

THIRTY-FIFTH DAY

St. Paul, Minnesota, Friday, April 17, 2009

The Senate met at 11:30 a.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by Senator Michael J. Jungbauer.

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

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

The President declared a quorum present.

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

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S.F. No. 33.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 16, 2009

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 166: A bill for an act relating to insurance; regulating life insurance; prohibiting stranger-originated life insurance; proposing coding for new law in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 2008, sections 61A.073; 61A.074.

Senate File No. 166 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 16, 2009

Senator Scheid moved that the Senate do not concur in the amendments by the House to S.F. No. 166, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 417 and 523.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted April 16, 2009

FIRST READING OF HOUSE BILLS

The following bills were read the first time.

H.F. No. 417: A bill for an act relating to commerce; prohibiting certain claims processing practices by third-party administrators of health coverage plans; regulating health claims clearinghouses; providing recovery of damages and attorney fees for breach of an insurance policy; permitting a deceased professional's surviving spouse to retain ownership of a professional firm that was solely owned by the decedent for up to one year after the death; amending Minnesota Statutes 2008, sections 60A.23, subdivision 8; 319B.02, by adding a subdivision; 319B.07, subdivision 1; 319B.08; 319B.09, subdivision 1; 471.982, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 60A; 62Q.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 528, now on General Orders.

H.F. No. 523: A bill for an act relating to education; modifying school background check requirements relating to disciplinary actions; amending Minnesota Statutes 2008, section 123B.03, subdivision 1a.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 402, now

on General Orders.

REPORTS OF COMMITTEES

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

Senator Bakk from the Committee on Taxes, to which was referred

S.F. No. 1708: A resolution memorializing the members of the Minnesota Congressional delegation to sponsor and support the Main Street Fairness Act.

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

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

H.F. No. 1209 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.
1209	973				

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. 936 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.
936	839				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 936 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 936, the second engrossment; and insert the language after the enacting clause of S.F. No. 839, the first engrossment; further, delete the title of H.F. No. 936, the second engrossment; and insert the title of S.F. No. 839, the first

engrossment.

And when so amended H.F. No. 936 will be identical to S.F. No. 839, and further recommends that H.F. No. 936 be given its second reading and substituted for S.F. No. 839, 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 HOUSE BILLS

H.F. Nos. 1209 and 936 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Chaudhary introduced—

S.F. No. 2084: A bill for an act relating to taxation; property; exempting certain publicly owned railroad property; amending Minnesota Statutes 2008, section 272.02, by adding a subdivision.

Referred to the Committee on Taxes.

Senators Doll, Chaudhary, Langseth, Murphy and Clark introduced—

S.F. No. 2085: A bill for an act relating to environment; authorizing establishment of basin boards; authorizing taxing authority; appropriating money; amending Minnesota Statutes 2008, sections 103B.101, subdivision 9; 103B.102, subdivision 2; 103B.231, subdivision 4; 103B.245, subdivision 1; 103B.3369, subdivisions 2, 5; 103D.205, subdivision 3; 103D.401, subdivision 1; 275.066; proposing coding for new law in Minnesota Statutes, chapters 103A; 103B.

Referred to the Committee on Environment and Natural Resources.

Senators Sieben, Rummel and Marty introduced—

S.F. No. 2086: A bill for an act relating to environment finance; appropriating money for drinking water biomonitoring and health tracking.

Referred to the Committee on Finance.

Senator Sparks introduced—

S.F. No. 2087: A bill for an act relating to capital improvements; authorizing the sale and issuance of state bonds; appropriating money for a veterans home in Austin.

Referred to the Committee on Finance.

Senator Sparks introduced—

S.F. No. 2088: A bill for an act relating to capital improvements; authorizing the sale and issuance of state bonds; appropriating money for a veterans home in Albert Lea.

Referred to the Committee on Finance.

Senator Stumpf introduced—

S.F. No. 2089: A bill for an act relating to education; providing for a study to examine the operating cost differential of school districts in the state.

Referred to the Committee on Education.

Senator Anderson introduced—

S.F. No. 2090: A bill for an act relating to taxation; authorizing a homeless prevention and food shelf programs income tax checkoff; amending Minnesota Statutes 2008, section 270C.445, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes.

Senator Rosen introduced—

S.F. No. 2091: A bill for an act relating to taxation; sales and use taxes; providing a sales and use tax exemption for restaurant employee meals; amending Minnesota Statutes 2008, section 297A.67, subdivision 6.

Referred to the Committee on Taxes.

Senators Frederickson, Vickerman, Sparks, Dille and Metzen introduced—

S.F. No. 2092: A bill for an act relating to taxation; property; providing a property valuation reduction for land constituting a riparian buffer; proposing coding for new law in Minnesota Statutes, chapter 273.

Referred to the Committee on Taxes.

MOTIONS AND RESOLUTIONS

Senator Metzen moved that the name of Senator Clark be added as a co-author to S.F. No. 2078. 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.

CALL OF THE SENATE

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

MOTIONS AND RESOLUTIONS - CONTINUED**SUSPENSION OF RULES**

Remaining on the Order of Business of Motions and Resolutions, Senator Pogemiller moved that the Senate take up the Calendar and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

CALENDAR

S.F. No. 1467: A bill for an act relating to traffic regulations; amending provisions related to speed limits; amending Minnesota Statutes 2008, sections 169.011, subdivisions 64, 90, by adding a subdivision; 169.14, subdivision 2, by adding a subdivision.

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 61 and nays 1, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Pariseau

So the bill passed and its title was agreed to.

S.F. No. 298: A bill for an act relating to consumer protection; limiting customer liability for unauthorized use of cellular phones; proposing coding for new law in Minnesota Statutes, chapter 325F.

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 56 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Doll	Latz	Pogemiller	Skogen
Bakk	Erickson Ropes	Limmer	Rest	Sparks
Berglin	Fischbach	Lourey	Robling	Stumpf
Betzold	Fobbe	Lynch	Rosen	Tomassoni
Carlson	Foley	Marty	Rummel	Torres Ray
Chaudhary	Frederickson	Metzen	Saltzman	Vandever
Clark	Gerlach	Moua	Saxhaug	Vickerman
Cohen	Gimse	Olseen	Scheid	Wiger
Dahle	Higgins	Olson, M.	Senjem	
Day	Johnson	Ortman	Sheran	
Dibble	Kubly	Pappas	Sieben	
Dille	Langseth	Pariseau	Skoe	

Those who voted in the negative were:

Hann	Jungbauer	Koering	Olson, G.
Ingebrigtsen	Koch	Michel	

So the bill passed and its title was agreed to.

S.F. No. 567: A bill for an act relating to education; requiring school districts that offer cardiopulmonary resuscitation or automatic external defibrillator instruction to use instruction developed by the American Heart Association, the American Red Cross, or uses nationally recognized, evidence-based guidelines; proposing coding for new law in Minnesota Statutes, chapter 120B.

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 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1220: A bill for an act relating to health; expanding the definition for standard reference compendia; amending Minnesota Statutes 2008, section 62Q.525, subdivisions 2, 3.

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

So the bill passed and its title was agreed to.

S.F. No. 245: A bill for an act relating to insurance; providing equal access to acupuncture; requiring equal access to acupuncture services by certain group policies and subscriber contracts; requiring claim determinations regarding acupuncture services to be made or reviewed by acupuncture practitioners; requiring reporting on referrals to acupuncture practitioners and reimbursement rates; amending Minnesota Statutes 2008, section 62A.15, subdivision 4, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 62D.

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 4, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Dille	Hann	Ingebrigtsen	Vandever
-------	------	--------------	----------

So the bill passed and its title was agreed to.

S.F. No. 971: A bill for an act relating to education; providing for harassment, bullying, intimidation, hazing, and violence policies; amending Minnesota Statutes 2008, sections 121A.03; 124D.10, subdivision 8; repealing Minnesota Statutes 2008, sections 121A.0695; 121A.69.

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 40 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson	Dahle	Kubly	Olson, M.	Sheran
Bakk	Dibble	Langseth	Pappas	Sieben
Berglin	Doll	Latz	Pogemiller	Skoe
Betzold	Erickson Ropes	Lourey	Rest	Skogen
Carlson	Fobbe	Marty	Rummel	Stumpf
Chaudhary	Foley	Metzen	Saltzman	Tomassoni
Clark	Higgins	Moua	Saxhaug	Torres Ray
Cohen	Koering	Olseen	Scheid	Wiger

Those who voted in the negative were:

Day	Gimse	Koch	Ortman	Vandevveer
Dille	Hann	Limmer	Pariseau	Vickerman
Fischbach	Ingebrigtsen	Lynch	Robling	
Frederickson	Johnson	Michel	Rosen	
Gerlach	Jungbauer	Olson, G.	Senjem	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 26, Senator Pogemiller, Chair of the Committee on Rules and Administration, designated S.F. No. 1779 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1779: A bill for an act relating to appropriations; appropriating money for agriculture, the Board of Animal Health, veterans, and the military; changing certain agricultural and animal health requirements and programs; amending Minnesota Statutes 2008, sections 3.737, subdivision 1; 3.7371, subdivision 3; 17.03, subdivision 12; 17.114, subdivision 3; 17.115, subdivision 2; 18.75; 18.76; 18.77, subdivisions 1, 3, 5, by adding subdivisions; 18.78, subdivision 1, by adding a subdivision; 18.79; 18.80, subdivision 1; 18.81, subdivisions 1, 3, by adding a subdivision; 18.82, subdivisions 1, 3; 18.83; 18.84, subdivisions 1, 2, 3; 18.86; 18.87; 18.88; 18B.01, subdivision 8, by adding subdivisions; 18B.065, subdivisions 2, 2a; 18C.415, subdivision 3; 18C.421; 18C.425, subdivisions 4, 6; 18E.03, subdivision 2; 28A.085, subdivision 1; 32.394, subdivision 8; 41A.09, subdivision 3a; 41B.039, subdivision 2; 41B.04, subdivision 8; 41B.042, subdivision 4; 41B.043, subdivision 1b; 41B.045, subdivision 2; 190.19, subdivision 2a; 197.585, subdivision 5; 197.791, subdivision 6; 583.215; Laws 2008, chapter 274, section 5; proposing coding for new law in Minnesota Statutes, chapters 18; 18B; 31; 168; repealing Minnesota Statutes 2008, sections 17.49, subdivision 3; 38.02, subdivisions 3, 4; 41.51; 41.52; 41.53; 41.55; 41.56; 41.57; 41.58, subdivisions 1, 2; 41.59, subdivision 1; 41.60; 41.61, subdivision 1; 41.62; 41.63; 41.65; 84.02.

Senator Hann moved to amend S.F. No. 1779 as follows:

Page 34, delete section 55

Re-number the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 37 and nays 27, as follows:

Those who voted in the affirmative were:

Anderson	Frederickson	Koch	Ortman	Sheran
Berglin	Gerlach	Koering	Pappas	Sieben
Clark	Gimse	Latz	Pariseau	Torres Ray
Dibble	Hann	Limmer	Rest	Vandever
Dille	Higgins	Lynch	Robling	Wiger
Doll	Ingebrigtsen	Marty	Rosen	
Fischbach	Johnson	Michel	Rummel	
Fobbe	Jungbauer	Olson, G.	Saltzman	

Those who voted in the negative were:

Bakk	Day	Metzen	Saxhaug	Stumpf
Betzold	Erickson Ropes	Moua	Scheid	Tomassoni
Carlson	Foley	Murphy	Senjem	Vickerman
Chaudhary	Kubly	Olseen	Skoe	
Cohen	Langseth	Olson, M.	Skogen	
Dahle	Lourey	Pogemiller	Sparks	

The motion prevailed. So the amendment was adopted.

Senator Pariseau moved to amend S.F. No. 1779 as follows:

Page 9, delete lines 30 to 35

Page 40, line 2, delete "\$250,000" and insert "\$280,000"

Correct the subdivision and section totals and the appropriations by fund

Amend the title accordingly

The motion did not prevail. So the amendment was not adopted.

