

EIGHTY-SEVENTH DAY

St. Paul, Minnesota, Thursday, April 10, 2014

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

CALL OF THE SENATE

Senator Bakk 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. Hans Jorgensen.

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

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

Anderson	Eaton	Johnson	Osmek	Sieben
Bakk	Eken	Kent	Pappas	Skoe
Benson	Fischbach	Kiffmeyer	Pederson, J.	Sparks
Bonoff	Franzen	Koenen	Petersen, B.	Thompson
Brown	Gazelka	Latz	Pratt	Tomassoni
Carlson	Goodwin	Limmer	Reinert	Torres Ray
Chamberlain	Hall	Lourey	Rest	Weber
Champion	Hann	Marty	Rosen	Westrom
Clausen	Hawj	Metzen	Ruud	Wiger
Cohen	Hayden	Miller	Saxhaug	Wicklund
Dahle	Hoffman	Nelson	Scalze	
Dahms	Housley	Newman	Schmit	
Dibble	Ingebrigtsen	Nienow	Senjem	
Dziedzic	Jensen	Ortman	Sheran	

The President declared a quorum present.

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

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

March 26, 2014

The Honorable Sandra L. Pappas
President of the Senate

Dear Senator Pappas:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

PLUMBING BOARD

Scott Eggen, 250 S. 4th St., Room 300, Minneapolis, in the county of Hennepin, effective March 30, 2014, for a term expiring on December 31, 2016.

John Flagg, 3017 Croft Dr., Saint Anthony, in the county of Hennepin, effective March 30, 2014, for a term expiring on December 31, 2016.

James Kittelson, 572 - 1st Ave., Wanamingo, in the county of Goodhue, effective March 30, 2014, for a term expiring on December 31, 2016.

Peter Moulton, 1608 Aspen Dr., Saint Peter, in the county of Nicollet, effective March 30, 2014, for a term expiring on December 31, 2016.

Phillip Sterner, 7373 - 147th St. W., Suite 158, Apple Valley, in the county of Dakota, effective March 30, 2014, for a term expiring on December 31, 2016.

(Referred to the Committee on Jobs, Agriculture and Rural Development.)

Sincerely,
Mark Dayton, Governor

April 9, 2014

The Honorable Paul Thissen
Speaker of the House of Representatives

The Honorable Sandra L. Pappas
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2014 Session of the State Legislature has been received from the Office of the Governor and is 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 2014	Date Filed 2014
	826	160	4:02 p.m. April 9	April 9

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 File, herewith returned: S.F. No. 1762.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 9, 2014

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. 2060: A bill for an act relating to food safety; providing a definition of farmers' market; permitting food product sampling and demonstration in certain circumstances; providing a licensing exemption for a chili or soup cook-off event; amending Minnesota Statutes 2012, sections 157.15, subdivision 13; 157.22; proposing coding for new law in Minnesota Statutes, chapter 28A.

Senate File No. 2060 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 9, 2014

CONCURRENCE AND REPASSAGE

Senator Lourey moved that the Senate concur in the amendments by the House to S.F. No. 2060 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. 2060 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Eaton	Jensen	Nienow	Saxhaug
Bakk	Eken	Johnson	Ortman	Scalze
Benson	Fischbach	Kent	Osmek	Sheran
Brown	Franzen	Kiffmeyer	Pappas	Sieben
Carlson	Gazelka	Koenen	Pederson, J.	Skoe
Chamberlain	Hall	Latz	Petersen, B.	Sparks
Champion	Hann	Lourey	Pratt	Thompson
Clausen	Hawj	Marty	Reinert	Torres Ray
Dahle	Hayden	Metzen	Rest	Weber
Dahms	Hoffman	Miller	Rosen	Wiger
Dibble	Ingebrigtsen	Nelson	Ruud	Wiklund

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

MESSAGES FROM THE HOUSE - CONTINUED

Madam President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 3172:

