

A bill for an act

relating to legislation; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating redundant, conflicting, and superseded provisions; making miscellaneous technical corrections to laws and statutes; amending Minnesota Statutes 2008, sections 3.7393, subdivision 12; 12A.05, subdivision 3; 13.321, subdivision 10; 13.411, subdivision 5; 13.861, subdivision 2; 16B.24, subdivision 5; 16D.11, subdivision 7; 53C.01, subdivision 12a; 84.797, subdivision 6; 84.803, subdivision 2; 84.8045; 115A.932, subdivision 1; 116.155, subdivision 3; 125A.64, subdivision 6; 126C.55, subdivision 6; 128D.03, subdivision 2; 129C.10, subdivision 8; 136F.61; 168.002, subdivision 13; 168.013, subdivision 1; 169.67, subdivision 1; 190.025, subdivision 3; 214.04, subdivision 1; 216B.1691, subdivision 1; 245A.18, subdivision 2; 256L.04, subdivision 1; 260C.301, subdivision 1; 270.41, subdivision 5; 273.1115, subdivisions 1, 3; 273.124, subdivision 11; 290.0921, subdivision 3a; 297A.61, subdivision 3; 309.72; 325F.675, subdivision 6; 325F.732, subdivision 2; 332.37; 332.40, subdivision 2; 332.52, subdivision 3; 374.02; 469.154, subdivision 3; 473.599, subdivision 8; 490.133; 507.071, subdivision 16; 515B.1-102; Minnesota Statutes 2009 Supplement, sections 16A.126, subdivision 1; 16C.138, subdivision 2; 47.60, subdivisions 4, 6; 53.09, subdivision 2; 69.772, subdivision 6; 116J.401, subdivision 2; 120B.30, subdivisions 1, 2; 122A.60, subdivision 2; 124D.10, subdivisions 3, 8, 14, 15, 23, 25; 152.025; 168.33, subdivision 7; 169.011, subdivision 71; 169.865, subdivision 1; 176.135, subdivision 8; 246B.06, subdivision 7; 256.969, subdivision 3b; 256B.0659, subdivision 3; 256B.5012, subdivision 8; 260C.212, subdivision 7; 270.97; 270C.445, subdivision 7; 299A.61, subdivision 1; 332B.07, subdivisions 1, 4; 332B.09, subdivision 3; 424A.02, subdivision 10; 524.5-701; 571.914, subdivision 4; 626.557, subdivision 20; Laws 2009, chapter 78, article 8, section 22, subdivision 3; Laws 2009, chapter 79, article 10, section 48; Laws 2009, chapter 88, article 5, section 17; repealing Minnesota Statutes 2008, sections 13.6435, subdivision 9; 15.38, subdivision 5; 168.098; 256B.041, subdivision 5; 256D.03, subdivision 5; Laws 2005, First Special Session chapter 4, article 8, section 87; Laws 2006, chapter 277, article 1, sections 1; 3; Laws 2008, chapter 287, article 1, section 104; Laws 2008, chapter 300, section 6; Laws 2009, chapter 78, article 4, section 41; Laws 2009, chapter 88, article 6, sections 14; 15; 16; Laws 2009, chapter 169, article 10, section 32; Minnesota Rules, parts 9525.0750; 9525.0760; 9525.0770; 9525.0780; 9525.0790; 9525.0800; 9525.0810; 9525.0820; 9525.0830.

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

S.F. No. 2642, 1st Engrossment - 86th Legislative Session (2009-2010) [s2642-1]

2.1 Section 1. Minnesota Statutes 2008, section 3.7393, subdivision 12, is amended to read:

2.2 Subd. 12. **Supplemental payments.** (a) For purposes of this subdivision,
2.3 "uncompensated medical expenses" means:

2.4 (1) medical expenses less payments made to a survivor from collateral sources
2.5 referred to in section ~~548.36~~ 548.251, subdivision 1, that provide payments for medical
2.6 expenses; and

2.7 (2) the present value of premiums, deductibles, and coinsurance payments for
2.8 high-risk health plan coverage offered by the Minnesota Comprehensive Health
2.9 Association or by another similar health plan.

2.10 (b) A survivor is eligible for a supplemental payment if the offer of settlement
2.11 calculation for the survivor, as provided in subdivision 10, exceeds \$400,000.

2.12 The supplemental payment must be calculated based solely on that portion of the
2.13 uncompensated medical expenses, loss of income, future earning capacity, or other
2.14 financial support for which compensation was not received under the offer of settlement or
2.15 settlement agreement under subdivision 11. A supplemental payment may only be made
2.16 to a survivor who has accepted an offer of settlement, entered into a settlement agreement,
2.17 and executed a release under subdivision 13. Consistent with the requirements of this
2.18 section, the panel shall establish necessary procedures and timelines for the award of
2.19 supplemental payments. A supplemental payment may be made only for the following
2.20 purposes, in the following order of priority:

2.21 (1) to pay uncompensated medical expenses in excess of those paid from the first
2.22 \$400,000; and

2.23 (2) to pay for loss of income, future earning capacity, or other financial support
2.24 not included in the first \$400,000.

2.25 No payment may be made to a survivor for loss of income under clause (2) unless
2.26 and until all survivors have been fully paid for all medical expenses for which they are
2.27 eligible under clause (1).

2.28 (c) If the available appropriation is insufficient to make full awards to all survivors
2.29 eligible for a supplemental payment, the panel may award the payments based on a uniform
2.30 percentage of the amount that is less than the full amount eligible for a supplemental
2.31 payment or take other steps the panel considers necessary to ensure that the available
2.32 appropriation is equitably distributed among all survivors who have requested and qualify
2.33 for a supplemental payment, subject to the order of priority under this subdivision.

2.34 Sec. 2. Minnesota Statutes 2008, section 12A.05, subdivision 3, is amended to read:

3.1 Subd. 3. **Waivers authorized.** ~~(a)~~ The board may waive the provisions of
3.2 Minnesota Rules, chapter 8400, in the disaster area on land damaged by the disaster. The
3.3 waiver applies to all existing and future contracts to address critical conservation problems
3.4 resulting from the disaster that are funded in whole or in part with state money, to the
3.5 extent that combined federal and state funding does not exceed 100 percent. All existing
3.6 state cost-share grant agreements in the disaster area are extended, as provided in law.

3.7 ~~(b) The payment maximums for improvements to the land under section 103F.515,~~
3.8 ~~subdivision 6, paragraph (a), clause (1), are waived for easements acquired in the disaster~~
3.9 ~~area on land damaged by the disaster.~~

3.10 Sec. 3. Minnesota Statutes 2008, section 13.321, subdivision 10, is amended to read:

3.11 Subd. 10. **Teacher data from value-added assessment model.** Data on individual
3.12 teachers generated from a value-added assessment model are governed under section
3.13 ~~120B.362~~ 120B.35.

3.14 Sec. 4. Minnesota Statutes 2008, section 13.411, subdivision 5, is amended to read:

3.15 Subd. 5. **Social workers.** Residence addresses and telephone numbers of social
3.16 worker licensees are classified under ~~chapter 148D~~ section 148B.04, subdivision 6.

3.17 Sec. 5. Minnesota Statutes 2008, section 13.861, subdivision 2, is amended to read:

3.18 Subd. 2. **Classification.** Security service data that are similar to the data described
3.19 as request for service data and response or incident data in section 13.82, subdivisions
3.20 3 and ~~4~~ 6, are public. If personnel of a security service make a citizen's arrest, then any
3.21 security service data that are similar to the data described as arrest data in section 13.82,
3.22 subdivision 2, are public. If a security service participates in but does not make an arrest it
3.23 shall, upon request, provide data that identify the arresting law enforcement agency. All
3.24 other security service data are security information pursuant to section 13.37.

3.25 Sec. 6. Minnesota Statutes 2009 Supplement, section 16A.126, subdivision 1, is
3.26 amended to read:

3.27 Subdivision 1. **Set rates.** The commissioner shall approve the rates an agency must
3.28 pay to a revolving fund for services. Funds subject to this subdivision include, but are
3.29 not limited to, the revolving funds established in sections ~~4A.05~~; 14.46; 14.53; 16B.48;
3.30 16B.54; 16B.58; 16B.85; 16C.03, subdivision 11; 16E.14; 43A.55; and 176.591; and the
3.31 fund established in section 43A.30.

S.F. No. 2642, 1st Engrossment - 86th Legislative Session (2009-2010) [s2642-1]

4.1 Sec. 7. Minnesota Statutes 2008, section 16B.24, subdivision 5, is amended to read:

4.2 Subd. 5. **Renting out state property.** (a) **Authority.** The commissioner may rent
4.3 out state property, real or personal, that is not needed for public use, if the rental is not
4.4 otherwise provided for or prohibited by law. The property may not be rented out for
4.5 more than five years at a time without the approval of the State Executive Council and
4.6 may never be rented out for more than 25 years. A rental agreement may provide that
4.7 the state will reimburse a tenant for a portion of capital improvements that the tenant
4.8 makes to state real property if the state does not permit the tenant to renew the lease at
4.9 the end of the rental agreement.

4.10 (b) **Restrictions.** Paragraph (a) does not apply to state trust fund lands, other state
4.11 lands under the jurisdiction of the Department of Natural Resources, lands forfeited for
4.12 delinquent taxes, lands acquired under section 298.22, ~~or lands acquired under section~~
4.13 ~~41.56 which are under the jurisdiction of the Department of Agriculture.~~

4.14 (c) **Rental of living accommodations.** The commissioner shall establish rental rates
4.15 for all living accommodations provided by the state for its employees. Money collected as
4.16 rent by state agencies pursuant to this paragraph must be deposited in the state treasury
4.17 and credited to the general fund.

4.18 (d) **Lease of space in certain state buildings to state agencies.** The commissioner
4.19 may lease portions of the state-owned buildings under the custodial control of the
4.20 commissioner to state agencies and the court administrator on behalf of the judicial branch
4.21 of state government and charge rent on the basis of space occupied. Notwithstanding any
4.22 law to the contrary, all money collected as rent pursuant to the terms of this section shall be
4.23 deposited in the state treasury. Money collected as rent to recover the bond interest costs
4.24 of a building funded from the state bond proceeds fund shall be credited to the general
4.25 fund. Money collected as rent to recover the depreciation costs of a building funded from
4.26 the state bond proceeds fund and money collected as rent to recover capital expenditures
4.27 from capital asset preservation and replacement appropriations and statewide building
4.28 access appropriations shall be credited to a segregated asset preservation and replacement
4.29 account in a special revenue fund. Fifty percent of the money credited to the account each
4.30 fiscal year must be transferred to the general fund. The remaining money in the account
4.31 is appropriated to the commissioner to be expended for asset preservation projects as
4.32 determined by the commissioner. Money collected as rent to recover the depreciation and
4.33 interest costs of a building built with other state dedicated funds shall be credited to the
4.34 dedicated fund which funded the original acquisition or construction. All other money
4.35 received shall be credited to the general services revolving fund.

5.1 (e) **Lease of space in Andersen and Freeman buildings.** The commissioner may
5.2 lease space in the Elmer L. Andersen and Orville L. Freeman buildings to state agencies
5.3 and charge rent on the basis of space occupied. Money collected as rent under this
5.4 paragraph to fund future building repairs must be credited to a segregated account for each
5.5 building in the special revenue fund and is appropriated to the commissioner to make
5.6 the repairs. When the state acquires title to each building, the account for that building
5.7 must be abolished and any balance remaining in the account must be transferred to the
5.8 appropriate asset preservation and replacement account created under paragraph (d).

5.9 Sec. 8. Minnesota Statutes 2009 Supplement, section 16C.138, subdivision 2, is
5.10 amended to read:

5.11 Subd. 2. **Notice of state procurement policy in bid documents.** All solicitation
5.12 documents for the purchase of a passenger automobile, as defined in section ~~168.011~~
5.13 168.002, subdivision ~~7~~ 24; pickup truck, as defined in section ~~168.011~~ 168.002,
5.14 subdivision ~~29~~ 26; or van, as defined in section ~~168.011~~ 168.002, subdivision ~~28~~ 40,
5.15 issued under the jurisdiction of the Department of Administration after June 30, 2006,
5.16 must contain the following language: "It is the intention of the state of Minnesota to begin
5.17 purchasing electric vehicles, plug-in hybrid electric vehicles, and neighborhood electric
5.18 vehicles as soon as they become commercially available, meet the state's performance
5.19 specifications, and are priced no more than ten percent above the price for comparable
5.20 gasoline-powered vehicles. It is the intention of the state to purchase electric vehicles,
5.21 plug-in hybrid electric vehicles, and neighborhood electric vehicles whenever practicable
5.22 after these conditions have been met and as fleet needs dictate for at least five years after
5.23 these conditions have been met."

5.24 Sec. 9. Minnesota Statutes 2008, section 16D.11, subdivision 7, is amended to read:

5.25 Subd. 7. **Adjustment of rate.** By June 1 of each year, the commissioner shall
5.26 determine the rate of collection costs for debts referred to the enterprise during the next
5.27 fiscal year. The rate is a percentage of the debts in an amount that most nearly equals
5.28 the costs of the enterprise necessary to process and collect referred debts under this
5.29 chapter. In no event shall the rate of the collection costs exceed 25 percent of the debt.
5.30 Determination of the rate of collection costs under this section is not subject to the fee
5.31 setting requirements of section ~~16A.1285~~ 16A.1283.

5.32 Sec. 10. Minnesota Statutes 2009 Supplement, section 47.60, subdivision 4, is
5.33 amended to read:

6.1 Subd. 4. **Books of account; annual report; schedule of charges; disclosures.** (a)
6.2 A lender filing under subdivision 3 shall keep and use in the business books, accounts,
6.3 and records as will enable the commissioner to determine whether the filer is complying
6.4 with this section.

6.5 (b) A lender filing under subdivision 3 shall annually on or before March 15 file a
6.6 report to the commissioner giving the information the commissioner reasonably requires
6.7 concerning the business and operations during the preceding calendar year, including the
6.8 information required to be reported under section 47.601, subdivision ~~5~~ 4.

6.9 (c) A lender filing under subdivision 3 shall display prominently in each place of
6.10 business a full and accurate schedule, to be approved by the commissioner, of the charges
6.11 to be made and the method of computing those charges. A lender shall furnish a copy of
6.12 the contract of loan to a person obligated on it or who may become obligated on it at any
6.13 time upon the request of that person. This is in addition to any disclosures required by the
6.14 federal Truth in Lending Act, United States Code, title 15.

6.15 (d) A lender filing under subdivision 3 shall, upon repayment of the loan in
6.16 full, mark indelibly every obligation signed by the borrower with the word "Paid" or
6.17 "Canceled" within 20 days after repayment.

6.18 (e) A lender filing under subdivision 3 shall display prominently, in each licensed
6.19 place of business, a full and accurate statement of the charges to be made for loans made
6.20 under this section. The statement of charges must be displayed in a notice, on plastic or
6.21 other durable material measuring at least 12 inches by 18 inches, headed "CONSUMER
6.22 NOTICE REQUIRED BY THE STATE OF MINNESOTA." The notice shall include,
6.23 immediately above the statement of charges, the following sentence, or a substantially
6.24 similar sentence approved by the commissioner: "These loan charges are higher than
6.25 otherwise permitted under Minnesota law. Minnesota law permits these higher charges
6.26 only because short-term small loans might otherwise not be available to consumers. If
6.27 you have another source of a loan, you may be able to benefit from a lower interest rate
6.28 and other loan charges." The notice must not contain any other statement or information,
6.29 unless the commissioner has determined that the additional statement or information is
6.30 necessary to prevent confusion or inaccuracy. The notice must be designed with a type
6.31 size that is large enough to be readily noticeable and legible. The form of the notice must
6.32 be approved by the commissioner prior to its use.

6.33 Sec. 11. Minnesota Statutes 2009 Supplement, section 47.60, subdivision 6, is
6.34 amended to read:

7.1 Subd. 6. **Penalties for violation.** A person who violates or participates in the
7.2 violation of any of the provisions of this section is liable in the same manner as in section
7.3 47.601, subdivision ~~7~~6.

7.4 Sec. 12. Minnesota Statutes 2009 Supplement, section 53.09, subdivision 2, is
7.5 amended to read:

7.6 Subd. 2. **Annual report.** (1) Each industrial loan and thrift company shall annually
7.7 on or before the first day of March file a report with the commissioner stating in detail,
7.8 under appropriate heads, its assets and liabilities at the close of business on the last day
7.9 of the preceding calendar year and, if applicable, information required under section
7.10 47.601, subdivision ~~5~~4. This report shall be made under oath in the form prescribed by
7.11 the commissioner.

7.12 (2) Each industrial loan and thrift company which holds authority to accept accounts
7.13 pursuant to section 53.04, subdivision 5, shall in place of the requirement in clause (1)
7.14 submit the reports required of state banks pursuant to section 48.48.

7.15 (3) Within 30 days following a change in controlling ownership of the capital stock
7.16 of an industrial loan and thrift company, it shall file a written report with the commissioner
7.17 stating in detail the nature of such change in ownership.

7.18 Sec. 13. Minnesota Statutes 2008, section 53C.01, subdivision 12a, is amended to read:

7.19 Subd. 12a. **Service contract.** "Service contract" ~~means a motor vehicle service~~
7.20 ~~contract as defined in section 65B.29~~ has the meaning given it in section 59B.02,
7.21 subdivision 11.

7.22 Sec. 14. Minnesota Statutes 2009 Supplement, section 69.772, subdivision 6, is
7.23 amended to read:

7.24 Subd. 6. **Municipal ratification for plan amendments.** If the special fund of
7.25 the relief association does not have a surplus over full funding pursuant to subdivision
7.26 3, ~~clause (2), subclause (c)~~ paragraph (c), clause (5), or if the municipality is required to
7.27 provide financial support to the special fund of the relief association pursuant to this
7.28 section, the adoption of or any amendment to the articles of incorporation or bylaws of a
7.29 relief association which increases or otherwise affects the retirement coverage provided by
7.30 or the service pensions or retirement benefits payable from the special fund of any relief
7.31 association to which this section applies is not effective until it is ratified by the governing
7.32 body of the municipality in which the relief association is located and the officers of a
7.33 relief association shall not seek municipal ratification prior to preparing and certifying

8.1 an estimate of the expected increase in the accrued liability and annual accruing liability
8.2 of the relief association attributable to the amendment. If the special fund of the relief
8.3 association has a surplus over full funding pursuant to subdivision 3, ~~clause (2), subclause~~
8.4 ~~(e) paragraph (c), clause (5)~~, and if the municipality is not required to provide financial
8.5 support to the special fund of the relief association pursuant to this section, the relief
8.6 association may adopt or amend its articles of incorporation or bylaws which increase or
8.7 otherwise affect the retirement coverage provided by or the service pensions or retirement
8.8 benefits payable from the special fund of the relief association which are effective
8.9 without municipal ratification so long as this does not cause the amount of the resulting
8.10 increase in the accrued liability of the special fund of the relief association to exceed 90
8.11 percent of the amount of the surplus over full funding reported in the prior year and this
8.12 does not result in the financial requirements of the special fund of the relief association
8.13 exceeding the expected amount of the future fire state aid to be received by the relief
8.14 association as determined by the board of trustees following the preparation of an estimate
8.15 of the expected increase in the accrued liability and annual accruing liability of the relief
8.16 association attributable to the change. If a relief association adopts or amends its articles
8.17 of incorporation or bylaws without municipal ratification pursuant to this subdivision,
8.18 and, subsequent to the amendment or adoption, the financial requirements of the special
8.19 fund of the relief association pursuant to this section are such so as to require financial
8.20 support from the municipality, the provision which was implemented without municipal
8.21 ratification is no longer effective without municipal ratification and any service pensions
8.22 or retirement benefits payable after that date may be paid only in accordance with the
8.23 articles of incorporation or bylaws as amended or adopted with municipal ratification.

8.24 Sec. 15. Minnesota Statutes 2008, section 84.797, subdivision 6, is amended to read:

8.25 Subd. 6. **Off-road.** "Off-road" means on trails or nonpublic roads or for
8.26 cross-country travel on natural terrain. For purposes of sections 84.797 to ~~84.805~~ 84.8045,
8.27 nonpublic roads include state forest roads, county forest roads, and other roads and trails
8.28 that are not operated by a public road authority as defined in section 160.02, subdivision 25.

8.29 Sec. 16. Minnesota Statutes 2008, section 84.803, subdivision 2, is amended to read:

8.30 Subd. 2. **Purposes.** Subject to appropriation by the legislature, money in the
8.31 off-road vehicle account may only be spent for:

8.32 (1) administration, enforcement, and implementation of sections 84.773 to ~~84.805~~
8.33 84.8045;

9.1 (2) acquisition, maintenance, and development of off-road vehicle trails and use
9.2 areas;

9.3 (3) grant-in-aid programs to counties and municipalities to construct and maintain
9.4 off-road vehicle trails and use areas;

9.5 (4) grants-in-aid to local safety programs; and

9.6 (5) enforcement and public education grants to local law enforcement agencies.

