing lights. (Art. 3, Secs. 29, 34)

The Departments of Transportation and Natural Resources, in conjunction with local authorities, are required to identify a Mississippi River Trail bikeway. A general route is specified. (Art. 4, Sec. 5)

Holders of a motorcycle road guard certificate acting as flaggers for a motorcycle ride will be permitted to hold traffic and override traffic control devices if the city has been notified of the motorcycle group's route and the person has obtained consent from that city's police chief to do so. This is effective one year after publication in the State Register. (Art. 3, Sec. 27)

A motorcycle guard certificate program is established to ensure that persons performing traffic control as a motorcycle road guard have a certificate from the Department of Public Safety. Through the Minnesota Motorcycle Safety Center, the department shall establish qualifications and requirements to obtain a certificate. This section is effective one year after publication in the State Register of rules adopted by the public safety commissioner to carry out the directive. (Art. 3, Sec. 43)

### **Roads and bridges**

The law modifies bridge inspection procedures and requirements, including adoption of national standards, inspection frequency and posting requirements. (Art. 3, Secs. 13-14)

A "first haul" exception is broadened for vehicles that exceed weight limits by no more than 10 percent and are performing the first transport of unprocessed farm products or unrefined forest products to a location within 100 miles. This section is effective Oct. 1, 2012. (Art. 4, Sec. 12)

The entire length of Trunk Highway 14 will be designated as the "Black and Yellow Trail." The stretch is part of an early highway between Chicago and Yellowstone Park, with that designation. Designation signs must be paid for with non-state funds. (Art. 3, Sec. 1)

Part of Interstate 35 in Rice County will be designated as the "Deputy John W. Liebenstein Memorial Highway," and a pedestrian bridge over Highway 14 in Rochester will be designated as the "Arianna Celeste Macnamara Memorial Bridge." (Art. 4, Secs. 7-8)

A trio of roadways are turned back from the state to local jurisdictions: Trunk Highway 227 from Nimrod to Sebeka is turned back to Wadena County; Trunk Highway 258 from Comfrey to Trunk Highway 14 is turned back to Brown County; and Trunk Highway 291 in Hastings is turned back to the city. (Art. 3, Secs. 57-59)

A noise impact stakeholders group will be created in conjunction with all projects near the intersection of Interstate 94 and Highway 280 in St. Paul "for which preliminary engineering or preliminary design commences prior to January 1, 2018." The group will look at things like noise impact on a local neighborhood and potential noise mitigation, (Art. 3, Sec. 60)

A Safe Routes to School program is created to "provide assistance in capital investments for safe and appealing nonmotorized transportation to and from a school." A report will be due the Legislature by Nov. 1 of each year. This section is effective May 11, 2012. (Art. 3, Sec. 45)

### **Funding matters**

The law provides for \$17.5 million in trunk highway fund appropriations for five projects: \$7.5 million to construct a maintenance facility addition at the Willmar district headquarters building and a remodeling of the current building; \$5.6 million for a new truck station and bridge crew building in Plymouth; \$3.3 million to construct a truck station facility in Cambridge; \$1.1 million for additions to the existing truck station buildings in Crookston, Eden Prairie and Mendota; and \$30,000 to modify a permit system that allows MnDOT to collect registration taxes for overweight vehicles being re-registered at a higher weight classification. This section is effective May 11, 2012. (Art. 1, Secs. 1-2)

Also effective that day, \$16.1 million from bond proceeds in the trunk highway fund will go to construct a Rochester maintenance facility and remodel the existing district headquarters. (Art. 2, Secs. 1-4)

A city's population is set at 5,000 in order to receive municipal state-aid street funds if the city had 5,000 or more residents just before the federal census, but fell just below that number in the census. This will allow cities that issued bonds against the funding streams to receive aid for four years. This is effective July 1, 2012. (Art. 3, Secs. 10-11)

Payment of driver's license and identification card fees can be done by credit or debit card, and driver's license agents will be authorized to impose a convenience fee. This is effective May 11, 2012. (Art. 4, Sec. 34)

Effective Jan. 1, 2013, a vehicle owner can add \$2 to their vehicle registration tax with that extra money going toward organ donation education programs. (Art. 3, Secs. 18, 42)

A \$5 surcharge on some special veterans license plates issued for one-ton pickups is eliminated. (Art. 3, Sec. 20)

Not included in the law was that in the event of a government shutdown, construction projects funded with constitutionally dedicated trunk highway funds could continue. "The governor vehemently opposed this provision and encouraged us to find a test case so that the courts could settle it," Beard said.

**[HF2685\\*](#) / [SF2321](#) / [CH287](#)**

**House Chief Author:** [Beard](#)

**Senate Chief Author:** [Gimse](#)

**Effective Dates:** Various **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Transportation - 2012

### Regular Session

# Commodities definition addressed

Properties and equipment can be treated the same way as commodities when it comes to extended vehicle combinations on state roads.

Sponsored by Rep. Ron Shimanski (R-Silver Lake) and Sen. Al DeKruif (R-Madison Lake), the law adds property and equipment to the types of transport allowed for vehicle combinations that can exceed the general maximum combined length of 75 feet.

The new law is needed because many Minnesota State Fair vendors transport their equipment and property using twin trailers. Last year, the fair board was informed by the State Patrol that the vehicle contents did not fall under the definition of commodities, which prior to the law change were the only items authorized to be transported in Minnesota in longer vehicles.

The law is effective March 31, 2012.

HF2793\*/SF2426/CH147

[HF2793\\*](#) / [SF2426](#) / [CH147](#)

House Chief Author: [Shimanski](#)

Senate Chief Author: [DeKruif](#)

Effective Dates: 3/31/2012 Effective Dates: See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Transportation - 2012

### Regular Session

# Defensive driving bill discount

At age 55, people are eligible to take a defensive driving class approved by the Department of Public Safety. If a driver successfully completes the course, he or she receives a certificate from the department authorizing a discount on auto insurance premiums. To maintain the discount, drivers must renew their certificates every three years.

A new law will allow those qualified to obtain renewal by taking a four-hour refresher course instead of retaking the full eight-hour course for certificate renewal.

Rep. Jenifer Loon (R-Eden Prairie) and Sen. Paul Gazelka (R-Brainerd) sponsor the law, which is effective March 31, 2012.

HF2441/SF1542\*/CH141

[SF1542\\*](#) / [HF2441](#) / [CH141](#)

House Chief Author: [Loon](#)

Senate Chief Author: [Gazelka](#)

Effective Dates: 3/31/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Transportation - 2012

### Regular Session

# Design-build program extension

A 2009 law established a pilot program for selecting and undertaking local transportation projects on the municipal state-aid street and county-state aid highway systems using a design-build contracting method.

A new law removes the Oct. 1, 2012, expiration date for the program so nine projects can be completed before the statutory authority expires. So far, one project is underway in Anoka County.

The law is effective April 19, 2012.

In a traditional design-bid-build process, an agency completes the plans and specifications and the contractor builds exactly what was designed. In the design-build process, the agency completes a portion of the plan, creates the necessary environmental documents and purchases the right-of-way before going out to bid. It's up to the design-build contractor to complete the final design and build the project.

