

ONE HUNDRED SIXTH DAY

St. Paul, Minnesota, Friday, April 20, 2012

The Senate met at 10:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Senator Ortman 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. Martin Ericson.

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

The President declared a quorum present.

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

RECESS

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

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

CALL OF THE SENATE

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

the absent members.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

April 18, 2012

The Honorable Michelle L. Fischbach
President of the Senate

Dear Madam President:

Please be advised that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 2394, 1586, 2131, 1621, 2184, 1815, 1553, 1626, 1964, 2114, 1620, 1875, 1599, 2060, 1492, 2360 and 1689.

Sincerely,
Mark Dayton, Governor

April 18, 2012

The Honorable Kurt Zellers
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2012 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

| S.F. No. | H.F. No. | Session Laws Chapter No. | Time and Date Approved 2012 | Date Filed 2012 |
|-------------|-------------|-----------------------------|-----------------------------------|--------------------|
| 2394 | | 172 | 1:40 p.m. April 18 | April 18 |
| | 2333 | 173 | 1:40 p.m. April 18 | April 18 |
| | 2187 | 174 | 1:41 p.m. April 18 | April 18 |
| 1586 | | 175 | 10:15 a.m. April 18 | April 18 |
| 2131 | | 176 | 1:42 p.m. April 18 | April 18 |
| 1621 | | 177 | 1:43 p.m. April 18 | April 18 |
| 2184 | | 178 | 1:44 p.m. April 18 | April 18 |
| 1815 | | 179 | 1:45 p.m. April 18 | April 18 |
| 1553 | | 180 | 1:46 p.m. April 18 | April 18 |
| 1626 | | 181 | 1:47 p.m. April 18 | April 18 |
| 1964 | | 182 | 1:48 p.m. April 18 | April 18 |
| 2114 | | 183 | 1:48 p.m. April 18 | April 18 |
| 1620 | | 184 | 1:49 p.m. April 18 | April 18 |

106TH DAY]

FRIDAY, APRIL 20, 2012

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| | | | |
|------|-----|--------------------|----------|
| 1875 | 185 | 1:49 p.m. April 18 | April 18 |
| 1599 | 186 | 1:50 p.m. April 18 | April 18 |
| 2060 | 187 | 1:51 p.m. April 18 | April 18 |
| 1492 | 188 | 1:52 p.m. April 18 | April 18 |
| 2360 | 189 | 1:53 p.m. April 18 | April 18 |
| 1689 | 192 | 1:58 p.m. April 18 | April 18 |
| 2128 | 193 | 1:58 p.m. April 18 | April 18 |
| 1816 | 194 | 1:58 p.m. April 18 | April 18 |
| 2239 | 195 | 1:59 p.m. April 18 | April 18 |

Sincerely,
Mark Ritchie
Secretary of State

MESSAGES FROM THE HOUSE

Madam President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 2112, 2316 and 2354.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 19, 2012

Madam President:

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

S.F. No. 946: A bill for an act relating to education; establishing a pilot project to examine how school districts might operate jointly to provide innovative delivery of programs and activities and share resources.

Senate File No. 946 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 19, 2012

Senator DeKruif moved that the Senate do not concur in the amendments by the House to S.F. No. 946, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Madam President:

I have the honor to announce the passage by the House of the following House File, herewith

transmitted: H.F. No. 2232.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted April 19, 2012

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 2232: A bill for an act relating to human services; requiring data sharing with the Department of Human Services; requiring investigation of public assistance fraud; requiring eligibility determinations; amending Minnesota Statutes 2010, section 256.01, by adding subdivisions.

Referred to the Committee on Judiciary and Public Safety.

REPORTS OF COMMITTEES

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

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

H.F. No. 2341 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

| GENERAL ORDERS | | CONSENT CALENDAR | | CALENDAR | |
|----------------|----------|------------------|----------|----------|----------|
| H.F. No. | S.F. No. | H.F. No. | S.F. No. | H.F. No. | S.F. No. |
| 2341 | 1912 | | | | |

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 2341 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2341; and insert the language after the enacting clause of S.F. No. 1912, the first engrossment; further, delete the title of H.F. No. 2341; and insert the title of S.F. No. 1912, the first engrossment.

And when so amended H.F. No. 2341 will be identical to S.F. No. 1912, and further recommends that H.F. No. 2341 be given its second reading and substituted for S.F. No. 1912, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 2958 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

| GENERAL ORDERS | | CONSENT CALENDAR | | CALENDAR | |
|----------------|----------|------------------|----------|----------|----------|
| H.F. No. | S.F. No. | H.F. No. | S.F. No. | H.F. No. | S.F. No. |
| 2958 | 2469 | | | | |

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 2958 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2958, the first engrossment; and insert the language after the enacting clause of S.F. No. 2469, the first engrossment; further, delete the title of H.F. No. 2958, the first engrossment; and insert the title of S.F. No. 2469, the first engrossment.

And when so amended H.F. No. 2958 will be identical to S.F. No. 2469, and further recommends that H.F. No. 2958 be given its second reading and substituted for S.F. No. 2469, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 2447 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

| GENERAL ORDERS | | CONSENT CALENDAR | | CALENDAR | |
|----------------|----------|------------------|----------|----------|----------|
| H.F. No. | S.F. No. | H.F. No. | S.F. No. | H.F. No. | S.F. No. |
| 2447 | 2106 | | | | |

and that the above Senate File be indefinitely postponed.

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

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

H.F. No. 1607 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

| GENERAL ORDERS | | CONSENT CALENDAR | | CALENDAR | |
|----------------|----------|------------------|----------|----------|----------|
| H.F. No. | S.F. No. | H.F. No. | S.F. No. | H.F. No. | S.F. No. |
| 1607 | 1283 | | | | |

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 1607 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1607, the third engrossment; and insert the language after the enacting clause of S.F. No. 1283, the second engrossment; further, delete the title of H.F. No. 1607, the third engrossment; and insert the title of S.F. No. 1283, the second engrossment.

And when so amended H.F. No. 1607 will be identical to S.F. No. 1283, and further recommends that H.F. No. 1607 be given its second reading and substituted for S.F. No. 1283, and that the Senate File be indefinitely postponed.

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

SECOND READING OF HOUSE BILLS

H.F. Nos. 2341, 2958, 2447 and 1607 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time.

Senator Gimse introduced—

S.F. No. 2603: A bill for an act relating to human rights; requiring rulemaking for affirmative action goals in public contracts; amending Minnesota Statutes 2010, section 363A.37.

Referred to the Committee on Judiciary and Public Safety.

MOTIONS AND RESOLUTIONS

Senator Benson introduced –

Senate Resolution No. 153: A Senate resolution congratulating Delanie Moan for receiving the Girl Scout Gold Award.

Referred to the Committee on Rules and Administration.

Senator Koenen introduced –

Senate Resolution No. 154: A Senate resolution congratulating Jayson Rothmeier for receiving the Eagle Award.

Referred to the Committee on Rules and Administration.

S.F. No. 2392 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 2392

A bill for an act relating to liquor; modifying liquor regulation; authorizing liquor licenses; amending Minnesota Statutes 2010, sections 340A.315, by adding a subdivision; 340A.404, subdivision 4a; 340A.412, subdivision 14; 340A.419, subdivision 2; Minnesota Statutes 2011 Supplement, section 340A.404, subdivision 5a; proposing coding for new law in Minnesota Statutes, chapter 340A.

April 18, 2012

The Honorable Michelle L. Fischbach
President of the Senate

The Honorable Kurt Zellers
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 2392 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 2392 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 340A.315, is amended by adding a subdivision to read:

Subd. 8. **Bulk wine.** Farm wineries licensed under this section are permitted to purchase and use bulk wine, provided:

(1) the quantity of bulk wine in any farm winery's annual production shall not exceed ten percent of that winery's annual production;

(2) that bulk wine under section 340A.315, subdivision 4, shall be counted as a portion of the 49 percent of product that need not be Minnesota-grown and may be imported from outside Minnesota; and

(3) that the bulk wine must be blended and not directly bottled.

"Bulk wine," as used in this subdivision, means fermented juice from grapes, other fruit bases, or honey.

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

Sec. 2. Minnesota Statutes 2010, section 340A.315, is amended by adding a subdivision to read:

Subd. 9. **Agricultural land.** A farm winery license must be issued for operation of a farm winery on agricultural land, operating under an agricultural classification, zone, or conditional use permit. Farm wineries with licenses issued prior to March 1, 2012, are exempt from this provision.