9.7 Sec. 17. Minnesota Statutes 2008, section 84.8045, is amended to read:

9.8 **84.8045 RESTRICTIONS ON OFF-ROAD VEHICLE TRAILS.**

9.9 Notwithstanding any provision of sections 84.797 to ~~84.805~~ 84.804 or other law to
9.10 the contrary, the commissioner shall not permit land administered by the commissioner in
9.11 Cass, Crow Wing, and Hubbard Counties to be used or developed for trails primarily for
9.12 off-road vehicles as defined in section 84.797, subdivision 7, except:

9.13 (1) upon approval by the legislature; or

9.14 (2) in designated off-road vehicle use areas.

9.15 Sec. 18. Minnesota Statutes 2008, section 115A.932, subdivision 1, is amended to read:

9.16 Subdivision 1. **Prohibitions and recycling requirements.** (a) A person may not
9.17 place mercury or a thermostat, thermometer, electric switch, appliance, gauge, medical or
9.18 scientific instrument, fluorescent or high-intensity discharge lamp, electric relay, or other
9.19 electrical device from which the mercury has not been removed for reuse or recycling:

9.20 (1) in solid waste; or

9.21 (2) in a wastewater disposal system.

9.22 (b) A person may not knowingly place mercury or a thermostat, thermometer,
9.23 electric switch, appliance, gauge, medical or scientific instrument, fluorescent or
9.24 high-intensity discharge lamp, electric relay, or other electrical device from which the
9.25 mercury has not been removed for reuse or recycling:

9.26 (1) in a solid waste processing facility; or

9.27 (2) in a solid waste disposal facility, ~~as defined in section 115.01, subdivision 4.~~

9.28 (c) A fluorescent or high-intensity discharge lamp must be recycled by delivery
9.29 of the lamp to a lamp recycling facility, as defined in section 116.93, subdivision 1, or
9.30 to a facility that collects and stores lamps for the purpose of delivering them to a lamp
9.31 recycling facility, including, but not limited to, a household hazardous waste collection
9.32 or recycling facility, retailer take-back and utility provider program sites, or other sites
9.33 designated by an electric utility under section 216B.241, subdivisions 2 and 4.

S.F. No. 2642, 1st Engrossment - 86th Legislative Session (2009-2010) [s2642-1]

10.1 Sec. 19. Minnesota Statutes 2008, section 116.155, subdivision 3, is amended to read:

10.2 Subd. 3. **Revenues.** The following revenues shall be deposited in the general
10.3 portion of the remediation fund:

10.4 (1) response costs and natural resource damages related to releases of hazardous
10.5 substances, or pollutants or contaminants, recovered under sections 115B.17, subdivisions
10.6 6 and 7, 115B.443, 115B.444, or any other law;

10.7 (2) money paid to the agency or the Agriculture Department by voluntary parties
10.8 who have received technical or other assistance under sections 115B.17, subdivision 14,
10.9 115B.175 to 115B.179, and 115C.03, subdivision 9;

10.10 (3) money received in the form of gifts, grants, reimbursement, or appropriation from
10.11 any source for any of the purposes provided in subdivision 2, except federal grants; and

10.12 ~~(4) money received from revenue bonds sold under section 116.156 and placed
10.13 in a special bond proceeds account; and~~

10.14 ~~(5)~~ (4) interest accrued on the fund.

10.15 Sec. 20. Minnesota Statutes 2009 Supplement, section 116J.401, subdivision 2, is
10.16 amended to read:

10.17 Subd. 2. **Duties; authorizations; limitations.** (a) The commissioner of employment
10.18 and economic development shall:

10.19 (1) provide regional development commissions, the Metropolitan Council, and
10.20 units of local government with information, technical assistance, training, and advice on
10.21 using federal and state programs;

10.22 (2) receive and administer the Small Cities Community Development Block Grant
10.23 Program authorized by Congress under the Housing and Community Development Act of
10.24 1974, as amended;

10.25 (3) receive and administer the section 107 technical assistance program grants
10.26 authorized by Congress under the Housing and Community Development Act of 1974, as
10.27 amended;

10.28 (4) receive, administer, and supervise other state and federal grants and grant
10.29 programs for planning, community affairs, community development purposes,
10.30 employment and training services, and other state and federal programs assigned to the
10.31 department by law or by the governor in accordance with section 4.07;

10.32 (5) receive applications for state and federal grants and grant programs for planning,
10.33 community affairs, and community development purposes, and other state and federal
10.34 programs assigned to the department by law or by the governor in accordance with section
10.35 4.07;

S.F. No. 2642, 1st Engrossment - 86th Legislative Session (2009-2010) [s2642-1]

- 11.1 (6) act as the agent of, and cooperate with, the federal government in matters of
11.2 mutual concern, including the administration of any federal funds granted to the state to
11.3 aid in the performance of functions of the commissioner;
- 11.4 (7) provide consistent, integrated employment and training services across the state;
- 11.5 (8) administer the Wagner-Peyser Act, the Workforce Investment Act, and other
11.6 federal employment and training programs;
- 11.7 (9) establish the standards for all employment and training services administered
11.8 under this chapter and chapters 116L, 248, 268, and 268A;
- 11.9 (10) administer the aspects of the Minnesota family investment program, general
11.10 assistance, and food stamps that relate to employment and training services, subject to the
11.11 contract under section 116L.86, subdivision 1;
- 11.12 (11) obtain reports from local service units and service providers for the purpose of
11.13 evaluating the performance of employment and training services;
- 11.14 (12) as requested, certify employment and training services, and decertify services
11.15 that fail to comply with performance criteria according to standards established by the
11.16 commissioner;
- 11.17 (13) develop standards for the contents and structure of the local service unit plans
11.18 and plans for Indian tribe employment and training services, review and comment on those
11.19 plans, and approve or disapprove the plans;
- 11.20 (14) supervise the county boards of commissioners, local service units, and any other
11.21 units of government designated in federal or state law as responsible for employment and
11.22 training programs;
- 11.23 (15) establish administrative standards and payment conditions for providers of
11.24 employment and training services;
- 11.25 (16) enter into agreements with Indian tribes as necessary to provide employment
11.26 and training services as appropriate funds become available;
- 11.27 (17) cooperate with the federal government and its employment and training
11.28 agencies in any reasonable manner as necessary to qualify for federal aid for employment
11.29 and training services and money;
- 11.30 (18) administer and supervise all forms of unemployment insurance provided for
11.31 under federal and state laws;
- 11.32 (19) provide current state and substate labor market information and forecasts, in
11.33 cooperation with other agencies;
- 11.34 (20) require all general employment and training programs that receive state funds
11.35 to make available information about opportunities for women in nontraditional careers
11.36 in the trades and technical occupations;

S.F. No. 2642, 1st Engrossment - 86th Legislative Session (2009-2010) [s2642-1]

- 12.1 (21) consult with the Rehabilitation Council for the Blind on matters pertaining to
12.2 programs and services for the blind and visually impaired;
- 12.3 (22) enter into agreements with other departments of the state and local units of
12.4 government as necessary;
- 12.5 (23) establish and maintain administrative units necessary to perform administrative
12.6 functions common to all divisions of the department;
- 12.7 (24) investigate, study, and undertake ways and means of promoting and encouraging
12.8 the prosperous development and protection of the legitimate interest and welfare of
12.9 Minnesota business, industry, and commerce, within and outside the state;
- 12.10 (25) locate markets for manufacturers and processors and aid merchants in locating
12.11 and contacting markets;
- 12.12 (26) as necessary or useful for the proper execution of the powers and duties of the
12.13 commissioner in promoting and developing Minnesota business, industry, and commerce,
12.14 both within and outside the state, investigate and study conditions affecting Minnesota
12.15 business, industry, and commerce; collect and disseminate information; and engage in
12.16 technical studies, scientific investigations, statistical research, and educational activities;
- 12.17 (27) plan and develop an effective business information service both for the direct
12.18 assistance of business and industry of the state and for the encouragement of business and
12.19 industry outside the state to use economic facilities within the state;
- 12.20 (28) compile, collect, and develop periodically, or otherwise make available,
12.21 information relating to current business conditions;
- 12.22 (29) conduct or encourage research designed to further new and more extensive uses
12.23 of the natural and other resources of the state and designed to develop new products
12.24 and industrial processes;
- 12.25 (30) study trends and developments in the industries of the state and analyze the
12.26 reasons underlying the trends;
- 12.27 (31) study costs and other factors affecting successful operation of businesses within
12.28 the state;
- 12.29 (32) make recommendations regarding circumstances promoting or hampering
12.30 business and industrial development;
- 12.31 (33) serve as a clearing house for business and industrial problems of the state;
- 12.32 (34) advise small business enterprises regarding improved methods of accounting
12.33 and bookkeeping;
- 12.34 (35) cooperate with interstate commissions engaged in formulating and promoting
12.35 the adoption of interstate compacts and agreements helpful to business, industry, and
12.36 commerce;

S.F. No. 2642, 1st Engrossment - 86th Legislative Session (2009-2010) [s2642-1]

13.1 (36) cooperate with other state departments and with boards, commissions, and
13.2 other state agencies in the preparation and coordination of plans and policies for the
13.3 development of the state and for the use and conservation of its resources insofar as the
13.4 use, conservation, and development may be appropriately directed or influenced by a
13.5 state agency;

13.6 (37) in connection with state, county, and municipal public works projects, assemble
13.7 and coordinate information relative to the status, scope, cost, and employment possibilities
13.8 and availability of materials, equipment, and labor, and recommend limitations on the
13.9 public works;

13.10 (38) gather current progress information with reference to public and private
13.11 works projects of the state and its political subdivisions with reference to conditions of
13.12 employment;

13.13 (39) inquire into and report to the governor, when requested by the governor, with
13.14 respect to any program of public state improvements and its financing; and request
13.15 and obtain information from other state departments or agencies as may be needed for
13.16 the report;

13.17 (40) study changes in population and current trends and prepare plans and suggest
13.18 policies for the development and conservation of the resources of the state;

13.19 (41) confer and cooperate with the executive, legislative, or planning authorities of
13.20 the United States, neighboring states and provinces, and the counties and municipalities
13.21 of neighboring states, for the purpose of bringing about a coordination between the
13.22 development of neighboring provinces, states, counties, and municipalities and the
13.23 development of this state;

13.24 (42) generally gather, compile, and make available statistical information relating to
13.25 business, trade, commerce, industry, transportation, communication, natural resources,
13.26 and other like subjects in this state, with authority to call upon other state departments for
13.27 statistical data and results obtained by them and to arrange and compile that statistical
13.28 information in a reasonable manner;

13.29 (43) publish documents and annually convene regional meetings to inform
13.30 businesses, local government units, assistance providers, and other interested persons of
13.31 changes in state and federal law related to economic development;

13.32 (44) annually convene conferences of providers of economic development-related
13.33 financial and technical assistance for the purposes of exchanging information on economic
13.34 development assistance, coordinating economic development activities, and formulating
13.35 economic development strategies;

14.1 (45) provide business with information on the economic benefits of energy
14.2 conservation and on the availability of energy conservation assistance;

14.3 (46) as part of the biennial budget process, prepare performance measures for each
14.4 business loan or grant program within the jurisdiction of the commissioner. Measures
14.5 include source of funds for each program, number of jobs proposed or promised at the
14.6 time of application and the number of jobs created, estimated number of jobs retained, the
14.7 average salary and benefits for the jobs resulting from the program, and the number of
14.8 projects approved;

14.9 (47) provide a continuous program of education for business people;

14.10 (48) publish, disseminate, and distribute information and statistics;

14.11 (49) promote and encourage the expansion and development of markets for
14.12 Minnesota products;

14.13 (50) promote and encourage the location and development of new businesses in the
14.14 state as well as the maintenance and expansion of existing businesses and for that purpose
14.15 cooperate with state and local agencies and individuals, both within and outside the state;

14.16 (51) advertise and disseminate information as to natural resources, desirable
14.17 locations, and other advantages for the purpose of attracting businesses to locate in this
14.18 state;

14.19 (52) aid the various communities in this state in attracting business to their
14.20 communities;

14.21 (53) advise and cooperate with municipal, county, regional, and other planning
14.22 agencies and planning groups within the state for the purpose of promoting coordination
14.23 between the state and localities as to plans and development in order to maintain a high
14.24 level of gainful employment in private profitable production and achieve commensurate
14.25 advancement in social and cultural welfare;

14.26 (54) coordinate the activities of statewide and local planning agencies, correlate
14.27 information secured from them and from state departments and disseminate information
14.28 and suggestions to the planning agencies;

14.29 (55) encourage and assist in the organization and functioning of local planning
14.30 agencies where none exist; and

14.31 (56) adopt measures calculated to promote public interest in and understanding of
14.32 the problems of planning and, to that end, may publish and distribute copies of any plan
14.33 or any report and may employ other means of publicity and education that will give full
14.34 effect to the provisions of sections ~~116J.58~~ 116J.60 to 116J.63.

14.35 (b) At the request of any governmental subdivision in paragraph (a), clause (53),
14.36 the commissioner may provide planning assistance, which includes but is not limited to

S.F. No. 2642, 1st Engrossment - 86th Legislative Session (2009-2010) [s2642-1]

15.1 surveys, land use studies, urban renewal plans, technical services and other planning work
15.2 to any city or other municipality in the state or perform similar planning work in any
15.3 county or metropolitan or regional area in the state. The commissioner must not perform
15.4 the planning work with respect to a metropolitan or regional area which is under the
15.5 jurisdiction for planning purposes of a county, metropolitan, regional, or joint planning
15.6 body, except at the request or with the consent of the respective county, metropolitan,
15.7 regional, or joint planning body.

15.8 (c) The commissioner is authorized to:

15.9 (1) receive and expend money from municipal, county, regional, and other planning
15.10 agencies;

15.11 (2) accept and disburse grants and other aids for planning purposes from the federal
15.12 government and from other public or private sources;

15.13 (3) utilize money received under clause (2) for the employment of consultants and
15.14 other temporary personnel to assist in the supervision or performance of planning work
15.15 supported by money other than state-appropriated money;

15.16 (4) enter into contracts with agencies of the federal government, units of local
15.17 government or combinations thereof, and with private persons that are necessary in the
15.18 performance of the planning assistance function of the commissioner; and

15.19 (5) assist any local government unit in filling out application forms for the federal
15.20 grants-in-aid.

15.21 (d) In furtherance of its planning functions, any city or town, however organized,
15.22 may expend money and contract with agencies of the federal government, appropriate
15.23 departments of state government, other local units of government, and with private
15.24 persons.

15.25 Sec. 21. Minnesota Statutes 2009 Supplement, section 120B.30, subdivision 1, is
15.26 amended to read:

15.27 Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts
15.28 with appropriate technical qualifications and experience and stakeholders, consistent with
15.29 subdivision 1a, shall include in the comprehensive assessment system, for each grade
15.30 level to be tested, state-constructed tests developed from and aligned with the state's
15.31 required academic standards under section 120B.021, include multiple choice questions,
15.32 and be administered annually to all students in grades 3 through 8. State-developed high
15.33 school tests aligned with the state's required academic standards under section 120B.021
15.34 and administered to all high school students in a subject other than writing must include
15.35 multiple choice questions. The commissioner shall establish one or more months during

16.1 which schools shall administer the tests to students each school year. For students enrolled
16.2 in grade 8 before the 2005-2006 school year, Minnesota basic skills tests in reading,
16.3 mathematics, and writing shall fulfill students' basic skills testing requirements for a
16.4 passing state notation. The passing scores of basic skills tests in reading and mathematics
16.5 are the equivalent of 75 percent correct for students entering grade 9 based on the first
16.6 uniform test administered in February 1998. Students who have not successfully passed
16.7 a Minnesota basic skills test by the end of the 2011-2012 school year must pass the
16.8 graduation-required assessments for diploma under paragraph ~~(b)~~ (c).

16.9 (b) The state assessment system must be aligned to the most recent revision of
16.10 academic standards as described in section 120B.023 in the following manner:

16.11 (1) mathematics;

16.12 (i) grades 3 through 8 beginning in the 2010-2011 school year; and

16.13 (ii) high school level beginning in the 2013-2014 school year;

16.14 (2) science; grades 5 and 8 and at the high school level beginning in the 2011-2012
16.15 school year; and

16.16 (3) language arts and reading; grades 3 through 8 and high school level beginning in
16.17 the 2012-2013 school year.

16.18 (c) For students enrolled in grade 8 in the 2005-2006 school year and later, only the
16.19 following options shall fulfill students' state graduation test requirements:

16.20 (1) for reading and mathematics:

16.21 (i) obtaining an achievement level equivalent to or greater than proficient as
16.22 determined through a standard setting process on the Minnesota comprehensive
16.23 assessments in grade 10 for reading and grade 11 for mathematics or achieving a passing
16.24 score as determined through a standard setting process on the graduation-required
16.25 assessment for diploma in grade 10 for reading and grade 11 for mathematics or
16.26 subsequent retests;

16.27 (ii) achieving a passing score as determined through a standard setting process on the
16.28 state-identified language proficiency test in reading and the mathematics test for English
16.29 language learners or the graduation-required assessment for diploma equivalent of those
16.30 assessments for students designated as English language learners;

16.31 (iii) achieving an individual passing score on the graduation-required assessment
16.32 for diploma as determined by appropriate state guidelines for students with an individual
16.33 education plan or 504 plan;

16.34 (iv) obtaining achievement level equivalent to or greater than proficient as
16.35 determined through a standard setting process on the state-identified alternate assessment

17.1 or assessments in grade 10 for reading and grade 11 for mathematics for students with
17.2 an individual education plan; or

17.3 (v) achieving an individual passing score on the state-identified alternate assessment
17.4 or assessments as determined by appropriate state guidelines for students with an
17.5 individual education plan; and

17.6 (2) for writing:

17.7 (i) achieving a passing score on the graduation-required assessment for diploma;

17.8 (ii) achieving a passing score as determined through a standard setting process on
17.9 the state-identified language proficiency test in writing for students designated as English
17.10 language learners;

17.11 (iii) achieving an individual passing score on the graduation-required assessment
17.12 for diploma as determined by appropriate state guidelines for students with an individual
17.13 education plan or 504 plan; or

17.14 (iv) achieving an individual passing score on the state-identified alternate assessment
17.15 or assessments as determined by appropriate state guidelines for students with an
17.16 individual education plan.

17.17 (d) Students enrolled in grade 8 in any school year from the 2005-2006 school
17.18 year to the 2009-2010 school year who do not pass the mathematics graduation-required
17.19 assessment for diploma under paragraph ~~(b)~~ (c) are eligible to receive a high school
17.20 diploma ~~with a passing state notation~~ if they:

17.21 (1) complete with a passing score or grade all state and local coursework and credits
17.22 required for graduation by the school board granting the students their diploma;

17.23 (2) participate in district-prescribed academic remediation in mathematics; and

17.24 (3) fully participate in at least two retests of the mathematics GRAD test or until
17.25 they pass the mathematics GRAD test, whichever comes first. A school, district, or
17.26 charter school must place a student's highest assessment score for each of the following
17.27 assessments on the student's high school transcript: the mathematics Minnesota
17.28 Comprehensive Assessment, reading Minnesota Comprehensive Assessment, and writing
17.29 Graduation-Required Assessment for Diploma, and when applicable, the mathematics
17.30 Graduation-Required Assessment for Diploma and reading Graduation-Required
17.31 Assessment for Diploma.

17.32 In addition, the school board granting the students their diplomas may formally
17.33 decide to include a notation of high achievement on the high school diplomas of those
17.34 graduating seniors who, according to established school board criteria, demonstrate
17.35 exemplary academic achievement during high school.

18.1 (e) The 3rd through 8th grade and high school test results shall be available to
18.2 districts for diagnostic purposes affecting student learning and district instruction and
18.3 curriculum, and for establishing educational accountability. The commissioner must
18.4 disseminate to the public the high school test results upon receiving those results.

18.5 (f) The 3rd through 8th grade and high school tests must be aligned with state
18.6 academic standards. The commissioner shall determine the testing process and the order
18.7 of administration. The statewide results shall be aggregated at the site and district level,
18.8 consistent with subdivision 1a.

18.9 (g) In addition to the testing and reporting requirements under this section, the
18.10 commissioner shall include the following components in the statewide public reporting
18.11 system:

18.12 (1) uniform statewide testing of all students in grades 3 through 8 and at the high
18.13 school level that provides appropriate, technically sound accommodations or alternate
18.14 assessments;

18.15 (2) educational indicators that can be aggregated and compared across school
18.16 districts and across time on a statewide basis, including average daily attendance, high
18.17 school graduation rates, and high school drop-out rates by age and grade level;

18.18 (3) state results on the American College Test; and

18.19 (4) state results from participation in the National Assessment of Educational
18.20 Progress so that the state can benchmark its performance against the nation and other
18.21 states, and, where possible, against other countries, and contribute to the national effort
18.22 to monitor achievement.

18.23 Sec. 22. Minnesota Statutes 2009 Supplement, section 120B.30, subdivision 2, is
18.24 amended to read:

18.25 Subd. 2. **Department of Education assistance.** The Department of Education
18.26 shall contract for professional and technical services according to competitive ~~bidding~~
18.27 solicitation procedures under chapter 16C for purposes of this section.

