

NINETY-FOURTH DAY

St. Paul, Minnesota, Tuesday, March 25, 2008

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

Senator Betzold imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Joseph Johnson.

The members of the Senate gave the pledge of allegiance to the flag of the United States of America.

The roll was called, and the following Senators answered to their names:

Anderson	Erickson Ropes	Langseth	Pappas	Skoe
Bakk	Fischbach	Larson	Pariseau	Skogen
Berglin	Foley	Latz	Pogemiller	Sparks
Betzold	Frederickson	Limmer	Prettner Solon	Stumpf
Bonoff	Gerlach	Lourey	Rest	Tomassoni
Carlson	Gimse	Lynch	Robling	Torres Ray
Chaudhary	Hann	Marty	Rosen	Vandever
Clark	Higgins	Metzen	Rummel	Vickerman
Cohen	Ingebrigtsen	Michel	Saltzman	Wergin
Dahle	Johnson	Moua	Saxhaug	Wiger
Day	Jungbauer	Murphy	Scheid	
Dibble	Koch	Olseen	Senjem	
Dille	Koering	Olson, G.	Sheran	
Doll	Kubly	Olson, M.	Sieben	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

March 20, 2008

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2008 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2008	Date Filed 2008
	2827	158	5:50 p.m. March 19	March 19
	1219	159	5:55 p.m. March 19	March 19

Sincerely,
Mark Ritchie
Secretary of State

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 3138.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted March 19, 2008

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 3138: A bill for an act relating to state government; ratifying state labor contracts; amending Minnesota Statutes 2006, section 85A.02, subdivision 5a.

Referred to the Committee on Finance.

REPORTS OF COMMITTEES

Senator Pogemiller moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Senator Prettner Solon from the Committee on Energy, Utilities, Technology and

Communications, to which was referred

S.F. No. 3758: A bill for an act relating to energy; modifying provisions relating to power transmission lines, renewable energy obligations, and related activities and costs; amending Minnesota Statutes 2006, sections 216B.16, subdivision 7b; 216B.1645, subdivisions 1, 2; 216B.2425, subdivisions 2, 3; 216B.243, subdivision 8; Minnesota Statutes 2007 Supplement, section 216B.1645, subdivision 2a.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 216B.16, subdivision 7b, is amended to read:

Subd. 7b. **Transmission cost adjustment.** (a) Notwithstanding any other provision of this chapter, the commission may approve a tariff mechanism for the automatic annual adjustment of charges for the Minnesota jurisdictional costs of: (i) new transmission facilities that have been separately filed and reviewed and approved by the commission under section 216B.243 or are certified as a priority project or deemed to be a priority transmission project under section 216B.2425; and (ii) charges incurred by a utility that accrue from other transmission owners' regionally planned transmission projects that have been determined by the Midwest Independent System Operator to benefit the utility, as provided for under a federally approved tariff.

(b) Upon filing by a public utility or utilities providing transmission service, the commission may approve, reject, or modify, after notice and comment, a tariff that:

(1) allows the utility to recover on a timely basis the costs net of revenues of facilities approved under section 216B.243 or certified or deemed to be certified under section 216B.2425 or exempt from the requirements of section 216B.243;

(2) allows the charges incurred by a utility that accrue from other transmission owners' regionally planned transmission projects that have been determined by the Midwest Independent System Operator to benefit the utility, as provided for under a federally approved tariff;

(3) allows a return on investment at the level approved in the utility's last general rate case, unless a different return is found to be consistent with the public interest;

~~(3)~~ (4) provides a current return on construction work in progress, provided that recovery from Minnesota retail customers for the allowance for funds used during construction is not sought through any other mechanism;

~~(4)~~ (5) allows for recovery of other expenses if shown to promote a least-cost project option or is otherwise in the public interest;

~~(5)~~ (6) allocates project costs appropriately between wholesale and retail customers;

~~(6)~~ (7) provides a mechanism for recovery above cost, if necessary to improve the overall economics of the project or projects or is otherwise in the public interest; and

~~(7)~~ (8) terminates recovery once costs have been fully recovered or have otherwise been reflected in the utility's general rates.

(c) A public utility may file annual rate adjustments to be applied to customer bills paid under the tariff approved in paragraph (b). In its filing, the public utility shall provide:

- (1) a description of and context for the facilities included for recovery;
- (2) a schedule for implementation of applicable projects;
- (3) the utility's costs for these projects;
- (4) a description of the utility's efforts to ensure the lowest costs to ratepayers for the project; and
- (5) calculations to establish that the rate adjustment is consistent with the terms of the tariff established in paragraph (b).

(d) Upon receiving a filing for a rate adjustment pursuant to the tariff established in paragraph (b), the commission shall approve the annual rate adjustments provided that, after notice and comment, the costs included for recovery through the tariff were or are expected to be prudently incurred and achieve transmission system improvements at the lowest feasible and prudent cost to ratepayers.

Sec. 2. Minnesota Statutes 2006, section 216B.1645, subdivision 1, is amended to read:

Subdivision 1. **Commission authority.** Upon the petition of a public utility, the Public Utilities Commission shall approve or disapprove power purchase contracts, investments, or expenditures entered into or made by the utility to satisfy the wind and biomass mandates contained in sections 216B.169, 216B.2423, and 216B.2424, and to satisfy the renewable energy objectives obligations set forth in section 216B.1691, including reasonable investments and expenditures made to:

(1) transmit the electricity generated from sources developed under those sections that is ultimately used to provide service to the utility's retail customers, including studies necessary to identify new transmission facilities needed to transmit electricity to Minnesota retail customers from generating facilities constructed to satisfy the renewable energy objectives obligations, provided that the costs of the studies have not been recovered previously under existing tariffs and the utility has filed an application for a certificate of need or for certification as a priority project under section 216B.2425 for the new transmission facilities identified in the studies;

(2) provide storage facilities for renewable energy generation facilities that contribute to the reliability, efficiency, or cost-effectiveness of the renewable facilities; or

~~(2)~~ (3) develop renewable energy sources from the account required in section 116C.779.

Sec. 3. Minnesota Statutes 2006, section 216B.1645, subdivision 2, is amended to read:

Subd. 2. **Cost recovery.** The expenses incurred by the utility over the duration of the approved contract or useful life of the investment and expenditures made pursuant to section 116C.779 shall be recoverable from the ratepayers of the utility, to the extent they are not offset by utility revenues attributable to the contracts, investments, or expenditures. Upon petition by a public utility, the commission shall approve or approve as modified a rate schedule providing for the automatic adjustment of charges to recover the expenses or costs approved by the commission under subdivision 1, which, in the case of transmission expenditures, are limited to the portion of actual transmission costs that are directly allocable to the need to transmit power from the renewable sources of energy. The commission may not approve recovery of the costs for that

portion of the power generated from sources governed by this section that the utility sells into the wholesale market.

Sec. 4. Minnesota Statutes 2007 Supplement, section 216B.1645, subdivision 2a, is amended to read:

Subd. 2a. **Cost recovery for owned renewable facilities.** (a) A utility may petition the commission to approve a rate schedule that provides for the automatic adjustment of charges to recover prudently incurred investments, expenses, or costs associated with facilities constructed, owned, or operated by a utility to satisfy the requirements of section 216B.1691, provided those facilities were previously approved by the commission under section 216B.2422 or 216B.243, or were determined by the commission to be reasonable and prudent under section 216B.243, subdivision 9. The commission may approve, or approve as modified, a rate schedule that:

(1) allows a utility to recover directly from customers on a timely basis the costs of qualifying renewable energy projects, including:

- (i) return on investment;
- (ii) depreciation;
- (iii) ongoing operation and maintenance costs;
- (iv) taxes; and

(v) costs of transmission and other ancillary expenses directly allocable to transmitting electricity generated from a project meeting the specifications of this paragraph;

(2) provides a current return on construction work in progress, provided that recovery of these costs from Minnesota ratepayers is not sought through any other mechanism;

(3) allows recovery of other expenses incurred that are directly related to a renewable energy project, including expenses for energy storage, provided that the utility demonstrates to the commission's satisfaction that the expenses improve project economics, ensure project implementation, or facilitate coordination with the development of transmission necessary to transport energy produced by the project to market;

(4) allocates recoverable costs appropriately between wholesale and retail customers;

(5) terminates recovery when costs have been fully recovered or have otherwise been reflected in a utility's rates.

(b) A petition filed under this subdivision must include:

- (1) a description of the facilities for which costs are to be recovered;
- (2) an implementation schedule for the facilities;
- (3) the utility's costs for the facilities;
- (4) a description of the utility's efforts to ensure that costs of the facilities are reasonable and were prudently incurred; and
- (5) a description of the benefits of the project in promoting the development of renewable energy

in a manner consistent with this chapter.

Sec. 5. Minnesota Statutes 2006, section 216B.243, is amended by adding a subdivision to read:

Subd. 9. **Renewable energy standard facilities.** The requirements of this section do not apply to a wind energy conversion system or a solar electric generation facility that is intended to be used to meet or exceed the obligations of section 216B.1691; provided that, after notice and comment, the commission determines that the facility is a reasonable and prudent approach to meeting the utility's obligations under that section. When making this determination, the commission may consider the size of the facility relative to the utility's total need for renewable resources and alternative approaches for supplying the renewable energy to be supplied by the proposed facility, and must consider the facility's ability to promote economic development, as required under section 216B.1691, subdivision 9, maintain electric system reliability and consider impacts on ratepayers, and other criteria as the commission may determine are relevant."

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Prettner Solon from the Committee on Energy, Utilities, Technology and Communications, to which was referred

S.F. No. 3698: A bill for an act relating to energy; allowing utilities to make conservation improvement expenditures for certain solar energy projects; amending Minnesota Statutes 2007 Supplement, section 216B.241, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2007 Supplement, section 216B.241, is amended by adding a subdivision to read:

Subd. 5a. **Qualifying solar energy project.** (a) A utility or association may include in its conservation plan programs for the installation of qualifying solar energy projects as defined by section 216B.2411. Energy savings from qualifying solar energy projects may not be counted toward the minimum energy savings goal of at least one percent for energy conservation improvements required under subdivision 1c, but may, if the conservation plan is approved:

(1) be counted toward energy savings above that minimum percentage; and

(2) be considered when establishing performance incentives under section 216B.241, subdivision 2c.

(b) Qualifying solar energy projects may not be considered when establishing demand-side management targets under sections 216B.2422, 216B.243, or any other section of this chapter.

Sec. 2. Minnesota Statutes 2007 Supplement, section 216B.2411, subdivision 1, is amended to read:

Subdivision 1. **Generation projects.** (a) Any municipality or rural electric association providing electric service and subject to section 216B.241 ~~that is meeting the objectives under~~

~~section 216B.1691~~ may, and each public utility may, use five percent of the total amount to be spent on energy conservation improvements under section 216B.241, on:

(1) projects in Minnesota to construct an electric generating facility that utilizes eligible renewable energy sources as defined in subdivision 2, such as methane or other combustible gases derived from the processing of plant or animal wastes, biomass fuels such as short-rotation woody or fibrous agricultural crops, or other renewable fuel, as its primary fuel source; ~~or~~

(2) projects in Minnesota to install a distributed generation facility of ten megawatts or less of interconnected capacity that is fueled by natural gas, renewable fuels, or another similarly clean fuel; or

(3) projects in Minnesota to install a qualifying solar energy project as defined in subdivision 2.

(b) For public utilities, as defined under section 216B.02, subdivision 4, projects under this section must be considered energy conservation improvements as defined in section 216B.241. For cooperative electric associations and municipal utilities, projects under this section must be considered load-management activities described in section 216B.241, subdivision 1.

Sec. 3. Minnesota Statutes 2006, section 216B.2411, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision and section 216B.241, subdivision 1, have the meanings given them.

(b) "Eligible renewable energy sources" means fuels and technologies to generate electricity through the use of any of the resources listed in section 216B.1691, subdivision 1, paragraph (a), clause (1), except that ~~the term~~ "biomass" has the meaning provided under paragraph (c), and "solar" must be from a qualified solar energy project as defined in paragraph (d).

(c) "Biomass" includes:

(1) methane or other combustible gases derived from the processing of plant or animal material;

(2) alternative fuels derived from soybean and other agricultural plant oils or animal fats;

(3) combustion of barley hulls, corn, soy-based products, or other agricultural products;

(4) wood residue from the wood products industry in Minnesota or other wood products such as short-rotation woody or fibrous agricultural crops; and

(5) landfill gas, mixed municipal solid waste, and refuse-derived fuel from mixed municipal solid waste.

(d) "Qualifying solar energy project" means a qualifying solar thermal project or qualifying solar electric project.

(e) "Qualifying solar thermal project" means a flat plate or evacuated tube that meets the requirements of section 216C.25 with a fixed orientation that collects the sun's radiant energy and transfers it to a storage medium for distribution as energy to heat or cool air or water, but does not include equipment used to heat water at a residential property (1) for domestic use if less than one-half of the energy used for that purpose is derived from the sun or (2) for use in a hot tub or swimming pool.

(f) "Qualifying solar electric project" means solar electric equipment that meets the requirements of section 216C.25 with a total peak generating capacity of 100 kilowatts or less used for generating electricity primarily for use in a residential property or small business to reduce the effective electric load for that residence or small business.

(g) "Residential property" means the principal residence of a homeowner at the time the solar equipment is placed in service.

(h) "Small business" has the meaning given to it in section 645.445.

Sec. 4. SOLAR RATING AND CERTIFICATION LABORATORY.

The director of the office of energy security shall convene technical stakeholders who are expert in the design, manufacture, installation, and operation of solar energy systems to develop criteria and characteristics for a Minnesota-based solar rating and certification laboratory. The criteria shall include, but not be limited to, consideration of durability, cold-weather operations, and indoor air quality. The director shall develop and, by September 15, 2008, issue a request for proposals for the development of a plan, based on the criteria and characteristics developed by the stakeholder group, for a solar rating and certification laboratory in the state, including cost estimates. By January 15, 2009, the director shall submit a report to the chairs of the house and senate committees with jurisdiction over energy finance issues, detailing the responses to the request and making recommendations, including draft legislation.

Sec. 5. EFFECTIVE DATE.

Sections 1 to 4 are effective the day following final enactment."

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Moua from the Committee on Judiciary, to which was re-referred

S.F. No. 3166: A bill for an act relating to human services; amending child welfare and licensing provisions; adopting a new Interstate Compact for the Placement of Children and repealing the old compact; regulating child and adult adoptions; regulating children in voluntary foster care for treatment; directing the commissioner to adopt rules; amending Minnesota Statutes 2006, sections 13.02, subdivision 3a; 13.46, by adding subdivisions; 13.82, subdivision 1; 245C.24, subdivision 2; 245C.29, subdivision 2; 246.13, subdivision 2; 256.045, subdivisions 3, 3b; 259.20, subdivision 1; 259.21, by adding a subdivision; 259.22, subdivision 2; 259.23, subdivision 2; 259.43; 259.52, subdivision 2; 259.53, subdivision 3; 259.59, subdivisions 1, 2; 259.67, subdivisions 2, 3, by adding a subdivision; 259.75, subdivision 5; 259.89, subdivisions 1, 2, 4, by adding a subdivision; 260C.001, subdivision 2; 260C.007, subdivisions 5, 6, 13; 260C.101, subdivision 2; 260C.141, subdivision 2; 260C.171, subdivision 2; 260C.178, subdivision 1; 260C.205; 260C.212, subdivisions 7, 8, by adding a subdivision; 260C.325, subdivisions 1, 3; 524.2-114; 626.556, subdivision 7; Minnesota Statutes 2007 Supplement, sections 245C.14, subdivision 1; 245C.15, subdivisions 2, 3, 4; 245C.24, subdivision 3; 245C.27, subdivision 1; 256.01, subdivision 2; 259.41, subdivision 1; 259.57, subdivision 1; 259.67, subdivision 4; 260C.163, subdivision 1; 260C.209, subdivisions 1, 2, by adding a subdivision; 260C.212, subdivisions 1, 4; 626.556, subdivision 10a; Laws 2007, chapter 147, article 2, section 56; proposing coding for new law in Minnesota Statutes,

chapters 259; 260; proposing coding for new law as Minnesota Statutes, chapter 260D; repealing Minnesota Statutes 2006, sections 260.851; 260C.141, subdivision 2a; 260C.431; 260C.435; Minnesota Statutes 2007 Supplement, section 260C.212, subdivision 9; Minnesota Rules, part 9560.0609.

