

EIGHTY-SEVENTH DAY

St. Paul, Minnesota, Thursday, March 15, 2012

The Senate met at 11:00 a.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Richard Carlson.

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

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

Bakk	Gazelka	Koch	Newman	Sieben
Benson	Gerlach	Kruse	Nienow	Skoe
Bonoff	Gimse	Langseth	Olson	Sparks
Brown	Goodwin	Latz	Ortman	Stumpf
Carlson	Hall	Lillie	Pappas	Thompson
Chamberlain	Hann	Limmer	Parry	Tomassoni
Cohen	Harrington	Lourey	Pederson	Torres Ray
Dahms	Hayden	Magnus	Reinert	Vanderveer
Daley	Higgins	Marty	Rest	Wiger
DeKruif	Hoffman	McGuire	Robling	Wolf
Dibble	Howe	Metzen	Rosen	
Dziedzic	Ingebrigtsen	Michel	Saxhaug	
Eaton	Jungbauer	Miller	Senjem	
Fischbach	Kelash	Nelson	Sheran	

The President declared a quorum present.

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

REPORTS OF COMMITTEES

Senator Senjem moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 2255. The motion prevailed.

Senator Olson from the Committee on Education, to which was referred

S.F. No. 2107: A bill for an act relating to early childhood education; appropriating money for

the parent-child home program; amending Laws 2011, First Special Session chapter 11, article 7, section 2, subdivision 8.

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

Page 1, line 10, after "5" insert "and for evidence-based and research-validated early literacy home visiting programs for children ages 18 months to 4 years"

Page 2, line 9, delete everything after "the" and insert "evidence-based early literacy Parent-Child Home Program."

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

Senator Olson from the Committee on Education, to which was referred

H.F. No. 2376: A bill for an act relating to education finance; simplifying the approval process for food service equipment purchased from the food service fund; amending Minnesota Statutes 2010, section 124D.111, subdivision 3.

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

Senator Olson from the Committee on Education, to which was referred

S.F. No. 2088: A bill for an act relating to education; changing by one month the date by which a school board must notify a probationary teacher about not renewing the teacher's contract; amending Minnesota Statutes 2011 Supplement, section 122A.40, subdivision 5.

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

Senator Magnus from the Committee on Agriculture and Rural Economies, to which was referred

S.F. No. 2061: A bill for an act relating to agriculture; modifying provisions related to pesticides, plants, nursery law, inspections, enforcements, food, animals, grain, and weights and measures; establishing Dairy Research, Teaching, and Consumer Education Authority; requiring reports; amending Minnesota Statutes 2010, sections 17.114, subdivisions 3, 4; 18B.065, subdivision 2a, by adding a subdivision; 18B.316, subdivision 6; 18G.02, subdivision 14; 18G.07, subdivision 1; 18G.10, subdivision 7, by adding a subdivision; 18H.02, subdivision 14, by adding a subdivision; 18H.10; 18H.14; 18J.01; 18J.02; 18J.03; 18J.04, subdivisions 1, 2, 3, 4; 18J.05, subdivisions 1, 2, 6; 18J.06; 18J.07, subdivisions 3, 4, 5; 21.82, subdivisions 7, 8; 31.13; 31.94; 35.0661, subdivisions 2, 3; 40A.17; 41A.12, subdivisions 2, 4; 223.16, subdivision 12; 223.17, subdivisions 1, 4, 6, 9; 232.21, subdivisions 2, 6, 12; 232.22, subdivisions 3, 4, 5, 7; 232.23, subdivisions 2, 5, 10; 232.24, subdivisions 1, 2; 239.092; 239.093; Laws 2011, chapter 14, section 6; proposing coding for new law as Minnesota Statutes, chapter 32C; repealing Minnesota Statutes 2010, sections 17B.01; 17B.02; 17B.03; 17B.04; 17B.041; 17B.0451; 17B.048; 17B.05; 17B.06; 17B.07; 17B.10; 17B.11; 17B.12; 17B.13; 17B.14; 17B.15, subdivisions 1, 3; 17B.16; 17B.17; 17B.18; 17B.20; 17B.22, subdivisions 1, 2; 17B.28; 17B.29; 27.19, subdivisions 2, 3; 27.20; 223.16, subdivision 7; 223.18; 232.21, subdivision 4; 232.24, subdivision 3; 232.25; 233.01; 233.015; 233.017; 233.02; 233.03; 233.04; 233.05; 233.06; 233.07; 233.08; 233.09; 233.10; 233.11; 233.12; 233.22; 233.23;

233.24; 233.33; 234.01; 234.03; 234.04; 234.05; 234.06; 234.08; 234.09; 234.10; 234.11; 234.12; 234.13; 234.14; 234.15; 234.16; 234.17; 234.18; 234.19; 234.20; 234.21; 234.22; 234.23; 234.24; 234.25; 234.27; 235.01; 235.02; 235.04; 235.05; 235.06; 235.07; 235.08; 235.09; 235.10; 235.13; 235.18; 236.01; 236.02; 236.03; 236.04; 236.05; 236.06; 236.07; 236.08; 236.09; 395.14; 395.15; 395.16; 395.17; 395.18; 395.19; 395.20; 395.21; 395.22; 395.23; 395.24; Minnesota Rules, parts 1505.0780; 1505.0810; 1511.0100; 1511.0110; 1511.0120; 1511.0130; 1511.0140; 1511.0150; 1511.0160; 1511.0170; 1562.0100, subparts 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25; 1562.0200; 1562.0400; 1562.0700; 1562.0900; 1562.1300; 1562.1800.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

AGRICULTURE POLICY

Section 1. Minnesota Statutes 2010, section 17.114, subdivision 3, is amended to read:

Subd. 3. **Duties.** ~~(a)~~ The commissioner shall:

(1) establish a clearinghouse and provide information, appropriate educational opportunities and other assistance to individuals, producers, and groups about sustainable agricultural techniques, practices, and opportunities;

(2) survey producers and support services and organizations to determine information and research needs in the area of sustainable agricultural practices;

(3) demonstrate the on-farm applicability of sustainable agriculture practices to conditions in this state;

(4) coordinate the efforts of state agencies regarding activities relating to sustainable agriculture;

(5) direct the programs of the department so as to work toward the sustainability of agriculture in this state;

(6) inform agencies of how state or federal programs could utilize and support sustainable agriculture practices;

(7) work closely with farmers, the University of Minnesota, and other appropriate organizations to identify opportunities and needs as well as assure coordination and avoid duplication of state agency efforts regarding research, teaching, and extension work relating to sustainable agriculture; and

(8) work cooperatively with local governments and others to strengthen the connection between farmers who practice sustainable farming methods and urban, rural, and suburban consumers, including, but not limited to, promoting local farmers' markets and community-supported agriculture; and

~~(9) report to the Environmental Quality Board for review and then to the house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture every even-numbered year.~~

~~(b) The report under paragraph (a), clause (9), must include:~~

~~(1) the presentation and analysis of findings regarding the current status and trends regarding the economic condition of producers; the status of soil and water resources utilized by production agriculture; the magnitude of off-farm inputs used; and the amount of nonrenewable resources used by Minnesota farmers;~~

~~(2) a description of current state or federal programs directed toward sustainable agriculture including significant results and experiences of those programs;~~

~~(3) a description of specific actions the Department of Agriculture is taking in the area of sustainable agriculture, including, but not limited to, specific actions to strengthen the connection between sustainable farmers and consumers under paragraph (a), clause (8);~~

~~(4) a description of current and future research needs at all levels in the area of sustainable agriculture; and~~

~~(5) suggestions for changes in existing programs or policies or enactment of new programs or policies that will affect farm profitability, maintain soil and water quality, reduce input costs, or lessen dependence upon nonrenewable resources.~~

Sec. 2. Minnesota Statutes 2010, section 17.114, subdivision 4, is amended to read:

Subd. 4. **Integrated pest management.** (a) The state shall promote and facilitate the use of integrated pest management through education, technical or financial assistance, information and research.

(b) The commissioner shall coordinate the development of a state approach to the promotion and use of integrated pest management, which shall include delineation of the responsibilities of the state, public postsecondary institutions, Minnesota Extension Service, local units of government, and the private sector; establishment of information exchange and integration; procedures for identifying research needs and reviewing and preparing informational materials; procedures for factoring integrated pest management into state laws, rules, and uses of pesticides; and identification of barriers to adoption.

~~(c) The commissioner shall report to the Environmental Quality Board for review and then to the house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture every even-numbered year. The report shall be combined with the report required in subdivision 3.~~

Sec. 3. Minnesota Statutes 2010, section 18B.065, subdivision 2a, is amended to read:

Subd. 2a. **Disposal site requirement.** (a) For agricultural waste pesticides, the commissioner must designate a place in each county of the state that is available at least every other year for persons to dispose of unused portions of agricultural pesticides. The commissioner shall consult with the person responsible for solid waste management and disposal in each county to determine an appropriate location and to advertise each collection event. The commissioner may provide a collection opportunity in a county more frequently if the commissioner determines that a collection is warranted.

(b) For nonagricultural waste pesticides, the commissioner must provide a disposal opportunity

each year in each county or enter into a contract with a group of counties under a joint powers agreement or contract for household hazardous waste disposal.

(c) As provided under subdivision 7, the commissioner may enter into cooperative agreements with local units of government to provide the collections required under paragraph (a) or (b) and shall provide a local unit of government, as part of the cooperative agreement, with funding for reasonable costs incurred including, but not limited to, related supplies, transportation, advertising, and disposal costs as well as reasonable overhead costs.

(d) A person who collects waste pesticide under this section shall, on a form provided or in a method approved by the commissioner, record information on each waste pesticide product collected including, but not limited to, the quantity collected and either the product name and its active ingredient or ingredients or the United States Environmental Protection Agency registration number. The person must submit this information to the commissioner at least annually by January 30.

Sec. 4. Minnesota Statutes 2010, section 18B.065, is amended by adding a subdivision to read:

Subd. 10. **Indemnification.** (a) A local unit of government, when operating or participating in a waste pesticide collection program pursuant to a cooperative agreement with the commissioner under this section, is an employee of the state, certified to be acting within the scope of employment, for purposes of the indemnification provisions of section 3.736, subdivision 9, for claims that arise out of the transportation, management, or disposal of any waste pesticide covered by the agreement:

(1) from and after the time the waste permanently leaves the local unit of government's possession and comes into the possession of the state's authorized transporter; and

(2) during the time the waste is transported between the local unit of government facilities by the state's authorized transporter.

(b) The state is not obligated to defend or indemnify a local unit of government under this subdivision to the extent of the local unit of government's liability insurance. The local unit of government's right to indemnify is not a waiver of the limitation, defenses, and immunities available to either the local unit of government or the state by law.

Sec. 5. Minnesota Statutes 2010, section 18B.316, subdivision 6, is amended to read:

Subd. 6. **Agricultural pesticide sales invoices.** (a) Sales invoices for agricultural pesticides sold in or into this state by a licensed agricultural pesticide dealer or a pesticide dealer under this section must show the percent of gross sales fee rate assessed and the gross sales fee paid under section 18B.26, subdivision 3, paragraph (c).

(b) A licensed agricultural pesticide dealer or a pesticide dealer may request an exemption from paragraph (a). The request for exemption must be in writing to the commissioner and must include verifiable information to justify that compliance with paragraph (a) is an extreme business hardship for the licensed agricultural pesticide dealer or pesticide dealer. The commissioner may approve or reject a request for exemption based upon review of the submitted information. An approved exemption under this paragraph is valid for one calendar year. The commissioner must maintain a list of those licensed agricultural pesticide dealers or pesticide dealers that have been granted an exemption on the department's Web site.

(c) A licensed agricultural pesticide dealer or a pesticide dealer issued an exemption under paragraph (b) must include the following statement on each sales invoice for any sale of an agricultural pesticide: "Minnesota Department of Agriculture Annual Gross Sales Fees of 0.55% have been Assessed and Paid on the Sale of an Agricultural Pesticide."

(d) Only the person who actually will pay the gross sales fee may show the rate or the amount of the fee as a line item on the sales invoice.

Sec. 6. Minnesota Statutes 2010, section 18G.02, subdivision 14, is amended to read:

Subd. 14. **Infested.** "Infested" means a plant has been overrun by plant pests, including weeds, or contains or harbors plant pests in a quantity that may threaten other plants.

Sec. 7. Minnesota Statutes 2010, section 18G.07, subdivision 1, is amended to read:

Subdivision 1. **Creation of registry.** (a) The commissioner shall maintain a list of all persons, businesses, and companies that employ persons who provide tree care or tree trimming services in Minnesota. All commercial tree care providers, tree trimmers, and persons who employers that direct employees to remove trees, limbs, branches, brush, or shrubs for hire must be registered by with the commissioner.

(b) Persons or companies who are required to be registered under paragraph (a) must register annually by providing the following to the commissioner:

- (1) accurate and up-to-date business name, address, and telephone number;
- (2) a complete list of all Minnesota counties in which they work; and
- (3) a nonrefundable fee of \$25 for initial application or renewing the registration.

(c) All persons and companies required to be registered under paragraph (a) must register before conducting the activities specified in paragraph (a). Annual registration expires December 31, must be renewed annually, and the renewal fee remitted by January 7¹ of the year for which it is issued. In addition, a penalty of ten percent of the renewal fee due must be charged for each month, or portion of a month, that the fee is delinquent up to a maximum of 30 percent for any application for renewal postmarked after December 31.

Sec. 8. Minnesota Statutes 2010, section 18G.10, subdivision 7, is amended to read:

Subd. 7. **Supplemental, additional, or other certificates and permits.** (a) The commissioner may provide inspection, sampling, or certification services to ensure that Minnesota plant treatment processes, plant products, or commodities meet import requirements of other states or countries.

(b) The state plant regulatory official may issue permits and certificates verifying that various Minnesota agricultural plant treatment processes, products, or commodities meet specified plant health requirements, treatment requirements, or pest absence assurances based on determinations by the commissioner.

Sec. 9. Minnesota Statutes 2010, section 18G.10, is amended by adding a subdivision to read:

Subd. 8. **Misuse of a certificate or permit.** (a) Certificates and permits may not be altered, counterfeited, obtained, or used improperly, for any plant product.

(b) Certificates and permits are not transferable to another location or another person.

Sec. 10. Minnesota Statutes 2010, section 18H.02, subdivision 14, is amended to read:

Subd. 14. **Infested.** "Infested" means a plant has been overrun by plant pests, including weeds, or contains or harbors plant pests in a quantity that may threaten other plants.

Sec. 11. Minnesota Statutes 2010, section 18H.02, is amended by adding a subdivision to read:

Subd. 16a. **Nonhardy.** "Nonhardy" means a plant that cannot be expected to survive or reliably produce flowers and fruit in average minimum winter temperatures at the growing site as determined by the commissioner based upon independent field trials and industry input represented by the United States Department of Agriculture Plant Hardiness Zone designations.

Sec. 12. Minnesota Statutes 2010, section 18H.10, is amended to read:

18H.10 STORAGE OF NURSERY STOCK.

(a) All nursery stock must be kept and displayed under conditions of temperature, light, and moisture sufficient to maintain the viability and vigor of the nursery stock.

(b) Packaged dormant nursery stock must be stored under conditions that retard growth, prevent etiolated growth, and protect its viability.

(c) Balled and burlapped nursery stock being held for sale to the public must be kept in a moisture-holding material approved by the commissioner and not toxic to plants. The moisture-holding material must adequately cover and protect the ball of earth and must be kept moist at all times.

Sec. 13. Minnesota Statutes 2010, section 18H.14, is amended to read:

18H.14 LABELING AND ADVERTISING OF NURSERY STOCK.

(a) Plants, plant materials, or nursery stock must not be labeled or advertised with false or misleading information including, but not limited to, scientific name, variety, place of origin, hardiness zone as defined by the United States Department of Agriculture, and growth habit.

(b) All nonhardy nursery stock as designated by the commissioner must be labeled "nonhardy" in Minnesota.

~~(b)~~ (c) A person may not offer for distribution plants, plant materials, or nursery stock, represented by some specific or special form of notation, including, but not limited to, "free from" or "grown free of," unless the plants are produced under a specific program approved by the commissioner to address the specific plant properties addressed in the special notation claim.

(d) Nursery stock collected from the wild state must be inspected and certified prior to sale and at the time of sale must be labeled "Collected from the Wild." The label must remain on each plant or clump of plants while it is offered for sale and during the distribution process. The collected stock may be grown in nursery rows at least two years, after which the plants may be sold without the labeling required by this paragraph.

Sec. 14. Minnesota Statutes 2010, section 18J.01, is amended to read:

18J.01 DEFINITIONS.

(a) The definitions in sections 18G.02 ~~and~~, 18H.02, 27.01, 223.16, 231.01, and 232.21 apply to this chapter.

(b) For purposes of this chapter, "associated rules" means rules adopted under this chapter, chapter 18G ~~or~~, 18H, 27, 223, 231, or 232, or sections 21.80 to 21.92.

Sec. 15. Minnesota Statutes 2010, section 18J.02, is amended to read:

18J.02 DUTIES OF COMMISSIONER.

The commissioner shall administer and enforce this chapter, chapters 18G ~~and~~, 18H, 27, 223, 231, and 232; sections 21.80 to 21.92; and associated rules.

Sec. 16. Minnesota Statutes 2010, section 18J.03, is amended to read:

18J.03 CIVIL LIABILITY.

A person regulated by this chapter, chapter 18G ~~or~~, 18H, 27, 223, 231, or 232, or sections 21.80 to 21.92, is civilly liable for any violation of one of those statutes or associated rules by the person's employee or agent.

Sec. 17. Minnesota Statutes 2010, section 18J.04, subdivision 1, is amended to read:

Subdivision 1. **Access and entry.** The commissioner, upon presentation of official department credentials, must be granted immediate access at reasonable times to sites where a person manufactures, distributes, uses, handles, disposes of, stores, or transports seeds, plants, grain, household goods, general merchandise, produce, or other living or nonliving products or other objects regulated under chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92; or associated rules.

Sec. 18. Minnesota Statutes 2010, section 18J.04, subdivision 2, is amended to read:

Subd. 2. **Purpose of entry.** (a) The commissioner may enter sites for:

(1) inspection of inventory and equipment for the manufacture, storage, handling, distribution, disposal, or any other process regulated under chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92; or associated rules;

(2) sampling of sites, seeds, plants, products, grain, household goods, general merchandise, produce, or other living or nonliving objects that are manufactured, stored, distributed, handled, or disposed of at those sites and regulated under chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92; or associated rules;

(3) inspection of records related to the manufacture, distribution, storage, handling, or disposal of seeds, plants, products, grain, household goods, general merchandise, produce, or other living or nonliving objects regulated under chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92; or associated rules;

(4) investigating compliance with chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92; or associated rules; or

(5) other purposes necessary to implement chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~ or associated rules.

(b) The commissioner may enter any public or private premises during or after regular business hours without notice of inspection when a suspected violation of chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~ or associated rules may threaten public health or the environment.

Sec. 19. Minnesota Statutes 2010, section 18J.04, subdivision 3, is amended to read:

Subd. 3. **Notice of inspection samples and analyses.** (a) The commissioner shall provide the owner, operator, or agent in charge with a receipt describing any samples obtained. If requested, the commissioner shall split any samples obtained and provide them to the owner, operator, or agent in charge. If an analysis is made of the samples, a copy of the results of the analysis must be furnished to the owner, operator, or agent in charge within 30 days after an analysis has been performed. If an analysis is not performed, the commissioner must notify the owner, operator, or agent in charge within 30 days of the decision not to perform the analysis.

(b) The sampling and analysis must be done according to methods provided for under applicable provisions of chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~ or associated rules. In cases not covered by those sections and methods or in cases where methods are available in which improved applicability has been demonstrated the commissioner may adopt appropriate methods from other sources.

Sec. 20. Minnesota Statutes 2010, section 18J.04, subdivision 4, is amended to read:

Subd. 4. **Inspection requests by others.** (a) A person who believes that a violation of chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~ or associated rules has occurred may request an inspection by giving notice to the commissioner of the violation. The notice must be in writing, state with reasonable particularity the grounds for the notice, and be signed by the person making the request.

(b) If after receiving a notice of violation the commissioner reasonably believes that a violation has occurred, the commissioner shall make a special inspection in accordance with the provisions of this section as soon as practicable, to determine if a violation has occurred.

(c) An inspection conducted pursuant to a notice under this subdivision may cover an entire site and is not limited to the portion of the site specified in the notice. If the commissioner determines that reasonable grounds to believe that a violation occurred do not exist, the commissioner must notify the person making the request in writing of the determination.

Sec. 21. Minnesota Statutes 2010, section 18J.05, subdivision 1, is amended to read:

Subdivision 1. **Enforcement required.** (a) A violation of chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~ or an associated rule is a violation of this chapter.

(b) Upon the request of the commissioner, county attorneys, sheriffs, and other officers having authority in the enforcement of the general criminal laws must take action to the extent of their authority necessary or proper for the enforcement of chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~ or associated rules or valid orders, standards, stipulations, and agreements of the commissioner.

Sec. 22. Minnesota Statutes 2010, section 18J.05, subdivision 2, is amended to read:

Subd. 2. **Commissioner's discretion.** If minor violations of chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~; or associated rules occur or the commissioner believes the public interest will be best served by a suitable notice of warning in writing, this section does not require the commissioner to:

- (1) report the violation for prosecution;
- (2) institute seizure proceedings; or
- (3) issue a withdrawal from distribution, stop-sale, or other order.

Sec. 23. Minnesota Statutes 2010, section 18J.05, subdivision 6, is amended to read:

Subd. 6. **Agent for service of process.** All persons licensed, permitted, registered, or certified under chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~; or associated rules must appoint the commissioner as the agent upon whom all legal process may be served and service upon the commissioner is deemed to be service on the licensee, permittee, registrant, or certified person.

Sec. 24. Minnesota Statutes 2010, section 18J.06, is amended to read:

18J.06 FALSE STATEMENT OR RECORD.

A person must not knowingly make or offer a false statement, record, or other information as part of:

- (1) an application for registration, license, certification, or permit under chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~; or associated rules;
- (2) records or reports required under chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~; or associated rules; or
- (3) an investigation of a violation of chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~; or associated rules.

Sec. 25. Minnesota Statutes 2010, section 18J.07, subdivision 3, is amended to read:

Subd. 3. **Cancellation of registration, permit, license, certification.** The commissioner may cancel or revoke a registration, permit, license, or certification provided for under chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~; or associated rules or refuse to register, permit, license, or certify under provisions of chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~; or associated rules if the registrant, permittee, licensee, or certified person has used fraudulent or deceptive practices in the evasion or attempted evasion of a provision of chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~; or associated rules.

Sec. 26. Minnesota Statutes 2010, section 18J.07, subdivision 4, is amended to read:

Subd. 4. **Service of order or notice.** (a) If a person is not available for service of an order, the commissioner may attach the order to the facility, site, seed or seed container, plant or other living or nonliving object regulated under chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~; or associated rules and notify the owner, custodian, other responsible party, or registrant.

(b) The seed, seed container, plant, or other living or nonliving object regulated under chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~ or associated rules may not be sold, used, tampered with, or removed until released under conditions specified by the commissioner, by an administrative law judge, or by a court.

Sec. 27. Minnesota Statutes 2010, section 18J.07, subdivision 5, is amended to read:

Subd. 5. **Unsatisfied judgments.** (a) An applicant for a license, permit, registration, or certification under provisions of this chapter, chapter 18G ~~or~~, 18H, 27, 223, 231, or 232; sections 21.80 to 21.92~~;~~ or associated rules may not allow a final judgment against the applicant for damages arising from a violation of those statutes or rules to remain unsatisfied for a period of more than 30 days.

(b) Failure to satisfy, within 30 days, a final judgment resulting from a violation of this chapter results in automatic suspension of the license, permit, registration, or certification.

Sec. 28. Minnesota Statutes 2010, section 21.82, subdivision 7, is amended to read:

Subd. 7. **Vegetable seeds.** For vegetable seeds prepared for use in home gardens or household plantings the requirements in paragraphs (a) to (p) apply. Vegetable seeds packed for sale in commercial quantities to farmers, conservation groups, and other similar entities are considered agricultural seeds and must be labeled accordingly.

(a) The label must contain the name of the kind or kind and variety for each seed component in excess of five percent of the whole and the percentage by weight of each in order of its predominance. If the variety of those kinds generally labeled as to variety is not stated and it is not required to be stated, the label must show the name of the kind and the words "variety not stated."

(b) The percentage that is hybrid must be at least 95 percent of the percentage of pure seed shown unless the percentage of pure seed which is hybrid seed is shown separately. If two or more kinds of varieties are present in excess of five percent and are named on the label, each that is hybrid must be designated as hybrid on the label. Any one kind or kind and variety that has pure seed that is less than 95 percent but more than 75 percent hybrid seed as a result of incompletely controlled pollination in a cross must be labeled to show the percentage of pure seed that is hybrid seed or a statement such as "contains from 75 percent to 95 percent hybrid seed." No one kind or variety of seed may be labeled as hybrid if the pure seed contains less than 75 percent hybrid seed. The word "hybrid" must be shown on the label in conjunction with the kind.

(c) Blends must be listed on the label using the term "blend" in conjunction with the kind.

(d) Mixtures shall be listed on the label using the term "mixture," "mix," or "mixed."

(e) The label must show a lot number or other lot identification.

(f) The origin may be omitted from the label.

(g) The label must show the year for which the seed was packed for sale listed as "packed for (year)" for seed with a percentage of germination that exceeds the standard last established by the commissioner, the percentage of germination and the calendar month and year that the percentages were determined by test, or the calendar month and year the germination test was completed and the statement "sell by (month and year listed here)," which may be no more than 12 months from

the date of test, exclusive of the month of test.