18.28 Sec. 23. Minnesota Statutes 2009 Supplement, section 122A.60, subdivision 2, is
18.29 amended to read:

18.30 Subd. 2. **Contents of plan.** The plan must include the staff development outcomes
18.31 under subdivision 3, the means to achieve the outcomes, and procedures for evaluating
18.32 progress at each school site toward meeting education outcomes, consistent with
18.33 relicensure requirements under section ~~122A.18, subdivision 2, paragraph (b)~~ 122A.18,
18.34 subdivision 4. The plan also must:

- 19.1 (1) support stable and productive professional communities achieved through
19.2 ongoing and schoolwide progress and growth in teaching practice;
- 19.3 (2) emphasize coaching, professional learning communities, classroom action
19.4 research, and other job-embedded models;
- 19.5 (3) maintain a strong subject matter focus premised on students' learning goals;
- 19.6 (4) ensure specialized preparation and learning about issues related to teaching
19.7 students with special needs and limited English proficiency; and
- 19.8 (5) reinforce national and state standards of effective teaching practice.

19.9 Sec. 24. Minnesota Statutes 2009 Supplement, section 124D.10, subdivision 3, is
19.10 amended to read:

19.11 Subd. 3. **Authorizer.** (a) For purposes of this section, the terms defined in this
19.12 subdivision have the meanings given them.

19.13 "Application" to receive approval as an authorizer means the proposal an eligible
19.14 authorizer submits to the commissioner under paragraph (c) before that authorizer is able
19.15 to submit any affidavit to charter to a school.

19.16 "Application" under subdivision 4 means the charter school business plan a
19.17 school developer submits to an authorizer for approval to establish a charter school that
19.18 documents the school developer's mission statement, school purposes, program design,
19.19 financial plan, governance and management structure, and background and experience,
19.20 plus any other information the authorizer requests. The application also shall include a
19.21 "statement of assurances" of legal compliance prescribed by the commissioner.

19.22 "Affidavit" means a written statement the authorizer submits to the commissioner
19.23 for approval to establish a charter school under subdivision 4 attesting to its review and
19.24 approval process before chartering a school.

19.25 "Affidavit" means the form an authorizer submits to the commissioner that is a
19.26 precondition to a charter school organizing an affiliated nonprofit building corporation
19.27 under subdivision 17a.

19.28 (b) The following organizations may authorize one or more charter schools:

19.29 (1) a school board; intermediate school district school board; education district
19.30 organized under sections 123A.15 to 123A.19;

19.31 (2) a charitable organization under section 501(c)(3) of the Internal Revenue Code
19.32 of 1986, excluding a nonpublic sectarian or religious institution, any person other than a
19.33 natural person that directly or indirectly, through one or more intermediaries, controls,
19.34 is controlled by, or is under common control with the nonpublic sectarian or religious

S.F. No. 2642, 1st Engrossment - 86th Legislative Session (2009-2010) [s2642-1]

20.1 institution, and any other charitable organization under this clause that in the federal IRS
20.2 Form 1023, Part IV, describes activities indicating a religious purpose, that:

20.3 (i) is a member of the Minnesota Council of Nonprofits or the Minnesota Council on
20.4 Foundations;

20.5 (ii) is registered with the attorney general's office;

20.6 (iii) reports an end-of-year fund balance of at least \$2,000,000; and

20.7 (iv) is incorporated in the state of Minnesota;

20.8 (3) a Minnesota private college, notwithstanding clause (2), that grants two- or
20.9 four-year degrees and is registered with the Minnesota Office of Higher Education under
20.10 chapter 136A; community college, state university, or technical college governed by the
20.11 Board of Trustees of the Minnesota State Colleges and Universities; or the University of
20.12 Minnesota; or

20.13 (4) a nonprofit corporation subject to chapter 317A, described in section 317A.905,
20.14 and exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code
20.15 of 1986, may authorize one or more charter schools if the charter school has operated
20.16 for at least three years under a different authorizer and if the nonprofit corporation has
20.17 existed for at least 25 years.

20.18 (5) no more than three single-purpose ~~sponsors~~ authorizers that are charitable,
20.19 nonsectarian organizations formed under section 501(c)(3) of the Internal Revenue Code of
20.20 1986 and incorporated in the state of Minnesota whose sole purpose is to charter schools.
20.21 Eligible organizations interested in being approved as ~~a sponsor~~ an authorizer under this
20.22 paragraph must submit a proposal to the commissioner that includes the provisions of
20.23 paragraph (c) and a five-year financial plan. Such authorizers shall consider and approve
20.24 applications using the criteria provided in subdivision 4 and shall not limit the applications
20.25 it solicits, considers, or approves to any single curriculum, learning program, or method.

20.26 (c) An eligible authorizer under this subdivision must apply to the commissioner for
20.27 approval as an authorizer before submitting any affidavit to the commissioner to charter
20.28 a school. The application for approval as a charter school authorizer must demonstrate
20.29 the applicant's ability to implement the procedures and satisfy the criteria for chartering a
20.30 school under this section. The commissioner must approve or disapprove an application
20.31 within 60 business days of the application deadline. If the commissioner disapproves
20.32 the application, the commissioner must notify the applicant of the deficiencies and the
20.33 applicant then has 20 business days to address the deficiencies to the commissioner's
20.34 satisfaction. Failing to address the deficiencies to the commissioner's satisfaction makes
20.35 an applicant ineligible to be an authorizer. The commissioner, in establishing criteria for
20.36 approval, must consider the applicant's:

- 21.1 (1) capacity and infrastructure;
- 21.2 (2) application criteria and process;
- 21.3 (3) contracting process;
- 21.4 (4) ongoing oversight and evaluation processes; and
- 21.5 (5) renewal criteria and processes.

21.6 (d) The affidavit to be submitted to and evaluated by the commissioner must include
21.7 at least the following:

21.8 (1) how chartering schools is a way for the organization to carry out its mission;

21.9 (2) a description of the capacity of the organization to serve as ~~a sponsor~~ an
21.10 authorizer, including the personnel who will perform the ~~sponsoring~~ authorizing duties,
21.11 their qualifications, the amount of time they will be assigned to this responsibility, and the
21.12 financial resources allocated by the organization to this responsibility;

21.13 (3) a description of the application and review process the authorizer will use to make
21.14 decisions regarding the granting of charters, which will include at least the following:

21.15 (i) how the statutory purposes defined in subdivision 1 are addressed;

21.16 (ii) the mission, goals, program model, and student performance expectations;

21.17 (iii) an evaluation plan for the school that includes criteria for evaluating educational,
21.18 organizational, and fiscal plans;

21.19 (iv) the school's governance plan;

21.20 (v) the financial management plan; and

21.21 (vi) the administration and operations plan;

21.22 (4) a description of the type of contract it will arrange with the schools it charters
21.23 that meets the provisions of subdivision 6 and defines the rights and responsibilities of the
21.24 charter school for governing its educational program, controlling its funds, and making
21.25 school management decisions;

21.26 (5) the process to be used for providing ongoing oversight of the school consistent
21.27 with the contract expectations specified in clause (4) that assures that the schools chartered
21.28 are complying with both the provisions of applicable law and rules, and with the contract;

21.29 (6) the process for making decisions regarding the renewal or termination of
21.30 the school's charter based on evidence that demonstrates the academic, organizational,
21.31 and financial competency of the school, including its success in increasing student
21.32 achievement and meeting the goals of the charter school agreement; and

21.33 (7) an assurance specifying that the organization is committed to serving as ~~a~~
21.34 sponsor an authorizer for the full five-year term.

21.35 A disapproved applicant under this paragraph may resubmit an application during a
21.36 future application period.

22.1 (e) The authorizer must participate in department-approved training.

22.2 (f) An authorizer that chartered a school before August 1, 2009, must apply by
22.3 June 30, 2011, to the commissioner for approval, under paragraph (c), to continue as an
22.4 authorizer under this section. For purposes of this paragraph, an authorizer that fails to
22.5 submit a timely application is ineligible to charter a school.

22.6 (g) The commissioner shall review an authorizer's performance every five years in
22.7 a manner and form determined by the commissioner and may review an authorizer's
22.8 performance more frequently at the commissioner's own initiative or at the request of a
22.9 charter school operator, charter school board member, or other interested party. The
22.10 commissioner, after completing the review, shall transmit a report with findings to the
22.11 authorizer. If, consistent with this section, the commissioner finds that an authorizer
22.12 has not fulfilled the requirements of this section, the commissioner may subject the
22.13 authorizer to corrective action, which may include terminating the contract with the
22.14 charter school board of directors of a school it chartered. The commissioner must notify
22.15 the authorizer in writing of any findings that may subject the authorizer to corrective
22.16 action and the authorizer then has 15 business days to request an informal hearing before
22.17 the commissioner takes corrective action.

22.18 (h) The commissioner may at any time take corrective action against an authorizer,
22.19 including terminating an authorizer's ability to charter a school for:

22.20 (1) failing to demonstrate the criteria under paragraph (c) under which the
22.21 commissioner approved the authorizer;

22.22 (2) violating a term of the chartering contract between the authorizer and the charter
22.23 school board of directors; or

22.24 (3) unsatisfactory performance as an approved authorizer.

22.25 Sec. 25. Minnesota Statutes 2009 Supplement, section 124D.10, subdivision 8, is
22.26 amended to read:

22.27 Subd. 8. **Federal, state, and local requirements.** (a) A charter school shall meet all
22.28 federal, state, and local health and safety requirements applicable to school districts.

22.29 (b) A school must comply with statewide accountability requirements governing
22.30 standards and assessments in chapter 120B.

22.31 (c) A school ~~sponsored~~ authorized by a school board may be located in any district,
22.32 unless the school board of the district of the proposed location disapproves by written
22.33 resolution.

22.34 (d) A charter school must be nonsectarian in its programs, admission policies,
22.35 employment practices, and all other operations. ~~A sponsor~~ An authorizer may not

S.F. No. 2642, 1st Engrossment - 86th Legislative Session (2009-2010) [s2642-1]

23.1 authorize a charter school or program that is affiliated with a nonpublic sectarian school or
23.2 a religious institution. A charter school student must be released for religious instruction,
23.3 consistent with section 120A.22, subdivision 12, clause (3).

23.4 (e) Charter schools must not be used as a method of providing education or
23.5 generating revenue for students who are being home-schooled.

23.6 (f) The primary focus of a charter school must be to provide a comprehensive
23.7 program of instruction for at least one grade or age group from five through 18 years
23.8 of age. Instruction may be provided to people younger than five years and older than
23.9 18 years of age.

23.10 (g) A charter school may not charge tuition.

23.11 (h) A charter school is subject to and must comply with chapter 363A and section
23.12 121A.04.

23.13 (i) A charter school is subject to and must comply with the Pupil Fair Dismissal
23.14 Act, sections 121A.40 to 121A.56, and the Minnesota Public School Fee Law, sections
23.15 123B.34 to 123B.39.

23.16 (j) A charter school is subject to the same financial audits, audit procedures, and
23.17 audit requirements as a district. Audits must be conducted in compliance with generally
23.18 accepted governmental auditing standards, the Federal Single Audit Act, if applicable,
23.19 and section 6.65. A charter school is subject to and must comply with sections 15.054;
23.20 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06; 471.38; 471.391; 471.392; and
23.21 471.425. The audit must comply with the requirements of sections 123B.75 to 123B.83,
23.22 except to the extent deviations are necessary because of the program at the school.
23.23 Deviations must be approved by the commissioner and authorizer. The Department of
23.24 Education, state auditor, legislative auditor, or authorizer may conduct financial, program,
23.25 or compliance audits. A charter school determined to be in statutory operating debt under
23.26 sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

23.27 (k) A charter school is a district for the purposes of tort liability under chapter 466.

23.28 (l) A charter school must comply with chapters 13 and 13D; and sections 120A.22,
23.29 subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

23.30 (m) A charter school is subject to the Pledge of Allegiance requirement under
23.31 section 121A.11, subdivision 3.

23.32 (n) A charter school offering online courses or programs must comply with section
23.33 124D.095.

23.34 (o) A charter school and charter school board of directors are subject to chapter 181.

S.F. No. 2642, 1st Engrossment - 86th Legislative Session (2009-2010) [s2642-1]

24.1 (p) A charter school must comply with section 120A.22, subdivision 7, governing
24.2 the transfer of students' educational records and sections 138.163 and 138.17 governing
24.3 the management of local records.

24.4 Sec. 26. Minnesota Statutes 2009 Supplement, section 124D.10, subdivision 14,
24.5 is amended to read:

24.6 Subd. 14. **Annual public reports.** A charter school must publish an annual report
24.7 approved by the board of directors. The annual report must at least include information
24.8 on school enrollment, student attrition, governance and management, staffing, finances,
24.9 academic performance, operational performance, innovative practices and implementation,
24.10 and future plans. A charter school must distribute the annual report by publication, mail, or
24.11 electronic means to the commissioner, ~~sponsor,~~ authorizer, school employees, and parents
24.12 and legal guardians of students enrolled in the charter school and must also post the report
24.13 on the charter school's official Web site. The reports are public data under chapter 13.

24.14 Sec. 27. Minnesota Statutes 2009 Supplement, section 124D.10, subdivision 15,
24.15 is amended to read:

24.16 Subd. 15. **Review and comment.** (a) The authorizer shall provide a formal written
24.17 evaluation of the school's performance before the authorizer renews the charter contract.
24.18 The department must review and comment on the authorizer's evaluation process at
24.19 the time the ~~sponsor~~ authorizer submits its application for approval and each time the
24.20 authorizer undergoes its five-year review under subdivision 3, paragraph (e).

24.21 (b) ~~A sponsor~~ An authorizer shall monitor and evaluate the fiscal, operational, and
24.22 student performance of the school, and may for this purpose annually assess a charter
24.23 school a fee according to paragraph (c). The agreed-upon fee structure must be stated in
24.24 the charter school contract.

24.25 (c) The fee that each charter school pays to an authorizer each year is the greater of:

24.26 (1) the basic formula allowance for that year; or

24.27 (2) the lesser of:

24.28 (i) the maximum fee factor times the basic formula allowance for that year; or

24.29 (ii) the fee factor times the basic formula allowance for that year times the charter
24.30 school's adjusted marginal cost pupil units for that year. The fee factor equals .005 in fiscal
24.31 year 2010, .01 in fiscal year 2011, .013 in fiscal year 2012, and .015 in fiscal years 2013
24.32 and later. The maximum fee factor equals 1.5 in fiscal year 2010, 2.0 in fiscal year 2011,
24.33 3.0 in fiscal year 2012, and 4.0 in fiscal years 2013 and later.

25.1 (d) The department and any charter school it charters must not assess or pay a fee
25.2 under paragraphs (b) and (c).

25.3 (e) For the preoperational planning period, the authorizer may assess a charter school
25.4 a fee equal to the basic formula allowance.

25.5 (f) By September 30 of each year, an authorizer shall submit to the commissioner
25.6 a statement of expenditures related to chartering activities during the previous school
25.7 year ending June 30. A copy of the statement shall be given to all schools chartered by
25.8 the authorizer.

25.9 Sec. 28. Minnesota Statutes 2009 Supplement, section 124D.10, subdivision 23,
25.10 is amended to read:

25.11 Subd. 23. **Causes for nonrenewal or termination of charter school contract.** (a)
25.12 The duration of the contract with an authorizer must be for the term contained in the
25.13 contract according to subdivision 6. The authorizer may or may not renew a contract at
25.14 the end of the term for any ground listed in paragraph (b). An authorizer may unilaterally
25.15 terminate a contract during the term of the contract for any ground listed in paragraph
25.16 (b). At least 60 days before not renewing or terminating a contract, the authorizer shall
25.17 notify the board of directors of the charter school of the proposed action in writing. The
25.18 notice shall state the grounds for the proposed action in reasonable detail and that the
25.19 charter school's board of directors may request in writing an informal hearing before the
25.20 authorizer within 15 business days of receiving notice of nonrenewal or termination of the
25.21 contract. Failure by the board of directors to make a written request for a hearing within
25.22 the 15-business-day period shall be treated as acquiescence to the proposed action. Upon
25.23 receiving a timely written request for a hearing, the authorizer shall give ten business days'
25.24 notice to the charter school's board of directors of the hearing date. The authorizer shall
25.25 conduct an informal hearing before taking final action. The authorizer shall take final
25.26 action to renew or not renew a contract no later than 20 business days before the proposed
25.27 date for terminating the contract or the end date of the contract.

25.28 (b) A contract may be terminated or not renewed upon any of the following grounds:
25.29 (1) failure to meet the requirements for pupil performance contained in the contract;
25.30 (2) failure to meet generally accepted standards of fiscal management;
25.31 (3) violations of law; or
25.32 (4) other good cause shown.

25.33 If a contract is terminated or not renewed under this paragraph, the school must be
25.34 dissolved according to the applicable provisions of chapter 308A or 317A.

26.1 (c) If the ~~sponsor~~ authorizer and the charter school board of directors mutually agree
26.2 to terminate or not renew the contract, a change in ~~sponsors~~ authorizers is allowed if the
26.3 commissioner approves the transfer to a different eligible authorizer to authorize the
26.4 charter school. Both parties must jointly submit their intent in writing to the commissioner
26.5 to mutually terminate the contract. The ~~sponsor~~ authorizer that is a party to the existing
26.6 contract at least must inform the approved different eligible ~~sponsor~~ authorizer about
26.7 the fiscal and operational status and student performance of the school. Before the
26.8 commissioner determines whether to approve a transfer of authorizer, the commissioner
26.9 first must determine whether the charter school and prospective new authorizer can
26.10 identify and effectively resolve those circumstances causing the previous authorizer and
26.11 the charter school to mutually agree to terminate the contract. If no transfer of ~~sponsor~~
26.12 authorizer is approved, the school must be dissolved according to applicable law and
26.13 the terms of the contract.

26.14 (d) The commissioner, after providing reasonable notice to the board of directors of
26.15 a charter school and the existing authorizer, and after providing an opportunity for a public
26.16 hearing, may terminate the existing contract between the authorizer and the charter school
26.17 board if the charter school has a history of:

- 26.18 (1) failure to meet pupil performance requirements contained in the contract;
26.19 (2) financial mismanagement or failure to meet generally accepted standards of
26.20 fiscal management; or
26.21 (3) repeated or major violations of the law.

26.22 (e) If the commissioner terminates a charter school contract under subdivision 3,
26.23 paragraph (g), the commissioner shall provide the charter school with information about
26.24 other eligible authorizers.

26.25 Sec. 29. Minnesota Statutes 2009 Supplement, section 124D.10, subdivision 25,
26.26 is amended to read:

26.27 Subd. 25. **Extent of specific legal authority.** (a) The board of directors of a charter
26.28 school may sue and be sued.

26.29 (b) The board may not levy taxes or issue bonds.

26.30 (c) The commissioner, ~~a sponsor~~ an authorizer, members of the board of ~~a sponsor~~
26.31 an authorizer in their official capacity, and employees of ~~a sponsor~~ an authorizer are
26.32 immune from civil or criminal liability with respect to all activities related to a charter
26.33 school they approve or ~~sponsor~~ authorize. The board of directors shall obtain at least the
26.34 amount of and types of insurance up to the applicable tort liability limits under chapter
26.35 466. The charter school board must submit a copy of the insurance policy to its authorizer

27.1 and the commissioner before starting operations. The charter school board must submit
27.2 changes in its insurance carrier or policy to its authorizer and the commissioner within
27.3 20 business days of the change.

27.4 Sec. 30. Minnesota Statutes 2008, section 125A.64, subdivision 6, is amended to read:

27.5 Subd. 6. **Exemption to September 1 school start restriction.** Notwithstanding
27.6 section 120A.40, ~~subdivision 1~~, the board of the Minnesota State Academies for the Deaf
27.7 and Blind may begin the school year any day prior to September 1.

27.8 Sec. 31. Minnesota Statutes 2008, section 126C.55, subdivision 6, is amended to read:

27.9 Subd. 6. **Tax levy for repayment.** (a) With the approval of the commissioner, a
27.10 district may levy in the year the state makes a payment under this section an amount up to
27.11 the amount necessary to provide funds for the repayment of the amount paid by the state
27.12 plus interest through the date of estimated repayment by the district. The proceeds of this
27.13 levy may be used only for this purpose unless they are in excess of the amount actually
27.14 due, in which case the excess shall be used to repay other state payments made under this
27.15 section or shall be deposited in the debt redemption fund of the school district. This levy
27.16 shall be an increase in the levy limits of the district for purposes of section 275.065,
27.17 subdivision 6. The amount of aids to be reduced to repay the state shall be decreased by
27.18 the amount levied. This levy by the district is not eligible for debt service equalization
27.19 under section 123B.53.

27.20 (b) If the state is not repaid in full for a payment made under this section by
27.21 November 30 of the calendar year following the year in which the state makes the
27.22 payment, the commissioner shall require the district to certify a property tax levy in an
27.23 amount up to the amount necessary to provide funds for repayment of the amount paid by
27.24 the state plus interest through the date of estimated repayment by the school district. To
27.25 prevent undue hardship, the commissioner may allow the district to certify the levy over a
27.26 five-year period. The proceeds of the levy may be used only for this purpose unless they
27.27 are in excess of the amount actually due, in which case the excess shall be used to repay
27.28 other state payments made under this section or shall be deposited in the debt redemption
27.29 fund of the district. This levy shall be an increase in the levy limits of the school district
27.30 for purposes of section 275.065, subdivision 6. If the commissioner orders the district
27.31 to levy, the amount of aids reduced to repay the state shall be decreased by the amount
27.32 levied. This levy by the district is not eligible for debt service equalization under section
27.33 123B.53 or any successor provision. ~~A levy under this subdivision must be explained as a~~
27.34 ~~specific increase at the meeting required under section 275.065, subdivision 6.~~

28.1 (c) For an intermediate district, a levy made by a member district under paragraph (a)
28.2 or (b) to pay its pro rata share must be spread by the commissioner as a tax rate based on
28.3 the total adjusted net tax capacity of the member school districts. The proceeds of the levy
28.4 must be remitted by the member school district to the intermediate school district and must
28.5 be used by the intermediate district only to repay the state amounts owed. Any amount in
28.6 excess of the amount owed to the state must be repaid to the member school districts and
28.7 the commissioner shall adjust each member district's property tax levy in the next year.