Reports the same back with the recommendation that the bill be amended as follows:

Page 9, line 6, delete everything after the period

Page 9, line 7, delete everything before "Adoption"

Page 15, after line 33, insert:

"1. The interstate placement of a child in a custody proceeding in which a public child placing agency is not a party, provided the placement is not intended to effectuate an adoption."

Page 15, line 34, delete "1" and insert "2"

Page 16, line 1, delete "2" and insert "3"

Page 16, line 3, delete "3" and insert "4"

Page 16, line 5, delete "4" and insert "5"

Page 16, line 11, delete "5" and insert "6"

Page 16, line 14, delete "6" and insert "7"

Page 16, line 17, delete "7" and insert "8"

Page 16, line 33, after "adoptions" insert "and in interstate placements in which the public child placing agency is not a party to a custody proceeding"

Page 18, line 5, after "and" insert "immediate"

Page 18, line 7, delete the first "for" and insert "to accompany"

Page 18, after line 10, insert:

"2. The appropriate consents or relinquishments signed by the birthparents in accordance with the laws of the sending state or, where permitted, the laws of the state where the adoption will be finalized; and"

Page 18, line 11, delete "2" and insert "3" and after "agent" insert "of a private adoption agency"

Page 18, line 14, delete "3" and insert "4"

Page 18, line 15, delete "4" and insert "5"

Page 50, line 17, delete "unit" and insert "item"

Page 67, delete section 56

Page 68, lines 24 to 26, delete the new language

Page 76, line 23, delete the new language

Page 80, delete section 1

Page 81, delete sections 4 and 5

Page 82, delete section 6

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "directing the commissioner to adopt rules;"

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Moua from the Committee on Judiciary, to which was re-referred

S.F. No. 3082: A bill for an act relating to consumer protection; providing for disclosure of damage to older vehicles; amending Minnesota Statutes 2006, section 325F.6644.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 4, insert:

"Section 1. Minnesota Statutes 2006, section 168B.051, subdivision 2, is amended to read:

Subd. 2. **Sale after 45 days or title transfer.** An (a) If an unauthorized vehicle is impounded, other than by the city of Minneapolis or the city of St. Paul, the impounded vehicle is eligible for disposal or sale under section 168B.08, the earlier of:

(1) 45 days after notice to the owner, if the vehicle is determined to be an unauthorized vehicle that was not impounded by the city of Minneapolis or the city of St. Paul; or

(2) the date of a voluntary written title transfer by the registered owner to the impound lot operator.

(b) A voluntary written title transfer constitutes a waiver by the registered owner of any right, title, and interest in the vehicle.

Sec. 2. Minnesota Statutes 2006, section 168B.06, subdivision 1, is amended to read:

Subdivision 1. **Contents; Waiver of right to reclaim vehicle; written notice given within five days of impound.** (a) When an impounded vehicle is taken into custody, the unit of government or impound lot operator taking it into custody shall give written notice of the taking within five days to the registered vehicle owner and any lienholders. The failure of the registered owner or lienholders to exercise the right to reclaim the vehicle before the expiration of the waiting periods provided under section 168B.051 constitutes a waiver of all right, title, and interest in the vehicle and a consent to the transfer of title to, and disposal or sale of, the vehicle under section 168B.08. The failure of the registered owner to exercise the right provided under section 168B.07, subdivision 3, constitutes a waiver of all right, title, and interest in the contents and a consent to the transfer of title to, and disposal or sale of, the contents under section 168B.08.

(b) The notice shall must:

(1) set forth the date and place of the taking;

(2) provide the year, make, model, and serial number of the impounded motor vehicle, if such information can be reasonably obtained, and the place where the vehicle is being held;

~~(2)~~ (3) inform the owner and any lienholders of their right to reclaim the vehicle under section 168B.07, and;

~~(3)~~ (4) state that failure of the owner or lienholders to:

(i) exercise their right to reclaim the vehicle and contents within the appropriate time allowed under section 168B.051, subdivision 1, 1a, or 2, shall be deemed and under the conditions set forth in section 168B.07, subdivision 1, constitutes a waiver by them of all right, title, and interest in the vehicle and contents and a consent to the transfer of title to and disposal or sale of the vehicle and contents pursuant to section 168B.08; or

(ii) exercise their right to reclaim the contents of the vehicle within the appropriate time allowed and under the conditions set forth in section 168B.07, subdivision 3, constitutes a waiver by them of all right, title, and interest in the contents and consent to sell or dispose of the contents under section 168B.08; and

(5) state that a vehicle owner who provides to the impound lot operator documentation from a government or nonprofit agency or legal aid office that the owner is homeless, receives relief based on need, is eligible for legal aid services, or has a household income at or below 50 percent of state median income has the unencumbered right to retrieve any and all contents without charge.

Sec. 3. Minnesota Statutes 2006, section 168B.06, subdivision 3, is amended to read:

Subd. 3. **Unauthorized vehicle; second notice.** If an unauthorized vehicle remains unclaimed after 30 days from the date the notice was sent under subdivision 2, a second notice shall must be sent by certified mail, return receipt requested, to the registered owner, if any, of the unauthorized vehicle and to all readily identifiable lienholders of record.

Sec. 4. Minnesota Statutes 2006, section 168B.07, is amended by adding a subdivision to read:

Subd. 3. **Retrieval of contents.** (a) For purposes of this subdivision:

(1) "contents" does not include any permanently affixed mechanical or nonmechanical automobile parts; automobile body parts; or automobile accessories, including audio or video players; and

(2) "relief based on need" includes, but is not limited to, receipt of MFIP and Diversionary Work Program, medical assistance, general assistance, general assistance medical care, emergency general assistance, Minnesota supplemental aid, MSA-emergency assistance, MinnesotaCare, Supplemental Security Income, energy assistance, emergency assistance, Food Stamps, earned income tax credit, or Minnesota working family tax credit.

(b) A unit of government or impound lot operator shall establish reasonable procedures for retrieval of vehicle contents, and may establish reasonable procedures to protect the safety and security of the impound lot and its personnel.

(c) At any time before the expiration of the waiting periods provided in section 168B.051, a registered owner who provides documentation from a government or nonprofit agency or legal aid office that the registered owner is homeless, receives relief based on need, is eligible for legal aid services, or has a household income at or below 50 percent of state median income has the unencumbered right to retrieve any and all contents without charge and regardless of whether the registered owner pays incurred charges or fees, transfers title, or reclaims the vehicle.

(d) At any time before the expiration of the waiting periods provided in section 168B.051, a registered owner other than a registered owner described in paragraph (c) has the unencumbered right to retrieve the following contents: medicine; medical-related items and equipment; clothing; eyeglasses; educational materials; and legal documents, including, but not limited to, a driver's license, identification, passports, insurance documents, any other documents related to a pending or concluded judicial or administrative proceeding, tax returns, and documents indicating receipt of or eligibility for public benefit programs. This provision does not prohibit the return of other contents at the discretion of the impound lot operator.

(e) An impound lot operator is not required to return any contents to a person who is not the registered owner of the impounded vehicle, other than legal documents. Legal documents include, but are not limited to, driver's license, identification, passports, insurance documents, any other documents related to a pending or concluded judicial or administrative proceeding, and tax returns. An impound lot operator is not required to return any contents to a person who is not the registered owner after the expiration of the waiting periods provided in section 168B.051, or if the registered owner voluntarily transfers title to the impound lot operator under section 168B.051, subdivision 2.

Sec. 5. Minnesota Statutes 2006, section 168B.08, subdivision 1, is amended to read:

Subdivision 1. **Auction or sale.** (a) If an abandoned or unauthorized vehicle ~~and contents~~ taken into custody by a unit of government or any impound lot is not reclaimed under section 168B.07, subdivision 1, it may be disposed of or sold at auction or sale when eligible pursuant to sections 168B.06 and 168B.07. If the contents of an abandoned or unauthorized vehicle taken into custody by a unit of government or any impound lot are not reclaimed under section 168B.07, subdivision 3, it may be disposed of or sold at auction or sale when eligible pursuant to sections 168B.06 and 168B.07.

(b) The purchaser shall be given a receipt in a form prescribed by the registrar of motor vehicles which shall be sufficient title to dispose of the vehicle. The receipt shall also entitle the purchaser to register the vehicle and receive a certificate of title, free and clear of all liens and claims of ownership. Before such a vehicle is issued a new certificate of title it must receive a motor vehicle safety check.

Sec. 6. Minnesota Statutes 2006, section 168B.087, subdivision 1, is amended to read:

Subdivision 1. **Deficiency claim.** (a) The ~~nonpublic~~ impound lot operator has a deficiency claim against the registered owner of the vehicle for the reasonable costs of services provided in the towing, storage, and inspection of the vehicle minus the proceeds of the sale or auction, except as provided in paragraph (c).

(b) The claim for storage costs may not exceed the costs of:

(1) 25 days storage, for a vehicle described in section 168B.051, subdivision 1; ~~and~~

(2) 15 days storage, for a vehicle described in section 168B.051, subdivision 1a; and

(3) 55 days storage, for a vehicle described in section 168B.051, subdivision 2.

(c) A public impound lot operator is prohibited from:

(1) filing a deficiency claim against a registered owner whom the operator knows:

(i) is homeless;

(ii) receives relief based on need, as defined in section 168B.07; or

(iii) has a household income at or below 50 percent of state median income; or

(2) recovering a deficiency from a registered owner who demonstrates that the owner, at the time the deficiency claim was filed:

(i) was homeless;

(ii) received relief based on need, as defined in section 168B.07; or

(iii) had a household income at or below 50 percent of state median income.

Sec. 7. Minnesota Statutes 2006, section 169.86, is amended by adding a subdivision to read:

Subd. 8. **Tow truck.** A tow truck or towing vehicle, when towing a disabled or damaged vehicle to a place of repair or to a place of safekeeping, may exceed the length and weight limitations of this chapter, subject to a \$300 annual permit fee and any other conditions prescribed by the commissioner."

Re-number the sections in sequence

Delete the title and insert:

"A bill for an act relating to motor vehicles; permitting sale of impounded vehicles and contents after voluntary title transfer; providing for notice of impound, right to reclaim contents, and waiver of right; establishing right to retrieve contents without charge in certain cases; limiting deficiency claim; providing for permit for oversize and overweight tow trucks in certain cases; providing for disclosure of damage to older vehicles; amending Minnesota Statutes 2006, sections 168B.051, subdivision 2; 168B.06, subdivisions 1, 3; 168B.07, by adding a subdivision; 168B.08, subdivision 1; 168B.087, subdivision 1; 169.86, by adding a subdivision; 325F.6644."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Moua from the Committee on Judiciary, to which was referred

S.F. No. 3775: A bill for an act relating to solid waste; establishing a pilot program to collect and process used paint.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **PAINT STEWARDSHIP PILOT PROGRAM.**

Subdivision 1. **Definitions.** For purposes of sections 1 to 3, the following terms have the meanings given:

(1) "architectural paint" means interior and exterior architectural coatings, including paints and stains purchased for commercial or homeowner use, but does not include architectural coatings purchased for industrial or original equipment manufacturer use;

(2) "consumer-based cost recovery system" means a system whereby the costs of the paint stewardship pilot program are passed on to the consumer through the purchase price of the product;

(3) "consumer paint stewardship fee" means the fee charged by the retailer or distributor on each purchase of architectural paint sold in the state;

(4) "manufacturer" means a manufacturer of architectural paint;

(5) "paint stewardship fee" means the fee paid by each manufacturer that covers the amount of the consumer paint stewardship fee for architectural paint the manufacturer sells in the state;

(6) "postconsumer paint" means architectural paint not used by the purchaser; and

(7) "retailer" means a person who sells architectural paint at retail.

Subd. 2. **Plan.** (a) By July 1, 2008, manufacturers of architectural paint sold at retail in this state must, through a representative organization, implement a pilot stewardship program to undertake responsibility for the development and implementation of strategies to reduce the generation of postconsumer paint, promote the reuse of postconsumer paint, and collect, transport, and process the end-of-life management of postconsumer paint. A consumer-based cost recovery system must be established to collect a fee assessed on all paint sold in the state to recover from consumers the life cycle costs of environmentally sound reuse or disposal of postconsumer paint. By July 1, 2008, the consumer-based cost recovery system shall fund the pilot stewardship program in the following manner:

(1) all architectural paint manufacturers shall pay a paint stewardship fee based on the amount of architectural paint they sell in the state;

(2) all Minnesota retailers or distributors of architectural paint shall include a consumer paint stewardship fee in the final retail sales price of all architectural paint sold by such retailers or distributors in the state; and

(3) architectural paint manufacturers shall recover the paint stewardship fees by invoicing each of their Minnesota retailers or distributors of the architectural paint, who in turn, shall remit payment for the fees to the architectural paint manufacturer. The funds used by retailers and distributors to pay such invoices shall be derived from the consumer paint stewardship fee attached to the sale of architectural paints by retailers and distributors.

(b) To ensure that the consumer cost recovery mechanism is equitable and sustainable, by July 1, 2008, a uniform consumer paint stewardship fee must be established for all architectural paint sold in the state. The assessed consumer paint stewardship fee must be sufficient to recover the costs of the program and shall not exceed \$1 per gallon.

(c) Point-of-purchase material shall be provided to the consumer in a manner that is designed to ensure that consumers are made aware that a consumer paint stewardship fee has been included in

the final sales price of the architectural paint.

Sec. 2. **CONDUCT AUTHORIZED.**

A manufacturer or organization of manufacturers that organizes collection, transport, and processing of postconsumer paint under section 1 may engage in conduct to the extent necessary to plan and implement its chosen organized collection or recycling system and is immune from liability under state laws relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade or commerce.

Sec. 3. **REPORTS.**

By January 15, 2010, manufacturers of architectural paint sold at retail in this state must, through a representative organization, submit a report to the chairs and ranking minority members of the committees in the senate and house of representatives that have primary jurisdiction over judiciary policy describing the results of the paint stewardship pilot program and recommending whether the exemption for anticompetitive conduct should be made permanent and any modifications to improve the functioning and efficiency of the program.

Sec. 4. **EXPIRATION.**

Sections 1 to 3 expire November 30, 2010.

Sec. 5. **EFFECTIVE DATE.**

Sections 1 to 4 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, before the period, insert "; requiring reports"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Moua from the Committee on Judiciary, to which was re-referred

S.F. No. 3135: A bill for an act relating to health; adding volunteer protections for the Minnesota Responds Medical Reserve Corps volunteers; creating the Minnesota Responds Medical Reserve Corps; establishing volunteer health practitioner status during an emergency declaration; amending Minnesota Statutes 2006, sections 12.22, subdivision 2a; 145A.04, by adding subdivisions; 145A.06, by adding subdivisions; 176.011, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 192.

Reports the same back with the recommendation that the bill be amended as follows:

Page 9, after line 30, insert:

"Sec. 10. **[192.91] INTERSTATE ASSISTANCE BY LOCAL GOVERNMENTS.**

Subdivision 1. **Authorization.** A political subdivision may provide interstate assistance pursuant to section 192.89.

Subd. 2. **Liability.** Employees or officers of a political subdivision providing assistance under section 192.89 are "employees of the state" for purposes of section 3.736.

Subd. 3. **Limitation.** When providing assistance under section 192.89, a political subdivision or its officers or employees are not liable for any act or omission made in good faith or for the maintenance or use of any equipment or supplies used in connection with the assistance. "Good faith" does not include willful misconduct, gross negligence, or recklessness."