(h) For vegetable seeds which germinate less than the standard last established by the commissioner, the label must show:

(1) a percentage of germination, exclusive of hard or dormant seed or both;

(2) a percentage of hard or dormant seed or both, if present; and

(3) the words "below standard" in not less than eight point type and the month and year the percentages were determined by test.

(i) The net weight of the contents or a statement indicating the number of seeds in the container or both, must appear on either the container or the label, ~~except that for containers with contents of 200 seeds or less a statement indicating the number of seeds in the container may be listed along with or in lieu of the net weight of contents.~~

(j) The heading for and percentage by weight of pure seed may be omitted from a label if the total is more than 90 percent.

(k) The heading for and percentage by weight of weed seed may be omitted from a label if they are not present in the seed.

(l) The heading "noxious weed seeds" may be omitted from a label if they are not present in the seed.

(m) The heading for and percentage by weight of other crop seed may be omitted from a label if it is less than five percent.

(n) The heading for and percentage by weight of inert matter may be omitted from a label if it is less than ten percent.

(o) The label must contain the name and address of the person who labeled the seed or who sells the seed in this state or a code number that has been registered with the commissioner.

(p) The labeling requirements for vegetable seeds prepared for use in home gardens or household plantings when sold outside their original containers are met if the seed is weighed from a properly labeled container in the presence of the purchaser.

Sec. 29. Minnesota Statutes 2010, section 21.82, subdivision 8, is amended to read:

Subd. 8. **Flower seeds.** For flower and wildflower seeds prepared for use in home gardens or household plantings, the requirements in paragraphs (a) to (l) apply. Flower and wildflower seeds packed for sale in commercial quantities to farmers, conservation groups, and other similar entities are considered agricultural seeds and must be labeled accordingly.

(a) The label must contain the name of the kind and variety or a statement of type and performance characteristics as prescribed by rule.

(b) The percentage that is hybrid must be at least 95 percent of the percentage of pure seed shown unless the percentage of pure seed which is hybrid seed is shown separately. If two or more kinds of varieties are present in excess of five percent and are named on the label, each that is hybrid must be designated as hybrid on the label. Any one kind or kind and variety that has pure seed that

is less than 95 percent but more than 75 percent hybrid seed as a result of incompletely controlled pollination in a cross must be labeled to show the percentage of pure seed that is hybrid seed or a statement such as "contains from 75 percent to 95 percent hybrid seed." No one kind or variety of seed may be labeled as hybrid if the pure seed contains less than 75 percent hybrid seed. The word "hybrid" must be shown on the label in conjunction with the kind.

(c) Blends must be listed on the label using the term "blend" in conjunction with the kind.

(d) Mixtures must be listed on the label using the term "mixture," "mix," or "mixed."

(e) The label must contain the lot number or other lot identification.

(f) The origin may be omitted from the label.

(g) The label must contain the year for which the seed was packed for sale listed as "packed for (year)" for seed with a percentage of germination that exceeds the standard last established by the commissioner, the percentage of germination and the calendar month and year that the percentages were determined by test, or the calendar month and year the germination test was completed and the statement "sell by (month and year listed here)," which may be no more than 12 months from the date of test, exclusive of the month of test.

(h) For flower seeds which germinate less than the standard last established by the commissioner, the label must show:

(1) percentage of germination exclusive of hard or dormant seed or both;

(2) percentage of hard or dormant seed or both, if present; and

(3) the words "below standard" in not less than eight point type and the month and year this percentage was determined by test.

(i) The label must show the net weight of contents or a statement indicating the number of seeds in the container, or both, on either the container or the label, except that for containers with contents of 200 seeds or less a statement indicating the number of seeds in the container may be listed along with or in lieu of the net weight of contents.

(j) The heading for and percentage by weight of pure seed may be omitted from a label if the total is more than 90 percent.

(k) The heading for and percentage by weight of weed seed may be omitted from a label if they are not present in the seed.

(l) The heading "noxious weed seeds" may be omitted from a label if they are not present in the seed.

(m) The heading for and percentage by weight of other crop seed may be omitted from a label if it is less than five percent.

(n) The heading for and percentage by weight of inert matter may be omitted from a label if it is less than ten percent.

(o) The label must show the name and address of the person who labeled the seed or who sells the seed within this state, or a code number which has been registered with the commissioner.

Sec. 30. Minnesota Statutes 2010, section 25.33, subdivision 5, is amended to read:

Subd. 5. **Commercial feed.** "Commercial feed" means materials or combinations of materials that are distributed or intended to be distributed for use as feed or for mixing in feed, including feed for aquatic animals, unless the materials are specifically exempted. Unmixed whole seeds and physically altered entire unmixed seeds, if the whole or physically altered seeds are not chemically changed or are not adulterated within the meaning of section 25.37, paragraph (a), are exempt. The commissioner by rule may exempt from this definition, or from specific provisions of sections 25.31 to 25.43, commodities such as hay, straw, stover, silage, cobs, husks, hulls, and individual chemical compounds or substances if those commodities, compounds, or substances are not intermixed with other materials, and are not adulterated within the meaning of section 25.37, paragraph (a). Commercial feed does not include feed produced and used by a distributor.

Sec. 31. Minnesota Statutes 2010, section 31.13, is amended to read:

31.13 ANALYSIS; EVIDENCE.

It shall be the duty of the ~~chief chemist and assistants~~ laboratory director, managers, and analysts to make analyses and examinations of such articles as shall be furnished to them by the commissioner, for the purpose of determining from such examination whether such articles are adulterated, misbranded, insufficiently labeled, unwholesome, poisonous, or deleterious and whether such articles have been manufactured, used, sold, transported, offered for use, sale, or transportation, or had in possession with intent to use, sell, or transport in violation of any law now or hereafter enacted relating to food, or of any definition, standard, rule, or ruling made and published thereunder, and to certify the result of such analysis and examination to the commissioner. A copy of the result of the examination or analysis of any such article, duly authenticated, by the ~~chemist~~ analyst making such analysis determinations or examination, under oath of such ~~chemist~~ analyst, shall be prima facie evidence in all courts of the matters and facts therein contained.

Sec. 32. Minnesota Statutes 2010, section 31.94, is amended to read:

31.94 COMMISSIONER DUTIES.

(a) In order to promote opportunities for organic agriculture in Minnesota, the commissioner shall:

(1) survey producers and support services and organizations to determine information and research needs in the area of organic agriculture practices;

(2) work with the University of Minnesota to demonstrate the on-farm applicability of organic agriculture practices to conditions in this state;

(3) direct the programs of the department so as to work toward the promotion of organic agriculture in this state;

(4) inform agencies of how state or federal programs could utilize and support organic agriculture practices; and

(5) work closely with producers, the University of Minnesota, the Minnesota Trade Office, and other appropriate organizations to identify opportunities and needs as well as ensure coordination and avoid duplication of state agency efforts regarding research, teaching, marketing, and extension

work relating to organic agriculture.

(b) By November 15 of each ~~even-numbered~~ year that ends in a zero or a five, the commissioner, in conjunction with the task force created in paragraph (c), shall report on the status of organic agriculture in Minnesota to the legislative policy and finance committees and divisions with jurisdiction over agriculture. The report must include: available data on organic acreage and production, available data on the sales or market performance of organic products, and recommendations regarding programs, policies, and research efforts that will benefit Minnesota's organic agriculture sector.

~~(1) a description of current state or federal programs directed toward organic agriculture, including significant results and experiences of those programs;~~

~~(2) a description of specific actions the department of agriculture is taking in the area of organic agriculture, including the proportion of the department's budget spent on organic agriculture;~~

~~(3) a description of current and future research needs at all levels in the area of organic agriculture;~~

~~(4) suggestions for changes in existing programs or policies or enactment of new programs or policies that will affect organic agriculture;~~

~~(5) a description of market trends and potential for organic products;~~

~~(6) available information, using currently reliable data, on the price received, yield, and profitability of organic farms, and a comparison with data on conventional farms; and~~

~~(7) available information, using currently reliable data, on the positive and negative impacts of organic production on the environment and human health.~~

(c) A Minnesota Organic Advisory Task Force shall advise the commissioner and the University of Minnesota on policies and programs that will improve organic agriculture in Minnesota, including how available resources can most effectively be used for outreach, education, research, and technical assistance that meet the needs of the organic agriculture community. The task force must consist of the following residents of the state:

(1) three farmers using organic agriculture methods;

(2) one wholesaler or distributor of organic products;

(3) one representative of organic certification agencies;

(4) two organic processors;

(5) one representative from University of Minnesota Extension;

(6) one University of Minnesota faculty member;

(7) one representative from a nonprofit organization representing producers;

(8) two public members;

(9) one representative from the United States Department of Agriculture;

- (10) one retailer of organic products; and
- (11) one organic consumer representative.

The commissioner, in consultation with the director of the Minnesota Agricultural Experiment Station; the dean and director of University of Minnesota Extension; and the dean of the College of Food, Agricultural and Natural Resource Sciences shall appoint members to serve staggered two-year terms.

Compensation and removal of members are governed by section 15.059, subdivision 6. The task force must meet at least twice each year and expires on June 30, 2013.

(d) For the purposes of expanding, improving, and developing production and marketing of the organic products of Minnesota agriculture, the commissioner may receive funds from state and federal sources and spend them, including through grants or contracts, to assist producers and processors to achieve certification, to conduct education or marketing activities, to enter into research and development partnerships, or to address production or marketing obstacles to the growth and well-being of the industry.

(e) The commissioner may facilitate the registration of state organic production and handling operations including those exempt from organic certification according to Code of Federal Regulations, title 7, section 205.101, and certification agents operating within the state.

Sec. 33. [32C.01] ORGANIZATION.

Subdivision 1. **Establishment.** The Dairy Research, Teaching, and Consumer Education Authority is established as a public corporation. The business of the authority must be conducted under the name "Dairy Research, Teaching, and Consumer Education Authority."

Subd. 2. **Board of directors.** The authority is governed by a board of nine directors. The term of a director, except as otherwise provided in this subdivision, is four years. The commissioner of agriculture is a member of the board. The governor shall appoint four members of the board. Two of the members appointed by the governor must be currently engaged in the business of operating a dairy, including at least one processor, as defined in section 32.70, subdivision 4. Two of the members appointed by the governor must be representatives of Minnesota-based businesses actively engaged in working with or serving Minnesota's dairy industry. The dean of the University of Minnesota College of Food, Agriculture and Natural Resource Sciences, or the dean's designee, is a member of the board. One member of the board must be a representative of a state trade association that represents the interests of milk producers. One member of the board must be a representative of the Minnesota Division of the Midwest Dairy Council. One member of the board must be a member of the agricultural education faculty of the Minnesota State Colleges and Universities System. The four members of the initial board of directors who are appointed by the governor must be appointed for terms of four years, and the other four members must be appointed for an initial term of two years. Vacancies for the governor's appointed positions on the board must be filled by appointment of the governor. Vacancies for other positions on the board must be filled by the named represented entities. Board members must not be compensated for their services.

Subd. 3. **Bylaws.** The board must adopt bylaws necessary for the conduct of the business of the authority, consistent with this chapter.

Subd. 4. **Place of business.** The board must locate and maintain the authority's place of business

within the state.

Subd. 5. **Chair.** The board must annually elect from among its members a chair and other officers necessary for the performance of its duties.

Subd. 6. **Meetings.** The board must meet at least four times each year and may hold additional meetings upon giving notice in accordance with the bylaws of the authority. Board meetings are subject to chapter 13D.

Subd. 7. **Conflict of interest.** A director, employee, or officer of the authority may not participate in or vote on a decision of the board relating to an organization in which the director has either a direct or indirect financial interest.

Subd. 8. **Economic interest statements.** Directors and officers of the authority are public officials for the purpose of section 10A.09, and must file statements of economic interest with the Campaign Finance and Public Disclosure Board.

Sec. 34. **[32C.02] POWERS.**

Subdivision 1. **General corporate powers.** (a) The authority has the powers granted to a business corporation by section 302A.161, subdivisions 3; 4; 5; 7; 8; 9; 11; 12; 13, except that the authority may not act as a general partner in any partnership; 14; 15; 16; 17; 18; and 22, and the powers necessary or convenient to exercise the enumerated powers.

(b) Section 302A.041 applies to this chapter and the authority in the same manner that it applies to business corporations established under chapter 302A.

Subd. 2. **Facility design; development and operation.** The authority may enter into management contracts, lease agreements, or both, with a Minnesota nonprofit corporation to design, develop, and operate a facility to further the purposes of this chapter at the site determined by the board and on the terms that the board finds desirable. The board must identify and acquire a site that will accommodate the following facilities and activities:

- (1) housing for bred and lactating animals;
- (2) milking parlor;
- (3) automatic milking systems;
- (4) cross-ventilated and natural-ventilated housing;
- (5) transition cow housing;
- (6) special needs and hospital housing;
- (7) classrooms and a conference room;
- (8) dairy processing facility with retail;
- (9) visitors' center;
- (10) student housing;
- (11) laboratory facilities;

(12) space to accommodate installation of an anaerobic digester system to research energy production from feedstock produced on-site or from off-site sources; and

(13) space for feed storage to allow for research capabilities at the facility.

Notwithstanding the provisions of section 32C.01, subdivision 7, relating to conflict of interest, a director or officer of the authority who is also a director, officer, or member of a nonprofit corporation with which the authority enters into management contracts or lease agreements may participate in and vote on the decision of the board as to the terms and conditions of management contracts or lease agreements between the Minnesota nonprofit corporation and the authority.

Subd. 3. **Funds.** The authority may accept and use gifts, grants, or contributions from any source to support operation of the facility. Unless otherwise restricted by the terms of a gift or bequest, the board may sell, exchange, or otherwise dispose of, and invest or reinvest the money, securities, or other property given or bequeathed to it. The principal of these funds, the income from them, and all other revenues received by the authority from any nonstate source must be placed in depositories chosen by the board and are subject to expenditure for the board's purposes. Expenditures of \$25,000 or more must be approved by the full board.

Subd. 4. **Animals; regulation.** The authority must comply with all applicable laws and rules relating to quarantine, transportation, examination, habitation, care, and treatment of animals.

Sec. 35. **[32C.03] EMPLOYEES.**

(a) The board may hire an executive director of the authority and other employees the board considers necessary to carry out the program, conduct research, and operate and maintain facilities of the authority.

(b) Persons employed by contractors or lessees are not state employees and may not participate in state retirement, deferred compensation, insurance, or other plans that apply to state employees generally and are not subject to regulation by the Campaign Finance and Public Disclosure Board, provided, however, that any employee of the state or any employee or faculty member of the University of Minnesota or Minnesota State Colleges and Universities System who teaches or conducts research at the authority does not have their status as employees of the state, the University of Minnesota, or Minnesota State Colleges and Universities System interrupted by virtue of having their employment activity take place at facilities owned by the authority.

Sec. 36. **[32C.04] ACCOUNTS; AUDITS.**

The authority may establish funds and accounts that it determines to be reasonable and necessary to conduct the business of the authority. The board shall provide for and pay the cost of an independent annual audit of its official books and records by the state auditor. A copy of this audit must be filed with the secretary of state.

Sec. 37. **[32C.05] ANNUAL REPORT.**

The board shall submit a report to the chairs and ranking minority members of the senate and house of representatives agriculture committees and the governor on the activities of the authority and its contractors and lessees by February 1 of each year. The report must include at least the following:

(1) a description of each of the programs that the authority has provided or undertaken at some time during the previous year;

(2) an identification of the sources of funding in the previous year for the authority's programs including federal, state, and local government, foundations, gifts, donations, fees, and all other sources;

(3) a description of the administrative expenses of the authority during the previous year;

(4) a listing of the assets and liabilities of the authority at the end of the previous fiscal year;

(5) a description of any changes made to the operational plan during the previous year; and

(6) a description of any newly adopted or significant changes to bylaws, policies, rules, or programs created or administered by the authority during the previous year.

Reports must be made to the legislature as required by section 3.195.

Sec. 38. **[32C.06] EXPIRATION.**

Sections 32C.01 to 32C.05 expire on August 1, 2017.

Sec. 39. Minnesota Statutes 2010, section 35.0661, subdivision 2, is amended to read:

Subd. 2. **Quarantine zones.** Upon an emergency declaration by the governor under subdivision 1, the board or any licensed veterinarian designated by the board may establish quarantine zones of control in any area where a specific animal is deemed by a licensed veterinarian as likely to be infected with the disease based on an actual veterinary examination or laboratory testing. Quarantine zones of control to restrict the movement of livestock must be the smallest size practicable to prevent the spread of disease and must exist for the shortest duration consistent with effective disease control. ~~A quarantine zone of control must not extend beyond a radius of three miles from an animal deemed as likely to be infected with the disease, unless the board has adopted a rule regarding a specific disease requiring a larger quarantine zone of control.~~

Sec. 40. Minnesota Statutes 2010, section 35.0661, subdivision 3, is amended to read:

Subd. 3. **Restrictions on movement out of quarantine zones.** (a) The board may issue orders restricting the movement of persons, ~~livestock,~~ machinery, and personal property ~~out of zones off infected premises~~ designated by the board as quarantined under subdivision 2. The executive director of the board or any licensed veterinarian designated by the board may issue the orders. An order may be issued upon a determination that reasonable cause exists to believe that the movement of persons or personal property out of a quarantine zone will reasonably threaten to transport a dangerous, infectious, or communicable disease outside of the quarantine zone.

(b) The order must be served upon any person subject to the order. The restrictions sought by the board on movement out of a quarantine zone must be limited to the greatest extent possible consistent with the paramount disease control objectives as determined by the board. An order under this section may be served on any day at any time. The order must include a notice of the person's rights under this section, including the ability to enter into an agreement to abide by disease control measures under paragraph (c) and the right to request a court hearing under paragraph (d).

(c) No person may be restricted by an order under this subdivision for longer than 72 hours,

exclusive of Saturdays, Sundays, and legal holidays, so long as the person agrees to abide by the disease control measures established by the board. The person shall sign an acknowledgment form prepared by the board evidencing the person's agreement to abide by the disease control measures established by the board.

(d) A person whose movements are restricted by an order under this subdivision may seek a district court hearing on the order at any time after it is served on the person. The hearing may be held by electronic means as soon as possible. The subject of the order may:

(1) contest imposition of the order on grounds that it is an abuse of the board's discretion under this section; or

(2) seek a variance from it to allow movement of a person inconsistent with the order, upon a showing that the person would otherwise suffer irreparable harm.

Sec. 41. Minnesota Statutes 2010, section 40A.17, is amended to read:

40A.17 REPORT.

The commissioner shall report to the legislature on ~~January~~ March 1 of each even-numbered year on activities under this chapter. By July 1, 1985, the report must include the survey of public awareness in the awareness program. The report shall include recommendations for funding levels and other necessary legislative action.

Sec. 42. Minnesota Statutes 2010, section 41A.12, subdivision 2, is amended to read:

Subd. 2. **Activities authorized.** For the purposes of this program, the commissioner may issue grants, loans, or other forms of financial assistance. Eligible activities include, but are not limited to, grants to livestock producers under the livestock investment grant program under section 17.118, bioenergy awards made by the NextGen Energy Board under section 41A.105, cost-share grants for the installation of biofuel blender pumps, and financial assistance to support other rural economic infrastructure activities.

Sec. 43. Minnesota Statutes 2010, section 41A.12, subdivision 4, is amended to read:

Subd. 4. **Sunset.** This section expires on June 30, ~~2013~~ 2015.

Sec. 44. Minnesota Statutes 2010, section 223.16, subdivision 12, is amended to read:

Subd. 12. **Public grain warehouse operator.** "Public grain warehouse operator" means a person operating a grain warehouse in which grain belonging to persons other than the grain warehouse operator is accepted for storage or purchase or who offers grain storage or warehouse facilities to the public for hire or a feed-processing plant that receives and stores grain, the equivalent of which it processes and returns to the grain's owner in amounts, at intervals, and with added ingredients that are mutually agreeable to the grain's owner and the person operating the plant.

Sec. 45. Minnesota Statutes 2010, section 223.17, subdivision 1, is amended to read:

Subdivision 1. **Licenses.** An application for a grain buyer's license must be filed with the commissioner and the license issued before any grain may be purchased. ~~The commissioner must provide application forms and licenses that state the restrictions and authority to purchase and store grain under the license being applied for and issued. The categories of grain buyers' licenses are:~~

- ~~(a) private grain warehouse operator's license;~~
- ~~(b) public grain warehouse operator's license; and~~
- ~~(c) independent grain buyer's license.~~

The applicant for a grain buyer's license shall identify all grain buying locations owned or controlled by the grain buyer and all vehicles owned or controlled by the grain buyer used to transport purchased grain. Every applicant for a grain buyer's license shall have a permanent established place of business at each licensed location. An "established place of business" means a permanent enclosed building, including a house or a farm, either owned by the applicant or leased by the applicant for a period of at least one year, and where the books, records, and files necessary to conduct the business are kept and maintained. ~~The commissioner may maintain information on grain buyers by categories including, but not limited to, the categories provided in clauses (a) to (c) and grain buyers that are licensed to purchase grain using trucks but that do not have a public or private warehouse license.~~

Sec. 46. Minnesota Statutes 2010, section 223.17, subdivision 4, is amended to read:

Subd. 4. **Bond.** (a) Before a grain buyer's license is issued, the applicant for the license must file with the commissioner a bond in a penal sum prescribed by the commissioner but not less than the following amounts:

- ~~(a)~~ (1) \$10,000 for grain buyers whose gross annual purchases are \$100,000 or less;
- ~~(b)~~ (2) \$20,000 for grain buyers whose gross annual purchases are more than \$100,000 but not more than \$750,000;
- ~~(c)~~ (3) \$30,000 for grain buyers whose gross annual purchases are more than \$750,000 but not more than \$1,500,000;
- ~~(d)~~ (4) \$40,000 for grain buyers whose gross annual purchases are more than \$1,500,000 but not more than \$3,000,000;
- ~~(e)~~ (5) \$50,000 for grain buyers whose gross annual purchases are more than \$3,000,000 but not more than \$6,000,000;
- ~~(f)~~ (6) \$70,000 for grain buyers whose gross annual purchases are more than \$6,000,000 but not more than \$12,000,000;
- ~~(g)~~ (7) \$125,000 for grain buyers whose gross annual purchases are more than \$12,000,000 but not more than \$24,000,000; and
- ~~(h)~~ (8) \$150,000 for grain buyers whose gross annual purchases exceed \$24,000,000.

(b) A grain buyer who has filed a bond with the commissioner prior to July 1, 2004, is not required to increase the amount of the bond to comply with this section until July 1, 2005. The commissioner may postpone an increase in the amount of the bond until July 1, 2006, if a licensee demonstrates that the increase will impose undue financial hardship on the licensee, and that producers will not be harmed as a result of the postponement. The commissioner may impose other restrictions on a licensee whose bond increase has been postponed. The amount of the bond shall be based on the most recent ~~financial statement~~ gross annual grain purchase report of the grain buyer ~~filed under~~

subdivision 6.

(c) A first-time applicant for a grain buyer's license shall file a \$50,000 bond with the commissioner. This bond shall remain in effect for the first year of the license. Thereafter, the licensee shall comply with the applicable bonding requirements contained in ~~clauses (a) to (h)~~ paragraph (a), clauses (1) to (8).

(d) In lieu of the bond required by this subdivision the applicant may deposit with the commissioner of management and budget cash, a certified check, a cashier's check, a postal, bank, or express money order, assignable bonds or notes of the United States, or an assignment of a bank savings account or investment certificate or an irrevocable bank letter of credit as defined in section 336.5-102, in the same amount as would be required for a bond.

(e) Bonds must be continuous until canceled. To cancel a bond, a surety must provide 90 days' written notice of the bond's termination date to the licensee and the commissioner.

Sec. 47. Minnesota Statutes 2010, section 223.17, subdivision 6, is amended to read:

Subd. 6. **Financial statements.** ~~For the purpose of fixing or changing the amount of a required bond or for any other proper reason,~~ (a) The commissioner ~~shall~~ may require an annual financial statement from a licensee which has been prepared in accordance with generally accepted accounting principles and which meets the following requirements:

~~(a)~~ (1) The financial statement shall include, but not be limited to the following: ~~(1)~~

(i) a balance sheet; ~~(2)~~

(ii) a statement of income (profit and loss); ~~(3)~~

(iii) a statement of retained earnings; ~~(4)~~

(iv) a statement of changes in financial position; and ~~(5)~~

(v) a statement of the dollar amount of grain purchased in the previous fiscal year of the grain buyer.

~~(b)~~ (2) The financial statement shall be accompanied by a compilation report of the financial statement that is prepared by a grain commission firm or a management firm approved by the commissioner or by an independent public accountant, in accordance with standards established by the American Institute of Certified Public Accountants. Grain buyers purchasing less than 150,000 bushels of grain per calendar year may submit a financial statement prepared by a public accountant who is not an employee or a relative within the third degree of kindred according to civil law.

~~(c)~~ (3) The financial statement shall be accompanied by a certification by the chief executive officer or the chief executive officer's designee of the licensee, under penalty of perjury, that the financial statement accurately reflects the financial condition of the licensee for the period specified in the statement.

(b) Only one financial statement must be filed for a chain of warehouses owned or operated as a single business entity, unless otherwise required by the commissioner. Any grain buyer having a net worth in excess of \$500,000,000 need not file the financial statement required by this subdivision but must provide the commissioner with a certified net worth statement. All financial statements

filed with the commissioner are private or nonpublic data as provided in section 13.02.