Senator Robling moved to amend S.F. No. 1779 as follows:

Page 5, delete lines 22 to 28

Page 40, line 2, delete "\$250,000 each year is for a grant" and insert "\$275,000 the first year and \$250,000 the second are for grants"

Page 40, line 5, after "and" insert "\$250,000"

Correct the subdivision and section totals and the appropriations by fund

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 36, as follows:

Those who voted in the affirmative were:

Day	Gerlach	Koch	Ortman	Saltzman
Doll	Gimse	Koering	Pariseau	Senjem
Fischbach	Hann	Limmer	Robling	Sheran
Fobbe	Ingebrigtsen	Michel	Rosen	Vandever
Frederickson	Johnson	Olson, G.	Rummel	

Those who voted in the negative were:

Anderson	Bakk	Berglin	Betzold	Carlson
----------	------	---------	---------	---------

Chaudhary	Kubly	Moua	Scheid	Torres Ray
Clark	Langseth	Murphy	Sieben	Vickerman
Cohen	Latz	Olseen	Skoe	Wiger
Dahle	Lourey	Olson, M.	Skogen	
Dibble	Lynch	Pappas	Sparks	
Erickson Ropes	Marty	Pogemiller	Stumpf	
Foley	Metzen	Saxhaug	Tomassoni	

The motion did not prevail. So the amendment was not adopted.

S.F. No. 1779 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 49 and nays 13, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Langseth	Pappas	Sieben
Bakk	Dille	Latz	Pariseau	Skoe
Berglin	Doll	Lourey	Pogemiller	Skogen
Betzold	Erickson Ropes	Lynch	Rest	Sparks
Carlson	Fobbe	Marty	Robling	Stumpf
Chaudhary	Foley	Metzen	Rummel	Tomassoni
Clark	Frederickson	Moua	Saltzman	Torres Ray
Cohen	Gimse	Olseen	Saxhaug	Vickerman
Dahle	Higgins	Olson, G.	Scheid	Wiger
Day	Kubly	Olson, M.	Sheran	

Those who voted in the negative were:

Gerlach	Johnson	Koering	Ortman	Vandever
Hann	Jungbauer	Limmer	Rosen	
Ingebrigtsen	Koch	Michel	Senjem	

So the bill, as amended, was passed and its title was agreed to.

Senator Pogemiller moved that S.F. No. 1779 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Pogemiller moved that S.F. No. 2083 be taken from the table. The motion prevailed.

S.F. No. 2083: A bill for an act relating to higher education; classifying data; amending postsecondary education provisions; setting deadlines; allowing certain advertising; establishing the Minnesota P-20 education partnership; regulating course equivalency guides; requiring notice to prospective students; requiring lists of enrolled students; amending Minnesota Office of Higher Education responsibilities; establishing programs; defining terms; regulating grants, scholarships, and work-study; requiring an annual certificate; regulating certain board membership provisions; requiring job placement impact reviews; regulating oral health care practitioner provisions; establishing fees; providing criminal penalties; requiring reports; appropriating money; amending Minnesota Statutes 2008, sections 13.3215; 124D.09, subdivision 9; 135A.08, subdivision 1; 135A.17, subdivision 2; 135A.25, subdivision 4; 136A.08, subdivision 1, by adding a subdivision; 136A.101, subdivision 5a; 136A.121, by adding subdivisions; 136A.127, subdivisions 2, 4, 9, 10, 12, 14, by adding a subdivision; 136A.1701, subdivision 10; 136A.87; 136F.02, subdivision 1; 136F.03, subdivision 4; 136F.04, subdivision 4; 136F.045; 136F.19, subdivision 1; 136F.31; 137.0245, subdivision 2; 137.0246, subdivision 2; 137.025, subdivision 1; 150A.01, by adding

subdivisions; 150A.05, subdivision 2, by adding subdivisions; 150A.06, subdivisions 2d, 5, 6, by adding subdivisions; 150A.08, subdivisions 1, 3a, 5; 150A.09, subdivisions 1, 3; 150A.091, subdivisions 2, 3, 5, 8, 10; 150A.10, subdivisions 1, 2, 3, 4; 150A.11, subdivision 4; 150A.12; 150A.21, subdivisions 1, 4; 151.01, subdivision 23; 151.37, subdivision 2; 201.061, subdivision 3; 299A.45, subdivision 1; Laws 2007, chapter 144, article 1, section 4, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 127A; 135A; 136A; 136F; 150A; repealing Minnesota Statutes 2008, sections 136A.127, subdivisions 8, 13; 150A.061.

SUSPENSION OF RULES

Senator Pogemiller moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S.F. No. 2083 and that the rules of the Senate be so far suspended as to give S.F. No. 2083 its second and third reading and place it on its final passage. The motion prevailed.

S.F. No. 2083 was read the second time.

Senator Limmer moved to amend S.F. No. 2083 as follows:

Page 22, line 30, before "A" insert "(a)"

Page 23, after line 4, insert:

"(b) A public or private postsecondary educational institution is not liable for failing to provide the notice required by this section."

The motion prevailed. So the amendment was adopted.

Senator Robling moved to amend S.F. No. 2083 as follows:

Page 10, after line 23, insert:

"(6) The Board of Trustees of the Minnesota State Colleges and Universities may not increase tuition in the 2009-2010 and 2010-2011 academic years more than three percent above the level for the previous academic year."

Page 17, after line 24, insert:

"Subd. 9. Limiting Tuition Increases

The Board of Regents at the University of Minnesota is encouraged to limit tuition increases in the 2009-2010 and 2010-2011 academic years to no more than three percent above the level for the previous academic year."

CALL OF THE SENATE

Senator Anderson imposed a call of the Senate for the balance of the proceedings on S.F. No. 2083. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Robling amendment.

The roll was called, and there were yeas 32 and nays 33, as follows:

Those who voted in the affirmative were:

Bakk	Fobbe	Jungbauer	Ortman	Sheran
Chaudhary	Frederickson	Koch	Pariseau	Sparks
Day	Gerlach	Koering	Robling	Vanderveer
Dille	Gimse	Limmer	Rosen	Wiger
Doll	Hann	Michel	Saltzman	
Erickson Ropes	Ingebrigtsen	Olson, G.	Scheid	
Fischbach	Johnson	Olson, M.	Senjem	

Those who voted in the negative were:

Anderson	Dibble	Lourey	Pappas	Skogen
Berglin	Foley	Lynch	Pogemiller	Stumpf
Betzold	Higgins	Marty	Rest	Tomassoni
Carlson	Kelash	Metzen	Rummel	Torres Ray
Clark	Kubly	Moua	Saxhaug	Vickerman
Cohen	Langseth	Murphy	Sieben	
Dahle	Latz	Olseen	Skoe	

The motion did not prevail. So the amendment was not adopted.

Senator Pappas moved to amend S.F. No. 2083 as follows:

Page 20, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 2008, section 124D.09, subdivision 9, is amended to read:

Subd. 9. **Enrollment priority.** A postsecondary institution shall give priority to its postsecondary students when enrolling 11th and 12th grade pupils in its courses. A postsecondary institution may provide information about, including the potential financial and educational benefits of its programs, to a secondary school or to a pupil or parent, but it may not advertise or otherwise recruit or solicit the participation of secondary pupils to enroll in its programs based solely on financial grounds. An institution must not enroll secondary pupils, for postsecondary enrollment options purposes, in remedial, developmental, or other courses that are not college level. Once a pupil has been enrolled in a postsecondary course under this section, the pupil shall not be displaced by another student.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Kubly moved to amend S.F. No. 2083 as follows:

Page 42, line 2, delete "section" and insert "sections" and before "or" insert "and 150A.106"

Page 54, line 11, delete everything after "practitioner"

Page 54, line 12, delete everything before the semicolon

Page 54, delete lines 22 to 24

Page 54, line 25, delete "(8)" and insert "(7)"

Page 54, line 28, delete "(9)" and insert "(8)"

Page 54, line 29, delete "(10)" and insert "(9)"

Page 54, line 31, delete "(11)" and insert "(10)"

Page 55, line 15, delete "(a)" and after "perform" insert "the same"

Page 55, line 16, delete everything after "authorized" and insert "for dental therapists under section 150A.106, subdivision 4."

Page 55, delete lines 17 to 36

Page 56, delete lines 1 to 36

Page 57, delete lines 1 to 6

Renumber the subdivisions in sequence

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 33, as follows:

Those who voted in the affirmative were:

Betzold	Fobbe	Koch	Olson, M.	Stumpf
Carlson	Gerlach	Koering	Pariseau	Vandever
Dahle	Gimse	Kubly	Rosen	Vickerman
Day	Hann	Limmer	Saltzman	Wiger
Dille	Ingebrigtsen	Michel	Saxhaug	
Doll	Johnson	Murphy	Senjem	
Fischbach	Jungbauer	Olson, G.	Skogen	

Those who voted in the negative were:

Anderson	Erickson Ropes	Lourey	Pappas	Sieben
Bakk	Foley	Lynch	Pogemiller	Skoe
Berglin	Frederickson	Marty	Rest	Sparks
Chaudhary	Higgins	Metzen	Robling	Tomassoni
Clark	Kelash	Moua	Rummel	Torres Ray
Cohen	Langseth	Olseen	Scheid	
Dibble	Latz	Ortman	Sheran	

The motion did not prevail. So the amendment was not adopted.

Senator Vandever moved to amend S.F. No. 2083 as follows:

Page 22, after line 17, insert:

"Sec. 4. [135A.043] APPROPRIATIONS FOR ATHLETIC SCHOLARSHIPS.

An appropriation from the state of Minnesota to the governing boards of the University of Minnesota or to Minnesota State Colleges and Universities must not be used directly or indirectly for an athletic scholarship for a student who is not a resident student as defined in section 136A.101, subdivision 8."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 52, as follows:

Those who voted in the affirmative were:

Fischbach	Ingebrigtsen	Koch	Rosen
Gerlach	Johnson	Limmer	Tomassoni
Hann	Jungbauer	Pariseau	Vanderveer

Those who voted in the negative were:

Anderson	Doll	Latz	Ortman	Sieben
Bakk	Erickson Ropes	Lourey	Pappas	Skoe
Berglin	Fobbe	Lynch	Pogemiller	Skogen
Betzold	Foley	Marty	Rest	Sparks
Carlson	Frederickson	Metzen	Robling	Stumpf
Chaudhary	Gimse	Michel	Rummel	Torres Ray
Clark	Higgins	Moua	Saltzman	Vickerman
Cohen	Kelash	Murphy	Saxhaug	Wiger
Dahle	Koering	Olseen	Scheid	
Dibble	Kubly	Olson, G.	Senjem	
Dille	Langseth	Olson, M.	Sheran	

The motion did not prevail. So the amendment was not adopted.

Senator Limmer moved to amend S.F. No. 2083 as follows:

Page 20, delete lines 23 to 27 and insert:

"(b) The following data are public:

(1) the name of the legal entity in which the University of Minnesota has invested;

(2) the amount of the University of Minnesota's initial commitment;

(3) the portfolio performance of University of Minnesota investments overall, including the number of investments, the total amount of University of Minnesota commitments, the total current market value, and the return on the total investment portfolio;

(4) the total amount of fees, including expenses, charges and other compensation, assessed against the University of Minnesota by, or paid by the University of Minnesota to, any fund or investment entity or principal of any fund or investment entity in which the University of Minnesota is or has invested;

(5) the names of the principals responsible for managing any fund or investment entity in which the University of Minnesota has invested;

(6) a description of all types of businesses the University of Minnesota is or has invested in

through a fund or investment entity; and

(7) the University of Minnesota's percentage ownership interest in a fund or investment entity the University of Minnesota is or has invested in."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 45, as follows:

Those who voted in the affirmative were:

Carlson	Fischbach	Jungbauer	Olson, G.	Robling
Day	Gimse	Koch	Olson, M.	Rosen
Dille	Ingebrigtsen	Koering	Ortman	Senjem
Doll	Johnson	Limmer	Pariseau	Vandever

Those who voted in the negative were:

Anderson	Erickson Ropes	Langseth	Olseen	Sieben
Bakk	Fobbe	Latz	Pappas	Skoe
Berglin	Foley	Lourey	Pogemiller	Skogen
Betzold	Frederickson	Lynch	Rest	Sparks
Chaudhary	Gerlach	Marty	Rummel	Stumpf
Clark	Hann	Metzen	Saltzman	Tomassoni
Cohen	Higgins	Michel	Saxhaug	Torres Ray
Dahle	Kelash	Moua	Scheid	Vickerman
Dibble	Kubly	Murphy	Sheran	Wiger

The motion did not prevail. So the amendment was not adopted.

Senator Vandever moved to amend S.F. No. 2083 as follows:

Page 17, after line 24, insert:

"Subd. 9. Human Cloning Prohibited

(a) No appropriations under this section may be used to directly or indirectly support human cloning.

(b) For purposes of this subdivision, the following terms have the meanings given.