Renumber the sections in sequence

Amend the title accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Moua from the Committee on Judiciary, to which was referred

S.F. No. 2647: A bill for an act relating to public safety; establishing crime of disarming a peace officer; providing criminal penalties; amending Minnesota Statutes 2006, section 609.50, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Senator Moua from the Committee on Judiciary, to which was referred

S.F. No. 2809: A bill for an act relating to health; increasing the penalty for smoking in a nonsmoking hotel room; providing for civil and criminal penalties; amending Minnesota Statutes 2006, section 327.742, subdivisions 2, 3, by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, delete "retailer" and insert "innkeeper"

Page 2, line 7, delete "innkeepers's" and insert "innkeepers"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Moua from the Committee on Judiciary, to which was re-referred

S.F. No. 3119: A bill for an act relating to emergency management; authorizing interstate assistance by local governments; proposing coding for new law in Minnesota Statutes, chapter 192.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Moua from the Committee on Judiciary, to which was referred

S.F. No. 3397: A bill for an act relating to business organizations; providing for the return of documents submitted to the secretary of state; regulating foreign cooperatives; removing the request that the attorney general and the Department of Revenue be notified of the dissolution of foreign cooperatives and nonprofit corporations; allowing foreign limited liability partnerships to use alternative names under certain circumstances; eliminating contest of name filings; amending Minnesota Statutes 2006, sections 47.12, subdivision 2; 60A.07, subdivision 1; 303.11; 303.16, subdivision 4; 303.17, subdivision 4; 308A.005, by adding a subdivision; 308B.211, subdivision 2; 308B.221, subdivision 4; 317A.823, subdivision 2; 321.0108; 323A.1102; proposing coding

for new law in Minnesota Statutes, chapters 5; 308A; 308B; repealing Minnesota Statutes 2006, sections 5.22; 302A.115, subdivision 8; 303.05, subdivision 4; 308A.121, subdivision 3; 308B.151; 317A.115, subdivision 6; 322B.12, subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, delete section 5

Re-number the sections in sequence

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Moua from the Committee on Judiciary, to which was referred

S.F. No. 2399: A bill for an act relating to public nuisances; making changes to public nuisance law affecting evidentiary thresholds and numbers of triggering incidents required for specific offenses; amending Minnesota Statutes 2006, section 617.81, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 13, reinstate the stricken "clear and convincing" and delete "preponderance of"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Moua from the Committee on Judiciary, to which was re-referred

S.F. No. 2866: A bill for an act relating to telecommunications; requiring the Department of Commerce to produce a statewide inventory of broadband service.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Moua from the Committee on Judiciary, to which was referred

S.F. No. 2576: A bill for an act relating to crimes; including false police and fire emergency calls as misdemeanor offense; amending Minnesota Statutes 2006, section 609.78, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Moua from the Committee on Judiciary, to which was re-referred

S.F. No. 2806: A bill for an act relating to economic development; clarifying conflict of interest rules for local economic development authorities; providing criminal penalties; amending Minnesota Statutes 2006, section 469.098.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, lines 9, 17, and 22, delete "gross"

Page 3, line 4, after "enactment" insert "except for the criminal penalties, which are effective June 1, 2008, and apply to crimes committed on or after that date"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Moua from the Committee on Judiciary, to which was referred

H.F. No. 2602: A bill for an act relating to public safety; exempting police vehicles from window glazing restrictions; amending Minnesota Statutes 2006, section 169.71, subdivision 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Moua from the Committee on Judiciary, to which was re-referred

S.F. No. 2651: A bill for an act relating to natural resources; creating a Minnesota forests for the future program; establishing a revolving account; providing for expedited exchanges of public land; modifying the sustainable forest incentive program; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 84; 94.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Senator Moua from the Committee on Judiciary, to which was re-referred

S.F. No. 3362: A bill for an act relating to police officers; permitting police officers to be represented by an attorney and a union representative at disciplinary hearing; amending Minnesota Statutes 2006, section 626.89, subdivision 9.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Moua from the Committee on Judiciary, to which was re-referred

S.F. No. 3098: A bill for an act relating to lawful gambling; providing for certain penalties; modifying licensing and other regulatory provisions; making changes to expenditure restrictions; modifying games and prizes; making clarifying, conforming, and technical changes to lawful gambling; requiring a report; amending Minnesota Statutes 2006, sections 349.12, subdivisions 18, 31; 349.15, by adding a subdivision; 349.161, subdivisions 1, 5; 349.1641; 349.167, subdivisions 2, 4, 7; 349.17, subdivision 7; 349.18, subdivision 1; 349.19, subdivision 10; 349.191, subdivisions 1a, 1b; 349.2113; Minnesota Statutes 2007 Supplement, sections 349.15, subdivision 1; 349.17, subdivision 8; 349.211, subdivisions 2, 2a, 2c, 3, 4, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Moua from the Committee on Judiciary, to which was referred

S.F. No. 2828: A bill for an act relating to crime; modifying trespassing on critical public service property; amending Minnesota Statutes 2006, section 609.6055, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 609.6055, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given.

(b) "Critical public service facility" includes buildings and other physical structures, and fenced in or otherwise enclosed property, of railroad yards and stations, bus stations, airports, and other mass transit facilities; oil refineries; and storage areas or facilities for hazardous materials, hazardous substances, or hazardous wastes. The term also includes nonpublic portions of bridges. The term does not include railroad tracks extending beyond a critical public service facility.

(c) "Pipeline" includes an aboveground pipeline, a belowground pipeline housed in an underground structure, and any equipment, facility, or building located in this state that is used to transport natural or synthetic gas, crude petroleum or petroleum fuels or oil or their derivatives, or hazardous liquids, to or within a distribution, refining, manufacturing, or storage facility that is located inside or outside of this state. Pipeline does not include service lines.

(d) "Utility" includes:

(1) any organization defined as a utility in section 216C.06, subdivision 18;

(2) any telecommunications carrier or telephone company regulated under chapter 237; and

(3) any local utility or enterprise formed for the purpose of providing electrical or gas heating and power, telephone, water, sewage, wastewater, or other related utility service, which is owned, controlled, or regulated by a town, a statutory or home rule charter city, a county, a port development authority, the Metropolitan Council, a district heating authority, a regional commission or other regional government unit, or a combination of these governmental units.

The term does not include property located above buried power or telecommunications lines or property located below suspended power or telecommunications lines, unless the property is fenced in or otherwise enclosed.

(e) "Utility line" includes power, telecommunications, and transmissions lines as well as related equipment owned or controlled by a utility.

EFFECTIVE DATE. This section is effective August 1, 2008, and applies to offenses committed on or after that date.

Sec. 2. Minnesota Statutes 2006, section 609.6055, subdivision 2, is amended to read:

Subd. 2. **Prohibited conduct; penalty.** (a) Whoever enters or is found upon property containing a critical public service facility, utility, or pipeline, without claim of right or consent of one who has the right to give consent to be on the property, is guilty of a gross misdemeanor, if:

(1) the person refuses to depart from the property on the demand of one who has the right to give consent;

(2) within the past six months, the person had been told by one who had the right to give consent to leave the property and not to return, unless a person with the right to give consent has given the person permission to return; or

(3) the property is posted.

(b) Whoever enters an underground structure that (1) contains a utility line or pipeline and (2) is not open to the public for pedestrian use, without claim of right or consent of one who has the right to give consent to be in the underground structure, is guilty of a gross misdemeanor. The underground structure does not need to be posted for this paragraph to apply.

EFFECTIVE DATE. This section is effective August 1, 2008, and applies to offenses committed on or after that date."

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Moua from the Committee on Judiciary, to which was referred

H.F. No. 117: A bill for an act relating to courts; modifying personal jurisdiction over foreign corporations and nonresident individuals in certain matters; amending Minnesota Statutes 2006, section 543.19, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 3446: A bill for an act relating to insurance; requiring certain health insurers to offer small employers the option to purchase certain flexible benefits plans; amending Minnesota Statutes 2006, section 62L.056.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 62L.05, is amended by adding a subdivision to read:

Subd. 13. **Notice of plan availability.** Each health carrier in the small employer market must provide information to small employers regarding the availability of the plans described in subdivisions 2 and 3, and in section 62L.056. At a minimum, each health carrier must provide information describing the plans and their availability:

(1) displayed with other small employer product information on the health carrier's public Web site; and

(2) delivered to each small employer currently insured by the health carrier at the time of the small employer's renewal, at the same time and in the same manner as the small employer's renewal information."

Delete the title and insert:

"A bill for an act relating to insurance; regulating small employer insurance; requiring notice of certain plan availability; amending Minnesota Statutes 2006, section 62L.05, by adding a subdivision."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 2980: A bill for an act relating to insurance; homeowners; regulating flood insurance coverage; requiring disclosures of noncoverage; proposing coding for new law in Minnesota Statutes, chapter 65A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, delete everything after "insurer"

Page 1, line 9, delete everything before "shall" and before "provide" insert "annually"

Page 1, line 19, delete everything after the period

Page 1, line 20, delete everything before "If"

Page 1, after line 24, insert:

"**EFFECTIVE DATE.** This section is effective August 1, 2008, for policies issued or renewed on or after that date."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 3508: A bill for an act relating to insurance; regulating motor vehicle insurance adjustments; amending Minnesota Statutes 2007 Supplement, section 72B.092, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 24, after the semicolon, insert "or"

Page 2, delete lines 1 to 7 and insert:

"(7) unilaterally and arbitrarily disregard a repair operation or cost identified by an estimating system, which an insurer and collision repair facility have agreed to utilize in determining the cost of repair."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1578: A bill for an act relating to consumer protection; regulating security freezes on consumer reports; providing for payment of fees; amending Minnesota Statutes 2006, section 13C.016, subdivision 8.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 3174: A bill for an act relating to securities; modifying the Minnesota Securities Act; regulating registrations, filings, and fees; making various technical changes; amending Minnesota Statutes 2006, sections 80A.40; 80A.41; 80A.46; 80A.50; 80A.52; 80A.54; 80A.55; 80A.56; 80A.57; 80A.58; 80A.60; 80A.65, subdivision 2, by adding a subdivision; 80A.66; 80A.67; 80A.76; 80A.82; 80A.83; 80A.85; 80A.87.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred

H.F. No. 3411: A bill for an act relating to motor fuels; updating standards for petroleum products; providing for use of number to advertise grade of gasoline; amending Minnesota Statutes 2006, sections 239.751, by adding a subdivision; 296A.01, subdivisions 19, 35; Minnesota Statutes 2007 Supplement, sections 239.761; 239.77, subdivision 1; 296A.01, subdivisions 7, 8, 8a, 14, 20, 23, 24, 25, 26, 28.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Scheid from the Committee on Commerce and Consumer Protection, to which was re-referred

S.F. No. 3336: A bill for an act relating to traffic regulations; providing for exemptions to vehicle window glazing restrictions; amending Minnesota Statutes 2006, sections 168.27, by adding a subdivision; 169.71, subdivision 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 2765: A bill for an act relating to insurance; regulating auto insurance; regulating certain claims practices; amending Minnesota Statutes 2006, section 65B.54, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 3328: A bill for an act relating to commerce; regulating surcharges on credit cards; amending Minnesota Statutes 2006, section 325G.051, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 3594: A bill for an act relating to commerce; regulating real estate transactions; defining terms; regulating closing agents; amending Minnesota Statutes 2006, sections 68A.04; 82.17, subdivision 3; 82.49.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 60A.06, subdivision 1, is amended to read:

Subdivision 1. **Statutory lines.** Insurance corporations may be authorized to transact in any state or territory in the United States, in the Dominion of Canada, and in foreign countries, when specified in their charters or certificates of incorporation, either as originally granted or as thereafter amended, any of the following kinds of business, upon the stock plan, or upon the mutual plan when the formation of such mutual companies is otherwise authorized by law; and business trusts as authorized by law of this state shall only be authorized to transact in this state the following kind of business hereinafter specified in clause (7) hereof when specified in their "declaration of trust":

(1) To insure against loss or damage to property on land and against loss of rents and rental values, leaseholds of buildings, use and occupancy and direct or consequential loss or damage caused by fire, smoke or smudge, water or other fluid or substance, lightning, windstorm, tornado, cyclone, earthquake, collapse and slippage, rain, hail, frost, snow, freeze, change of temperature, weather or climatic conditions, excess or deficiency of moisture, floods, the rising of waters, oceans, lakes, rivers or their tributaries, bombardment, invasion, insurrection, riot, civil war or commotion, military or usurped power, electrical power interruption or electrical breakdown from any cause, railroad equipment, motor vehicles or aircraft, accidental injury to sprinklers, pumps, conduits or containers or other apparatus erected for extinguishing fires, explosion, whether fire ensues or not, except explosions on risks specified in clause (3); provided, however, that there may be insured hereunder the following: (a) explosion of any kind originating outside the insured building or outside of the building containing the property insured, (b) explosion of pressure vessels which do not contain steam or which are not operated with steam coils or steam jackets; and (c) risks under home owners multiple peril policies;

(2)(a) To insure vessels, freight, goods, wares, merchandise, specie, bullion, jewels, profits, commissions, bank notes, bills of exchange, and other evidences of debt, bottomry and respondentia interest, and every insurance appertaining to or connected with risks of transportation and navigation on and under water, on land or in the air;

(b) To insure all personal property floater risks;

(3) To insure against any loss from either direct or indirect damage to any property or interest of the assured or of another, resulting from the explosion of or injury to (a) any boiler, heater or other fired pressure vessel; (b) any unfired pressure vessel; (c) pipes or containers connected with any of said boilers or vessels; (d) any engine, turbine, compressor, pump or wheel; (e) any apparatus generating, transmitting or using electricity; (f) any other machinery or apparatus connected with or operated by any of the previously named boilers, vessels or machines; and including the incidental power to make inspections of and to issue certificates of inspection upon, any such boilers, apparatus, and machinery, whether insured or otherwise;

(4) To make contracts of life and endowment insurance, to grant, purchase, or dispose of

annuities or endowments of any kind; and, in such contracts, or in contracts supplemental thereto to provide for additional benefits in event of death of the insured by accidental means, total permanent disability of the insured, or specific dismemberment or disablement suffered by the insured, or acceleration of life or endowment or annuity benefits in advance of the time they would otherwise be payable;

(5)(a) To insure against loss or damage by the sickness, bodily injury or death by accident of the assured or dependents, or those for whom the assured has assumed a portion of the liability for the loss or damage, including liability for payment of medical care costs or for provision of medical care;

(b) To insure against the legal liability, whether imposed by common law or by statute or assumed by contract, of employers for the death or disablement of, or injury to, employees;

(6) To guarantee the fidelity of persons in fiduciary positions, public or private, or to act as surety on official and other bonds, and for the performance of official or other obligations;

(7) To insure owners and others interested in real or personal property as described in section 68A.04 ~~estate against loss or damage, by reason of defective titles, encumbrances, or otherwise;~~

(8) To insure against loss or damage by breakage of glass, located or in transit;

(9)(a) To insure against loss by burglary, theft, or forgery;

(b) To insure against loss of or damage to moneys, coins, bullion, securities, notes, drafts, acceptance or any other valuable paper or document, resulting from any cause, except while in the custody or possession of and being transported by any carrier for hire or in the mail;

(c) To insure individuals by means of an all risk type of policy commonly known as the "personal property floater" against any kind and all kinds of loss of or damage to, or loss of use of, any personal property other than merchandise;

(d) To insure against loss or damage by water or other fluid or substance;

(10) To insure against loss from death of domestic animals and to furnish veterinary service;

(11) To guarantee merchants and those engaged in business, and giving credit, from loss by reason of giving credit to those dealing with them; this shall be known as credit insurance;

(12) To insure against loss or damage to automobiles or other vehicles or aircraft and their contents, by collision, fire, burglary, or theft, and other perils of operation, and against liability for damage to persons, or property of others, by collision with such vehicles or aircraft, and to insure against any loss or hazard incident to the ownership, operation, or use of motor or other vehicles or aircraft;

(13) To insure against liability for loss or damage to the property or person of another caused by the insured or by those for whom the insured is responsible, including insurance of medical, hospital, surgical, funeral or other related expense of the insured or other person injured, irrespective of legal liability of the insured, when issued with or supplemental to policies of liability insurance;

(14) To insure against loss of or damage to any property of the insured, resulting from the ownership, maintenance or use of elevators, except loss or damage by fire;

(15) To insure against attorneys fees, court costs, witness fees and incidental expenses incurred in connection with the use of the professional services of attorneys at law.

Sec. 2. Minnesota Statutes 2006, section 68A.04, is amended to read:

68A.04 DEFINITION OF DIRECT RISK PREMIUMS DEFINITIONS.

Subdivision 1. **Direct risk premiums.** For purposes of this chapter, "direct risk premiums" means the charge for title insurance made by a title insurance company or its agents according to the company's rate filing approved by the commissioner of commerce without a deduction for commissions paid to or retained by the agent and is that portion of the fee charged by a title insurance company to an insured or an applicant for insurance for the assumption by the title insurance company of the risk created by the issuance of the title insurance policy. Direct risk premiums of a title insurance company do not include any other charge or fee for abstracting, searching, or examining the title, or for escrow, closing, or other related services.