Sec. 48. Minnesota Statutes 2010, section 223.17, subdivision 9, is amended to read:

Subd. 9. **Defaults; violations.** It is a violation under this chapter if the commissioner finds, after an investigation is conducted, that a complaint is valid or that a licensee is in violation of the provisions of this chapter, ~~the commissioner may immediately suspend the license, in which case the licensee shall surrender the license to the commissioner. Within 15 days, the licensee may request an administrative hearing subject to chapter 14 to determine whether the license should be revoked. If no request is made within 15 days, the commissioner shall revoke the license.~~

Sec. 49. Minnesota Statutes 2010, section 232.21, subdivision 2, is amended to read:

Subd. 2. **Bond.** "Bond" means an acceptable obligation, running to the state as obligee, for the purpose of indemnifying depositors and producers of grain against breach of contract by a public grain warehouse ~~or grain bank operator.~~

Sec. 50. Minnesota Statutes 2010, section 232.21, subdivision 6, is amended to read:

Subd. 6. **Depositor.** "Depositor" means a person who is the owner or legal holder of an outstanding grain warehouse receipt, grain bank receipt or open scale ticket marked for storage on which a receipt is to be issued, representing any grain stored in a public grain warehouse ~~or grain bank.~~

Sec. 51. Minnesota Statutes 2010, section 232.21, subdivision 12, is amended to read:

Subd. 12. **Public grain warehouse operator.** "Public grain warehouse operator" means a person licensed to operate a grain warehouse in which grain belonging to persons other than the grain warehouse operator is accepted for storage or purchase, or who offers grain storage or grain warehouse facilities to the public for hire or a feed-processing plant that receives and stores grain, the equivalent of which, it processes and returns to the grain's owner in amounts, at intervals, and with added ingredients that are mutually agreeable to the grain's owner and the person operating the plant.

Sec. 52. Minnesota Statutes 2010, section 232.22, subdivision 3, is amended to read:

Subd. 3. **Fees; grain buyers and storage account.** There is created in the agricultural fund an account known as the grain buyers and storage account. The commissioner shall set the fees for ~~inspections~~ examinations, certifications, and licenses under sections 232.20 to 232.24 at levels necessary to pay the costs of administering and enforcing sections 232.20 to ~~232.25~~ 232.24. All money collected pursuant to sections 232.20 to ~~232.25~~ and chapters 233 and 236 232.24 shall be paid by the commissioner into the state treasury and credited to the grain buyers and storage account and is appropriated to the commissioner for the administration and enforcement of sections 232.20 to ~~232.25~~ and chapters 233 and 236 232.24. All money collected pursuant to chapter 231 shall be paid by the commissioner into the grain buyers and storage account and is appropriated to the commissioner for the administration and enforcement of chapter 231.

The fees for a license to store grain are as follows:

(a) For a license to store grain, \$110 for each home rule charter or statutory city or town in which a public grain warehouse is operated.

(b) A person with a license to store grain in a public grain warehouse is subject to an examination fee for each licensed location, based on the following schedule for one examination:

Bushel Capacity	Examination Fee
Less than 150,001	\$ 300
150,001 to 250,000	\$ 425
250,001 to 500,000	\$ 545
500,001 to 750,000	\$ 700
750,001 to 1,000,000	\$ 865
1,000,001 to 1,200,000	\$ 1,040
1,200,001 to 1,500,000	\$ 1,205
1,500,001 to 2,000,000	\$ 1,380
More than 2,000,000	\$ 1,555

(c) The fee for the second examination is \$55 per hour per examiner for warehouse operators who choose to have it performed by the commissioner.

(d) A penalty amount not to exceed ten percent of the fees due may be imposed by the commissioner for each month for which the fees are delinquent.

Sec. 53. Minnesota Statutes 2010, section 232.22, subdivision 4, is amended to read:

Subd. 4. **Bonding.** (a) Before a license is issued, the applicant for a public grain warehouse operator's license shall file with the commissioner a bond in a penal sum prescribed by the commissioner. ~~The penal sum on a condition one bond shall be established by rule by the commissioner pursuant to the requirements of chapter 14 for all grain outstanding on grain warehouse receipts. The penal sum on a condition two bond shall not be less than \$10,000 for each location up to a maximum of five locations, based on the annual average storage liability as stated on the statement of grain in storage report or on the gross annual grain purchase report, whichever is greater, and applying the following amounts:~~

(1) \$10,000 for storages with annual average storage liability of more than \$0 but not more than \$25,000;

(2) \$20,000 for storages with annual average storage liability of more than \$25,001 but not more than \$50,000;

(3) \$30,000 for storages with annual average storage liability of more than \$50,001 but not more than \$75,000;

(4) \$50,000 for storages with annual average storage liability of more than \$75,001 but not more than \$100,000;

(5) \$75,000 for storages with annual average storage liability of more than \$100,001 but not more than \$200,000;

(6) \$125,000 for storages with annual average storage liability of more than \$200,001 but not

more than \$300,000;

(7) \$175,000 for storages with annual average storage liability of more than \$300,001 but not more than \$400,000;

(8) \$225,000 for storages with annual average storage liability of more than \$400,001 but not more than \$500,000;

(9) \$275,000 for storages with annual average storage liability of more than \$500,001 but not more than \$600,000;

(10) \$325,000 for storages with annual average storage liability of more than \$600,001 but not more than \$700,000;

(11) \$375,000 for storages with annual average storage liability of more than \$700,001 but not more than \$800,000;

(12) \$425,000 for storages with annual average storage liability of more than \$800,001 but not more than \$900,000;

(13) \$475,000 for storages with annual average storage liability of more than \$900,001 but not more than \$1,000,000; and

(14) \$500,000 for storages with annual average storage liability of more than \$1,000,000.

(b) Bonds must be continuous until canceled. To cancel a bond, a surety must provide 90 days' written notice of the bond's termination date to the licensee and the commissioner.

Sec. 54. Minnesota Statutes 2010, section 232.22, subdivision 5, is amended to read:

Subd. 5. **Statement of grain in storage; reports.** (a) All public grain warehouse operators must by ~~the tenth day of each month~~ February 15 of each year file with the commissioner on ~~forms~~ a form approved by the commissioner a report showing the ~~net~~ annual average liability of all grain outstanding on grain warehouse receipts ~~as of the close of business on the last day of that occurred during the preceding month~~ calendar year. This report shall be used for the purpose of establishing the penal sum of the bond.

(b) Warehouse operators that are at a maximum bond and want to continue at maximum bond do not need to file this report.

~~(b) If~~ (c) It is a violation of this chapter for any public grain warehouse operator ~~willfully neglects or refuses to fail to file the report required in clause (a) for two consecutive months, the commissioner may immediately suspend the person's license and the licensee must surrender the license to the commissioner. Within 15 days the licensee may request an administrative hearing subject to chapter 14 to determine if the license should be revoked. If no request is made within 15 days the commissioner shall revoke the license.~~

~~(e)~~ (d) Every public grain warehouse operator shall keep in a place of safety complete and accurate records and accounts relating to any grain warehouse operated. The records shall reflect each commodity received and shipped daily, the balance remaining in the grain warehouse at the close of each business day, a listing of all unissued grain warehouse receipts in the operator's possession, a record of all grain warehouse receipts issued which remain outstanding and a

record of all grain warehouse receipts which have been returned for cancellation. Copies of grain warehouse receipts or other documents evidencing ownership of grain by a depositor, or other liability of the grain warehouse operator, shall be retained as long as the liability exists but must be kept for a minimum of three years.

~~(d)~~(e) Every public grain warehouse operator must maintain in the grain warehouse at all times grain of proper grade and sufficient quantity to meet delivery obligations on all outstanding grain warehouse receipts.

Sec. 55. Minnesota Statutes 2010, section 232.22, subdivision 7, is amended to read:

Subd. 7. **Bond disbursement.** (a) The ~~condition one~~ bond of a public grain warehouse operator must be conditioned that the public grain warehouse operator issuing a grain warehouse receipt is liable to the depositor for the delivery of the kind, grade and net quantity of grain called for by the receipt.

~~(b)~~ The ~~condition two~~ bond shall provide for payment of loss caused by the grain buyer's failure to pay, upon the owner's demand, the purchase price of grain sold to the grain buyer. The bond shall be conditioned upon the grain buyer being duly licensed as provided herein. The bond shall not cover any transaction which constitutes a voluntary extension of credit.

~~(e)~~(b) Upon notification of default, the commissioner shall determine the validity of all claims and notify all parties having filed claims. Any aggrieved party may appeal the commissioner's determination by requesting, within 15 days, that the commissioner initiate a contested case proceeding. In the absence of such a request, or following the issuance of a final order in a contested case, the surety company shall issue payment to those claimants entitled to payment. If the commissioner determines it is necessary, the commissioner may apply to the district court for an order appointing a trustee or receiver to manage and supervise the operations of the grain warehouse operator in default. The commissioner may participate in any resulting court proceeding as an interested party.

~~(d)~~(c) For the purpose of determining the amount of bond disbursement against all valid claims under a condition one bond, all grain owned or stored in the public grain warehouse shall be sold and the combined proceeds deposited in a special fund. Payment shall be made from the special fund satisfying the valid claims of grain warehouse receipt holders.

~~(e)~~(d) If a public grain warehouse operator has become liable to more than one depositor or producer by reason of breaches of the conditions of the bond and the amount of the bond is insufficient to pay, beyond the proceeds of the special fund, the entire liability to all valid claimants, the proceeds of the bond and special fund shall be apportioned among the valid claimants on a pro rata basis.

~~(f)~~(e) A bond is not cumulative from one licensing period to the next. The maximum liability of the bond shall be its face value for the licensing period.

Sec. 56. Minnesota Statutes 2010, section 232.23, subdivision 2, is amended to read:

Subd. 2. **Scale tickets.** A public or private grain warehouse operator, upon receiving grain, shall issue a scale ticket for each load of grain received. Scale tickets shall contain the name, location and the date of each transaction, weight, volume, kind of grain, signature of warehouse operator, and be consecutively numbered. Electronic grain tickets do not require a signature. A

duplicate copy of each scale ticket shall remain in the possession of the public or private grain warehouse operator as a permanent record. The original scale ticket shall be delivered to the depositor upon receipt of each load of grain. Each scale ticket shall have printed across its face "This is a memorandum, nonnegotiable, possession of which does not signify that settlement has or has not been consummated." The scale ticket shall state specifically whether the grain is received on contract, for storage, for shipment or consignment or sold. If the grain is received on contract or sold, the price shall be indicated on the scale ticket. All paper scale tickets shall be dated and signed by the public or private grain warehouse operator or the operator's agent or manager.

Sec. 57. Minnesota Statutes 2010, section 232.23, subdivision 5, is amended to read:

Subd. 5. **Void agreements; penalty.** A provision or agreement in a grain warehouse receipt not contained in subdivision 4 is void. The failure to issue a grain warehouse receipt, as directed, or the issuance of slips, memoranda or other forms of receipt embracing a different grain warehouse or storage contract is a misdemeanor, and no slip, memorandum or other form of receipt is admissible as evidence in any civil action. Nothing in sections 232.20 to ~~232.25~~ 232.24 requires or compels any person operating a flour, cereal or feed mill or malthouse doing a manufacturing business, to receive, store or purchase at the mill or malthouse any kind of grain.

Sec. 58. Minnesota Statutes 2010, section 232.23, subdivision 10, is amended to read:

Subd. 10. **Delivery of grain.** (a) On the redemption of a grain warehouse receipt and payment of all lawful charges, the grain represented by the receipt is immediately deliverable to the depositor or the depositor's order, and is not subject to any further charge for storage after demand for delivery has been made and proper facilities for receiving and shipping the grain have been provided. If delivery has not commenced within 48 hours after demand has been made and proper facilities have been provided, the public grain warehouse operator issuing the grain warehouse receipt is liable to the owner in damages not exceeding two cents per bushel for each day's delay, unless the public grain warehouse operator makes delivery to different owners in the order demanded as rapidly as it can be done through ordinary diligence, or unless insolvency has occurred.

(b) If a disagreement arises between the person receiving and the person delivering the grain at a public grain warehouse in this state as to the proper grade or dockage of any grain, an average sample of at least three quarts of the grain in dispute may be taken by either or both of the persons interested. The sample shall be certified by both the owner and the public grain warehouse operator as being true samples of the grain in dispute on the delivery day. The samples shall be forwarded in a suitable airtight container by parcel post or express, prepaid, with the name and address of both parties, to ~~the head of the~~ a United States Department of Agriculture authorized grain inspection program ~~of the Department of Agriculture~~, who shall, upon request, examine the grain, and determine what grade or dockage the samples of grain are entitled to under the inspection rules. Before the results of the inspection are released to the person requesting the inspection, the person shall pay the required fee. The fee shall be the same as that required for similar services rendered by the grain inspection program.

Sec. 59. Minnesota Statutes 2010, section 232.24, subdivision 1, is amended to read:

Subdivision 1. **Schedule of inspection examination.** A licensee under sections 232.20 to 232.25 is subject to two ~~audits~~ examinations annually conducted by the commissioner or the agricultural marketing service of the United States Department of Agriculture. The commissioner may, by rule, authorize one ~~audit~~ examination to be conducted by a qualified nongovernmental unit.

Sec. 60. Minnesota Statutes 2010, section 232.24, subdivision 2, is amended to read:

Subd. 2. **Financial reports.** A licensee under sections 232.20 to 232.25 upon request must provide to the commissioner a copy of the financial reports of an audit conducted by a qualified nongovernmental unit containing information the commissioner requires.

Sec. 61. Minnesota Statutes 2010, section 239.092, is amended to read:

239.092 SALE FROM BULK.

(a) Bulk sales of commodities, when the buyer and seller are not both present to witness the measurement, must be accompanied by a delivery ticket containing the following information:

(1) the name and address of the person who weighed or measured the commodity;

(2) the date delivered;

(3) the quantity delivered;

(4) the count of individually wrapped packages delivered, if more than one is included in the quantity delivered;

(5) the quantity on which the price is based, if different than the quantity delivered; and

(6) the identity of the commodity in the most descriptive terms commercially practicable, including representations of quality made in connection with the sale.

(b) This section is not intended to conflict with the bulk sale requirements of the Department of Agriculture. If a conflict occurs, the law and rules of the Department of Agriculture govern.

(c) Firewood sold or distributed ~~across state boundaries or more than 100 miles from its origin in this state~~ must include delivery ticket information regarding the harvest locations of the wood by county or counties and state.

(d) Paragraph (c) may be enforced using the authority granted in this chapter or section 18J.05 or 84D.13.

Sec. 62. Minnesota Statutes 2010, section 239.093, is amended to read:

239.093 INFORMATION REQUIRED WITH PACKAGE.

(a) A package offered, exposed, or held for sale must bear a clear and conspicuous declaration of:

(1) the identity of the commodity in the package, unless the commodity can be easily identified through the wrapper or container;

(2) the net quantity in terms of weight, measure, or count;

(3) the name and address of the manufacturer, packer, or distributor, if the packages were not produced on the premises where they are offered, exposed, or held for sale; and

(4) the unit price, if the packages are part of a lot containing random weight packages of the same commodity.

(b) This section is not intended to conflict with the packaging requirements of the Department of Agriculture. If a conflict occurs, the laws and rules of the Department of Agriculture govern.

(c) Firewood sold or distributed ~~across state boundaries or more than 100 miles from its origin in this state~~ must include information regarding the harvest locations of the wood by county or counties and state on each label or wrapper.

(d) Paragraph (c) may be enforced using the authority granted in this chapter or section 18J.05 or 84D.13.

Sec. 63. Minnesota Statutes 2010, section 239.77, subdivision 3, is amended to read:

Subd. 3. **Exceptions.** (a) The minimum content requirements of subdivision 2 do not apply to fuel used in the following equipment:

(1) motors located at an electric generating plant regulated by the Nuclear Regulatory Commission;

(2) railroad locomotives;

(3) off-road taconite and copper mining equipment and machinery;

(4) off-road logging equipment and machinery; and

(5) ~~until May 1, 2010, vehicles and equipment used exclusively on an aircraft landing field~~ vessels of the U.S. Coast Guard and vessels subject to inspection under United States Code, title 46, section 3301, subsections (1), (9), (10), (13), or (15).

(b) The exemption in paragraph (a), clause (1), expires 30 days after the Nuclear Regulatory Commission has approved the use of biodiesel fuel in motors at electric generating plants under its regulation.

(c) The minimum content requirements of subdivision 2 do not apply to Number 1 diesel fuel sold or offered for sale during the months of October, November, December, January, February, and March.

(d) This subdivision expires on May 1, 2012 2014.

EFFECTIVE DATE. This section is effective April 1, 2012.

Sec. 64. Minnesota Statutes 2010, section 239.77, subdivision 5, is amended to read:

Subd. 5. **Annual report.** (a) Beginning in 2009, the commissioner of agriculture must report by January 15 of each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture policy and finance regarding the implementation of the minimum content requirements in subdivision 2, including information about the price and supply of biodiesel fuel. The report shall include information about the impacts of the biodiesel mandate on the development of biodiesel production capacity in the state, and on the use of feedstock grown or raised in the state for biodiesel production. The report must include any written comments received from members of the biodiesel fuel task force by January 1 of that year designated by them for inclusion in the report.

(b) The commissioner of agriculture, in consultation with the commissioner of commerce and

the Biodiesel Fuel Task Force, shall study the need to continue the exceptions in subdivision 3. The 2013 report under paragraph (a) shall include recommendations for studies and other research needs to make a determination on the need for the exceptions, including any recommendations for use of the agricultural growth, research, and innovation program funding to conduct the research. The 2014 report under paragraph (a) shall contain the commissioner of agriculture's recommendations on whether to continue any of the exceptions in subdivision 3.

Sec. 65. Minnesota Statutes 2010, section 239.791, subdivision 1a, is amended to read:

Subd. 1a. **Minimum ethanol content required.** (a) Except as provided in subdivisions 10 to 14, on August 30, ~~2013~~ 2014, and thereafter, a person responsible for the product shall ensure that all gasoline sold or offered for sale in Minnesota must contain at least the quantity of ethanol required by clause (1) or (2), whichever is greater:

(1) 20 percent denatured ethanol by volume; or

(2) the maximum percent of denatured ethanol by volume authorized in a waiver granted by the United States Environmental Protection Agency.

(b) For purposes of enforcing the minimum ethanol requirement of paragraph (a), clause (1), a gasoline/ethanol blend will be construed to be in compliance if the ethanol content, exclusive of denaturants and other permitted components, comprises not less than 18.4 percent by volume and not more than 20 percent by volume of the blend as determined by an appropriate United States Environmental Protection Agency or American Society of Testing Materials standard method of analysis of alcohol content in motor fuels.

(c) This subdivision expires on December 31, ~~2012~~ 2013, if by that date:

(1) the commissioner of agriculture certifies and publishes the certification in the State Register that at least 20 percent of the volume of gasoline sold in the state is denatured ethanol; or

(2) federal approval has not been granted under paragraph (a), clause (1). The United States Environmental Protection Agency's failure to act on an application shall not be deemed approval under paragraph (a), clause (1), or a waiver under section 211(f)(4) of the Clean Air Act, United States Code, title 42, section 7545, subsection (f), paragraph (4).

Sec. 66. Laws 2008, chapter 296, article 1, section 25, the effective date, as amended by Laws 2010, chapter 333, article 1, section 33, is amended to read:

EFFECTIVE DATE. This section is effective June 1, ~~2012~~ 2017.

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

Sec. 67. Laws 2011, chapter 14, section 6, is amended by adding an effective date to read:

EFFECTIVE DATE. This section is effective retroactively from April 16, 2011.

Sec. 68. **NEXT GENERATION BIOFUEL BLENDS.**

The NextGen Energy Board, established in Minnesota Statutes, section 41A.105, shall include in its February 2013 report to the legislature an analysis of next generation biofuels that can be blended with gasoline or other energy sources. The report shall analyze research on next generation

biofuel blends and information on federal approvals needed and the status of the federal approval for next generation biofuel blends.

Sec. 69. **REPEALER.**

(a) Minnesota Statutes 2010, sections 17B.01; 17B.02; 17B.03; 17B.04; 17B.041; 17B.0451; 17B.048; 17B.05; 17B.06; 17B.07; 17B.10; 17B.11; 17B.12; 17B.13; 17B.14; 17B.15, subdivisions 1 and 3; 17B.16; 17B.17; 17B.18; 17B.20; 17B.22, subdivisions 1 and 2; 17B.28; 17B.29; 27.19, subdivisions 2 and 3; 27.20; 35.243; 35.255; 35.67; 35.68; 35.69; 35.72; 223.16, subdivision 7; 223.18; 232.21, subdivision 4; 232.24, subdivision 3; 232.25; 233.01; 233.015; 233.017; 233.02; 233.03; 233.04; 233.05; 233.06; 233.07; 233.08; 233.09; 233.10; 233.11; 233.12; 233.22; 233.23; 233.24; 233.33; 234.01; 234.03; 234.04; 234.05; 234.06; 234.08; 234.09; 234.10; 234.11; 234.12; 234.13; 234.14; 234.15; 234.16; 234.17; 234.18; 234.19; 234.20; 234.21; 234.22; 234.23; 234.24; 234.25; 234.27; 235.01; 235.02; 235.04; 235.05; 235.06; 235.07; 235.08; 235.09; 235.10; 235.13; 235.18; 236.01; 236.02; 236.03; 236.04; 236.05; 236.06; 236.07; 236.08; 236.09; 395.14; 395.15; 395.16; 395.17; 395.18; 395.19; 395.20; 395.21; 395.22; 395.23; and 395.24, are repealed.

(b) Minnesota Rules, parts 1505.0780; 1505.0810; 1511.0100; 1511.0110; 1511.0120; 1511.0130; 1511.0140; 1511.0150; 1511.0160; 1511.0170; 1562.0100, subparts 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, and 25; 1562.0200; 1562.0400; 1562.0700; 1562.0900; 1562.1300; and 1562.1800, are repealed.

ARTICLE 2

FOOD ENFORCEMENT

Section 1. Minnesota Statutes 2010, section 17.982, subdivision 1, is amended to read:

Subdivision 1. **Criminal penalties.** A person who violates a provision of chapter 25, ~~28A, 29, 31, 31A, or 31B, or 34~~ for which a penalty has not been prescribed is guilty of a misdemeanor.

Sec. 2. Minnesota Statutes 2010, section 17.983, is amended to read:

17.983 ADMINISTRATIVE PENALTIES AND ENFORCEMENT.

Subdivision 1. **Administrative penalties; citation.** If a person has violated a provision of chapter 25, ~~28A, 29, 31, 31A, 31B, or 32, or 34,~~ the commissioner may issue a written citation to the person by personal service or by certified mail. The citation must describe the nature of the violation and the statute or rule alleged to have been violated; state the time for correction, if applicable; and the amount of any proposed fine. The citation must advise the person to notify the commissioner in writing within 30 days if the person wishes to appeal the citation. If the person fails to appeal the citation, the citation is the final order and not subject to further review.

Subd. 3. **Contested case.** If a person appeals a citation or a penalty assessment within the time limits in subdivision 1, the commissioner shall initiate a contested proceeding under chapter 14. ~~The report of the administrative law judge is the final decision of the commissioner of agriculture.~~

Sec. 3. Minnesota Statutes 2010, section 17.984, subdivision 1, is amended to read:

Subdivision 1. **Authority.** To carry out the commissioner's enforcement duties under chapter 29, ~~31, 31A, 32, or 34,~~ the commissioner may, upon presenting appropriate credentials, during regular working hours and at other reasonable times, inspect premises subject to the commissioner's

enforcement and licensing authority for reasons related to the commissioner's enforcement and licensing authority; request information from persons with information relevant to an inspection; and inspect relevant papers and records, including business records. The commissioner may issue notices in lieu of citations for minor violations if a notice is in the public interest.

Sec. 4. Minnesota Statutes 2010, section 25.33, subdivision 13, is amended to read:

Subd. 13. **Label.** "Label" means a display of written, printed, or graphic matter upon or affixed to the container in which a commercial feed is distributed, or on the invoice or delivery slip with which a commercial feed is distributed has the meaning given in section 34A.01, subdivision 6.

Sec. 5. Minnesota Statutes 2010, section 25.33, subdivision 14, is amended to read:

Subd. 14. **Labeling.** "Labeling" means all labels and other written, printed, or graphic matter upon a commercial feed or any of its containers or wrapper or accompanying or supporting such commercial feed has the meaning given in section 34A.01, subdivision 7.

Sec. 6. Minnesota Statutes 2010, section 25.36, is amended to read:

25.36 MISBRANDING.

A commercial feed is misbranded if: it is covered by section 34A.03.