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

Sec. 3. Minnesota Statutes 2010, section 340A.404, subdivision 4a, is amended to read:

Subd. 4a. **Publicly owned recreation; entertainment facilities.** (a) Notwithstanding any other

law, local ordinance, or charter provision, the commissioner may issue on-sale intoxicating liquor licenses:

(1) to the state agency administratively responsible for, or to an entity holding a concession or facility management contract with such agency for beverage sales at, the premises of any Giants Ridge Recreation Area building or recreational improvement area owned by the state in the city of Biwabik, St. Louis County;

(2) to the state agency administratively responsible for, or to an entity holding a concession or facility management contract with such agency for beverage sales at, the premises of any Ironworld Discovery Center building or facility owned by the state at Chisholm;

(3) to the Board of Regents of the University of Minnesota for events at Northrop Auditorium, the intercollegiate football stadium, ~~or including any games played by the Minnesota Vikings at the stadium, and at no more than seven other locations within the boundaries of the University of Minnesota, provided that the Board of Regents has approved an application for a license for the specified location and provided that a license for an arena or an intercollegiate football stadium location is void unless it requires the sale or service of intoxicating liquor in a public portion consisting of at least one-third of the general seating of a stadium or arena meets the conditions of paragraph (b).~~ It is solely within the discretion of the Board of Regents to choose the manner in which to carry out ~~this condition~~ these conditions consistent with the requirements of paragraph (b); and

(4) to the Duluth Entertainment and Convention Center Authority for beverage sales on the premises of the Duluth Entertainment and Convention Center Arena during intercollegiate hockey games.

The commissioner shall charge a fee for licenses issued under this subdivision in an amount comparable to the fee for comparable licenses issued in surrounding cities.

(b) No alcoholic beverage may be sold or served at TCF Bank Stadium unless the Board of Regents holds an on-sale intoxicating liquor license for the stadium as provided in paragraph (a), clause (3), that provides for the sale of intoxicating liquor at a location in the stadium that is convenient to the general public attending an intercollegiate football game at the stadium. On-sale liquor sales to the general public must be available at that location through half-time of an intercollegiate football game at TCF Bank Stadium, and sales at the stadium must comply with section 340A.909.

Sec. 4. Minnesota Statutes 2011 Supplement, section 340A.404, subdivision 5a, is amended to read:

Subd. 5a. **Wine festival.** A municipality with the approval of the commissioner may issue a temporary license to a bona fide association of owners and operators of wineries sponsoring an annual festival to showcase wines produced by members of the association. The commissioner may only approve one temporary license in a calendar year for each qualified association under this subdivision. The license issued under this subdivision authorizes the sale of table, sparkling, or fortified wines produced by the wineries at on-sale by the glass, provided that no more than two glasses per customer may be sold, and off-sale by the bottle, provided that no more than six bottles in total per customer may be sold. The license also authorizes the dispensing of free samples of the wines offered for sale within designated premises of the festival. A license issued under this

subdivision is subject to all laws and ordinances governing the sale, possession, and consumption of table, sparkling, or fortified wines. For purposes of this subdivision, a "bona fide association of owners and operators of wineries" means an association of more than ten wineries that has been in existence for more than two years at the time of application for the temporary license.

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

Sec. 5. [340A.4042] WINE EDUCATOR; ON-SALE LICENSE.

The commissioner may issue an on-sale license to a person meeting the requirements specified in sections 340A.402 and 340A.409, at an annual cost of \$250 per license to a wine educator and \$50 per permit for each employee of the wine educator that will be pouring wine, under the following conditions:

(1) the license may be used to purchase wine at retail and serve wine for educational purposes in any part of the state, unless a political subdivision adopts an ordinance prohibiting wine education;

(2) all events conducted pursuant to this license must be conducted through advance registration, and no walk-in access to the general public is permitted;

(3) licensees must possess certification that is satisfactory to the commissioner, including, but not limited to, a certified specialist of wine or certified wine educator status as conferred by the Society of Wine Educators, a Wine and Spirits Education Trust Diploma, status as a certified sommelier, or the completion of a wine industry program at a technical college or culinary school. A wine educator must also complete Training for Intervention Procedures (TIPS) or other certified alcohol training programs and have a valid certificate on file with the commissioner;

(4) a license holder shall not sell alcohol for off-premises consumption and no orders may be taken for future sales;

(5) classes shall not be conducted at retail businesses that do not have a liquor license during business hours; and

(6) prior to providing a class authorized under this section, the licensee shall notify the police chief of the city where the class will take place, if the event will take place within the corporate limits of a city. If the city has no police department, the licensee shall notify the city's clerk. If the class will take place outside the corporate limits of any city, the licensee shall notify the sheriff of the county where the class will take place.

Sec. 6. Minnesota Statutes 2010, section 340A.412, subdivision 14, is amended to read:

Subd. 14. **Exclusive liquor stores.** (a) Except as otherwise provided in this subdivision, an exclusive liquor store may sell only the following items:

(1) alcoholic beverages;

(2) tobacco products;

(3) ice;

(4) beverages, either liquid or powder, specifically designated for mixing with intoxicating liquor;

- (5) soft drinks;
- (6) liqueur-filled candies;
- (7) food products that contain more than one-half of one percent alcohol by volume;
- (8) cork extraction devices;
- (9) books and videos on the use of alcoholic beverages;
- (10) magazines and other publications published primarily for information and education on alcoholic beverages;
- (11) multiple-use bags designed to carry purchased items;
- (12) devices designed to ensure safe storage and monitoring of alcohol in the home, to prevent access by underage drinkers; ~~and~~
- (13) home brewing equipment; and
- (14) clothing marked with the specific name, brand, or identifying logo of the exclusive liquor store, and bearing no other name, brand, or identifying logo.

(b) An exclusive liquor store that has an on-sale, or combination on-sale and off-sale license may sell food for on-premise consumption when authorized by the municipality issuing the license.

(c) An exclusive liquor store may offer live or recorded entertainment.

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

Sec. 7. Minnesota Statutes 2010, section 340A.419, subdivision 2, is amended to read:

Subd. 2. **Tastings.** (a) Notwithstanding any other law, an exclusive liquor store may conduct a wine, malt liquor, or spirits tasting on the premises of a holder of an on-sale intoxicating liquor license that is not a temporary license or on the premises of a holder of a wine license under section 340A.404, subdivision 5, if the exclusive liquor store complies with this section.

(b) No wine, malt liquor, or spirits authorized for use under this section may be sold for off-premises consumption. A participant in the tasting may fill out a form indicating preferences for wine, malt liquor, or spirits. The form may be held on the premises of the exclusive liquor store to assist the participant in making an off-sale purchase at a later date.

(c) Notwithstanding any other law, an exclusive liquor store may purchase or otherwise obtain wine or spirits for a tasting conducted under this section from a wholesaler licensed to sell wine or spirits. The wholesaler may sell or give wine or spirits to an exclusive liquor store for a tasting conducted under this section and may provide personnel to assist in the tasting.

(d) An exclusive liquor store that conducts a tasting under this section must use any fees collected from participants in the tasting only to defray the cost of conducting the tasting.

(e) Notwithstanding section 340A.409, subdivision 4, the premises on which a tasting is conducted must be insured as required by section 340A.409, subdivision 1.

(f) Exclusive liquor stores may conduct classes for a fee and allow tastings in the conduct of

those classes, provided that the amount served at a class is limited to the amount authorized under section 340A.4041.

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

Sec. 8. WINNEBAGO EXEMPTION; OUT-OF-STATE CRAFT BREWER.

Notwithstanding any law or ordinance to the contrary, an out-of-state brewer may import malt liquor for sale at retail on one day per calendar year, in the city of Winnebago, provided that the total production of malt liquor produced by the brewer in the prior calendar year was less than 5,000 barrels, and provided that the seller of the malt liquor holds an appropriate retail license. Malt liquor imported under this section must be registered in accordance with section 340A.311.

EFFECTIVE DATE; SUNSET. This section is effective upon approval by the Winnebago City Council and compliance with Minnesota Statutes, section 645.021, and expires on December 31, 2012.

Sec. 9. ON-SALE LICENSE AUTHORIZED.