(1) "Human cloning" means human asexual reproduction accomplished by introducing nuclear material from one or more human somatic cells into a fertilized or unfertilized oocyte whose nuclear material has been removed or inactivated so as to produce a living organism at any stage of development that is genetically virtually identical to an existing or previously existing human organism.

(2) "Somatic cell" means a diploid cell, having a complete set of chromosomes,

obtained or derived from a living or deceased human body at any stage of development.

(c) Nothing in this subdivision shall restrict areas of scientific research not specifically prohibited by this section, including research in the use of nuclear transfer of other cloning techniques to produce molecules, DNA, cells other than human embryos, tissues, organs, plants, or animals other than humans."

The motion prevailed. So the amendment was adopted.

S.F. No. 2083 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 41 and nays 23, as follows:

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Lynch	Robling	Sparks
Berglin	Fobbe	Metzen	Rummel	Stumpf
Betzold	Foley	Moua	Saltzman	Tomassoni
Carlson	Higgins	Murphy	Saxhaug	Torres Ray
Chaudhary	Kelash	Olseen	Scheid	Wiger
Clark	Kubly	Olson, M.	Sheran	
Dahle	Langseth	Pappas	Sieben	
Dibble	Latz	Pogemiller	Skoe	
Doll	Lourey	Rest	Skogen	

Those who voted in the negative were:

Bakk	Gerlach	Jungbauer	Michel	Senjem
Day	Gimse	Koch	Olson, G.	Vandever
Dille	Hann	Koering	Ortman	Vickerman
Fischbach	Ingebrigtsen	Limmer	Pariseau	
Frederickson	Johnson	Marty	Rosen	

So the bill, as amended, was 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 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 Cohen from the Committee on Finance, to which was referred

S.F. No. 802: A bill for an act relating to corrections; authorizing correctional facilities to

forward surcharges from offender wages to court or other entity collecting the surcharge; amending Minnesota Statutes 2008, section 357.021, subdivision 6.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

APPROPRIATIONS

Section 1. **SUMMARY OF APPROPRIATIONS.**

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	\$ 505,980,000	\$ 535,988,000	\$ 1,041,968,000
<u>State Government Special Revenue</u>	66,573,000	70,336,000	136,909,000
<u>Environmental Fund</u>	69,000	69,000	138,000
<u>Special Revenue Fund</u>	13,818,000	13,818,000	27,636,000
<u>Trunk Highway</u>	373,000	373,000	746,000
<u>Federal</u>	30,000,000	0	30,000,000
<u>Total</u>	\$ 616,813,000	\$ 620,584,000	\$ 1,237,397,000

Sec. 2. **PUBLIC SAFETY APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. Appropriations for the fiscal year ending June 30, 2009, are effective the day following final enactment.

APPROPRIATIONS
Available for the Year
Ending June 30
2010 2011

Sec. 3. **PUBLIC SAFETY**

<u>Subdivision 1. Total Appropriation</u>	\$	<u>155,206,000</u>	\$	<u>158,969,000</u>
---	----	--------------------	----	--------------------

Appropriations by Fund

	<u>2010</u>	<u>2011</u>
<u>General</u>	79,288,000	79,288,000
<u>Special Revenue</u>	8,903,000	8,903,000
<u>State Government</u>		
<u>Special Revenue</u>	66,573,000	70,336,000
<u>Environmental</u>	69,000	69,000
<u>Trunk Highway</u>	373,000	373,000

The amounts that may be spent for each purpose are specified in the following subdivisions.

Car Fleet. By January 1, 2010, the commissioner must reduce the department's fleet of cars by 20 percent.

Prohibition on Use of Appropriation. No portion of this appropriation may be used for: (1) computer, telephone, motor vehicle, or technology purchases or upgrades, or for new leases on those items; or (2) out-of-state travel that is not directly connected with and necessary to carry out the core functions of the department. Notwithstanding this paragraph, an existing lease on an item described in clause (1) may be renewed.

Changes in Personnel Policies. The commissioner shall consider discontinuing the practice of entering into agreements with the Office of the Governor to pay personnel costs of policy advisors to the governor.

<u>Subd. 2. Emergency Management</u>	<u>2,413,000</u>	<u>2,413,000</u>
<u>Appropriations by Fund</u>		
<u>General</u>	2,344,000	2,344,000
<u>Environmental</u>	69,000	69,000
<u>Subd. 3. Criminal Apprehension</u>	<u>41,041,000</u>	<u>41,041,000</u>
<u>Appropriations by Fund</u>		
<u>General</u>	40,661,000	40,661,000

State Government

<u>Special Revenue</u>	<u>7,000</u>	<u>7,000</u>
------------------------	--------------	--------------

<u>Trunk Highway</u>	<u>373,000</u>	<u>373,000</u>
----------------------	----------------	----------------

Subd. 4. <u>Fire Marshal</u>	<u>8,500,000</u>	<u>8,500,000</u>
-------------------------------------	------------------	------------------

This appropriation is from the fire safety account in the special revenue fund.

Of this amount, \$5,732,000 each year is for activities under Minnesota Statutes, section 299F.012, and \$2,768,000 each year is for transfer to the general fund under Minnesota Statutes, section 297I.06, subdivision 3.

Subd. 5. <u>Alcohol and Gambling Enforcement</u>	<u>2,470,000</u>	<u>2,470,000</u>
---	------------------	------------------

<u>Appropriations by Fund</u>		
-------------------------------	--	--

<u>General</u>	<u>1,567,000</u>	<u>1,567,000</u>
----------------	------------------	------------------

<u>Special Revenue</u>	<u>903,000</u>	<u>903,000</u>
------------------------	----------------	----------------

This appropriation is from the alcohol enforcement account in the special revenue fund. Of this appropriation, \$750,000 each year shall be transferred to the general fund. The transfer amount for fiscal year 2012 and fiscal year 2013 shall be \$500,000 per year.

Subd. 6. <u>Office of Justice Programs</u>	<u>34,812,000</u>	<u>34,812,000</u>
---	-------------------	-------------------

<u>Appropriations by Fund</u>		
-------------------------------	--	--

<u>General</u>	<u>34,716,000</u>	<u>34,716,000</u>
----------------	-------------------	-------------------

<u>State Government Special Revenue</u>	<u>96,000</u>	<u>96,000</u>
---	---------------	---------------

Administration Costs. Up to 2.5 percent of the grant money appropriated in this subdivision may be used to administer the grant program.

Prorated Base Cut. The commissioner shall prorate the base cut to the Office of Justice programs among the various programs and grants funded by the office based on their current portion of the office's base budget.

Federal Stimulus Money. The Office of Justice programs shall give priority to awarding

grants for federal stimulus money to the following activities and programs:

(1) organizations that provide mentoring grants for children of incarcerated parents;

(2) youth intervention programs, as defined under Minnesota Statutes, section 299A.73, with an emphasis on those programs that provide early intervention youth services to children in their communities; and

(3) re-entry programs for offenders, including the nonprofit organization selected to administer the demonstration project for high risk adults under Laws 2007, chapter 54, article 1, section 19.

For purposes of this subdivision, "federal stimulus money" means money provided to the state under the American Recovery and Reinvestment Act of 2009.

Subd. 7. 911 Emergency Communication Network

66,470,000

70,233,000

This appropriation is from the state government special revenue fund for 911 emergency telecommunications services.

Public Safety Answering Points. \$13,664,000 each year is to be distributed as provided in Minnesota Statutes, section 403.113, subdivision 2.

Medical Resource Communication Centers. \$683,000 each year is for grants to the Minnesota Emergency Medical Services Regulatory Board for the Metro East and Metro West Medical Resource Communication Centers that were in operation before January 1, 2000.

ARMER Debt Service. \$17,557,000 the first year and \$23,261,000 the second year are to the commissioner of finance to pay debt service on revenue bonds issued under Minnesota Statutes, section 403.275.

Any portion of this appropriation not needed to pay debt service in a fiscal year may be

used by the commissioner of public safety to pay cash for any of the capital improvements for which bond proceeds were appropriated by Laws 2005, chapter 136, article 1, section 9, subdivision 8; or Laws 2007, chapter 54, article 1, section 10, subdivision 8.

Metropolitan Council Debt Service. \$1,410,000 each year is to the commissioner of finance for payment to the Metropolitan Council for debt service on bonds issued under Minnesota Statutes, section 403.27.

ARMER State Backbone Operating Costs. \$5,060,000 each year is to the commissioner of transportation for costs of maintaining and operating the statewide radio system backbone.

ARMER Improvements. \$1,000,000 each year is for the Statewide Radio Board for costs of design, construction, maintenance of, and improvements to those elements of the statewide public safety radio and communication system that support mutual aid communications and emergency medical services or provide enhancement of public safety communication interoperability.

Grants to Local Government. \$5,000,000 the first year is for grants to local units of government to assist with the transition to the ARMER system. This appropriation is available until June 30, 2012.

Next Generation 911. \$3,431,000 the first year and \$6,490,000 the second year are to replace the current system with the Next Generation Internet Protocol (IP) based network. The base for fiscal year 2012 shall be \$2,965,000 and for fiscal year 2013 shall be zero.

Sec. 4. PEACE OFFICER STANDARDS AND TRAINING BOARD (POST)

\$ 4,025,000 \$ 4,025,000

Excess Amounts Transferred. This appropriation is from the peace officer training account in the special revenue fund. Any receipts credited to that account in the

Sec. 7. DEPARTMENT OF CORRECTIONS

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>453,550,000</u>	<u>\$</u>	<u>453,558,000</u>
<u>Appropriations by Fund</u>				
	<u>2010</u>		<u>2011</u>	
<u>General</u>	<u>422,660,000</u>		<u>452,668,000</u>	
<u>Special Revenue</u>	<u>890,000</u>		<u>890,000</u>	
<u>Federal</u>	<u>30,000,000</u>		<u>0</u>	

The amounts that may be spent for each purpose are specified in the following subdivisions.

Car Fleet. By January 1, 2010, the commissioner must reduce the department's fleet of cars by 20 percent.

Staff Consolidation; Changes in Personnel Policies. (a) The commissioner shall consider consolidating staff from correctional institutions in geographical proximity to each other to achieve efficiencies and cost savings. Staff considered for consolidation must include wardens, deputy wardens, and human resources, technology, and employee development personnel.

(b) The commissioner shall consider consolidating the department's human resources, technology, and employee development functions in a centralized location.

(c) The commissioner shall consider discontinuing the department's practice of annually assigning a warden to serve as a legislative liaison during the legislative session.

(d) The commissioner shall consider discontinuing the practice of entering into agreements with the Office of the Governor to pay personnel costs of policy advisors to the governor.

Prohibition on Use of Appropriation. No

portion of this appropriation may be used for: (1) computer, telephone, motor vehicle, or technology purchases or upgrades, or for new leases on those items; or (2) out-of-state travel that is not directly connected with and necessary to carry out the core functions of the department. Notwithstanding this paragraph, an existing lease on an item described in clause (1) may be renewed.

Reductions to Certain Programming Prohibited. When allocating reductions in services and programming under this appropriation, the commissioner may not make reductions to inmate educational programs, chemical dependency programs, or reentry programs.

<u>Subd. 2. Correctional Institutions</u>	<u>323,747,000</u>	<u>323,755,000</u>
--	--------------------	--------------------

Appropriations by Fund

<u>General</u>	<u>293,167,000</u>	<u>323,175,000</u>
<u>Special Revenue</u>	<u>580,000</u>	<u>580,000</u>
<u>Federal</u>	<u>30,000,000</u>	<u>0</u>

Federal Stimulus Money. \$30,000,000 the first year is from the fiscal stabilization account in the federal fund. This is a onetime appropriation. The general fund base for this program is \$311,463,000 in fiscal year 2012 and \$315,962,000 in fiscal year 2013.

Transfer. Notwithstanding Minnesota Statutes, section 241.27, the commissioner of finance shall transfer \$1,000,000 each year in fiscal year 2010 and fiscal year 2011 from the Minnesota Correctional Industries revolving fund to the general fund.

<u>Subd. 3. Community Services</u>	<u>107,984,000</u>	<u>107,984,000</u>
---	--------------------	--------------------

Appropriations by Fund

<u>General</u>	<u>107,884,000</u>	<u>107,884,000</u>
<u>Special Revenue</u>	<u>100,000</u>	<u>100,000</u>

Short-Term Offenders. \$1,607,000 each

year is for the costs associated with the housing and care of short-term offenders. The commissioner may use up to 20 percent of the total amount of the appropriation for inpatient medical care for short-term offenders. The amount remaining at the end of the fiscal year not expended for inpatient medical care must be added to and distributed with the housing money. The housing money must be distributed proportionately based on the total number of days short-term offenders are placed locally, not to exceed \$55 per day.