Supporters said design-build benefits include singular responsibility through the engineering and construction phases of a project, cost savings and time savings. They say limiting the program to a handful of projects, as in the law, will provide information on what works well before opening it up for everyone to do this.

The law also:

• eliminates a council established to select projects for the program, transferring those duties to the Department of Transportation;

• expands MnDOT's oversight of the solicitation process;

• removes project distribution limits between the county and municipal systems; and

• eliminates an annual legislative report on the program.

Rep. Bruce Vogel (R-Willmar) and Sen. John Howe (R-Red Wing) sponsor the law.

HF2378/SF2131\*/CH176

[SF2131\\*](#) / [HF2378](#) / [CH176](#)

House Chief Author: [Vogel](#)

Senate Chief Author: [Howe](#)

Effective Dates: 4/19/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Transportation - 2012

### Regular Session

# Liability for trucking companies

Companies that use trucking firms to transport goods will no longer be allowed to contractually hold themselves harmless for merchandise damage.

Shipping contracts will need to allocate liability for damage to shipped goods, based upon the extent to which each shipper or trucking company was responsible for the damage.

Supporters say the new law will promote personal responsibility and ensure that trucking companies, especially those that are small businesses, are not unfairly held liable for damage outside their control.

Rep. Tim Kelly (R-Red Wing) and Sen. Julianne Ortman (R-Chanhassen) sponsor the law, which is effective April 6, 2012, and applies to existing contracts and those entered or renewed on or after that date.

HF1992\*/SF1687/CH165

[HF1992\\*](#) / [SF1687](#) / [CH165](#)

House Chief Author: [Kelly](#)

Senate Chief Author: [Ortman](#)

Effective Dates: 4/6/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Transportation - 2012

### Regular Session

# Let the concrete slurry stand

Road construction crews can generally leave concrete slurry by the roadside rather than hauling it to distant landfills.

Concrete slurry is a smooth liquid-like version of regular concrete that binds old concrete and new concrete surfaces.

Effective April 6, 2012, road crews can leave the substance at the construction site unless it is near sensitive wetlands or a lake.

Supporters said the change will make it easier for road crews to complete their work in a timely manner. It will also save companies money by reducing transportation costs.

The law is sponsored by Rep. Tim Sanders (R-Blaine) and Sen. John Pederson (R-St. Cloud).

HF2316/SF1860\*/CH161

[SF1860\\*](#) / [HF2316](#) / [CH161](#)

House Chief Author: [Sanders](#)

Senate Chief Author: [Pederson](#)

Effective Dates: 4/6/2012 Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.



## Transportation - 2012

### Regular Session

# School bus crossing arm requirement

Sponsored by Rep. Larry Howes (R-Walker) and Sen. Pam Wolf (R-Spring Lake Park), a new law will require all school buses used in the state that are manufactured after Jan. 1, 2013, to be equipped with a crossing control arm on the front right bumper that automatically expands out whenever the bus is stopped and the flashing red lights are in use.

It costs about \$300-\$350 for a new bus to have the approximately 8-foot arm, a small price to help keep children safe, supporters say. If an elementary school student is too close to a bus, the driver may not see them over the hood.

Howes said many buses in the Twin Cities metropolitan area already have such a crossing arm, partially because districts require them in bus operator contracts, but it is rare in northern Minnesota.

The law, effective Aug. 1, 2012, also makes updates to use the most recent version of national standards for manufacture of school buses, beginning with buses manufactured on or after Jan. 1, 2013. The changes in standards also provide permissive authority for the placement of cameras on buses, modify color requirements and allowed equipment around the flashing signal lamps, and eliminate minimum seat depth and seat back height requirements because those are addressed in the revised national standards. This will raise the minimum seat back height from 20 to 24 inches.

HF392\*/SF992/CH137

[HF0392\\*](#) / [SF0992](#) / [CH137](#)

House Chief Author: [Howes](#)

Senate Chief Author: [Wolf](#)

Effective Dates: 8/1/2012 Effective Dates: *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Transportation - 2012

### Regular Session

# Restored pioneer vehicles titling

Brought forth by restorers, the law's intent is to create a titling process that allows for pre-1919 manufactured vehicles to have a pioneer plate, have a title that does not say it is reconstructed, and have vehicle identification numbers that are already stamped on the engine or frame.

Many of these cars are found in very poor condition and they take hundreds or thousands of hours and tens of thousands of dollars to restore.

According to Rep. Mike Benson (R-Rochester), who sponsors the law with Sen. Carla Nelson (R-Rochester), what happens now is when an owner seeks a new title they receive one saying the car is a reconstructed vehicle, it will have a Vehicle Identification Number that doesn't correspond to numbers previously on the vehicle and the year on the title will be the year the vehicle was restored, not its manufactured year.

For example, Benson said, a 1910 Buick with hundreds of hours and tens thousands of dollars invested, would come back as a 2010 Buick. That means far less value to the owner.

HF2239\*/SF2202/CH195

[HF2239\\*](#) / [SF2202](#) / [CH195](#)

House Chief Author: [Benson, M.](#)

Senate Chief Author: [Nelson](#)

Effective Dates: 8/1/2012 **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Insurance changes vetoed

Teachers and other local government employees won't have to get permission from their employers to join a statewide health insurance program.

Gov. Mark Dayton vetoed a bill that would have required local governments' approval before their employees could join the Public Employees Insurance Program. PEIP is an optional medical, dental and life insurance plan administered by the state and available to local government employees statewide.

Under current law, public employee unions can decide whether to join PEIP. Critics, including school boards, counties and municipal governments, say employers should have a say in what insurance plan their employees choose since it impacts the employers financially.

In his veto letter, Dayton wrote that the ability for small numbers of employees to join a much larger insurance pool has generated "millions of dollars in savings" for both the employees and their employers. He said the ability to join PEIP freely also generates more competitive bids by health insurance providers.

"Creating a new step in the approval process for police officers, teachers, maintenance workers, and local employees, as they attempt to access affordable health care is ill-advised," Dayton wrote.

Rep. Joe Hoppe (R-Chaska) and Sen. Gary Dahms (R-Redwood Falls) are the sponsors.

HF371/SF247\*/CH213

[SF0247\\*](#) / HF0371 / VETO213

House Chief Author: [Hoppe](#)

Senate Chief Author: [Dahms](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Fireworks expansion is a dud

Primarily over safety concerns, Gov. Mark Dayton vetoed a bill to expand legal fireworks in Minnesota to include bottle rockets, firecrackers and other fireworks classified by the American Pyrotechnics Association as consumer fireworks. "Most Minnesotans are responsible enough to ignite and explode those inherently dangerous devices properly and safely. Unfortunately some are not," Dayton wrote in his veto message.

"It is government's foremost responsibility to protect the safety and the well-being of its citizens. Sometimes, that requires laws which protect citizens from others. Sometimes, it requires laws to protect people from themselves. In this case, government has the responsibility to do its utmost to protect vulnerable young Minnesotans, courageous firefighters and police officers, and innocent bystanders of all ages, who could become victims of someone else's carelessness."