~~(1) its labeling is false or misleading in any particular;~~

~~(2) it is distributed under the name of another commercial feed;~~

~~(3) it is not labeled as required in section 25.35;~~

~~(4) it purports to be or is represented as a commercial feed or it purports to contain or is represented as containing a commercial feed ingredient unless that commercial feed or feed ingredient conforms to the definition, if any, prescribed by rule by the commissioner;~~

~~(5) any word, statement, or other information required by or under authority of sections 25.31 to 25.43 to appear on the label or labeling is not prominently placed on it with such conspicuousness as compared with other words, statements, designs, or devices in the labeling, and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use; or~~

~~(6) its labeling would deceive or mislead the purchaser with respect to its composition or suitability.~~

Sec. 7. Minnesota Statutes 2010, section 25.37, is amended to read:

25.37 ADULTERATION.

~~(a) A commercial feed or a material exempted from the definition of commercial feed under section 25.33, subdivision 5, is adulterated if: it is covered by section 34A.02.~~

~~(1) it bears or contains a poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance, the commercial feed is not considered adulterated if the quantity of the substance in the commercial feed does not ordinarily render it injurious to health;~~

~~(2) it bears or contains an added poisonous, deleterious, or nonnutritive substance which is unsafe within the meaning of section 406 of the Federal Food, Drug, and Cosmetic Act, other than the one which is a pesticide chemical in or on a raw agricultural commodity, or a food additive;~~

~~(3) it is unsafe or bears or contains any food additive which is unsafe within the meaning of section 409 of the Federal Food, Drug, and Cosmetic Act;~~

~~(4) it is a raw agricultural commodity and it bears or contains a pesticide chemical which is unsafe within the meaning of section 408(a) of the Federal Food, Drug, and Cosmetic Act; provided, that where a pesticide chemical has been used in or on a raw agricultural commodity in conformity with an exemption granted or a tolerance prescribed under section 408 of the Federal Food, Drug, and Cosmetic Act and that raw agricultural commodity has been subjected to processing such as canning, cooking, freezing, dehydrating, or milling, the residue of the pesticide chemical remaining in or on the processed feed is not unsafe if the residue in or on the raw agricultural commodity has been removed to the extent possible in good manufacturing practice and the concentration of the residue in the processed feed is not greater than the tolerance prescribed for the raw agricultural commodity unless the feeding of the processed feed will result or is likely to result in a pesticide residue in the edible product of the animal, which is unsafe within the meaning of section 408(a) of the Federal Food, Drug, and Cosmetic Act;~~

~~(5) it is, or it bears or contains any color additive which is unsafe within the meaning of section 706 of the Federal Food, Drug, and Cosmetic Act;~~

~~(6) it is, or it bears or contains, any new animal drug which is unsafe within the meaning of section 512 of the Federal Food, Drug, and Cosmetic Act;~~

~~(7) it consists, in whole or in part, of any filthy, putrid, or decomposed substance, or is otherwise unfit for feed;~~

~~(8) it has been prepared, packed, or held under unsanitary conditions whereby it may have become contaminated with filth or may have been rendered injurious to health;~~

~~(9) it is, in whole or in part, the product of a diseased animal or of an animal which has died otherwise than by slaughter which is unsafe within the meaning of section 402(a)(1) or (2) of the Federal Food, Drug, and Cosmetic Act;~~

~~(10) its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health; or~~

~~(11) it has been intentionally subjected to radiation, unless the use of the radiation was in conformity with a regulation or exemption in effect under section 409 of the Federal Food, Drug, and Cosmetic Act.~~

~~(b) A commercial feed is adulterated if:~~

~~(1) any valuable constituent has been in whole or in part omitted or abstracted from it or any less valuable substance substituted for a constituent;~~

~~(2) its composition or quality falls below or differs from that which it is purported or is represented to possess by its labeling;~~

~~(3) it contains a drug and the methods used in or the facilities or controls used for its manufacture,~~

processing, or packaging do not conform to current good manufacturing practice rules promulgated by the commissioner to assure that the drug meets the safety requirements of sections 25.31 to 25.43 and has the identity and strength and meets the quality and purity characteristics which it purports or is represented to possess. In adopting rules under this clause, the commissioner shall adopt the current good manufacturing practice rules for medicated feed premixes and for medicated feeds established under authority of the Federal Food, Drug, and Cosmetic Act, unless the commissioner determines that they are not appropriate to the conditions which exist in this state; or

(4) it contains viable weed seeds in amounts exceeding limits established by the commissioner by rule.

Sec. 8. Minnesota Statutes 2010, section 28A.03, subdivision 3, is amended to read:

Subd. 3. **Person.** "Person" means any individual, firm, corporation, company, association, cooperative, or partnership and includes any trustee, receiver, assignee, or other similar representative thereof has the meaning given in section 34A.01, subdivision 10.

Sec. 9. Minnesota Statutes 2010, section 28A.03, subdivision 5, is amended to read:

Subd. 5. **Food.** "Food," includes every article used for, entering into the consumption of, or used or intended for use in the preparation of food, drink, confectionery, or condiment for humans, whether simple, mixed or compound. "nonperishable food," "frozen food," "perishable food," and "readily perishable food" have the meanings given in section 34A.01.

(a) "Perishable food" is food which includes, but is not limited to fresh fruits, fresh vegetables, and other products which need protection from extremes of temperatures in order to avoid decomposition by microbial growth or otherwise.

(b) "Readily perishable food" is food or a food ingredient consisting in whole or in part of milk, milk products, eggs, meat, fish, poultry or other food or food ingredient which is capable of supporting rapid and progressive growth of infectious or toxigenic microorganisms.

(c) "Frozen food" is food which is processed and preserved by freezing in accordance with good commercial practices and which is intended to be sold in the frozen state.

(d) For the purposes of this definition, packaged food in hermetically sealed containers processed by heat to prevent spoilage; packaged pickles; jellies, jams and condiments in sealed containers; bakery products such as bread, rolls, buns, donuts, fruit-filled pies and pastries; dehydrated packaged food; and dry or packaged food so low in moisture content as to preclude development of microorganisms are not "perishable food," "readily perishable food," or "frozen food" within the meaning of paragraphs (a), (b), and (c), when they are stored and handled in accordance with good commercial practices.

(e) "Nonperishable food" is food described in paragraph (d) with a shelf life of more than 90 days.

Sec. 10. Minnesota Statutes 2010, section 28A.03, subdivision 6, is amended to read:

Subd. 6. **Sell; sale.** "Sell" and "sale" include the keeping, offering, or exposing for sale, use, transporting, transferring, negotiating, soliciting, or exchange of food, the having in possession with intent to sell, use, transport, negotiate, solicit, or exchange the same and the storing, or carrying

~~thereof in aid of traffic therein whether done or permitted in person or through others~~ have the meanings given in section 34A.01, subdivision 12.

Sec. 11. Minnesota Statutes 2010, section 28A.21, subdivision 6, is amended to read:

Subd. 6. **Expiration.** Notwithstanding section 15.059, subdivision 5, this section expires June 30, ~~2012~~ 2017.

Sec. 12. Minnesota Statutes 2010, section 31.01, subdivision 2, is amended to read:

Subd. 2. **Person.** "Person" means any individual, firm, partnership, copartnership, society, association, company, or corporation and includes any trustee, receiver, assignee or other similar representative thereof has the meaning given in section 34A.01, subdivision 10.

Sec. 13. Minnesota Statutes 2010, section 31.01, subdivision 3, is amended to read:

Subd. 3. **Food.** "Food" means articles used for food or drink for humans or other animals, chewing gum, and articles used for components of any such article has the meaning given in section 34A.01, subdivision 4.

Sec. 14. Minnesota Statutes 2010, section 31.01, subdivision 4, is amended to read:

Subd. 4. **Sell and sale.** "Sell" and "sale" shall be considered to include the manufacture, production, processing, packing, exposure, offer, possession, and holding of any such article for sale; and the sale, dispensing, and giving of any such article, and the supplying or applying of any such article in the conduct of any food operation have the meanings given in section 34A.01, subdivision 12.

Sec. 15. Minnesota Statutes 2010, section 31.01, subdivision 21, is amended to read:

Subd. 21. **Label.** "Label" means a display of written, printed, or graphic matter upon the immediate container of any article, and includes a like display, if required by law or rule, on the outside container or wrapper, if any there be, of the retail package of such article has the meaning given in section 34A.01, subdivision 6.

Sec. 16. Minnesota Statutes 2010, section 31.01, subdivision 25, is amended to read:

Subd. 25. **Labeling.** "Labeling" means all labels and other written, printed, or graphic matter upon an article or any of its containers or wrappers, or accompanying such article has the meaning given in section 34A.01, subdivision 7.

Sec. 17. Minnesota Statutes 2010, section 31.01, subdivision 28, is amended to read:

Subd. 28. **Pesticide chemical.** "Pesticide chemical" means any substance which, alone, in chemical combination, or in formulation with one or more other substances is an "economic poison" within the meaning of chapter 24, or the Federal Insecticide, Fungicide and Rodenticide Act (United States Code, title 7, sections 135-135k), as amended, and which is used in the production, storage, or transportation of raw agricultural commodities has the meaning given in section 18B.01, subdivision 18.

Sec. 18. Minnesota Statutes 2010, section 31.121, is amended to read:

31.121 FOOD ADULTERATION.

A food shall be deemed to be adulterated: if it is covered by section 34A.02.

(a) ~~If it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance such food shall not be considered adulterated under this clause if the quantity of such substance in such food does not ordinarily render it injurious to health; or~~

(b) ~~If it bears or contains any added poisonous or added deleterious substance, other than one which is a pesticide chemical in or on a raw agricultural commodity; a food additive; or a color additive; which is unsafe within the meaning of section 31.122; or~~

(c) ~~If it is a raw agricultural commodity and it bears or contains a pesticide chemical which is unsafe within the meaning of section 31.122; or~~

(d) ~~If it is or it bears or contains any food additive which is unsafe within the meaning of section 31.122; provided that where a pesticide chemical has been used in or on a raw agricultural commodity in conformity with an exemption granted or tolerance prescribed under section 31.122, and such raw agricultural commodity has been subjected to processing such as canning, cooking, freezing, dehydrating, or milling, the residue of such pesticide chemical remaining in or on such processed food shall, notwithstanding the provisions of section 31.122 and this clause, not be deemed unsafe if such residue in or on the raw agricultural commodity has been removed to the extent possible in good manufacturing practice, and the concentration of such residue in the processed food when ready to eat is not greater than the tolerance prescribed for the raw agricultural commodity; or~~

(e) ~~If it consists in whole or in part of a diseased, contaminated, filthy, putrid, or decomposed substance, or if it is otherwise unfit for food; or~~

(f) ~~If it has been produced, prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered diseased, unwholesome, or injurious to health; or~~

(g) ~~If it is in whole or in part the product of a diseased animal or of an animal which has died otherwise than by slaughter, or of an animal that has been fed upon the uncooked offal from a slaughterhouse; or~~

(h) ~~If its container is composed in whole or in part of any poisonous or deleterious substance which may render the contents injurious to health; or~~

(i) ~~If it has been intentionally subjected to radiation, unless the use of the radiation was in conformity with a rule or exemption in effect pursuant to section 31.122 or section 409 of the federal act; or~~

(j) ~~If any valuable constituent has been in whole or in part omitted or abstracted therefrom; or~~

(k) ~~If any substance has been substituted wholly or in part therefor; or~~

(l) ~~If damage or inferiority has been concealed in any manner; or~~

(m) ~~If any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength or make it appear better or of greater value than it is; or~~

~~(n) If it is confectionery, and (1) has partially or completely imbedded therein any nonnutritive object; provided, that this clause shall not apply in the case of any nonnutritive object if in the judgment of the commissioner, as provided by rules, such object is of practical functional value to the confectionery product and would not render the product injurious or hazardous to health; or (2) bears or contains any nonnutritive substance; provided, that this clause shall not apply to (i) a confection containing alcohol as defined in section 31.76, or (ii) a safe nonnutritive substance which is in or on confectionery by reason of its use for some practical functional purpose in the manufacture, packaging, or storing of such confectionery if the use of the substance does not promote deception of the consumer or otherwise result in adulteration or misbranding in violation of any provision of the Minnesota Food Law; and provided further, that the commissioner may, for the purpose of avoiding or resolving uncertainty as to the application of this clause, issue rules allowing or prohibiting the use of particular nonnutritive substances; or~~

~~(o) If it is or bears or contains any color additive which is unsafe within the meaning of section 31.122; or~~

~~(p) If it is oleomargarine or margarine or butter and any of the raw material used therein consisted in whole or in part of any filthy, putrid, or decomposed substance, or such oleomargarine or margarine or butter is otherwise unfit for food.~~

Sec. 19. Minnesota Statutes 2010, section 31.123, is amended to read:

31.123 FOOD MISBRANDING.

A food shall be deemed to be is misbranded: if it is covered by section 34A.03, paragraph (a).

~~(a) If its labeling is false or misleading in any particular, or if its labeling, whether on the commodity itself, its container or its package, fails to conform with the requirements of Laws 1974, chapter 84;~~

~~(b) If it is offered for sale under the name of another food;~~

~~(c) If it is an imitation of another food for which a definition and standard of identity have been prescribed by rules as provided by sections 31.10 and 31.102; or if it is an imitation of another food that is not subject to clause (g), unless in either case its label bears in type of uniform size and prominence the word "imitation" and immediately thereafter the name of the food imitated;~~

~~(d) If its container is so made, formed, or filled as to be misleading;~~

~~(e) If in package form, unless it bears a label containing (1) the name and place of business of the manufacturer, packer, or distributor, and (2) an accurate statement of the net quantity of the contents in terms of weight, measure, or numerical count, which statement shall be separately and accurately stated in a uniform location upon the principal display panel of the label; provided, that under this subclause reasonable variations shall be permitted, and exemptions as to small packages shall be established by rules prescribed by the commissioner;~~

~~(f) If any word, statement, or other information required by or under authority of the Minnesota Food Law to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use;~~

~~(g) If it purports to be or is represented as a food for which a definition and standard of identity have been prescribed by rules as provided by sections 31.10 and 31.102, unless (1) it conforms to such definition and standard, and (2) its label bears the name of the food specified in the definition and standard, and, insofar as may be required by such rules, the common names of optional ingredients (other than spices, flavoring, and coloring) present in such food;~~

~~(h) If it purports to be or is represented as (1) a food for which a standard of quality has been prescribed by rules as provided by sections 31.10 and 31.102, and its quality falls below such standard unless its label bears, in such manner and form as such rules specify, a statement that it falls below such standard, or (2) a food for which a standard or standards of fill of container have been prescribed by rule as provided by sections 31.10 and 31.102, and it falls below the standard of fill of container applicable thereto unless its label bears, in such manner and form as such rules specify, a statement that it falls below such standard;~~

~~(i) If it is not subject to the provisions of clause (g), unless it bears labeling clearly giving (1) the common or usual name of the food, if any there be, and (2) in case it is fabricated from two or more ingredients, the common or usual name of each such ingredient; except that spices, flavorings, and colorings, other than those sold as such, may be designated as spices, flavorings, and colorings, without naming each; provided, that to the extent that compliance with the requirements of this subclause is impractical or results in deception or unfair competition, exemptions shall be established by rules promulgated by the commissioner;~~

~~(j) If it purports to be or is represented for special dietary uses, unless its label bears such information concerning its vitamin, mineral, and other dietary properties as the commissioner determines to be, and by rules prescribes as, necessary in order to fully inform purchasers as to its value for such uses;~~

~~(k) If it bears or contains any artificial flavoring, artificial coloring, or chemical preservative, unless it bears labeling stating that fact; provided, that to the extent that compliance with the requirements of this clause is impracticable, exemptions shall be established by rules promulgated by the commissioner. The provisions of this clause and clauses (g) and (i) with respect to artificial coloring do not apply to butter, cheese or ice cream. The provisions with respect to chemical preservatives do not apply to a pesticide chemical when used in or on a raw agricultural commodity which is the product of the soil;~~

~~(l) If it is a raw agricultural commodity which is the product of the soil, bearing or containing a pesticide chemical applied after harvest, unless the shipping container of such commodity bears labeling which declares the presence of such chemical in or on such commodity and the common or usual name and the function of such chemical; provided, however, that no such declaration shall be required while such commodity, having been removed from the shipping container, is being held or displayed for sale at retail out of such container in accordance with the custom of the trade;~~

~~(m) If it is a product intended as an ingredient of another food and when used according to the directions of the purveyor will result in the final food product being adulterated or misbranded;~~

~~(n) If it is a color additive unless its packaging and labeling are in conformity with such packaging and labeling requirements applicable to such color additive prescribed under the provisions of the federal act.~~

Sec. 20. Minnesota Statutes 2010, section 31A.02, subdivision 13, is amended to read:

Subd. 13. **Adulterated.** "Adulterated" means a carcass, ~~part of a carcass, meat, poultry, poultry food product, or meat food product under one or more of the following circumstances:~~ an item is covered by section 34A.02, subdivision 1.

~~(a) if it bears or contains a poisonous or harmful substance which may render it injurious to health; but if the substance is not an added substance, the article is not adulterated if the quantity of the substance in or on the article does not ordinarily make it injurious to health;~~

~~(b) if it bears or contains, by administration of a substance to the live animal or otherwise, an added poisonous or harmful substance, other than (1) a pesticide chemical in or on a raw agricultural commodity; (2) a food additive; or (3) a color additive, which may, in the judgment of the commissioner, make the article unfit for human food;~~

~~(c) if it is, in whole or in part, a raw agricultural commodity that bears or contains a pesticide chemical which is unsafe within the meaning of section 408 of the Federal Food, Drug, and Cosmetic Act;~~

~~(d) if it bears or contains a food additive which is unsafe within the meaning of section 409 of the Federal Food, Drug, and Cosmetic Act;~~

~~(e) if it bears or contains a color additive which is unsafe within the meaning of section 706 of the Federal Food, Drug, and Cosmetic Act;~~

~~(f) if it contains a filthy, putrid, or decomposed substance or is for any other reason unfit for human food;~~

~~(g) if it has been prepared, packed, or held under unsanitary conditions so that it may be contaminated with filth or harmful to health;~~

~~(h) if it is wholly or partly the product of an animal which has died otherwise than by slaughter;~~

~~(i) if its container is wholly or partly composed of a poisonous or harmful substance which may make the contents harmful to health;~~

~~(j) if it has been intentionally subjected to radiation, unless the use of the radiation conformed with a regulation or exemption in effect under section 409 of the Federal Food, Drug, and Cosmetic Act;~~

~~(k) if a valuable constituent has been wholly or partly omitted or removed from it; if a substance has been wholly or partly substituted for it; if damage or inferiority has been concealed; or if a substance has been added to it or mixed or packed with it so as to increase its bulk or weight, reduce its quality or strength, or make it appear better or of greater value than it is; or~~

~~(l) if it is margarine containing animal fat and any of the raw material used in it wholly or partly consisted of a filthy, putrid, or decomposed substance.~~

Sec. 21. Minnesota Statutes 2010, section 31A.02, subdivision 14, is amended to read:

Subd. 14. **Misbranded.** "Misbranded" means a carcass, ~~part of a carcass, meat, poultry, poultry food product, or meat food product under one or more of the following circumstances:~~ an item is covered by section 34A.03, paragraph (a).

- ~~(a) if its labeling is false or misleading;~~
- ~~(b) if it is offered for sale under the name of another food;~~
- ~~(c) if it is an imitation of another food, unless its label bears, in type of uniform size and prominence, the word "imitation" followed immediately by the name of the food imitated;~~
- ~~(d) if its container is made, formed, or filled so as to be misleading;~~
- ~~(e) if its package or other container does not have a label showing (1) the name and place of business of the manufacturer, packer, or distributor, and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count subject to reasonable variations permitted and exemptions for small packages established in rules of the commissioner;~~
- ~~(f) if a word, statement, or other information required by or under authority of this chapter to appear on the label or other labeling is not prominently and conspicuously placed on the label or labeling in terms that make it likely to be read and understood by the ordinary individual under customary conditions of purchase and use;~~
- ~~(g) if it is represented as a food for which a definition and standard of identity or composition has been prescribed by rules of the commissioner under section 31A.07, unless (1) it conforms to the definition and standard, and (2) its label bears the name of the food specified in the definition and standard and, if required by the rules, the common names of optional ingredients, other than spices, flavoring, and coloring, present in the food;~~
- ~~(h) if it is represented as a food for which a standard of fill of container has been prescribed by rules of the commissioner under section 31A.07, and it falls below the applicable standard of fill of container, unless its label bears, in the manner and form the rules specify, a statement that it falls below the standard;~~
- ~~(i) if it is not subject to paragraph (g), unless its label bears (1) the usual name of the food, if there is one, and (2) in case it is fabricated from two or more ingredients, the common or usual name of each ingredient, except that spices, flavorings, and colorings may, when authorized by the commissioner, be designated as spices, flavorings, and colorings without naming each. To the extent that compliance with clause (2) is impracticable, or results in deception or unfair competition, the commissioner shall establish exemptions by rule;~~
- ~~(j) if it purports to be or is represented for special dietary uses, unless its label bears the information concerning its vitamin, mineral, and other dietary properties that the commissioner, after consultation with the Secretary of Agriculture of the United States, determines by rule to be necessary to inform purchasers of its value for special dietary uses;~~
- ~~(k) if it bears or contains any artificial flavoring, artificial coloring, or chemical preservative, unless it bears labeling stating that fact;~~
- ~~(l) if it fails to bear, directly or on its container, as the commissioner by rule prescribes, the inspection legend and other information the commissioner may require by rule to assure that it will not have false or misleading labeling and that the public will be told how to keep the article wholesome.~~

Sec. 22. Minnesota Statutes 2010, section 31A.02, subdivision 15, is amended to read:

Subd. 15. **Label.** "Label" means a display of written, printed, or graphic matter on an article's immediate container, not including package liners has the meaning given in section 34A.01, subdivision 6.

Sec. 23. Minnesota Statutes 2010, section 31A.02, subdivision 16, is amended to read:

Subd. 16. **Labeling.** "Labeling" means labels and other written, printed, or graphic matter (1) on an article or its containers or wrappers, or (2) accompanying an article has the meaning given in section 34A.01, subdivision 7.

Sec. 24. Minnesota Statutes 2010, section 31A.23, is amended to read:

31A.23 DETENTION OF ANIMALS OR PRODUCTS.

This section applies to a carcass, part of a carcass, meat, or meat food product of an animal, a product exempted from the definition of a meat food product, or a dead, dying, disabled, or diseased animal. If an authorized representative of the commissioner finds such an article or animal on premises where it is held for purposes of, during, or after distribution in intrastate commerce, and there is reason to believe that it is adulterated or misbranded and is usable as human food, or that it has not been inspected, in violation of sections 31A.01 to 31A.16, the Federal Meat Inspection Act, or the Federal Food, Drug, and Cosmetic Act, or that the article or animal has been or is intended to be distributed in violation of a provision of those laws, it may be detained by the representative for up to 20 days pending action under section ~~31A.24~~ 34A.11, subdivision 2, or notification of federal authorities having jurisdiction over the article or animal. It must not be moved by a person, firm, or corporation from the place at which it is located when detained, until released by the representative. The representative may require all official marks to be removed from the article or animal before it is released unless the commissioner is satisfied that the article or animal is eligible to retain the official marks.

Sec. 25. Minnesota Statutes 2010, section 32.01, subdivision 11, is amended to read:

Subd. 11. **Adulterated.** "Adulterated" ~~has the meaning given it in section 31.01, subdivision 19, and acts amendatory thereof~~ means an item is covered by section 34A.02, subdivision 1.

Sec. 26. Minnesota Statutes 2010, section 32.01, subdivision 12, is amended to read:

Subd. 12. **Misbranded.** "Misbranded" or "misbranding" ~~has the meaning given in section 31.01, subdivision 5, and acts amendatory thereof~~ means an item is covered by section 34A.03, paragraph (a).

Sec. 27. **[34A.01] DEFINITIONS.**

Subdivision 1. **Applicability.** The definitions in this section and chapters 28, 28A, 29, 30, 31, 31A, 32, and 34 apply to this chapter. The definitions in this section apply to chapters 25 and 32.

Subd. 2. **Commissioner.** "Commissioner" means the commissioner of agriculture.

Subd. 3. **Federal act.** "Federal act" means the federal Food, Drug, and Cosmetic Act, as amended, United States Code, title 21, sections 301 et seq.

Subd. 4. **Food.** "Food" means every ingredient used for, entering into the consumption of, or used or intended for use in the preparation of food, drink, confectionery, or condiment for humans

or other animals, whether simple, mixed, or compound; and articles used as components of these ingredients.

Subd. 5. **Frozen food.** "Frozen food" is food that is processed and preserved by freezing and which is intended to be sold in the frozen state.

Subd. 6. **Label.** "Label" means a display of written, printed, or graphic matter upon or affixed to:

(1) the container of any food, and includes a like display, if required by law or rule, on the outside container or wrapper, if there is one, of the retail package of the food, not including package liners; or

(2) the invoice or delivery slip with which commercial feed is distributed.

Subd. 7. **Labeling.** "Labeling" means labels and other written, printed, or graphic matter:

(1) on food or its containers or wrappers;

(2) accompanying or supporting food; or

(3) a placard in, on, or adjacent to the food.

Subd. 8. **Nonperishable food.** "Nonperishable food" is food with a shelf life of more than 90 days and that is not perishable food, readily perishable food, or frozen food.

Subd. 9. **Perishable food.** "Perishable food" means food including, but not limited to, fresh fruits, fresh vegetables, and other products that need protection from extremes of temperatures in order to avoid decomposition by microbial growth or otherwise.

Subd. 10. **Person.** "Person" means any individual, firm, partnership, cooperative, society, joint stock association, association, company, or corporation and includes any officer, employee, agent, trustee, receiver, assignee, or other similar business entity or representative of one of those entities.

Subd. 11. **Readily perishable food.** "Readily perishable food" is food or a food ingredient consisting in whole or in part of milk, milk products, eggs, meat, fish, poultry, or other food or food ingredient that is capable of supporting growth of infectious or toxigenic microorganisms. Readily perishable food requires time and temperature control to limit pathogenic microorganism growth or toxin formation.

Subd. 12. **Sell; sale.** "Sell" and "sale" mean keeping, offering, or exposing for sale, use, transporting, transferring, negotiating, soliciting, or exchanging food; having in possession with intent to sell, use, transport, negotiate, solicit, or exchange food; storing, manufacturing, producing, processing, packing, and holding of food for sale; dispensing or giving food; or supplying or applying food in the conduct of any food operation or carrying food in aid of traffic in food whether done or permitted in person or through others.