Subd. 2. **Title insurance.** For purposes of this chapter, "title insurance" means insuring owners of real or personal property, the holders of liens, interests or encumbrances thereon, or others interested therein, against loss or damage suffered by reason of liens, encumbrances upon, defects in, or the unmarketability of the title to the property; the invalidity, impairment, lack of priority, or unenforceability of any liens or encumbrances on the property; or the doing, or proposing to do, any business in substance equivalent to any of the foregoing whether or not designed to evade the provisions of this chapter.

Sec. 3. Minnesota Statutes 2006, section 82.17, subdivision 3, is amended to read:

Subd. 3. **Closing agent; real estate closing agent.** "Closing agent" or "real estate closing agent" means any person whether or not acting as an agent for a title company, a licensed attorney, real estate broker, or real estate salesperson, who for another and with or without a commission, fee, or other valuable consideration or with or without the intention or expectation of receiving a commission, fee, or other valuable consideration, directly or indirectly provides closing services incident to the sale, trade, lease, or loan of residential real estate, including drawing or assisting in drawing papers incident to the sale, trade, lease, or loan of residential real estate, or advertises or claims to be engaged in these activities. A notary public who acknowledges a signature on a deed, mortgage, or other residential closing document is a closing agent if the notary public performs any other service or assistance in connection with the residential closing.

Sec. 4. Minnesota Statutes 2006, section 82.49, is amended to read:

82.49 TABLE FUNDING.

Subdivision 1. **Definitions.** (a) For purposes of this section, the terms in this subdivision have the meanings given them.

(b) "Closing agent" has the meaning given in section 82.17, subdivision 3.

(c) "Collected funds" means funds deposited, finally settled, and credited to the closing agent's escrow account.

~~(d) "Established business relationship" means that the closing agent has performed at least 25 residential closings on behalf of the lender.~~

~~(e)~~ "Federally insured financial institution" means an institution in which monetary deposits are insured by the Federal Deposit Insurance Corporation or National Credit Union Administration.

~~(f)~~ (e) "Lender" means a person who makes residential mortgage loans including a person who engages in table funding. "Lender" does not include any organization described in section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, as amended, if the organization is exempt from tax under section 501(a) of the Internal Revenue Code of 1986, as amended. "Lender" does not include a state or any political subdivision of a state.

~~(g)~~ (f) "Qualified loan funds" means funds in one of the following forms:

- (1) lawful money of the United States;
- (2) wired funds when unconditionally held by the closing agent;
- (3) cashier's checks, ~~certified checks, bank money orders, or teller's checks~~ issued by a federally insured financial institution and unconditionally held by the closing agent; and
- (4) United States treasury checks, Federal Reserve Bank checks, federal home loan bank checks, and state of Minnesota warrants.

~~(h)~~ (g) "Table funding" means a closing or settlement at which a mortgage loan is funded by a lender by a contemporaneous advance of mortgage loan funds and an assignment of the mortgage loan to the lender advancing the funds.

Subd. 2. **Requirements.** (a) A closing agent shall not make disbursements out of an escrow, security deposit, settlement, or closing account unless the funds received from the lender are collected funds or qualified loan funds. ~~This subdivision does not prohibit a closing agent from electing to disburse out of an escrow, security deposit, settlement, or closing account, other than with collected funds or qualified loan funds, if the closing agent has an established business relationship with the lender on whose behalf the closing is being conducted.~~

(b) A lender, using the closing services of a closing agent, shall at or before the time of the closing deliver loan funds to the closing agent either in the form of collected funds or qualified loan funds."

Delete the title and insert:

"A bill for an act relating to commerce; regulating real estate transactions; defining terms; regulating closing agents; amending Minnesota Statutes 2006, sections 60A.06, subdivision 1; 68A.04; 82.17, subdivision 3; 82.49."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred

S.F. No. 3605: A bill for an act relating to energy; renaming the Legislative Electric Energy Task Force and clarifying its duties; amending Minnesota Statutes 2006, section 216C.051, as amended.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred

S.F. No. 3093: A bill for an act relating to local government; extending and changing the terms of guaranteed energy savings contracts under the uniform municipal contracting law; amending Minnesota Statutes 2007 Supplement, section 471.345, subdivision 13.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred

S.F. No. 2232: A bill for an act relating to public health; allowing municipalities to enact an ordinance authorizing dogs to accompany persons patronizing outdoor areas of food and beverage service establishments; proposing coding for new law in Minnesota Statutes, chapter 157.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

H.F. No. 2932: A bill for an act relating to town cemeteries; specifying uses of certain cemetery funds; amending Minnesota Statutes 2006, sections 365.29; 365.30; 365.31; 365.33, subdivision 4; 365.35; 365.36, subdivisions 2, 3; 471.84.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred

S.F. No. 2996: A bill for an act relating to energy and the environment; extending the definition of biomass with respect to renewable energy objectives, distributed energy resources, and renewable energy resource planning; extending the expiration date for the Metropolitan Area Water Supply Advisory Committee; amending Minnesota Statutes 2006, sections 216B.2411, subdivision 2; 216B.2422, subdivision 1; 473.1565, subdivision 2; Minnesota Statutes 2007 Supplement, section 216B.1691, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 3451: A bill for an act relating to Carver County; making the library board advisory to the county board.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 3072: A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 12; adding a provision to allow the legislature or presiding officers to call a special session.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **CONSTITUTIONAL AMENDMENT PROPOSED.**

An amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, article IV, section 12, will read:

Sec. 12. The legislature shall meet at the seat of government in regular session in each biennium at the times prescribed by law for not exceeding a total of 120 legislative days. The legislature shall not meet in regular session, nor in any adjournment thereof, after the first Monday following the third Saturday in May of any year. After meeting at a time prescribed by law, the legislature may adjourn to another time. "Legislative day" shall be defined by law. Upon the written agreement of two-thirds of the members elected to the house of representatives and two-thirds of the members elected to the senate, the legislature shall convene in special session. Any bill may be considered whose subject is stated in the agreement or order that convened the special session. A special session called by the legislature may not exceed seven legislative days. A bill may be passed on the day prescribed for adjournment of the special session. A special session of the legislature may also be called by the governor on extraordinary occasions.

Neither house during a session of the legislature shall adjourn for more than three days (Sundays excepted) nor to any other place than that in which the two houses shall be assembled without the consent of the other house.

Sec. 2. **SUBMISSION TO VOTERS.**

The proposed amendment must be submitted to the people at the 2008 general election. The question submitted must be:

"Shall the Minnesota Constitution be amended to require the legislature to meet in special session for up to seven days upon the agreement of two-thirds of the members of each house of the legislature?"

Yes
No"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred

S.F. No. 3055: A bill for an act relating to veterans; establishing a loan program; adding certain veterans to those eligible for a program; changing an unemployment compensation provision; appropriating money; amending Minnesota Statutes 2007 Supplement, sections 116L.17, subdivision 1; 268.047, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter

116J.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred

S.F. No. 3576: A bill for an act relating to natural resources; providing for viral hemorrhagic septicemia control; authorizing rulemaking; amending Minnesota Statutes 2006, sections 17.4985, subdivisions 2, 3, 5; 17.4986, subdivisions 1, 2, 4; 17.4987; 17.4992, subdivision 2; 17.4993; 84D.03, subdivision 4; 97A.015, by adding a subdivision; 97C.203; 97C.205; 97C.341; 97C.391, by adding a subdivision; 97C.505, subdivision 1; 97C.515, subdivisions 2, 4, 5; 97C.821; repealing Minnesota Statutes 2006, section 97C.515, subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 2403: A bill for an act relating to public safety; modifying provision relating to disability of peace officer or firefighter; amending Minnesota Statutes 2006, section 299A.465, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 299A.465, subdivision 1, is amended to read:

Subdivision 1. **Officer or firefighter disabled in line of duty.** (a) This subdivision applies when ~~a peace officer or firefighter suffers a disabling injury that:~~

~~(1) results in the officer's or firefighter's retirement or separation from service;~~

~~(2) occurs while the officer or firefighter is acting in the course and scope of duties as a peace officer or firefighter; and~~

~~(3) the officer or firefighter has been approved to receive the officer's or firefighter's duty-related disability pension- to any peace officer or firefighter:~~

(1) who the Public Employees Retirement Association determines is eligible to receive a duty disability benefit pursuant to section 353.656; or

(2) who (i) does not qualify to receive disability benefits by operation of the eligibility requirements set forth in section 353.656, subdivision 1, paragraph (b), (ii) retires pursuant to section 353.651, subdivision 4, or (iii) is a member of a local police or salaried firefighters relief association and qualifies for a duty disability benefit under the terms of plans of the relief associations, and the peace officer or firefighter described in item (i), (ii), or (iii) has discontinued public service as a peace officer or firefighter as a result of a disabling injury and has been determined, by the Public Employees Retirement Association, to have otherwise met the duty disability criteria set forth in section 353.01, subdivision 41.

(b) A determination made on behalf of a peace officer or firefighter described in paragraph (a), clause (2), must be at the request of the peace officer or firefighter made for the purposes of this section. Determinations made in accordance with paragraph (a) are binding on the peace officer or firefighter, employer, and state. The determination must be made by the executive director of the Public Employees Retirement Association and is not subject to section 356.96, subdivision 2. Upon making a determination, the executive director shall provide written notice to the peace officer or firefighter and the employer. This notice must include:

(1) a written statement of the reasons for the determination;

(2) a notice that the person may petition for a review of the determination by requesting that a contested case be initiated before the Office of Administrative Hearings, the cost of which must be borne by the peace officer or firefighter and the employer; and

(3) a statement that any person who does not petition for a review within 60 days is precluded from contesting issues determined by the executive director in any other administrative review or court procedure.

If, prior to the contested case hearing, additional information is provided to support the claim for duty disability as defined in section 353.01, subdivision 41, the executive director may reverse the determination without the requested hearing. If a hearing is held before the Office of Administrative Hearings, the determination rendered by the judge conducting the fact-finding hearing is a final decision and order under section 14.62, subdivision 2a, and is binding on the executive director, the peace officer or firefighter, employer, and state. Review of a final determination made by the Office of Administrative Hearings under this section may only be obtained by writ of certiorari to the Minnesota Court of Appeals under sections 14.63 to 14.68. Only the peace officer or firefighter, employer, and state have standing to participate in a judicial review of the decision of the Office of Administrative Hearings.

~~(b)~~(c) The officer's or firefighter's employer shall continue to provide health coverage for:

(1) the officer or firefighter; and

(2) the officer's or firefighter's dependents if the officer or firefighter was receiving dependent coverage at the time of the injury under the employer's group health plan.

~~(e)~~(d) The employer is responsible for the continued payment of the employer's contribution for coverage of the officer or firefighter and, if applicable, the officer's or firefighter's dependents. Coverage must continue for the officer or firefighter and, if applicable, the officer's or firefighter's dependents until the officer or firefighter reaches or, if deceased, would have reached the age of 65. However, coverage for dependents does not have to be continued after the person is no longer a dependent.

EFFECTIVE DATE. This section is effective July 1, 2008."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 3303: A bill for an act relating to the city of Minneapolis; authorizing the creation of a

nonprofit riverfront revitalization corporation; requiring a report.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **NONPROFIT RIVERFRONT REVITALIZATION CORPORATION.**

Subdivision 1. **Nonprofit corporation may be established.** The city of Minneapolis may create a nonprofit corporation under Minnesota Statutes, chapter 317A. The purpose of the nonprofit corporation must be to facilitate and support coordinated revitalization of the Mississippi riverfront within the city of Minneapolis. The corporation may seek tax exemption and 501(c)(3) status under the Internal Revenue Code. The corporation may accept gifts, donations, money, property, and other assets and may transfer, donate, or otherwise provide such gifts, donations, money, property, and other assets consistent with its dedicated purpose. The corporation may choose to exercise any of the powers granted to a nonprofit corporation under Minnesota Statutes, chapter 317A, including the acquisition and disposition of real estate.

Subd. 2. **Formation; board of directors; employees.** The corporation's board of directors must include at least ten and no more than 24 members, including at least two representatives from the city of Minneapolis appointed by the city council and two representatives from the Minneapolis Park and Recreation Board appointed by the Minneapolis Park and Recreation Board. No more than half of the board may be representatives of governmental entities, with membership to be offered to the Mississippi Watershed Management Organization, Hennepin County, the University of Minnesota, and National Park Service/MNRRRA. At least half of the nongovernmental members of the board must be representatives of (1) community or neighborhood organizations from both river-adjacent neighborhoods and the city at large or (2) Minneapolis riverfront residents. The other nongovernmental members may include business leaders and representatives of civic and nonprofit organizations and foundations. The members of the board must not be compensated by the corporation for their services but may be reimbursed for reasonable expenses incurred in connection with their duties as board members.

Sec. 2. **FUNDING.**

The city of Minneapolis or the Minneapolis Park and Recreation Board, or both, may provide office space, administrative support, and funding to help create and establish the corporation. Until the corporation is established and functioning, the city of Minneapolis may accept gifts, donations, money, property, and other assets for purposes consistent with the corporation's purposes and shall, when the corporation is established and functioning, transfer such gifts, donations, money, property, and other assets to the corporation. The city of Minneapolis, the Minneapolis Park and Recreation Board, and any other political subdivisions of the state of Minnesota also may contribute gifts, donations, money, property, and other assets to the corporation for purposes consistent with the corporation's purposes. The use of governmental funds and resources for these purposes is a public purpose.

Sec. 3. **REPORT.**

On or before January 15, 2010, the city of Minneapolis shall prepare and submit to the chairs of the legislative committees and divisions with jurisdiction over metropolitan and local government a report on the creation and establishment of the corporation, including a description of the public

and private funds and resources used to help create and establish the corporation.

Sec. 4. **APPLICATION.**

This act applies to the city of Minneapolis.

Sec. 5. **EFFECTIVE DATE.**

This act is effective the day after both the city of Minneapolis and the Minneapolis Park and Recreation Board comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3. Compliance by both governing bodies must be completed no later than December 31, 2008, or this act is deemed to be disapproved, as provided by Minnesota Statutes, section 645.021, subdivision 3."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred

S.F. No. 3571: A bill for an act relating to human services; amending state-operated services; allowing certain nonstate employees to work for community-based programs; amending Minnesota Statutes 2006, section 252.50, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

H.F. No. 2788: A bill for an act relating to the city of Nashwauk; increasing the membership of the Nashwauk Public Utilities Commission from three to five members.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

H.F. No. 2896: A bill for an act relating to public buildings; removing a requirement that a city hold a referendum before building, equipping, or maintaining a memorial for war veterans; amending Minnesota Statutes 2006, section 416.01.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

H.F. No. 2599: A bill for an act relating to local government; increasing amount that counties may appropriate for Memorial Day observances; amending Minnesota Statutes 2006, sections 375.34; 375.35.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 11 and 19, delete "July 1, 2008" and insert "the day following final enactment"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 3353: A bill for an act relating to human services; providing long-term care rate adjustments; providing funding for long-term care employee health insurance costs; modifying MinnesotaCare eligibility for long-term care employees; requiring development of a new nursing facility rate rebasing methodology; requiring a study of direct care staffing; expanding the uses for an existing appropriation for the phase-in of rebased operating rates; amending Minnesota Statutes 2006, sections 256B.434, by adding a subdivision; 256B.441, by adding a subdivision; 256B.5012, by adding a subdivision; 256L.07, subdivision 2; Minnesota Statutes 2007 Supplement, sections 256B.434, subdivision 19; 256B.441, subdivisions 1, 50, 51a; 256B.5012, subdivision 7; Laws 2007, chapter 147, article 7, section 71; repealing Minnesota Statutes 2007 Supplement, section 256B.441, subdivisions 55, 56.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 25 and 28, strike "adjustment" and insert "adjustments"

Page 2, lines 7, 23, and 26, strike "adjustment" and insert "adjustments"

Page 2, line 25, strike ", 2007" and delete the new language and insert "of each year"

Page 2, lines 28 and 30, strike the third "the" and insert "each"

Page 4, line 3, strike "adjustment" and insert "adjustments"

Page 4, line 4, before the period, insert "of each year"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 3030: A bill for an act relating to human services; creating a working group to study access to emergency mental health services.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, delete "emergency medical transport" and insert "Minnesota Ambulance Association"

Page 1, line 10, after the period, insert "Members of the work group shall include culturally diverse organizations."