H.F. No. 3172: A bill for an act relating to state government; providing supplemental appropriations for higher education, jobs and economic development, public safety, corrections, transportation, environment, natural resources, and agriculture, kindergarten through grade 12 and adult education, health and human services; making forecast adjustments; modifying prior appropriations; modifying disposition of certain revenues; dedicating money to the Board of Trustees of the Minnesota State Colleges and Universities for compensation costs associated with settlement of employment contracts; dedicating certain funds for homeownership opportunities for families evicted or given notice of eviction due to a disabled child in the home; requiring the housing finance agency to improve efforts to reduce racial and ethnic inequalities in homeownership rates; creating an office of regenerative medicine development; modifying workforce program outcomes; creating job training programs; providing funding for the Minnesota Racing Commission; providing a grant to the Mille Lacs Tourism Council; funding Peace Officer Standards and Training Board; modifying certain provisions pertaining to victims of domestic violence and sentencing for criminal sexual conduct; continuing the fire safety advisory committee; providing for disaster assistance for public entities when federal aid is granted and when federal aid is absent; establishing certain transportation oversight authority; modifying provisions for railroad and pipeline safety; modifying certain transportation provisions; providing compensation for bee deaths due to pesticide poisoning; establishing pollinator emergency response team; providing nonresident off-highway motorcycle state trail pass; requiring certain recycling; modifying solid waste reduction; regulating harmful chemicals in children's products; providing for state parks and trails license plates, and licensing and inspection of commercial dog and cat breeders; providing for invasive terrestrial plants and pests center; providing funding and policy modifications for early childhood, kindergarten through grade 12, and adult education, including general education, education excellence, special education, facilities, nutrition, community education, self-sufficiency and lifelong learning, and state agencies; making changes to provisions governing the Department of Health, Department of Human Services, children and family services, continuing care, community first services and supports, health care, public assistance programs, and chemical dependency; providing for unborn child protection; modifying the hospital payment system; modifying provisions governing background studies and home and community-based services standards; setting fees; providing rate increases; establishing grant programs; modifying medical assistance provisions; modifying the use of positive support strategies and emergency manual restraint; providing for certain grants; defining terms; creating accounts; requiring reports; providing penalties; authorizing rulemaking; amending Minnesota Statutes 2012, sections 12.03, by adding subdivisions; 12.221, subdivision 4, by adding a subdivision; 12A.02, subdivision 2, by adding subdivisions; 12A.03, subdivision 3; 12A.15, subdivision 1; 13.46, subdivision 4; 13.643, subdivision 6; 13.7411, subdivision 8; 13.84, subdivisions 5, 6; 16A.28, by adding a subdivision; 18B.01, by adding subdivisions; 18B.03, by adding a subdivision; 18B.04; 84.788, subdivision 2; 85.053, subdivision 2; 85.34, subdivision 7; 85A.02, subdivision 2; 103G.271, subdivision 6; 115A.151; 115A.55, subdivision 4; 115A.551, subdivisions 1, 2a; 115A.557, subdivisions 2, 3; 115B.39, subdivision 2; 115E.01, by adding subdivisions; 115E.08, by adding subdivisions; 116.9401; 116.9402; 116.9403; 116.9405; 116.9406; 116L.98; 119B.09, subdivision 9a, by adding