Sec. 28. **[34A.012] EXCLUSIONS.**

The following items are not perishable food, readily perishable food, or frozen food:

(1) packaged pickles;

- (2) jellies, jams, and condiments in sealed containers;
- (3) bakery products such as bread, rolls, buns, donuts, fruit-filled pies, and pastries;
- (4) dehydrated packaged food;
- (5) dry or packaged food with a water activity that precludes development of microorganisms;
and
- (6) food in unopened hermetically sealed containers that is commercially processed to achieve and maintain commercial sterility under conditions of nonrefrigerated storage and distribution.

Sec. 29. **[34A.02] ADULTERATION.**

Subdivision 1. **Adulterated food.** Food is adulterated if:

- (1) it bears or contains any poisonous or deleterious substance which may render it injurious to human or animal health; but if the substance is not an added substance, the item is not adulterated under this clause if the quantity of the substance in the item does not ordinarily render it injurious to human or animal health;
- (2) it bears or contains any added poisonous, deleterious, or nonnutritive substance, other than one which is a pesticide in or on a raw agricultural commodity; a food additive; or a color additive, that is unsafe within the meaning of section 31.122 or section 406 of the federal act;
- (3) it bears or contains, by administration of a substance to the live animal or otherwise, an added poisonous or harmful substance, other than a pesticide in or on a raw agricultural commodity, a food additive, or a color additive, that may, in the judgment of the commissioner, make the article unfit for human food;
- (4) it is unsafe or bears or contains any food additive that is unsafe within the meaning of section 31.122 or section 409 of the federal act;
- (5) it is or bears or contains any color additive that is unsafe within the meaning of section 31.122 or section 706 of the federal act;
- (6) it is a raw agricultural commodity and it bears or contains a pesticide that is unsafe within the meaning of section 31.122 or section 408 of the federal act;
- (7) it consists in whole or in part of a diseased, contaminated, filthy, putrid, or decomposed substance, or if it is otherwise unfit for food;
- (8) it has been produced, prepared, packed, or held under unsanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered diseased, unwholesome, or injurious to human or animal health;
- (9) it is in whole or in part the product of a diseased animal or of an animal which has died otherwise than by slaughter that is unsafe within the meaning of section 402(a)(1) or (2) of the federal act, or of an animal that has been fed upon the uncooked offal from a slaughterhouse;
- (10) its container is wholly or partly composed of any poisonous or deleterious substance that may render the contents injurious to human or animal health;

(11) it has been intentionally subjected to radiation, unless the use of the radiation was in conformity with a rule, regulation, or exemption in effect pursuant to section 31.122 or section 409 of the federal act;

(12) any valuable constituent has been in whole or in part omitted or abstracted therefrom; if any substance has been substituted wholly or in part therefor; or if damage or inferiority has been concealed in any manner. In the case of commercial feed, the substituted constituent must be of lesser value in order to be adulterated;

(13) any substance has been added to it or mixed or packed with it so as to increase its bulk or weight, reduce its quality or strength, or make it appear better or of greater value than it is;

(14) its composition or quality falls below or differs from that which it is purported or is represented to possess by its labeling; or

(15) it is confectionery and:

(i) has partially or completely imbedded therein any nonnutritive object; provided, that this clause does not apply in the case of any nonnutritive object if in the judgment of the commissioner, as provided by rules, the object is of practical functional value to the confectionery product and would not render the product injurious or hazardous to human or animal health; or

(ii) bears or contains any nonnutritive substance; provided that this item does not apply to a confection containing alcohol as defined in section 31.76, or a safe nonnutritive substance which is in or on confectionery by reason of its use for some practical functional purpose in the manufacture, packaging, or storing of the confectionery if the use of the substance does not promote deception of the consumer or otherwise result in adulteration or misbranding in violation of this chapter, and provided further that the commissioner may, for the purpose of avoiding or resolving uncertainty as to the application of this clause, issue rules allowing or prohibiting the use of particular nonnutritive substances.

Subd. 2. **Commercial feed or material.** For only commercial feed an item is adulterated if:

(1) it contains viable weed seeds in amounts exceeding limits established by the commissioner by rule or in sections 21.71 to 21.78;

(2) it is, bears, or contains any new animal drug which is unsafe within the meaning of section 512 of the federal act; or

(3) it contains a drug and the methods used in or the facilities or controls used for its manufacture, processing, or packaging do not conform to the current good manufacturing practice rules promulgated by the commissioner to ensure that the drug meets the safety requirements of sections 25.31 to 25.43 and has the identity and strength and meets the quality and purity characteristics that it purports or is represented to possess. In adopting rules under this clause, the commissioner shall adopt the current good manufacturing practice rules for medicated feed premixes and for medicated feeds established under authority of the federal act, unless the commissioner determines that they are not appropriate to the conditions that exist in this state.

Sec. 30. **[34A.03] MISBRANDING.**

(a) Food is misbranded if:

(1) its labeling is false or misleading in any particular, or its labeling, whether on the item itself, its container, or its package, fails to conform with the requirements of this chapter;

(2) it is offered for sale or distributed under the name of another food;

(3) it is an imitation of another food for which a definition and standard of identity have been prescribed by rules as provided by sections 31.10 and 31.102; or if it is an imitation of another food that is not subject to clause (5), unless in either case its label bears in type of uniform size and prominence the word "imitation" and immediately thereafter the name of the food imitated;

(4) its container is so made, formed, or filled as to be misleading;

(5) it purports to be or is represented as a food for which a definition and standard of identity have been prescribed by rules as provided by sections 31.10, 31.102, and 31A.07, unless it conforms to that definition and standard, and its label bears the name of the food specified in the definition and standard, and insofar as may be required by the rules, the common names of optional ingredients, other than spices, flavoring, and coloring, present in the food;

(6) it purports to be or is represented as:

(i) a food for which a standard of quality has been prescribed by rules as provided by sections 31.10 and 31.102, and its quality falls below that standard unless its label bears in a manner and form the rules specify, a statement that it falls below the standard; or

(ii) a food for which a standard or standards of fill of container have been prescribed by rule as provided by sections 31.10, 31.102, and 31A.07, and it falls below the standard of fill of container applicable thereto unless its label bears, in a manner and form the rules specify, a statement that it falls below the standard;

(7) it is not subject to clause (5), unless it bears labeling clearly giving the common or usual name of the food, if there is one, and in case it is fabricated from two or more ingredients, the common or usual name of each ingredient, except that spices, flavorings, and colorings, other than those sold as such, may be designated as spices, flavorings, and colorings, without naming each; provided, that to the extent that compliance with the requirements of this clause is impractical or results in deception or unfair competition, exemptions must be established by rules promulgated by the commissioner;

(8) it purports to be or is represented for special dietary uses, unless its label bears information concerning its vitamin, mineral, and other dietary properties as the commissioner determines to be, and by rules prescribed as, necessary in order to fully inform purchasers as to its value for those uses;

(9) it bears or contains any artificial flavoring, artificial coloring, or chemical preservative, unless it bears labeling stating that fact; provided that, to the extent that compliance with the requirements of this clause is impracticable, exemptions must be established by rules promulgated by the commissioner. The provisions of this clause and clauses (5) and (7) with respect to artificial coloring do not apply to butter, cheese, or ice cream. The provisions with respect to chemical preservatives do not apply to a pesticide when used in or on a raw agricultural commodity which is the product of the soil;

(10) it is a product intended as an ingredient of another food and when used according to the directions of the purveyor will result in the final food product being adulterated or misbranded;

(11) it is a color additive unless its packaging and labeling are in conformity with such packaging and labeling requirements applicable to the color additive prescribed under the provisions of the federal act;

(12) it is food subject to section 31.101, subdivision 10, or chapter 31A, that fails to bear, directly or on its container, as the commissioner by rule prescribes, the inspection legend and other information the commissioner may require by rule to ensure that it will not have false or misleading labeling, and that the public will be told how to keep the article wholesome; or

(13) its labeling would deceive or mislead the purchaser with respect to its composition or suitability.

(b) Food is also misbranded if it is a raw agricultural commodity which is the product of the soil, bearing or containing a pesticide applied after harvest, unless the shipping container of that commodity bears labeling which declares the presence of the chemical in or on the commodity and the common or usual name and the function of the chemical. No such declaration is required while the commodity, having been removed from the shipping container, is being held or displayed for sale at retail out of the container in accordance with the custom of the trade.

Sec. 31. **[34A.04] ENFORCEMENT.**

Subdivision 1. **Enforcement required.** (a) The commissioner shall enforce this chapter and chapters 28, 28A, 29, 30, 31, 31A, and 34. The enforcement provisions of this chapter do not apply to chapters 25 and 32. To carry out the enforcement duties under these chapters, the commissioner may, upon presenting appropriate credentials, during regular working hours and at other reasonable times, inspect premises subject to the commissioner's enforcement and licensing authority; require information from persons with information relevant to an inspection; and inspect and copy relevant papers and records, including business records.

(b) The commissioner may administer oaths, take and cause to be taken depositions of witnesses, and issue subpoenas, and may petition the district court in the county in which the premises is located to compel compliance with subpoenas or to permit an inspection.

(c) Violations of chapters 28, 28A, 29, 30, 31, 31A, and 34, or rules adopted under chapters 28, 28A, 29, 30, 31, 31A, and 34 are a violation of this chapter.

(d) Upon the request of the commissioner, county attorneys, sheriffs, and other officers having authority in the enforcement of the general criminal laws shall take action to the extent of their authority necessary or proper for the enforcement of this chapter or standards, stipulations, and agreements of the commissioner.

Subd. 2. **Commissioner's discretion.** If minor violations of this chapter occur or the commissioner believes the public interest will be best served by a suitable notice of warning in writing, this chapter does not require the commissioner to take any additional action.

Subd. 3. **Civil actions.** Civil judicial enforcement actions may be brought by the attorney general in the name of the state on behalf of the commissioner. A county attorney may bring a civil judicial enforcement action upon the request of the commissioner and agreement by the attorney general.

Subd. 4. **Injunction.** The commissioner may apply to a court with jurisdiction for a temporary or permanent injunction to prevent, restrain, or enjoin violations of provisions of this chapter.

Subd. 5. **Criminal actions.** Each county attorney or city attorney to whom the commissioner reports any violation of this chapter shall institute appropriate proceedings in the proper courts without delay and prosecute them in the manner required by law. If the county or city attorney refuses to prosecute, the attorney general, on request of the commissioner, may prosecute.

Sec. 32. **[34A.05] FALSE STATEMENT OR RECORD.**

A person must not knowingly make or offer a false statement, record, or other information as part of:

- (1) an application for registration, listing, license, certification, or permit subject to this chapter;
- (2) records or reports required subject to this chapter; or
- (3) an investigation of a violation of this chapter.

Sec. 33. **[34A.06] ADMINISTRATIVE ACTIONS.**

Subdivision 1. **Administrative enforcement.** (a) The commissioner may enforce this chapter by written warning, administrative meeting, cease and desist, forced sale, detain, embargo, condemnation, citation, corrective action order, seizure, agreement, withdrawal from distribution, or administrative penalty if the commissioner determines that the remedy is in the public interest.

(b) For facilities required to submit a plan review under rules of the commissioner of agriculture, the commissioner may withdraw by written order the approval of a facility or equipment if:

- (1) hazards to human life exist; or
- (2) there is satisfactory evidence that the person to whom the approval was issued has used fraudulent or deceptive practices to evade or attempt to evade provisions of this chapter.

(c) Any action under this subdivision may be appealed pursuant to section 34A.08.

Subd. 2. **License revocation, suspension, and refusal.** (a) The commissioner may revoke, suspend, limit, modify, or refuse to grant or renew a registration, listing, permit, license, or certification if a person violates or has violated this chapter within the last three years.

(b) The commissioner may revoke, suspend, limit, modify, or refuse to grant or renew a registration, listing, permit, license, or certification to a person from another state if that person has had a registration, permit, license, or certification denied, revoked, or suspended by another state for an offense reasonably related to the requirements, qualifications, or duties of a registration, permit, license, or certification issued under this chapter.

(c) The commissioner may revoke, suspend, limit, modify, or refuse to grant or renew a registration, listing, permit, license, or certification to a person after receiving satisfactory evidence that the registrant, permittee, licensee, or certificate holder has used fraudulent and deceptive practices in the evasion or attempted evasion of this chapter.

(d) A registration, listing, permit, license, or certification may not be revoked or suspended until the registrant, permittee, licensee, or certificate holder has been given opportunity for a hearing by the commissioner. After receiving notice of revocation or suspension, a registrant, permittee, licensee, registrant, or certificate holder has ten days to request a hearing, or another time period

mutually agreed to by both parties. If no request is made within ten days or other agreed-upon time, the registration, listing, permit, license, or certification is revoked or suspended. In the case of a refusal to grant a registration, listing, permit, license, or certification, the registrant, permittee, licensee, registrant, or certificate holder has ten days from notice of refusal to request a hearing. Upon receiving a request for hearing, the department shall proceed pursuant to section 34A.08, subdivision 2.

Sec. 34. **[34A.07] ADMINISTRATIVE PENALTIES.**

Subdivision 1. **Assessment.** (a) In determining the amount of the administrative penalty, the commissioner shall consider the economic gain received by the person allowing or committing the violation, the gravity of the violation in terms of actual or potential damage to human or animal health and the environment, the willfulness of the violation, number of violations, history of past violations, and other factors justice may require, if the additional factors are specifically identified in the inspection report. For a violation after an initial violation, the commissioner shall also consider the similarity of the most recent previous violation and the violation to be penalized, the time elapsed since the last violation, the number of previous violations, and the response of the person to the most recent previous violation identified.

(b) The commissioner may issue an administrative citation assessing an administrative penalty of up to \$1,500 for each violation of this chapter. Each day a violation continues is a separate violation. The citation must describe the nature of the violation, the statute or rule alleged to have been violated, the time for correction, if applicable, and the amount of any proposed fine. The citation must advise the person to notify the commissioner in writing within 20 days, or another time period mutually agreed to by the commissioner and the person subject to the citation, if the person wishes to appeal the citation and that if the person fails to appeal the citation, the citation is the final order and not subject to further review.

(c) An administrative penalty may be assessed if the person subject to a written order does not comply with the order in the time provided in the order.

Subd. 2. **Collection of penalty.** (a) If a person subject to an administrative penalty fails to pay the penalty, which must be part of a final citation by the commissioner, by 30 days after the final order is issued, the commissioner may commence a civil action for double the assessed penalty plus attorney fees and costs.

(b) An administrative penalty may be recovered in a civil action in the name of the state brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office.

Sec. 35. **[34A.08] APPEAL OF ADMINISTRATIVE ACTION OR PENALTY.**

Subdivision 1. **Notice of appeal.** (a) After service of a citation under section 34A.07 or order under section 34A.06, subdivision 1, a person has 20 days from receipt of the citation or order, or another time period mutually agreed to by the commissioner and the person subject to the citation or order, to notify the commissioner in writing that the person intends to contest the citation or order through a hearing. The hearing request must specifically identify the order or citation being contested and state the grounds for contesting it.

(b) If the person fails to notify the commissioner that the person intends to contest the citation

or order, the citation or order is final and not subject to further judicial or administrative review.

Subd. 2. **Administrative review.** If a person notifies the commissioner that the person intends to contest a citation or order issued under this chapter, the Office of Administrative Hearings shall conduct a hearing in accordance with the applicable provisions of chapter 14 for hearings in contested cases.

Sec. 36. [34A.09] CIVIL PENALTIES.

Subdivision 1. **General penalty.** A person who violates this chapter or an order, standard, stipulation, agreement, citation, or schedule of compliance of the commissioner or impedes, hinders, or otherwise prevents or attempts to prevent performance of a duty by the commissioner in connection with this chapter is subject to a civil penalty of up to \$7,500 per day of violation as determined by the court.

Subd. 2. **Actions to compel performance.** In an action to compel performance of an order of the commissioner to enforce this chapter, the court must require a defendant adjudged responsible to perform the acts within the person's power that are reasonably necessary to accomplish the purposes of the order.

Subd. 3. **Recovery of penalties by civil action.** The civil penalties and payments provided for in this section may be recovered by a civil action brought by the county attorney or the attorney general in the name of the state.

Sec. 37. [34A.10] CRIMINAL PENALTIES.

Subdivision 1. **General violation.** Except as provided in subdivisions 2 and 3, a person is guilty of a misdemeanor if the person violates this chapter or an order, standard, citation, stipulation, agreement, or schedule of compliance of the commissioner, or impedes, hinders, or otherwise prevents, or attempts to prevent the commissioner or a duly authorized agent in performance of a duty in connection with this chapter. Unless otherwise specified in this chapter, each separate violation is a separate offense, except that in the case of a violation through continuing failure or neglect to obey this chapter, each day the failure or neglect continues is a separate offense.

Subd. 2. **Violation endangering humans or animals.** A person is guilty of a gross misdemeanor if the person violates this chapter or an order, standard, stipulation, agreement, or schedule of compliance of the commissioner and the violation endangers humans or animals.

Subd. 3. **Violation with knowledge.** A person is guilty of a gross misdemeanor if the person knowingly violates this chapter or an order, standard, stipulation, agreement, or schedule of compliance of the commissioner.

Sec. 38. [34A.11] EMBARGO, SEIZURE, AND CONDEMNATION.

Subdivision 1. **Tag, notice, or withdrawal from distribution.** If the commissioner finds probable cause to believe that any food, animal, or consumer commodity is being distributed in violation of this chapter or rules under this chapter, or is adulterated or so misbranded as to be dangerous or fraudulent, the commissioner shall affix to the food, animal, or consumer commodity a tag, withdrawal from distribution order, or other appropriate marking giving notice that the food, animal, or consumer commodity is, or is suspected of being, adulterated, misbranded, or distributed in violation of this chapter, and has been detained or embargoed, and warning all persons not

to remove or dispose of the food, animal, or consumer commodity by sale or otherwise until permission for removal or disposal is given by the commissioner or the court. It is unlawful for a person to remove or dispose of a detained or embargoed food, animal, or consumer commodity by sale or otherwise without the commissioner's or a court's permission and each transaction is a separate violation of this subdivision.

Subd. 2. **Seizure.** A carcass; part of a carcass; meat or meat food product of an animal; or dead, dying, disabled, or diseased animal that is being transported in intrastate commerce, or is held for sale in this state after transportation in intrastate commerce, may be proceeded against, seized, and condemned if:

(1) it is or has been prepared, sold, transported, or otherwise distributed, offered, or received for distribution in violation of this chapter;

(2) it is usable as human food and is adulterated or misbranded; or

(3) it is in any other way in violation of this chapter.

The commissioner may act against the article or animal at any time on a complaint in the district court of the judicial district where the article or animal is found.

Subd. 3. **Action for condemnation.** If food or an article or animal, detained or embargoed under subdivision 1 has been found by the commissioner to be adulterated or misbranded or in violation of this chapter, the commissioner shall petition the district court in the county in which the food or animal is detained or embargoed for an order and decree for the condemnation of the food or animal. The commissioner shall release the food or animal when this chapter and rules adopted under this chapter have been complied with or the food or animal is found to be not adulterated or misbranded.

Subd. 4. **Remedies.** If the court finds that a detained or embargoed food or animal is adulterated, misbranded, or in violation of this chapter or rules adopted under this chapter, the following remedies are available:

(1) after entering a decree, the food or animal may be destroyed at the expense of the claimant under the supervision of the commissioner, and all court costs, fees, storage, and other proper expenses, must be assessed against the claimant of the food or animal or the claimant's agent; and

(2) if adulteration or misbranding can be corrected by proper labeling or processing of the food or animal, the court, after entry of the decree and after costs, fees, and expenses have been paid and a good and sufficient bond, conditioned that the food or animal must be properly labeled or processed, has been executed, may by order direct that the food or animal be delivered to the claimant for proper labeling or processing under the supervision of the commissioner. The expense of the supervision must be paid by the claimant. The food or animal must be returned to the claimant and the bond must be discharged on the representation to the court by the commissioner that the food or animal is no longer in violation and that the expenses for the supervision have been paid.

Subd. 5. **Duties of commissioner.** If the commissioner finds in any room, building, vehicle of transportation, or other structure any meat, seafood, poultry, vegetable, fruit, or other perishable articles of food that are unsound, or contain any filthy, decomposed, or putrid substance, or that may be poisonous or deleterious to health or otherwise unsafe, the commissioner shall condemn or destroy the item or in any other manner render the item as unsalable as human food, and no one has any cause of action against the commissioner on account of the commissioner's action.

Subd. 6. **Emergency response.** If the governor declares an emergency order under section 12.31 and if the commissioner finds or has probable cause to believe that livestock, food, or a consumer commodity within a specific area is likely to be adulterated because of the emergency or so misbranded as to be dangerous or fraudulent, or is in violation of section 31.131, subdivision 1, the commissioner may embargo a geographic area that is included in the declared emergency. The commissioner shall provide notice to the public and to those with custody of the product in as thorough a manner as is practicable under the emergency circumstances.

Sec. 39. **[34A.12] POWERS OF THE COMMISSIONER.**

Subdivision 1. **Gathering information.** The commissioner may, for the purposes of this chapter:

(1) gather and compile information concerning and investigate the organization, business, conduct, practices, and management of a person in intrastate commerce and the person's relation to other persons; and

(2) require, by general or special orders, a person, persons, or a class of persons engaged in intrastate commerce to file with the commissioner, in the form the commissioner prescribes, annual and special reports or answers in writing to specific questions, giving the commissioner the information the commissioner requires about the organization, business, conduct, practices, management, and relation to other persons, of the person filing the reports or answers. The reports and answers must be made under oath, or otherwise, as the commissioner prescribes, and filed with the commissioner within a reasonable time the commissioner prescribes, unless additional time is granted by the commissioner.

Subd. 2. **Examination of documents for evidence.** (a) For purposes of this chapter, the commissioner must at all reasonable times be allowed to examine and copy documentary evidence of a person being investigated or proceeded against. The commissioner may subpoena witnesses and require the production of documentary evidence of a person relating to any matter under investigation. The commissioner may sign subpoenas, administer oaths and affirmations, examine witnesses, and receive evidence.

(b) Attendance of witnesses and the production of documentary evidence may be required at a designated hearing place. In case of disobedience to a subpoena, the commissioner may invoke the aid of the district court to require the attendance and testimony of witnesses and the production of documentary evidence.

(c) The district court, in case of refusal to obey a subpoena issued to a person, may issue an order requiring the person to appear before the commissioner or to produce documentary evidence if ordered, or to give evidence touching the matter in question. Failure to obey the order of the court may be punishable by the court as a contempt.

(d) Upon the application of the attorney general at the request of the commissioner, the district court may order a person to comply with this chapter or an order of the commissioner made under this chapter.

(e) The commissioner may order testimony to be taken by deposition in a proceeding or investigation pending under this chapter at any state of the proceeding or investigation. Depositions may be taken before a person designated by the commissioner and having power to administer oaths. The testimony must be reduced to writing by the person taking the deposition or under

the person's direction and must then be signed by the witness. A person may be compelled to appear and depose and to produce documentary evidence in the same manner as witnesses may be compelled to appear and testify and produce documentary evidence before the commissioner.

(f) Witnesses summoned before the commissioner may be paid the same fees and mileage that are paid witnesses in the district courts. Witnesses whose depositions are taken and the persons taking them may be entitled to the fees that are paid for those services in the district court.

(g) A person is not excused from attending and testifying or from producing books, papers, schedules of charges, contracts, agreements, or other documentary evidence before the commissioner or in obedience to the subpoena of the commissioner whether the subpoena is signed or issued by the commissioner or the commissioner's agent, or in any cause or proceeding, criminal or otherwise, based upon or growing out of an alleged violation of this chapter because the testimony or evidence, documentary or otherwise, required of the person may tend to incriminate the person or subject the person to a penalty or forfeiture. No person may be prosecuted or subjected to a penalty or forfeiture on account of a matter concerning which the person is compelled, after having claimed a privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that a witness is not exempt from prosecution and punishment for perjury committed in testifying.

Subd. 3. Penalties related to testimony and records. (a) A person who neglects or refuses to attend and testify, to answer a lawful inquiry, or to produce documentary evidence, if it is in the person's power to do so in obedience to the subpoena or lawful requirement of the commissioner, is guilty of a misdemeanor.

(b) A person who willfully:

(1) makes or causes to be made a false entry or statement of fact in a report required under this chapter;

(2) makes or causes to be made a false entry in an account, record, or memorandum kept by a person subject to this chapter;

(3) neglects or fails to make or to cause to be made full and correct entries in the accounts, records, or memoranda, of all facts and transactions relating to the person's business;

(4) leaves the jurisdiction of this state;

(5) mutilates, alters, or by any other means falsifies documentary evidence of a person subject to this chapter; or

(6) refuses to submit to the commissioner, for inspection and copying, any documentary evidence of a person subject to this chapter in the person's possession or control, is guilty of a misdemeanor.

(c) A person required by this chapter to file an annual or special report who fails to do so within the time fixed by the commissioner for filing the report and continues the failure for 30 days after notice of failure to file, is guilty of a misdemeanor.

(d) An officer or employee of this state who makes public information obtained by the commissioner without the commissioner's authority, unless directed by a court, is guilty of a

misdemeanor.

Sec. 40. **REPEALER.**

(a) Minnesota Statutes 2010, sections 28.15; 28A.12; 28A.13; 29.28; 31.031; 31.041; 31.05; 31.14; 31.393; 31.58; 31.592; 31.621, subdivision 5; 31.631, subdivision 4; 31.633, subdivision 2; 31.681; 31.74, subdivision 3; 31.91; 31A.24; 31A.26; and 34.113, are repealed.