And when so amended the bill do pass and be re-referred to the Committee on State and Local Government Operations and Oversight. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 2368: A bill for an act relating to human services; requiring authorization before relocating regional treatment centers or state-operated nursing homes; amending Minnesota Statutes 2006, section 246.0135.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 246.0136, is amended by adding a subdivision to read:

Subd. 3. **Procedure for closing or transferring enterprise activities.** No later than 120 days prior to closing or transferring an enterprise activity established within this section, the commissioner of human services shall notify the chairs and ranking minority members of the relevant senate and house of representatives finance and policy committees and the legislative members representing the district where the enterprise activity is located."

Amend the title as follows:

Page 1, line 2, delete everything after "requiring" and insert "the commissioner to notify the legislature prior to the closure or transfer of an enterprise activity"

Page 1, line 3, delete everything before the semicolon

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was re-referred

S.F. No. 3165: A bill for an act relating to agriculture; establishing requirements for practicing animal chiropractic care; amending Minnesota Statutes 2006, section 148.01, subdivision 1, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 148.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, after line 12, insert:

"Sec. 8. [148.035] SEPARATE TREATMENT ROOM REQUIRED.

A licensed chiropractor who provides animal chiropractic treatment in the same facility where human patients are treated, shall maintain a separate noncarpeted room for the purpose of adjusting animals. The table and equipment used for animals shall not be used for human patients.

Sec. 9. Minnesota Statutes 2006, section 156.12, subdivision 2, is amended to read:

Subd. 2. **Authorized activities.** No provision of this chapter shall be construed to prohibit:

(a) a person from rendering necessary gratuitous assistance in the treatment of any animal when

the assistance does not amount to prescribing, testing for, or diagnosing, operating, or vaccinating and when the attendance of a licensed veterinarian cannot be procured;

(b) a person who is a regular student in an accredited or approved college of veterinary medicine from performing duties or actions assigned by instructors or preceptors or working under the direct supervision of a licensed veterinarian;

(c) a veterinarian regularly licensed in another jurisdiction from consulting with a licensed veterinarian in this state;

(d) the owner of an animal and the owner's regular employee from caring for and administering to the animal belonging to the owner, except where the ownership of the animal was transferred for purposes of circumventing this chapter;

(e) veterinarians who are in compliance with subdivision 6 and who are employed by the University of Minnesota from performing their duties with the College of Veterinary Medicine, College of Agriculture, Agricultural Experiment Station, Agricultural Extension Service, Medical School, School of Public Health, or other unit within the university; or a person from lecturing or giving instructions or demonstrations at the university or in connection with a continuing education course or seminar to veterinarians or pathologists at the University of Minnesota Veterinary Diagnostic Laboratory;

(f) any person from selling or applying any pesticide, insecticide or herbicide;

(g) any person from engaging in bona fide scientific research or investigations which reasonably requires experimentation involving animals;

(h) any employee of a licensed veterinarian from performing duties other than diagnosis, prescription or surgical correction under the direction and supervision of the veterinarian, who shall be responsible for the performance of the employee;

(i) a graduate of a foreign college of veterinary medicine from working under the direct personal instruction, control, or supervision of a veterinarian faculty member of the College of Veterinary Medicine, University of Minnesota in order to complete the requirements necessary to obtain an ECFVG certificate;

(j) a licensed chiropractor registered under section 148.01, subdivision 1a, from practicing animal chiropractic."

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 3780: A bill for an act relating to occupations and professions; allowing optometrists to dispense a legend drug at retail under certain conditions; amending Minnesota Statutes 2006, sections 145.711, by adding a subdivision; 148.574.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Moua from the Committee on Judiciary, to which was referred

H.F. No. 2898: A bill for an act relating to insurance; regulating claim denials under aviation liability coverage; amending Minnesota Statutes 2006, section 60A.081, subdivision 1; Minnesota Statutes 2007 Supplement, section 360.59, subdivision 10.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Pogemiller, from the Committee on Rules and Administration, to which was referred

H.F. No. 3240 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3240	3006				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Senator Pogemiller, from the Committee on Rules and Administration, to which was referred

H.F. No. 3114 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3114	2820				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 3114 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 3114, the second engrossment; and insert the language after the enacting clause of S.F. No. 2820, the first engrossment; further, delete the title of H.F. No. 3114, the second engrossment; and insert the title of S.F. No. 2820, the first engrossment.

And when so amended H.F. No. 3114 will be identical to S.F. No. 2820, and further recommends that H.F. No. 3114 be given its second reading and substituted for S.F. No. 2820, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 3758, 3698, 3166, 3082, 3775, 3135, 2809, 3119, 3397, 2399, 2866, 2576, 2806, 3362, 3098, 2828, 3446, 2980, 3508, 1578, 3174, 3336, 2765, 3328, 3594, 3093, 2232, 2996, 3451, 3576, 2403, 3303, 3571, 2368, 3165 and 3780 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 2602, 117, 3411, 2932, 2788, 2896, 2599, 2898, 3240 and 3114 were read the second time.

MOTIONS AND RESOLUTIONS

Senator Rummel moved that her name be stricken as a co-author to S.F. No. 799. The motion prevailed.

Senator Doll moved that the name of Senator Clark be added as a co-author to S.F. No. 3436. The motion prevailed.

Senator Clark moved that the name of Senator Moua be added as a co-author to S.F. No. 3492. The motion prevailed.

Senator Lourey moved that the name of Senator Skoe be added as a co-author to S.F. No. 3673. The motion prevailed.

Senator Pappas moved that the name of Senator Sheran be added as a co-author to S.F. No. 3786. The motion prevailed.

Senator Wiger moved that S.F. No. 3574, No. 103 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Senator Pogemiller moved that the Senate take up the Calendar. The motion prevailed.

CALENDAR

S.F. No. 3313: A bill for an act relating to occupations and professions; improving physician licensure standards based on reciprocity; amending Minnesota Statutes 2006, section 147.03, subdivision 1; Minnesota Statutes 2007 Supplement, section 147.037, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson
Bakk

Berglin
Betzold

Bonoff
Carlson

Chaudhary
Clark

Dahle
Dibble

Dille	Ingebrigtsen	Lourey	Prettner Solon	Skogen
Doll	Johnson	Lynch	Robling	Stumpf
Erickson Ropes	Jungbauer	Marty	Rummel	Tomassoni
Fischbach	Koch	Metzen	Saltzman	Torres Ray
Foley	Koering	Michel	Saxhaug	Vandever
Frederickson	Kubly	Moua	Scheid	Vickerman
Gerlach	Langseth	Olseen	Senjem	Wergin
Gimse	Larson	Olson, G.	Sheran	Wiger
Hann	Latz	Olson, M.	Sieben	
Higgins	Limmer	Pogemiller	Skoe	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of the Consent Calendar.

CONSENT CALENDAR

H.F. No. 2582: A bill for an act relating to veterans; designating March 29 as Vietnam Veterans Day; proposing coding for new law in Minnesota Statutes, chapter 197.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Koering	Olseen	Sieben
Bakk	Fischbach	Kubly	Olson, G.	Skoe
Berglin	Foley	Langseth	Olson, M.	Skogen
Betzold	Frederickson	Larson	Pogemiller	Sparks
Bonoff	Gerlach	Latz	Prettner Solon	Stumpf
Carlson	Gimse	Limmer	Robling	Tomassoni
Chaudhary	Hann	Lourey	Rummel	Torres Ray
Clark	Higgins	Lynch	Saltzman	Vandever
Dahle	Ingebrigtsen	Marty	Saxhaug	Vickerman
Dibble	Johnson	Metzen	Scheid	Wergin
Dille	Jungbauer	Michel	Senjem	Wiger
Doll	Koch	Moua	Sheran	

So the bill passed and its title was agreed to.

S.F. No. 3050: A bill for an act relating to agriculture; modifying the expiration date for the Minnesota Agriculture Education Leadership Council; amending Minnesota Statutes 2006, section 41D.01, subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doll	Koering	Olseen	Sheran
Bakk	Erickson Ropes	Kubly	Olson, G.	Sieben
Berglin	Fischbach	Langseth	Olson, M.	Skoe
Betzold	Foley	Larson	Pariseau	Skogen
Bonoff	Gerlach	Latz	Pogemiller	Sparks
Carlson	Gimse	Limmer	Prettner Solon	Stumpf
Chaudhary	Hann	Lourey	Robling	Tomassoni
Clark	Higgins	Lynch	Rummel	Torres Ray
Dahle	Ingebrigtsen	Marty	Saltzman	Vandever
Day	Johnson	Metzen	Saxhaug	Vickerman
Dibble	Jungbauer	Michel	Scheid	Wergin
Dille	Koch	Moua	Senjem	Wiger

So the bill passed and its title was agreed to.

S.F. No. 3755: A bill for an act relating to the military; repealing authorization for the state Persian Gulf War ribbon; repealing Minnesota Statutes 2006, section 190.17.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doll	Koering	Olson, G.	Sieben
Bakk	Erickson Ropes	Kubly	Olson, M.	Skoe
Berglin	Fischbach	Langseth	Pariseau	Skogen
Betzold	Foley	Larson	Pogemiller	Sparks
Bonoff	Frederickson	Latz	Prettner Solon	Stumpf
Carlson	Gerlach	Limmer	Robling	Tomassoni
Chaudhary	Gimse	Lourey	Rosen	Torres Ray
Clark	Hann	Lynch	Rummel	Vandever
Cohen	Higgins	Marty	Saltzman	Vickerman
Dahle	Ingebrigtsen	Metzen	Saxhaug	Wergin
Day	Johnson	Michel	Scheid	Wiger
Dibble	Jungbauer	Moua	Senjem	
Dille	Koch	Olseen	Sheran	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Anderson moved that S.F. No. 3087 be withdrawn from the Committee on Environment and Natural Resources and returned to its author. The motion prevailed.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senators Pappas, Rest, Anderson and Moua introduced—

S.F. No. 3794: A bill for an act relating to human rights; establishing requirements for investigations and fulfillment of statutory functions; appropriating money; amending Minnesota Statutes 2007 Supplement, section 363A.06, subdivision 1.

Referred to the Committee on Finance.

Senator Sheran introduced—

S.F. No. 3795: A bill for an act relating to higher education; appropriating money to reduce tuition at the Minnesota State Colleges and Universities.

Referred to the Committee on Finance.

Senator Tomassoni introduced—

S.F. No. 3796: A bill for an act relating to natural resources; modifying management plan requirements of certain recreation area; appropriating money for recreational underpass; amending Laws 1999, chapter 231, section 99, subdivision 4.

Referred to the Committee on Finance.

Senator Marty introduced—

S.F. No. 3797: A resolution apologizing on behalf of citizens of the state to all persons with mental illness and developmental and other disabilities who have been wrongfully committed to state institutions.

Referred to the Committee on Health, Housing and Family Security.

Senator Wergin introduced—

S.F. No. 3798: A bill for an act relating to marriage; modifying the grounds for marriage dissolution; requiring a dissolution prevention notice and waiting period as a prerequisite to commencing a marriage dissolution; amending Minnesota Statutes 2006, sections 518.06, subdivision 1; 518.10; proposing coding for new law in Minnesota Statutes, chapter 518.

Referred to the Committee on Judiciary.

Senators Doll, Koering, Erickson Ropes and Wergin introduced—

S.F. No. 3799: A bill for an act relating to insurance; requiring that physical therapy coverage include physical therapy for maintenance of health status for patients with progressive conditions; proposing coding for new law in Minnesota Statutes, chapter 62Q.

Referred to the Committee on Commerce and Consumer Protection.

Senator Scheid introduced—

S.F. No. 3800: A bill for an act relating to workforce development; establishing a lifelong learning account program; allowing tax credits to employees and employers for contributions to lifelong learning accounts; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 175; 290.

Referred to the Committee on Business, Industry and Jobs.

Senator Fischbach introduced—

S.F. No. 3801: A bill for an act relating to human services; creating a program for respite care for family adult foster care providers; proposing coding for new law in Minnesota Statutes, chapter 256.

Referred to the Committee on Health, Housing and Family Security.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Rest moved that S.F. No. 3398, No. 115 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

RECESS

Senator Pogemiller moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Reports of Committees and Second Reading of Senate Bills.

REPORTS OF COMMITTEES

Senator Pogemiller moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred

S.F. No. 3471: A bill for an act relating to unemployment insurance; providing for extended unemployment benefits under certain circumstances; amending Minnesota Statutes 2007 Supplement, section 268.115, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2007 Supplement, section 268.047, subdivision 1, is amended to read:

Subdivision 1. **General rule.** Unemployment benefits paid to an applicant, including extended, ~~additional,~~ and shared work benefits, will be used in computing the future tax rate of a taxpaying base period employer or charged to the reimbursable account of a base period nonprofit or government employer that has elected to be liable for reimbursements except as provided in subdivisions 2 and 3. The amount of unemployment benefits used in computing the future tax rate of taxpaying employers or charged to the reimbursable account of a nonprofit or government employer that has elected to be liable for reimbursements is the same percentage of the total amount of unemployment benefits paid as the percentage of wage credits from the employer is of the total amount of wage credits from all the applicant's base period employers.

In making computations under this subdivision, the amount of wage credits, if not a whole dollar, must be computed to the nearest whole dollar.

Sec. 2. Minnesota Statutes 2007 Supplement, section 268.085, subdivision 3, is amended to read:

Subd. 3. **Payments that delay unemployment benefits.** (a) An applicant is not eligible to receive unemployment benefits for any week with respect to which the applicant is receiving, has received, or has filed for payment, equal to or in excess of the applicant's weekly unemployment benefit amount, in the form of:

(1) vacation pay paid upon temporary, indefinite, or seasonal separation. This clause does not apply to (i) vacation pay paid upon a permanent separation from employment, or (ii) vacation pay paid from a vacation fund administered by a union or a third party not under the control of the employer;

(2) severance pay, bonus pay, sick pay, and any other payments, except earnings under subdivision 5, and back pay under subdivision 6, paid by an employer because of, upon, or after separation from employment, but only if the payment is considered wages at the time of payment under section 268.035, subdivision 29; or

(3) pension, retirement, or annuity payments from any plan contributed to by a base period employer including the United States government, except Social Security benefits that are provided for in subdivision 4. The base period employer is considered to have contributed to the plan if the contribution is excluded from the definition of wages under section 268.035, subdivision 29, clause (1).

An applicant is not considered to have received the lump sum payment if the applicant immediately deposits that payment in a qualified pension plan or account.

(b) This subdivision applies to all the weeks of payment. Payments under paragraph (a), clauses (1) and (2), are applied to the period immediately following the last day of employment ~~and~~. The number of weeks of payment, ~~for purposes of these clauses,~~ is determined as follows:

(1) if the payments are made periodically, the total of the payments to be received is divided by the applicant's last level of regular weekly pay from the employer; or

(2) if the payment is made in a lump sum, that sum is divided by the applicant's last level of regular weekly pay from the employer.

(c) If the payment is less than the applicant's weekly unemployment benefit amount, unemployment benefits are reduced by the amount of the payment. If the computation of reduced unemployment benefits is not a whole dollar, it is rounded down to the next lower whole dollar.

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

Sec. 3. Minnesota Statutes 2007 Supplement, section 268.085, subdivision 16, is amended to read:

Subd. 16. **Actively seeking suitable employment defined.** (a) "Actively seeking suitable employment" means those reasonable, diligent efforts an individual in similar circumstances would make if genuinely interested in obtaining suitable employment under the existing conditions in the labor market area. Limiting the search to positions that are not available or are above the applicant's training, experience, and qualifications is not "actively seeking suitable employment."

(b) To be considered "actively seeking suitable employment" an applicant must, when reasonable, contact those employers from whom the applicant was laid off because of lack of work and request suitable employment.

(c) If reasonable prospects of suitable employment in the applicant's usual or customary occupation do not exist, the applicant must actively seek other suitable employment to be considered "actively seeking suitable employment." This applies to an applicant who is seasonally unemployed.