Dayton further noted the state fire marshal, public safety commissioner and nearly 50 other organizations – including the police and fire chiefs associations – all expressed opposition.

Current Minnesota law allows for the use of party poppers, snappers, toy smoke devices, snakes, glow worms or sparklers, but supporters note that many Minnesotans already cross into neighboring states to spend their money for other types of fireworks and will continue to do so.

To address some local control concerns, the bill would have permitted local governments to enact ordinances restricting the use to ensure they are being safely used and in a limited timeframe. The sale and use of aerial and audible fireworks would have been restricted in Minnesota from June 1 to July 7 of any year.

Rep. John Kriesel (R-Cottage Grove) and Sen. Michael Jungbauer (R-East Bethel) are the sponsors.

HF1774/SF1694\*/CH243

[SF1694\\*](#) / HF1774 / VETO243

House Chief Author: [Kriesel](#)

Senate Chief Author: [Jungbauer](#)

Effective Dates: **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Vetoes - 2012

### Regular Session

# Dayton vetoes school shift plan

Gov. Mark Dayton vetoed a contentious bill that seeks to repay money owed to the schools.

Education funding was withheld by the state to balance its budget and help end the 2011 state government shutdown. Lawmakers agree that money must go back to the schools, but have different ideas on where it should come from.

Following the February budget forecast, the state owes \$1.8 billion in aid payment. The bill, sponsored by Rep. Pat Garofalo (R-Farmington) and Sen. Gen Olson (R-Minnetrista), sought to repay \$430 million of that, leaving \$1.5 billion in aid still owed to schools. The state also owes \$550 million in property tax shift, which the bill did not address.

The repayment plan divided members of the House because it would draw from the \$1 billion the state is expected to have in reserve. Republicans praised the bill because it pays off the debt with existing money. DFLers accused the majority of political posturing by attempting to drain the account the state uses for fiscal emergencies.

Dayton echoed that concern in his veto letter. He cited data from Minnesota Management & Budget, which anticipates a difficult fiscal year 2013 for the state.

"Raiding the reserve fund would put the State's newly-achieved fiscal stability at unacceptable risk â€œ Just getting out of a deep budgetary hole is no reason to cut corners now," Dayton wrote.

He acknowledged that the proposed plan "has superficial appeal," but supports another plan DFLers unsuccessfully offered during the bill's floor debate. As an alternative to tapping the reserve fund to repay schools, the minority caucus had previously proposed a tax increase for corporations who keep money in overseas accounts.

HF2083\*/SF2492/CH154

[HF2083\\*](#) / [SF2492](#) / [VETO154](#)

House Chief Author: [Garofalo](#)

Senate Chief Author: [Olson](#)

Effective Dates: **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Vetoes - 2012

### Regular Session

# No extra academic oversight

Sponsored by Rep. Sondra Erickson (R-Princeton) and Sen. Carla Nelson (R-Rochester), a vetoed bill would have allowed the education commissioner to review and revise school standards and benchmarks, but would have required specific legislation to authorize those revisions as official rules.

"Minnesota's existing standards review and revision process is carefully designed and thorough. It has successfully produced rigorous academic standards in math, science, English, language arts, social studies, and the arts," Dayton wrote in his veto letter. "Even when issues of a controversial nature emerge in specific subject areas, the current process has produced standards which have been widely accepted by stakeholders and held in high esteem nationally. This bill would delay the academic standards process by inserting it into the legislative arena."

In addition to assigning a role of the executive branch to the legislative branch, the governor also expressed concern about finding people to serve on a standards committee. He said this process would create ambiguity because the Legislature could change standards a committee worked hard to create, and there could be potential delays in implementation timelines causing loss of federal dollars that would put additional costs on local districts.

"Adding an additional review process could considerably lengthen the amount of time it would take to develop the standards, which in turn would make it difficult for districts to align, purchase, or create new curriculum to train their teachers and to implement the standards," Dayton wrote.

HF1847/SF1656\*/CH281

[SF1656\\*](#) / [HF1847](#) / [VETO281](#)

House Chief Author: [Erickson](#)

Senate Chief Author: [Nelson](#)

Effective Dates: **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Vetoes - 2012

### Regular Session

# Second omnibus tax bill meets the same fate as the first

After the first omnibus tax bill received a quick veto from the governor, bill sponsors Rep. Greg Davids (R-Preston) and Sen. Julianne Ortman (R-Chanhassen) moved forward a second bill. Although trimmed down from the first, it still addressed their priority of tax relief for businesses.

Dayton's objection to the previous bill was the \$145 million in long-term costs of the bill's proposed business tax credits.

He nixed this new "reduced version" after the Legislature adjourned sine die. He stated in his veto letter that the bill "ignored my requirement that any future spending must be paid for and avoid adding to the next biennium's projected deficit" of \$1.1 billion.

The General Fund impact of this new bill would have been \$46 million over the 2012-2013 biennium. Republicans opted to fill the financial hole with a \$27.9 million transfer from the budget reserve, with the rest (approximately \$18.4 million) they expected to be filled by cost savings achieved in other bills passed during session.

The cornerstone to the previous tax bill was a phase-out permanent freeze of the state property tax levy paid by business property and seasonal property owners at the 2012 level, costing the General Fund \$71.8 million in the 2014-2015 biennium. The new bill provided for a one-year levy freeze that would be about less than half that cost to the General Fund.

Dayton had requested a bipartisan effort to put together a balanced tax bill that would get signed into law.

"Unfortunately, Republican legislative leaders rejected that approach. After one brief meeting, the tax conferees drafted another bill entirely to their satisfaction, with no discussion with or input from my administration."

He noted the successful bipartisan efforts of the session â€” a capital investment bill, health and human services funding, the stadium bill, and the environmental permit streamlining bill.

"If there is a lesson to be learned from this session, it is that genuine bi-partisan collaborations produce successful outcomes," Dayton concluded.

H247\*/SF872/CH296

[HF0247\\*](#) / [SF0872](#) / [VETO296](#)

House Chief Author: [Davids](#)

Senate Chief Author: [Ortman](#)

Effective Dates: **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Vetoes - 2012

### Regular Session

# Targeted tax relief for businesses comes at others' expense

It was clear, at least to the House Taxes Committee chairman, that the session's success was conditioned on passage of a bonding bill to appease the DFL; support for a new stadium to house the Vikings, a measure pushed by the governor; and business property tax relief, a Republican session priority. Rep. Greg Davids (R-Preston) called it a "trifecta" for Minnesota job creation.

Davids and Sen. Julianne Ortman (R-Chanhassen) put forward the first of two omnibus tax bills targeting tax relief for businesses. But in short order, Gov. Mark Dayton put the kibosh on the bill that Davids termed "smokin' hot," but Dayton called "out of balance."

In his veto letter, Dayton wrote: "â€ while the bill would provide \$45.4 million in tax relief (mostly property tax relief) to businesses, it would give only \$4.1 million in tax relief to homeowners and virtually none to renters, seniors, and farmers. This imbalance is unfair, especially since, over the past decade, business property taxes have increased by an average 40 percent in Minnesota, while all other property taxes have increased by 79 percent."