(b) Minnesota Rules, parts 1540.0010, subpart 26; 1550.0930, subparts 3, 4, 5, 6, and 7; 1550.1040, subparts 3, 4, 5, and 6; and 1550.1260, subparts 6 and 7, are repealed.

Delete the title and insert:

"A bill for an act relating to agriculture; modifying provisions related to pesticides, plants, nursery law, inspections, enforcements, food, animals, grain, and weights and measures; establishing Dairy Research, Teaching, and Consumer Education Authority; requiring reports; modifying certain ethanol and biodiesel provisions; delaying the effective date to eliminate certain limitations on wind easements; providing for food law enforcement; making technical and conforming changes; amending Minnesota Statutes 2010, sections 17.114, subdivisions 3, 4; 17.982, subdivision 1; 17.983; 17.984, subdivision 1; 18B.065, subdivision 2a, by adding a subdivision; 18B.316, subdivision 6; 18G.02, subdivision 14; 18G.07, subdivision 1; 18G.10, subdivision 7, by adding a subdivision; 18H.02, subdivision 14, by adding a subdivision; 18H.10; 18H.14; 18J.01; 18J.02; 18J.03; 18J.04, subdivisions 1, 2, 3, 4; 18J.05, subdivisions 1, 2, 6; 18J.06; 18J.07, subdivisions 3, 4, 5; 21.82, subdivisions 7, 8; 25.33, subdivisions 5, 13, 14; 25.36; 25.37; 28A.03, subdivisions 3, 5, 6; 28A.21, subdivision 6; 31.01, subdivisions 2, 3, 4, 21, 25, 28; 31.121; 31.123; 31.13; 31.94; 31A.02, subdivisions 13, 14, 15, 16; 31A.23; 32.01, subdivisions 11, 12; 35.0661, subdivisions 2, 3; 40A.17; 41A.12, subdivisions 2, 4; 223.16, subdivision 12; 223.17, subdivisions 1, 4, 6, 9; 232.21, subdivisions 2, 6, 12; 232.22, subdivisions 3, 4, 5, 7; 232.23, subdivisions 2, 5, 10; 232.24, subdivisions 1, 2; 239.092; 239.093; 239.77, subdivisions 3, 5; 239.791, subdivision 1a; Laws 2008, chapter 296, article 1, section 25, as amended; Laws 2011, chapter 14, section 6; proposing coding for new law as Minnesota Statutes, chapters 32C; 34A; repealing Minnesota Statutes 2010, sections 17B.01; 17B.02; 17B.03; 17B.04; 17B.041; 17B.0451; 17B.048; 17B.05; 17B.06; 17B.07; 17B.10; 17B.11; 17B.12; 17B.13; 17B.14; 17B.15, subdivisions 1, 3; 17B.16; 17B.17; 17B.18; 17B.20; 17B.22, subdivisions 1, 2; 17B.28; 17B.29; 27.19, subdivisions 2, 3; 27.20; 28.15; 28A.12; 28A.13; 29.28; 31.031; 31.041; 31.05; 31.14; 31.393; 31.58; 31.592; 31.621, subdivision 5; 31.631, subdivision 4; 31.633, subdivision 2; 31.681; 31.74, subdivision 3; 31.91; 31A.24; 31A.26; 34.113; 35.243; 35.255; 35.67; 35.68; 35.69; 35.72; 223.16, subdivision 7; 223.18; 232.21, subdivision 4; 232.24, subdivision 3; 232.25; 233.01; 233.015; 233.017; 233.02; 233.03; 233.04; 233.05; 233.06; 233.07; 233.08; 233.09; 233.10; 233.11; 233.12; 233.22; 233.23; 233.24; 233.33; 234.01; 234.03; 234.04; 234.05; 234.06; 234.08; 234.09; 234.10; 234.11; 234.12; 234.13; 234.14; 234.15; 234.16; 234.17; 234.18; 234.19; 234.20; 234.21; 234.22; 234.23; 234.24; 234.25; 234.27; 235.01; 235.02; 235.04; 235.05; 235.06; 235.07; 235.08; 235.09; 235.10; 235.13; 235.18; 236.01; 236.02; 236.03; 236.04; 236.05; 236.06; 236.07; 236.08; 236.09; 395.14; 395.15; 395.16; 395.17; 395.18; 395.19; 395.20; 395.21; 395.22; 395.23; 395.24; Minnesota Rules, parts 1505.0780; 1505.0810; 1511.0100; 1511.0110; 1511.0120; 1511.0130; 1511.0140; 1511.0150; 1511.0160; 1511.0170; 1540.0010, subpart 26; 1550.0930, subparts 3, 4, 5, 6, 7; 1550.1040, subparts 3, 4, 5, 6; 1550.1260, subparts 6, 7; 1562.0100, subparts 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25; 1562.0200; 1562.0400; 1562.0700; 1562.0900; 1562.1300; 1562.1800."

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

Senator Magnus from the Committee on Agriculture and Rural Economies, to which was referred

S.F. No. 396: A bill for an act relating to agriculture; modifying the classification of horses as livestock; amending Minnesota Statutes 2010, section 17.459, subdivision 2; repealing Minnesota Statutes 2010, section 17.459, subdivision 3.

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

Delete everything after the enacting clause and insert:

"Section 1. [17.345] NOT DETERMINATIVE FOR PROPERTY CLASSIFICATION.

Participating in an agricultural pursuit identified in this chapter is not determinative for the classification of property under chapter 273.

Sec. 2. Minnesota Statutes 2010, section 17.459, subdivision 2, is amended to read:

Subd. 2. **Agricultural pursuit.** Raising horses and other equines is agricultural production and an agricultural pursuit. A horse breeding farm, horse training farm, horse boarding farm, or a farm combining those purposes is an agricultural operation.

Sec. 3. **REPEALER.**

Minnesota Statutes 2010, section 17.459, subdivision 3, is repealed."

Amend the title numbers accordingly

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

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

S.F. No. 2313: A bill for an act relating to insurance; permitting certain entities to administer unified personal health premium accounts; creating a task force; proposing coding for new law as Minnesota Statutes, chapter 62V; repealing Minnesota Statutes 2010, section 62L.12, subdivisions 3, 4.

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

Page 4, after line 4, insert:

"Sec. 5. Minnesota Statutes 2011 Supplement, section 256L.031, subdivision 4, is amended to read:

Subd. 4. **Administration by commissioner.** (a) The commissioner shall administer the defined contributions. The commissioner shall:

(1) calculate and process defined contributions for enrollees; and

(2) pay the defined contribution amount to personal health premium account administrators as defined in section 62V.01, health plan companies or the Minnesota Comprehensive Health Association, as applicable, for enrollee health plan coverage.

(b) Nonpayment of a health plan premium shall result in disenrollment from MinnesotaCare effective the first day of the calendar month following the calendar month for which the premium was due. Persons disenrolled for nonpayment or who voluntarily terminate coverage may not reenroll until four calendar months have elapsed."

Page 4, line 5, delete "ESTABLISHMENT OF" and insert "HEALTH INSURANCE"

Page 4, lines 6 and 10, before "Marketplace" insert "Health Insurance"

Page 4, delete lines 7 to 9 and insert "perform the duties set forth in subdivision 4."

Page 4, line 11, delete everything after the period

Page 4, delete lines 12 to 19 and insert:

"A working group of five senators, three appointed by the senate majority leader and two appointed by the senate minority leader, and five representatives, three appointed by the speaker of the house and two appointed by the house minority leader shall appoint membership of the task force by July 1, 2012, as follows:

(1) four members appointed from a pool of nominees proposed by the Chamber of Commerce representing both large and small employers, one of whom will be designated to convene the initial meeting of the task force;

(2) two members appointed from a pool of nominees proposed by the Minnesota Council of Health Plans;

(3) two members appointed from a pool of nominees proposed by nonhospital provider groups;

(4) two members appointed from a pool of nominees proposed by the Minnesota Hospital Association; and

(5) four members appointed from a pool of nominees proposed by the Minnesota Association of Health Underwriters.

The speaker of the house shall designate one of the legislative appointees to convene the working group."

Page 4, delete subdivision 3 and insert:

"Subd. 3. **Meetings and procedures.** The initial meeting of the task force must be convened no later than August 1, 2012. At that meeting, a chair will be elected from the task force membership and a meeting schedule established. Members of the task force must serve without compensation or reimbursement of expenses from the task force.

Subd. 4. **Duties.** The task force shall:

(1) identify existing Internet-based tools for purchasing health insurance;

(2) evaluate their utility in aiding individuals and businesses in purchasing health insurance;

(3) develop recommendations, if necessary, to broaden or enhance the capacity of Internet-based purchasing tools; and

(4) report to the legislature by February 1, 2013, their recommendations, specifying what, if any, state action is needed to implement them.

Subd. 5. **Sunset.** The task force shall sunset on the day following submission of the report."

Renumber the sections in sequence

Amend the title numbers accordingly

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

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

S.F. No. 2255: A bill for an act relating to commerce; prohibiting health plans receiving government subsidies; regulating health benefit intermediaries; proposing coding for new law in Minnesota Statutes, chapter 62A.

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

Page 1, line 8, before "No" insert "(a)"

Page 2, delete line 9 and insert:

"(ix) is operated by, regulated by, or under contract with a government department, agency, board, or commission.

(b) For purposes of this section, "market intermediary" means a health benefit exchange created or established pursuant to Public Law 111-148."

Page 2, before line 11, insert:

"Subdivision 1. **Definition.** For purposes of this section, "health benefit intermediary" or "intermediary" means a health benefit exchange created or established pursuant to Public Law 111-148."

Page 2, delete line 15 and insert:

"(1) be operated by, regulated by, or under contract with a government department, agency, board, or commission;"

Renumber the subdivisions in sequence

And when so amended the bill do pass. Senator Lourey questioned the reference thereon and, under Rule 21, the bill was referred to the Committee on Rules and Administration.

SECOND READING OF SENATE BILLS

S.F. Nos. 2107, 2088 and 396 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 2376 was read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Saxhaug introduced—

S.F. No. 2466: A bill for an act relating to local government; authorizing municipalities to make grants to emergency medical services agencies; amending Minnesota Statutes 2010, section 465.037.

Referred to the Committee on Local Government and Elections.

Senator Saxhaug introduced—

S.F. No. 2467: A bill for an act relating to local government; authorizing Itasca County to issue general obligation bonds for the county nursing home; amending Laws 2003, chapter 127, article 12, section 28.

Referred to the Committee on Local Government and Elections.

Senator Latz introduced—

S.F. No. 2468: A bill for an act relating to commerce; regulating collection agency license fees; requiring a reduced fee in certain cases; amending Minnesota Statutes 2010, section 332.33, subdivision 3.

Referred to the Committee on Commerce and Consumer Protection.

Senator Robling introduced—

S.F. No. 2469: A bill for an act relating to finance; requiring the Legislative Advisory Commission to consider certain requests to spend federal money; limiting the authority to spend federal money without legislative review to certain emergency management purposes; amending Minnesota Statutes 2010, sections 3.3005, subdivisions 2a, 5, 6; 12.22, subdivision 1; 116.03, subdivision 3; repealing Minnesota Statutes 2010, section 3.3005, subdivision 4.

Referred to the Committee on Finance.

Senator Senjem introduced—

S.F. No. 2470: A bill for an act relating to capital investment; extending an appropriation for the Stagecoach Trail; amending Laws 2008, chapter 179, section 7, subdivision 27.

Referred to the Committee on Capital Investment.

Senators Ortman and Benson introduced—

S.F. No. 2471: A bill for an act relating to education; modifying certain bonding election timing provisions for school districts; amending Minnesota Statutes 2010, section 475.58, by adding a subdivision.

Referred to the Committee on Education.

Senator Latz introduced—

S.F. No. 2472: A bill for an act relating to real estate; providing a process for requesting mortgage loan modifications and for responses by lenders; proposing coding for new law as Minnesota Statutes, chapter 584.

Referred to the Committee on Judiciary and Public Safety.

Senator Latz introduced—

S.F. No. 2473: A bill for an act relating to real estate; enacting the Supporting Responsible Homeowners and Stabilizing Neighborhoods Act; providing homeowner opportunities in regard to underwater mortgage loans and foreclosure relief on residential homestead property; amending Minnesota Statutes 2010, section 580.02; Minnesota Statutes 2011 Supplement, section 580.041, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 47; 580; proposing coding for new law as Minnesota Statutes, chapter 584.

Referred to the Committee on Judiciary and Public Safety.

Senator Vandever introduced—

S.F. No. 2474: A bill for an act relating to local government; limiting fees and charges related to housing and vacant buildings; preempting municipal ordinances on hazardous buildings; creating a Citizen Housing Review Board; amending Minnesota Statutes 2010, sections 429.101, subdivision 1; 462.3612, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 463; 471; repealing Minnesota Statutes 2010, section 463.26.

Referred to the Committee on Local Government and Elections.

Senator Hann introduced—

S.F. No. 2475: A bill for an act relating to taxation; individual income; allowing a subtraction for certain expenditures for medical care and health insurance; amending Minnesota Statutes 2011 Supplement, section 290.01, subdivision 19b.

Referred to the Committee on Taxes.

Senator Michel introduced—

S.F. No. 2476: A bill for an act relating to state government; enacting the Uniform Electronic Legal Material Act approved by the National Conference of Commissioners on Uniform State Laws; proposing coding for new law as Minnesota Statutes, chapter 3E.

Referred to the Committee on Judiciary and Public Safety.

Senator Michel introduced—

S.F. No. 2477: A bill for an act relating to higher education; modifying definition of student for purposes of the statement of immunization; amending Minnesota Statutes 2010, section 135A.14, subdivision 1.

Referred to the Committee on Higher Education.

Senator Gazelka introduced—

S.F. No. 2478: A bill for an act relating to state government; creating an advisory inspections process; proposing coding for new law in Minnesota Statutes, chapter 15.

Referred to the Committee on State Government Innovation and Veterans.

Senators Marty, Dibble, Bakk, Skoe and Rest introduced—

S.F. No. 2479: A bill for an act relating to taxation; corporate franchise; modifying provisions related to foreign operating corporations; amending Minnesota Statutes 2010, sections 290.01, subdivision 19d; 290.17, subdivision 4; 290.21, subdivision 4.

Referred to the Committee on Taxes.

Senator Gazelka introduced—

S.F. No. 2480: A bill for an act relating to capital investment; appropriating money for asset preservation of the Charles A. Lindbergh House; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Gazelka introduced—

S.F. No. 2481: A bill for an act relating to energy; allowing landlords to register to be notified of impending utility disconnections of units in their buildings; proposing coding for new law in Minnesota Statutes, chapter 216B.

Referred to the Committee on Energy, Utilities and Telecommunications.

Senators Olson and Stumpf introduced—

S.F. No. 2482: A bill for an act relating to education finance; modifying certain education finance provisions; amending Minnesota Statutes 2011 Supplement, sections 120B.07; 120B.08; 120B.09; 120B.12, subdivision 2; 124D.98, subdivisions 2, 3; 126C.126.

Referred to the Committee on Education.

Senator McGuire introduced—

S.F. No. 2483: A bill for an act relating to capital investment; appropriating money for transportation and access improvements to Como Regional Park; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senators Limmer, Dzedzic, Bonoff, Hayden and Ingebrigtsen introduced—

S.F. No. 2484: A bill for an act relating to civil actions; regulating the liability of certain municipal employees; amending Minnesota Statutes 2010, section 466.04, subdivision 1a.

Referred to the Committee on Judiciary and Public Safety.

Senator Sparks introduced—

S.F. No. 2485: A bill for an act relating to taxation; sales and use; modifying definition of sale and purchase relating to amusement devices; amending Minnesota Statutes 2011 Supplement, section 297A.61, subdivision 3.

Referred to the Committee on Taxes.

Senator Lourey introduced—

S.F. No. 2486: A bill for an act relating to state government; making adjustments to health and human services appropriations; making changes to health care and continuing care; modifying program eligibility requirements; making changes to human services licensing and provider screening; establishing fees and modifying fee schedules; appropriating money; amending Minnesota Statutes 2010, section 256B.056, subdivision 1a; Minnesota Statutes 2011 Supplement, sections 245A.03, subdivision 7; 245A.10, subdivisions 3, 4; 256B.056, subdivision 3; 256B.057, subdivision 9; 256B.06, subdivision 4; 256B.0659, subdivisions 11, 28; 256B.49, subdivision 15; 256B.69, subdivision 5c; Laws 2011, First Special Session chapter 9, article 7, sections 52; 54; article 10, section 3, subdivision 3.

Referred to the Committee on Health and Human Services.

Senator Wiger introduced—

S.F. No. 2487: A bill for an act relating to appropriations; appropriating money for state government and veterans affairs; providing for fund transfers; providing for various fees and accounts; clarifying the military burial honors provision; modifying the GI bill program; amending

Minnesota Statutes 2010, sections 138.668; 197.231; 197.608, subdivisions 4, 5, 6; 197.791, subdivisions 1, 3, 4, 5, 6; Minnesota Statutes 2011 Supplement, section 197.608, subdivision 3; repealing Minnesota Statutes 2010, section 197.608, subdivision 2a.

Referred to the Committee on State Government Innovation and Veterans.

Senator Parry introduced—

S.F. No. 2488: A bill for an act relating to veterans; expanding the purposes for the Minnesota GI Bill program to include apprenticeships and on-the-job training; amending Minnesota Statutes 2010, section 197.791, subdivision 6, by adding a subdivision.

Referred to the Committee on State Government Innovation and Veterans.

Senators Rosen, Senjem and Saxhaug introduced—

S.F. No. 2489: A bill for an act relating to taxation; property taxes; modifying definition of real property; amending Minnesota Statutes 2010, section 272.03, subdivision 1.

Referred to the Committee on Taxes.

Senator Ingebrigtsen, for the Committee on Environment and Natural Resources, introduced—

S.F. No. 2490: A bill for an act relating to game and fish; modifying license requirements and fees to take wild animals; creating walk-in access program; providing for disposition of certain receipts; appropriating money; amending Minnesota Statutes 2010, sections 97A.411, subdivision 1, by adding a subdivision; 97A.435, subdivision 2; 97A.451, subdivisions 3, 4, 5, by adding a subdivision; 97A.473, subdivisions 2, 2b, 3, 4, 5, 5a; 97A.474, subdivision 2; 97A.475, subdivisions 2, 3, 4, 6, 8, 11, 12, 20, 43, 44, 45; 97A.485, subdivision 7; 97B.020; 97B.715, subdivision 1; 97B.801; 97C.305, subdivisions 1, 2; Minnesota Statutes 2011 Supplement, sections 97A.075, subdivision 1; 97A.475, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 97A; repealing Minnesota Statutes 2010, sections 97A.451, subdivisions 3a, 7; 97C.303.

Referred to the Committee on Finance.

Senator Gazelka introduced—

S.F. No. 2491: A bill for an act relating to state government; requiring certain state employee contributions for health insurance premiums during the biennium ending June 30, 2013.

Referred to the Committee on State Government Innovation and Veterans.

Senators Olson, Daley, Kruse, Lillie and Pederson introduced—

S.F. No. 2492: A bill for an act relating to education finance; modifying school district aid payment shift; amending Minnesota Statutes 2011 Supplement, section 127A.45, subdivision 2.

Referred to the Committee on Education.

Senator Ingebrigtsen, for the Committee on Environment and Natural Resources, introduced—

S.F. No. 2493: A bill for an act relating to natural resources; appropriating money from the outdoor heritage fund; modifying requirements for outdoor heritage fund appropriations; appropriating money for clean water; appropriating money for an Aquatic Invasive Species Cooperative Research Center; modifying prior appropriations; modifying certain parks and trails grant program provisions; amending Minnesota Statutes 2010, sections 85.535, subdivision 3; 97A.056, by adding subdivisions; Laws 2009, chapter 172, article 3, section 3; Laws 2011, First Special Session chapter 2, article 3, section 2, subdivision 9; Laws 2011, First Special Session chapter 6, article 2, section 7.

Referred to the Committee on Finance.

MOTIONS AND RESOLUTIONS

Senator Wiger moved that his name be stricken as a co-author to S.F. No. 1774. The motion prevailed.

Senator Hoffman moved that the names of Senators Thompson and DeKruif be added as co-authors to S.F. No. 2004. The motion prevailed.

Senator Nelson moved that the name of Senator Bonoff be added as a co-author to S.F. No. 2386. The motion prevailed.

Senator Latz moved that the names of Senators Dibble and Sieben be added as co-authors to S.F. No. 2473. The motion prevailed.

Senator Wiger introduced –

Senate Resolution No. 135: A Senate resolution honoring the memory of Jerry Markie and his lifetime of special commitment to public education in Minnesota.

Referred to the Committee on Rules and Administration.

SPECIAL ORDERS

Pursuant to Rule 26, Senator Senjem, Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

S.F. Nos. 1788, 1917, H.F. No. 1515, S.F. No. 2166 and H.F. No. 1560.

SPECIAL ORDER

S.F. No. 1788: A bill for an act relating to utilities; requiring studies for the purpose of reducing regulatory burdens; proposing coding for new law in Minnesota Statutes, chapter 216B.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Gazelka	Kelash	Miller	Saxhaug
Benson	Gerlach	Koch	Nelson	Senjem
Bonoff	Gimse	Kruse	Newman	Sheran
Brown	Goodwin	Langseth	Nienow	Sieben
Carlson	Hall	Latz	Olson	Skoe
Chamberlain	Hann	Lillie	Ortman	Sparks
Dahms	Harrington	Limmer	Pappas	Stumpf
Daley	Hayden	Lourey	Parry	Thompson
DeKruif	Higgins	Magnus	Pederson	Tomassoni
Dibble	Hoffman	Marty	Reinert	Torres Ray
Dziedzic	Howe	McGuire	Rest	Vandever
Eaton	Ingebrigtsen	Metzen	Robling	Wiger
Fischbach	Jungbauer	Michel	Rosen	Wolf

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1917: A bill for an act relating to education; extending for one additional year school districts' ability to use prone restraints under some conditions; requiring data collection and reporting; amending Minnesota Statutes 2010, sections 125A.0941; 125A.0942, subdivision 4; Minnesota Statutes 2011 Supplement, section 125A.0942, subdivision 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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Gazelka	Kelash	Miller	Saxhaug
Benson	Gerlach	Koch	Nelson	Senjem
Bonoff	Gimse	Kruse	Newman	Sheran
Brown	Goodwin	Langseth	Nienow	Sieben
Carlson	Hall	Latz	Olson	Skoe
Chamberlain	Hann	Lillie	Ortman	Sparks
Dahms	Harrington	Limmer	Pappas	Stumpf
Daley	Hayden	Lourey	Parry	Thompson
DeKruif	Higgins	Magnus	Pederson	Tomassoni
Dibble	Hoffman	Marty	Reinert	Torres Ray
Dziedzic	Howe	McGuire	Rest	Vandever
Eaton	Ingebrigtsen	Metzen	Robling	Wiger
Fischbach	Jungbauer	Michel	Rosen	Wolf

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1515: A bill for an act relating to real property; landlord and tenant; modifying certain late fee provisions; clarifying certain provisions related to eviction from property subject to foreclosure; amending Minnesota Statutes 2010, sections 504B.177; 504B.285, subdivisions 1b,

1c; Minnesota Statutes 2011 Supplement, section 504B.285, subdivision 1a.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Gazelka	Kelash	Miller	Saxhaug
Benson	Gerlach	Koch	Nelson	Senjem
Bonoff	Gimse	Kruse	Newman	Sheran
Brown	Goodwin	Langseth	Nienow	Sieben
Carlson	Hall	Latz	Olson	Skoe
Chamberlain	Hann	Lillie	Ortman	Sparks
Dahms	Harrington	Limmer	Pappas	Stumpf
Daley	Hayden	Lourey	Parry	Thompson
DeKruif	Higgins	Magnus	Pederson	Tomassoni
Dibble	Hoffman	Marty	Reinert	Torres Ray
Dziedzic	Howe	McGuire	Rest	Vandev eer
Eaton	Ingebrigtsen	Metzen	Robling	Wiger
Fischbach	Jungbauer	Michel	Rosen	Wolf

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 2166: A bill for an act relating to public safety; modifying provisions relating to school bus safety and standards; abolishing standards for type III vehicles used for transporting students; amending Minnesota Statutes 2010, sections 169.4501, subdivisions 1, 2; 169.4503, subdivisions 5, 20, by adding subdivisions; 169.4582, subdivision 2; repealing Minnesota Statutes 2010, sections 169.441, subdivision 5; 169.445, subdivision 2; 169.454, subdivision 10.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Gazelka	Kelash	Miller	Saxhaug
Benson	Gerlach	Koch	Nelson	Senjem
Bonoff	Gimse	Kruse	Newman	Sheran
Brown	Goodwin	Langseth	Nienow	Sieben
Carlson	Hall	Latz	Olson	Skoe
Chamberlain	Hann	Lillie	Ortman	Sparks
Dahms	Harrington	Limmer	Pappas	Stumpf
Daley	Hayden	Lourey	Parry	Thompson
DeKruif	Higgins	Magnus	Pederson	Tomassoni
Dibble	Hoffman	Marty	Reinert	Torres Ray
Dziedzic	Howe	McGuire	Rest	Vandev eer
Eaton	Ingebrigtsen	Metzen	Robling	Wiger
Fischbach	Jungbauer	Michel	Rosen	Wolf

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1560: A bill for an act relating to state government; providing for disposition of contested case hearings by the Office of Administrative Hearings; amending Minnesota Statutes 2010, section 14.57.