(d) An applicant who is seeking employment only through a union is ~~not~~ considered actively seeking suitable employment unless if the applicant is in an occupation where it is required by union rule that all the hiring in that locality is done through the union or that all members are. If the applicant is a union member who is restricted to obtaining employment among signatory contractors in the construction industry, seeking employment only with those signatory contractors is considered actively seeking employment. The applicant must be a union member in good standing, registered with the union for employment, and in compliance with other union rules to be considered "actively seeking suitable employment."

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

Sec. 4. Minnesota Statutes 2006, section 268.125, subdivision 1, is amended to read:

Subdivision 1. **Additional unemployment benefits; when available.** Additional unemployment benefits are available if:

(1) a county had a total unemployment rate for the prior 12-calendar month period of at least 1.8 times the state average unemployment rate for the prior 12-calendar month period and the state average unemployment rate for the same 12-calendar month period was at least 4.6 percent. The commissioner must calculate the applicable unemployment rates within 30 calendar days following the end of the month. Once it has been calculated that the total unemployment rate in a county equals or exceeds 1.8 times the state average unemployment rate for the prior 12-calendar month period, the additional benefits are available beginning the Sunday following the date of calculation and continuing for a minimum of 13 calendar weeks; or

(2) (i) at a facility that had 100 or more employees, the employer reduced operations, resulting within a one-month period in the layoff of 50 percent or more of the facility's work force, including

reductions caused as a result of a major natural disaster declared by the president;

~~(2)~~ (ii) the employer has no expressed plan to resume operations that would lead to the reemployment of those employees in the immediate future; and

~~(3)~~ (iii) the seasonally adjusted unemployment rate in the county that the facility is located was ten percent or more during the month of the reduction or any of the three months before or after the month of the reduction.

EFFECTIVE DATE. This section is effective the day following final enactment and applies retroactively from January 1, 2008.

Sec. 5. Minnesota Statutes 2006, section 268.125, subdivision 2, is amended to read:

Subd. 2. **Payment of unemployment benefits from trust fund; effect on employer.** Additional unemployment benefits are payable from the trust fund. Additional unemployment benefits paid will not be used in computing the experience rating of a taxpaying employer nor charged to the reimbursing account of a nonprofit or government employer.

Sec. 6. Minnesota Statutes 2007 Supplement, section 268.125, subdivision 3, is amended to read:

Subd. 3. **Eligibility conditions.** An applicant is eligible to receive additional unemployment benefits for any week during the applicant's benefit year if:

(1) for any week during which benefits are available under subdivision 1, clause (1):

(i) the applicant resides in a county that meets the requirements of subdivision 1, clause (1), and resided in that county each week that regular unemployment benefits were paid;

(ii) the applicant meets the same eligibility requirements that are required for regular unemployment benefits under section 268.069; and

(iii) the applicant has exhausted regular unemployment benefits under section 268.07, is not entitled to receive extended unemployment benefits under section 268.115, and is not entitled to receive unemployment benefits under any other state or federal law for that week; or

(2) the applicant was laid off from employment as a result of a reduction under subdivision 1, clause (2), or was laid off because of lack of work from that employer during the three-month period before, or the three-month period after, the month of the reduction under subdivision 1, clause (2);

~~(2)~~ (3) the applicant meets the same eligibility requirements that are required for regular unemployment benefits under section 268.085 268.069;

~~(3) the applicant is not ineligible under section 268.095 because of a quit or a discharge;~~

(4) the applicant has exhausted regular unemployment benefits under section 268.07, is not entitled to receive extended unemployment benefits under section 268.115, and is not entitled to receive unemployment benefits under any other state or federal law for that week; and

(5) a majority of the applicant's wage credits were from the employer that had a reduction in operations under subdivision 1, clause (2).

EFFECTIVE DATE. This section is effective the day following final enactment and applies

retroactively from January 1, 2008.

Sec. 7. Minnesota Statutes 2006, section 268.125, is amended by adding a subdivision to read:

Subd. 6. **Notice.** The commissioner must notify applicants of the availability of additional unemployment benefits by contacting applicants by mail or electronic transmission, by posting a notice on the department's official Web site, and by appropriate announcement.

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

Sec. 8. Minnesota Statutes 2007 Supplement, section 268.19, subdivision 1, is amended to read:

Subdivision 1. **Use of data.** (a) Except as provided by this section, data gathered from any person under the administration of the Minnesota Unemployment Insurance Law are private data on individuals or nonpublic data not on individuals as defined in section 13.02, subdivisions 9 and 12, and may not be disclosed except according to a district court order or section 13.05. A subpoena is not considered a district court order. These data may be disseminated to and used by the following agencies without the consent of the subject of the data:

- (1) state and federal agencies specifically authorized access to the data by state or federal law;
- (2) any agency of any other state or any federal agency charged with the administration of an unemployment insurance program;
- (3) any agency responsible for the maintenance of a system of public employment offices for the purpose of assisting individuals in obtaining employment;
- (4) the public authority responsible for child support in Minnesota or any other state in accordance with section 256.978;
- (5) human rights agencies within Minnesota that have enforcement powers;
- (6) the Department of Revenue to the extent necessary for its duties under Minnesota laws;
- (7) public and private agencies responsible for administering publicly financed assistance programs for the purpose of monitoring the eligibility of the program's recipients;
- (8) the Department of Labor and Industry and the Division of Insurance Fraud Prevention in the Department of Commerce for uses consistent with the administration of their duties under Minnesota law;
- (9) local and state welfare agencies for monitoring the eligibility of the data subject for assistance programs, or for any employment or training program administered by those agencies, whether alone, in combination with another welfare agency, or in conjunction with the department or to monitor and evaluate the statewide Minnesota family investment program by providing data on recipients and former recipients of food stamps or food support, cash assistance under chapter 256, 256D, 256J, or 256K, child care assistance under chapter 119B, or medical programs under chapter 256B, 256D, or 256L;
- (10) local and state welfare agencies for the purpose of identifying employment, wages, and other information to assist in the collection of an overpayment debt in an assistance program;
- (11) local, state, and federal law enforcement agencies for the purpose of ascertaining the

last known address and employment location of an individual who is the subject of a criminal investigation;

(12) the United States Citizenship and Immigration Services has access to data on specific individuals and specific employers provided the specific individual or specific employer is the subject of an investigation by that agency;

(13) the Department of Health for the purposes of epidemiologic investigations; and

(14) the Department of Corrections for the purpose of preconfinement and postconfinement employment tracking of individuals who had been committed to the custody of the commissioner of corrections committed offenders for the purpose of case planning.

(b) Data on individuals and employers that are collected, maintained, or used by the department in an investigation under section 268.182 are confidential as to data on individuals and protected nonpublic data not on individuals as defined in section 13.02, subdivisions 3 and 13, and must not be disclosed except under statute or district court order or to a party named in a criminal proceeding, administrative or judicial, for preparation of a defense.

(c) Data gathered by the department in the administration of the Minnesota unemployment insurance program must not be made the subject or the basis for any suit in any civil proceedings, administrative or judicial, unless the action is initiated by the department.

EFFECTIVE DATE. This section is effective July 1, 2008.

Sec. 9. **HARDSHIP PAYMENTS.**

Subdivision 1. **Payments; availability.** Hardship payments are available to an applicant if the applicant suffered economic hardship due to delays in receiving unemployment benefits resulting from the new unemployment insurance application and filing system implemented by the Department of Employment and Economic Development on October 15, 2007.

Subd. 2. **Economic hardship.** "Economic hardship" means financial losses to an applicant resulting from: checks returned for insufficient funds; account overdraft charges; installment credit penalties, interest, and other fees resulting from missed or late payments; mortgage loan late fees, interest charges, or other penalties; charges for force-placed automobile or homeowner's insurance; penalties for late payment of income or property taxes; and any penalties or adverse consequences, including the suspension of an applicant's driver's license due to nonpayment of child support.

Subd. 3. **Payment from administration account.** Hardship payments are payable from the unemployment insurance administration account under Minnesota Statutes, section 268.196.

Subd. 4. **Eligibility conditions.** An applicant is eligible to receive hardship payments under this section if the applicant's unemployment benefit payments due and payable after October 15, 2007, were delayed at least four weeks.

Subd. 5. **Amount of hardship payments.** The amount of hardship payments available to an applicant is equal to the amount of economic hardship experienced by an applicant due to the delay in receiving unemployment benefits. An applicant must provide documentation of the amount of financial hardship claimed using financial institution records, consumer or business credit records, child support records, or other commonly recognized methods of documenting financial

transactions.

Subd. 6. **Notice.** The commissioner must notify applicants of the availability of hardship payments by posting a notice on the department's official Web site, by notifying applicants by individual mailing where department records show the applicant may be eligible under subdivision 4, and by any other appropriate announcement.

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

Sec. 10. **LUMBER COMPANY EXTRA BENEFITS.**

Subdivision 1. **Extra benefits; availability.** Extra unemployment benefits are available to an applicant who was laid off due to lack of work from the Ainsworth Lumber Company plant in Cook, Minnesota.

Subd. 2. **Payment from fund; effect on employer.** Extra unemployment benefits are payable from the unemployment insurance trust fund. Extra unemployment benefits paid will not be used in computing the experience rating of Ainsworth Lumber Company under Minnesota Statutes, sections 268.047 and 268.051, subdivision 3.

Subd. 3. **Eligibility conditions.** An applicant is eligible to receive extra unemployment benefits under this section for any week through December 27, 2008, if:

(1) the applicant established a benefit account under Minnesota Statutes, section 268.07, with a majority of the wage credits from Ainsworth Lumber Company, and exhausted entitlement to those regular unemployment benefits after January 1, 2008;

(2) the applicant meets the same eligibility requirements that are required for regular unemployment benefits under Minnesota Statutes, section 268.069;

(3) the applicant is not entitled to any other unemployment benefits and is not entitled to receive unemployment benefits under any other state or federal law for that week, including any other extended unemployment benefits; and

(4) if an applicant qualifies for any type of unemployment benefits available under Minnesota law, or under any federal law, or the law of another state, the applicant must apply for and exhaust entitlement to those unemployment benefits.

Subd. 4. **Weekly amount of extra benefits.** The weekly extra unemployment benefits amount available to an applicant is the same as the applicant's weekly regular unemployment benefit amount on the benefit account established in subdivision 3, clause (1).

Subd. 5. **Maximum amount of extra unemployment benefits.** The maximum amount of extra unemployment benefits available is equal to 26 times the applicant's weekly benefit amount.

Subd. 6. **Program expiration.** This extra unemployment benefit program expires on December 27, 2008. No extra unemployment benefits may be paid for any week after the expiration of this program.

Subd. 7. **Notice.** The commissioner must notify applicants of the availability of extra unemployment benefits by posting a notice on the department's official Web site, by notifying applicants by individual mailing where department records show the applicant may qualify for

these extra unemployment benefits, and by any other appropriate announcement.

EFFECTIVE DATE. This section is effective the day following final enactment and applies retroactively from January 1, 2008."

Delete the title and insert:

"A bill for an act relating to unemployment insurance; providing for extended unemployment benefits under certain circumstances; regulating benefit amounts; regulating eligibility for benefits; amending Minnesota Statutes 2006, section 268.125, subdivisions 1, 2, by adding a subdivision; Minnesota Statutes 2007 Supplement, sections 268.047, subdivision 1; 268.085, subdivisions 3, 16; 268.125, subdivision 3; 268.19, subdivision 1."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred

S.F. No. 3476: A bill for an act relating to taxation; allowing a regional emerging investment fund credit and a seed capital investment credit; imposing duties on the commissioner of employment and economic development; amending Minnesota Statutes 2006, section 290.06, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 116J.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Taxes. Report adopted.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred

S.F. No. 3632: A bill for an act relating to economic development; appropriating money for an enabling design project.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred

S.F. No. 3169: A bill for an act relating to economic development; amending business subsidy provisions; defining terms; amending Minnesota Statutes 2006, sections 116J.993, subdivision 3; 116J.994, subdivisions 2, 5.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Taxes. Report adopted.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred

S.F. No. 3101: A bill for an act relating to taxation; limiting the jurisdiction to tax persons investing in certain entities; amending Minnesota Statutes 2006, section 290.015, subdivision 3, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 25, delete "30" and insert "25"

And when so amended the bill do pass and be re-referred to the Committee on Taxes. Amendments adopted. Report adopted.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred

S.F. No. 2609: A bill for an act relating to economic development; modifying programs of Minnesota Job Skills Partnership; appropriating money; amending Minnesota Statutes 2006, sections 116L.02; 116L.04, subdivision 1; 116L.05, subdivisions 3, 5; 116L.16; 116L.20, subdivision 2; repealing Minnesota Statutes 2006, section 116L.06.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1

Page 2, delete lines 16 to 19 and insert:

"(c) Each institution must provide for the dissemination of summary results of a grant-funded project, including, but not limited to, information about curriculum and all supporting materials developed in conjunction with the grant. Results of projects developed by any Minnesota State Colleges and Universities system institution must be disseminated throughout the system."

Renumber the sections in sequence

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was re-referred

S.F. No. 3341: A bill for an act relating to energy; proposing the Business Energy Accountability Act of 2008; providing for a voluntary inventory of business energy use; proposing coding for new law in Minnesota Statutes, chapter 216C.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred

S.F. No. 3083: A bill for an act relating to state government finance; allowing an individual income and corporate franchise credit for investment in Minnesota high technology businesses; reducing an appropriation; amending Minnesota Statutes 2006, section 290.06, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, delete section 2

Amend the title as follows:

Page 1, line 4, delete "reducing an appropriation;"

And when so amended the bill do pass and be re-referred to the Committee on Taxes. Amendments adopted. Report adopted.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred

S.F. No. 539: A bill for an act relating to labor; protecting certain communication in the workplace between labor organizations and employees; prohibiting certain employer conduct; providing civil remedies; proposing coding for new law in Minnesota Statutes, chapter 181.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **[181.985] WORKPLACE COMMUNICATIONS.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given them in this subdivision.

(b) "Employer" means any person, business entity, or nonprofit organization, having one or more employees in Minnesota, and includes the state and any political subdivisions of the state.

(c) "Employee" means a person who performs services for hire in Minnesota for an employer, but does not include independent contractors.

(d) "Communication" means any printed or electronic document, letter, brochure, flyer, advertisement, e-mail, text message, or similar means pertaining to union business or labor organizing as provided under state or federal law.

(e) "Employee organization" or "labor organization" have the same meanings given them in sections 179.01, subdivision 6, and 179A.03, subdivision 6.

Subd. 2. **Prohibited practice.** An employer may not refuse to hire a job applicant or discipline or discharge an employee because the applicant or employee has received or responded to a communication from an employee organization or labor organization. Nor shall an employer prohibit an employee from receiving communications from an employee organization at the employee's work location, work mailbox, in an employee break room or meal area, or on the employee's work computer. Reasonable rules concerning the quantity of the communications, political or other inappropriate content of the communications, attachments to electronic communications, and appropriate nonwork times for review of these types of communications are permitted. An employer may discipline or discharge an employee for violations of these rules in accordance with the employer's personnel policies or union contract.

Subd. 3. **Remedy.** The remedy for a violation of this section is through any applicable grievance procedure. Damages are limited to wages and benefits lost by the individual because of the violation."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Cohen from the Committee on Finance, to which was referred

S.F. No. 2942: A bill for an act relating to higher education; removing a surplus appropriation sunset provision; amending Minnesota Statutes 2007 Supplement, section 136A.121, subdivision 7a.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 13.32, is amended by adding a subdivision to read:

Subd. 11. **Data sharing; improving instruction.** The following educational data may be shared between the Minnesota Department of Education and the Minnesota Office of Higher Education as authorized by the Code of Federal Regulations, title 34, section 99.31(a)(6), to analyze instruction in school districts for purposes of improvement:

(1) attendance data, including name of school or institution, school district, year or term of attendance, and term type;

(2) student demographic and enrollment data;

(3) academic performance and testing data; and

(4) special academic services received by a student.

Any analysis of or report on the data must contain only summary data.

Sec. 2. Minnesota Statutes 2007 Supplement, section 136A.126, is amended to read:

136A.126 INDIAN SCHOLARSHIPS.