The commissioner of corrections is exempt from the state contracting process for the purposes of paying short-term offender costs relating to Minnesota Statutes, section 609.105.

Prorated Base Cut. The commissioner shall prorate the general fund base reduction of \$14,320,000 to community services among the Community Corrections Act subsidy, county probation reimbursements, and Department of Corrections supervision services based on their current portion of the division's base budget.

<u>Subd. 4. Operations Support</u>	<u>21,819,000</u>	<u>21,819,000</u>
---	-------------------	-------------------

Appropriations by Fund

<u>General</u>	<u>21,609,000</u>	<u>21,609,000</u>
<u>Special Revenue</u>	<u>210,000</u>	<u>210,000</u>

<u>Sec. 8. SENTENCING GUIDELINES</u>	<u>\$</u>	<u>575,000</u>	<u>\$</u>	<u>575,000</u>
---	-----------	----------------	-----------	----------------

Prohibition on Use of Appropriation. No portion of this appropriation may be used for: (1) computer, telephone, motor vehicle, or technology purchases or upgrades, or for new leases on those items; or (2) out-of-state travel that is not directly connected with and necessary to carry out the core functions of the commission. Notwithstanding this paragraph, an existing lease on an item described in clause (1) may be renewed.

Sec. 9. Minnesota Statutes 2008, section 171.29, subdivision 2, is amended to read:

Subd. 2. **Reinstatement fees and surcharges allocated and appropriated.** (a) An individual whose driver's license has been revoked as provided in subdivision 1, except under section 169A.52, 169A.54, or 609.21, must pay a \$30 fee before the driver's license is reinstated.

(b) A person whose driver's license has been revoked as provided in subdivision 1 under section 169A.52, 169A.54, or 609.21, must pay a \$250 fee plus a \$430 surcharge before the driver's license is reinstated, except as provided in paragraph (f). The \$250 fee is to be credited as follows:

(1) Twenty percent must be credited to the driver services operating account in the special revenue fund as specified in section 299A.705.

(2) Sixty-seven percent must be credited to the general fund.

(3) Eight percent must be credited to a separate account to be known as the Bureau of Criminal Apprehension account. Money in this account ~~may be~~ is annually appropriated to the commissioner of public safety and the appropriated amount must be apportioned 80 percent for laboratory costs and 20 percent for carrying out the provisions of section 299C.065.

(4) Five percent must be credited to a separate account to be known as the vehicle forfeiture account, which is created in the special revenue fund. The money in the account is annually appropriated to the commissioner for costs of handling vehicle forfeitures.

(c) The revenue from \$50 of the surcharge must be credited to a separate account to be known as the traumatic brain injury and spinal cord injury account. The revenue from \$50 of the surcharge on a reinstatement under paragraph (f) is credited from the first installment payment to the traumatic brain injury and spinal cord injury account. The money in the account is annually appropriated to the commissioner of health to be used as follows: 83 percent for contracts with a qualified community-based organization to provide information, resources, and support to assist persons with traumatic brain injury and their families to access services, and 17 percent to maintain the traumatic brain injury and spinal cord injury registry created in section 144.662. For the purposes of this paragraph, a "qualified community-based organization" is a private, not-for-profit organization of consumers of traumatic brain injury services and their family members. The organization must be registered with the United States Internal Revenue Service under section 501(c)(3) as a tax-exempt organization and must have as its purposes:

(1) the promotion of public, family, survivor, and professional awareness of the incidence and consequences of traumatic brain injury;

(2) the provision of a network of support for persons with traumatic brain injury, their families, and friends;

(3) the development and support of programs and services to prevent traumatic brain injury;

(4) the establishment of education programs for persons with traumatic brain injury; and

(5) the empowerment of persons with traumatic brain injury through participation in its governance.

A patient's name, identifying information, or identifiable medical data must not be disclosed to the organization without the informed voluntary written consent of the patient or patient's guardian or, if the patient is a minor, of the parent or guardian of the patient.

(d) The remainder of the surcharge must be credited to a separate account to be known as the remote electronic alcohol-monitoring program account. The commissioner shall transfer the balance of this account to the commissioner of finance on a monthly basis for deposit in the general fund.

(e) When these fees are collected by a licensing agent, appointed under section 171.061, a handling charge is imposed in the amount specified under section 171.061, subdivision 4. The reinstatement fees and surcharge must be deposited in an approved depository as directed under section 171.061, subdivision 4.

(f) A person whose driver's license has been revoked as provided in subdivision 1 under section 169A.52 or 169A.54 and who the court certifies as being financially eligible for a public defender under section 611.17, may choose to pay 50 percent and an additional \$25 of the total amount of the surcharge and 50 percent of the fee required under paragraph (b) to reinstate the person's driver's license, provided the person meets all other requirements of reinstatement. If a person chooses to pay 50 percent of the total and an additional \$25, the driver's license must expire after two years. The person must pay an additional 50 percent less \$25 of the total to extend the license for an additional two years, provided the person is otherwise still eligible for the license. After this final payment of the surcharge and fee, the license may be renewed on a standard schedule, as provided under section 171.27. A handling charge may be imposed for each installment payment. Revenue from the handling charge is credited to the driver services operating account in the special revenue fund and is appropriated to the commissioner.

(g) Any person making installment payments under paragraph (f), whose driver's license subsequently expires, or is canceled, revoked, or suspended before payment of 100 percent of the surcharge and fee, must pay the outstanding balance due for the initial reinstatement before the driver's license is subsequently reinstated. Upon payment of the outstanding balance due for the initial reinstatement, the person may pay any new surcharge and fee imposed under paragraph (b) in installment payments as provided under paragraph (f).

ARTICLE 2

REPEAL OF CERTAIN MANDATORY SENTENCING PROVISIONS; SUPERVISED RELEASE CHANGES

Section 1. Minnesota Statutes 2008, section 152.021, subdivision 3, is amended to read:

Subd. 3. **Penalty.** (a) A person convicted under subdivisions 1 to 2a, paragraph (a), may be sentenced to imprisonment for not more than 30 years or to payment of a fine of not more than \$1,000,000, or both.

~~(b) If the conviction is a subsequent controlled substance conviction, a person convicted under subdivisions 1 to 2a, paragraph (a), shall be committed to the commissioner of corrections for not less than four years nor more than 40 years and, in addition, may be sentenced to payment of a fine of not more than \$1,000,000.~~

(c) In a prosecution under subdivision 1 involving sales by the same person in two or more counties within a 90-day period, the person may be prosecuted for all of the sales in any county in which one of the sales occurred.

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

Sec. 2. Minnesota Statutes 2008, section 152.022, subdivision 3, is amended to read:

Subd. 3. **Penalty.** (a) A person convicted under subdivision 1 or 2 may be sentenced to imprisonment for not more than 25 years or to payment of a fine of not more than \$500,000, or both.

~~(b) If the conviction is a subsequent controlled substance conviction, a person convicted under subdivision 1 or 2 shall be committed to the commissioner of corrections for not less than three years nor more than 40 years and, in addition, may be sentenced to payment of a fine of not more than \$500,000.~~

~~(c) In a prosecution under subdivision 1 involving sales by the same person in two or more counties within a 90-day period, the person may be prosecuted for all of the sales in any county in which one of the sales occurred.~~

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

Sec. 3. Minnesota Statutes 2008, section 152.023, subdivision 3, is amended to read:

Subd. 3. **Penalty.** (a) A person convicted under subdivision 1 or 2 may be sentenced to imprisonment for not more than 20 years or to payment of a fine of not more than \$250,000, or both.

~~(b) If the conviction is a subsequent controlled substance conviction, a person convicted under subdivision 1 or 2 shall be committed to the commissioner of corrections for not less than two years nor more than 30 years and, in addition, may be sentenced to payment of a fine of not more than \$250,000.~~

~~(c) In a prosecution under subdivision 1 or 2 involving sales or acts of possession by the same person in two or more counties within a 90-day period, the person may be prosecuted in any county in which one of the sales or acts of possession occurred.~~

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

Sec. 4. Minnesota Statutes 2008, section 152.024, subdivision 3, is amended to read:

Subd. 3. **Penalty.** ~~(a)~~ A person convicted under subdivision 1 or 2 may be sentenced to imprisonment for not more than 15 years or to payment of a fine of not more than \$100,000, or both.

~~(b) If the conviction is a subsequent controlled substance conviction, a person convicted under subdivision 1 or 2 shall be committed to the commissioner of corrections or to a local correctional authority for not less than one year nor more than 30 years and, in addition, may be sentenced to payment of a fine of not more than \$100,000.~~

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

Sec. 5. Minnesota Statutes 2008, section 152.025, subdivision 3, is amended to read:

Subd. 3. **Penalty.** ~~(a)~~ A person convicted under subdivision 1 or 2 may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both.

~~(b) If the conviction is a subsequent controlled substance conviction, a person convicted under subdivision 1 or 2 shall be committed to the commissioner of corrections or to a local correctional authority for not less than six months nor more than ten years and, in addition, may be sentenced to payment of a fine of not more than \$20,000.~~

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

Sec. 6. Minnesota Statutes 2008, section 152.18, subdivision 1, is amended to read:

Subdivision 1. **Deferring prosecution for certain first time drug offenders.** If any person who has not previously participated in or completed a diversion program authorized under section 401.065 or who has not previously been placed on probation without a judgment of guilty and thereafter been discharged from probation under this section is found guilty of a violation of section 152.024, subdivision 2, 152.025, subdivision 2, or 152.027, subdivision 2, 3, or 4, for possession of a controlled substance, after trial or upon a plea of guilty, and the court determines that the violation does not qualify as a subsequent controlled substance conviction under section 152.01, subdivision 16a, the court ~~may shall~~, without entering a judgment of guilty and with the consent of the person, either (1) defer further proceedings and place the person on probation upon such reasonable conditions as it may require and for a period, not to exceed the maximum sentence provided for the violation. ~~The court or (2) enter a written finding that states substantial and compelling reasons why a deferral is inappropriate.~~ For any other person who is found guilty of a violation of section 152.024, subdivision 2; 152.025, subdivision 2; or 152.027, subdivision 2, 3, or 4, for possession of a controlled substance, after trial or upon a plea of guilty, and the court determines that the violation does not qualify as a subsequent controlled substance conviction under section 152.01, subdivision 16a, the court may, without entering a judgment of guilty and with the consent of the person, defer further proceedings and place the person on probation upon such reasonable conditions as it may require and for a period not to exceed the maximum sentence provided for the violation. If the court grants a deferral, it may give the person the opportunity to attend and participate in an appropriate program of education regarding the nature and effects of alcohol and drug abuse as a stipulation of probation. Upon violation of a condition of the probation, the court may enter an adjudication of guilt and proceed as otherwise provided. The court may, in its discretion, dismiss the proceedings against the person and discharge the person from probation before the expiration of the maximum period prescribed for the person's probation. If during the period of probation the person does not violate any of the conditions of the probation, then upon expiration of the period the court shall discharge the person and dismiss the proceedings against that person. Discharge and dismissal under this subdivision shall be without court adjudication of guilt, but a not public record of it shall be retained by the Bureau of Criminal Apprehension for the purpose of use by the courts in determining the merits of subsequent proceedings against the person. The not public record may also be opened only upon court order for purposes of a criminal investigation, prosecution, or sentencing. Upon request by law enforcement, prosecution, or corrections authorities, the bureau shall notify the requesting party of the existence of the not public record and the right to seek a court order to open it pursuant to this section. The court shall forward a record of any discharge and dismissal under this subdivision to the bureau which shall make and maintain the not public record of it as provided under this subdivision. The discharge or dismissal shall not be deemed a conviction for purposes of disqualifications or disabilities imposed by law upon conviction of a crime or for any other purpose.

For purposes of this subdivision, "not public" has the meaning given in section 13.02, subdivision 8a.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to crimes committed on or after that date.

Sec. 7. Minnesota Statutes 2008, section 169A.275, subdivision 3, is amended to read:

Subd. 3. **Fourth offense.** (a) Unless the court commits the person to the custody of the commissioner of corrections ~~as provided in section 169A.276 (mandatory penalties; felony violations)~~, the court shall sentence a person who is convicted of a violation of section 169A.20 (driving while impaired) within ten years of the first of three qualified prior impaired driving incidents to either:

(1) a minimum of 180 days of incarceration, at least 30 days of which must be served consecutively in a local correctional facility;

(2) a program of intensive supervision of the type described in section 169A.74 (pilot programs of intensive probation for repeat DWI offenders) that requires the person to consecutively serve at least six days in a local correctional facility; or

(3) a program of staggered sentencing involving a minimum of 180 days of incarceration, at least 30 days of which must be served consecutively in a local correctional facility.