28.8 Sec. 32. Minnesota Statutes 2008, section 128D.03, subdivision 2, is amended to read:

28.9 Subd. 2. **Not on tax or library board.** The special independent school district
28.10 shall not have any representation upon the Board of Estimate and Taxation ~~or Library~~
28.11 ~~Board~~ of said city.

28.12 Sec. 33. Minnesota Statutes 2008, section 129C.10, subdivision 8, is amended to read:

28.13 Subd. 8. **Exemption to September 1 school start restriction.** Notwithstanding
28.14 Minnesota Statutes, section 120A.40, ~~subdivision 1~~, the Perpich Center for Arts Education
28.15 may begin the school year any day prior to September 1.

28.16 Sec. 34. Minnesota Statutes 2008, section 136F.61, is amended to read:

28.17 **136F.61 STATE BUILDING CODE.**

28.18 All Minnesota state college and university facilities are subject to the provisions of
28.19 the State Building Code under chapter ~~16B~~ 326B and the State Fire Code under chapter
28.20 299F.

28.21 Sec. 35. Minnesota Statutes 2009 Supplement, section 152.025, is amended to read:

28.22 **152.025 CONTROLLED SUBSTANCE CRIME IN THE FIFTH DEGREE.**

28.23 Subdivision 1. **Sale crimes.** (a) A person is guilty of a controlled substance crime in
28.24 the fifth degree and if convicted may be sentenced to imprisonment for not more than five
28.25 years or to payment of a fine of not more than \$10,000, or both if:

28.26 (1) the person unlawfully sells one or more mixtures containing marijuana or
28.27 tetrahydrocannabinols, except a small amount of marijuana for no remuneration; or

28.28 (2) the person unlawfully sells one or more mixtures containing a controlled
28.29 substance classified in schedule IV.

28.30 (b) Except as provided in paragraph (c), if a person is guilty of a controlled
28.31 substance crime in the fifth degree and the conviction is a subsequent controlled substance
28.32 conviction, the person convicted shall be committed to the commissioner of corrections or

29.1 to a local correctional authority for not less than six months nor more than ten years and,
29.2 in addition, may be sentenced to payment of a fine of not more than \$20,000 if:

29.3 (1) the person unlawfully sells one or more mixtures containing marijuana or
29.4 tetrahydrocannabinols, except a small amount of marijuana for no remuneration; or

29.5 (2) the person unlawfully sells one or more mixtures containing a controlled
29.6 substance classified in schedule IV.

29.7 (c) Prior to the time of sentencing, the prosecutor may file a motion to have the
29.8 person sentenced without regard to the mandatory minimum sentence established by
29.9 paragraph (b). The motion must be accompanied by a statement on the record of the
29.10 reasons for it. When presented with the motion, or on its own motion, the court may
29.11 sentence the person without regard to the mandatory minimum sentence if the court finds,
29.12 on the record, substantial and compelling reasons to do so. ~~Sentencing a person in this~~
29.13 ~~manner is a departure from the Sentencing Guidelines.~~

29.14 Subd. 2. **Possession and other crimes.** (a) A person is guilty of controlled
29.15 substance crime in the fifth degree and if convicted may be sentenced to imprisonment for
29.16 not more than five years or to payment of a fine of not more than \$10,000, or both if:

29.17 (1) the person unlawfully possesses one or more mixtures containing a controlled
29.18 substance classified in schedule I, II, III, or IV, except a small amount of marijuana; or

29.19 (2) the person procures, attempts to procure, possesses, or has control over a
29.20 controlled substance by any of the following means:

29.21 (i) fraud, deceit, misrepresentation, or subterfuge;

29.22 (ii) using a false name or giving false credit; or

29.23 (iii) falsely assuming the title of, or falsely representing any person to be, a
29.24 manufacturer, wholesaler, pharmacist, physician, doctor of osteopathy licensed to practice
29.25 medicine, dentist, podiatrist, veterinarian, or other authorized person for the purpose of
29.26 obtaining a controlled substance.

29.27 (b) Except as provided in paragraph (c), if a person is guilty of a controlled
29.28 substance crime in the fifth degree and the conviction is a subsequent controlled substance
29.29 conviction, the person convicted shall be committed to the commissioner of corrections or
29.30 to a local correctional authority for not less than six months nor more than ten years and,
29.31 in addition, may be sentenced to payment of a fine of not more than \$20,000 if:

29.32 (1) the person unlawfully possesses one or more mixtures containing a controlled
29.33 substance classified in schedule I, II, III, or IV, except a small amount of marijuana; or

29.34 (2) the person procures, attempts to procure, possesses, or has control over a
29.35 controlled substance by any of the following means:

29.36 (i) fraud, deceit, misrepresentation, or subterfuge;

30.1 (ii) using a false name or giving false credit; or

30.2 (iii) falsely assuming the title of, or falsely representing any person to be, a
30.3 manufacturer, wholesaler, pharmacist, physician, doctor of osteopathy licensed to practice
30.4 medicine, dentist, podiatrist, veterinarian, or other authorized person for the purpose of
30.5 obtaining a controlled substance.

30.6 (c) Prior to the time of sentencing, the prosecutor may file a motion to have the
30.7 person sentenced without regard to the mandatory minimum sentence established by
30.8 paragraph (b). The motion must be accompanied by a statement on the record of the
30.9 reasons for it. When presented with the motion, or on its own motion, the court may
30.10 sentence the person without regard to the mandatory minimum sentence if the court finds,
30.11 on the record, substantial and compelling reasons to do so. ~~Sentencing a person in this~~
30.12 ~~manner is a departure from the Sentencing Guidelines.~~

30.13 Sec. 36. Minnesota Statutes 2008, section 168.002, subdivision 13, is amended to read:

30.14 Subd. 13. **Gross weight.** (a) "Gross weight" means the actual unloaded weight
30.15 of the vehicle, either a truck or tractor, or the actual unloaded combined weight of a
30.16 truck-tractor and semitrailer or semitrailers, or of the truck-tractor, semitrailer and one
30.17 additional semitrailer, fully equipped for service, plus the weight of the maximum load
30.18 which the applicant has elected to carry on such vehicle or combined vehicles.

30.19 (b) The term gross weight applied to a truck used for towing a trailer means the
30.20 unloaded weight of the truck, fully equipped for service, plus the weight of the maximum
30.21 load which the applicant has elected to carry on such truck, including the weight of such
30.22 part of the trailer and its load as may rest upon the truck.

30.23 (c) The term gross weight applied to school buses means the weight of the vehicle
30.24 fully equipped with all fuel tanks full of fuel, plus the weight of the passengers and their
30.25 baggage computed at the rate of 100 pounds per passenger seating capacity, including that
30.26 for the driver. The term gross weight applied to other buses means the weight of the
30.27 vehicle fully equipped with all fuel tanks full of fuel, plus the weight of passengers and
30.28 their baggage computed at the rate of 150 pounds per passenger seating capacity, including
30.29 that for the driver. For bus seats designed for more than one passenger, but which are not
30.30 divided so as to allot individual seats for the passengers that occupy them, allow two feet
30.31 of its length per passenger to determine seating capacity.

30.32 (d) The term gross weight applied to a truck, truck-tractor or a truck used as a
30.33 truck-tractor used exclusively by the owner thereof for transporting unfinished forest
30.34 products or used by the owner thereof to transport agricultural, horticultural, dairy and
30.35 other farm products including livestock produced or finished by the owner of the truck

31.1 and any other personal property owned by the farmer to whom the license for such truck
31.2 is issued, from the farm to market, and to transport property and supplies to the farm
31.3 of the owner, as described in subdivision ~~17~~ 8, shall be the actual weight of the truck,
31.4 truck-tractor or truck used as a truck-tractor or the combined weight of the truck-tractor
31.5 and semitrailer plus the weight of the maximum load which the applicant has elected to
31.6 carry on such vehicle or combined vehicles and shall be licensed and taxed as provided by
31.7 section 168.013, subdivision 1c.

31.8 (e) The term gross weight applied to a truck-tractor or a truck used as a truck-tractor
31.9 used exclusively by the owner, or by a for-hire carrier hauling exclusively for one owner,
31.10 for towing an equipment dolly shall be the actual weight of the truck-tractor or truck used
31.11 as a truck-tractor plus the weight of such part of the equipment dolly and its load as may
31.12 rest upon the truck-tractor or truck used as a truck-tractor, and shall be licensed separately
31.13 and taxed as provided by section 168.013, subdivision 1e, and the equipment dolly shall
31.14 be licensed separately and taxed as provided in section 168.013, subdivision 1d, which
31.15 is applicable for the balance of the weight of the equipment dolly and the balance of the
31.16 maximum load the applicant has elected to carry on such combined vehicles. The term
31.17 "equipment dolly" as used in this subdivision means a heavy semitrailer used solely by the
31.18 owner, or by a for-hire carrier hauling exclusively for one owner, to transport the owner's
31.19 construction machinery, equipment, implements and other objects used on a construction
31.20 project, but not to be incorporated in or to become a part of a completed project.

31.21 (f) The term gross weight applied to a tow truck or towing vehicle defined in section
31.22 169.011, subdivision 83, means the weight of the tow truck or towing vehicle fully
31.23 equipped for service, including the weight of the crane, winch and other equipment to
31.24 control the movement of a towed vehicle, but does not include the weight of a wrecked or
31.25 disabled vehicle towed or drawn by the tow truck or towing vehicle.

31.26 Sec. 37. Minnesota Statutes 2008, section 168.013, subdivision 1, is amended to read:

31.27 Subdivision 1. **Imposition.** Motor vehicles, except as set forth in section 168.012,
31.28 using the public streets or highways in the state, ~~and park trailers taxed under subdivision~~
31.29 ~~17~~, shall be taxed in lieu of all other taxes thereon, except wheelage taxes, so-called, which
31.30 may be imposed by any city as provided by law, and except gross earnings taxes paid by
31.31 companies subject or made subject thereto, and shall be privileged to use the public streets
31.32 and highways, on the basis and at the rate for each calendar year as hereinafter provided.

31.33 Sec. 38. Minnesota Statutes 2009 Supplement, section 168.33, subdivision 7, is
31.34 amended to read:

32.1 Subd. 7. **Filing fees; allocations.** (a) In addition to all other statutory fees and
32.2 taxes, a filing fee of:

32.3 (1) \$4.50 is imposed on every vehicle registration renewal, excluding pro rate
32.4 transactions; and

32.5 (2) \$8.50 is imposed on every other type of vehicle transaction, including pro rate
32.6 transactions;

32.7 except that a filing fee may not be charged for a document returned for a refund or for
32.8 a correction of an error made by the Department of Public Safety, a dealer, or a deputy
32.9 registrar. The filing fee must be shown as a separate item on all registration renewal
32.10 notices sent out by the commissioner. No filing fee or other fee may be charged for the
32.11 permanent surrender of a title for a vehicle.

32.12 (b) The statutory fees and taxes, and the filing fees imposed under paragraph (a) may
32.13 be paid by credit card or debit card. The deputy registrar may collect a surcharge on
32.14 the statutory fees, taxes, and filing fee not ~~to exceed~~ greater than the cost of processing
32.15 a credit card or debit card transaction, in accordance with emergency rules established
32.16 by the commissioner of public safety. The surcharge must be used to pay the cost of
32.17 processing credit and debit card transactions.

32.18 (c) All of the fees collected under paragraph (a), clause (1), by the department, must
32.19 be paid into the vehicle services operating account in the special revenue fund under
32.20 section 299A.705. Of the fee collected under paragraph (a), clause (2), by the department,
32.21 \$3.50 must be paid into the general fund with the remainder deposited into the vehicle
32.22 services operating account in the special revenue fund under section 299A.705.

32.23 **EFFECTIVE DATE.** This section applies to fees collected after July 31, 2009, and
32.24 is effective retroactively from August 1, 2009.

32.25 Sec. 39. Minnesota Statutes 2009 Supplement, section 169.011, subdivision 71,
32.26 is amended to read:

32.27 Subd. 71. **School bus.** (a) "School bus" means a motor vehicle used to transport
32.28 pupils to or from a school defined in section 120A.22, or to or from school-related
32.29 activities, by the school or a school district, or by someone under an agreement with the
32.30 school or a school district. A school bus does not include a motor vehicle transporting
32.31 children to or from school for which parents or guardians receive direct compensation
32.32 from a school district, a motor coach operating under charter carrier authority, a transit
32.33 bus providing services as defined in section 174.22, subdivision 7, or a vehicle otherwise
32.34 qualifying as a type III vehicle under ~~clause (6)~~ paragraph (h), when the vehicle is properly

33.1 registered and insured and being driven by an employee or agent of a school district for
33.2 nonscheduled or nonregular transportation.

33.3 (b) A school bus may be type A, type B, type C, or type D, multifunction school
33.4 activity bus, or type III as provided in paragraphs (c) to (h).

33.5 (c) A "type A school bus" is a van conversion or bus constructed utilizing a
33.6 cutaway front section vehicle with a left-side driver's door. This definition includes two
33.7 classifications: type A-I, with a gross vehicle weight rating (GVWR) less than or equal
33.8 to 14,500 pounds; and type A-II, with a GVWR greater than 14,500 pounds and less
33.9 than or equal to 21,500 pounds.

33.10 (d) A "type B school bus" is constructed utilizing a stripped chassis. The entrance
33.11 door is behind the front wheels. This definition includes two classifications: type B-I,
33.12 with a GVWR less than or equal to 10,000 pounds; and type B-II, with a GVWR greater
33.13 than 10,000 pounds.

33.14 (e) A "type C school bus" is constructed utilizing a chassis with a hood and front
33.15 fender assembly. The entrance door is behind the front wheels. A "type C school bus" also
33.16 includes a cutaway truck chassis or truck chassis with cab, with or without a left side door,
33.17 and with a GVWR greater than 21,500 pounds.

33.18 (f) A "type D school bus" is constructed utilizing a stripped chassis. The entrance
33.19 door is ahead of the front wheels.

33.20 (g) A "multifunction school activity bus" is a school bus that meets the definition
33.21 of a multifunction school activity bus in Code of Federal Regulations, title 49, section
33.22 571.3. A vehicle that meets the definition of a type III vehicle is not a multifunction
33.23 school activity bus.

33.24 (h) A "type III vehicle" is restricted to passenger cars, station wagons, vans, and
33.25 buses having a maximum manufacturer's rated seating capacity of ten or fewer people,
33.26 including the driver, and a gross vehicle weight rating of 10,000 pounds or less. A "type
33.27 III vehicle" must not be outwardly equipped and identified as a type A, B, C, or D school
33.28 bus or type A, B, C, or D Head Start bus. A van or bus converted to a seating capacity of
33.29 ten or fewer and placed in service on or after August 1, 1999, must have been originally
33.30 manufactured to comply with the passenger safety standards.

33.31 (i) In this subdivision, "gross vehicle weight rating" means the value specified by
33.32 the manufacturer as the loaded weight of a single vehicle.

33.33 Sec. 40. Minnesota Statutes 2008, section 169.67, subdivision 1, is amended to read:

33.34 Subdivision 1. **Motor vehicle.** Every motor vehicle, other than a motorcycle, when
33.35 operated upon a highway, shall be equipped with brakes adequate to control the movement

34.1 of and to stop and hold such vehicle, including two separate means of applying the brakes,
34.2 each of which means shall be effective to apply the brakes to at least two wheels. If these
34.3 two separate means of applying the brakes are connected in any way, they shall be so
34.4 constructed that failure of any one part of the operating mechanism shall not leave the
34.5 motor vehicle without brakes on at least two wheels. ~~The requirement in this subdivision~~
34.6 ~~for separate braking systems does not apply to a commercial motor vehicle described in~~
34.7 ~~section 169.781, subdivision 5, paragraph (d).~~

34.8 Sec. 41. Minnesota Statutes 2009 Supplement, section 169.865, subdivision 1, is
34.9 amended to read:

34.10 Subdivision 1. **Six-axle vehicles.** (a) A road authority may issue an annual permit
34.11 authorizing a vehicle or combination of vehicles with a total of six or more axles to haul
34.12 raw or unprocessed agricultural products and be operated with a gross vehicle weight
34.13 of up to:

34.14 (1) 90,000 pounds; and

34.15 (2) 99,000 pounds during the period set by the commissioner under section 169.826,
34.16 subdivision 1.

34.17 (b) Notwithstanding subdivision ~~4~~3, paragraph (a), clause (4), a vehicle or
34.18 combination of vehicles operated under this subdivision and transporting only sealed
34.19 intermodal containers may be operated on an interstate highway if allowed by the United
34.20 States Department of Transportation.

34.21 (c) The fee for a permit issued under this subdivision is \$300.

34.22 Sec. 42. Minnesota Statutes 2009 Supplement, section 176.135, subdivision 8, is
34.23 amended to read:

34.24 Subd. 8. **Data.** Each self-insured employer and insurer shall retain or arrange for
34.25 the retention of (1) all billing data electronically transmitted by health care providers
34.26 for payment for the treatment of workers' compensation; and (2) the employer ~~of~~or
34.27 insurer's electronically transmitted payment remittance advice. The self-insured employer
34.28 or insurer shall ensure that the data in clauses (1) and (2) shall be retained for seven
34.29 years in the standard electronic transaction format that is required by rules adopted by
34.30 the commissioner of the Department of Health under section 62J.536. The data shall be
34.31 provided in the standard electronic transaction format to the commissioner of labor and
34.32 industry within 120 days of the commissioner of labor and industry's request, and shall
34.33 be used to analyze the costs and outcomes of treatment in the workers' compensation
34.34 system. The data collected by the commissioner of labor and industry under this

S.F. No. 2642, 1st Engrossment - 86th Legislative Session (2009-2010) [s2642-1]

35.1 section is confidential data on individuals and protected nonpublic data, except that the
35.2 commissioner may publish aggregate statistics and other summary data on the costs and
35.3 outcomes of treatment in the workers' compensation system.

35.4 Sec. 43. Minnesota Statutes 2008, section 190.025, subdivision 3, is amended to read:

35.5 Subd. 3. **Construction of section.** This section shall not be construed so as to
35.6 make unlawful any arrest in this state which would otherwise be lawful, nor to repeal or
35.7 prevent the application of any of the provisions of section 626.65, the Uniform Act on
35.8 the Fresh Pursuit of Criminals.

35.9 Sec. 44. Minnesota Statutes 2008, section 214.04, subdivision 1, is amended to read:

35.10 Subdivision 1. **Services provided.** ~~(a)~~ The commissioner of education with respect
35.11 to the Board of Teaching; the commissioner of public safety with respect to the Board of
35.12 Private Detective and Protective Agent Services; ~~the panel established pursuant to section~~
35.13 ~~299A.465, subdivision 7~~; the Board of Peace Officer Standards and Training; and the
35.14 commissioner of revenue with respect to the Board of Assessors, shall provide suitable
35.15 offices and other space, joint conference and hearing facilities, examination rooms, and
35.16 the following administrative support services: purchasing service, accounting service,
35.17 advisory personnel services, consulting services relating to evaluation procedures and
35.18 techniques, data processing, duplicating, mailing services, automated printing of license
35.19 renewals, and such other similar services of a housekeeping nature as are generally
35.20 available to other agencies of state government. Investigative services shall be provided
35.21 the boards by employees of the Office of Attorney General. The commissioner of health
35.22 with respect to the health-related licensing boards shall provide mailing and office supply
35.23 services and may provide other facilities and services listed in this subdivision at a
35.24 central location upon request of the health-related licensing boards. The commissioner of
35.25 commerce with respect to the remaining non-health-related licensing boards shall provide
35.26 the above facilities and services at a central location for the remaining non-health-related
35.27 licensing boards. The legal and investigative services for the boards shall be provided
35.28 by employees of the attorney general assigned to the departments servicing the boards.
35.29 Notwithstanding the foregoing, the attorney general shall not be precluded by this section
35.30 from assigning other attorneys to service a board if necessary in order to insure competent
35.31 and consistent legal representation. Persons providing legal and investigative services
35.32 shall to the extent practicable provide the services on a regular basis to the same board
35.33 or boards.

36.1 ~~(b) The requirements in paragraph (a) with respect to the panel established in section~~
36.2 ~~299A.465, subdivision 7, expire July 1, 2008.~~

36.3 Sec. 45. Minnesota Statutes 2008, section 216B.1691, subdivision 1, is amended to
36.4 read:

36.5 Subdivision 1. **Definitions.** (a) Unless otherwise specified in law, "eligible energy
36.6 technology" means an energy technology that generates electricity from the following
36.7 renewable energy sources: (1) solar; (2) wind; (3) hydroelectric with a capacity of less
36.8 than 100 megawatts; (4) hydrogen, provided that after January 1, 2010, the hydrogen
36.9 must be generated from the resources listed in this ~~clause~~ paragraph; or (5) biomass,
36.10 which includes, without limitation, landfill gas; an anaerobic digester system; the
36.11 predominantly organic components of wastewater effluent, sludge, or related byproducts
36.12 from publicly owned treatment works, but not including incineration of wastewater sludge
36.13 to produce electricity; and an energy recovery facility used to capture the heat value of
36.14 mixed municipal solid waste or refuse-derived fuel from mixed municipal solid waste
36.15 as a primary fuel.