Subdivision 1. **Student eligibility.** The director of the Office of Higher Education shall establish procedures for the distribution of scholarships to ~~any~~ a Minnesota resident student who:

~~who~~ (1) is of one-fourth or more Indian ancestry;

~~who~~ (2) has applied for other existing state and federal scholarship and grant programs, ~~and~~

(3) if enrolled in an undergraduate program, is eligible or would be eligible to receive a federal Pell Grant or a state grant based on the federal needs analysis and is enrolled for nine semester credits per term or more, or the equivalent;

(4) if enrolled in a graduate program, demonstrates a remaining financial need in the award amount calculation and is enrolled, per term, on a half-time basis or more as defined by the postsecondary institution; and

~~who~~ (5) in the opinion of the director of the Office of Higher Education, based upon postsecondary institution recommendations, has the capabilities to benefit from further education.

Subd. 2. Eligible programs. Scholarships must be for accredited degree programs in accredited Minnesota colleges or universities or for courses in accredited Minnesota business, technical, or vocational schools. Scholarships may also be given to students attending Minnesota colleges that are in candidacy status for obtaining full accreditation, and are eligible for and receiving federal

financial aid programs. Students are also eligible for scholarships when enrolled as students in Minnesota higher education institutions that have joint programs with other accredited higher education institutions. ~~Scholarships shall be used to defray the total cost of education including tuition, incidental fees, books, supplies, transportation, other related school costs and the cost of board and room and shall be paid directly to the college or school concerned where the student receives federal financial aid.~~

Subd. 3. **Cost of attendance.** The total cost of education includes all attendance shall include tuition and required fees for each student enrolling in a public institution and the portion of tuition and fees for each student enrolling in a private institution that does not exceed the tuition and fees at a comparable public institution. Each student shall be awarded a scholarship based on a federal standardized need analysis. Applicants are encouraged to apply for all other sources of financial aid charged by the institution and the campus-based budget used for federal financial aid for food and shelter, books, supplies, transportation, and miscellaneous expenses.

~~When an Indian student satisfactorily completes the work required by a certain college or school in a school year the student is eligible for additional scholarships, if additional training is necessary to reach the student's educational and vocational objective.~~

Subd. 4. **Award amount.** (a) Each student shall be awarded a scholarship based on the federal need analysis. Applicants are encouraged to apply for all other sources of financial aid. The amount of the award must not exceed the applicant's cost of attendance, as defined in subdivision 3, after deducting:

- (1) the expected family contribution as calculated by the federal need analysis;
 - (2) the amount of a federal Pell Grant award for which the applicant is eligible;
 - (3) the amount of the state grant;
 - (4) the sum of all federal Supplemental Educational Opportunity Grant, federal Academic Competitiveness Grant, and federal Science and Mathematics Access to Retain Talent Grant (SMART Grant) awards;
 - (5) the sum of all institutional grants, scholarships, tuition waivers, and tuition remission amounts;
 - (6) the sum of all tribal scholarships;
 - (7) the amount of any other state and federal gift aid; and
 - (8) the amount of any private grants or scholarships.
- (b) The award shall be paid directly to the postsecondary institution where the student receives federal financial aid.
- (c) Awards are limited as follows:
- (1) the maximum award for an undergraduate is \$4,000 per academic year;
 - (2) the maximum award for a graduate student is \$6,000 per academic year; and
 - (3) the minimum award for all students is \$100 per academic year.

(d) Scholarships may not be given to any Indian student for more than ~~five~~ three years of study for a two-year degree, certificate, or diploma program or five years of study for a four-year degree program at the undergraduate level and for more than five years at the graduate level. Students may acquire only one degree per level and one terminal graduate degree. Scholarships may not be given to any student for more than ten years including five years of undergraduate study and five years of graduate study.

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

Sec. 3. Minnesota Statutes 2007 Supplement, section 136A.127, is amended to read:

136A.127 ACHIEVE SCHOLARSHIP PROGRAM.

Subdivision 1. **Establishment.** The Achieve Scholarship Program is established.

Subd. 2. **Definition; qualifying program.** For the purposes of this section, a "qualifying program" means a rigorous secondary school program of study defined by the Department of Education under agreement with the Secretary of Education for the purposes of determining eligibility for the federal Academic Competitiveness Grant Program under Title IV of the Higher Education Act of 1965, as amended.

Subd. 3. **Documentation of qualifying programs.** The student shall request a transcript from the high school. The high school shall provide a transcript to the Office of Higher Education or to the eligible institution in which the student is enrolling, documenting the qualifying program. If the transcript is not sufficient to document a qualifying program, the student may be required to submit further documentation that the office deems sufficient.

Subd. 4. **Student eligibility.** To be eligible to receive a scholarship under this section, in addition to the requirements listed under section 136A.121, a student must:

(1) submit a Free Application for Federal Student Aid (FAFSA);

(2) take and receive at least a grade of C for courses that comprise a rigorous secondary school program of study in a high school or in a home-school setting under section 120A.22, and graduate from a Minnesota high school;

(3) have a family adjusted gross income of less than \$75,000 in the last complete calendar year prior to the academic year of postsecondary attendance of less than \$75,000 in which the scholarship is used;

(4) be a United States citizen or eligible noncitizen, as defined in section 484 of the Higher Education Act, United States Code, title 20, sections 1091 et seq., as amended, and Code of Federal Regulations, title 34, section 668.33; ~~and~~

(5) be a Minnesota resident, as defined in section 136A.101, subdivision 8; and

(6) be enrolled for at least three credits per quarter or semester or the equivalent at an eligible institution as defined under section 136A.101, subdivision 4.

Subd. 5. **Administration.** The Achieve Scholarship Program shall be administered by the Minnesota Office of Higher Education. The director shall develop forms and procedures necessary to administer the program.

Subd. 6. **Application.** A student must complete and submit an application for the Achieve scholarship.

Subd. 7. **Deadline.** The deadline for the office to accept applications for Achieve scholarships is 30 days after the beginning of the academic term for which the application is submitted the same as that used for the state grant in section 136A.121, subdivision 13.

Subd. 8. **Documentation of qualifying household income.** Achieve Scholarship Program applicants must certify on the application that they meet the income eligibility requirement in subdivision 5 4, clause ~~(2)~~ (3). The Office of Higher Education or the postsecondary institution may request documentation needed to confirm income eligibility.

Subd. 9. **Scholarship awards.** ~~Minnesota Achieve scholarships shall consist of \$1,200 for a student who takes and receives at least a grade of C for courses required under a qualifying program~~ A student may not receive more than \$1,200 in Minnesota Achieve scholarships, which must be for enrollment during the four-year availability period described in subdivision 12. The scholarships may be used to pay for qualifying expenses at eligible institutions.

Subd. 10. **Qualifying expenses.** Qualifying expenses are components included under the cost of attendance used for federal student financial aid programs, as defined in section 472 of the Higher Education Act, United States Code, title 20, sections 1091 et seq., as amended.

Subd. 11. **Eligible institutions.** The Achieve scholarship may only be used to pay qualifying expenses at an eligible institution as defined under section 136A.101, subdivision 4.

Subd. 12. **Availability of scholarship funds.** A scholarship earned by a student is available for four years immediately following high school graduation. The office must certify to the commissioner of finance by October 1 of each year the amounts to be canceled from scholarship eligibility that have expired.

Subd. 13. **Disbursement of scholarships.** The office shall make two equal payments to a postsecondary institution on behalf of the student. ~~The second payment must be made~~ After the student successfully completes the first term of enrollment, the second payment must be made during the student's next term of enrollment at an eligible institution. If the second disbursement is not within the same academic year as the first disbursement, the student must request the second disbursement.

Subd. 14. **Evaluation report.** By January 15 of each odd-numbered year, the Office of Higher Education shall submit a report, to the committees of the legislature with jurisdiction over higher education finance and policy, regarding the success of the program in increasing the enrollment of students in rigorous high school courses, including, at a minimum, the following information:

- (1) the demographics of individuals participating in the program;
- (2) the grades scholarship recipients received for courses in the qualifying program under subdivision 2;
- (3) the number of scholarship recipients who persisted at a postsecondary institution for a second year;
- (4) the high schools attended by the program participants;

- (5) the postsecondary institutions attended by the program participants;
- (6) the academic performance of the students after enrolling in a postsecondary institution; and
- (7) other information as identified by the director.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to students who graduate from high school after January 1, 2008.

Sec. 4. Minnesota Statutes 2007 Supplement, section 136A.65, subdivision 1, is amended to read:

Subdivision 1. **Prohibition.** No school subject to registration shall grant a degree unless such degree and its underlying curriculum are approved by the office, nor shall any school subject to registration use the name "college," "academy," "institute" or "university" in its name without approval by the office.

Sec. 5. Minnesota Statutes 2007 Supplement, section 136A.65, subdivision 3, is amended to read:

Subd. 3. **Application.** A school subject to registration shall be granted approval to use the term "college," "academy," "institute," or "university" in its name if it was organized, operating, and using such term in its name on or before August 1, 2007, and if it meets the other policies and standards for approval established by the office.

Sec. 6. Minnesota Statutes 2007 Supplement, section 136A.65, subdivision 5, is amended to read:

Subd. 5. **Requirements for degree and nondegree program approval.** For each degree and nondegree program a school offers to a student, where the student does not leave Minnesota for the major portion of the program or course leading to the degree or nondegree award, the school must have:

(1) for degree programs:

~~(1)~~ (i) qualified teaching personnel to provide the educational programs for each degree for which approval is sought;

~~(2)~~ (ii) appropriate educational programs leading to each degree for which approval is sought;

~~(3)~~ (iii) appropriate and accessible library, laboratory, and other physical facilities to support the educational program for each degree for which approval is sought; and

~~(4)~~ (iv) a rationale showing that degree programs are consistent with the school's mission and goals; and

(2) for nondegree programs:

(i) qualified teaching personnel to provide the educational programs for which approval is sought;

(ii) appropriate educational programs leading to each award for which approval is sought;

(iii) appropriate and accessible library, laboratory, and other physical facilities to support the

educational program for which approval is sought; and

(iv) a rationale showing that programs are consistent with the school's mission and goals.

Nondegree programs that are a part of an approved degree shall not require additional review or approval; they shall be considered approved as a part of the degree approval. Any nondegree program offered by a degree-granting school that is not a part of an approved degree shall be subject to clause (2), items (i) to (iv).

Sec. 7. Minnesota Statutes 2007 Supplement, section 136A.65, subdivision 6, is amended to read:

Subd. 6. **Name.** A degree-granting school may use the term "academy" or "institute" in its name without meeting any additional requirements. A school may use the term "college" in its name if it offers at least one program leading to an associate degree. A school may use the term "university" in its name if it offers at least one program leading to a master's or doctorate degree.

Sec. 8. Minnesota Statutes 2007 Supplement, section 136A.65, subdivision 7, is amended to read:

Subd. 7. **Conditional approval.** The office may grant conditional approval for a degree or use of a term in its name for a period of less than one year if doing so would be in the best interests of currently enrolled students or prospective students. New schools may be granted conditional approval for degrees or names annually for a period not to exceed five years to allow them the opportunity to apply for and receive accreditation as required in subdivision 1a.

Sec. 9. Minnesota Statutes 2007 Supplement, section 136A.66, is amended to read:

136A.66 LIST.

The office shall maintain a list of registered institutions authorized to grant degrees and schools authorized to use the name "college," "academy," "institute" or "university," and shall make such list available to the public.

Sec. 10. Minnesota Statutes 2007 Supplement, section 136A.67, is amended to read:

136A.67 UNAUTHORIZED REPRESENTATIONS.

No school and none of its officials or employees shall advertise or represent in any manner that such school is approved or accredited by the office or the state of Minnesota, except a school which is duly registered with the office, or any of its officials or employees, may represent in advertising and shall disclose in catalogues, applications, and enrollment materials that the school is registered with the office by prominently displaying the following statement: "(Name of school) is registered as a private institution with the Minnesota Office of Higher Education pursuant to sections 136A.61 to 136A.71. Registration is not an endorsement of the institution. Credits earned at the institution may not transfer to all other institutions."

Sec. 11. Minnesota Statutes 2007 Supplement, section 136A.69, is amended to read:

136A.69 FEES.

Subdivision 1. **Registration fees.** The office shall collect reasonable registration fees that are

sufficient to recover, but do not exceed, its costs of administering the registration program. The office shall charge \$1,100 for initial registration fees and \$950 for annual renewal fees.

Subd. 2. **Degree level addition fee.** The office processing fee for adding a degree level to an existing program is \$2,000 per program degree.

Subd. 3. **Degree or nondegree program addition fee.** The office processing fee for adding a degree or nondegree program that represents a significant departure in the objectives, content, or method of delivery of degree or nondegree programs that are currently offered by the school is \$500 per degree or nondegree program.

Subd. 4. **Visit or consulting fee.** If the office determines that a fact-finding visit or outside consultant is necessary to review or evaluate any new or revised degree or nondegree program, the office shall be reimbursed for the expenses incurred related to the review as follows:

(1) \$300 for the team base fee or for a paper review conducted by a consultant if the office determines that a fact-finding visit is not required;

(2) \$300 for each day or part thereof on site per team member; and

(3) the actual cost of customary meals, lodging, and related travel expenses incurred by team members.

Subd. 5. **Modification fee.** The fee for modification of any existing degree or nondegree program is \$100 and is due if there is:

(1) an increase or decrease of 25 percent or more from the original date of program approval, in clock hours, credit hours, or calendar length of an existing degree or nondegree program;

(2) a change in academic measurement from clock hours to credit hours or vice versa; or

(3) an addition or alteration of courses that represent a 25 percent change or more in the objectives, content, or methods of delivery.

Sec. 12. [136F.301] MAXIMUM CREDIT FOR GRADUATION; WAIVER REPORTING.

The board must annually by October 1 report to the chairs of the house of representatives and senate committees with primary jurisdiction over higher education policy on the board's current policy setting the maximum number of semester credits required for a baccalaureate and an associate of arts degree at 120 and 60 semester credits or their equivalent, respectively, as required by Laws 2007, chapter 144, article 1, section 4, subdivision 3, paragraph (b). The report must specifically identify requests in the previous academic year for waivers from the policy and the requests granted. The specific identification must include, among other things, the program and the campus for which a request was made and for which a waiver was granted.

EFFECTIVE DATE. This section is effective January 1, 2009.

Sec. 13. Minnesota Statutes 2007 Supplement, section 141.25, subdivision 5, is amended to read:

Subd. 5. **Bond.** (a) No license shall be issued to any school which maintains, conducts, solicits for, or advertises within the state of Minnesota any program, unless the applicant files with the office a continuous corporate surety bond written by a company authorized to do business in Minnesota

conditioned upon the faithful performance of all contracts and agreements with students made by the applicant.

(b)(1) The amount of the surety bond shall be ten percent of the preceding year's gross income from student tuition, fees, and other required institutional charges, but in no event less than \$10,000 nor greater than \$250,000, except that a school may deposit a greater amount at its own discretion. A school in each annual application for licensure must compute the amount of the surety bond and verify that the amount of the surety bond complies with this subdivision, unless the school maintains a surety bond equal to at least \$250,000. A school that operates at two or more locations may combine gross income from student tuition, fees, and other required institutional charges for all locations for the purpose of determining the annual surety bond requirement. The gross tuition and fees used to determine the amount of the surety bond required for a school having a license for the sole purpose of recruiting students in Minnesota shall be only that paid to the school by the students recruited from Minnesota.

(2) A school required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in its name and which is also licensed by another state agency or board shall be required to provide a school bond of \$10,000.

(c) The bond shall run to the state of Minnesota and to any person who may have a cause of action against the applicant arising at any time after the bond is filed and before it is canceled for breach of any contract or agreement made by the applicant with any student. The aggregate liability of the surety for all breaches of the conditions of the bond shall not exceed the principal sum deposited by the school under paragraph (b). The surety of any bond may cancel it upon giving 60 days' notice in writing to the office and shall be relieved of liability for any breach of condition occurring after the effective date of cancellation.

(d) In lieu of bond, the applicant may deposit with the commissioner of finance a sum equal to the amount of the required surety bond in cash, or securities as may be legally purchased by savings banks or for trust funds in an aggregate market value equal to the amount of the required surety bond.

(e) Failure of a school to post and maintain the required surety bond or deposit under paragraph (d) shall result in denial, suspension, or revocation of the school's license.