(b) The court may order that the person serve not more than 150 days of the minimum penalty under paragraph (a), clause (1), on home detention or in an intensive probation program described in section 169A.74. Notwithstanding section 609.135, the penalties in this subdivision must be imposed and executed.

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

Sec. 8. Minnesota Statutes 2008, section 169A.275, subdivision 4, is amended to read:

Subd. 4. **Fifth offense or more.** (a) Unless the court commits the person to the custody of the commissioner of corrections ~~as provided in section 169A.276 (mandatory penalties; felony violations)~~, the court shall sentence a person who is convicted of a violation of section 169A.20 (driving while impaired) within ten years of the first of four or more qualified prior impaired driving incidents to either:

(1) a minimum of one year of incarceration, at least 60 days of which must be served consecutively in a local correctional facility;

(2) a program of intensive supervision of the type described in section 169A.74 (pilot programs of intensive probation for repeat DWI offenders) that requires the person to consecutively serve at least six days in a local correctional facility; or

(3) a program of staggered sentencing involving a minimum of one year of incarceration, at least 60 days of which must be served consecutively in a local correctional facility.

(b) The court may order that the person serve the remainder of the minimum penalty under paragraph (a), clause (1), on intensive probation using an electronic monitoring system or, if such a system is unavailable, on home detention. Notwithstanding section 609.135, the penalties in this subdivision must be imposed and executed.

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

Sec. 9. Minnesota Statutes 2008, section 169A.275, subdivision 5, is amended to read:

Subd. 5. **Level of care recommended in chemical use assessment.** Unless the court commits the person to the custody of the commissioner of corrections ~~as provided in section 169A.276~~

~~(mandatory penalties; felony violations)~~, in addition to other penalties required under this section, the court shall order a person to submit to the level of care recommended in the chemical use assessment conducted under section 169A.70 (alcohol safety program; chemical use assessments) if the person is convicted of violating section 169A.20 (driving while impaired) while having an alcohol concentration of 0.20 or more as measured at the time, or within two hours of the time, of the offense or if the violation occurs within ten years of one or more qualified prior impaired driving incidents.

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

Sec. 10. Minnesota Statutes 2008, section 169A.276, subdivision 1, is amended to read:

Subdivision 1. **Mandatory ~~prison sentence~~ conditional release period.** ~~(a) The court shall sentence a person who is convicted of a violation of section 169A.20 (driving while impaired) under the circumstances described in section 169A.24 (first degree driving while impaired) to imprisonment for not less than three years. In addition, the court may order the person to pay a fine of not more than \$14,000.~~

~~(b) The court may stay execution of this mandatory sentence as provided in subdivision 2 (stay of mandatory sentence), but may not stay imposition or adjudication of the sentence or impose a sentence that has a duration of less than three years.~~

~~(c) An offender committed to the custody of the commissioner of corrections under this subdivision is not eligible for release as provided in section 241.26, 244.065, 244.12, or 244.17, unless the offender has successfully completed a chemical dependency treatment program while in prison.~~

~~(d)~~ (a) Notwithstanding the statutory maximum sentence provided in section 169A.24 (first-degree driving while impaired), when the court commits a person to the custody of the commissioner of corrections ~~under this subdivision~~, it shall provide that after the person has been released from prison the commissioner shall place the person on conditional release for five years. The commissioner shall impose any conditions of release that the commissioner deems appropriate including, but not limited to, successful completion of an intensive probation program as described in section 169A.74 (pilot programs of intensive probation for repeat DWI offenders). If the person fails to comply with any condition of release, the commissioner may revoke the person's conditional release and order the person to serve all or part of the remaining portion of the conditional release term in prison. The commissioner may not dismiss the person from supervision before the conditional release term expires. Except as otherwise provided in this section, conditional release is governed by provisions relating to supervised release. The failure of a court to direct the commissioner of corrections to place the person on conditional release, as required in this paragraph, does not affect the applicability of the conditional release provisions to the person.

~~(e)~~ (b) The commissioner shall require persons placed on supervised or conditional release under this subdivision to pay as much of the costs of the supervision as possible. The commissioner shall develop appropriate standards for this.

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

Sec. 11. Minnesota Statutes 2008, section 169A.276, subdivision 2, is amended to read:

Subd. 2. **Stay of mandatory sentence.** The provisions of sections 169A.275 (mandatory penalties; nonfelony violations), subdivision 3 or 4, and subdivision 5, and 169A.283 (stay of execution of sentence), apply if the court stays execution of the a felony DWI offender's sentence under subdivision 1 (mandatory prison sentence). In addition, the provisions of section 169A.277 (long-term monitoring) may apply.

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

Sec. 12. Minnesota Statutes 2008, section 243.166, subdivision 5, is amended to read:

Subd. 5. **Criminal penalty.** ~~(a)~~ A person required to register under this section who knowingly violates any of its provisions or intentionally provides false information to a corrections agent, law enforcement authority, or the bureau is guilty of a felony and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both.

~~(b) Except as provided in paragraph (c), a person convicted of violating paragraph (a) shall be committed to the custody of the commissioner of corrections for not less than a year and a day, nor more than five years.~~

~~(c) A person convicted of violating paragraph (a), who has previously been convicted of or adjudicated delinquent for violating this section or a similar statute of another state or the United States, shall be committed to the custody of the commissioner of corrections for not less than two years, nor more than five years.~~

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

~~(e) A person convicted and sentenced as required by this subdivision is not eligible for probation, parole, discharge, work release, conditional release, or supervised release, until that person has served the full term of imprisonment as provided by law, notwithstanding the provisions of sections 241.26, 242.19, 243.05, 244.04, 609.12, and 609.135.~~

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

Sec. 13. Minnesota Statutes 2008, section 244.01, subdivision 8, is amended to read:

Subd. 8. **Term of imprisonment.** "Term of imprisonment," as applied to inmates whose crimes were committed before August 1, 1993, is the period of time for which an inmate is committed to the custody of the commissioner of corrections minus earned good time. "Term of imprisonment," as applied to inmates whose crimes were committed on or after August 1, 1993, but before July 1, 2009, is the period of time equal to two-thirds of the inmate's executed sentence. "Term of imprisonment," as applied to inmates whose crimes were committed on or after July 1, 2009, is the period of time equal to 60 percent of the inmate's executed sentence.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to crimes committed on or after that date.

Sec. 14. Minnesota Statutes 2008, section 244.101, subdivision 1, is amended to read:

Subdivision 1. **Executed sentences.** When a felony offender is sentenced to a fixed executed sentence for an offense committed on or after August 1, 1993, but before July 1, 2009, the executed sentence consists of two parts: (1) a specified minimum term of imprisonment that is equal to two-thirds of the executed sentence; and (2) a specified maximum supervised release term that is equal to one-third of the executed sentence. The amount of time the inmate actually serves in prison and on supervised release is subject to the provisions of section 244.05, subdivision 1b.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to crimes committed on or after that date.

Sec. 15. Minnesota Statutes 2008, section 244.101, is amended by adding a subdivision to read:

Subd. 1a. **Executed sentences, crimes committed on or after July 1, 2009.** When a felony offender is sentenced to a fixed executed sentence for an offense committed on or after July 1, 2009, the executed sentence consists of two parts: (1) a specified minimum term of imprisonment that is equal to 60 percent of the executed sentence; and (2) a specified maximum supervised release term that is equal to 40 percent of the executed sentence. The amount of time the inmate actually serves in prison and on supervised release is subject to the provisions of section 244.05, subdivision 1b.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to crimes committed on or after that date.

Sec. 16. Minnesota Statutes 2008, section 244.14, subdivision 3, is amended to read:

Subd. 3. **Sanctions.** The commissioner shall impose severe and meaningful sanctions for violating the conditions of an intensive community supervision program. The commissioner shall provide for revocation of intensive community supervision of an offender who:

(1) commits a material violation of or repeatedly fails to follow the rules of the program;

(2) commits any misdemeanor, gross misdemeanor, or felony offense; or

(3) presents a risk to the public, based on the offender's behavior, attitude, or abuse of alcohol or controlled substances. The revocation of intensive community supervision is governed by the procedures in the commissioner's rules adopted under section 244.05, subdivision 2.

An offender whose intensive community supervision is revoked shall be imprisoned for a time period equal to the offender's term of imprisonment, but in no case for longer than the time remaining in the offender's sentence. "Term of imprisonment" means a time period equal to ~~two-thirds~~ 60 percent of the sentence originally executed by the sentencing court, minus jail credit, if any.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to crimes committed on or after that date.

Sec. 17. Minnesota Statutes 2008, section 244.171, subdivision 4, is amended to read:

Subd. 4. **Sanctions.** The commissioner shall impose severe and meaningful sanctions for violating the conditions of the challenge incarceration program. The commissioner shall remove an offender from the challenge incarceration program if the offender:

- (1) commits a material violation of or repeatedly fails to follow the rules of the program;
- (2) commits any misdemeanor, gross misdemeanor, or felony offense; or
- (3) presents a risk to the public, based on the offender's behavior, attitude, or abuse of alcohol or controlled substances. The removal of an offender from the challenge incarceration program is governed by the procedures in the commissioner's rules adopted under section 244.05, subdivision 2.

An offender who is removed from the challenge incarceration program shall be imprisoned for a time period equal to the offender's term of imprisonment, minus earned good time if any, but in no case for longer than the time remaining in the offender's sentence. "Term of imprisonment" means a time period equal to ~~two-thirds~~ 60 percent of the sentence originally executed by the sentencing court, minus jail credit, if any.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to crimes committed on or after that date.

Sec. 18. [244.30] CAP ON INCARCERATION FOR FIRST-TIME SUPERVISED RELEASE VIOLATIONS; EXCEPTION FOR SEX OFFENDERS.

(a) If the commissioner revokes the supervised release of a person whose release on the current offense has not previously been revoked, the commissioner may order the person to be incarcerated for no more than 90 days or until the expiration of the person's sentence, whichever is less.

(b) This section does not apply to offenders on supervised release for a violation of section 609.342, 609.343, 609.344, 609.345, 609.3451, or 609.3453.

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

Sec. 19. Minnesota Statutes 2008, section 609.105, subdivision 1a, is amended to read:

Subd. 1a. **Definitions.** (a) The terms in this subdivision apply to this section.

(b) "Remaining term of imprisonment" as applied to inmates whose crimes were committed before August 1, 1993, is the period of time for which an inmate is committed to the custody of the commissioner of corrections minus earned good time and jail credit, if any.

(c) "Remaining term of imprisonment" as applied to inmates whose crimes were committed on or after August 1, 1993, but before July 1, 2009, is the period of time equal to two-thirds of the inmate's executed sentence, minus jail credit, if any.

(d) "Remaining term of imprisonment" as applied to inmates whose crimes were committed on or after July 1, 2009, is the period of time equal to 60 percent of the inmate's executed sentence, minus jail credit, if any.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to crimes committed on or after that date.

Sec. 20. Minnesota Statutes 2008, section 643.29, subdivision 1, is amended to read:

Subdivision 1. **"Good conduct" allowance.** Any person sentenced for a term to any county jail, workhouse, or correctional work farm, whether the term is part of an executed sentence or is

imposed as a condition of probation, shall, when sentenced to serve ten days or more, diminish the term of the sentence ~~one day~~ two days for each ~~two~~ three days served, commencing on the day of arrival, during which the person has not violated any rule or discipline of the place wherein the person is incarcerated and, if required to labor, has labored with diligence and fidelity.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to crimes committed on or after that date.

Sec. 21. **RERANKING OF FELONY DWI.**

The Minnesota Sentencing Guidelines Commission shall consider reranking violations of Minnesota Statutes, section 169A.24 (felony DWI) at severity level V or VI.

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

Sec. 22. **REPEALER.**

Minnesota Statutes 2008, section 152.026, is repealed.

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

ARTICLE 3

CHANGES TO CHALLENGE INCARCERATION AND CONDITIONAL RELEASE FOR NONVIOLENT OFFENDER PROGRAMS; MINNCOR; FIREFIGHTER LICENSING; REPORTING CHANGES

Section 1. Minnesota Statutes 2008, section 3.195, subdivision 1, is amended to read:

Subdivision 1. **Distribution of reports.** (a) Except as provided in subdivision 4, a report to the legislature required of a department or agency shall be made, unless otherwise specifically required by law, by filing one copy with the secretary of the senate, one copy with the chief clerk of the house of representatives, and six copies with the Legislative Reference Library. The same distribution procedure shall be followed for other reports and publications unless otherwise requested by a legislator or the Legislative Reference Library.