Notwithstanding any law or ordinance to the contrary, in addition to the number of licenses authorized, the city of Moorhead may issue an on-sale intoxicating liquor license to the governing body of the Bluestem Center for the Arts for the premises known as the Bluestem Center for the Arts. The license shall authorize the dispensing of intoxicating liquor only to persons attending events on the licensed premises, and shall authorize consumption on the licensed premises only. The license may provide that the governing body of the Bluestem Center for the Arts may contract for intoxicating liquor catering service with the holder of an on-sale intoxicating liquor license issued by the city of Moorhead. The city council shall establish the fee for the license. All provisions of Minnesota Statutes, chapter 340A, governing alcoholic beverages not inconsistent with this law apply to the license.

EFFECTIVE DATE. This section is effective upon approval by the Moorhead City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 10. SPECIAL PROVISION; CITY OF MINNEAPOLIS.

(a) The city of Minneapolis may extend any interim zoning, liquor licensing, or other approvals granted to Kick's Liquor Store, Inc., a Minnesota corporation currently licensed as an exclusive liquor store doing business as Broadway Liquor Outlet at 2201 West Broadway, where the building housing the business at its current location was damaged beyond reasonable repair by the 2011 tornado, to permit the ongoing interim operation of the business in a temporary structure at the current location prior to the relocation of the business to a permanent facility located across the street at 2200-2220 West Broadway, or as this property is or may be more fully described in the property records of Hennepin County, notwithstanding limitations of law, local ordinances, or charter provisions relating to zoning or liquor licensing.

(b) The city of Minneapolis may grant, renew, or otherwise reissue the existing off-sale intoxicating liquor license to Kick's Liquor Store, Inc., doing business as Broadway Liquor Outlet, upon the relocation of the business to the permanent facility at 2200-2220 West Broadway or as this property is or may be more fully described in the property records of Hennepin County, notwithstanding limitations of law, local ordinances, or charter provisions relating to liquor licensing or contiguous zoning requirements.

EFFECTIVE DATE. This section is effective upon approval by the Minneapolis City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 11. **EXPIRATION.**

The changes in section 3 to Minnesota Statutes, section 340A.404, subdivision 4a, expire July 1, 2014.

Sec. 12. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall renumber Minnesota Statutes, section 340A.404, subdivision 5a, as Minnesota Statutes, section 340A.4175, and make any necessary cross-reference changes in Minnesota Statutes.

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

Delete the title and insert:

"A bill for an act relating to liquor; modifying liquor regulation; authorizing liquor licenses; amending Minnesota Statutes 2010, sections 340A.315, by adding subdivisions; 340A.404, subdivision 4a; 340A.412, subdivision 14; 340A.419, subdivision 2; Minnesota Statutes 2011 Supplement, section 340A.404, subdivision 5a; proposing coding for new law in Minnesota Statutes, chapter 340A."

We request the adoption of this report and repassage of the bill.

Senate Conferees: Chris Gerlach, Geoff Michel, Dan D. Hall, John Sterling Howe, Roger J. Reinert

House Conferees: Joe Atkins, Sarah Anderson, Joe Hoppe, Tim Sanders, Leon Lillie

Senator Gerlach moved that the foregoing recommendations and Conference Committee Report on S.F. No. 2392 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Pursuant to Rule 41.2, Senator Stumpf moved that he be excused from voting on all questions pertaining to S.F. No. 2392. The motion prevailed.

The question was taken on the adoption of the Gerlach motion. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 2392 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 55 and nays 3, as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|----------|------------|--------------|----------|
| Bakk | Cohen | Eaton | Hayden | Kelash |
| Benson | Dahms | Fischbach | Higgins | Koch |
| Bonoff | Daley | Gerlach | Hoffman | Koenen |
| Brown | DeKruif | Goodwin | Howe | Kruse |
| Carlson | Dibble | Hall | Ingebrigtsen | Langseth |
| Chamberlain | Dziedzic | Harrington | Jungbauer | Latz |

Lourey
Magnus
Marty
McGuire
Metzen

Michel
Miller
Newman
Nienow
Pappas

Pederson
Reinert
Robling
Rosen
Saxhaug

Sheran
Sieben
Skoe
Sparks
Thompson

Tomassoni
Torres Ray
Vanderveer
Wiger
Wolf

Those who voted in the negative were:

Nelson

Rest

Senjem

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1750 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 1750

A bill for an act relating to natural resources; modifying Heartland Trail; providing for expedited exchanges of certain lands; adding to and deleting from state parks, state recreation areas, and state forests; authorizing public and private sale of certain state lands; modifying certain easements; modifying certain lease provisions; modifying Mississippi River management plan; amending Minnesota Statutes 2010, sections 84.631; 85.015, subdivision 12; 92.50, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 92.

April 19, 2012

The Honorable Michelle L. Fischbach
President of the Senate

The Honorable Kurt Zellers
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1750 report that we have agreed upon the items in dispute and recommend as follows:

That the House and Senate recede from their amendments and that S.F. No. 1750 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 84.631, is amended to read:

84.631 ROAD EASEMENTS ACROSS STATE LANDS.

(a) Except as provided in section 85.015, subdivision 1b, the commissioner of natural resources, on behalf of the state, may convey a road easement across state land under the commissioner's jurisdiction ~~other than school trust land~~, to a private person requesting an easement for access to property owned by the person only if the following requirements are met: (1) there are no reasonable alternatives to obtain access to the property; and (2) the exercise of the easement will not cause significant adverse environmental or natural resource management impacts.

(b) The commissioner shall:

(1) require the applicant to pay the market value of the easement;

(2) limit the easement term to 50 years if the road easement is across school trust land;

(3) provide that the easement reverts to the state in the event of nonuse; and

~~(3)~~ (4) impose other terms and conditions of use as necessary and appropriate under the circumstances.

(c) An applicant shall submit an application fee of \$2,000 with each application for a road easement across state land. The application fee is nonrefundable, even if the application is withdrawn or denied.

(d) In addition to the payment for the market value of the easement and the application fee, the commissioner of natural resources shall assess the applicant a monitoring fee to cover the projected reasonable costs for monitoring the construction of the road and preparing special terms and conditions for the easement. The commissioner must give the applicant an estimate of the monitoring fee before the applicant submits the fee. The applicant shall pay the application and monitoring fees to the commissioner of natural resources. The commissioner shall not issue the easement until the applicant has paid in full the application fee, the monitoring fee, and the market value payment for the easement.

(e) Upon completion of construction of the road, the commissioner shall refund the unobligated balance from the monitoring fee revenue.

(f) Fees collected under paragraphs (c) and (d) must be credited to the land management account in the natural resources fund and are appropriated to the commissioner of natural resources to cover the reasonable costs incurred under this section.

Sec. 2. Minnesota Statutes 2010, section 85.015, subdivision 12, is amended to read:

Subd. 12. **Heartland Trail, Clay, Becker, Hubbard, and Cass Counties.** (a) The trail shall originate at Moorhead in Clay County and extend in an easterly direction through Detroit Lakes in Becker County to mile post 90.92 at Park Rapids in Hubbard County; thence in an easterly direction along the Burlington Northern Railroad right-of-way through Walker in Cass County; thence in a northerly direction along the Burlington Northern Railroad right-of-way to Cass Lake in Cass County, and there terminate. A segment shall be established that connects the trail to Itasca State Park.

(b) The trail shall be developed primarily for riding and hiking.

Sec. 3. Minnesota Statutes 2010, section 92.50, subdivision 1, is amended to read:

Subdivision 1. **Lease terms.** (a) The commissioner of natural resources may lease land under the commissioner's jurisdiction and control:

(1) to remove sand, gravel, clay, rock, marl, peat, and black dirt;

(2) to store ore, waste materials from mines, or rock and tailings from ore milling plants;

(3) for roads or railroads; or

(4) for other uses consistent with the interests of the state.

(b) The commissioner shall offer the lease at public or private sale for an amount and under terms and conditions prescribed by the commissioner. Commercial leases for more than ten years and leases for removal of peat that cover 320 or more acres must be approved by the Executive Council.

(c) The lease term may not exceed ~~ten~~ 21 years except:

(1) leases of lands for storage sites for ore, waste materials from mines, or rock and tailings from ore milling plants, or for the removal of peat for nonagricultural purposes may not exceed a term of 25 years; and

(2) ~~leases for the use of peat lands for agricultural purposes may not exceed 21 years; and~~

~~(3)~~ leases for commercial purposes, including major resort, convention center, or recreational area purposes, may not exceed a term of 40 years.