The bill proposed to freeze the state property tax levy paid by business owners and seasonal/recreational property owners at the amount of dollar amount of the tax for 2012. It would have increased the Angel Investment Tax Credit and the Research and Development Tax Credit, and created an upfront capital equipment sales tax exemption.

Those provisions would have cost the General Fund \$71.8 million in the 2014-2015 biennium. Republicans chose to pay for them by using budget reserves, something that had little appeal to the governor.

"While I support some versions of those tax breaks, and I included variations in my earlier recommendations, my proposals were always funded by adding the Affiliate-Nexus provision that would benefit many main street Minnesota businesses and by closing tax preferences for foreign operations."

With his veto, Dayton gave the bill a quick turnaround before session's end as a signal of his willingness to work with the Legislature on a "balanced" tax bill. Davids and Ortman quickly followed up the vetoed bill with another, trimmed down version of the omnibus tax bill, which also was vetoed.

HF2337\*/SF1972/CH285

[HF2337\\*](#) / [SF1972](#) / [VETO285](#)

House Chief Author: [Davids](#)

Senate Chief Author: [Ortman](#)

Effective Dates: **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.



## Vetoes - 2012

### Regular Session

# Lowering interest rates on judgments

During the early weeks of session, Republicans put forward a package of tort reform bills as part of their Reform 2.0 initiative. They were the first bills of 2012 to reach the governor's desk, and the first to be vetoed.

In a contentious House debate, Republicans said the bills address lawsuit abuse and proposed reform designed to improve the business and job climate in Minnesota.

However, DFLers countered that the bills rig "the system against Minnesota consumer and small businesses," in favor of corporations and insurance companies.

Rep. Pat Mazorol (R-Bloomington) and Sen. Julianne Ortman (R-Chanhassen) sponsored a bill that would change how interest rates are computed before and after judgments. It would lower prejudgment interest rate for judgments or awards over \$50,000 from the current 10 percent flat rate to a market-driven rate with a floor of 4 percent.

In his veto letter, Dayton said he found it "objectionable that the Legislature allowed prejudgment interest for businesses with commercial insurance policy claims at 10 percent, but lowered similar claims for average citizens to 4 percent."

He said the package of bills "appear to be another political ploy as they (Republicans) cater to their rich and powerful friends at the expense of most Minnesotans. The real impact would be to reduce the rights of law-abiding citizens and businesses that seek justice from the wrongdoing of others."

HF770/SF530\*/CH121

[SF0530\\*](#) / [HF0770](#) / [VETO121](#)

House Chief Author: [Mazorol](#)

Senate Chief Author: [Ortman](#)

Effective Dates: **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Vetoes - 2012

### Regular Session

# Successor liability still stands

Crown Holdings, Inc. is a century-old packaging company that has a facility in Owatonna. At the expense of those suffering from asbestosis and mesothelioma, it would have been the beneficiary of a bill vetoed by Gov. Mark Dayton.

The legislation would have "fundamentally and unfairly" altered state law regarding corporate successor liability, Dayton wrote in his veto letter. "I am convinced that this legislation will have a broad scope and will set a dangerous precedent for future efforts to shield corporate defendants from liability."

Crown faces several asbestos-related lawsuits, encumbered through their merger decades ago with a company that used asbestos before the dangers were known.

The bill, sponsored by Rep. Kelby Woodard (R-Belle Plaine) and Sen. Mike Parry (R-Waseca), would have overturned Minnesota law on corporate successor liability as it relates to asbestos-related injuries.

"The cancer causing nature of asbestos has long been known, and it will continue to claim lives across Minnesota and the country for years to come." Dayton wrote. He added that people should expect fairness in the courtroom and "demand legislation that does not change the course of litigation when potential injuries are known to exist."

HF1418/SF1236\*/CH168

[SF1236\\*](#) / [HF1418](#) / [VETO168](#)

House Chief Author: [Woodard](#)

Senate Chief Author: [Parry](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Appeal of class action certification

In addition to increasing the threshold for filing a civil action in conciliation court from \$7,500 to \$10,000, a bill sponsored by Rep. Doug Wardlow (R-Eagan) and Sen. Julianne Ortman (R-Chanhassen) would have addressed the right of appeal in class action suits by permitting a court's order related to certification of a class to be appealed before the case moves forward.

Gov. Mark Dayton vetoed the bill because the provisions are not consistent with the court's recommendations for effectively addressing small claims.

Wardlow said the bill would help expedite the court process, saving the state approximately \$41,000 annually. Under the bill, while an appeal is pending, all proceedings must stop, including discovery, but the court may lift the stay if good cause is shown.

But Dayton, in his veto letter, called it "legislative meddling with court procedures."

"The House author of this legislation indicated that there were only eight cases last year where this provision would be applicable - and not a single case without merit. The bill would not create jobs; rather it would set a dangerous precedent," he stated.

During the early weeks of session, Republicans put forward a package of tort reform bills as part of their Reform 2.0 initiative. They were the first bills of 2012 to reach the governor's desk, and the first to be vetoed.

In a contentious House debate, Republicans said the bills addressed lawsuit abuse and proposed reform designed to improve the business and job climate in Minnesota.

However, DFLers countered that the bills rig "the system against Minnesota consumer and small businesses," in favor of corporations and insurance companies.

HF211/SF149\*/CH118

[SF0149\\*](#) / HF0211 / VETO118

House Chief Author: [Wardlow](#)

Senate Chief Author: [Ortman](#)

Effective Dates: Effective Dates: See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Vetoes - 2012

### Regular Session

# Labor contract changes vetoed

A measure that would have given the Legislature greater involvement in state labor contract negotiations was vetoed by Gov. Mark Dayton.

The bill would have required Minnesota Management & Budget to notify the Legislature at least five days before executing a memorandum of understanding to amend a labor contract. In his veto letter, Dayton said the provision would "interfere with the day-to-day flexibility needed by the Executive Branch to manage most effectively and efficiently."

The bill also proposed allowing negotiators to agree to implement unpaid leave and reductions in work hours to avoid layoffs when necessary. Dayton said this ability is already provided for under current law.

Finally, the vetoed bill contained a provision that would have made offers made by MMB during the course of contract negotiations public data. Dayton said this would "disrupt the long-established process between the Executive Branch and its employees."

HF1977/SF1755\*/CH291

[SF1755\\*](#) / [HF1977](#) / [VETO291](#)

House Chief Author: [Drazkowski](#)

Senate Chief Author: [Gazelka](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Redrawn lines to stay as is

There is an apartment complex in Edina where the line separating House districts cuts through a building. The 2012 court-ordered new district boundaries caused the building to be split into two districts, because a school district boundary also splits the building. The same problem occurred in the 2002 redistricting, but the boundary was adjusted in 2004 by legislative enactment.

While sympathetic to the situation, Gov. Mark Dayton vetoed a bill that would have clarified the line in Senate District 49 and provided the same fix for this decade. The bill also addressed a situation in Stillwater (Senate District 39). The bill is sponsored by Rep. Sarah Anderson (R-Plymouth) and Sen. Geoff Michel (R-Edina).

Every 10 years, after the census, new district lines are drawn to evenly reflect population shifts. Because the Legislature could not agree on a redistricting plan, the courts developed the new legislative and congressional lines to meet a mandated Feb. 21, 2012 deadline.