36.16 (b) "Electric utility" means a public utility providing electric service, a generation
36.17 and transmission cooperative electric association, a municipal power agency, or a power
36.18 district.

36.19 (c) "Total retail electric sales" means the kilowatt-hours of electricity sold in a year
36.20 by an electric utility to retail customers of the electric utility or to a distribution utility for
36.21 distribution to the retail customers of the distribution utility.

36.22 Sec. 46. Minnesota Statutes 2008, section 245A.18, subdivision 2, is amended to read:

36.23 Subd. 2. **Child passenger restraint systems; training requirement.** (a) Programs
36.24 licensed by the Department of Human Services under Minnesota Rules, chapter 2960, that
36.25 serve a child or children under nine years of age must document training that fulfills the
36.26 requirements in this subdivision.

36.27 (b) Before a license holder, staff person, or caregiver transports a child or children
36.28 under age nine in a motor vehicle, the person transporting the child must satisfactorily
36.29 complete training on the proper use and installation of child restraint systems in motor
36.30 vehicles. Training completed under this section may be used to meet initial or ongoing
36.31 training under Minnesota Rules, part 2960.3070, subparts 1 and 2.

36.32 For all providers licensed prior to July 1, 2006, the training required in this subdivision
36.33 must be obtained by December 31, 2007.

37.1 (c) Training required under this section must be at least one hour in length,
37.2 completed at orientation or initial training, and repeated at least once every five years. At
37.3 a minimum, the training must address the proper use of child restraint systems based on
37.4 the child's size, weight, and age, and the proper installation of a car seat or booster seat in
37.5 the motor vehicle used by the license holder to transport the child or children.

37.6 (d) Training under paragraph (c) must be provided by individuals who are certified
37.7 and approved by the Department of Public Safety, Office of Traffic Safety. License holders
37.8 may obtain a list of certified and approved trainers through the Department of Public
37.9 Safety Web site or by contacting the agency.

37.10 (e) Child care providers that only transport school age children as defined in section
37.11 245A.02, subdivision 16, in school buses as defined in section 169.011, subdivision 71,
37.12 ~~clauses (1) to (4)~~ paragraphs (c) to (f), are exempt from this subdivision.

37.13 Sec. 47. Minnesota Statutes 2009 Supplement, section 246B.06, subdivision 7, is
37.14 amended to read:

37.15 Subd. 7. **Status of clients.** Clients participating in the vocational work program
37.16 are not employees of the Minnesota sex offender program, the Department of Human
37.17 Services, or the state, and are not subject to fair labor standards under sections 177.21 to
37.18 177.35; workers compensation under sections 176.011 to 176.862; the Minnesota Human
37.19 Rights Act under sections ~~363A.001~~ 363A.01 to 363A.41; laws governing state employees
37.20 under chapter 43A; labor relations under chapter 179A; or the successors to any of these
37.21 sections and any other laws pertaining to employees and employment.

37.22 Sec. 48. Minnesota Statutes 2009 Supplement, section 256.969, subdivision 3b,
37.23 is amended to read:

37.24 Subd. 3b. **Nonpayment for hospital-acquired conditions and for certain**
37.25 **treatments.** (a) The commissioner must not make medical assistance payments to a
37.26 hospital for any costs of care that result from a condition listed in paragraph (c), if the
37.27 condition was hospital acquired.

37.28 (b) For purposes of this subdivision, a condition is hospital acquired if it is not
37.29 identified by the hospital as present on admission. For purposes of this subdivision,
37.30 medical assistance includes general assistance medical care and MinnesotaCare.

37.31 (c) The prohibition in paragraph (a) applies to payment for each hospital-acquired
37.32 condition listed in this paragraph that is represented by an ICD-9-CM diagnosis code and
37.33 is designated as a complicating condition or a major complicating condition:

37.34 (1) foreign object retained after surgery (ICD-9-CM codes 998.4 or 998.7);

- 38.1 (2) air embolism (ICD-9-CM code 999.1);
- 38.2 (3) blood incompatibility (ICD-9-CM code 999.6);
- 38.3 (4) pressure ulcers stage III or IV (ICD-9-CM codes 707.23 or 707.24);
- 38.4 (5) falls and trauma, including fracture, dislocation, intracranial injury, crushing
- 38.5 injury, burn, and electric shock (ICD-9-CM codes with these ranges on the complicating
- 38.6 condition and major complicating condition list: 800-829; 830-839; 850-854; 925-929;
- 38.7 940-949; and 991-994);
- 38.8 (6) catheter-associated urinary tract infection (ICD-9-CM code 996.64);
- 38.9 (7) vascular catheter-associated infection (ICD-9-CM code 999.31);
- 38.10 (8) manifestations of poor glycemic control (ICD-9-CM codes 249.10; 249.11;
- 38.11 249.20; 249.21; 250.10; 250.11; 250.12; 250.13; 250.20; 250.21; 250.22; 250.23; and
- 38.12 251.0);
- 38.13 (9) surgical site infection (ICD-9-CM codes 996.67 or 998.59) following certain
- 38.14 orthopedic procedures (procedure codes 81.01; 81.02; 81.03; 81.04; 81.05; 81.06; 81.07;
- 38.15 81.08; 81.23; 81.24; 81.31; 81.32; 81.33; 81.34; 81.35; 81.36; 81.37; 81.38; 81.83; and
- 38.16 81.85);
- 38.17 (10) surgical site infection (ICD-9-CM code 998.59) following bariatric surgery
- 38.18 (procedure codes 44.38; 44.39; or 44.95) for a principal diagnosis of morbid obesity
- 38.19 (ICD-9-CM code 278.01);
- 38.20 (11) surgical site infection, mediastinitis (ICD-9-CM code 519.2) following coronary
- 38.21 artery bypass graft (procedure codes 36.10 to 36.19); and
- 38.22 (12) deep vein thrombosis (ICD-9-CM codes 453.40 to 453.42) or pulmonary
- 38.23 embolism (ICD-9-CM codes 415.11 or ~~415.91~~ 415.19) following total knee replacement
- 38.24 (procedure code 81.54) or hip replacement (procedure codes 00.85 to 00.87 or 81.51
- 38.25 to 81.52).
- 38.26 (d) The prohibition in paragraph (a) applies to any additional payments that result
- 38.27 from a hospital-acquired condition listed in paragraph (c), including, but not limited to,
- 38.28 additional treatment or procedures, readmission to the facility after discharge, increased
- 38.29 length of stay, change to a higher diagnostic category, or transfer to another hospital. In
- 38.30 the event of a transfer to another hospital, the hospital where the condition listed under
- 38.31 paragraph (c) was acquired is responsible for any costs incurred at the hospital to which
- 38.32 the patient is transferred.
- 38.33 (e) A hospital shall not bill a recipient of services for any payment disallowed under
- 38.34 this subdivision.

39.1 Sec. 49. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 3,
39.2 is amended to read:

39.3 Subd. 3. **Noncovered personal care assistance services.** (a) Personal care
39.4 assistance services are not eligible for medical assistance payment under this section
39.5 when provided:

39.6 (1) by the recipient's spouse, parent of a recipient under the age of 18, paid legal
39.7 guardian, licensed foster provider, except as allowed under section ~~256B.0651~~ 256B.0652,
39.8 subdivision 10, or responsible party;

39.9 (2) in lieu of other staffing options in a residential or child care setting;

39.10 (3) solely as a child care or babysitting service; or

39.11 (4) without authorization by the commissioner or the commissioner's designee.

39.12 (b) The following personal care services are not eligible for medical assistance
39.13 payment under this section when provided in residential settings:

39.14 (1) effective January 1, 2010, when the provider of home care services who is not
39.15 related by blood, marriage, or adoption owns or otherwise controls the living arrangement,
39.16 including licensed or unlicensed services; or

39.17 (2) when personal care assistance services are the responsibility of a residential or
39.18 program license holder under the terms of a service agreement and administrative rules.

39.19 (c) Other specific tasks not covered under paragraph (a) or (b) that are not eligible
39.20 for medical assistance reimbursement for personal care assistance services under this
39.21 section include:

39.22 (1) sterile procedures;

39.23 (2) injections of fluids and medications into veins, muscles, or skin;

39.24 (3) home maintenance or chore services;

39.25 (4) homemaker services not an integral part of assessed personal care assistance
39.26 services needed by a recipient;

39.27 (5) application of restraints or implementation of procedures under section 245.825;

39.28 (6) instrumental activities of daily living for children under the age of 18; and

39.29 (7) assessments for personal care assistance services by personal care assistance
39.30 provider agencies or by independently enrolled registered nurses.

39.31 Sec. 50. Minnesota Statutes 2009 Supplement, section 256B.5012, subdivision 8,
39.32 is amended to read:

39.33 Subd. 8. **ICF/MR rate decreases effective July 1, 2009.** Effective July 1, 2009,
39.34 the commissioner shall decrease each facility reimbursed under this section operating
39.35 payment adjustments equal to 2.58 percent of the operating payment rates in effect on

S.F. No. 2642, 1st Engrossment - 86th Legislative Session (2009-2010) [s2642-1]

40.1 June 30, 2009. For each facility, the commissioner shall implement the rate reduction,
40.2 based on occupied beds, using the percentage specified in this subdivision multiplied by
40.3 the total payment rate, including the variable rate but excluding the property-related
40.4 payment rate, in effect on the preceding date. The total rate reduction shall include the
40.5 adjustment provided in ~~section 256B.502~~, subdivision 7.

40.6 Sec. 51. Minnesota Statutes 2008, section 256L.04, subdivision 1, is amended to read:

40.7 Subdivision 1. **Families with children.** (a) Families with children with family
40.8 income equal to or less than 275 percent of the federal poverty guidelines for the
40.9 applicable family size shall be eligible for MinnesotaCare according to this section. All
40.10 other provisions of sections 256L.01 to 256L.18, including the insurance-related barriers
40.11 to enrollment under section 256L.07, shall apply unless otherwise specified.

40.12 (b) Parents who enroll in the MinnesotaCare program must also enroll their children,
40.13 if the children are eligible. Children may be enrolled separately without enrollment by
40.14 parents. However, if one parent in the household enrolls, both parents must enroll, unless
40.15 other insurance is available. If one child from a family is enrolled, all children must
40.16 be enrolled, unless other insurance is available. If one spouse in a household enrolls,
40.17 the other spouse in the household must also enroll, unless other insurance is available.
40.18 Families cannot choose to enroll only certain uninsured members.

40.19 (c) Beginning October 1, 2003, the dependent sibling definition no longer applies
40.20 to the MinnesotaCare program. These persons are no longer counted in the parental
40.21 household and may apply as a separate household.

40.22 (d) Beginning July 1, ~~2003~~ 2010, or upon federal approval, whichever is later,
40.23 parents are not eligible for MinnesotaCare if their gross income exceeds \$57,500.

40.24 (e) Children formerly enrolled in medical assistance and automatically deemed
40.25 eligible for MinnesotaCare according to section 256B.057, subdivision 2c, are exempt
40.26 from the requirements of this section until renewal.

40.27 Sec. 52. Minnesota Statutes 2009 Supplement, section 260C.212, subdivision 7,
40.28 is amended to read:

40.29 Subd. 7. **Administrative or court review of placements.** (a) There shall be an
40.30 administrative review of the out-of-home placement plan of each child placed in foster
40.31 care no later than 180 days after the initial placement of the child in foster care and at least
40.32 every six months thereafter if the child is not returned to the home of the parent or parents
40.33 within that time. The out-of-home placement plan must be monitored and updated at each
40.34 administrative review. The administrative review shall be conducted by the responsible

41.1 social services agency using a panel of appropriate persons at least one of whom is not
41.2 responsible for the case management of, or the delivery of services to, either the child or
41.3 the parents who are the subject of the review. The administrative review shall be open to
41.4 participation by the parent or guardian of the child and the child, as appropriate.

41.5 (b) As an alternative to the administrative review required in paragraph (a), the court
41.6 may, as part of any hearing required under the Minnesota Rules of Juvenile Protection
41.7 Procedure, conduct a hearing to monitor and update the out-of-home placement plan
41.8 pursuant to the procedure and standard in section 260C.201, subdivision 6, paragraph (d).
41.9 The party requesting review of the out-of-home placement plan shall give parties to the
41.10 proceeding notice of the request to review and update the out-of-home placement plan.
41.11 A court review conducted pursuant to section 260C.193; 260C.201, subdivision 1 or 11;
41.12 260C.141, subdivision 2 ~~or 2a, clause (2), or~~ 260C.317; or section 260D.06 shall satisfy
41.13 the requirement for the review so long as the other requirements of this section are met.

41.14 (c) As appropriate to the stage of the proceedings and relevant court orders, the
41.15 responsible social services agency or the court shall review:

- 41.16 (1) the safety, permanency needs, and well-being of the child;
41.17 (2) the continuing necessity for and appropriateness of the placement;
41.18 (3) the extent of compliance with the out-of-home placement plan;
41.19 (4) the extent of progress which has been made toward alleviating or mitigating the
41.20 causes necessitating placement in foster care;

41.21 (5) the projected date by which the child may be returned to and safely maintained in
41.22 the home or placed permanently away from the care of the parent or parents or guardian;
41.23 and

41.24 (6) the appropriateness of the services provided to the child.

41.25 (d) When a child is age 16 or older, in addition to any administrative review
41.26 conducted by the agency, at the review required under section 260C.201, subdivision 11,
41.27 paragraph (d), clause (3), item (iii); or 260C.317, subdivision 3, clause (3), the court shall
41.28 review the independent living plan required under subdivision 1, paragraph (c), clause
41.29 (11), and the provision of services to the child related to the well-being of the child as
41.30 the child prepares to leave foster care. The review shall include the actual plans related
41.31 to each item in the plan necessary to the child's future safety and well-being when the
41.32 child is no longer in foster care.

41.33 (1) At the court review, the responsible social services agency shall establish that
41.34 it has given the notice required under Minnesota Rules, part ~~9560.0060~~ 9560.0660,
41.35 regarding the right to continued access to services for certain children in foster care past
41.36 age 18 and of the right to appeal a denial of social services under section 256.045. If the

42.1 agency is unable to establish that the notice, including the right to appeal a denial of social
42.2 services, has been given, the court shall require the agency to give it.

42.3 (2) The court shall make findings regarding progress toward or accomplishment of
42.4 the following goals:

42.5 (i) the child has obtained a high school diploma or its equivalent;

42.6 (ii) the child has completed a driver's education course or has demonstrated the
42.7 ability to use public transportation in the child's community;

42.8 (iii) the child is employed or enrolled in postsecondary education;

42.9 (iv) the child has applied for and obtained postsecondary education financial aid for
42.10 which the child is eligible;

42.11 (v) the child has health care coverage and health care providers to meet the child's
42.12 physical and mental health needs;

42.13 (vi) the child has applied for and obtained disability income assistance for which
42.14 the child is eligible;

42.15 (vii) the child has obtained affordable housing with necessary supports, which does
42.16 not include a homeless shelter;

42.17 (viii) the child has saved sufficient funds to pay for the first month's rent and a
42.18 damage deposit;

42.19 (ix) the child has an alternative affordable housing plan, which does not include a
42.20 homeless shelter, if the original housing plan is unworkable;

42.21 (x) the child, if male, has registered for the Selective Service; and

42.22 (xi) the child has a permanent connection to a caring adult.

42.23 (3) The court shall ensure that the responsible agency in conjunction with the
42.24 placement provider assists the child in obtaining the following documents prior to the
42.25 child's leaving foster care: a Social Security card; the child's birth certificate; a state
42.26 identification card or driver's license, green card, or school visa; the child's school,
42.27 medical, and dental records; a contact list of the child's medical, dental, and mental health
42.28 providers; and contact information for the child's siblings, if the siblings are in foster care.

42.29 (e) When a child is age 17 or older, during the 90-day period immediately prior to
42.30 the date the child is expected to be discharged from foster care, the responsible social
42.31 services agency is required to provide the child with assistance and support in developing
42.32 a transition plan that is personalized at the direction of the child. The transition plan
42.33 must be as detailed as the child may elect and include specific options on housing, health
42.34 insurance, education, local opportunities for mentors and continuing support services,
42.35 and work force supports and employment services. The county shall also provide the

43.1 individual with appropriate contact information if the individual needs more information
43.2 or needs help dealing with a crisis situation through age 21.

43.3 Sec. 53. Minnesota Statutes 2008, section 260C.301, subdivision 1, is amended to read:

43.4 Subdivision 1. **Voluntary and involuntary.** The juvenile court may upon petition,
43.5 terminate all rights of a parent to a child:

43.6 (a) with the written consent of a parent who for good cause desires to terminate
43.7 parental rights; or

43.8 (b) if it finds that one or more of the following conditions exist:

43.9 (1) that the parent has abandoned the child;

43.10 (2) that the parent has substantially, continuously, or repeatedly refused or neglected
43.11 to comply with the duties imposed upon that parent by the parent and child relationship,
43.12 including but not limited to providing the child with necessary food, clothing, shelter,
43.13 education, and other care and control necessary for the child's physical, mental, or
43.14 emotional health and development, if the parent is physically and financially able, and
43.15 either reasonable efforts by the social services agency have failed to correct the conditions
43.16 that formed the basis of the petition or reasonable efforts would be futile and therefore
43.17 unreasonable;

43.18 (3) that a parent has been ordered to contribute to the support of the child or
43.19 financially aid in the child's birth and has continuously failed to do so without good cause.
43.20 This clause shall not be construed to state a grounds for termination of parental rights of a
43.21 noncustodial parent if that parent has not been ordered to or cannot financially contribute
43.22 to the support of the child or aid in the child's birth;

43.23 (4) that a parent is palpably unfit to be a party to the parent and child relationship
43.24 because of a consistent pattern of specific conduct before the child or of specific conditions
43.25 directly relating to the parent and child relationship either of which are determined by
43.26 the court to be of a duration or nature that renders the parent unable, for the reasonably
43.27 foreseeable future, to care appropriately for the ongoing physical, mental, or emotional
43.28 needs of the child. It is presumed that a parent is palpably unfit to be a party to the parent
43.29 and child relationship upon a showing that the parent's parental rights to one or more other
43.30 children were involuntarily terminated or that the parent's custodial rights to another child
43.31 have been involuntarily transferred to a relative under section 260C.201, subdivision 11,
43.32 paragraph (e), clause (1), or a similar law of another jurisdiction;

43.33 (5) that following the child's placement out of the home, reasonable efforts, under the
43.34 direction of the court, have failed to correct the conditions leading to the child's placement.
43.35 It is presumed that reasonable efforts under this clause have failed upon a showing that:

44.1 (i) a child has resided out of the parental home under court order for a cumulative
44.2 period of 12 months within the preceding 22 months. In the case of a child under age eight
44.3 at the time the petition was filed alleging the child to be in need of protection or services,
44.4 the presumption arises when the child has resided out of the parental home under court
44.5 order for six months unless the parent has maintained regular contact with the child and
44.6 the parent is complying with the out-of-home placement plan;

44.7 (ii) the court has approved the out-of-home placement plan required under section
44.8 260C.212 and filed with the court under section 260C.178;

44.9 (iii) conditions leading to the out-of-home placement have not been corrected. It
44.10 is presumed that conditions leading to a child's out-of-home placement have not been
44.11 corrected upon a showing that the parent or parents have not substantially complied with
44.12 the court's orders and a reasonable case plan; and

44.13 (iv) reasonable efforts have been made by the social services agency to rehabilitate
44.14 the parent and reunite the family.

44.15 This clause does not prohibit the termination of parental rights prior to one year, or
44.16 in the case of a child under age eight, prior to six months after a child has been placed
44.17 out of the home.

44.18 It is also presumed that reasonable efforts have failed under this clause upon a
44.19 showing that:

44.20 (A) the parent has been diagnosed as chemically dependent by a professional
44.21 certified to make the diagnosis;

44.22 (B) the parent has been required by a case plan to participate in a chemical
44.23 dependency treatment program;

44.24 (C) the treatment programs offered to the parent were culturally, linguistically,
44.25 and clinically appropriate;

44.26 (D) the parent has either failed two or more times to successfully complete a
44.27 treatment program or has refused at two or more separate meetings with a caseworker
44.28 to participate in a treatment program; and

44.29 (E) the parent continues to abuse chemicals.

44.30 (6) that a child has experienced egregious harm in the parent's care which is of a
44.31 nature, duration, or chronicity that indicates a lack of regard for the child's well-being,
44.32 such that a reasonable person would believe it contrary to the best interest of the child
44.33 or of any child to be in the parent's care;

44.34 (7) that in the case of a child born to a mother who was not married to the child's
44.35 father when the child was conceived nor when the child was born the person is not entitled

45.1 to notice of an adoption hearing under section 259.49 and the person has not registered
45.2 with the fathers' adoption registry under section 259.52;

45.3 (8) that the child is neglected and in foster care; or

45.4 (9) that the parent has been convicted of a crime listed in section 260.012, paragraph
45.5 ~~(b)~~ (g), clauses (1) to (3).