(d) Leases must be subject to sale and leasing of the land for mineral purposes and contain a provision for cancellation for just cause at any time by the commissioner upon six months' written notice. A longer notice period, not exceeding three years, may be provided in leases for storing ore, waste materials from mines or rock or tailings from ore milling plants. The commissioner may determine the terms and conditions, including the notice period, for cancellation of a lease for the removal of peat and commercial leases.

(e) Money received from leases under this section must be credited to the fund to which the land belongs.

Sec. 4. [92.80] EXPEDITED EXCHANGE OF LAND WITHIN BOUNDARY WATERS CANOE AREA WILDERNESS FOR FEDERALLY OWNED LANDS.

Subdivision 1. Purpose and scope. (a) The purpose of this section is to expedite the exchange of a portion of the state-owned lands located within the Boundary Waters Canoe Area Wilderness. The state owns 116,559 acres of land within the wilderness area, 86,295 acres of which are school trust land.

(b) Exchange of school trust lands within the Boundary Waters Canoe Area Wilderness for federally owned lands located outside the wilderness area will preserve the spectacular wild areas while producing economic benefits for Minnesota's public schools.

(c) For land exchanges under this section, sections 94.342 to 94.347 apply only to the extent specified in this section.

Subd. 2. Classes of land; definitions. The classes of state land that may be involved in an expedited exchange under this section are:

(1) school trust land as defined in section 92.025;

(2) university land granted to the state by acts of Congress;

(3) all other lands acquired by the state in any manner and under the control of the commissioner of natural resources; and

(4) all lands acquired by the state through tax forfeiture, held subject to a trust in favor of the taxing districts, and under the control of county authorities for classification, appraisal, and sale.

Subd. 3. **Priority.** An exchange of state land under this section shall give priority to exchanges that provide the most opportunity for revenue generation for the permanent school fund, and priority shall be given to lands within the Superior National Forest in the Mesabi Purchase Unit in St. Louis County and in the following townships in St. Louis County:

- (1) Township 59 North, Range 14 West;
- (2) Township 59 North, Range 13 West;
- (3) Township 60 North, Range 13 West; and
- (4) Township 60 North, Range 12 West.

Subd. 4. **Valuation of land; goals.** (a) In an exchange of school trust land, university land, or other land under the control of the commissioner of natural resources for land owned by the United States, the examination and value determination of the land shall be done in a manner as agreed to between the commissioner and the authorized representative of the United States.

(b) In an exchange of tax-forfeited land for land owned by the United States, the examination and value determination shall be done in a manner as agreed to between the county board and the authorized representative of the United States.

(c) All lands exchanged under this section shall be exchanged only for lands of at least substantially equal value. For the purposes of this subdivision, "substantially equal value" has the meaning given under section 94.343, subdivision 3, paragraph (b). No payment is due either party if the lands are of substantially equal value but are not of the same value.

(d) The goals of the exchange shall be:

- (1) the state receiving at least as many acres as the number given in exchange by the state; and
- (2) reuniting mineral and surface rights.

Subd. 5. **Title.** Title to the land must be examined to the extent necessary for the parties to determine that the title is good, with any encumbrances identified. The parties to the exchange may use title insurance to aid in the determination.

Subd. 6. **Approval by Land Exchange Board.** In accordance with the Minnesota Constitution, article XI, section 10, all expedited land exchanges under this section require the unanimous approval of the Land Exchange Board.

Subd. 7. **Conveyance.** (a) Conveyance of school trust land, university land, or other land under the control of the commissioner of natural resources shall be made by deed executed by the commissioner in the name of the state. Conveyance of tax-forfeited land shall be by a deed executed by the commissioner of revenue in the name of the state.

(b) School trust land, university land, and other land under the control of the commissioner of natural resources and given in exchange is subject to reservations under section 94.343, subdivision 4, and the Minnesota Constitution, article XI, section 10. Tax-forfeited land given in exchange is

subject to reservations under section 94.344, subdivision 4, and the Minnesota Constitution, article XI, section 10.

(c) All deeds shall be recorded or registered in the county in which the lands lie.

Subd. 8. **Land status.** Land received in exchange for school trust land, university land, or other land under the control of the commissioner of natural resources is subject to the same trust, if any, and otherwise has the same status as the land given in exchange. Land received in exchange for tax-forfeited land is subject to a trust in favor of the governmental subdivision in which it lies and all laws relating to tax-forfeited land.

Sec. 5. **[92.82] PRIVATE SALE OF SURPLUS STATE LAND WITHIN BOUNDARY WATERS CANOE AREA WILDERNESS; COOK, LAKE, AND ST. LOUIS COUNTIES.**

(a) Notwithstanding sections 92.06, 92.13, 92.14, 92.45, 94.09, and 94.10, the commissioner of natural resources may sell to the United States by private sale the surplus land, including the land bordering public water, that is described in paragraph (d).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) Notwithstanding sections 92.115, 92.12, and 94.10, an appraisal of the lands is not required, and the value of the lands shall be determined in the same manner as the exchange with the United States of other state-owned lands within the Boundary Waters Canoe Area Wilderness.

(d) The land that may be sold is state-owned land under the control of the commissioner of natural resources and located within the boundary of the Boundary Waters Canoe Area Wilderness in Cook, Lake, and St. Louis Counties. The state-owned lands may include the state land for which the school trust interest was extinguished through condemnation, university lands granted to the state by acts of Congress, and all other lands acquired by the state in any manner and under the control of the commissioner of natural resources.

(e) Conveyance of state lands within the Boundary Waters Canoe Area Wilderness to the United States will preserve the spectacular wild areas while producing economic benefits for the state.

(f) Payment for state lands for which the school trust interest was extinguished through condemnation shall be used to pay the award under the condemnation action.

Sec. 6. **DELETIONS FROM STATE PARKS.**

Subdivision 1. **[85.012] [Subd. 28] Interstate State Park, Chisago County.** The following area is deleted from Interstate State Park: that part of Lots 8, 9, and 10 of Block 35 of the Plat of the Town of Taylor's Falls, on file and of record in the Chisago County Recorder's Office, described as follows: beginning at the northwest corner of said Lot 10; thence on an assumed bearing of South 08 degrees 05 minutes 41 seconds West 151.46 feet along the west line of said Lots 10, 9, and 8 to the southwest corner of said Lot 8; thence South 89 degrees 51 minutes 29 seconds East 160.00 feet along the south line of said Lot 8; thence North 00 degrees 30 minutes 25 seconds East 150.00 feet to a point which is 140.00 feet east of the northwest corner of said Lot 10 as measured along the north line thereof; thence North 89 degrees 51 minutes 29 seconds West 140.00 feet to the point of beginning.

Subd. 2. **[85.012] [Subd. 40] McCarthy Beach State Park, St. Louis County.** The following area is deleted from McCarthy Beach State Park: that part of Government Lot 1, Section 20, Township 60 North, Range 21 West, St. Louis County, Minnesota, described as follows: commencing at meander corner #6 on the north line of said section; thence North 89 degrees 49 minutes 20 seconds East, assumed bearing, along the north line of said section 100.00 feet to the point of beginning; thence South 31 degrees 35 minutes 24 seconds East 409.70 feet to the centerline of McCarthy Beach Road; thence North 20 degrees 47 minutes 12 seconds East along said centerline 374.52 feet to the north line of said section; thence South 89 degrees 49 minutes 20 seconds West along the north line of said section 347.53 feet to the point of beginning.

Sec. 7. **ADDITIONS TO STATE RECREATION AREAS.**

Subdivision 1. **[85.013] [Subd. 11b] Greenleaf Lake State Recreation Area, Meeker County.** The following area is added to the Greenleaf Lake State Recreation Area, Meeker County: the Southwest Quarter of the Northwest Quarter and Government Lots 5, 6, 7, and 8, all in Section 20, Township 118 North, Range 30 West, Meeker County, Minnesota, LESS AND EXCEPT the following two tracts:

(1) that part of Government Lot 8, Section 20, Township 118 North, Range 30 West, lying North of the south line of said Section 20 and East of a line at right angles to and beginning at a point on said line 734.6 feet East of its intersection with the centerline of County Road No. 169; and

(2) all that part of Government Lots 7 and 8 of Section 20, Township 118 North, Range 30 West, lying West of County Road No. 169.

Subd. 2. **[85.013] [Subd. 12a] Iron Range Off-Highway Vehicle Recreation Area, St. Louis County.** The following areas are added to the Iron Range Off-Highway Vehicle Recreation Area:

(1) that part of the Northwest Quarter of the Southwest Quarter, Section 25, Township 58 North, Range 17 West, St. Louis County, Minnesota, lying southeasterly of the DM & IR Railroad; and

(2) the East 100 feet of the Southeast Quarter of Section 26, Township 58 North, Range 17 West, St. Louis County, Minnesota.