"Modifying the redistricting plan, months after the Special Redistricting Panel's order was released is not appropriate," Dayton wrote in his veto letter. He encouraged the cities requesting the boundary change to petition the panel.

Additionally, he indicated the bill would set a "bad precedent" and could lead to requests for further legislative adjustments. Dayton also noted his insistence that any change in election law must have broad bipartisan support. "The votes in both Chambers on this bill did not meet that requirement," he wrote.

HF2821\*/SF2424/CH265

[HF2821\\*](#) / [SF2424](#) / [VETO265](#)

House Chief Author: [Anderson, S.](#)

Senate Chief Author: [Michel](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Union dues receives veto

A bill that would have prevented state deductions from child care assistance payments to pay union dues was vetoed by Gov. Mark Dayton.

Minnesota does not currently have a child care union, but Dayton signed an executive order last November calling for an election to decide whether providers wanted a union. However, the vote was stalled when a Ramsey County judge issued a temporary restraining order.

"This legislation is completely unnecessary because no union representation of child care providers exists in the State of Minnesota," Dayton wrote in his April 20 veto letter.

Child care providers supported the provision, saying they could opt for direct payment of union dues from their business checking accounts, rather than garnishing their state reimbursement checks.

Rep. Kathy Lohmer (R-Lake Elmo) and Sen. Ted Lillie (R-Lake Elmo) sponsor the bill.

HF1766\*/SF1630/CH190

[HF1766\\*](#) / [SF1630](#) / [VETO190](#)

House Chief Author: [Lohmer](#)

Senate Chief Author: [Lillie](#)

Effective Dates: **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Vetoes - 2012

### Regular Session

# Met Council staggered terms

The Metropolitan Council is a regional planning agency serving the Twin Cities metropolitan area. It also operates the regional sewer system and Metro Transit. The governor appoints its members, and their terms are "coterminous," meaning they end at the same time as the governor's term. Dayton vetoed a bill that would have provided that the 16 members of the council appointed from districts serve four-year terms, with eight positions up for appointment every two years. This was the structure of the council from 1967 to 1994.

The bill's supporters say the ability to replace all the members at once makes the council less effective and more dependent on staff. They argue staggered terms would provide for greater institutional knowledge to be retained between gubernatorial transitions.

In his veto message, Dayton said the current arrangement has worked well. He quoted his predecessor, former Gov. Tim Pawlenty, who vetoed a similar measure in 2008. Pawlenty wrote that the council's current structure "was the result of reforms intended to increase Metropolitan Council accountability."

A January 2011 report on metropolitan transit governance from the Office of the Legislative Auditor recommended staggered terms for the council. Staggered terms have also been proposed by the Legislative Commission on Metropolitan Government.

The measure had bipartisan support among lawmakers, but the council opposed it.

Rep. Peggy Scott (R-Andover) and Sen. Benjamin Kruse (R-Brooklyn Park) are the sponsors.

HF2404/SF2014\*/CH158

[SF2014\\*](#) / [HF2404](#) / [VETO158](#)

House Chief Author: [Scott](#)

Senate Chief Author: [Kruse](#)

Effective Dates: **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Vetoes - 2012

### Regular Session

# Contingency planning vetoed

Gov. Mark Dayton vetoed a bill that would have required all state agencies that receive money from the federal government to plan for the possibility of "dramatically reduced or eliminated" federal payments.

Sponsored by Rep. Keith Downey (R-Edina) and Sen. Ted Daley (R-Eagan), the bill would have asked agencies to analyze the risks and recommend strategies to mitigate the impact of such a potential loss of federal funds. Downey and supporters said it was intended as a good government measure in light of the ballooning national debt.

In his veto letter, Dayton said the type of analysis the bill proposes would be of "dubious value." He also implied that the bill's supporters have ulterior motives.

"This bill perpetuates one of the majority party's current political stratagems: to raise doubts about the reliability of government," Dayton wrote. He also took time in his veto message to blame former President George W. Bush's tax cuts for creating the lion's share of the federal government's debt problem.

HF545\*/SF1600/CH140

[HF0545\\*](#) / [SF1600](#) / [VETO140](#)

House Chief Author: [Downey](#)

Senate Chief Author: [Daley](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## Vetoes - 2012

### Regular Session

# Public employee definition change vetoed

A measure that supporters hoped would help older college students get internships with government agencies did not meet Gov. Mark Dayton's approval.

Dayton vetoed a bill that would have changed the statutory definition of "public employee" by removing an age restriction on interns. In his veto letter, the governor argued that to do so would deprive them of important legal protections.

Currently, the law allows students age 22 or younger to work for up to 100 days a year for a public employer without being subject to the Public Employment Labor Relations Act — i.e. joining a union and being subject to negotiated wage rates and benefits. The vetoed bill would have allowed students older than 22 to be exempted from the PELRA provisions as well.

Dayton said the bill would have resulted in a "significant increase in temporary seasonal positions" lacking job protections and fringe benefits provided to regular, full-time workers.

Rep. Mike Beard (R-Shakopee) and Sen. Claire Robling (R-Jordan) are the sponsors.

HF212/SF134\*/CH129

[SF0134\\*](#) / [HF0212](#) / [VETO129](#)

House Chief Author: [Beard](#)

Senate Chief Author: [Robling](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Attorneys' fees in award consideration

Rep. Pat Mazorol (R-Bloomington) and Sen. Scott Newman (R-Hutchinson) sponsored a measure that would have required a judge, when making an award, to take into consideration the reasonableness of the attorney fees sought in relation to the amount of damages awarded to the prevailing party.

Additionally, the bill proposed a limit on attorney fees awarded in certain cases in which an offer of judgment is made but rejected by the prevailing party.

Gov. Mark Dayton vetoed the bill out of concern that it would make "it more difficult for average citizens to defend themselves against powerful interest."

Dayton wrote in his veto letter: "This requirement would seriously undermine the legislative purpose for enacting statutes that allow Minnesota businesses, consumers, and employees to collect their damages - plus reasonable attorney fees - for certain wrongful conduct. A rule of proportionality would make it difficult, if not impossible, for individuals to bring important and meritorious claims of relatively small value."

He added that the Minnesota Supreme Court Rules Committee reviewed and rejected the proposed changes in 2008, as did the Supreme Court Task Force on Civil Justice again in a December 2011 report.

HF747/SF429\*/CH120

**[SF0429\\*](#) / [HF0747](#) / [VETO120](#)**

**House Chief Author:** [Mazorol](#)

**Senate Chief Author:** [Newman](#)

**Effective Dates:** **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Annuity assurance changes

Customers generally purchase annuities to ensure a monthly payback during retirement. However, regulators see the need for more uniform regulation to make sure products are well-suited to the customer.

Gov. Mark Dayton vetoed a bill that he said does not provide the necessary protections for seniors or enough accountability for insurance companies.

Rep. Joe Hoppe (R-Chaska), who sponsored the bill with Sen. Roger Chamberlain (R-Lino Lakes), said it would enact model regulation adopted by the National Association of Insurance Commissioners, and would make Minnesota's law "the strongest in the country" one that will be model legislation for other states."