45.6 In an action involving an American Indian child, sections 260.751 to 260.835 and
45.7 the Indian Child Welfare Act, United States Code, title 25, sections 1901 to 1923, control
45.8 to the extent that the provisions of this section are inconsistent with those laws.

45.9 Sec. 54. Minnesota Statutes 2008, section 270.41, subdivision 5, is amended to read:

45.10 Subd. 5. **Prohibited activity.** A licensed assessor or other person employed by an
45.11 assessment jurisdiction or contracting with an assessment jurisdiction for the purpose
45.12 of valuing or classifying property for property tax purposes is prohibited from making
45.13 appraisals or analyses, accepting an appraisal assignment, or preparing an appraisal report
45.14 as defined in section ~~82B.02, subdivisions 2 to 5~~ 82B.021, subdivisions 2, 4, 6, and 7,
45.15 on any property within the assessment jurisdiction where the individual is employed or
45.16 performing the duties of the assessor under contract. Violation of this prohibition shall
45.17 result in immediate revocation of the individual's license to assess property for property tax
45.18 purposes. This prohibition must not be construed to prohibit an individual from carrying
45.19 out any duties required for the proper assessment of property for property tax purposes.
45.20 If a formal resolution has been adopted by the governing body of a governmental unit,
45.21 which specifies the purposes for which such work will be done, this prohibition does not
45.22 apply to appraisal activities undertaken on behalf of and at the request of the governmental
45.23 unit that has employed or contracted with the individual. The resolution may only allow
45.24 appraisal activities which are related to condemnations, right-of-way acquisitions, or
45.25 special assessments.

45.26 Sec. 55. Minnesota Statutes 2009 Supplement, section 270.97, is amended to read:

45.27 **270.97 DEPOSIT OF REVENUES.**

45.28 The commissioner shall deposit all revenues derived from the tax, interest, and
45.29 penalties received from the county in the contaminated site cleanup and development
45.30 account in the general fund, and money in the account is annually appropriated to the
45.31 commissioner of the Department of Employment and Economic Development, for the
45.32 purposes of section 116J.551.

46.1 Sec. 56. Minnesota Statutes 2009 Supplement, section 270C.445, subdivision 7,
46.2 is amended to read:

46.3 Subd. 7. **Enforcement; civil actions.** (a) Any violation of this section is an unfair,
46.4 deceptive, and unlawful trade practice within the meaning of section 8.31. An action taken
46.5 under this section ~~8.31~~ is in the public interest.

46.6 (b) A client may bring a civil action seeking redress for a violation of this section in
46.7 the conciliation or the district court of the county in which unlawful action is alleged to
46.8 have been committed or where the respondent resides or has a principal place of business.

46.9 (c) A court finding for the plaintiff must award:

46.10 (1) actual damages;

46.11 (2) incidental and consequential damages;

46.12 (3) statutory damages of twice the sum of: (i) the tax preparation fees; and (ii) if the
46.13 plaintiff violated subdivision 3a, 4, or 5b, all interest and fees for a refund anticipation
46.14 loan;

46.15 (4) reasonable attorney fees;

46.16 (5) court costs; and

46.17 (6) any other equitable relief as the court considers appropriate.

46.18 Sec. 57. Minnesota Statutes 2008, section 273.1115, subdivision 1, is amended to read:

46.19 Subdivision 1. **Definitions.** For purposes of this section, "commercial aggregate
46.20 deposit" and "actively mined" have the meanings given them in section 273.13,
46.21 subdivision 23, paragraph ~~(h)~~ (m).

46.22 Sec. 58. Minnesota Statutes 2008, section 273.1115, subdivision 3, is amended to read:

46.23 Subd. 3. **Application.** Application for valuation deferment under this section
46.24 must be filed by May 1 of the assessment year. Any application filed and granted
46.25 continues in effect for subsequent years until the property no longer qualifies, provided
46.26 that supplemental affidavits under subdivision 8 are timely filed. The application must
46.27 be filed with the assessor of the county in which the real property is located on such
46.28 form as may be prescribed by the commissioner of revenue. The application must be
46.29 executed and acknowledged in the manner required by law to execute and acknowledge a
46.30 deed and must contain at least the following information and any other information the
46.31 commissioner deems necessary:

46.32 (1) the legal description of the area;

46.33 (2) the name and address of owner;

47.1 (3) a copy of the affidavit filed under section 273.13, subdivision 23, paragraph ~~(t)~~
47.2 (m), when property is classified as:
47.3 ~~(i) 1b under section 273.13, subdivision 22, paragraph (b);~~
47.4 ~~(ii) 2a under section 273.13, subdivision 23;~~
47.5 ~~(iii) 2b under section 273.13, subdivision 23; or~~
47.6 ~~(iv) 2e under section 273.13, subdivision 23, paragraph (t)~~ (m).

47.7 In other cases, the application must include a similar document with the same
47.8 information as contained in the affidavit under section 273.13, subdivision 23, paragraph
47.9 ~~(t)~~ (m); and

47.10 (4) a statement of proof from the owner that the land contains a restrictive covenant
47.11 limiting its use for the property's surface to that which exists on the date of the application
47.12 and limiting its future use to the preparation and removal of the commercial aggregate
47.13 deposit under its surface. To qualify under this clause, the covenant must be binding on
47.14 the owner or the owner's successor or assignee, and run with the land, except as provided
47.15 in subdivision 5 allowing for the cancellation of the covenant under certain conditions.

47.16 Sec. 59. Minnesota Statutes 2008, section 273.124, subdivision 11, is amended to read:

47.17 Subd. 11. ~~Limitation on homestead treatment~~ **Property classified as homestead**
47.18 **and nonhomestead; reduction.** ~~(a) For taxes payable in 2003 through 2005 only, if the~~
47.19 ~~assessor has classified a property as both homestead and nonhomestead, the greater of:~~
47.20 ~~(1) the value attributable to the portion of the property used as a homestead; or~~
47.21 ~~(2) the homestead value amount determined under paragraph (b), is entitled to~~
47.22 ~~assessment as a homestead under section 273.13, subdivision 22 or 23.~~

47.23 ~~(b) For taxes payable in 2003 only, the homestead value amount is \$60,000. For~~
47.24 ~~taxes payable in 2004 only, the homestead value amount is \$45,000. For taxes payable in~~
47.25 ~~2005 only, the homestead value amount is \$30,000.~~

47.26 ~~The homestead value amount must not exceed the property's taxable market value.~~

47.27 ~~(c)~~ (e) If the assessor has classified a property as both homestead and nonhomestead, the
47.28 reductions in tax provided under sections 273.135 and 273.1391 apply to the value of both
47.29 the homestead and the nonhomestead portions of the property.

47.30 Sec. 60. Minnesota Statutes 2008, section 290.0921, subdivision 3a, is amended to
47.31 read:

47.32 Subd. 3a. **Exemptions.** The following entities are exempt from the tax imposed
47.33 by this section:

48.1 (1) cooperatives taxable under subchapter T of the Internal Revenue Code or
48.2 organized under chapter 308 or a similar law of another state;

48.3 (2) corporations subject to tax under section ~~60A.15, subdivision 1~~ 297I.05,
48.4 subdivisions 1 to 5;

48.5 (3) real estate investment trusts;

48.6 (4) regulated investment companies or a fund thereof;

48.7 (5) entities having a valid election in effect under section 860D(b) of the Internal
48.8 Revenue Code; and

48.9 (6) small corporations exempt from the federal alternative minimum tax under
48.10 section 55(e) of the Internal Revenue Code.

48.11 Sec. 61. Minnesota Statutes 2008, section 297A.61, subdivision 3, is amended to read:

48.12 Subd. 3. **Sale and purchase.** (a) "Sale" and "purchase" include, but are not limited
48.13 to, each of the transactions listed in this subdivision.

48.14 (b) Sale and purchase include:

48.15 (1) any transfer of title or possession, or both, of tangible personal property, whether
48.16 absolutely or conditionally, for a consideration in money or by exchange or barter; and

48.17 (2) the leasing of or the granting of a license to use or consume, for a consideration
48.18 in money or by exchange or barter, tangible personal property, other than a manufactured
48.19 home used for residential purposes for a continuous period of 30 days or more.

48.20 (c) Sale and purchase include the production, fabrication, printing, or processing of
48.21 tangible personal property for a consideration for consumers who furnish either directly or
48.22 indirectly the materials used in the production, fabrication, printing, or processing.

48.23 (d) Sale and purchase include the preparing for a consideration of food.

48.24 Notwithstanding section 297A.67, subdivision 2, taxable food includes, but is not limited
48.25 to, the following:

48.26 (1) prepared food sold by the retailer;

48.27 (2) soft drinks;

48.28 (3) candy;

48.29 (4) dietary supplements; and

48.30 (5) all food sold through vending machines.

48.31 (e) A sale and a purchase includes the furnishing for a consideration of electricity,
48.32 gas, water, or steam for use or consumption within this state.

48.33 (f) A sale and a purchase includes the transfer for a consideration of prewritten
48.34 computer software whether delivered electronically, by load and leave, or otherwise.

49.1 (g) A sale and a purchase includes the furnishing for a consideration of the following
49.2 services:

49.3 (1) the privilege of admission to places of amusement, recreational areas, or athletic
49.4 events, and the making available of amusement devices, tanning facilities, reducing
49.5 salons, steam baths, Turkish baths, health clubs, and spas or athletic facilities;

49.6 (2) lodging and related services by a hotel, rooming house, resort, campground,
49.7 motel, or trailer camp, including furnishing the guest of the facility with access to
49.8 telecommunication services, and the granting of any similar license to use real property
49.9 in a specific facility, other than the renting or leasing of it for a continuous period of
49.10 30 days or more under an enforceable written agreement that may not be terminated
49.11 without prior notice;

49.12 (3) nonresidential parking services, whether on a contractual, hourly, or other
49.13 periodic basis, except for parking at a meter;

49.14 (4) the granting of membership in a club, association, or other organization if:

49.15 (i) the club, association, or other organization makes available for the use of its
49.16 members sports and athletic facilities, without regard to whether a separate charge is
49.17 assessed for use of the facilities; and

49.18 (ii) use of the sports and athletic facility is not made available to the general public
49.19 on the same basis as it is made available to members.

49.20 Granting of membership means both onetime initiation fees and periodic membership
49.21 dues. Sports and athletic facilities include golf courses; tennis, racquetball, handball, and
49.22 squash courts; basketball and volleyball facilities; running tracks; exercise equipment;
49.23 swimming pools; and other similar athletic or sports facilities;

49.24 (5) delivery of aggregate materials by a third party, excluding delivery of aggregate
49.25 material used in road construction, and delivery of concrete block by a third party if
49.26 the delivery would be subject to the sales tax if provided by the seller of the concrete
49.27 block; and

49.28 (6) services as provided in this clause:

49.29 (i) laundry and dry cleaning services including cleaning, pressing, repairing, altering,
49.30 and storing clothes, linen services and supply, cleaning and blocking hats, and carpet,
49.31 drapery, upholstery, and industrial cleaning. Laundry and dry cleaning services do not
49.32 include services provided by coin operated facilities operated by the customer;

49.33 (ii) motor vehicle washing, waxing, and cleaning services, including services
49.34 provided by coin operated facilities operated by the customer, and rustproofing,
49.35 undercoating, and towing of motor vehicles;

50.1 (iii) building and residential cleaning, maintenance, and disinfecting services and
50.2 pest control and exterminating services;

50.3 (iv) detective, security, burglar, fire alarm, and armored car services; but not
50.4 including services performed within the jurisdiction they serve by off-duty licensed peace
50.5 officers as defined in section 626.84, subdivision 1, or services provided by a nonprofit
50.6 organization for monitoring and electronic surveillance of persons placed on in-home
50.7 detention pursuant to court order or under the direction of the Minnesota Department
50.8 of Corrections;

50.9 (v) pet grooming services;

50.10 (vi) lawn care, fertilizing, mowing, spraying and sprigging services; garden planting
50.11 and maintenance; tree, bush, and shrub pruning, bracing, spraying, and surgery; indoor
50.12 plant care; tree, bush, shrub, and stump removal, except when performed as part of a land
50.13 clearing contract as defined in section 297A.68, subdivision 40; and tree trimming for
50.14 public utility lines. Services performed under a construction contract for the installation of
50.15 shrubbery, plants, sod, trees, bushes, and similar items are not taxable;

50.16 (vii) massages, except when provided by a licensed health care facility or
50.17 professional or upon written referral from a licensed health care facility or professional for
50.18 treatment of illness, injury, or disease; and

50.19 (viii) the furnishing of lodging, board, and care services for animals in kennels and
50.20 other similar arrangements, but excluding veterinary and horse boarding services.

50.21 In applying the provisions of this chapter, the terms "tangible personal property"
50.22 and "retail sale" include taxable services listed in clause (6), items (i) to (vi) and (viii),
50.23 and the provision of these taxable services, unless specifically provided otherwise.

50.24 Services performed by an employee for an employer are not taxable. Services performed
50.25 by a partnership or association for another partnership or association are not taxable if
50.26 one of the entities owns or controls more than 80 percent of the voting power of the
50.27 equity interest in the other entity. Services performed between members of an affiliated
50.28 group of corporations are not taxable. For purposes of the preceding sentence, "affiliated
50.29 group of corporations" means those entities that would be classified as members of an
50.30 affiliated group as defined under United States Code, title 26, section 1504, disregarding
50.31 the exclusions in section 1504(b).

50.32 For purposes of clause (5), "road construction" means construction of (1) public
50.33 roads, (2) cartways, and (3) private roads in townships located outside of the seven-county
50.34 metropolitan area up to the point of the emergency response location sign.

50.35 (h) A sale and a purchase includes the furnishing for a consideration of tangible
50.36 personal property or taxable services by the United States or any of its agencies or

51.1 instrumentalities, or the state of Minnesota, its agencies, instrumentalities, or political
51.2 subdivisions.

51.3 (i) A sale and a purchase includes the furnishing for a consideration of
51.4 telecommunications services, ancillary services associated with telecommunication
51.5 services, cable television services, direct satellite services, and ring tones.

51.6 Telecommunication services include, but are not limited to, the following services,
51.7 as defined in section 297A.669: air-to-ground radiotelephone service, mobile
51.8 telecommunication service, postpaid calling service, prepaid calling service, prepaid
51.9 wireless calling service, and private communication services. The services in this
51.10 paragraph are taxed to the extent allowed under federal law.

51.11 (j) A sale and a purchase includes the furnishing for a consideration of installation if
51.12 the installation charges would be subject to the sales tax if the installation were provided
51.13 by the seller of the item being installed.

51.14 (k) A sale and a purchase includes the rental of a vehicle by a motor vehicle dealer
51.15 to a customer when (1) the vehicle is rented by the customer for a consideration, or (2)
51.16 the motor vehicle dealer is reimbursed pursuant to a service contract as defined in section
51.17 ~~65B.29~~ 59B.02, subdivision 1, ~~clause (1)~~ 11.

51.18 Sec. 62. Minnesota Statutes 2009 Supplement, section 299A.61, subdivision 1, is
51.19 amended to read:

51.20 Subdivision 1. **Establishment.** The commissioner of public safety, in cooperation
51.21 with the ~~commissioner of administration~~ Office of Enterprise Technology, shall develop
51.22 and maintain an integrated criminal alert network to facilitate the communication of
51.23 crime prevention information by electronic means among state agencies, law enforcement
51.24 officials, and the private sector. The network shall disseminate data regarding the
51.25 commission of crimes, including information on missing and endangered children or
51.26 vulnerable adults, and attempt to reduce theft and other crime by the use of electronic
51.27 transmission of information. In addition, the commissioner shall evaluate the feasibility
51.28 of using the network to disseminate data regarding the use of fraudulent checks and
51.29 the coordination of security and antiterrorism efforts with the Federal Bureau of
51.30 Investigation. If the commissioner determines that one or both of these uses are feasible,
51.31 the commissioner shall ensure that the network disseminates data in the area or areas
51.32 determined to be feasible.

51.33 Sec. 63. Minnesota Statutes 2008, section 309.72, is amended to read:

51.34 **309.72 ACQUISITION OF INTERESTS IN INSURANCE.**

52.1 An organization described in section 170(c) of the Internal Revenue Code of 1986,
52.2 as amended through December 31, 1991, may purchase, accept, or otherwise acquire an
52.3 interest in a life insurance policy as beneficiary or owner, as provided in section ~~61A.073~~
52.4 60A.0783, subdivision 2, paragraph (f).

52.5 Sec. 64. Minnesota Statutes 2008, section 325F.675, subdivision 6, is amended to read:

52.6 Subd. 6. **Nonapplicability to telephone companies.** No provisions of this section
52.7 shall be construed to prohibit a telephone company from obtaining, using, disclosing, or
52.8 permitting access to any telephone record, either directly or indirectly, through its agents:

52.9 (1) unless prohibited by law;

52.10 (2) with the lawful consent of the customer or subscriber;

52.11 (3) as may be necessarily incident to the rendition of the service, to initiate, render,
52.12 bill, and collect customer charges, or to the protection of the rights or property of the
52.13 provider of that service, or to protect users of those services and other carriers from
52.14 fraudulent, abusive, or unlawful use of, or subscription to, such services;

52.15 (4) in connection with the sale or transfer of all or part of a business, or the purchase
52.16 or acquisition of a portion or all of a business, or the migration of a customer from one
52.17 carrier to another;

52.18 (5) to a governmental entity, if the telephone company reasonably believes that an
52.19 emergency involving immediate danger of death or serious physical injury to any person
52.20 justifies disclosure of the information; or

52.21 (6) to the National Center for Missing and Exploited Children, in connection with
52.22 a report submitted under section ~~227~~ 226 of the federal Victims of Child Abuse Act of
52.23 1990, Public Law 101-647.

52.24 Sec. 65. Minnesota Statutes 2008, section 325F.732, subdivision 2, is amended to read:

52.25 Subd. 2. **Scope.** The requirements of Laws 1981, chapter 333, sections 1 to 17 do
52.26 not apply to the following:

52.27 (1) transactions at occasional "garage" or "yard" sales, or estate sales or farm
52.28 auctions held at the decedent's residence, except that precious metal dealers must comply
52.29 with the requirements of sections 325F.734 to 325F.742 for these transactions;

52.30 (2) transactions regulated by chapter 80A;

52.31 (3) transactions regulated by the Federal Commodity Futures Commission Act,
52.32 Public Law 93-463;

53.1 (4) transactions involving the purchase of precious metal grindings, filings, slag,
53.2 sweeps, scraps, or dust from an industrial manufacturer, dental lab, dentist, or agent
53.3 thereof;

53.4 (5) transactions involving the purchase of photographic film, such as lithographic and
53.5 X-ray film, or silver residue or flake recovered in lithographic and X-ray film processing;

53.6 (6) transactions involving coins, bullion, or ingots;

53.7 (7) transactions in which the second hand item containing precious metal is
53.8 exchanged for a new item containing precious metal and the value of the new item exceeds
53.9 the value of the secondhand item, except that a natural person, partnership or corporation
53.10 who is a precious metal dealer by engaging in a transaction which is not exempted by this
53.11 section must comply with the requirements of sections 325F.734 to 325F.742;

53.12 (8) transactions between precious metal dealers if both dealers are licensed under
53.13 section 325F.733 or if the seller's business is located outside of the state and the item is
53.14 shipped from outside the state to a dealer licensed under section 325F.733;

53.15 (9) transactions in which the buyer of the secondhand item containing precious
53.16 metal is engaged primarily in the business of buying and selling antiques, and the items
53.17 are resold in an unaltered condition except for repair, and the items are resold at retail,
53.18 and the buyer paid less than \$2,500 for secondhand items containing precious metals
53.19 purchased within any period of 12 consecutive months.