Sec. 8. **DELETION FROM STATE RECREATION AREA.**

[85.013] [Subd. 12a] Iron Range Off-Highway Vehicle Recreation Area, St. Louis County. The following areas are deleted from the Iron Range Off-Highway Vehicle Recreation Area:

(1) that part of the Northeast Quarter of the Southeast Quarter, the Northwest Quarter of the Southeast Quarter, and the Southwest Quarter of the Southeast Quarter, all in Section 26, Township 58 North, Range 17 West, St. Louis County, Minnesota, lying northwesterly of the Gilbert mine pit in said section;

(2) that part of the Southwest Quarter of the Northeast Quarter, Section 35, Township 58 North, Range 17 West, St. Louis County, Minnesota, lying northwesterly of Deep Lake in said section; and

(3) the South Half of Section 36, except the Southeast Quarter of the Southwest Quarter, all in Township 58 North, Range 17 West, St. Louis County, Minnesota.

Sec. 9. **DELETION FROM STATE FOREST.**

[89.021] [Subd. 18] Fond du Lac State Forest. The following areas are deleted from the Fond du Lac State Forest:

(1) that part of Section 7 lying east of State Highway 23 and Sections 18, 19, and 30 of Township 48 North, Range 15 West; and

(2) that part of Sections 13 and 24 lying east of State Highway 23 and Section 25 of Township 48 North, Range 16 West.

Sec. 10. **ADDITION TO STATE FOREST.**

[89.021] [Subd. 35] Nemadji State Forest. The following areas are added to the Nemadji State Forest:

(1) that part of Section 7 lying east of State Highway 23 and Sections 18, 19, and 30 of Township 48 North, Range 15 West; and

(2) that part of Sections 13 and 24 lying east of State Highway 23 and Section 25 of Township 48 North, Range 16 West.

Sec. 11. **MISSISSIPPI RIVER MANAGEMENT PLAN; CRITICAL AREA ADMINISTRATION.**

(a) Notwithstanding Minnesota Rules, parts 6105.0800 to 6105.0960, or other law to the contrary, those portions of the Mississippi River within the boundaries of the cities of Dayton and Ramsey are exempt from designation as a component of the Minnesota wild, scenic, and recreational rivers system.

(b) The zoning standards in effect in the cities of Dayton and Ramsey on March 1, 2012, shall become the minimum standards for future critical area ordinance approval by the commissioner of natural resources, but the commissioner may, by written approval, allow varied standards, provided the purposes of Minnesota Statutes, section 116G.15, are satisfied.

(c) For purposes of land use districts within the Mississippi River corridor critical area under Minnesota Statutes, section 116G.15, the commissioner of natural resources shall classify the city of Dayton as rural open space according to the governor's Executive Order No. 79-19, published in the State Register on March 12, 1979.

Sec. 12. **PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; BELTRAMI COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Beltrami County may sell the tax-forfeited lands bordering public water that are described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land to be sold is located in Beltrami County and is described as:

(1) parcel 01.00113.00;

(2) parcel 01.00204.00;

(3) parcel 34.00558.00; and

(4) parcel 34.00568.00.

(d) The county has determined that the county's land management interests would be best served if the lands were returned to private ownership.

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

Sec. 13. PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; BIG STONE COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Big Stone County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Big Stone County and is described as:

(1) Lots 1 to 12, Block 3, Original Plat; and

(2) Outlot 160, city of Ortonville.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 14. PRIVATE SALE OF SURPLUS STATE LAND; DAKOTA COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale the surplus land that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The commissioner may sell to the United States for less than the value of the land, as determined by the commissioner, but the conveyance must provide that the land be managed for conservation purposes and reverts to the state if the United States fails to manage the land for conservation purposes.

(c) The land that may be sold is located in Dakota County and is described as: that part of the West Half of the Northeast Quarter of Section 34, Township 27 North, Range 24 West, lying northwesterly of the Chicago and North Western Transportation Company Railroad, and that part of the East Half of the Northwest Quarter of Section 34, Township 27 North, Range 24 West, described as follows: beginning at the northeast corner of said East Half of the Northwest Quarter; thence on an assumed bearing of South 89 degrees 49 minutes 47 seconds West along the north line of said East Half of the Northwest Quarter, a distance of 127.6 feet; thence South 24 degrees 20 minutes 13 seconds West, a distance of 437.59 feet; thence South 47 degrees 28 minutes 32 seconds West, a distance of 522.97 feet; thence South 1/2 degree 31 minutes 28 seconds East, a distance of 866.39 feet to the northwesterly line of the Chicago and North Western Transportation Company Railroad; thence North 44 degrees 39 minutes 07 seconds East, along said northwesterly line, a distance of 130.52 feet to the east line of said East Half of the Northwest Quarter; thence North 00 degrees 42 minutes 27 seconds East, along the east line of said East Half of the Northwest Quarter, a distance

of 1,487.79 feet to the point of beginning; containing 30.72 acres, more or less.

(d) The Department of Natural Resources has determined that the state's land management interests would best be served if the land was conveyed to the United States. The land was part of the Black Dog Preserve Scientific and Natural Area, which was de-designated by the commissioner, effective November 21, 2011. The United States, acting by and through the United States Fish and Wildlife Service, wishes to acquire the land for inclusion in the Minnesota Valley National Wildlife Refuge.

Sec. 15. PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; GOODHUE COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Goodhue County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Goodhue County and is described as:

(1) part of Lot 3, Welch Township, Section 26, Township 114 North, Range 16 West (parcel 46.126.0070); and

(2) Lots 4, 5, 6, 7, and 8, Block 6, Emerald Valley, city of Wanamingo (parcels 70.147.1010, 70.147.1020, 70.147.1030, 70.147.1040, and 70.147.1050).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 16. CONVEYANCE OF TAX-FORFEITED LAND BORDERING PUBLIC WATERS; HENNEPIN COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45; 282.01, subdivision 1a; and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Hennepin County may convey to a governmental subdivision of the state for no consideration the tax-forfeited land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The conveyance must provide that the land reverts to the state if the governmental subdivision stops using the land as a flood plain and open space and for wetland mitigation purposes.

(c) The land to be conveyed is located in Hennepin County and is described as: that part of Government Lot 3 lying South of the North 45 rods thereof and North of Nichols Shoreland and lying westerly of Magda Drive, Section 36, Township 119 North, Range 22 West (Hennepin County tax identification no. 36-119-22 11 0004).

(d) The county has determined that the county's land management interests would be best served if the land is conveyed to a governmental subdivision of the state for use as a flood plain and open space and for wetland mitigation purposes.

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

Sec. 17. CONVEYANCE OF TAX-FORFEITED LAND BORDERING PUBLIC WATERS; HENNEPIN COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45; 282.01, subdivision 1a; and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Hennepin County may convey to a governmental subdivision of the state for no consideration the tax-forfeited land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The conveyance must provide that the land reverts to the state if the governmental subdivision stops using the land for preservation of wetlands.

(c) The land to be conveyed is located in Hennepin County and is described as: Government Lot 1, Section 19, Township 120 North, Range 22 West (Hennepin County tax identification no. 19-120-22 22 0001).

(d) The county has determined that the county's land management interests would be best served if the land is conveyed to a governmental subdivision of the state for preservation of wetlands.

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

Sec. 18. CONVEYANCE OF TAX-FORFEITED LAND BORDERING PUBLIC WATERS; HENNEPIN COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45; 282.01, subdivision 1a; and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Hennepin County may convey to the city of Corcoran for no consideration the tax-forfeited land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The conveyance must provide that the land reverts to the state if the city of Corcoran stops using the land for a recreational trail and for storm water ponding.

(c) The land to be conveyed is located in Hennepin County and is described as: Outlot A, Lake Jubert Estates (Hennepin County tax identification no. 29-119-23 43 0008).

(d) The county has determined that the county's land management interests would be best served if the land is conveyed to the city of Corcoran for a recreational trail and for storm water ponding.

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

Sec. 19. PRIVATE SALE OF TAX-FORFEITED LANDS; ITASCA COUNTY.

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, Itasca County may sell by private sale to the adjoining landowner the tax-forfeited lands that are described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general

may make necessary changes to the legal description to correct errors and ensure accuracy. The purchaser must provide a certified survey of the parcel to be sold that is acceptable to Itasca County and must pay all survey and appraisal costs.