However, in his veto letter, Dayton restated his earlier objection to the legislation.

"I made it very clear to the bill's authors and interested parties that I would not support this legislation unless it: (1) required meaningful, independent, elevated review by insurance companies of the suitability of long-term deferred annuities for seniors in certain circumstances; and (2) limited the FINRA exemption, which would provide a huge loophole for insurers regarding annuities sold by a securities broker to senior citizens." FINRA stands for the Financial Industry Regulatory Authority.

HF1134\*/SF877/CH261

[HF1134\\*](#) / [SF0877](#) / [VETO261](#)

House Chief Author: [Hoppe](#)

Senate Chief Author: [Chamberlain](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Fire sprinklers in new construction

Snuffed out by a gubernatorial veto was a bill that would have prevented a requirement to install fire sprinklers in homes.

Under the bill, sponsored by Rep. Mike LeMieur (R-Little Falls) and Sen. Jeremy Miller (R-Winona), the state fire code or the state building code could not be changed to require the installation of fire sprinkler systems in any new or existing single-family detached dwelling unit.

Gov. Mark Dayton's veto letter states: "I take very seriously the concerns which fire safety professionals have expressed about the safety of home residents. They are concerned that newly built homes burn more quickly, and that more firefighters are injured when floors collapse during fires. They contend that, with sprinkler systems in place, fires could be more readily contained, resulting in fewer injuries and deaths to homeowners and firefighters."

The bill would have also clarified statutory language regarding certain occupational licenses and apprenticeship agreements, which the governor expressed his support.

HF2087/SF1717\*/CH284

[SF1717\\*](#) / [HF2087](#) / [VETO284](#)

House Chief Author: [LeMieur](#)

Senate Chief Author: [Miller](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Outsourcing bill vetoed

Gov. Mark Dayton vetoed a bill that would have provided for an exemption to a state law allowing agencies to outsource work to private vendors only if state workers can't already do it. Supporters had hoped to allow the department to contract out for waste-hauling services for the Capitol Complex.

The work is currently performed by a pair of employees of the department who also perform other functions.

In his veto letter, Dayton wrote that the current arrangement enables the department to "keep multiple business units adequately staffed without additional fulltime employees."

Dayton said the bill would also send the wrong signal to public workers.

"Public employees have done remarkable jobs serving the people of Minnesota during difficult economic times. Unfortunately, there are too many in the legislature, who refuse to either recognize or appreciate that valuable work state employees perform," he wrote.

Rep. Kirk Stensrud (R-Eden Prairie) and Sen. Paul Gazelka (R-Brainerd) are the sponsors.

HF1812\*/SF1846/CH214

[HF1812\\*](#) / [SF1846](#) / [VETO214](#)

House Chief Author: [Stensrud](#)

Senate Chief Author: [Gazelka](#)

Effective Dates: **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Administering an abortion pill

Gov. Mark Dayton vetoed a bill that would have required a doctor to physically be in the patient's room when administering the RU-486 abortion pill.

Rep. Joyce Peppin (R-Rogers) and Sen. Paul Gazelka (R-Brainerd) sponsor the bill, which would also have required the doctor to encourage the woman to return within 12 to 18 days to confirm that the pregnancy was properly terminated.

The federally-approved drug carries a restriction that only a physician can administer the drug. But for some women, access can be a problem, so some doctors use telemedicine practices, which matches doctor and patient, who are physically miles apart, together on a closed-circuit camera for consultation and instruction.

Peppin said there have been reported cases of excessive bleeding, incomplete termination of pregnancies or death as a result of taking the drug.

In his veto letter Dayton said, "Telemedicine has been a commonly used form of health care service delivery for nearly two decades. This bill's unique, new regulatory burden for a single procedure would increase the cost of health care and add unnecessary new barriers to a constitutionally protected health care service for women."

HF2341\*/SF1912/CH252

[HF2341\\*](#) / [SF1912](#) / [VETO252](#)

House Chief Author: [Peppin](#)

Senate Chief Author: [Gazelka](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# No licensing for abortion clinics

Abortion clinics will not be subject to Department of Health licensing and inspection requirements as proposed in legislation vetoed by Gov. Mark Dayton.

A bill sponsored by Rep. Mary Liz Holberg (R-Lakeville) and Sen. Claire Robling (R-Jordan) would have required a clinic or health center that performs at least 10 abortions a month to be licensed and inspected by the department.

Opponents said the bill would have held clinics where pregnancies are terminated to a different standard than other types of clinics that don't require licensing and inspection, such as clinics where gall bladders and cataracts are removed.

In his veto letter, Dayton said he was advised by the department that the method of licensure was "inappropriate and unworkable."

Under the bill, inspections would not have required advance notice and could have been conducted once or twice a year per facility.

"The six abortion clinics in Minnesota affected by the legislation are members of the National Abortion Federation, which sets clinical policy standards for performing abortions and inspects every member about every five years for the following standards: infection control, sonography, analgesia and sedation, antibiotics use, complications and emergencies. A lack of oversight of clinics that provide abortions is not an issue," Dayton wrote.

HF2340/SF1921\*/CH233

[SF1921\\*](#) / [HF2340](#) / [VETO233](#)

House Chief Author: [Holberg](#)

Senate Chief Author: [Robling](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Trust accounts plan gets vetoed

A plan to authorize the use of trust accounts to pay for health insurance premiums was met with a gubernatorial veto.

Rep. Steve Gottwalt (R-St. Cloud), who sponsored the bill with Sen. David Hann (R-Eden Prairie), said the bill would help Minnesotans achieve access to affordable health care coverage in the private market. It would have allowed multiple sources to contribute money to a unified personal health premium account that would allow a person to pay for an individual, private health insurance account. Employers would have been able to contribute on a tax-preferred basis.

Supporters said the bill would help, for example, underemployed and uninsured part-time workers.

"On the one hand, the goals of this bill are closely aligned with those of the federal Affordable Care Act," Gov. Mark Dayton wrote in his veto letter. "Both offer new ideas for how to aggregate public and private sector contributions for purchasing private health insurance coverage. Both allow the government to take a more active role in determining how consumers find affordable health insurance policies. Both would expand and maximize the use of government-funded tax subsidies and employer contributions for the purchase of health insurance."

However, Dayton said the bill would weaken consumer protection. He added that the need for contributors to have a different account "would create a complex maze of interwoven funding streams, accounts and contracts. Consumers might have even less ability to know and predict their health care resources and liabilities, putting them at even greater risk of being ensnared by the health care industry's debt collection tactics."

The governor wrote that a health insurance exchange is a better way to go because it "would offer a consumer-friendly, online marketplace where consumers can choose a private health insurance plan without the need for multiple accounts, contracts, and other unnecessary roadblocks."

HF8\*/SF32/CH276

[HF0008\\*](#) / [SF0032](#) / [VETO276](#)

House Chief Author: [Clark](#)

Senate Chief Author: [Hann](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## Vetoes - 2012

### Regular Session

# Contested cases bill vetoed

A plan to give administrative law judges the final say in contested cases involving state agencies did not meet the approval of Gov. Mark Dayton.