53.20 Sec. 66. Minnesota Statutes 2008, section 332.37, is amended to read:

53.21 **332.37 PROHIBITED PRACTICES.**

53.22 No collection agency or collector shall:

53.23 (1) in collection letters or publications, or in any communication, oral or written
53.24 threaten wage garnishment or legal suit by a particular lawyer, unless it has actually
53.25 retained the lawyer;

53.26 (2) use or employ sheriffs or any other officer authorized to serve legal papers in
53.27 connection with the collection of a claim, except when performing their legally authorized
53.28 duties;

53.29 (3) use or threaten to use methods of collection which violate Minnesota law;

53.30 (4) furnish legal advice or otherwise engage in the practice of law or represent that
53.31 it is competent to do so;

53.32 (5) communicate with debtors in a misleading or deceptive manner by using the
53.33 stationery of a lawyer, forms or instruments which only lawyers are authorized to prepare,
53.34 or instruments which simulate the form and appearance of judicial process;

54.1 (6) exercise authority on behalf of a creditor to employ the services of lawyers
54.2 unless the creditor has specifically authorized the agency in writing to do so and the
54.3 agency's course of conduct is at all times consistent with a true relationship of attorney
54.4 and client between the lawyer and the creditor;

54.5 (7) publish or cause to be published any list of debtors except for credit reporting
54.6 purposes, use shame cards or shame automobiles, advertise or threaten to advertise for
54.7 sale any claim as a means of forcing payment thereof, or use similar devices or methods
54.8 of intimidation;

54.9 (8) refuse to return any claim or claims and all valuable papers deposited with a
54.10 claim or claims upon written request of the creditor, claimant or forwarder after tender
54.11 of the amounts due and owing to the agency within 30 days after the request; refuse or
54.12 intentionally fail to account to its clients for all money collected within 30 days from the
54.13 last day of the month in which the same is collected; or, refuse or fail to furnish at intervals
54.14 of not less than 90 days upon written request of the claimant or forwarder, a written report
54.15 upon claims received from the claimant or forwarder;

54.16 (9) operate under a name or in a manner which implies that the agency is a branch
54.17 of or associated with any department of federal, state, county or local government or
54.18 an agency thereof;

54.19 (10) commingle money collected for a customer with the agency's operating funds
54.20 or use any part of a customer's money in the conduct of the agency's business;

54.21 (11) transact business or hold itself out as a debt prorater, debt adjuster, or any
54.22 person who settles, adjusts, prorates, pools, liquidates or pays the indebtedness of a debtor,
54.23 unless there is no charge to the debtor, or the pooling or liquidation is done pursuant to
54.24 court order or under the supervision of a creditor's committee;

54.25 (12) violate any of the provisions of the Fair Debt Collection Practices Act of 1977,
54.26 Public Law 95-109, while attempting to collect on any account, bill or other indebtedness;

54.27 (13) communicate with a debtor by use of a recorded message utilizing an automatic
54.28 dialing announcing device unless the recorded message is immediately preceded by a live
54.29 operator who discloses prior to the message the name of the collection agency and the
54.30 fact the message intends to solicit payment and the operator obtains the consent of the
54.31 debtor to hearing the message;

54.32 (14) in collection letters or publications, or in any communication, oral or written,
54.33 imply or suggest that health care services will be withheld in an emergency situation;

54.34 (15) when a debtor has a listed telephone number, enlist the aid of a neighbor or
54.35 third party to request that the debtor contact the licensee or collector, except a person who
54.36 resides with the debtor or a third party with whom the debtor has authorized the licensee

55.1 or collector to place the request. This clause does not apply to a call back message left at
55.2 the debtor's place of employment which is limited to the licensee's or collector's telephone
55.3 number and name;

55.4 (16) when attempting to collect a debt, fail to provide the debtor with the full name
55.5 of the collection agency as it appears on its license;

55.6 (17) collect any money from a debtor that is not reported to a creditor or fail to
55.7 return any amount of overpayment from a debtor to the debtor or to the state of Minnesota
55.8 pursuant to the requirements of chapter 345;

55.9 (18) accept currency or coin as payment for a debt without issuing an original receipt
55.10 to the debtor and maintaining a duplicate receipt in the debtor's payment records;

55.11 (19) attempt to collect any amount of money from a debtor or charge a fee to a
55.12 creditor that is not authorized by agreement with the client;

55.13 (20) falsify any collection agency documents with the intent to deceive a debtor,
55.14 creditor, or governmental agency; or

55.15 (21) when initially contacting a Minnesota debtor by mail, fail to include a disclosure
55.16 on the contact notice, in a type size or font which is equal to or larger than the largest other
55.17 type of type size or font used in the text of the notice. The disclosure must state: "This
55.18 collection agency is licensed by the Minnesota Department of Commerce."

55.19 Sec. 67. Minnesota Statutes 2008, section 332.40, subdivision 2, is amended to read:

55.20 Subd. 2. **Other examinations.** The commissioner may investigate within or
55.21 without this state as the commissioner deems necessary to determine whether any person
55.22 has violated any provision of the Fair Debt Collection Practices Act of 1977, Public Law
55.23 95-109 or of sections 332.31 to 332.45, or any rule or order thereunder; to determine
55.24 whether a license or registration should be issued, renewed, or revoked; to aid in the
55.25 enforcement of sections 332.31 to 332.45; or in prescribing rules and forms thereunder.
55.26 The commissioner may publish information concerning any violation of sections 332.31
55.27 to 332.45 or any rule or order thereunder.

55.28 Sec. 68. Minnesota Statutes 2008, section 332.52, subdivision 3, is amended to read:

55.29 Subd. 3. **Credit services organization.** (a) "Credit services organization" means
55.30 any person that, with respect to the extension of credit by others, sells, provides, performs,
55.31 or represents that the person will sell, provide, or perform, in return for the payment of
55.32 money or other valuable consideration, any of the following services:

55.33 (1) improve a buyer's credit record, history, or rating;

55.34 (2) obtain an extension of credit for a buyer; or

56.1 (3) provide advice or assistance to a buyer with regard to either clause (1) or (2).

56.2 (b) "Credit services organization" does not include:

56.3 (1) any person authorized to make loans or extensions of credit under the laws of
56.4 this state or the United States, if the person is subject to regulation and supervision by this
56.5 state or the United States or a lender approved by the United States Secretary of Housing
56.6 and Urban Development for participation in any mortgage insurance program under the
56.7 National Housing Act, United States Code, title 12, section 1701 et seq.;

56.8 (2) any bank, savings bank, or savings and loan institution whose deposits or
56.9 accounts are eligible for insurance by the Federal Deposit Insurance Corporation or a
56.10 subsidiary of the bank, savings bank, or savings and loan institution;

56.11 (3) any credit union, federal credit union, or out-of-state credit union doing business
56.12 in this state;

56.13 (4) any nonprofit organization exempt from taxation under section 501(c)(3) of the
56.14 Internal Revenue Code of 1986, as amended through December 31, 1990;

56.15 (5) any person licensed as a prorating agency under the laws of this state if the
56.16 person is acting within the course and scope of that license;

56.17 (6) any person licensed as a real estate broker by this state if the person is acting
56.18 within the course and scope of that license;

56.19 (7) any person licensed as a collection agency under the laws of this state if the
56.20 person is acting within the course and scope of that license;

56.21 (8) any person licensed to practice law in this state if the person renders services
56.22 within the course and scope of practice as an attorney;

56.23 (9) any broker-dealer registered with the Securities and Exchange Commission
56.24 or the Commodity Futures Trading Commission if the broker-dealer is acting within
56.25 the course and scope of that regulation; or

56.26 (10) any consumer reporting agency as defined in the federal Fair Credit Reporting
56.27 Act, United States Code, title 15, sections 1681 to 1681t, as amended through December
56.28 31, 1990.

56.29 Sec. 69. Minnesota Statutes 2009 Supplement, section 332B.07, subdivision 1, is
56.30 amended to read:

56.31 Subdivision 1. **Debtor's right to cancel.** (a) A debtor has the right to cancel a debt
56.32 settlement services agreement without cause at any time upon ten days' written notice
56.33 to the debt settlement services provider.

56.34 (b) In the event of cancellation, the debt settlement services provider must, within
56.35 ten days of the cancellation, notify the debtor's creditors with whom the debt settlement

57.1 services provider is or has been, under the terms of the debt settlement agreement, in
57.2 communication, of the cancellation and immediately refund all fees paid by the debtor to
57.3 the debt settlement services provider that exceed the fees allowed under section 332B.09.

57.4 (c) Upon cancellation, the debt settlement services provider must cease collection of
57.5 any monthly fees beginning in the month following cancellation.

57.6 (d) Notwithstanding paragraph (c), a debt settlement services provider is entitled to
57.7 the full amount of the fees provided for in the debt settlement services agreement if the
57.8 provider can show that:

57.9 (1) the provider obtained a settlement offer from the creditor or creditors in
57.10 accordance with the debt settlement services agreement;

57.11 (2) the debtor rejected the settlement offer; or

57.12 (3) within the period contemplated in the debt settlement services agreement, the
57.13 debtor entered into a settlement agreement with the same creditor or creditors for an
57.14 amount equal to or lower than the settlement offer obtained by the provider.

57.15 Sec. 70. Minnesota Statutes 2009 Supplement, section 332B.07, subdivision 4, is
57.16 amended to read:

57.17 Subd. 4. **Debt settlement services provider's right to cancel.** (a) A debt settlement
57.18 services provider may cancel a debt settlement services agreement with good cause upon
57.19 30 days' written notice to the debtor.

57.20 (b) Within ten days after the cancellation, the debt settlement services provider
57.21 must notify the debtor's creditors with whom the debt settlement services provider is or
57.22 has been, under the terms of the debt settlement services agreement, in communication,
57.23 of the cancellation.

57.24 (c) Upon cancellation, the debt settlement services provider must cease collection of
57.25 any monthly fees beginning in the month following cancellation.

57.26 ~~(d) A debt settlement services provider is entitled to the full amount of the fees~~
57.27 ~~provided for in the debt settlement services agreement if the provider can show that:~~

57.28 ~~(1) the provider obtained a settlement offer from the creditor or creditors in~~
57.29 ~~accordance with the debt settlement services agreement;~~

57.30 ~~(2) the debtor rejected the settlement offer; or~~

57.31 ~~(3) within the period contemplated in the debt settlement services agreement, the~~
57.32 ~~debtor entered into a settlement agreement with the same creditor or creditors for an~~
57.33 ~~amount equal to or lower than the settlement offer obtained by the provider.~~

58.1 Sec. 71. Minnesota Statutes 2009 Supplement, section 332B.09, subdivision 3, is
58.2 amended to read:

58.3 Subd. 3. **Fees as a percentage of savings.** (a) The total amount of the fees claimed,
58.4 demanded, charged, collected, or received under this subdivision shall be calculated as 30
58.5 percent of the savings actually negotiated by the debt settlement services provider. The
58.6 savings shall be calculated as the difference between the aggregate debt that is stated
58.7 in the debt settlement services agreement at the time of its execution and total amount
58.8 that the debtor actually pays to settle all the debts stated in the debt settlement services
58.9 agreement, provided that only savings resulting from concessions actually negotiated by
58.10 the debt settlement services provider may be counted. A debt settlement services provider
58.11 that calculates fees as a percentage of ~~debt~~ savings may:

58.12 (1) charge an origination fee, which may be designated by the debt settlement
58.13 services provider as nonrefundable, of:

58.14 (i) \$300 on aggregate debt of less than \$20,000; or

58.15 (ii) \$500 on aggregate debt of \$20,000 or more;

58.16 (2) charge a monthly fee of:

58.17 (i) no greater than \$65 on aggregate debt of less than \$40,000; and

58.18 (ii) no greater than \$75 on aggregate debt of \$40,000 or more; and

58.19 (3) charge a settlement fee for the remainder of the allowable fees, which may be
58.20 demanded and collected no earlier than upon delivery to the debt settlement services
58.21 provider by a creditor of a bona fide, final written settlement offer consistent with the
58.22 terms of the debt settlement services agreement. A settlement fee may be assessed for each
58.23 debt settled, but the sum total of the origination fee, the monthly fee, and the settlement
58.24 fee may not exceed 30 percent of the savings, as calculated under paragraph (a).

58.25 (b) The collection of monthly fees shall cease under this subdivision when the
58.26 total of monthly fees and the origination fee equals 50 percent of the total fees allowable
58.27 under this subdivision. For the purposes of this subdivision, 50 percent of the total fees
58.28 allowable shall assume a settlement of 50 cents on the dollar.

58.29 (c) In no event may more than 50 percent of the total amount of fees allowable be
58.30 claimed, demanded, charged, collected, or received by a debt settlement services provider
58.31 any earlier than upon delivery to the debt settlement services provider by a creditor of a
58.32 bona fide, final written settlement offer consistent with the terms of the debt settlement
58.33 services agreement.

58.34 Sec. 72. Minnesota Statutes 2008, section 374.02, is amended to read:

58.35 **374.02 EXPENSE DIVIDED.**

59.1 The county and city shall share equally in the cost of acquiring land for constructing,
59.2 equipping, and furnishing the building. The building shall not be constructed or contracted
59.3 to be constructed, no land shall be acquired, and no bonds shall be issued or sold by the
59.4 county, ~~as provided in section 374.03,~~ until the city has been authorized to issue bonds to
59.5 pay its share of the cost and the ordinances providing for the bond issue have been ratified
59.6 by the vote of the electors of the city in the manner provided in the city charter or by law.

59.7 Sec. 73. Minnesota Statutes 2009 Supplement, section 424A.02, subdivision 10,
59.8 is amended to read:

59.9 Subd. 10. **Local approval of bylaw amendments; filing requirements.** (a) Each
59.10 defined benefit relief association to which this section applies must file a revised copy
59.11 of its governing bylaws with the state auditor upon the adoption of any amendment to
59.12 its governing bylaws by the relief association or upon the approval of any amendment
59.13 to its governing bylaws granted by the governing body of each municipality served by
59.14 the fire department to which the relief association is directly associated. Failure of the
59.15 relief association to file a copy of the bylaws or any bylaw amendments with the state
59.16 auditor disqualifies the municipality from the distribution of any future fire state aid until
59.17 this filing requirement has been completed.

59.18 (b) If the special fund of the relief association does not have a surplus over full
59.19 funding under section 69.772, subdivision 3, ~~clause (2), subclause (c) paragraph (c),~~
59.20 clause (5), or 69.773, subdivision 4, and if the municipality is required to provide financial
59.21 support to the special fund of the relief association under section 69.772 or 69.773, no
59.22 bylaw amendment which would affect the amount of, the manner of payment of, or the
59.23 conditions for qualification for service pensions or ancillary benefits or disbursements
59.24 other than administrative expenses authorized under section 69.80 payable from the
59.25 special fund of the relief association is effective until it has been ratified by the governing
59.26 body or bodies of the appropriate municipalities. If the municipality is not required to
59.27 provide financial support to the special fund under this section, the relief association may
59.28 adopt or amend without municipal ratification its articles of incorporation or bylaws
59.29 which increase or otherwise affect the service pensions or ancillary benefits payable
59.30 from the special fund so long as the changes do not cause the amount of the resulting
59.31 increase in the accrued liability of the special fund to exceed 90 percent of the amount
59.32 of the surplus over full funding reported in the prior year and the changes do not result
59.33 in the financial requirements of the special fund exceeding the expected amount of the
59.34 subsequent calendar year's fire state aid to be received by the relief association.

60.1 (c) If the relief association pays only a lump-sum pension, the financial requirements
60.2 are to be determined by the board of trustees following the preparation of an estimate
60.3 of the expected increase in the accrued liability and annual accruing liability of the
60.4 relief association attributable to the change. If the relief association pays a monthly
60.5 benefit service pension, the financial requirements are to be determined by the board of
60.6 trustees following either an updated actuarial valuation including the proposed change
60.7 or an estimate of the expected actuarial impact of the proposed change prepared by the
60.8 actuary of the relief association. If a relief association adopts or amends its articles
60.9 of incorporation or bylaws without municipal ratification under this subdivision, and,
60.10 subsequent to the amendment or adoption, the financial requirements of the special fund
60.11 under this section are such so as to require financial support from the municipality, the
60.12 provision which was implemented without municipal ratification is no longer effective
60.13 without municipal ratification, and any service pensions or ancillary benefits payable after
60.14 that date must be paid only in accordance with the articles of incorporation or bylaws as
60.15 amended or adopted with municipal ratification.

60.16 Sec. 74. Minnesota Statutes 2008, section 469.154, subdivision 3, is amended to read:

60.17 Subd. 3. **Conditions; approval.** No municipality or redevelopment agency shall
60.18 undertake any project authorized by sections 469.152 to 469.165, except a project referred
60.19 to in section 469.153, subdivision 2, paragraph (g) or (j), unless its governing body finds
60.20 that the project furthers the purposes stated in section 469.152, nor until the commissioner
60.21 has approved the project, on the basis of preliminary information the commissioner
60.22 requires, as tending to further the purposes and policies of sections 469.152 to 469.165.
60.23 ~~The commissioner may not approve any projects relating to health care facilities except as~~
60.24 ~~permitted under subdivision 6.~~ Approval shall not be deemed to be an approval by the
60.25 commissioner or the state of the feasibility of the project or the terms of the revenue
60.26 agreement to be executed or the bonds to be issued therefor, and the commissioner shall
60.27 state this in communicating approval.

60.28 Sec. 75. Minnesota Statutes 2008, section 473.599, subdivision 8, is amended to read:

60.29 Subd. 8. **Reimbursement to state.** The commission shall compensate the state for
60.30 its contribution from the general fund under Minnesota Statutes 2008, section 240A.08,
60.31 plus accrued interest, after payment of basketball and hockey arena debt service, the
60.32 necessary and appropriate funding of debt reserve of the basketball and hockey arena and
60.33 all expenses of operation, administration, and maintenance and the funding of a capital
60.34 reserve for the repair, remodeling and renovation of the basketball and hockey arena.

61.1 Compensation paid to the state shall occur at the same time that compensation is paid to the
61.2 city of Minneapolis, as provided in paragraph (n) of subdivision 4, on a basis proportionate
61.3 to the amount of forbearance of the entertainment tax or surcharge as provided in
61.4 paragraph (n) to that date, and the amount of general fund appropriations paid by the state
61.5 under Minnesota Statutes 2008, section 240A.08₂ to that date. No reimbursement will be
61.6 paid under this subdivision after (1) the aggregate amount of the appropriations granted
61.7 under Minnesota Statutes 2008, section 240A.08₂ to that time, plus accrued interest, has
61.8 been reimbursed under this subdivision, or (2) December 31, 2024, whichever is earlier.

61.9 Sec. 76. Minnesota Statutes 2008, section 490.133, is amended to read:

61.10 **490.133 RETIREMENT; TRANSITION PROVISIONS; TRANSFER TO**
61.11 **COURT OF APPEALS.**

61.12 (a) If a judge to whom or to whose survivors benefits would be payable under
61.13 Minnesota Statutes 2004, sections 490.101 to 490.12, is elected or appointed to the Court
61.14 of Appeals, that judge and the judge's survivors continue to be eligible for benefits under
61.15 those sections and not under sections 490.121 to ~~490.132~~ 490.126.

61.16 (b) In the case of a judge to whom paragraph (a) applies, the service of the judge in
61.17 the Court of Appeals must be added to the prior service as district judge, probate judge, or
61.18 judge of any other court of record in determining eligibility and the compensation of a
61.19 judge of the Court of Appeals at the time of the judge's death, disability, or retirement is
61.20 the "compensation allotted to the office" for the purposes of calculating benefit amounts.

61.21 (c) All other judges of the Court of Appeals and their survivors are subject to the
61.22 retirement and survivor's annuity provisions of this chapter.

61.23 Sec. 77. Minnesota Statutes 2008, section 507.071, subdivision 16, is amended to read:

61.24 Subd. 16. **Disclaimer by beneficiary.** A grantee beneficiary's interest under a
61.25 transfer on death deed may be disclaimed as provided in ~~section 501B.86~~ sections
61.26 524.2-1101 to 524.2-1116, or as otherwise provided by law.

61.27 Sec. 78. Minnesota Statutes 2008, section 515B.1-102, is amended to read:

61.28 **515B.1-102 APPLICABILITY.**

61.29 (a) Except as provided in this section, this chapter, and not chapters 515 and 515A,
61.30 applies to all common interest communities created within this state on and after June
61.31 1, 1994.

61.32 (b) The applicability of this chapter to common interest communities created prior to
61.33 June 1, 1994, shall be as follows:

62.1 (1) This chapter shall apply to condominiums created under chapter 515A with
62.2 respect to events and circumstances occurring on and after June 1, 1994; provided (i) that
62.3 this chapter shall not invalidate the declarations, bylaws or condominium plats of those
62.4 condominiums, and (ii) that chapter 515A, and not this chapter, shall govern all rights and
62.5 obligations of a declarant of a condominium created under chapter 515A, and the rights
62.6 and claims of unit owners against that declarant.