(c) The land to be sold is in Itasca County and is described as:

(1) a parcel of land situated in Government Lot 7, Section 14, Township 54 North, Range 27 West, more particularly described as follows: commencing at the southeast corner of said Government Lot 7; thence North 01 degrees 06 minutes 20 seconds West, bearing assigned along the east line of said Government Lot 7, a distance of 975.45 feet to the point of beginning; thence North 59 degrees 29 minutes 01 seconds West 120.07 feet more or less to intersect a line that is 100.00 feet westerly of the east line of said Government Lot 7; thence North 01 degrees 06 minutes 20 seconds West on a line 100.00 feet westerly of the east line of said Government Lot 7, a distance of 50.41 feet; thence North 23 degrees 18 minutes 59 seconds East 241.87 feet more or less to a 2-1/2 inch aluminum cap affixed to a 5/8 inch by 2-foot rebar along the east line of said Government Lot 7; thence South 01 degrees 06 minutes 20 seconds East along the east line of said Government Lot 7, a distance of 332.21 feet to the point of beginning and there terminate; and

(2) the South 15 feet of the East 100 feet of the West 460 feet of the Northeast Quarter of the Southwest Quarter, Section 10, Township 61 North, Range 23 West.

(d) The county has determined that the county's land management interests would be best served if the lands were returned to private ownership.

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

Sec. 20. PRIVATE SALE OF TAX-FORFEITED LAND; KOOCHICHING COUNTY.

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, Koochiching County may sell by private sale the tax-forfeited lands that are described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. Prior to the sale, the county shall grant an easement in accordance with Minnesota Statutes, section 282.04, subdivision 4, to provide for public road access.

(c) The land to be sold is in Koochiching County and is described as: the South Half of the Southeast Quarter of the Southwest Quarter of Section 6, Township 63 North, Range 25 West.

(d) The county has determined that the county's land management interests would be best served if the lands were returned to private ownership.

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

Sec. 21. SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATERS; LAKE COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Lake County may sell the tax-forfeited lands bordering public waters that are described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general

may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land to be sold is in Lake County and is described as Government Lot 2, Government Lot 3, and the Southeast Quarter of the Northwest Quarter, all in Section 36, Township 60 North, Range 7 West.

(d) The county has determined that the county's land management interests would be best served if the lands were returned to private ownership.

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

Sec. 22. PRIVATE SALE OF TAX-FORFEITED LAND; LAKE COUNTY.

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, Lake County may sell by private sale the tax-forfeited land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Lake County and is described as: the Northeast Quarter of the Southeast Quarter, Section 19, Township 56 North, Range 9 West.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 23. PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATERS; MORRISON COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 282.01, subdivision 1a, and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Morrison County may convey to a governmental subdivision of the state for less than market value for public use as a park, the tax-forfeited land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The conveyance must provide that the land be for public use as a park and reverts to the state if the governmental subdivision of the state abandons such use.

(c) The land to be sold is located in Morrison County and is described as: Government Lot 20, Section 18, Township 133 North, Range 31 West, Morrison County, less that part described as follows: beginning at the southwest corner of said Section 18; thence North 0 degrees 01 minute 24 seconds East along the west line of said Section 18 a distance of 180.00 feet; thence South 89 degrees 47 minutes 30 seconds East a distance of 450.00 feet; thence South 0 degrees 01 minute 24 seconds West a distance of 147.00 feet; thence South 89 degrees 47 minutes 30 seconds East a distance of 776.83 feet to the westerly right-of-way of State Highway 10; thence southerly along said westerly right-of-way line a distance of 14.61 feet along a nontangential curve concave to the East, having a radius of 5,789.58 feet and a central angle of 0 degrees 08 minutes 41 seconds, the chord of said curve bears South 0 degrees 14 minutes 53 seconds West; thence South 0 degrees 10 minutes 32 seconds West along said westerly right-of-way line a distance of 18.39 feet to the south line of said Section 18; thence North 89 degrees 47 minutes 30 seconds West along the southerly

line of said Section 18 a distance of 1,226.72 feet to the point of beginning (parcel 410029000).

(d) The county has determined that the county's land management interests would be best served if the land is conveyed to a governmental subdivision for public use as a park.

**Sec. 24. PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER;
ST. LOUIS COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by private sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The conveyance must be subject to the perpetual easement described in paragraph (d).

(c) The land that may be sold is located in St. Louis County and is described as: that part of Government Lot 1, Section 20, Township 60 North, Range 21 West, St. Louis County, Minnesota, described as follows: commencing at meander corner #6 on the north line of said section; thence North 89 degrees 49 minutes 20 seconds East, assumed bearing, along the north line of said section 100.00 feet to the point of beginning; thence South 31 degrees 35 minutes 24 seconds East 409.70 feet to the centerline of McCarthy Beach Road; thence North 20 degrees 47 minutes 12 seconds East along said centerline 374.52 feet to the north line of said section; thence South 89 degrees 49 minutes 20 seconds West along the north line of said section 347.53 feet to the point of beginning, containing 1.4 acres, more or less. Subject to existing easements of record.

(d) Prior to the sale of the land described in paragraph (c), the commissioner shall convey a perpetual easement according to Minnesota Statutes, section 84.631, for the benefit of Lots 50, 51, and 52 of the Plat of McCarthy's Beach over and across an existing driveway being a strip of land 16.5 feet in width, lying 8.25 feet on each side of the following described centerline: commencing at meander corner #6 on the north line of Section 20; thence North 89 degrees 49 minutes 20 seconds East, assumed bearing, along the north line of said section 196.98 feet to the centerline of an existing driveway and the point of beginning; thence South 20 degrees 14 minutes 17 seconds East 54.79 feet; thence South 17 degrees 53 minutes 29 seconds East 47.03 feet; thence South 04 degrees 05 minutes 31 seconds East 44.44 feet; thence South 06 degrees 18 minutes 21 seconds West 61.38 feet; thence South 04 degrees 27 minutes 18 seconds West 53.03 feet; thence South 01 degree 47 minutes 03 seconds East 90.46 feet, more or less, to the centerline of McCarthy Beach Road and there terminating, containing 0.13 acres, more or less.

(e) The land to be sold is part of a parcel that borders Big Sturgeon Lake. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would be best served if the land were conveyed to an adjacent landowner to resolve an inadvertent trespass.

**Sec. 25. PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER;
ST. LOUIS COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, St. Louis County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. The easement required under paragraph (c), clause (9), shall be memorialized on the certificate of title according to Minnesota Statutes, section 508.49, upon filing of the instrument that creates the easement.

(c) The land to be sold is located in St. Louis County and is described as:

(1) all of Government Lot 1, Section 26, Township 51 North, Range 13 West, lying South of the Duluth and Iron Range Railway, except the East 1,184.75 feet (parcel 010-2690-00520);

(2) the West 135 feet of the East 1,184.75 feet of that part of Government Lot 1, Section 26, Township 51 North, Range 13 West, South of the Duluth and Iron Range Railway (parcel 010-2690-00521);

(3) the Northeast Quarter of the Northeast Quarter, Section 18, Township 58 North, Range 20 West (parcel 235-0010-03050);

(4) the Southeast Quarter of the Northeast Quarter, Section 34, Township 59 North, Range 20 West (parcel 235-0030-05460);

(5) Government Lot 4, Section 11, Township 58 North, Range 16 West, except the railway right-of-way 5.55 acres and except that part West of County State-Aid Highway 4 (parcel 260-0012-00150);

(6) Government Lot 5, Section 11, Township 58 North, Range 16 West (parcel 260-0012-00160);

(7) the Northeast Quarter of the Southeast Quarter, Section 22, Township 57 North, Range 18 West, except the North 250 feet of the East 600 feet and except the highway right-of-way (parcel 295-0016-00120);

(8) Lot 7, Block 1, Reinkes Shore Lots, town of Cotton, Section 20, Township 54 North, Range 16 West (parcel 305-0043-00070);

(9) the West Half of the Northeast Quarter of the Northeast Quarter, Section 27, Township 52 North, Range 12 West (parcel 315-0020-04395). Prior to sale of this land, the commissioner of revenue shall grant an easement according to Minnesota Statutes, section 282.37, to provide riparian protection and angler access. The easement must be 150 feet in width, lying 75 feet on each side of the centerline of the river;

(10) Outlot 4, Rearrangement Eagles Nest, Section 22, Township 62 North, Range 14 West (parcel 317-0081-00100);

(11) an undivided half interest in Government Lot 2, Section 33, Township 55 North, Range 16 West (parcel 320-0010-05400);

(12) an undivided half interest in Government Lot 2, Section 33, Township 55 North, Range 16 West (parcel 320-0010-05401);

(13) Government Lot 2, Section 6, Township 55 North, Range 17 West, except the 1.34 acres at the southwest corner (parcel 320-0020-00830);

(14) the North Half of the Southwest Quarter of the Southeast Quarter, Section 17, Township 62

North, Range 12 West (parcel 465-0010-02420);

(15) the Southwest Quarter of the Northeast Quarter, Section 27, Township 61 North, Range 16 West (parcel 560-0011-04320); and

(16) the Southwest Quarter of the Northeast Quarter, Section 3, Township 57 North, Range 15 West (parcel 570-0010-00370).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 26. PRIVATE SALE OF TAX-FORFEITED LAND; ST. LOUIS COUNTY.