(b) A public entity as defined in section 16B.122, shall not distribute a report or publication to a member or employee of the legislature, except the secretary of the senate, the chief clerk of the house of representatives, and the Legislative Reference Library, unless the entity has determined that the member or employee wants the reports or publications published by that entity or the member or employee has requested the report or publication. This prohibition applies to both mandatory and voluntary reports and publications. A report or publication may be summarized in an executive summary and distributed as the entity chooses. Distribution of a report to legislative committee or commission members during a committee or commission hearing is not prohibited by this section.

(c) A report or publication produced by a public entity may not be sent to both the home address and the office address of a representative or senator unless mailing to both addresses is requested by the representative or senator.

(d) Reports, publications, periodicals, and summaries under this subdivision must be printed in a manner consistent with section 16B.122.

Sec. 2. Minnesota Statutes 2008, section 3.195, is amended by adding a subdivision to read:

Subd. 4. **Reports of criminal justice agencies; electronic versions only.** (a) As used in this subdivision, "criminal justice agency" means the Departments of Corrections, Public Safety, and Human Rights; the Boards of Public Defense, Peace Officer Standards and Training, Private Detective and Protective Agent Services, and Judicial Standards; the Sentencing Guidelines and Uniform Laws Commissions; and the courts.

(b) A criminal justice agency that submits a report to the legislature under this section shall do so by submitting an electronic version rather than a printed one. Notwithstanding subdivision 1, paragraph (a), and section 15.18, the agency need submit only one electronic copy to the Legislative Reference Library, the State Library, and the Minnesota Historical Society. In addition, the agency shall submit one printed copy to the Legislative Reference Library.

Sec. 3. Minnesota Statutes 2008, section 241.27, subdivision 1a, is amended to read:

Subd. 1a. **Marketing plan.** The commissioner of corrections, in consultation with the commissioner of employment and economic development, shall develop, implement, and maintain a formal marketing plan to attract private sector businesses and industries and state and local government agencies to employ inmate services through MINNCOR industries. The plan shall be reviewed and updated annually by the commissioner of corrections.

Sec. 4. Minnesota Statutes 2008, section 241.27, is amended by adding a subdivision to read:

Subd. 6. **Reports and financial statements.** MINNCOR shall include its full costs for inmate wages and the money it receives from the department for inmate confinement costs in its annual financial statements and reports. In addition, MINNCOR shall disclose in its annual report how the money it receives from the department for inmate confinement costs affects its profitability.

Sec. 5. Minnesota Statutes 2008, section 241.27, is amended by adding a subdivision to read:

Subd. 7. **Interactions with private businesses.** (a) MINNCOR shall use revenue contracts, not purchase orders, whenever it allows private businesses to use inmate labor.

(b) MINNCOR shall develop a uniform method to report sales and expenditure data related to individual labor arrangements with private businesses. MINNCOR shall review the data annually to assess how the arrangements, both individually and collectively, affect MINNCOR's achieving its goals of high inmate participation in industry and profitability.

Sec. 6. Minnesota Statutes 2008, section 241.27, is amended by adding a subdivision to read:

Subd. 8. **Contracts; work on projects before and after.** MINNCOR may not begin work on a project until a contract has been signed and may not continue work on a project after a contract has expired.

Sec. 7. Minnesota Statutes 2008, section 244.055, subdivision 2, is amended to read:

Subd. 2. **Conditional release of certain nonviolent ~~controlled-substance~~ offenders.** An offender who has been committed to the commissioner's custody may petition the commissioner for conditional release from prison before the offender's scheduled supervised release date or target release date if:

(1) the offender is serving a sentence for violating section 152.021, subdivision 2 or 2a; 152.022, ~~subdivision 2~~; 152.023; 152.024; or 152.025, or serving a sentence for a nonviolent nondrug offense;

(2) the offender committed the crime as a result of a controlled substance addiction, ~~and not primarily for profit~~;

(3) the offender has served at least 36 months or one-half of the offender's term of imprisonment, whichever is less;

(4) the offender successfully completed a chemical dependency treatment program of the type described in this section while in prison;

(5) the offender has not previously been conditionally released under this section; and

(6) the offender has not within the past ten years been convicted or adjudicated delinquent for a violent crime as defined in section 609.1095 other than the current conviction for the controlled substance offense or nonviolent nondrug offense.

Sec. 8. Minnesota Statutes 2008, section 244.055, subdivision 3, is amended to read:

Subd. 3. **Offer of chemical dependency treatment.** The commissioner shall offer all offenders meeting the criteria described in subdivision 2, clauses (1), (2), (5), and (6), the opportunity to begin a suitable chemical dependency treatment program of the type described in this section within 160 days after the offender's term of imprisonment begins or as soon after 160 days as possible. In making the determination under subdivision 2, clause (2), that the offender has a controlled substance addiction, the commissioner shall consider the chemical dependency assessment completed at intake. In making a determination that an offender is suitable for early release under this section, the commissioner shall consider validated risk assessment tools such as the Level of Service Inventory-Revised (LSI-R).

Sec. 9. Minnesota Statutes 2008, section 244.055, subdivision 5, is amended to read:

Subd. 5. **Additional requirements.** To be eligible for release under this section, an offender shall sign a written contract with the commissioner agreeing to comply with the requirements of this section and the conditions imposed by the commissioner. ~~In addition to other items, the contract must specifically refer to the term of imprisonment extension in subdivision 6.~~ In addition, the offender shall agree to submit to random drug and alcohol tests and electronic or home monitoring as determined by the commissioner or the offender's supervising agent. The commissioner may impose additional requirements on the offender that are necessary to carry out the goals of this section.

Sec. 10. Minnesota Statutes 2008, section 244.055, subdivision 7, is amended to read:

Subd. 7. **Release procedures.** After consulting with the panel of judges created under subdivision 7a, the commissioner may deny conditional release to an offender under this section if the commissioner determines that the offender's release may reasonably pose a danger to the public or an individual. In making this determination, the commissioner shall follow the procedures contained in section 244.05, subdivision 5, and the rules adopted by the commissioner under that subdivision. The commissioner shall consider whether the offender was involved in criminal gang activity during the offender's prison term. The commissioner shall also consider the offender's custody classification and level of risk of violence and the availability of appropriate community supervision for the offender. Conditional release granted under this section continues until the

offender's sentence expires, unless release is rescinded under subdivision 8. The commissioner may not grant conditional release unless a release plan is in place for the offender that addresses, at a minimum, plans for aftercare, community-based chemical dependency treatment, gaining employment, and securing housing.

Sec. 11. Minnesota Statutes 2008, section 244.055, is amended by adding a subdivision to read:

Subd. 7a. **Panel of judges.** The Chief Justice of the Supreme Court shall appoint three retired judges to advise the commissioner of corrections on eligibility decisions made under this section. The Chief Justice shall determine the pay and expenses to be received by the panel. These costs must be paid by the commissioner of corrections.

Sec. 12. Minnesota Statutes 2008, section 244.055, is amended by adding a subdivision to read:

Subd. 10a. **Savings used for drug treatment.** The commissioner shall use any savings realized from the early release of offenders under this section for chemical dependency treatment programs in state correctional facilities.

Sec. 13. **[244.085] FELONY DWI REPORT.**

By January 15 of each year, the commissioner shall report to the chairs and ranking minority members of the house of representatives and senate committees having jurisdiction over criminal justice policy and funding on the implementation and effects of the felony level driving while impaired offense. The report must include the following information on felony level driving while impaired offenses involving offenders committed to the commissioner's custody:

- (1) the number of persons committed;
- (2) the county of conviction;
- (3) the offenders' ages and gender;
- (4) the offenders' prior impaired driving histories and prior criminal histories;
- (5) the number of offenders:
 - (i) given an executed prison sentence upon conviction and the length of the sentence;
 - (ii) given an executed prison sentence upon revocation of probation, the reasons for revocation, and the length of sentence;
 - (iii) who successfully complete treatment in prison;
 - (iv) placed on intensive supervision following release from incarceration;
 - (v) placed in the challenge incarceration program, the number of offenders released from prison under this program, and the number of these offenders who violate their release conditions and the consequences imposed; and
 - (vi) who violate supervised release and the consequences imposed;
- (6) per diem costs, including treatment costs, for offenders incarcerated under the felony sentence provisions; and

(7) any other information the commissioner deems relevant to estimating future costs.

Sec. 14. Minnesota Statutes 2008, section 244.17, is amended to read:

244.17 CHALLENGE INCARCERATION PROGRAM.

Subdivision 1. **Generally.** The commissioner ~~may~~ shall select offenders who meet the eligibility requirements of subdivisions 2 and 3 to participate in a challenge incarceration program described in sections 244.171 and 244.172 for all or part of the offender's sentence if the offender agrees to participate in the program and signs a written contract with the commissioner agreeing to comply with the program's requirements.

Subd. 2. **Eligibility.** (a) Unless a person is ineligible under subdivision 3, the commissioner must ~~limit~~ offer a bed in the challenge incarceration program to the following persons:

(1) offenders who are committed to the commissioner's custody following revocation of a stayed sentence; and

(2) offenders who are committed to the commissioner's custody, who have 48 months or less in or remaining in their term of imprisonment, and who did not receive a dispositional departure under the Sentencing Guidelines.

(b) If there is insufficient space for an eligible person, the commissioner shall place the person's name on a waiting list and offer the person the chance to participate when space becomes available.

Subd. 3. **Offenders not eligible.** (a) The following offenders are not eligible to be placed in the challenge incarceration program:

(1) offenders who are committed to the commissioner's custody following a conviction for murder, manslaughter, criminal sexual conduct, assault, kidnapping, robbery, arson, or any other offense involving death or intentional personal injury; ~~and~~

(2) offenders who were convicted within the preceding ten years of an offense described in clause (1) and were committed to the custody of the commissioner; ~~;~~

(3) offenders who have been convicted or adjudicated delinquent within the past five years for a violation of section 609.485;

(4) offenders who are committed to the commissioner's custody for an offense that requires registration under section 243.166;

(5) offenders who are the subject of a current arrest warrant or detainer;

(6) offenders who have fewer than 180 days remaining until their supervised release date;

(7) offenders who have had disciplinary confinement time added to their sentence or who have been placed in segregation, unless 90 days have elapsed from the imposition of the additional disciplinary confinement time or the last day of segregation;

(8) offenders who have received a suspended formal disciplinary sanction, unless the suspension has expired;

(9) offenders whose governing sentence is for an offense from another state or the United States;

and

(10) offenders who have a medical condition included on the list of ineligible conditions described in paragraph (b).

(b) The commissioner of corrections shall develop a list of medical conditions that will disqualify an offender from participating in the challenge incarceration program. The commissioner shall submit the list and any changes to it to the chairs and ranking minority members of the senate and house committees having jurisdiction over criminal justice policy and funding.

Sec. 15. Minnesota Statutes 2008, section 244.172, subdivision 1, is amended to read:

Subdivision 1. **Phase I.** Phase I of the program lasts at least six months. The offender must be confined ~~in a state correctional facility designated by the commissioner at the Minnesota Correctional Facility - Willow River/Moose Lake or the Minnesota Correctional Facility - Togo~~ and must successfully participate in all intensive treatment, education and work programs required by the commissioner. The offender must also submit on demand to random drug and alcohol testing at time intervals set by the commissioner. Throughout phase I, the commissioner must severely restrict the offender's telephone and visitor privileges.

Sec. 16. Minnesota Statutes 2008, section 299N.02, subdivision 3, is amended to read:

Subd. 3. **Powers and duties.** (a) The board shall:

(1) review fire service training needs and make recommendations on training to Minnesota fire service organizations;

(2) establish standards for educational programs for the fire service and develop procedures for continuing oversight of the programs; ~~and~~

(3) establish qualifications for fire service training instructors in programs established under clause (2); and

(4) license full-time firefighters and volunteer firefighters under this chapter.

(b) The board may:

(1) hire or contract for technical or professional services according to section 15.061;

(2) pay expenses necessary to carry out its duties;

(3) apply for, receive, and accept grants, gifts, devises, and endowments that any entity may make to the board for the purposes of this chapter and may use any money given to it consistent with the terms and conditions under which the money was received and for the purposes stated;

(4) make recommendations to the legislature to improve the quality of firefighter training;

(5) collect and provide data, subject to section 13.03;

(6) conduct studies and surveys and make reports; and

(7) conduct other activities necessary to carry out its duties.