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 36 and nays 28, as follows:

Those who voted in the affirmative were:

Benson	Gazelka	Kruse	Newman	Stumpf
Brown	Gerlach	Langseth	Nienow	Thompson
Carlson	Gimse	Lillie	Olson	Vanderveer
Chamberlain	Hall	Limmer	Ortman	Wolf
Dahms	Hann	Magnus	Parry	
Daley	Ingebrigtsen	Michel	Pederson	
DeKruif	Jungbauer	Miller	Robling	
Fischbach	Koch	Nelson	Senjem	

Those who voted in the negative were:

Bakk	Goodwin	Latz	Rest	Sparks
Bonoff	Harrington	Lourey	Rosen	Tomassoni
Cohen	Hayden	McGuire	Saxhaug	Torres Ray
Dibble	Higgins	Metzen	Sheran	Wiger
Dziedzic	Howe	Pappas	Sieben	
Eaton	Kelash	Reinert	Skoe	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

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

REPORTS OF COMMITTEES

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

Senator Michel from the Committee on Jobs and Economic Growth, to which was referred

S.F. No. 2223: A bill for an act relating to economic development; modifying the greater Minnesota business development public infrastructure grant program; amending Minnesota Statutes 2010, section 116J.431, subdivision 1a.

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

Page 1, line 11, delete "city" and insert "cities"

Page 1, line 12, delete "is" and insert ", Hamburg, and New Germany are" and delete "a grant" and insert "grants"

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

Senator Hann from the Committee on Health and Human Services, to which was referred

S.F. No. 1553: A bill for an act relating to health; providing a temporary permit to practice without compensation to dentists or dental hygienists licensed in another state; amending Minnesota Statutes 2010, section 150A.06, by adding a subdivision.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 150A.06, subdivision 2c, is amended to read:

Subd. 2c. **Guest license.** (a) The board shall grant a guest license to practice as a dentist, dental hygienist, or licensed dental assistant if the following conditions are met:

(1) the dentist, dental hygienist, or dental assistant is currently licensed in good standing in ~~North Dakota, South Dakota, Iowa, or Wisconsin~~ another United States jurisdiction;

(2) the dentist, dental hygienist, or dental assistant is currently engaged in the practice of that person's respective profession in ~~North Dakota, South Dakota, Iowa, or Wisconsin~~ another United States jurisdiction;

(3) the dentist, dental hygienist, or dental assistant will limit that person's practice to a public health setting in Minnesota that (i) is approved by the board; (ii) was established by a nonprofit organization that is tax exempt under chapter 501(c)(3) of the Internal Revenue Code of 1986; and (iii) provides dental care to patients who have difficulty accessing dental care;

(4) the dentist, dental hygienist, or dental assistant agrees to treat indigent patients who meet the eligibility criteria established by the clinic; and

(5) the dentist, dental hygienist, or dental assistant has applied to the board for a guest license and has paid a nonrefundable license fee to the board not to exceed \$75.

(b) A guest license must be renewed annually with the board and an annual renewal fee not to exceed \$75 must be paid to the board. Guest licenses expire on December 31 of each year.

(c) A dentist, dental hygienist, or dental assistant practicing under a guest license under this subdivision shall have the same obligations as a dentist, dental hygienist, or dental assistant who is licensed in Minnesota and shall be subject to the laws and rules of Minnesota and the regulatory authority of the board. If the board suspends or revokes the guest license of, or otherwise disciplines, a dentist, dental hygienist, or dental assistant practicing under this subdivision, the board shall promptly report such disciplinary action to the dentist's, dental hygienist's, or dental assistant's regulatory board in the ~~border state~~ jurisdictions in which they are licensed.

(d) The board may grant a guest license to a dentist, dental hygienist, or dental assistant licensed in another United States jurisdiction to provide dental care to patients on a voluntary basis without compensation for a limited period of time. The board shall not assess a fee for the guest license for

volunteer services issued under this paragraph.

The board shall issue an annual guest license for volunteer services license if:

(1) the board determines that the applicant's services will provide dental care to patients who have difficulty accessing dental care;

(2) the care will be provided without compensation; and

(3) the applicant provides adequate proof of the status of all licenses to practice in other jurisdictions. The board may require such proof on an application form developed by the board.

The guest license for volunteer services shall limit the licensee to providing dental care services for a period of time not to exceed ten days in a calendar year. Guest licenses expire on December 31 of each year. A guest license issued under this paragraph may be renewed annually.

The holder of a guest license for volunteer services shall be subject to state's laws and rules regarding dentistry and the regulatory authority of the board. The board may revoke the license of a dentist, dental hygienist, or dental assistant practicing under this paragraph or take other regulatory action against the dentist, dental hygienist, or dental assistant. If an action is taken, the board shall report the action to the regulatory board of those jurisdictions where an active license is held by the dentist, dental hygienist, or dental assistant.

Sec. 2. Laws 2011, First Special Session chapter 9, article 10, section 8, subdivision 8, is amended to read:

Subd. 8. Board of Nursing Home Administrators	2,153,000	2,145,000
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Rulemaking. Of this appropriation, \$44,000 in fiscal year 2012 is for rulemaking. This is a onetime appropriation.

Electronic Licensing System Adaptors. Of this appropriation, \$761,000 in fiscal year 2013 from the state government special revenue fund is to the administrative services unit to cover the costs to connect to the e-licensing system. Minnesota Statutes, section 16E.22. Base level funding for this activity in fiscal year 2014 shall be \$100,000. Base level funding for this activity in fiscal year 2015 shall be \$50,000.

Development and Implementation of a Disciplinary, Regulatory, Licensing and Information Management System. Of this appropriation, \$800,000 in fiscal year 2012 and \$300,000 in fiscal year 2013 are for the development of a shared system. Base level funding for this activity in fiscal year 2014 shall be \$50,000.

Administrative Services Unit - Operating Costs. Of this appropriation, \$526,000 in fiscal year 2012 and \$526,000 in fiscal year 2013 are for operating costs of the administrative services unit. The administrative services unit may receive and expend reimbursements for services performed by other agencies.

Administrative Services Unit - Retirement Costs. Of this appropriation in fiscal year 2012, \$225,000 is for onetime retirement costs in the health-related boards. This funding may be transferred to the health boards incurring those costs for their payment. These funds are available either year of the biennium.

Administrative Services Unit - Volunteer Health Care Provider Program. Of this appropriation, \$150,000 in fiscal year 2012 and \$150,000 in fiscal year 2013 are to pay for medical professional liability coverage required under Minnesota Statutes, section 214.40.

Administrative Services Unit - Contested Cases and Other Legal Proceedings. Of this appropriation, \$200,000 in fiscal year 2012 and \$200,000 in fiscal year 2013 are for costs of contested case hearings and other unanticipated costs of legal proceedings involving health-related boards funded under this section. Upon certification of a health-related board to the administrative services unit that the costs will be incurred and that there is insufficient money available to pay for the costs out of money currently available to that board, the administrative services unit is authorized to transfer money from this appropriation to the board for payment of those costs with the approval of the commissioner of management and budget. This appropriation does not cancel. Any unencumbered and unspent balances remain available for these expenditures in subsequent fiscal years.

Base Adjustment. The State Government Special Revenue Fund base is decreased by \$911,000 in fiscal year 2014 and \$1,011,000 \$961,000 in fiscal year 2015."

Amend the title numbers accordingly

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

Senator Hann from the Committee on Health and Human Services, to which was referred

S.F. No. 2330: A bill for an act relating to health; modifying eligibility for grants; amending Minnesota Statutes 2010, section 145.4235, subdivision 2.

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

Senator Hann from the Committee on Health and Human Services, to which was referred

S.F. No. 1621: A bill for an act relating to human services; modifying child care accreditation provisions; amending Minnesota Statutes 2010, section 119B.13, subdivision 3a.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 119B.13, subdivision 3a, is amended to read:

Subd. 3a. **Provider rate differential for accreditation.** A family child care provider or child care center shall be paid a 15 percent differential above the maximum rate established in subdivision 1, up to the actual provider rate, if the provider or center holds a current early childhood development credential or is accredited. For a family child care provider, early childhood development credential and accreditation includes an individual who has earned a child development associate degree, a child development associate credential, a diploma in child development from a Minnesota state technical college, or a bachelor's or post baccalaureate degree in early childhood education from an accredited college or university, or who is accredited by the National Association for Family Child Care or the Competency Based Training and Assessment Program. For a child care center, accreditation includes accreditation ~~by~~ that meets the following criteria: the accrediting organization must demonstrate the use of standards that promote the physical, social, emotional, and cognitive development of children. The accreditation standards shall include, but are not limited to, positive interactions between adults and children, age-appropriate learning activities, a system of tracking children's learning, use of assessment to meet children's needs, specific qualifications for staff, a learning environment that supports developmentally appropriate experiences for children, health and safety requirements, and family engagement strategies. The commissioner of human services, in conjunction with the commissioners of education and health, will develop an application and approval process based on the criteria in this section and any additional criteria. The process developed by the commissioner of human services must address periodic reassessment of approved accreditations. The commissioner of human services must report the criteria developed, the application, approval, and reassessment processes, and any additional recommendations by February 15, 2013, to the chairs and ranking

minority members of the legislative committees having jurisdiction over early childhood issues. The following accreditations shall be recognized for the provider rate differential until an approval process is implemented: the National Association for the Education of Young Children, the Council on Accreditation, the National Early Childhood Program Accreditation, the National School-Age Care Association, or the National Head Start Association Program of Excellence. For Montessori programs, accreditation includes the American Montessori Society, Association of Montessori International-USA, or the National Center for Montessori Education."

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

Senator Fischbach from the Committee on Higher Education, to which was re-referred

S.F. No. 2201: A bill for an act relating to education; providing for the creation of individualized learning schools; modifying certain site-governed school, postsecondary enrollment options, and charter school provisions; amending Minnesota Statutes 2010, sections 120B.024; 123B.045, subdivision 3; 124D.09, subdivisions 9, 12, 13, 24, 25; 135A.101, subdivision 1; Minnesota Statutes 2011 Supplement, sections 124D.09, subdivision 5; 124D.10, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 124D; repealing Minnesota Statutes 2010, section 124D.09, subdivision 23.

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

Page 4, after line 13, insert:

"EFFECTIVE DATE. This section is effective July 1, 2013."

Page 5, after line 10, insert:

"EFFECTIVE DATE. This section is effective July 1, 2013."

Page 6, after line 9, insert:

"EFFECTIVE DATE. This section is effective July 1, 2013."

Page 6, after line 27, insert:

"EFFECTIVE DATE. This section is effective July 1, 2013."

Page 7, after line 3, insert:

"EFFECTIVE DATE. This section is effective July 1, 2013."

Page 8, after line 6, insert:

"EFFECTIVE DATE. This section is effective July 1, 2013."

Page 8, after line 30, insert:

"EFFECTIVE DATE. This section is effective July 1, 2013."

Page 9, after line 3, insert:

"EFFECTIVE DATE. This section is effective July 1, 2013."

Page 9, after line 16, insert:

"EFFECTIVE DATE. This section is effective July 1, 2013."

Page 13, after line 5, insert:

"EFFECTIVE DATE. This section is effective July 1, 2013."

Page 13, after line 10, insert:

"EFFECTIVE DATE. This section is effective July 1, 2013."

Page 13, line 12, after "repealed" insert "effective July 1, 2013"

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

Senator Rosen from the Committee on Energy, Utilities and Telecommunications, to which was referred

S.F. No. 1758: A bill for an act relating to real property; expanding utility disconnection notice requirements; requiring service of notice of sale on energy service providers; providing for payment of utilities by the holder of a sheriff's certificate; amending Minnesota Statutes 2010, sections 216B.0976; 580.03; 582.031, subdivisions 2, 3.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 216B.0976, is amended to read:

216B.0976 NOTICE ~~TO CITIES~~ OF UTILITY DISCONNECTION.

Subdivision 1. **Notice required.** (a) Notwithstanding section 13.685 or any other law or administrative rule to the contrary, a public utility, cooperative electric association, or municipal utility must provide notice ~~to a statutory city or home rule charter city, as prescribed by this section,~~ of disconnection of a customer's gas or electric service to a statutory or home rule charter city or town in which the premises are located or the holder of a sheriff's certificate of sale for the premises, as provided under this section.

(b) Upon written request from a city or town, on October 15 and November 1 of each year, or the next business day if that date falls on a Saturday or Sunday, a report must be made available to the city or town of the address of properties in the city or town currently disconnected and the date of the disconnection. Upon written request ~~from a city,~~ between October 15 and April 15, daily reports must be made available of the address and date of any newly disconnected properties.

(c) The holder of a sheriff's certificate of sale may request information about the property's utility connection status. The utility must provide a method by which the holder of the certificate may request the property's utility connection status and may require the request to be submitted in writing, electronically, or by telephone. The request must include the address of the property. Upon receipt of a request, a public utility, cooperative electric association, or municipal utility must indicate whether service to the property is currently disconnected, including the date of any

disconnection; however, the utility is not required to provide that information more frequently than once per calendar week. The public utility, cooperative electric association, or municipal utility is not responsible for resolving differences between an address submitted by the holder of the sheriff's certificate and the address in the records of the utility or association.

(d) A city provided notice under this section must provide the information on disconnection to the police and fire departments of the city within three business days of receipt of the notice.

(e) For the purpose of this section, "disconnection" means a cessation of services initiated by the public utility, cooperative electric association, or municipal utility that affects the primary heat source of a residence ~~and service~~ or electric service and that is not reconnected within 24 hours.

Subd. 2. **Data.** Data on customers that are provided to cities or towns under subdivision 1 are private data on individuals or nonpublic data, as defined in section 13.02.

Sec. 2. Minnesota Statutes 2010, section 582.031, subdivision 2, is amended to read:

Subd. 2. **Authorized actions.** (a) The holder of the mortgage or sheriff's certificate may take the following actions to protect the premises from waste, trespass, or from falling below minimum community standards for public safety and sanitation: make reasonable periodic inspections; install or change locks on doors and windows; board windows, doors, and other openings; install and operate an alarm system; and otherwise prevent or minimize damage to the premises from the elements, vandalism, trespass, or other illegal activities. If the holder of the mortgage or sheriff's certificate installs or changes locks under this section, a key to the premises must be promptly delivered to the mortgageor or any person lawfully claiming through the mortgageor, upon request.

(b) If the gas or electric service to the premises has been disconnected, the holder of the sheriff's certificate of sale may have service restored or continued by paying the unpaid charges incurred after the sheriff's sale, if the person who incurred those charges still occupies the premises, or by becoming the bill payer responsible and customer of record for the service if the person who incurred those charges does not occupy the premises. A holder who becomes the customer of record of a cooperative electric association does not acquire membership rights. Exercise of the right to pay charges does not preclude the holder from exercising the right to become the bill payer responsible and customer of record.

Sec. 3. Minnesota Statutes 2010, section 582.031, subdivision 3, is amended to read:

Subd. 3. **Costs.** All costs incurred by the holder of the mortgage or sheriff's certificate ~~to protect the premises from waste or trespass or from falling below minimum community standards for public safety and sanitation~~ for authorized actions under subdivision 2, may be added to the principal balance of the mortgage or the costs allowable upon redemption. The costs may bear interest to the extent provided in the mortgage and may be added to the redemption price if the costs are incurred after a foreclosure sale. If the costs are incurred after a foreclosure sale, the holder of any sheriff's certificate of sale or certificate of redemption must comply with the provisions of section 582.03. The provisions of this section are in addition to, and do not limit or replace, any other rights or remedies available to holders of mortgages and sheriff's certificates, at law or under the applicable mortgage agreements."

Delete the title and insert:

"A bill for an act relating to real property; expanding utility disconnection notice requirements;

providing for payment of utilities by the holder of a sheriff's certificate; amending Minnesota Statutes 2010, sections 216B.0976; 582.031, subdivisions 2, 3."

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

Senator Rosen from the Committee on Energy, Utilities and Telecommunications, to which was referred

S.F. No. 2336: A bill for an act relating to energy; utilities; joint ventures; Indian tribes; expanding joint venture authority to include Indian tribes; amending Minnesota Statutes 2010, section 452.25, subdivisions 2, 3, 5, 6.

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

Senator Rosen from the Committee on Energy, Utilities and Telecommunications, to which was re-referred

H.F. No. 203: A bill for an act relating to regulatory reform; providing that certain rules take effect only upon legislative approval; amending Minnesota Statutes 2010, section 14.19; proposing coding for new law in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 2010, section 14.127.

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

Senator Olson from the Committee on Education, to which was referred

S.F. No. 2183: A bill for an act relating to education; prohibiting the commissioner of education from enforcing unadopted rules; amending Minnesota Statutes 2010, section 127A.05, subdivision 4.

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

Senator Olson from the Committee on Education, to which was referred

S.F. No. 2228: A bill for an act relating to education; providing for policy for prekindergarten through grade 12 education, including general education, education excellence, and special programs; amending Minnesota Statutes 2010, sections 120A.20, subdivision 2; 120A.22, subdivisions 4, 11; 122A.415, subdivision 3, by adding subdivisions; 122A.416; 123B.36, subdivision 1; 123B.92, subdivision 3; 124D.08, by adding a subdivision; 124D.09, subdivision 22; 125A.14; 125A.19; 125A.515, subdivision 1; 126C.13, subdivision 4; 127A.47, subdivision 1; Minnesota Statutes 2011 Supplement, sections 120A.24, subdivisions 1, 2; 120B.30, subdivision 1; 124D.10, subdivisions 1, 4, 6, 13, 14, 25; 126C.10, subdivision 1; Laws 2011, First Special Session chapter 11, article 2, section 50, subdivision 16; repealing Minnesota Statutes 2010, sections 125A.16; 125A.80; 126C.10, subdivisions 34, 35, 36; 127A.47, subdivision 2.

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

Page 2, line 11, after "pupil's" insert "district of"

Page 2, line 15, after "a" insert "public"

Page 2, delete section 2

Pages 3 to 7, delete sections 4 to 11 and insert:

"Sec. 3. Minnesota Statutes 2011 Supplement, section 121A.15, subdivision 8, is amended to read:

Subd. 8. **Report.** The administrator or other person having general control and supervision of the elementary or secondary school shall file a report with the commissioner on all persons enrolled in the school. The superintendent of each district shall file a report with the commissioner for all persons within the district receiving instruction in a ~~home~~ nonpublic school that is not accredited by a state recognized accrediting agency in compliance with sections 120A.22 and 120A.24. The parent of persons receiving instruction in a ~~home~~ nonpublic school shall submit the statements as required by subdivisions 1, 2, 3, 4, and 12 to the superintendent of the district in which the person resides by October 1 of the first year of their ~~homeschooling~~ attending a nonpublic school that is not accredited by a state recognized accrediting agency in Minnesota and the grade 7 year. The school report must be prepared on forms developed jointly by the commissioner of health and the commissioner of education and be distributed to the local districts by the commissioner of health. The school report must state the number of persons attending the school, the number of persons who have not been immunized according to subdivision 1 or 2, and the number of persons who received an exemption under subdivision 3, clause (c) or (d). The school report must be filed with the commissioner of education within 60 days of the commencement of each new school term. Upon request, a district must be given a 60-day extension for filing the school report. The commissioner of education shall forward the report, or a copy thereof, to the commissioner of health who shall provide summary reports to boards of health as defined in section 145A.02, subdivision 2. The administrator or other person having general control and supervision of the child care facility shall file a report with the commissioner of human services on all persons enrolled in the child care facility. The child care facility report must be prepared on forms developed jointly by the commissioner of health and the commissioner of human services and be distributed to child care facilities by the commissioner of health. The child care facility report must state the number of persons enrolled in the facility, the number of persons with no immunizations, the number of persons who received an exemption under subdivision 3, clause (c) or (d), and the number of persons with partial or full immunization histories. The child care facility report must be filed with the commissioner of human services by November 1 of each year. The commissioner of human services shall forward the report, or a copy thereof, to the commissioner of health who shall provide summary reports to boards of health as defined in section 145A.02, subdivision 2. The report required by this subdivision is not required of a family child care or group family child care facility, for prekindergarten children enrolled in any elementary or secondary school provided services according to sections 125A.03 and 125A.06, nor for child care facilities in which at least 75 percent of children in the facility participate on a onetime only or occasional basis to a maximum of 45 hours per child, per month.

Sec. 4. Minnesota Statutes 2011 Supplement, section 121A.15, subdivision 9, is amended to read:

Subd. 9. **Definitions.** As used in this section the following terms have the meanings given them.

(a) "Elementary or secondary school" includes any public school as defined in section 120A.05, subdivisions 9, 11, 13, and 17, or nonpublic school, church, or religious organization, or ~~home~~

nonpublic school that is not accredited by a state recognized accrediting agency in which a child is provided instruction in compliance with sections 120A.22 and 120A.24.

(b) "Person enrolled in any elementary or secondary school" means a person born after 1956 and enrolled in grades kindergarten through 12, and a child with a disability receiving special instruction and services as required in sections 125A.03 to 125A.24 and 125A.65, excluding a child being provided services at the home or bedside of the child or in other states.

(c) "Child care facility" includes those child care programs subject to licensure under chapter 245A, and Minnesota Rules, chapters 9502 and 9503.

(d) "Family child care" means child care for no more than ten children at one time of which no more than six are under school age. The licensed capacity must include all children of any caregiver when the children are present in the residence.

(e) "Group family child care" means child care for no more than 14 children at any one time. The total number of children includes all children of any caregiver when the children are present in the residence."

Page 8, line 28, after "pupil's" insert "district of"

Page 9, delete sections 14 and 15

Page 10, line 14, delete "(a)"

Page 10, delete lines 15 and 16

Page 10, delete section 1

Page 14, delete section 3

Page 18, delete section 5

Page 20, after line 2, insert:

"Sec. 5. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 17a, is amended to read:

Subd. 17a. **Affiliated nonprofit building corporation.** (a) Before a charter school may organize an affiliated nonprofit building corporation (i) to renovate or purchase an existing facility to serve as a school or (ii) to construct a new school facility, an authorizer must submit an affidavit to the commissioner for approval in the form and manner the commissioner prescribes, and consistent with paragraphs (b) and (c) or (d).

(b) An affiliated nonprofit building corporation under this subdivision must:

(1) be incorporated under section 317A and comply with applicable Internal Revenue Service regulations;

(2) submit to the commissioner each fiscal year a list of current board members and a copy of its annual audit; and

(3) comply with government data practices law under chapter 13.

An affiliated nonprofit building corporation must not serve as the leasing agent for property or facilities it does not own. A charter school that leases a facility from an affiliated nonprofit building corporation that does not own the leased facility is ineligible to receive charter school lease aid. The state is immune from liability resulting from a contract between a charter school and an affiliated nonprofit building corporation.

(c) A charter school may organize an affiliated nonprofit building corporation to renovate or purchase an existing facility to serve as a school if the charter school:

- (1) has been operating for at least five consecutive school years;
- (2) has had a net positive unreserved general fund balance as of June 30 in the preceding five fiscal years;
- (3) has a long-range strategic and financial plan;
- (4) completes a feasibility study of available buildings; ~~and~~
- (5) documents enrollment projections and the need to use an affiliated building corporation to renovate or purchase an existing facility to serve as a school; and
- (6) has a plan for the renovation or purchase, which describes the parameters and budget for the project.

(d) A charter school may organize an affiliated nonprofit building corporation to expand an existing school facility or construct a new school facility if the charter school:

- (1) demonstrates the lack of facilities available to serve as a school;
- (2) has been operating for at least eight consecutive school years;
- (3) has had a net positive unreserved general fund balance as of June 30 in the preceding eight fiscal years;
- (4) completes a feasibility study of facility options;
- (5) has a long-range strategic and financial plan that includes enrollment projections and demonstrates the need for constructing a new school facility; and
- (6) has a plan for the expansion or new school facility, which describes the parameters and budget for the project.

(e) A charter school or an affiliated nonprofit building corporation organized by a charter school must not initiate an installment contract for purchase, or a lease agreement, or solicit bids for new construction, expansion, or remodeling of an educational facility that requires an expenditure in excess of \$1,400,000, unless it meets the criteria in paragraph (b) and paragraph (c) or (d), as applicable, and receives a positive review and comment from the commissioner under section 123B.71."

Re-number the sections in sequence

Amend the title accordingly

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

Senator Olson from the Committee on Education, to which was referred

S.F. No. 2038: A bill for an act relating to education finance; clarifying shared time aid for home-schooled students attending charter schools; amending Minnesota Statutes 2010, section 126C.19, subdivision 2; Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 8.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 8, is amended to read:

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

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

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

(d) A charter school must be nonsectarian in its programs, admission policies, employment practices, and all other operations. An authorizer may not authorize a charter school or program that is affiliated with a nonpublic sectarian school or a religious institution. A charter school student must be released for religious instruction, consistent with section 120A.22, subdivision 12, clause (3).

(e) Charter schools must not be used as a method of providing education or generating revenue for students who are being home-schooled. This paragraph does not apply to shared time aid, under section 126C.19.

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

(g) A charter school may not charge tuition.

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

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

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

operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

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

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

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

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

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

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

(q) A charter school that provides early childhood health and developmental screening must comply with sections 121A.16 to 121A.19.

(r) A charter school that provides school-sponsored youth athletic activities must comply with section 121A.38.

Sec. 2. Minnesota Statutes 2010, section 126C.19, subdivision 2, is amended to read:

Subd. 2. **Exception.** Notwithstanding subdivision 1, the resident district of a shared time pupil attending shared time classes in another district ~~may~~ or a charter school must grant the district or charter school of attendance, upon its request, permission to claim the pupil as a resident for state aid purposes. In this case, state aid must be paid to the district or charter school of attendance and, upon agreement. If the resident district agrees, the district of attendance may bill the resident district for any unreimbursed education costs, but not for unreimbursed transportation costs. The agreement may, however, provide resident district and the district or charter school of attendance may negotiate an agreement for the resident district to pay the cost of any of the particular transportation categories specified in section 123B.92, subdivision 1, and in this case, aid for those categories must be paid to the district of residence rather than to the district of attendance.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2014 and later."