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County may sell by private sale the tax-forfeited land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in St. Louis County and is described as:

(1) Lot P, Block 18, Hunter/Markells Grassy Point Addition to Duluth, Section 13, Township 49 North, Range 15 West, except the railway right-of-way, including part of the adjacent vacated avenue and including part of the vacated street (parcel 010-2420-03700); and

(2) the Northeast Quarter of the Southwest Quarter, Section 6, Township 57 North, Range 19 West, except that part South of the railway right-of-way and except the 5.15 acres North of the railway right-of-way except beginning at a point 588 feet South of the northeast corner on the east line; thence North 79 degrees 57 minutes 49 seconds West a distance of 775 feet to the easterly right-of-way of County Highway 451; thence northerly and easterly along the right-of-way to the easterly line of forty; thence South along the east line a distance of 516 feet to the point of beginning (parcel 290-0010-00990).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 27. PRIVATE SALE OF TAX-FORFEITED LAND; ST. LOUIS COUNTY.

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County shall sell the tax-forfeited land described in paragraph (c) to the city of Virginia.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. Notwithstanding Minnesota Statutes, section 282.01, subdivision 1a, the county shall sell the land to the city of Virginia for less than the appraised value, not to exceed \$25,000.

(c) The land to be sold is located in St. Louis County and is described as: that part of the Southwest Quarter of the Southeast Quarter, Section 8, Township 58 North, Range 17 West, commencing at the southwest corner of said forty; thence North 87 degrees 38 minutes 02 seconds East 124.67 feet to the point of beginning; thence North 23 degrees 30 minutes 20 seconds West

91.12 feet; thence North 87 degrees 38 minutes 02 seconds East parallel to the south line 252.66 feet; thence North 02 degrees 21 minutes 58 seconds West 415 feet; thence North 87 degrees 38 minutes 02 seconds East 350 feet; thence South 02 degrees 21 minutes 58 seconds East 500 feet to the south line of said forty; thence South 87 degrees 38 minutes 02 seconds West 569.80 feet to the point of beginning; except assuming the west line of the Southwest Quarter of the Southeast Quarter to bear North 01 degree 57 minutes 18 seconds West and commencing at the southwest corner of said forty; thence run North 87 degrees 38 minutes 02 seconds East along the south line 444.47 feet to the point of beginning; thence run North 02 degrees 21 minutes 58 seconds West 500 feet; thence North 87 degrees 38 minutes 02 seconds East 250 feet; thence South 02 degrees 21 minutes 58 seconds East 500 feet to the south boundary line of said forty; thence South 87 degrees 38 minutes 02 seconds West 250 feet to the point of beginning. 1.61 acres. (parcel 090-0195-00205).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 28. SALE OF TAX-FORFEITED LEASED LANDS; ST. LOUIS COUNTY.

Subdivision 1. **Sale authorized.** Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, St. Louis County may in its sole discretion sell tax-forfeited lakeshore lots that are currently leased. St. Louis County may also sell other adjacent tax-forfeited lands under this section necessary for roadway access and the creation of conforming lot sizes.

Subd. 2. **Method of sale.** (a) The leaseholder of a leased parcel may purchase at private sale the leased parcel and any other lands allocated to the parcel by the county under subdivision 6 that is offered for sale under this section. The purchase price is the appraised value of the land under subdivision 3 exclusive of improvements on it. To purchase a parcel, a leaseholder must pay in cash to the county an amount equal to the appraised value of the land within 180 days from the date of mailing to or service of notice of appraised value to the leaseholder by the county. The 180-day period runs from the date of mailing of a copy of the appraisal to the leaseholder at the address shown upon the most recent lease agreement between the parties, exclusive of the date of mailing or service. The county may use any alternative method of notice under the Minnesota Rules of Civil Procedure for the service of a summons and complaint.

(b) If the leaseholder does not purchase the parcel so offered, the county may offer the lands for sale at public auction under the provisions of Minnesota Statutes, section 282.01, subdivision 3. If a person other than the leaseholder purchases the parcel, the purchaser must make payment in full to the leaseholder in the manner provided in Minnesota Statutes, section 92.06, subdivision 4, for the value of any improvements as determined under subdivision 3.

(c) Failure of a purchaser to comply with the terms of payment voids the sale and the property may be reoffered for sale.

Subd. 3. **Appraisal.** (a) An appraisal must be made in accordance with Minnesota Statutes, section 282.01, subdivision 3, except as modified by this subdivision. Improvements that are owned by the lessee must be appraised separately.

(b) The county shall select the appraiser. The appraiser selected must meet the minimal appraisal standards established by the federal Farmers Home Administration or the federal Veterans Administration, and be licensed under Minnesota Statutes, section 82B.03, to appraise the property

to be sold.

(c) The costs of appraisal must be allocated by the county to the lots offered for sale and the successful purchaser on each lot shall reimburse the county for the appraisal costs allocated to the lot purchased. If no one purchases a lot, the county is responsible for the appraisal cost.

(d) If a leaseholder disagrees with the appraised value of the leasehold improvements, the leaseholder may select an appraiser that meets the qualifications in paragraph (b) to reappraise the improvements. The leaseholder must give notice of intent to object to the appraised value of the improvements within ten days of the date of the mailing or service of notice under subdivision 2, paragraph (a). The reappraisal must be delivered by the leaseholder to the county auditor within 60 days of the date of mailing or service of notice of appraised value under subdivision 2, paragraph (a), or the initial appraisal shall be conclusive. The leaseholder is responsible for the costs of the reappraisal. If the parcel is reappraised within the time required in this paragraph and the county and the leaseholder fail to agree on the value of the improvements by a date set by the county, each of the appraisers shall agree upon the selection of a third appraiser to conduct a third appraisal that shall be conclusive as to the value of the improvements. The cost of this appraisal must be paid equally by the county and the leaseholder.

Subd. 4. **Proceeds.** (a) Except as provided in paragraph (b), the proceeds from the sale of land described in subdivision 1 must be deposited by the county into an environmental trust fund as provided in Laws 1998, chapter 389, article 16, section 31, subdivision 4, as amended.

(b) The following amounts may be withheld by a county board and not deposited into an environmental trust fund: the costs of appraisal, abstracts, and surveys; money received from a sale that is attributable to land owned by a county in fee; amounts paid to lessees for improvements; and the costs of sale to lessees or other parties, including the costs of advertising, realtors, and closing services.

Subd. 5. **Survey.** (a) Prior to offering it for sale, St. Louis County shall have each lot surveyed by a licensed surveyor.

(b) The costs of the survey must be allocated by the county to the lots offered for sale and the successful purchaser on each lot shall reimburse the county for the survey costs allocated to the lot purchased. If no one purchases the lot, the county is responsible for the survey costs. All surveying must be conducted by a licensed surveyor.

Subd. 6. **Adding lands; zoning conformance.** Any lands to be sold under this section must be considered lots of record for zoning purposes. Whenever possible, St. Louis County may add land to the lots offered for sale to permit conformance with zoning requirements. The added lands must be included in the appraised value of the lot.

Subd. 7. **Roadways.** St. Louis County has the authority to designate whether roads within minor subdivisions under the county platting and subdivision ordinance are public or private.

Subd. 8. **Opt out; continuation of lease.** The leaseholder may elect not to purchase the leased parcel if offered for sale under this section and instead continue in the annual lease program with the county, not to exceed the lifetime of the leaseholder. The fee for a lease under this subdivision shall include the amount of the estimated property tax on the parcel if it had been returned to private ownership.