Under current law, when someone has a dispute with a state agency, the case goes before an administrative law judge, who reviews the facts and issues a recommendation. The agency then takes the report into consideration and issues a final decision.

The vetoed bill, sponsored by Rep. Doug Wardlow (R-Eagan) and Sen. Scott Newman (R-Hutchinson), would have given the judge the final decision in the case. Wardlow said it would provide a check against the power of state agencies.

Dayton disagreed. In his veto letter, the governor wrote that the bill would "confuse decision-making, lessen accountability, and needlessly increase the cost of government."

HF1560\*/SF993/CH133

[HF1560\\*](#) / [SF0993](#) / [VETO133](#)

House Chief Author: [Wardlow](#)

Senate Chief Author: [Newman](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Statute of limitations remains unchanged

Among the package of four tort reform bills vetoed by the governor near the start of session, was one that would have shortened the state's statute of limitations from six years to four years.

Rep. Doug Wardlow (R-Eagan) and Sen. Julianne Ortman (R-Chanhassen) sponsored the measure. Wardlow said Minnesota currently has the longest statute of limitations in the country and the bill would bring it in line with other states.

In his veto letter, Dayton said the legislation would eliminate "important protections for citizens and businesses, when they are harmed by the wrongful actions of others."

His letter continued: "The current statute of six years was established in 1841 and has remained largely unchanged since that time. Minnesota's current statute of limitations is not out of line with other states, that have a 'discovery rule' to allow an individual or company to learn of the harm sustained before the limitations period begins. In fact, we now have a shorter limitation period for many types of cases."

HF654/SF373\*/CH119

[SF0373\\*](#) / [HF0654](#) / [VETO119](#)

House Chief Author: [Wardlow](#)

Senate Chief Author: [Ortman](#)

Effective Dates: **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Teacher layoff policy won't change

Currently, schools lay off teachers based on their seniority within the district. The LIFO bill sought to change that process by authorizing districts to use performance evaluations, in addition to licensure field and seniority in making that decision.

Bill supporters said that the change would introduce greater fairness to school layoffs. Proponents like Rep. Branden Petersen (R-Andover), who sponsors the bill with Sen. Pam Wolf (R-Spring Lake Park), claim that the measure would allow districts to retain more effective teachers.

DFLers criticized the bill expressing frustration at what they called a hasty approach to education reform. Teachers' union representatives and the governor said the bill was part of a continued Republican assault on educators this session.

"This bill, with the rhetoric accompanying it, is yet another example of this prejudice against public school teachers," Dayton wrote in his veto letter. "Once again they are singled out as 'the problem,' for which some legislators' solution is to override the long-established rights of local school boards and teachers' elected representatives to negotiate the terms of their employment and their dismissals."

Though parts of the bill would have been effective immediately, it would have become fully incorporated in school policy for the requirement to layoff teachers based on performance would not have been effective until the 2015-2016 school year.

"It is unclear why the Legislature feels such an urgency to mandate something that will not take effect for four years. After the evaluations have been designed and tested would be a far more appropriate time for the Legislature to determine, in 2015 or 2016, how best to incorporate them into layoff decisions," Dayton wrote.

HF1870\*/SF1690/CH274

**[HF1870\\*](#) / [SF1690](#) / [VETO274](#)**

**House Chief Author:** [Petersen, B.](#)

**Senate Chief Author:** [Wolf](#)

**Effective Dates:** **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Rulemaking stays as is

Citing objections by former Gov. Tim Pawlenty to a similar bill in 2003, Gov. Mark Dayton vetoed a bill that would set limits on state agency rulemaking authority.

Sponsored by Rep. Torrey Westrom (R-Elbow Lake) and Senate Majority Leader David Senjem (R-Rochester), the bill calls for state agencies to seek legislative approval before implementing administrative rules that cost small businesses or small governmental units \$10,000 or more.

"This would add another lengthy step to the existing rulemaking procedures," Dayton wrote in his veto letter. He excerpted a portion of Pawlenty's 2003 veto letter:

"The bill essentially shifts authority for conducting rulemaking from the executive branch to the legislative branch. Under current law, the Legislature has granted the Governor's office final approval authority on all rulemakings. This is sound policy as it provides accountability in a way that does not paralyze either branch of government."

Dayton said the objections remain valid for this bill as well.

HF203\*/SF261/CH275

[HF0203\\*](#) / [SF0261](#) / [VETO275](#)

House Chief Author: [Westrom](#)

Senate Chief Author: [Senjem](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Dayton vetoes 'Castle Doctrine'/'Stand your Ground' bill

Siding with most of Minnesota's law enforcement and public safety organizations, Gov. Mark Dayton vetoed a bill that would have expanded citizens' rights to use defensive force, including deadly force, against an assailant.

"The MN Police and Peace Officers Association, the MN Chiefs of Police and the MN Sheriffs Association represent the men and women who risk their lives every day and night to protect the rest of us. When they strongly oppose a measure, because they believe it will increase the dangers to them in the performance of their duties, I cannot support it," Dayton wrote in his March 5 veto letter.

A key provision of the bill, sponsored by Rep. Tony Cornish (R-Vernon Center) and Sen. Gretchen Hoffman (R-Vergas), would have changed state law governing the use of force in self-defense, including that an individual using deadly force is presumed in certain situations to possess a reasonable belief that there exists an imminent threat of substantial or great bodily harm or death. The presumption would apply, for example, if a person entered another's home or occupied motor vehicle by stealth or force and remained there after being asked to leave. The presumption would be rebuttable at trial, but would provide the starting point for evaluating the self-defense claim. Defenders would not have been entitled to the presumption if the person being defended against was believed to be a law enforcement officer.

The bill would also have codified in statute this state's "Castle Doctrine," which is currently based only on state court rulings, that relieves a person from having to retreat from attack within his or her home ("dwelling"), and would have expanded and codified the definition of "dwelling" to include nearly any place a person is lawfully using for lodging (such as, a garage, trailer, outbuilding, motel, and even a tent).

The bill would also have repealed a defender's "duty to retreat" from danger, if possible, before using defensive force when the person is in a public place where the person has a right to be and is acting lawfully.

Finally, the bill would have shifted the burden of proof from the defender having to prove that defensive force was necessary to repel the threat or attack, to the prosecution having to prove that defensive force was not necessary in that particular situation. The bill would have applied to defensive force by any means, including by firearm, a knife, a club, or any other weapon, including hands and feet, a car, or any other means.

No part of this self-defense provision of the bill would apply to people acting unlawfully, such as people in a criminal drug deal gone bad, people engaged in a criminal enterprise, or anyone while perpetrating domestic violence, or while committing robbery, burglary, or any other crime.

Proponents said the bill would better enable law-abiding citizens to defend themselves, their family members and others, and their property by allowing them to stand their ground any place they might lawfully happen to be. Opponents argued that the bill would essentially allow people to shoot first and ask questions later.

The bill also would have defined and delimited the authority of peace officers to disarm law abiding individuals during a state of disaster declared by the governor, and would have required Minnesota to recognize a permit-to-carry issued by any other state, provided that the permit holder conforms to Minnesota's pistol carry laws while carrying a pistol within Minnesota. The latter provision was also of concern to the governor.