Sec. 14. Minnesota Statutes 2006, section 141.25, is amended by adding a subdivision to read:

Subd. 13. **Schools licensed by another state agency or board.** A school required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in its name and which is also licensed by another state agency or board shall be required to satisfy only the requirements of subdivisions 3, clauses (1), (2), (3), (5), (7), and (10); 4; 5, paragraph (b), clause (2); 7, clauses (1) and (10); 8; 9, clause (13); and 12.

Sec. 15. Minnesota Statutes 2007 Supplement, section 141.28, subdivision 1, is amended to read:

Subdivision 1. **Disclosure required; advertisement restricted.** A Schools, agents of schools, and solicitors may not advertise or represent in writing or orally that the school is approved or accredited by the state of Minnesota, except that any school, agent, or solicitor may represent in advertisements and shall disclose in catalogues, applications, and enrollment materials that the school is duly licensed by the state by prominently displaying the following statement:

"(Name of school) is licensed as a private career school with the Minnesota Office of Higher Education pursuant to Minnesota Statutes, sections 141.21 to 141.32. Licensure is not an endorsement of the institution. Credits earned at the institution may not transfer to all other institutions."

Sec. 16. Minnesota Statutes 2007 Supplement, section 141.35, is amended to read:

141.35 EXEMPTIONS.

Sections 141.21 to 141.32 shall not apply to the following:

- (1) public postsecondary institutions;
- (2) postsecondary institutions registered under sections ~~136A.615~~ 136A.61 to 136A.71;
- (3) schools of nursing accredited by the state Board of Nursing or an equivalent public board of another state or foreign country;
- (4) private schools complying with the requirements of section 120A.22, subdivision 4;
- (5) courses taught to students in a valid apprenticeship program taught by or required by a trade union;
- (6) schools exclusively engaged in training physically or mentally disabled persons for the state of Minnesota;
- (7) schools licensed by boards authorized under Minnesota law to issue licenses except schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names;
- (8) schools and educational programs, or training programs, contracted for by persons, firms, corporations, government agencies, or associations, for the training of their own employees, for which no fee is charged the employee;
- (9) schools engaged exclusively in the teaching of purely avocational, recreational, or remedial subjects as determined by the office except schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names;
- (10) classes, courses, or programs conducted by a bona fide trade, professional, or fraternal organization, solely for that organization's membership;
- (11) programs in the fine arts provided by organizations exempt from taxation under section 290.05 and registered with the attorney general under chapter 309. For the purposes of this clause, "fine arts" means activities resulting in artistic creation or artistic performance of works of the imagination which are engaged in for the primary purpose of creative expression rather than commercial sale or employment. In making this determination the office may seek the advice and recommendation of the Minnesota Board of the Arts;
- (12) classes, courses, or programs intended to fulfill the continuing education requirements for licensure or certification in a profession, that have been approved by a legislatively or judicially established board or agency responsible for regulating the practice of the profession, and that are offered exclusively to an individual practicing the profession;

(13) classes, courses, or programs intended to prepare students to sit for undergraduate, graduate, postgraduate, or occupational licensing and occupational entrance examinations;

(14) classes, courses, or programs providing 16 or fewer clock hours of instruction that are not part of the curriculum for an occupation or entry level employment except schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names;

(15) classes, courses, or programs providing instruction in personal development, modeling, or acting;

(16) training or instructional programs, in which one instructor teaches an individual student, that are not part of the curriculum for an occupation or are not intended to prepare a person for entry level employment; and

(17) schools with no physical presence in Minnesota, as determined by the office, engaged exclusively in offering distance instruction that are located in and regulated by other states or jurisdictions.

Sec. 17. Minnesota Statutes 2007 Supplement, section 197.791, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Commissioner" means the commissioner of veterans affairs, unless otherwise specified.

(c) "Cost of attendance" for ~~both graduate and~~ undergraduate students has the meaning given in section 136A.121, subdivision 6, multiplied by a factor of 1.1. The "Cost of attendance" for graduate students has the meaning given in section 136A.121, subdivision 6, multiplied by a factor of 1.1 using the tuition and fee maximum established by law for four-year programs shall be used to calculate the tuition and fee maximum under section 136A.121, subdivision 6, for a graduate student. For purposes of calculating the cost of attendance for graduate students, full time is eight credits or more per term or the equivalent.

(d) "Child" means a natural or adopted child of a person described in subdivision 4, paragraph (a), clause (1), item (i) or (ii).

(e) "Eligible institution" means a postsecondary institution under section 136A.101, subdivision 4, or a graduate school licensed or registered with the state of Minnesota serving only graduate students.

(f) "Program" means the Minnesota GI Bill program established in this section, unless otherwise specified.

(g) "Time of hostilities" means any action by the armed forces of the United States that is recognized by the issuance of a presidential proclamation or a presidential executive order in which the armed forces expeditionary medal or other campaign service medals are awarded according to presidential executive order, and any additional period or place that the commissioner determines and designates, after consultation with the United States Department of Defense, to be a period or place where the United States is in a conflict that places persons at such a risk that service in a foreign country during that period or in that place should be considered to be included.

(h) "Veteran" has the meaning given in section 197.447. Veteran also includes a service member who has received an honorable discharge after leaving each period of federal active duty service and has:

(1) served 90 days or more of federal active duty in a foreign country during a time of hostilities in that country or been awarded one or more of the following medals:

(i) Armed Forces Expeditionary Medal;

(ii) Kosovo Campaign Medal;

(iii) Afghanistan Campaign Medal;

(iv) Iraq Campaign Medal;

(v) Global War on Terrorism Expeditionary Medal; and

(vi) other campaign medals authorized for service on or after September 11, 2001; or

(2) received a service-related medical discharge from any period of service in a foreign country during a time of hostilities in that country.

A service member who has fulfilled the requirements for being a veteran under this paragraph but is still serving actively in the United States armed forces is also a veteran for the purposes of this section.

Sec. 18. Minnesota Statutes 2007 Supplement, section 197.791, subdivision 4, is amended to read:

Subd. 4. **Eligibility.** (a) A person is eligible for educational assistance under this section if:

(1) the person is:

(i) a veteran who is serving or has served honorably in any branch or unit of the United States armed forces at any time on or after September 11, 2001;

(ii) a nonveteran who has served honorably for a total of five years or more cumulatively as a member of the Minnesota National Guard or any other active or reserve component of the United States armed forces, and any part of that service occurred on or after September 11, 2001;

(iii) the surviving spouse or child of a person who has served in the military at any time on or after September 11, 2001, and who has died as a direct result of that military service; or

(iv) the spouse or child of a person who has served in the military at any time on or after September 11, 2001, and who has a total and permanent service-connected disability as rated by the United States Veterans Administration;

(2) the person providing the military service described in clause (1), items (i) to (iv), was a Minnesota resident within six months of the time of the person's initial enlistment or any reenlistment in the United States armed forces;

(3) the person receiving the educational assistance is a Minnesota resident, as defined in section 136A.101, subdivision 8; and

(4) the person receiving the educational assistance:

(i) is an undergraduate or graduate student at an eligible institution;

(ii) is maintaining satisfactory academic progress as defined by the institution for students participating in federal Title IV programs;

(iii) is enrolled in an education program leading to a certificate, diploma, or degree at an eligible institution;

(iv) has applied for educational assistance under this section prior to the end of the academic term for which the assistance is being requested;

(v) is in compliance with child support payment requirements under section 136A.121, subdivision 2, clause (5); and

(vi) ~~if an undergraduate student, has applied for the federal Pell Grant and the Minnesota State Grant~~ has completed and submitted the Free Application for Federal Student Aid (FAFSA).

(b) A person's eligibility terminates when the person becomes eligible for benefits under section 135A.52.

(c) To determine eligibility, the commissioner may require official documentation, including the person's federal form DD-214 or other official military discharge papers; correspondence from the United States Veterans Administration; birth certificate; marriage certificate; proof of enrollment at an eligible institution; signed affidavits; proof of residency; proof of identity; or any other official documentation the commissioner considers necessary to determine eligibility.

(d) The commissioner may deny eligibility or terminate benefits under this section to any person who has not provided sufficient documentation to determine eligibility for the program. An applicant may appeal the commissioner's eligibility determination or termination of benefits in writing to the commissioner at any time. The commissioner must rule on any application or appeal within 30 days of receipt of all documentation that the commissioner requires. The decision of the commissioner regarding an appeal is final. However, an applicant whose appeal of an eligibility determination has been rejected by the commissioner may submit an additional appeal of that determination in writing to the commissioner at any time that the applicant is able to provide substantively significant additional information regarding the applicant's eligibility for the program. An approval of an applicant's eligibility by the commissioner following an appeal by the applicant is not retroactively effective for more than one year or the semester of the person's original application, whichever is later.

(e) Upon receiving an application with insufficient documentation to determine eligibility, the commissioner must notify the applicant within 30 days of receipt of the application that the application is being suspended pending receipt by the commissioner of sufficient documentation from the applicant to determine eligibility.

Sec. 19. Minnesota Statutes 2007 Supplement, section 197.791, subdivision 5, is amended to read:

Subd. 5. **Benefit amount.** (a) On approval by the commissioner of eligibility for the program, the applicant shall be awarded, on a funds-available basis, the educational assistance under the program

for use at any time according to program rules at any eligible institution.

(b) The amount of educational assistance in any semester or term for an eligible person must be determined by subtracting from the eligible person's cost of attendance the amount the person received or was eligible to receive in that semester or term from:

- (1) the federal Pell Grant;
- (2) the state grant program under section 136A.121; and
- (3) any federal military or veterans educational benefits including but not limited to the Montgomery GI Bill, GI Bill Kicker, the federal tuition assistance program, vocational rehabilitation benefits, and any other federal benefits associated with the person's status as a veteran, except veterans disability payments from the United States Veterans Administration.

(c) The amount of educational assistance for any eligible person who is a full-time student must not exceed the following:

- (1) \$1,000 per semester or term of enrollment;
- (2) \$2,000 per state fiscal year; and
- (3) \$10,000 in a lifetime.

For a part-time student, the amount of educational assistance must not exceed \$500 per semester or term of enrollment. For the purpose of this paragraph, a part-time undergraduate student is a student taking fewer than 12 credits or the equivalent for a semester or term of enrollment, and a part-time graduate student is a student considered part time by the eligible institution the graduate student is attending. The minimum award per term for the undergraduate and graduate students is \$50 per term."

Delete the title and insert:

"A bill for an act relating to higher education; establishing a P-20 education partnership; modifying various scholarship programs; modifying private school regulation; requiring a report; amending Minnesota Statutes 2006, sections 13.32, by adding a subdivision; 141.25, by adding a subdivision; Minnesota Statutes 2007 Supplement, sections 136A.126; 136A.127; 136A.65, subdivisions 1, 3, 5, 6, 7; 136A.66; 136A.67; 136A.69; 141.25, subdivision 5; 141.28, subdivision 1; 141.35; 197.791, subdivisions 1, 4, 5; proposing coding for new law in Minnesota Statutes, chapter 136F."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Cohen from the Committee on Finance, to which was referred

S.F. No. 3021: A bill for an act relating to claims against the state; providing for settlement of various claims; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. DEPARTMENT OF CORRECTIONS.

The amounts in this section are appropriated from the general fund to the commissioner of corrections in fiscal year 2008 for full and final payment under Minnesota Statutes, sections 3.738 and 3.739, of claims against the state for injuries suffered by and medical services provided to persons injured while performing community service or sentence-to-service work for correctional purposes or while incarcerated in a state correctional facility or for reimbursement of certain expenses. This appropriation is available until June 30, 2009.

(a) For sentence-to-service claims under \$500 each and other claims already paid by the Department of Corrections, \$3,737.15.

(b) For payment to Robert Burton for permanent injuries suffered while performing work at MCF-Moose Lake, \$11,905.

(c) For payment to Minogheezhig Sandman-Shelifoe for expenses related to his challenge of and attempts to correct certain improper procedures at MCF-Rush City, \$1,005.

Sec. 2. DEPARTMENT OF HEALTH.

\$2,005 is appropriated from the general fund and \$1,000 is appropriated from the petroleum tank release cleanup fund to the commissioner of health in fiscal year 2008 as full and final payment of the claim of Bernard D. and Nancy E. Baker, of Roseville, Minnesota, as reimbursement of costs related to a mistaken order to search for an unsealed well on their property. This appropriation is available until June 30, 2009.

Sec. 3. DEPARTMENT OF TRANSPORTATION.

\$67,005 is appropriated from the general fund to the commissioner of transportation in fiscal year 2008 as full and final payment of the claim of John and Judith McEachran, of Inver Grove Heights, Minnesota, for costs related to restoration of their land. This appropriation is available until June 30, 2009. The commissioner of transportation is serving only as the fiscal agent of payment of this claim and payment of the claim is not an admission of liability on the part of the State of Minnesota for these costs.

Sec. 4. EFFECTIVE DATE.

Sections 1 to 3 are effective the day following final enactment."

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 3341, 2942 and 3021 were read the second time.

MEMBERS EXCUSED

Senator Ortman was excused from the Session of today. Senator Sparks was excused from the Session of today from 12:00 noon to 12:15 p.m. Senators Murphy and Rosen were excused from the Session of today from 12:00 noon to 12:20 p.m. Senators Pappas and Rest were excused from the Session of today from 12:00 noon to 12:25 p.m.

ADJOURNMENT

Senator Pogemiller moved that the Senate do now adjourn until 11:00 a.m., Thursday, March 27, 2008. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

INDEX TO DAILY JOURNAL

Tuesday, March 25, 2008

EXECUTIVE AND OFFICIAL COMMUNICATIONS

Pages 7891 to 7892

CHAPTER LAWS

S.F. Nos.	H.F. Nos.	Session Laws Chapter No.	Page
	2827	158	7892
	1219	159	7892

MESSAGES FROM THE HOUSE AND FIRST READING OF HOUSE FILES

S.F. Nos.	Message Page	H.F. Nos.	Message Page	1st Reading Page
		3138	7892	7892

REPORTS OF COMMITTEES AND SECOND READINGS

S.F. Nos.	Report Page	2nd Reading Page	H.F. Nos.	Report Page	2nd Reading Page
539	7940		117	7910	7927
1578	7911	7927	2599	7922	7927
2232	7917	7927	2602	7908	7927
2368	7924	7927	2788	7922	7927
2399	7907	7927	2896	7922	7927
2403	7919	7927	2898	7926	7927
2576	7907	7927	2932	7917	7927
2609	7939		3114	7926	7927
2647	7906		3240	7926	7927
2651	7908		3411	7912	7927
2765	7912	7927			
2806	7907	7927			
2809	7906	7927			
2828	7908	7927			
2866	7907	7927			
2942	7941	7954			
2980	7911	7927			
2996	7917	7927			

3021	.....	7953	7954
3030	.....	7923	
3055	.....	7918	
3072	.....	7918	
3082	.....	7900	7927
3083	.....	7939	
3093	.....	7917	7927
3098	.....	7908	7927
3101	.....	7938	
3119	.....	7906	7927
3135	.....	7905	7927
3165	.....	7924	7927
3166	.....	7898	7927
3169	.....	7938	
3174	.....	7912	7927
3303	.....	7920	7927
3328	.....	7912	7927
3336	.....	7912	7927
3341	.....	7939	7954
3353	.....	7923	
3362	.....	7908	7927
3397	.....	7906	7927
3446	.....	7910	7927
3451	.....	7917	7927
3471	.....	7931	
3476	.....	7938	
3508	.....	7911	7927
3571	.....	7922	7927
3576	.....	7919	7927
3594	.....	7913	7927
3605	.....	7916	
3632	.....	7938	
3698	.....	7896	7927
3758	.....	7893	7927
3775	.....	7903	7927
3780	.....	7925	7927

MOTIONS AND RESOLUTIONS

S.F. Nos.	Page	H.F. Nos.	Page
799	7927	
3087	7929	
3398	7931	
3436	7927	
3492	7927	
3574	7927	
3673	7927	
3786	7927	

CALENDAR

S.F. Nos.	Page	H.F. Nos.	Page
3313	7927	

CONSENT CALENDAR

S.F. Nos.	Page	H.F. Nos.	Page
3050	7928	2582	7928
3755	7929		

INTRODUCTION AND FIRST READING OF SENATE BILLS

S.F Nos. 3794 to 3801	Pages 7930 to 7931
-----------------------------	--------------------