Subd. 9. **Sunset.** This section expires five years after the effective date.

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

Sec. 29. **PRIVATE SALE OF LAND; ST. LOUIS COUNTY.**

Subdivision 1. **Private sale of land.** (a) Notwithstanding Minnesota Statutes, section 373.01, or any other law to the contrary, St. Louis County may, without advertising for bids, sell and convey directly to the current lessee or its assigns the land described in paragraph (b). The consideration must be in an amount negotiated between the county and the lessee or its assigns. The conveyance must be executed by October 31, 2014.

(b) The land to be sold is located in St. Louis County and consists of the parcel of property known as the Chris Jensen Health & Rehabilitation Center and adjacent property, all located within the following legal description: a parcel of land located within the Northwest Quarter, Section 16, Township 50 North, Range 14 West of the Fourth Principal Meridian lying west of Rice Lake Road.

(c) Notwithstanding Minnesota Statutes, section 373.01, or any other law to the contrary, St. Louis County may include some or all tangible and intangible personal property associated with the land to be sold as part of the negotiated sale price.

(d) The conveyance must be in a form approved by the St. Louis county attorney. The county attorney may change the land description in paragraph (b) to implement the intent of St. Louis County.

(e) The lessee is providing under the lease nursing home services formerly provided by the county, and the county has determined that its land management interests are best served if the ownership of the property is transferred to the lessee or its assigns.

Subd. 2. **Disposition of lease.** Upon the conveyance, the existing lease of the real and personal property is merged into the fee ownership.

EFFECTIVE DATE; LOCAL APPROVAL. This section is effective the day after the governing body of St. Louis County and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 29. **PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; WASHINGTON COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Washington County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Washington County and is described as: Block 21, Division No. 1, St. Paul Park, together with the south half of vacated Second Avenue adjacent to the north side of Block 21 and the west half of Front Street adjacent to the east side of Block 21 (parcel 02.027.22.41.0011).

(d) The sale would be to an adjacent landowner and the Department of Natural Resources has determined that the land is not appropriate for the department to manage."

Delete the title and insert:

"A bill for an act relating to natural resources; modifying Heartland Trail; providing for expedited exchanges of certain lands; adding to and deleting from state parks, state recreation areas, and state forests; authorizing public and private sale of certain state and county lands; modifying certain easements; modifying certain lease provisions; modifying Mississippi River management plan; amending Minnesota Statutes 2010, sections 84.631; 85.015, subdivision 12; 92.50, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 92."

We request the adoption of this report and repassage of the bill.

Senate Conferees: John J. Carlson, Bill G. Ingebrigtsen, Rod Skoe

House Conferees: David Hancock, Denny McNamara, Tom Rukavina

Senator Carlson moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1750 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1750 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 52 and nays 11, as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|--------------|----------|----------|-----------|
| Bakk | Gazelka | Kelash | Nelson | Sheran |
| Benson | Gerlach | Koch | Newman | Skoe |
| Bonoff | Gimse | Koenen | Nienow | Sparks |
| Brown | Goodwin | Kruse | Olson | Stumpf |
| Carlson | Hall | Langseth | Pederson | Thompson |
| Chamberlain | Hann | Latz | Reinert | Tomassoni |
| Dahms | Higgins | Lourey | Rest | Vandever |
| Daley | Hoffman | Magnus | Robling | Wolf |
| DeKruif | Howe | Metzen | Rosen | |
| Dziedzic | Ingebrigtsen | Michel | Saxhaug | |
| Fischbach | Jungbauer | Miller | Senjem | |

Those who voted in the negative were:

| | | | |
|--------|------------|---------|------------|
| Cohen | Harrington | McGuire | Torres Ray |
| Dibble | Hayden | Pappas | Wiger |
| Eaton | Marty | Sieben | |

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED**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. No. 2090, H.F. No. 2647 and S.F. No. 2098.

SPECIAL ORDER

S.F. No. 2090: A bill for an act relating to state government; removing restrictions relating to outside contracts; amending Minnesota Statutes 2010, sections 16C.08, subdivision 2; 16C.09; 136F.77, subdivision 3; repealing Minnesota Statutes 2010, sections 16C.085; 43A.047; 179A.23.

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 28 and nays 35, as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|---------|--------------|---------|----------|
| Benson | Gazelka | Ingebrigtsen | Michel | Senjem |
| Carlson | Gerlach | Jungbauer | Newman | Thompson |
| Chamberlain | Gimse | Koch | Olson | Vandever |
| Daley | Hall | Kruse | Ortman | Wolf |
| DeKruif | Hann | Lillie | Robling | |
| Fischbach | Hoffman | Limmer | Rosen | |

Those who voted in the negative were:

| | | | | |
|----------|------------|---------|----------|------------|
| Bakk | Harrington | Latz | Nienow | Sieben |
| Bonoff | Hayden | Lourey | Pappas | Skoe |
| Cohen | Higgins | Marty | Pederson | Sparks |
| Dibble | Howe | McGuire | Reinert | Stumpf |
| Dziedzic | Kelash | Metzen | Rest | Tomassoni |
| Eaton | Koenen | Miller | Saxhaug | Torres Ray |
| Goodwin | Langseth | Nelson | Sheran | Wiger |

So the bill failed to pass.

SPECIAL ORDER

H.F. No. 2647: A bill for an act relating to education; clarifying the definition of public data relating to agreements involving payment of public money; amending Minnesota Statutes 2010, section 13.43, subdivision 2.

Senator Hall moved that the amendment made to H.F. No. 2647 by the Committee on Rules and Administration in the report adopted April 18, 2012, pursuant to Rule 45, be stricken. The motion prevailed. So the amendment was stricken.

Senator Hall moved to amend H.F. No. 2647 as follows:

Amend the title as follows:

Page 1, line 2, delete "education" and insert "data practices"

The motion prevailed. So the amendment was adopted.

Senator Hall moved that H.F. No. 2647 be laid on the table. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 12.5, Senator Carlson moved that the following members be excused for a Conference Committee on H.F. No. 2244 at 1:40 p.m.:

Senators Kruse, Bakk, Carlson, Olson and Thompson. The motion prevailed.

SPECIAL ORDER

S.F. No. 2098: A bill for an act relating to utilities; modifying the reporting obligations of certain cooperative utilities under the integrated resource planning process; amending Minnesota Statutes 2010, section 216B.2422, by adding a subdivision.

Senator Sparks moved to amend S.F. No. 2098 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 216B.2422, is amended by adding a subdivision to read:

Subd. 2b. Optional integrated resource plan compliance for certain cooperatives. For the purposes of this subdivision, a "cooperative" means a generating and transmission cooperative electric association that has at least 80 percent of its member distribution cooperatives located outside of Minnesota and that provides less than four percent of the electricity annually sold at retail in the state of Minnesota. A cooperative may, in lieu of filing a resource plan under subdivision 2, elect to file a report to the commission under this subdivision. The report must include projected demand levels for the next 15 years and generation resources to meet any projected generation deficiencies. To supply the information required in a report under this subdivision, a cooperative may use reports submitted under section 216C.17, subdivision 2, reports to regional reliability organizations, or similar reports submitted to other state utility commissions. A report must be submitted annually by July 1, but the commission may extend the time if it finds the extension in the public interest. Presentation of the annual report shall be done in accordance with procedures established by the commission. Data in a report under this subdivision may be aggregate data and need not be separately reported for individual distribution cooperative members of the cooperative. The commission may take whatever action in response to a report under this subdivision that it could take with respect to a report by a cooperative under subdivision 2.

EFFECTIVE DATE. This section is effective the day following final enactment. A cooperative must complete an integrated resource plan pending on the effective date of this section under section 216B.2422, subdivision 2, before it may make an election under this section."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 2098 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MEMBERS EXCUSED

Senator Parry was excused from the Session of today. Senator Limmer was excused from the Session of today from 12:20 to 12:40 p.m. Senator Gazelka was excused from the Session of today from 12:30 to 12:45 p.m. Senator Ortman was excused from the Session of today from 12:30 to 1:00 p.m. Senators Brown, Dahms and Magnus were excused from the Session of today from 12:45 to 1:20 p.m.

ADJOURNMENT

Senator Senjem moved that the Senate do now adjourn until 12:00 noon, Monday, April 23, 2012. The motion prevailed.

Cal R. Ludeman, Secretary of the Senate