"Making all permits issued by other states and governmental jurisdictions valid in Minnesota would allow people to carry guns here under the considerably lower standards for the issuance of permits of some other states," Dayton wrote.

Furthermore, the state's top elected official noted someone can already use deadly force to defend themselves, provided that use constitutes "reasonable force."

"That, I believe, is a reasonable standard," Dayton wrote.

Finally, the bill would have directed state courts and the Department of Human Services to enhance their data reporting to the FBI's National Instant Check System for use in criminal history and mental health commitment background checks on all firearms purchases from federally licensed firearms dealers.

HF1467\*/SF1357/CH126

[HF1467\\*](#) / [SF1357](#) / [VETO126](#)

**House Chief Author:** [Cornish](#)

**Senate Chief Author:** [Hoffman](#)

**Effective Dates:** **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoos - 2012

### Regular Session

# E-Verify bill vetoed

Gov. Mark Dayton vetoed a measure that would have required all new hires in state government to submit to a check through the E-Verify system, which confirms whether an individual is legally authorized to work in the United States.

E-Verify is run by the U.S. Department of Homeland Security, and cross-checks data from federal agencies. In his veto letter, Dayton cited a recent study from the Government Accountability Office that found "significant problems with fraud vulnerabilities and data accuracy" in the system. He noted that the errors "disproportionately affect particular segments of the population."

"Requiring use of the E-Verify system would result in an inefficient and duplicative process, which could create appearances of unfair treatment and, thereby, cause an increase in employment litigation," Dayton wrote.

He also noted that the legislation is opposed by a number of groups, including the Minnesota Chamber of Commerce, which has stated their preference for a federal solution to immigration issues.

Rep. Ernie Leidiger (R-Mayer) and Sen. Al DeKruif (R-Madison Lake) are the sponsors.

HF1976\*/SF1842/CH221

[HF1976\\*](#) / [SF1842](#) / [VETO221](#)

House Chief Author: [Leidiger](#)

Senate Chief Author: [DeKruif](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Union contract changes vetoed

Gov. Mark Dayton vetoed a measure that would have stopped public employees' labor contracts from continuing past their expirations.

Bill supporters argue the unions have little incentive to settle on a new contract when the terms of the old contract already provide them with automatic compensation increases. But in his veto letter, Dayton argued that the bill would have tipped the scales too far in favor of the employers.

"The Legislature is well aware that I have opposed, and will continue to oppose, unilateral changes to the collective bargaining process," Dayton wrote.

He also noted that the bill would have posed logistical problems for Minnesota Management & Budget, which negotiates state worker contracts.

Rep. Steve Drazkowski (R-Mazeppa) and Sen. Mike Parry (R-Waseca) are the sponsors.

HF1974\*/SF2078/CH245

[HF1974\\*](#) / [SF2078](#) / [VETO245](#)

House Chief Author: [Drazkowski](#)

Senate Chief Author: [Parry](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*



## Vetoes - 2012

### Regular Session

# Request to join compact denied

Republicans hoping to ask Congress for the authority to join a health care compact are denied by a gubernatorial veto.

"This bill would be a drastic departure from our current system of shared state and federal responsibility for delivering health care services," Gov. Mark Dayton wrote in his veto letter.

Rep. Steve Gottwalt (R-St. Cloud) and Sen. David Hann (R-Eden Prairie) sponsor the bill, which may have resulted in Minnesota requesting that Congress provide to the state its share of Medicaid and other federal health care funding to be managed by the state without federal oversight.

Opponents said the bill was propagated by the American Legislative Exchange Council, an association for conservative state lawmakers. Gottwalt said ALEC is not the reason he sponsors the bill and that Minnesota could receive \$13.5 billion as a block grant to design its own health care system. Compact states would presumably then opt out of the federal Patient Protection and Affordable Care Act.

"Far beyond any objection to the federal Affordable Care Act, this bill asserts the notion that the federal government has no authority for health policy whatsoever," Dayton wrote. "Regrettably, this Legislature has almost completely ignored the very real opportunity to assert greater control over our health care system by establishing a state-level health insurance exchange."

HF2339/SF1933\*/CH256

[SF1933\\*](#) / HF2339 / VETO256

House Chief Author: [Gottwalt](#)

Senate Chief Author: [Hann](#)

Effective Dates: **Effective Dates:** See chapter summary in the file link above.

\* The legislative bill marked with an asterisk denotes the file submitted to the governor.

## Vetoes - 2012

### Regular Session

# Parenting time presumption

A bill that stirred emotional debate on the House floor was the last of the session to be resolved, and it ended with a governor's veto.

The "Children's Equal and Shared Parenting Act," sponsored by Rep. Peggy Scott (R-Andover) and Sen. Pam Wolf (R-Spring Lake Park), would have changed the current parenting time presumption from 25 percent for each parent to at least 35 percent. However, the measure was vetoed by Gov. Mark Dayton.

The bill specifically notes that there would have been no modification of an existing parenting time order based on the amendment to the parenting time presumption until July 1, 2014, unless the "child's environment presently endangers the child's physical or emotional health or impairs the child's emotional development."

In his veto letter, Dayton wrote, "Every marriage is different; therefore, each divorce has its own unique set of facts, conditions, and circumstances. Thus it is very difficult to codify one set of presumptions and preferences, which will apply to every family situation."

He acknowledged the concern on both sides of the issue. He gave his willingness to work on legislation acceptable to all concerned parties.

"My view is that this dialogue and, hopefully, collaboration among legislators of both parties and the various stakeholders should continue into the 2013 Legislative Session. I will commit experts from my administration to become even more engaged, with the goal of producing legislation, which I can sign into law next year," he wrote.

HF322\*/SF1402/CH297

[HF0322\\*](#) / [SF1402](#) / [VETO297](#)

House Chief Author: [Scott](#)

Senate Chief Author: [Wolf](#)

Effective Dates: **Effective Dates:** *See chapter summary in the file link above.*

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

## Vetoes - 2012

### Regular Session

# Education rule enforcement vetoed

Gov. Mark Dayton has vetoed a bill aiming to render unenforceable any unadopted policies, guidelines or other pronouncements fitting the description of official rules from the commissioner of education.

In a statement issued along with the veto, Dayton criticized what he called an attempt to interfere with the Department of Education's jurisdiction.

"This bill is a disappointing attempt to strip away the powers expressly granted to the executive branch by the Minnesota Constitution," he wrote.

Dayton also expressed concern that the bill would prevent the department from stepping in to advocate on behalf of students in schools.

Rep. Connie Doepke (R-Orono) said that the change was needed to prevent "chaos" in Minnesota schools by clarifying the requirements for rule enforcement. She and Sen. Dave Thompson (R-Lakeville) sponsor the bill.

HF2596/SF2183\*/CH191

[SF2183\\*](#) / HF2596 / VETO191

House Chief Author: [Doepke](#)

Senate Chief Author: [Thompson](#)

Effective Dates: **Effective Dates:** See chapter summary in the file link above.

*\* The legislative bill marked with an asterisk denotes the file submitted to the governor.*