Sec. 17. [299N.03] DEFINITIONS.

Subdivision 1. **Scope.** The terms used in sections 299N.04 and 299N.05 have the meanings given them in this section.

Subd. 2. **Board.** "Board" means the Board of Firefighter Training and Education established under section 299N.02.

Subd. 3. **Chief firefighting officer.** "Chief firefighting officer" means the highest ranking employee or appointed official of a fire department.

Subd. 4. **Fire department.** "Fire department" has the meaning given it in section 299F.092, subdivision 6. For purposes of sections 299N.04 and 299N.05, fire department also includes a division of a state agency, regularly charged with the responsibility of providing fire protection to the state or a local government, to include a private, nonprofit fire department directly serving a local government, but does not include an industrial fire brigade.

Subd. 5. **Licensed firefighter.** "Licensed firefighter" means a full-time firefighter, to include a fire department employee, member, supervisor, or appointed official, who is licensed by the board and who is charged with the prevention or suppression of fires within the boundaries of the state. Licensed firefighter may also include a volunteer firefighter.

Subd. 6. **Full-time firefighter.** A "full-time firefighter" means a person who is employed and charged with the prevention or suppression of fires within the boundaries of the state on a full-time, salaried basis. Full-time firefighter does not include a volunteer, part-time or paid, on-call firefighter.

Subd. 7. **Volunteer firefighter.** A "volunteer firefighter" means a person who is charged with the prevention or suppression of fires within the boundaries of the state on a volunteer, part-time, or paid, on-call basis. Volunteer firefighter does not include a full-time firefighter.

Sec. 18. [299N.04] FIREFIGHTER CERTIFICATION.

Subdivision 1. **Certification examination; requirements.** (a) The board must appoint an organization that is accredited by the International Fire Service Accreditation Congress to prepare and administer firefighter certification examinations. Firefighter certification examinations shall be designed to ensure competency in at least the following areas:

- (1) fire prevention;
- (2) fire suppression; and
- (3) hazardous materials operations.

(b) To receive a certificate, an individual must demonstrate competency in fire prevention and fire suppression.

(c) Nothing in this section shall be construed to prohibit any requirement imposed by a local fire department for more comprehensive training.

Subd. 2. **Eligibility for certification examination.** Except as provided in subdivision 3, any person may take the firefighter certification examination who has successfully completed the following:

- (1)(i) a firefighter course from a postsecondary educational institution, an accredited institution

of higher learning, or another entity that teaches a course that has been approved by the board; or (ii) an apprenticeship or cadet program maintained by a fire department employing the person that has been approved by the board; and

(2) a skills-oriented basic training course.

Subd. 3. **Certain baccalaureate or associate degree holders eligible to take certification examination.** A person with a baccalaureate degree, or with an associate degree in applied fire science technology, from an accredited college or university who has successfully completed the skills-oriented basic training course under subdivision 2, clause (2), is eligible to take the firefighter certification examination notwithstanding the requirements of subdivision 2, clause (1).

Sec. 19. **[299N.05] LICENSE REQUIRED.**

Subdivision 1. **Licensure requirement.** A full-time firefighter employed on or after July 1, 2011, by a fire department is not eligible for permanent employment without being licensed as a firefighter by the board.

Subd. 2. **Optional licensing.** A volunteer firefighter may receive or apply for licensure under this section and section 299N.04 under the same terms as full-time firefighters.

Subd. 3. **Prior appointment.** A full-time firefighter or a volunteer firefighter who has received a permanent appointment with a fire department prior to July 1, 2011, shall be licensed by the board at the request of the firefighter upon providing the board with a statement signed by the chief firefighting officer of the fire department that employs the full-time or volunteer firefighter.

Subd. 4. **Newly employed firefighters.** Any full-time firefighter employed by a fire department on or after July 1, 2011, must obtain a license from the board. To obtain a license, an individual not covered by subdivision 3 must provide the board with a statement signed by the chief firefighting officer of the fire department that employs the full-time firefighter that the individual has met the certification requirements of section 299N.04.

Subd. 5. **Issuance of license.** The board shall license any individual who meets the requirements of subdivision 3 or 4. A license is valid for three years from the date of issuance, and the fee for the license is \$75.

Subd. 6. **License renewal.** A license shall be renewed so long as the firefighter and the chief firefighting officer provide evidence to the board that the licensed firefighter has had at least 72 hours of firefighting training in the previous three-year period. The fee for renewing a firefighter license is \$75, and the license is valid for an additional three years.

Subd. 7. **Duties of chief firefighting officer.** It shall be the duty of every chief firefighting officer to ensure that all full-time firefighters have a license from the board beginning July 1, 2011. Each full-time firefighter, volunteer firefighter, and chief firefighting officer may apply for licensure after January 1, 2011.

Subd. 8. **Revocation; suspension; denial.** The board may revoke, suspend, or deny a license issued or applied for under this section to a firefighter or applicant if the firefighter or applicant has been convicted of a felony recognized by the board as a crime that would disqualify the licensee from participating in the profession of firefighting.

Subd. 9. **Petty misdemeanor; discharge.** A person who is employed as a full-time firefighter and is not licensed under this section is guilty of a petty misdemeanor and must be immediately discharged from employment.

Subd. 10. **Fees.** Fees collected under this section must be deposited in the state treasury and credited to a special account and are appropriated to the board to pay costs incurred under sections 299N.04 to 299N.05.

Sec. 20. Minnesota Statutes 2008, section 357.021, subdivision 6, is amended to read:

Subd. 6. **Surcharges on criminal and traffic offenders.** (a) Except as provided in this paragraph, the court shall impose and the court administrator shall collect a \$75 surcharge on every person convicted of any felony, gross misdemeanor, misdemeanor, or petty misdemeanor offense, other than a violation of a law or ordinance relating to vehicle parking, for which there shall be a \$4 surcharge. In the Second Judicial District, the court shall impose, and the court administrator shall collect, an additional \$1 surcharge on every person convicted of any felony, gross misdemeanor, misdemeanor, or petty misdemeanor offense, including a violation of a law or ordinance relating to vehicle parking, if the Ramsey County Board of Commissioners authorizes the \$1 surcharge. The surcharge shall be imposed whether or not the person is sentenced to imprisonment or the sentence is stayed. The surcharge shall not be imposed when a person is convicted of a petty misdemeanor for which no fine is imposed.

(b) If the court fails to impose a surcharge as required by this subdivision, the court administrator shall show the imposition of the surcharge, collect the surcharge, and correct the record.

(c) The court may not waive payment of the surcharge required under this subdivision. Upon a showing of indigency or undue hardship upon the convicted person or the convicted person's immediate family, the sentencing court may authorize payment of the surcharge in installments.

(d) The court administrator or other entity collecting a surcharge shall forward it to the commissioner of finance.

(e) If the convicted person is sentenced to imprisonment and has not paid the surcharge before the term of imprisonment begins, the chief executive officer of the correctional facility in which the convicted person is incarcerated shall collect the surcharge from any earnings the inmate accrues from work performed in the facility or while on conditional release. The chief executive officer shall forward the amount collected to the ~~commissioner of finance~~ court administrator or other entity collecting the surcharge imposed by the court.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to surcharges collected by the chief executive officer of a correctional facility on or after that date.

Sec. 21. **REVIEW OF REPORTS.**

The Sentencing Guidelines Commission and the Departments of Corrections and Public Safety shall each review its reports for consolidation and may consider consolidating any reports with other reports to achieve administrative convenience or fiscal savings or to reduce the burden of reporting requirements.

Sec. 22. **REPORT ON MINNCOR MARKETING PLAN.**

By September 15, 2009, the commissioner of corrections shall report to the chairs and ranking minority members of the senate and house committees and divisions having jurisdiction over criminal justice policy and funding on the marketing plan required in Minnesota Statutes, section 241.27, subdivision 1a.

Sec. 23. **REPEALER.**

Minnesota Statutes 2008, sections 244.055, subdivisions 6 and 11; 260B.199, subdivision 2; 260B.201, subdivision 3; and 325E.22, are repealed."

Delete the title and insert:

"A bill for an act relating to public safety; appropriating money for public safety, corrections, and other criminal justice agencies; requiring annual appropriation of money in Bureau of Criminal Apprehension account to commissioner of public safety; repealing the mandatory minimum sentences for predatory offender registration offenses and subsequent controlled substances offenses; providing a 90-day cap on incarceration for certain first-time supervised release violations; eliminating the requirement that judges impose a minimum sentence on felony DWI offenders; requesting the Sentencing Guidelines Commission to rerank the felony DWI offense; requiring that prisoners serve a minimum of 60 percent of their prison sentence; providing for supervised release of offenders; expanding the challenge incarceration program; requiring the Sentencing Guidelines Commission and the Departments of Corrections and Public Safety to review its reports; requiring Department of Corrections to annually report on felony DWI offenders; requiring that reports to the legislature by criminal justice agencies be submitted electronically; modifying and expanding the conditional release program for nonviolent drug offenders; including an advisory board for consultation with the commissioner of corrections for the conditional release program; repealing the conditional release program's sunset; authorizing correctional facilities to forward surcharges from offender wages to court or other entity collecting the surcharge; repealing reports on out-of-state juvenile placement; implementing the legislative auditor's recommendations relating to MINNCOR; requiring the licensure of firefighters; expanding the stay of adjudication provision for low-level controlled substance offenders; imposing criminal penalties; appropriating money; amending Minnesota Statutes 2008, sections 3.195, subdivision 1, by adding a subdivision; 152.021, subdivision 3; 152.022, subdivision 3; 152.023, subdivision 3; 152.024, subdivision 3; 152.025, subdivision 3; 152.18, subdivision 1; 169A.275, subdivisions 3, 4, 5; 169A.276, subdivisions 1, 2; 171.29, subdivision 2; 241.27, subdivision 1a, by adding subdivisions; 243.166, subdivision 5; 244.01, subdivision 8; 244.055, subdivisions 2, 3, 5, 7, by adding subdivisions; 244.101, subdivision 1, by adding a subdivision; 244.14, subdivision 3; 244.17; 244.171, subdivision 4; 244.172, subdivision 1; 299N.02, subdivision 3; 357.021, subdivision 6; 609.105, subdivision 1a; 643.29, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 244; 299N; repealing Minnesota Statutes 2008, sections 152.026; 244.055, subdivisions 6, 11; 260B.199, subdivision 2; 260B.201, subdivision 3; 325E.22."

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. 2082: A bill for an act relating to government operations; modifying provisions for

general legislative and administrative expenses of state government; regulating state and local government operations; establishing a statewide electronic licensing system; requiring reports; appropriating money; amending Minnesota Statutes 2008, sections 5.12, subdivision 1; 5.29; 5.32; 5A.03; 10A.31, subdivision 4; 16A.133, subdivision 1; 16B.24, subdivision 5; 43A.49; 45.24; 270C.63, subdivision 13; 302A.821; 303.14; 303.16, subdivision 4; 308A.995; 308B.121, subdivisions 1, 2; 317A.823; 321.0206; 321.0210; 321.0810; 322B.960; 323A.1003; 333.055; 336A.04, subdivision 3; 336A.09, subdivision 2; 359.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 5; 16E; repealing Minnesota Statutes 2008, section 240A.08.

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

Page 1, line 20, delete "303,394,000" and insert "304,482,000" and delete "301,902,000" and insert "302,990,000" and delete "605,296,000" and insert "607,472,000"

Page 2, line 1, delete "321,630,000" and insert "322,718,000" and delete "320,126,000" and insert "321,214,000" and delete "641,756,000" and insert "643,932,000"

Page 3, line 7, delete "first" and insert "second"

Page 3, line 14, delete "3,516,000" and insert "4,240,000" and delete "3,516,000" and insert "4,240,000"

Page 3, after line 33, insert:

"(c) \$724,000 each year of this appropriation represents personnel costs incurred by the Office of the Governor and Lieutenant Governor that were budgeted by the Governor to be supported by appropriations to other agencies during fiscal years 2010 and 2011. The commissioner of finance must subtract these amounts from appropriations to those agencies in laws enacted by the 86th session of the Legislature. The agencies affected are the Departments of Administration, Agriculture, Commerce, Corrections, Education, Employment and Economic Development, Finance, Health, Human Services, Labor and Industry, Military Affairs, Natural Resources, Public Safety, Revenue, Transportation, and Veterans Affairs, the Housing Finance and Pollution Control Agencies, the Offices of Higher Education and Enterprise Technology, and the Metropolitan Council."