Delete the title and insert:

"A bill for an act relating to education finance; clarifying shared time aid for nonpublic school students; eliminating the veto over shared time participation by resident districts; amending Minnesota Statutes 2010, section 126C.19, subdivision 2; Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 8."

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

Senator Vandever from the Committee on Local Government and Elections, to which was referred

S.F. No. 1880: A bill for an act relating to counties; providing a process for making the county recorder appointive in Dodge County.

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

Page 3, after line 5, insert:

"Sec. 2. **CLAY COUNTY AUDITOR-TREASURER OFFICE MAY BE APPOINTED.**

Subdivision 1. **Authority to make office appointive.** Notwithstanding Minnesota Statutes, section 382.01, upon adoption of a resolution by the Clay County Board of Commissioners, the office of county auditor-treasurer is not elective but must be filled by appointment by the county board as provided in the resolution.

Subd. 2. **Board controls; may change as long as duties done.** Upon adoption of a resolution by the county board of commissioners and subject to subdivisions 3 and 4, the duties of an elected official required by statute whose office is made appointive as authorized by this section must be discharged by the county board of commissioners acting through a department head appointed by the board for that purpose. Reorganization, reallocation, delegation, or other administrative change or transfer does not diminish, prohibit, or avoid the discharge of duties required by statute.

Subd. 3. **Incumbents to complete term.** The person elected at the last general election to an office made appointive under this section must serve in that capacity and perform the duties, functions, and responsibilities required by statute until the completion of the term of office to which the person was elected or until a vacancy occurs in the office, whichever occurs earlier.

Subd. 4. **Publishing resolution; petition, referendum.** (a) Before the adoption of the resolution to provide for the appointment of the county auditor-treasurer, the county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week for two consecutive weeks in the official publication of the county. Following publication and prior to formally adopting the resolution, the county board shall provide an opportunity at its next regular meeting for public comment relating to the issue. After the public comment opportunity, at the same meeting or a subsequent meeting, the county board of commissioners may adopt a resolution that provides for the appointment of the county auditor-treasurer as permitted in this section. The resolution must be approved by at least 80 percent of the members of the county board. The resolution may take effect 60 days after it is adopted, or at a later date stated in the resolution, unless a petition is filed as provided in paragraph (b).

(b) Within 60 days after the county board adopts the resolution, a petition requesting a referendum may be filed with the county auditor-treasurer. The petition must be signed by at least ten percent of the registered voters of the county. The petition must meet the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If the petition is sufficient, the question of appointing the county auditor-treasurer must be placed on the ballot at a regular or special election. If a majority of the voters of the county voting on the question vote in favor of appointment, the resolution may be implemented.

Subd. 5. **Reverting to elected offices.** (a) The county board may adopt a resolution to provide for the election of an office made an appointed position under this section, but not until at least three years after the office was made an appointed position. The county board must publish a proposed

resolution notifying the public of its intent to consider the issue once each week for two consecutive weeks in the official publication of the county. Following publication and before formally adopting the resolution, the county board must provide an opportunity at its next regular meeting for public comment relating to the issue. After the public comment hearing, the county board may adopt the resolution. The resolution must be approved by at least 60 percent of the members of the county board and is effective August 1 following adoption of the resolution.

(b) The question of whether an office made an appointed position under this section must be made an elected office must be placed on the ballot at the next general election if (1) the position has been an appointed position for at least three years, (2) a petition signed by at least ten percent of the registered voters of the county is filed with the office of the county auditor-treasurer by August 1 of the year in which the general election is held, and (3) the petition meets the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If a majority of the voters of the county voting on the question vote in favor of making the office an elected position, the election for that office must be held at the next regular or special election.

EFFECTIVE DATE. This section is effective the day after the Clay County Board of Commissioners and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3."

Amend the title as follows:

Page 1, line 2, delete "the county recorder" and insert "certain county offices"

Page 1, line 3, before the period, insert "and Clay County"

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

Senator Hann from the Committee on Health and Human Services, to which was referred

S.F. No. 248: A bill for an act relating to health; extending moratorium on radiation therapy facility construction in certain counties; amending Minnesota Statutes 2010, section 144.5509.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 144.5509, is amended to read:

144.5509 RADIATION THERAPY FACILITY CONSTRUCTION.

(a) A radiation therapy facility may be constructed only by an entity owned, operated, or controlled by a hospital licensed according to sections 144.50 to 144.56 either alone or in cooperation with another entity. This paragraph expires August 1, 2014.

(b) Notwithstanding paragraph (a), there shall be a moratorium on the construction of any radiation therapy facility located in the following counties: Hennepin, Ramsey, Dakota, Washington, Anoka, Carver, Scott, St. Louis, Sherburne, Benton, Stearns, Chisago, Isanti, and Wright. This paragraph does not apply to the relocation or reconstruction of an existing facility owned by a hospital if the relocation or reconstruction is within one mile of the existing facility.

This paragraph does not apply to a radiation therapy facility that is being built attached to a community hospital in Wright County and meets the following conditions prior to August 1, 2007: the capital expenditure report required under Minnesota Statutes, section 62J.17, has been filed with the commissioner of health; a timely construction schedule is developed, stipulating dates for beginning, achieving various stages, and completing construction; and all zoning and building permits applied for. Beginning January 1, 2013, this paragraph does not apply to any construction necessary to relocate a radiation therapy machine from a community hospital-owned radiation therapy facility located in the city of Maplewood to a community hospital campus in the city of Woodbury within the same health system. This paragraph expires August 1, 2014.

(c) After August 1, 2014, a radiation therapy facility may be constructed only if the following requirements are met:

(1) the entity constructing the radiation therapy facility is controlled by or is under common control with a hospital licensed under sections 144.50 to 144.56; and

(2) the new radiation therapy facility is located at least seven miles from an existing radiation therapy facility.

(d) Any referring physician must provide each patient who is in need of radiation therapy services with a list of all radiation therapy facilities located within the following counties: Hennepin, Ramsey, Dakota, Washington, Anoka, Carver, Scott, St. Louis, Sherburne, Benton, Stearns, Chisago, Isanti, and Wright. Physicians with a financial interest in any radiation therapy facility must disclose to the patient the existence of the interest.

(e) For purposes of this section, "controlled by" or "under common control with" means the possession, direct or indirect, of the power to direct or cause the direction of the policies, operations, or activities of an entity, through the ownership of, or right to vote or to direct the disposition of shares, membership interests, or ownership interests of the entity.

(f) For purposes of this section, "financial interest in any radiation therapy facility" means a direct or indirect ownership or investment interest in a radiation therapy facility or a compensation arrangement with a radiation therapy facility.

(g) This section does not apply to the relocation or reconstruction of an existing radiation therapy facility if:

(1) the relocation or reconstruction of the facility remains owned by the same entity;

(2) the relocation or reconstruction is located within one mile of the existing facility; and

(3) the period in which the existing facility is closed and the relocated or reconstructed facility begins providing services does not exceed 12 months.

Sec. 2. STUDY OF RADIATION THERAPY FACILITIES CAPACITY.

(a) To the extent of available appropriations, the commissioner of health shall conduct a study of the following: (1) current treatment capacity of the existing radiation therapy facilities within the state; (2) the present need for radiation therapy services based on population demographics and new cancer cases; and (3) the projected need in the next ten years for radiation therapy services and whether the current facilities can sustain this projected need.

(b) The commissioner may contract with a qualified entity to conduct the study. The study shall be completed by March 15, 2013, and the results shall be submitted to the chairs and ranking minority members of the health and human services committees of the legislature."

Delete the title and insert:

"A bill for an act relating to health; establishing criteria that must be met before a new radiation therapy facility can be constructed; requiring a study of radiation therapy facilities capacity; amending Minnesota Statutes 2010, section 144.5509."

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

Senator Hann from the Committee on Health and Human Services, to which was referred

S.F. No. 1626: A bill for an act relating to human services; modifying the Minnesota health care program provider requirements for critical access dental provider clinics; amending Minnesota Statutes 2011 Supplement, section 256B.76, subdivision 4.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 256B.0644, is amended to read:

256B.0644 REIMBURSEMENT UNDER OTHER STATE HEALTH CARE PROGRAMS.

(a) A vendor of medical care, as defined in section 256B.02, subdivision 7, and a health maintenance organization, as defined in chapter 62D, must participate as a provider or contractor in the medical assistance program, general assistance medical care program, and MinnesotaCare as a condition of participating as a provider in health insurance plans and programs or contractor for state employees established under section 43A.18, the public employees insurance program under section 43A.316, for health insurance plans offered to local statutory or home rule charter city, county, and school district employees, the workers' compensation system under section 176.135, and insurance plans provided through the Minnesota Comprehensive Health Association under sections 62E.01 to 62E.19. The limitations on insurance plans offered to local government employees shall not be applicable in geographic areas where provider participation is limited by managed care contracts with the Department of Human Services.

(b) For providers other than health maintenance organizations, participation in the medical assistance program means that:

(1) the provider accepts new medical assistance, general assistance medical care, and MinnesotaCare patients;

(2) for providers other than dental service providers, at least 20 percent of the provider's patients are covered by medical assistance, general assistance medical care, and MinnesotaCare as their primary source of coverage; or

(3) for dental service providers, at least ten percent of the provider's patients are covered by medical assistance, general assistance medical care, and MinnesotaCare as their primary source

of coverage, or the provider accepts new medical assistance and MinnesotaCare patients who are children with special health care needs. For purposes of this section, "children with special health care needs" means children up to age 18 who: (i) require health and related services beyond that required by children generally; and (ii) have or are at risk for a chronic physical, developmental, behavioral, or emotional condition, including: bleeding and coagulation disorders; immunodeficiency disorders; cancer; endocrinopathy; developmental disabilities; epilepsy, cerebral palsy, and other neurological diseases; visual impairment or deafness; Down syndrome and other genetic disorders; autism; fetal alcohol syndrome; and other conditions designated by the commissioner after consultation with representatives of pediatric dental providers and consumers.

(c) Patients seen on a volunteer basis by the provider at a location other than the provider's usual place of practice may be considered in meeting the participation requirement in this section. The commissioner shall establish participation requirements for health maintenance organizations. The commissioner shall provide lists of participating medical assistance providers on a quarterly basis to the commissioner of management and budget, the commissioner of labor and industry, and the commissioner of commerce. Each of the commissioners shall develop and implement procedures to exclude as participating providers in the program or programs under their jurisdiction those providers who do not participate in the medical assistance program. The commissioner of management and budget shall implement this section through contracts with participating health and dental carriers.

~~(d) For purposes of paragraphs (a) and (b), participation in the general assistance medical care program applies only to pharmacy providers~~ A volunteer dentist who has signed a volunteer agreement under section 256B.76, subdivision 7a, shall not be considered to be participating in medical assistance or MinnesotaCare for the purpose of this section.

Sec. 2. Minnesota Statutes 2010, section 256B.76, is amended by adding a subdivision to read:

Subd. 7a. **Volunteer dental providers.** (a) A volunteer dentist who is not enrolled as a medical assistance provider; is providing volunteer services for a nonprofit or government-owned dental provider enrolled as a medical assistance dental provider; and is not receiving payment for services provided, shall complete and submit a volunteer agreement form as prescribed by the commissioner. The volunteer agreement shall be used to enroll the dentist in medical assistance only for the purpose of providing volunteer services. The volunteer agreement shall specify that a volunteer dentist:

(1) will not appear in the Minnesota health care programs provider directory;

(2) will not receive payment for the services they provide to Minnesota health care program patients; and

(3) is not required to serve Minnesota health care program patients when providing nonvolunteer services in a private practice.

(b) A volunteer dentist enrolled under this subdivision shall not otherwise be enrolled in or receive payments from Minnesota health care programs as a fee-for-service provider.

(c) The volunteer dentist shall be notified by the dental provider for which they are providing services that medical assistance is being billed for the volunteer services provided."

Delete the title and insert:

"A bill for an act relating to human services; creating a volunteer agreement form for volunteer dentists to enroll as a medical assistance provider if certain criteria are met; amending Minnesota Statutes 2010, sections 256B.0644; 256B.76, by adding a subdivision."

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 933: A bill for an act relating to state government; proposing the Back Office Consolidation Act; centralizing accounting, financial reporting, procurement, fleet services, human resources, and payroll functions in the Department of Administration; proposing coding for new law in Minnesota Statutes, chapter 16B.

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

Delete everything after the enacting clause and insert:

"Section 1. CITATION.

This act may be known as the "Back Office Consolidation Act."

Sec. 2. BENCHMARKING STUDIES.

(a) \$450,000 is appropriated in fiscal year 2012 from the general fund to the commissioner of the Department of Administration to contract for a benchmark study resulting in a benchmark report on the efficiency and effectiveness of the following back office functions: finance; procurement; and human resources, including payroll. This is a onetime appropriation, and is available in fiscal year 2013. The benchmark report shall be completed by November 1, 2012, and shall:

(1) include an objective comparison of the performance of the state to peer groups and world-class organizations;

(2) quantify performance gaps;

(3) uncover hidden costs;

(4) identify improvement initiatives for the state to increase efficiency and effectiveness; and

(5) suggest a prioritized ranking of the improvement initiatives.

(b) The commissioner of administration shall provide copies of the benchmark report to the chairs and ranking minority members on the committees in the senate and house of representatives with primary jurisdiction over the Department of Administration.

Sec. 3. IMPROVEMENT INITIATIVES.

By January 15, 2013, the commissioner of administration shall submit a report to the chairs and ranking minority members on the committees in the senate and house of representatives with primary jurisdiction over the Department of Administration including:

(1) a plan for implementing the improvement initiatives identified in the benchmarking report;
and

(2) any draft legislation that is required to implement the improvements.

Sec. 4. **EFFECTIVE DATE.**

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

Delete the title and insert:

"A bill for an act relating to state government; proposing the Back Office Consolidation Act; appropriating funds for a benchmarking study for finance, procurement, and human resources."

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was re-referred

S.F. No. 1957: A bill for an act relating to job creation; providing for permit management and coordination; requiring centralized electronic accessibility to permit applications and documentation; proposing coding for new law in Minnesota Statutes, chapter 116J.

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was re-referred

S.F. No. 1945: A bill for an act relating to natural resources; providing for taking wolf; modifying predator control program; appropriating money; amending Minnesota Statutes 2010, sections 97A.015, subdivision 53; 97A.451, subdivision 3; 97A.473, subdivisions 3, 5, 5a; 97A.475, subdivisions 2, 3, 20; 97B.031, subdivisions 1, 2; 97B.035, subdivision 1a; 97B.601, subdivisions 3a, 4; 97B.603; 97B.605; 97B.671, subdivision 4; 97B.901; Minnesota Statutes 2011 Supplement, sections 97A.075, by adding a subdivision; 97B.075; 97B.645, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 97B; repealing Minnesota Statutes 2010, sections 97A.331, subdivision 7; 97B.645, subdivision 2.

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

Page 8, after line 9, insert:

"Sec. 20. Minnesota Statutes 2010, section 97B.671, subdivision 3, is amended to read:

Subd. 3. **Predator control payments.** The commissioner shall pay a predator controller the amount the commissioner ~~prescribes~~ determines by written order published in the State Register for each ~~predator~~ coyote and fox taken. ~~The commissioner shall pay at least \$25 but not more than \$60 for each coyote taken.~~ The commissioner may require the predator controller to submit proof of the taking and a signed statement concerning the predators taken. The fees are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply."

Page 10, after line 27, insert:

"Sec. 25. **RULEMAKING; TROUT SEASONS.**

The commissioner of natural resources shall amend Minnesota Rules, part 6262.0200, to make brown trout, brook trout, rainbow trout, and splake in lakes inside and outside the Boundary Waters Canoe Area consistent with this section. The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, to adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply, except as provided under Minnesota Statutes, section 14.388."

Renumber the sections in sequence

Amend the title accordingly

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was re-referred

S.F. No. 1921: A bill for an act relating to health; requiring licensure of certain facilities that perform abortions; requiring a licensing fee; amending Minnesota Statutes 2010, section 13.381, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 145.

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was re-referred

S.F. No. 1933: A bill for an act relating to health care; creating a health care compact; proposing coding for new law as Minnesota Statutes, chapter 143.

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was re-referred

S.F. No. 1259: A bill for an act relating to motor vehicles; allowing vehicles bearing special veterans' plates to park free of charge in state-owned parking facilities; proposing coding for new law in Minnesota Statutes, chapter 168.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 16B.58, is amended by adding a subdivision to read:

Subd. 9. Parking charge exemption for vehicles bearing certain special plates. An operator of a passenger automobile, recreational motor vehicle, or one-ton pickup truck bearing special plates, or a motorcycle bearing a single special plate, must not be required to pay a rent, charge, or fee to park the vehicle in a visitor metered parking space in a parking lot or ramp that is administered by the Department of Administration within the boundary of the Capitol area as defined in section 15B.02 when visiting the Capitol area. A special plate is subject to the exemption in this subdivision

if it is issued under section 168.12, subdivision 2c or 2d; 168.123; 168.124; 168.125; 168.1253; or 168.1255. This exemption does not apply to metered parking on public streets."

Delete the title and insert:

"A bill for an act relating to motor vehicles; allowing vehicles bearing special veterans' plates to park free of charge in public parking facilities; amending Minnesota Statutes 2010, section 16B.58, by adding a subdivision."

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was re-referred

S.F. No. 2042: A bill for an act relating to natural resources; modifying Wetland Conservation Act; amending Minnesota Statutes 2010, sections 103G.2241, subdivision 9; 103G.2242, subdivision 3; Minnesota Statutes 2011 Supplement, section 103G.222, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 103G.

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was re-referred

S.F. No. 230: A bill for an act relating to health occupations; providing for a Nurse Licensure Compact; providing for appointments; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 148.

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

Senator Parry from the Committee on State Government Innovation and Veterans, to which was referred

S.F. No. 2117: A bill for an act relating to state government; establishing a Legislative Commission on United Nations Agenda 21; proposing coding for new law in Minnesota Statutes, chapter 3.

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

SECOND READING OF SENATE BILLS

S.F. Nos. 2223, 2330, 2336, 2183, 2228, 1880, 248, 1626, 1933, 1259, 2042 and 230 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 203 was read the second time.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Sheran moved that the name of Senator Jungbauer be added as a co-author to S.F. No. 1053. The motion prevailed.

Senator Senjem moved that the name of Senator Nienow be added as a co-author to S.F. No. 1412. The motion prevailed.

Senator Marty moved that his name be stricken as a co-author to S.F. No. 2384. The motion prevailed.

Senator Benson moved that S.F. No. 880, No. 83 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

Senator Pederson moved that S.F. No. 2224, No. 38 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

Senator Nienow moved that S.F. No. 1165 be withdrawn from the Committee on Judiciary and Public Safety, given a second reading, and placed on General Orders. The motion prevailed.

S.F. No. 1165 was read the second time.

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

CALENDAR

S.F. No. 1620: A bill for an act relating to eminent domain; providing for a hearing before an administrative law judge on the amount or denial of eligibility for relocation assistance; amending Minnesota Statutes 2010, section 117.52, subdivision 4.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Fischbach	Kelash	Miller	Saxhaug
Benson	Gazelka	Koch	Nelson	Senjem
Bonoff	Gerlach	Kruse	Newman	Sheran
Brown	Gimse	Langseth	Nienow	Sieben
Carlson	Goodwin	Latz	Olson	Skoe
Chamberlain	Hall	Lillie	Ortman	Sparks
Cohen	Hann	Limmer	Pappas	Stumpf
Dahms	Harrington	Lourey	Parry	Thompson
Daley	Hayden	Magnus	Pederson	Tomassoni
DeKruif	Higgins	Marty	Reinert	Torres Ray
Dibble	Howe	McGuire	Rest	Vandever
Dziedzic	Ingebrigtsen	Metzen	Robling	Wiger
Eaton	Jungbauer	Michel	Rosen	Wolf

So the bill passed and its title was agreed to.

S.F. No. 1212: A bill for an act relating to health records; adding adult children of a deceased patient to the definition of patient; amending Minnesota Statutes 2010, section 144.291, subdivision 2.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Fischbach	Kelash	Miller	Saxhaug
Benson	Gazelka	Koch	Nelson	Senjem
Bonoff	Gerlach	Kruse	Newman	Sheran
Brown	Gimse	Langseth	Nienow	Sieben
Carlson	Goodwin	Latz	Olson	Skoe
Chamberlain	Hall	Lillie	Ortman	Sparks
Cohen	Hann	Limmer	Pappas	Stumpf
Dahms	Harrington	Lourey	Parry	Thompson
Daley	Hayden	Magnus	Pederson	Tomassoni
DeKruif	Higgins	Marty	Reinert	Torres Ray
Dibble	Howe	McGuire	Rest	Vandever
Dziedzic	Ingebrigtsen	Metzen	Robling	Wiger
Eaton	Jungbauer	Michel	Rosen	Wolf

So the bill passed and its title was agreed to.

S.F. No. 1542: A bill for an act relating to insurance; modifying defensive driving refresher course requirements; amending Minnesota Statutes 2010, section 65B.28, subdivision 4.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Gazelka	Koch	Nelson	Senjem
Benson	Gerlach	Kruse	Newman	Sheran
Bonoff	Gimse	Langseth	Nienow	Sieben
Carlson	Goodwin	Latz	Olson	Skoe
Chamberlain	Hall	Lillie	Ortman	Sparks
Cohen	Hann	Limmer	Pappas	Stumpf
Dahms	Harrington	Lourey	Parry	Thompson
Daley	Hayden	Magnus	Pederson	Tomassoni
DeKruif	Higgins	Marty	Reinert	Torres Ray
Dibble	Howe	McGuire	Rest	Vandever
Dziedzic	Ingebrigtsen	Metzen	Robling	Wiger
Eaton	Jungbauer	Michel	Rosen	Wolf
Fischbach	Kelash	Miller	Saxhaug	

So the bill passed and its title was agreed to.

H.F. No. 2152: A bill for an act relating to commerce; specifying the extent of responsibility of real estate licensees for property management activities on real property owned by the licensee or by an entity in which the licensee has an ownership interest; amending Minnesota Statutes 2010, section 82.73, subdivision 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Gazelka	Koch	Nelson	Senjem
Benson	Gerlach	Kruse	Newman	Sheran
Bonoff	Gimse	Langseth	Nienow	Sieben
Carlson	Goodwin	Latz	Olson	Skoe
Chamberlain	Hall	Lillie	Ortman	Sparks
Cohen	Hann	Limmer	Pappas	Stumpf
Dahms	Harrington	Lourey	Parry	Thompson
Daley	Hayden	Magnus	Pederson	Tomassoni
DeKruif	Higgins	Marty	Reinert	Torres Ray
Dibble	Howe	McGuire	Rest	Vandever
Dziedzic	Ingebrigtsen	Metzen	Robling	Wiger
Eaton	Jungbauer	Michel	Rosen	Wolf
Fischbach	Kelash	Miller	Saxhaug	

So the bill passed and its title was agreed to.

H.F. No. 300: A bill for an act relating to education; recommending comprehensive eye exams; amending Minnesota Statutes 2010, section 121A.17, subdivision 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

Bakk	Gazelka	Koch	Nelson	Senjem
Benson	Gerlach	Kruse	Newman	Sheran
Bonoff	Gimse	Langseth	Nienow	Sieben
Carlson	Goodwin	Latz	Olson	Skoe
Chamberlain	Hall	Lillie	Ortman	Sparks
Cohen	Hann	Limmer	Pappas	Stumpf
Dahms	Harrington	Lourey	Parry	Thompson
Daley	Hayden	Magnus	Pederson	Tomassoni
DeKruif	Higgins	Marty	Reinert	Torres Ray
Dibble	Howe	McGuire	Rest	Vandever
Dziedzic	Ingebrigtsen	Metzen	Robling	Wiger
Eaton	Jungbauer	Michel	Rosen	Wolf
Fischbach	Kelash	Miller	Saxhaug	

So the bill passed and its title was agreed to.

S.F. No. 1528: A bill for an act relating to education; providing 21st century tools for teachers; encouraging students to take one online course; requiring a report; amending Minnesota Statutes 2010, sections 124D.095, subdivision 10; 126C.15, subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 11, as follows:

Those who voted in the affirmative were:

Bakk	Gerlach	Koch	Nelson	Saxhaug
Benson	Gimse	Kruse	Newman	Senjem
Bonoff	Goodwin	Langseth	Nienow	Sheran
Carlson	Hall	Latz	Olson	Sieben
Dahms	Hann	Lillie	Ortman	Sparks
DeKruif	Harrington	Limmer	Pappas	Stumpf
Dibble	Hayden	Lourey	Parry	Torres Ray
Dziedzic	Higgins	Magnus	Pederson	Wiger
Eaton	Howe	Metzen	Reinert	Wolf
Fischbach	Ingebrigtsen	Michel	Robling	
Gazelka	Jungbauer	Miller	Rosen	

Those who voted in the negative were:

Chamberlain	Kelash	Rest	Tomassoni
Cohen	Marty	Skoe	Vandev eer
Daley	McGuire	Thompson	

So the bill passed and its title was agreed to.

RECESS

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

H.F. No. 382: Senators Thompson, Newman and Latz.

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

MEMBERS EXCUSED

Senator Cohen was excused from the Session of today from 11:00 to 11:45 a.m. Senator Hoffman was excused from the Session of today at 12:30 p.m. Senator Brown was excused from the Session of today at 12:40 p.m.

ADJOURNMENT

Senator Senjem moved that the Senate do now adjourn until 11:00 a.m., Monday, March 19, 2012. The motion prevailed.

Cal R. Ludeman, Secretary of the Senate