62.7 (2) The following sections in this chapter apply to condominiums created under
62.8 chapter 515: 515B.1-104 (Variation by Agreement); 515B.1-105 (Separate Titles and
62.9 Taxation); 515B.1-106 (Applicability of Local Ordinances, Regulations, and Building
62.10 Codes); 515B.1-107 (Eminent Domain); 515B.1-108 (Supplemental General Principles
62.11 of Law Applicable); 515B.1-109 (Construction Against Implicit Repeal); 515B.1-112
62.12 (Unconscionable Agreement or Term of Contract); 515B.1-113 (Obligation of Good
62.13 Faith); 515B.1-114 (Remedies to be Liberally Administered); 515B.1-115 (Notice);
62.14 515B.1-116 (Recording); 515B.2-103 (Construction and Validity of Declaration and
62.15 Bylaws); 515B.2-104 (Description of Units); 515B.2-108(d) (Allocation of Interests);
62.16 515B.2-109(c) (Common Elements and Limited Common Elements); 515B.2-112
62.17 (Subdivision or Conversion of Units); 515B.2-113 (Alteration of Units); 515B.2-114
62.18 (Relocation of Boundaries Between Adjoining Units); 515B.2-115 (Minor Variations
62.19 in Boundaries); 515B.2-118 (Amendment of Declaration); 515B.2-119 (Termination
62.20 of Common Interest Community); 515B.3-102 (Powers of Unit Owners' Association);
62.21 515B.3-103(a), (b), and (g) (Board; Directors and Officers; Period of Declarant Control);
62.22 515B.3-107 (Upkeep of Common Interest Community); 515B.3-108 (Meetings);
62.23 515B.3-109 (Quorums); 515B.3-110 (Voting; Proxies); 515B.3-111 (Tort and Contract
62.24 Liability); 515B.3-112 (Conveyance or Encumbrance of Common Elements); 515B.3-113
62.25 (Insurance); 515B.3-114 (Reserves; Surplus Funds); 515B.3-115(c), (e), (f), (g), (h), and
62.26 (i) (Assessments for Common Expenses); 515B.3-116 (Lien for Assessments); 515B.3-117
62.27 (Other Liens); 515B.3-118 (Association Records); 515B.3-119 (Association as Trustee);
62.28 515B.3-121 (Accounting Controls); 515B.4-107 (Resale of Units); 515B.4-108
62.29 (Purchaser's Right to Cancel Resale); and 515B.4-116 (Rights of Action; Attorney's Fees).
62.30 Section 515B.1-103 (Definitions) shall apply to the extent necessary in construing any of
62.31 the sections referenced in this section. Sections 515B.1-105, 515B.1-106, 515B.1-107,
62.32 515B.1-116, 515B.2-103, 515B.2-104, 515B.2-118, 515B.3-102, 515B.3-110,
62.33 515B.3-111, 515B.3-113, 515B.3-116, 515B.3-117, 515B.3-118, 515B.3-121, 515B.4-107,
62.34 515B.4-108, and 515B.4-116 apply only with respect to events and circumstances
62.35 occurring on and after June 1, 1994. All other sections referenced in this section apply
62.36 only with respect to events and circumstances occurring after July 31, 1999. A section

63.1 referenced in this section does not invalidate the declarations, bylaws or condominium
63.2 plats of condominiums created before August 1, 1999. But all sections referenced in this
63.3 section prevail over the declarations, bylaws, CIC plats, rules and regulations under them,
63.4 of condominiums created before August 1, 1999, except to the extent that this chapter
63.5 defers to the declarations, bylaws, CIC plats, or rules and regulations issued under them.

63.6 (3) This chapter shall not apply to cooperatives and planned communities created
63.7 prior to June 1, 1994; except by election pursuant to subsection (d), and except that
63.8 sections 515B.1-116, subsections (a), (c), (d), and (e), ~~(f), and (h)~~, 515B.4-107, and
63.9 515B.4-108, apply to all planned communities and cooperatives regardless of when they
63.10 are created, unless they are exempt under subsection (e).

63.11 (c) This chapter shall not invalidate any amendment to the declaration, bylaws
63.12 or condominium plat of any condominium created under chapter 515 or 515A if the
63.13 amendment was recorded before June 1, 1994. Any amendment recorded on or after June
63.14 1, 1994, shall be adopted in conformity with the procedures and requirements specified by
63.15 those instruments and by this chapter. If the amendment grants to any person any rights,
63.16 powers or privileges permitted by this chapter, all correlative obligations, liabilities and
63.17 restrictions contained in this chapter shall also apply to that person.

63.18 (d) Any condominium created under chapter 515, any planned community or
63.19 cooperative which would be exempt from this chapter under subsection (e), or any planned
63.20 community or cooperative created prior to June 1, 1994, may elect to be subject to this
63.21 chapter, as follows:

63.22 (1) The election shall be accomplished by recording a declaration or amended
63.23 declaration, and a new or amended CIC plat where required, and by approving bylaws or
63.24 amended bylaws, which conform to the requirements of this chapter, and which, in the
63.25 case of amendments, are adopted in conformity with the procedures and requirements
63.26 specified by the existing declaration and bylaws of the common interest community,
63.27 and by any applicable statutes.

63.28 (2) In a condominium, the preexisting condominium plat shall be the CIC plat and
63.29 an amended CIC plat shall be required only if the amended declaration or bylaws contain
63.30 provisions inconsistent with the preexisting condominium plat. The condominium's CIC
63.31 number shall be the apartment ownership number or condominium number originally
63.32 assigned to it by the recording officer. In a cooperative in which the unit owners' interests
63.33 are characterized as real estate, a CIC plat shall be required. In a planned community, the
63.34 preexisting plat recorded pursuant to chapter 505, 508, or 508A, or the part of the plat
63.35 upon which the common interest community is located, shall be the CIC plat.

63.36 (3) The amendment shall comply with section 515B.2-118(a)(3).

64.1 (4) Except as permitted by paragraph (3), no declarant, affiliate of declarant,
64.2 association, master association nor unit owner may acquire, increase, waive, reduce or
64.3 revoke any previously existing warranty rights or causes of action that one of said persons
64.4 has against any other of said persons by reason of exercising the right of election under
64.5 this subsection.

64.6 (5) A common interest community which elects to be subject to this chapter may, as
64.7 a part of the election process, change its form of ownership by complying with section
64.8 515B.2-123.

64.9 (e) Except as otherwise provided in this subsection, this chapter shall not apply,
64.10 except by election pursuant to subsection (d), to the following:

64.11 (1) a planned community which consists of two units, which utilizes a CIC plat
64.12 complying with section 515B.2-110(d)(1) and (2), which is not subject to any rights to
64.13 subdivide or convert units or to add additional real estate, and which is not subject to a
64.14 master association;

64.15 (2) a common interest community where the units consist solely of separate parcels
64.16 of real estate designed or utilized for detached single family dwellings or agricultural
64.17 purposes, and where the association or a master association has no obligation to maintain
64.18 any building containing a dwelling or any agricultural building;

64.19 (3) a cooperative where, at the time of creation of the cooperative, the unit owners'
64.20 interests in the dwellings as described in the declaration consist solely of proprietary
64.21 leases having an unexpired term of fewer than 20 years, including renewal options;

64.22 (4) planned communities utilizing a CIC plat complying with section
64.23 515B.2-110(d)(1) and (2) and cooperatives, which are limited by the declaration to
64.24 nonresidential use; or

64.25 (5) real estate subject only to an instrument or instruments filed primarily for the
64.26 purpose of creating or modifying rights with respect to access, utilities, parking, ditches,
64.27 drainage, or irrigation.

64.28 (f) Section 515B.4-101(e) applies to any platted lot or other parcel of real estate that
64.29 is subject to a master declaration and is not subject to or is exempt from this chapter.

64.30 (g) Section 515B.1-106 shall apply to all common interest communities.

64.31 Sec. 79. Minnesota Statutes 2009 Supplement, section 524.5-701, is amended to read:

64.32 **524.5-701 DEFINITIONS; SIGNIFICANT CONNECTION FACTORS.**

64.33 (a) In sections 524.5-701 to 524.5-709:

64.34 (1) "emergency" means a circumstance that likely will result in substantial harm to
64.35 a respondent's health, safety, or welfare, and for which the appointment of a guardian is

65.1 necessary because no other person has authority and is willing to act on the respondent's
65.2 behalf;

65.3 (2) "home state" means the state in which the respondent was physically present,
65.4 including any period of temporary absence, for at least six consecutive months
65.5 immediately before the filing of a petition for a protective order or the appointment of a
65.6 guardian; or if none, the state in which the respondent was physically present, including
65.7 any period of temporary absence, for at least six consecutive months ending within the six
65.8 months prior to the filing of the petition; and

65.9 (3) "significant-connection state" means a state, other than the home state, with
65.10 which a respondent has a significant connection other than mere physical presence and in
65.11 which substantial evidence concerning the respondent is available.

65.12 (b) In determining under sections ~~534.5-703~~ 524.5-703 and 524.5-801, paragraph
65.13 (e), whether a respondent has a significant connection with a particular state, the court
65.14 shall consider:

65.15 (1) the location of the respondent's family and other persons required to be notified
65.16 of the guardianship or protective proceeding;

65.17 (2) the length of time the respondent at any time was physically present in the state
65.18 and the duration of any absence;

65.19 (3) the location of the respondent's property; and

65.20 (4) the extent to which the respondent has ties to the state such as voting registration,
65.21 state or local tax return filing, vehicle registration, driver's license, social relationship,
65.22 and receipt of services.

65.23 Sec. 80. Minnesota Statutes 2009 Supplement, section 571.914, subdivision 4, is
65.24 amended to read:

65.25 Subd. 4. **Duties of financial institution if objection is made to exemption claim.**

65.26 Upon receipt of a Notice of Objection and Notice of Hearing from the creditor within
65.27 the specified ~~seven-day~~ six-day period, the financial institution shall retain the funds
65.28 claimed to be exempt. The financial institution shall retain the funds claimed to be exempt
65.29 until otherwise ordered by the court, upon mutual agreement of the parties, or until the
65.30 garnishment lapses pursuant to section 571.79.

65.31 Sec. 81. Minnesota Statutes 2009 Supplement, section 626.557, subdivision 20,
65.32 is amended to read:

65.33 Subd. 20. **Cause of action for financial exploitation; damages.** (a) A vulnerable
65.34 adult who is a victim of financial exploitation as defined in section 626.5572, subdivision

66.1 9, has a cause of action against a person who committed the financial exploitation. In an
66.2 action under this subdivision, the vulnerable adult is entitled to recover damages equal to
66.3 three times the amount of compensatory damages or \$10,000, whichever is greater.

66.4 (b) In addition to damages under paragraph (a), the vulnerable adult is entitled to
66.5 recover reasonable attorney fees and costs, including reasonable fees for the services of a
66.6 guardian or conservator or guardian ad litem incurred in connection with a claim under
66.7 this subdivision.

66.8 (c) An action may be brought under this subdivision regardless of whether there has
66.9 been a report or final disposition under this section or a criminal complaint or conviction
66.10 related to the financial exploitation.

66.11 Sec. 82. Laws 2009, chapter 78, article 8, section 22, subdivision 3, is amended to read:

66.12 Subd. 3. **Definitions.** For purposes of this section:

66.13 (1) "applicant" means a local government unit;

66.14 (2) "commissioner" means the commissioner of the Department of Employment and
66.15 Economic Development;

66.16 (3) "eligible transportation project entirely or partially funded by state or federal
66.17 funds" means a project that will affect one or more small businesses as a result of
66.18 transportation work because the work is anticipated to impair road access for a minimum
66.19 period of one month;

66.20 (4) "local government unit" means a county, statutory or home rule charter city,
66.21 town, special district, or other political subdivision;

66.22 (5) "project" has the meaning given it in Minnesota Statutes, section ~~161.2415~~
66.23 160.165; and

66.24 (6) "small business" means a business that employs ten or fewer employees and is
66.25 located in an area that is adjacent to an eligible project.

66.26 Sec. 83. Laws 2009, chapter 79, article 10, section 48, is amended to read:

66.27 Sec. 48. **MEDICAL RESPONSE UNIT REIMBURSEMENT PILOT**
66.28 **PROGRAM.**

66.29 (a) The Department of Public Safety or its contract designee shall collaborate
66.30 with the Minnesota Ambulance Association to create the parameters of the medical
66.31 response unit reimbursement pilot program, including determining criteria for baseline
66.32 data reporting.

67.1 (b) In conducting the pilot program, the Department of Public Safety must consult
67.2 with the Minnesota Ambulance Association, Minnesota Fire Chiefs Association,
67.3 Emergency Services Regulatory Board, and the Minnesota Council of Health Plans to:

67.4 (1) identify no more than five medical response units registered as medical response
67.5 units with the Minnesota Emergency Medical Services Regulatory Board according to
67.6 Minnesota Statutes, chapter 144E, to participate in the program;

67.7 (2) outline and develop criteria for reimbursement;

67.8 (3) determine the amount of reimbursement for each unit response; and

67.9 (4) collect program data to be analyzed for a final report.

67.10 (c) Further criteria for the medical response unit reimbursement pilot program
67.11 shall include:

67.12 (1) the pilot program will expire on December 31, 2010, or when the appropriation
67.13 is ~~extended~~ expended, whichever occurs first;

67.14 (2) a report shall be made to the legislature by March 1, 2011, by the Department
67.15 of Public Safety or its contractor as to the effectiveness and value of this reimbursement
67.16 pilot program to the emergency medical services delivery system, any actual or potential
67.17 savings to the health care system, and impact on patient outcomes;

67.18 (3) participating medical response units must adhere to the requirements of this
67.19 pilot program outlined in an agreement between the Department of Public Safety and
67.20 the medical response unit, including but not limited to, requirements relating to data
67.21 collection, response criteria, and patient outcomes and disposition;

67.22 (4) individual entities licensed to provide ambulance care under Minnesota Statutes,
67.23 chapter 144E, are not eligible for participation in this pilot program;

67.24 (5) if a participating medical response unit withdraws from the pilot program, the
67.25 Department of Public Safety in consultation with the Minnesota Ambulance Association
67.26 may choose another pilot site if funding is available;

67.27 (6) medical response units must coordinate their operations under this pilot project
67.28 with the ambulance service or services licensed to provide care in their first response
67.29 geographic areas;

67.30 (7) licensed ambulance services that participate with the medical response unit in
67.31 the pilot program assume no financial or legal liability for the actions of the participating
67.32 medical response unit; and

67.33 (8) the Department of Public Safety and its pilot program partners have no ongoing
67.34 responsibility to reimburse medical response units beyond the parameters of the pilot
67.35 program.

68.1 Sec. 84. Laws 2009, chapter 88, article 5, section 17, is amended to read:

68.2 Sec. 17. **SEAWAY PORT AUTHORITY OF DULUTH; TAX INCREMENT**
68.3 **FINANCING DISTRICT; SPECIAL RULES.**

68.4 (a) If the Seaway Port Authority of Duluth adopts a tax increment financing plan and
68.5 the governing body of the city of Duluth approves the plan for the tax increment financing
68.6 district consisting of one or more parcels identified as: 010-2730-00010; 010-2730-00020;
68.7 010-2730-00040; 010-2730-00050; 010-2730-00070; 010-2730-00080; 010-2730-00090;
68.8 010-2730-00100; 010-2730-00160; 010-2730-00180; 010-2730-00200; ~~010-2730-01250;~~
68.9 ~~010-2730-01340; 010-2730-01350; 010-2730-01490; 010-2730-01500; 010-2730-01510;~~
68.10 ~~010-2730-01520; 010-2730-01530; 010-2730-01540; 010-2730-01550; 010-2730-01560;~~
68.11 ~~010-2730-01570; 010-2730-01580; 010-2730-01590; 010-2730-1300;~~ 010-2730-00300;
68.12 010-2746-01250; 010-2746-1330; 010-2746-01340; 010-2746-01350; 010-2746-1440;
68.13 010-2746-1380; 010-2746-01490; 010-2746-01500; 010-2746-01510; 010-2746-01520;
68.14 010-2746-01530; 010-2746-01540; 010-2746-01550; 010-2746-01560; 010-2746-01570;
68.15 010-2746-01580; 010-2746-01590; 010-3300-4560; 010-3300-4565; 010-3300-04570;
68.16 010-3300-04580; 010-3300-04640; 010-3300-04645; and 010-3300-04650, the five-year
68.17 rule under Minnesota Statutes, section 469.1763, subdivision 3, that activities must be
68.18 undertaken within a five-year period from the date of certification of the tax increment
68.19 financing district, must be considered to be met if the activities are undertaken within five
68.20 years after the date all qualifying parcels are delisted from the Federal Superfund list.

68.21 (b) The requirements of Minnesota Statutes, section 469.1763, subdivision 4,
68.22 beginning in the sixth year following certification of the district requirement, will begin
68.23 in the sixth year following the date all qualifying parcels are delisted from the Federal
68.24 Superfund list.

68.25 (c) The action required under Minnesota Statutes, section 469.176₂, subdivision 6,
68.26 are satisfied if the action is commenced within four years after the date all qualifying
68.27 parcels are delisted from the Federal Superfund list and evidence of the action required is
68.28 submitted to the county auditor by February 1 of the fifth year following the year in which
68.29 all qualifying parcels are delisted from the Federal Superfund list.

68.30 (d) For purposes of this section, "qualifying parcels" means United States Steel
68.31 parcels listed in paragraph (a) and shown by the Minnesota Pollution Control Agency as
68.32 part of the USS Site (USEPA OU 02) that are included in the tax increment financing
68.33 district.

68.34 (e) In addition to the reporting requirements of Minnesota Statutes, section 469.175,
68.35 subdivision 5, the Seaway Port Authority of Duluth shall report the status of all parcels
68.36 listed in paragraph (a) and shown as part of the USS Site (USEPA OU 02). The status

69.1 report must show the parcel numbers, the listed or delisted status, and if delisted, the
 69.2 delisting date.

69.3 **EFFECTIVE DATE.** This section is effective upon approval by the governing
 69.4 body of the city of Duluth and compliance with Minnesota Statutes, section 645.021,
 69.5 subdivision 3.

69.6 Sec. 85. **SUPERSEDING ACTS.**

69.7 Any amendments or repeals enacted in the 2010 session of the legislature to sections
 69.8 also amended or repealed in this act supersede the amendments or repeals in this act,
 69.9 regardless of order of enactment.

69.10 Sec. 86. **REVISOR'S INSTRUCTION.**

69.11 In each of Minnesota Rules referred to in column A, the revisor of statutes shall
 69.12 delete the reference in column B and insert the reference in column C.

69.13	<u>A</u>	<u>B</u>	<u>C</u>
69.14 69.15	<u>part 9503.0170, subpart 1</u>	<u>parts 9543.1000 to 9543.1060</u>	<u>Minnesota Statutes, chapter 245A</u>
69.16 69.17	<u>part 9520.0520, subpart 1</u>	<u>parts 9543.1000 to 9543.1060</u>	<u>Minnesota Statutes, chapter 245A</u>
69.18 69.19 69.20 69.21	<u>part 9525.0900, subpart 17</u>	<u>parts 9525.0500 to 9525.0660,</u> <u>Semi-independent Living Services Licensure</u>	<u>Minnesota Statutes, chapter 245B</u>
69.22 69.23 69.24	<u>part 9525.0930, subpart 1</u>	<u>parts 9525.0500 to 9525.0660</u> <u>(Semi-independent Living Services Licensure)</u>	<u>Minnesota Statutes, chapter 245B</u>
69.25 69.26 69.27 69.28	<u>part 9525.0935, subpart 1, item B</u>	<u>parts 9525.0215 to 9525.0355</u> <u>(Residential Programs Services for Persons with Developmental Disabilities)</u>	<u>Minnesota Statutes, chapter 245B</u>
69.29 69.30	<u>part 9525.1580, subpart 2</u>	<u>parts 9525.1500 to 9525.1690</u>	<u>Minnesota Statutes, chapter 245B</u>
69.31 69.32	<u>part 9525.1800, subpart 8a</u>	<u>part 9525.1500, subpart 36</u>	<u>Minnesota Statutes, section 245B.02, subdivision 6</u>
69.33 69.34	<u>part 9525.1860, subpart 6, items C and D</u>	<u>parts 9525.2000 to 9525.2140</u>	<u>Minnesota Statutes, chapter 245B</u>
69.35 69.36	<u>part 9525.1860, subpart 6, items D and E</u>	<u>parts 9525.0215 to 9525.0355</u>	<u>Minnesota Statutes, chapter 245B</u>
69.37 69.38 69.39	<u>part 9525.1860, subpart 7, item C</u>	<u>parts 9525.0215 to 9525.0355</u> <u>and part 9525.0235, subpart 13</u>	<u>Minnesota Statutes, chapter 245B</u>

70.1 part 9555.9620 parts 9543.1000 to 9543.1060 Minnesota Statutes, chapter
70.2 245A
70.3 part 9570.3400 parts 9543.1000 to 9543.1060 Minnesota Statutes, chapter
70.4 245A

70.5 Sec. 87. **REPEALER.**

70.6 Subdivision 1. **Obsolete cross-reference.** Minnesota Statutes 2008, section
70.7 13.6435, subdivision 9, is repealed.

70.8 Subd. 2. **Obsolete cross-reference.** Minnesota Statutes 2008, section 15.38,
70.9 subdivision 5, is repealed.

70.10 Subd. 3. **Obsolete subdivision.** Minnesota Statutes 2008, section 256B.041,
70.11 subdivision 5, is repealed.

70.12 Subd. 4. **Obsolete subdivision.** Minnesota Statutes 2008, section 256D.03,
70.13 subdivision 5, is repealed.

70.14 Subd. 5. **Obsolete section.** Minnesota Statutes 2008, section 168.098, is repealed.

70.15 Subd. 6. **Obsolete law.** Laws 2005, First Special Session chapter 4, article 8,
70.16 section 87, is repealed.

70.17 Subd. 7. **Obsolete amendment.** Laws 2006, chapter 277, article 1, sections 1;
70.18 and 3, are repealed.

70.19 Subd. 8. **Statutory conflict.** Laws 2008, chapter 287, article 1, section 104, is
70.20 repealed.

70.21 Subd. 9. **Statutory conflict.** Laws 2008, chapter 300, section 6, is repealed.

70.22 Subd. 10. **Statutory conflict.** Laws 2009, chapter 78, article 4, section 41, is
70.23 repealed.

70.24 Subd. 11. **Statutory conflict.** Laws 2009, chapter 88, article 6, sections 14; 15;
70.25 and 16, are repealed.

70.26 Subd. 12. **Obsolete amendment.** Laws 2009, chapter 169, article 10, section 32, is
70.27 repealed.

70.28 Subd. 13. **Statutory authority repealed.** Minnesota Rules, parts 9525.0750;
70.29 9525.0760; 9525.0770; 9525.0780; 9525.0790; 9525.0800; 9525.0810; 9525.0820; and
70.30 9525.0830, are repealed.