Page 3, line 34, delete "9,106,000" and insert "9,470,000" and delete "9,106,000" and insert "9,470,000"

Page 4, before line 1, insert:

"\$364,000 the first year and \$364,000 the second year are for financial audits and other oversight related to ensuring compliance with the reporting, monitoring, and financial control and transparency requirements of the American Recovery and Reinvestment Act of 2009. These are onetime appropriations and are available until June 30, 2011."

Page 11, after line 3, insert:

"Sec. 31. **PROHIBITIONS ON USE OF APPROPRIATIONS.**

An appropriation in this article may not be used for out-of-state travel that is not directly connected with and necessary to carry out the core functions of the agency or constitutional office to which the appropriation was made."

Page 17, after line 14, insert:

"Subd. 2. **Requirements.** The transfer of an existing electronic licensing system to the Minnesota electronic licensing system may not reduce the critical functionality provided by the existing system."

Page 17, line 15, delete "2" and insert "3" and before "Except" insert "(a)"

Page 17, after line 26, insert:

"(b) An agency may transfer an amount equivalent to the surcharge imposed under this section from existing license accounts in lieu of collecting the surcharge required under this section. If a transfer is made under this paragraph, the temporary surcharge required under paragraph (a) does not apply to the relevant license. Receipts from transfers received under this paragraph shall be deposited in the statewide licensing account established in subdivision 1."

Page 17, line 27, delete "3" and insert "4"

Page 18, line 6, delete "4" and insert "5"

Page 18, after line 11, insert:

"Subd. 6. **Priority.** To the extent possible, in completing the Minnesota electronic licensing system, the state chief information officer must give priority to licenses that are not issued electronically. Licenses regulated by a health board under chapter 214 must not be transferred to the Minnesota electronic licensing system before July 1, 2011."

Page 18, line 12, delete "5" and insert "7" and delete "Exemptions" and insert "Exemption" and delete "(a)"

Page 18, delete lines 15 to 17

Page 18, line 18, delete "6" and insert "8"

Page 35, after line 5, insert:

"Sec. 31. Minnesota Statutes 2008, section 469.175, subdivision 1, is amended to read:

Subdivision 1. **Tax increment financing plan.** (a) A tax increment financing plan shall contain:

(1) a statement of objectives of an authority for the improvement of a project;

(2) a statement as to ~~the development program for the project, including~~ the property within the project, if any, that the authority intends to acquire, identified by parcel number, identifiable property name, block, or other appropriate means indicating the area in which the authority intends to acquire properties;

(3) a list of any development activities that the plan proposes to take place within the project, ~~for which contracts have been entered into at the time of the preparation of the plan,~~ including the names of the parties to the contract, the activity governed by the contract, the estimated cost stated in the contract, and the expected date of completion of that activity;

~~(4) identification or description of the type of any other specific development reasonably expected to take place within the project, and the date when the development is likely to occur;~~

~~(5)~~ estimates of the following:

(i) cost of the project, including administrative expenses, ~~except that if part of the cost of the project is paid or financed with increment from the tax increment financing district, the tax increment financing plan for the district must contain an estimate of the amount of the cost of the project, including administrative expenses, and interest costs that will be paid or financed with tax increments from the district, but not to exceed the estimated tax increments to be generated by the development activity;~~

(ii) amount of ~~bonded indebtedness to be incurred~~ bonds to be issued;

(iii) ~~sources of revenue to finance or otherwise pay public costs;~~

~~(iv) the most recent original net tax capacity of taxable real property within the tax increment financing district and within any subdistrict;~~

~~(v)~~ (iv) the estimated captured net tax capacity of the tax increment financing district at completion; and

~~(vi)~~ (v) the duration of the tax increment financing district's and any subdistrict's existence;

(6) statements of the authority's alternate estimates of the impact of tax increment financing on the net tax capacities of all taxing jurisdictions in which the tax increment financing district is located in whole or in part. For purposes of one statement, the authority shall assume that the estimated captured net tax capacity would be available to the taxing jurisdictions without creation of the district, and for purposes of the second statement, the authority shall assume that none of the estimated captured net tax capacity would be available to the taxing jurisdictions without creation of the district or subdistrict;

(7) identification and description of studies and analyses used to make the determination set forth in subdivision 3, clause (2); and

(8) identification of all parcels to be included in the district or any subdistrict.

(b) The authority may specify in the tax increment financing plan the first year in which it elects to receive increment, up to four years following the year of approval of the district. This paragraph does not apply to an economic development district.

EFFECTIVE DATE. This section is effective for tax increment financing plans approved after June 30, 2009.

Sec. 32. Minnesota Statutes 2008, section 469.175, subdivision 6, is amended to read:

Subd. 6. **Annual financial reporting.** (a) The state auditor shall develop a uniform system of accounting and financial reporting for tax increment financing districts. The system of accounting and financial reporting shall, as nearly as possible:

(1) provide for full disclosure of the sources and uses of ~~public funds in~~ tax increments of the district;

(2) permit comparison and reconciliation with the affected local government's accounts and financial reports;

(3) permit auditing of the funds expended on behalf of a district, including a single district that is part of a multidistrict project or that is funded in part or whole through the use of a development account funded with tax increments from other districts or with other public money;

(4) be consistent with generally accepted accounting principles.

(b) The authority must annually submit to the state auditor a financial report in compliance with paragraph (a). Copies of the report must also be provided to the county auditor and to the governing body of the municipality, if the authority is not the municipality. To the extent necessary to permit compliance with the requirement of financial reporting, the county and any other appropriate local government unit or private entity must provide the necessary records or information to the authority or the state auditor as provided by the system of accounting and financial reporting developed pursuant to paragraph (a). The authority must submit the annual report for a year on or before August 1 of the next year.

(c) The annual financial report must also include the following items:

(1) the original net tax capacity of the district and any subdistrict under section 469.177, subdivision 1;

(2) the net tax capacity for the reporting period of the district and any subdistrict;

(3) the captured net tax capacity of the district;

(4) any fiscal disparity deduction from the captured net tax capacity under section 469.177, subdivision 3;

(5) the captured net tax capacity retained for tax increment financing under section 469.177, subdivision 2, paragraph (a), clause (1);

(6) any captured net tax capacity distributed among affected taxing districts under section 469.177, subdivision 2, paragraph (a), clause (2);

(7) the type of district;

(8) the date the municipality approved the tax increment financing plan and the date of approval of any modification of the tax increment financing plan, the approval of which requires notice, discussion, a public hearing, and findings under subdivision 4, paragraph (a);

(9) the date the authority first requested certification of the original net tax capacity of the district and the date of the request for certification regarding any parcel added to the district;

(10) the date the county auditor first certified the original net tax capacity of the district and the date of certification of the original net tax capacity of any parcel added to the district;

(11) the month and year in which the authority has received or anticipates it will receive the first increment from the district;

(12) the date the district must be decertified;

(13) for the reporting period and prior years of the district, the actual amount received from, at least, the following categories:

(i) tax increments paid by the captured net tax capacity retained for tax increment financing under section 469.177, subdivision 2, paragraph (a), clause (1), but excluding any excess taxes;

(ii) tax increments that are interest or other investment earnings on or from tax increments;

(iii) tax increments that are proceeds from the sale or lease of property, tangible or intangible, purchased by the authority with tax increments;

(iv) tax increments that are repayments of loans or other advances made by the authority with tax increments;

(v) ~~bond or loan~~ proceeds; and

(vi) ~~special assessments~~;

~~(vii) grants~~;

~~(viii) transfers from funds not exclusively associated with the district; and~~

~~(ix) the market value homestead credit paid to the authority under section 273.1384;~~

(14) for the reporting period and for the prior years of the district, the actual amount expended for, at least, the following categories:

(i) acquisition of land and buildings through condemnation or purchase;

(ii) site improvements or preparation costs;

(iii) installation of public utilities, parking facilities, streets, roads, sidewalks, or other similar public improvements;

(iv) administrative costs, including the allocated cost of the authority; and

~~(v) public park facilities, facilities for social, recreational, or conference purposes, or other similar public improvements; and~~ for housing districts, construction of affordable housing;

~~(vi) transfers to funds not exclusively associated with the district;~~

(15) the amount of any payments for activities and improvements located outside of the district that are paid for or financed with tax increments;

(16) the amount of payments of principal and interest that are made during the reporting period on any nondefeased:

(i) general obligation tax increment financing bonds;

(ii) other tax increment financing bonds, including pay-as-you-go contracts and notes; and

~~(iii) notes and pay as you go contracts;~~

(17) the principal amount, at the end of the reporting period, of any nondefeased:

(i) general obligation tax increment financing bonds;

(ii) other tax increment financing bonds, including pay as you go contracts and notes; and

~~(iii) notes and pay as you go contracts;~~

(18) the amount of principal and interest payments that are due for the current calendar year on any nondefeased:

(i) general obligation tax increment financing bonds; and

(ii) other tax increment financing bonds, including pay-as-you-go contracts and notes; and

~~(iii) notes and pay as you go contracts;~~

(19) if the fiscal disparities contribution under chapter 276A or 473F for the district is computed under section 469.177, subdivision 3, paragraph (a), the amount of total increased property taxes imposed on other properties in the municipality that approved the tax increment financing plan as a result of the fiscal disparities contribution; to be paid from outside the tax increment financing district; and

~~(20) the estimate, if any, contained in the tax increment financing plan of the amount of the cost of the project, including administrative expenses, that will be paid or financed with tax increment; and~~

~~(21) any additional information the state auditor may require.~~

~~(d) The commissioner of revenue shall prescribe the method of calculating the increased property taxes under paragraph (c), clause (19), and the form of the statement disclosing this information on the annual statement under subdivision 5.~~

~~(e) The reporting requirements imposed by this subdivision apply to districts certified before, on, and after August 1, 1979.~~

EFFECTIVE DATE. This section is effective for tax increment financing reports due after December 31, 2009."

Renumber the sections in sequence

Amend the title numbers accordingly

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

SECOND READING OF SENATE BILLS

S.F. Nos. 802 and 2082 were read the second time.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Saltzman moved that S.F. No. 1687 be withdrawn from the Committee on State and Local Government Operations and Oversight and returned to its author. 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.

APPOINTMENTS

Senator Pogemiller from the Subcommittee on Conference Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 166: Senators Scheid, Clark, Moua, Rest and Gerlach.

Senator Pogemiller moved that the foregoing appointments be approved. The motion prevailed.

MEMBERS EXCUSED

Senators Bonoff and Prettner Solon were excused from the Session of today. Senator Murphy was excused from the Session of today from 1:20 to 1:40 p.m. Senator Kelash was excused from the Session of today from 1:20 to 2:30 p.m. Senators Fischbach and Murphy were excused from the Session of today from 2:00 to 2:10 p.m. Senator Cohen was excused from the Session of today at 3:35 p.m.

35TH DAY]

FRIDAY, APRIL 17, 2009

2231

ADJOURNMENT

Senator Pogemiller moved that the Senate do now adjourn until 11:00 a.m., Monday, April 20, 2009. The motion prevailed.

Peter S. Wattson, Secretary of the Senate (Legislative)

INDEX TO DAILY JOURNAL

Friday, April 17, 2009

MESSAGES FROM THE HOUSE AND FIRST READING OF HOUSE FILES

S.F. Nos.	Message Page	H.F. Nos.	Message Page	1st Reading Page
33	2179	417	2180	2180
166	2180	523	2180	2180

SUSPENSION OF RULES

S.F. Nos.	Page	H.F. Nos.	Page
2083	2190		

REPORTS OF COMMITTEES AND SECOND READINGS

S.F. Nos.	Report Page	2nd Reading Page	H.F. Nos.	Report Page	2nd Reading Page
802	2195	2230	936	2181	2182
1708	2181		1209	2181	2182
2082	2223	2230			

MOTIONS AND RESOLUTIONS

S.F. Nos.	Page	H.F. Nos.	Page
1687	2230		
2078	2183		
2083	2189		

CALENDAR

S.F. Nos.	Page	H.F. Nos.	Page
245	2186		
298	2184		
567	2185		
971	2186		
1220	2185		
1467	2184		

SPECIAL ORDERS

S.F. Nos.	Page	H.F. Nos.	Page
1779	2187		

APPOINTMENTS TO CONFERENCE COMMITTEES

S.F. Nos.	Page	H.F. Nos.	Page
166	2230		

INTRODUCTION AND FIRST READING OF SENATE BILLS

S.F Nos. 2084 to 2092	Pages 2182 to 2183
-----------------------------	--------------------