a subdivision; 121A.19; 122A.40, subdivision 13; 122A.41, subdivision 6; 122A.415, subdivision 1; 123A.05, subdivision 2; 123A.485; 123A.64; 123B.57, subdivision 6; 123B.71, subdivisions 8, 9; 124D.09, subdivisions 9, 13; 124D.111, by adding a subdivision; 124D.16, subdivision 2; 124D.522; 124D.531, subdivision 3; 124D.59, subdivision 2; 125A.76, subdivision 2; 126C.10, subdivisions 25, 26; 127A.45, subdivisions 2, 3; 127A.49, subdivisions 2, 3; 129C.10, subdivision 3, by adding a subdivision; 144.0724, as amended; 144.551, subdivision 1; 145.4131, subdivision 1; 165.15, subdivision 2; 169.826, by adding a subdivision; 169.8261, by adding a subdivision; 169.86, subdivision 5; 169.863, by adding a subdivision; 169.865, subdivisions 1, 2, by adding a subdivision; 169.866, subdivision 3, by adding a subdivision; 174.24, by adding a subdivision; 174.56, subdivision 1, by adding a subdivision; 179.02, by adding a subdivision; 181A.07, by adding a subdivision; 219.015, subdivisions 1, 2; 243.167, subdivision 1; 245A.03, subdivision 2c; 245C.03, by adding a subdivision; 245C.04, by adding a subdivision; 245C.05, subdivision 5; 245C.10, by adding a subdivision; 245C.33, subdivisions 1, 4; 252.27, by adding a subdivision; 252.451, subdivision 2; 254B.12; 256.01, by adding a subdivision; 256.9685, subdivisions 1, 1a; 256.9686, subdivision 2; 256.969, subdivisions 1, 2, 2b, 3a, 3b, 3c, 6a, 8, 8a, 9, 10, 12, 14, 17, 18, 25, 30, by adding subdivisions; 256.9752, subdivision 2; 256B.04, by adding a subdivision; 256B.0625, subdivisions 18b, 18c, 18d, 18g, 30, by adding a subdivision; 256B.0751, by adding a subdivision; 256B.199; 256B.35, subdivision 1; 256B.431, by adding a subdivision; 256B.434, by adding a subdivision; 256B.441, by adding a subdivision; 256B.5012, by adding a subdivision; 256I.04, subdivision 2b; 256I.05, subdivision 2; 256J.49, subdivision 13; 256J.53, subdivisions 1, 2, 5; 256J.531; 257.85, subdivision 11; 260C.212, subdivision 1; 260C.515, subdivision 4; 260C.611; 299F.012, subdivisions 1, 2; 469.084, by adding a subdivision; 473.408, by adding a subdivision; 609.135, subdivision 2; 609.3451, subdivision 3; 611A.06, by adding a subdivision; Minnesota Statutes 2013 Supplement, sections 16A.724, subdivision 2; 123B.53, subdivisions 1, 5; 123B.54; 123B.75, subdivision 5; 124D.11, subdivision 1; 124D.111, subdivision 1; 124D.165, subdivision 5; 124D.531, subdivision 1; 124D.65, subdivision 5; 124D.862, subdivisions 1, 2; 125A.0942; 125A.11, subdivision 1; 125A.76, subdivisions 1, 2a, 2b, 2c; 125A.79, subdivisions 1, 5, 8; 126C.05, subdivision 15; 126C.10, subdivisions 2, 2a, 2d, 24, 31; 126C.17, subdivisions 6, 7b, 9, 9a; 126C.44; 126C.48, subdivision 8; 127A.47, subdivision 7; 145.4716, subdivision 2; 168.123, subdivision 2; 174.42, subdivision 2; 245.8251; 245A.03, subdivision 7; 245A.042, subdivision 3; 245A.16, subdivision 1; 245C.08, subdivision 1; 245D.02, subdivisions 3, 4b, 8b, 11, 15b, 29, 34, 34a, by adding a subdivision; 245D.03, subdivisions 1, 2, 3, by adding a subdivision; 245D.04, subdivision 3; 245D.05, subdivisions 1, 1a, 1b, 2, 4, 5; 245D.051; 245D.06, subdivisions 1, 2, 4, 6, 7, 8; 245D.071, subdivisions 3, 4, 5; 245D.081, subdivision 2; 245D.09, subdivisions 3, 4a; 245D.091, subdivisions 2, 3, 4; 245D.10, subdivisions 3, 4; 245D.11, subdivision 2; 256B.04, subdivision 21; 256B.056, subdivision 5c; 256B.0625, subdivisions 17, 18e; 256B.0949, subdivisions 4, 11; 256B.439, subdivisions 1, 7; 256B.441, subdivision 53; 256B.4912, subdivision 1; 256B.492; 256B.69, subdivision 34; 256B.85, subdivisions 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, 18, 23, 24, by adding subdivisions; 256N.22, subdivisions 1, 2, 4; 256N.23, subdivision 4; 256N.25, subdivisions 2, 3; 256N.26, subdivision 1; 256N.27, subdivision 4; Laws 2008, chapter 363, article 5, section 4, subdivision 7, as amended; Laws 2009, chapter 83, article 1, section 10, subdivision 7; Laws 2010, chapter 189, sections 15, subdivision 12; 26, subdivision 4; Laws 2012, chapter 249, section 11; Laws 2012, chapter 263, section 1; Laws 2012, chapter 287, article 2, sections 1; 3; Laws 2012, First Special Session chapter 1, article 1, section 28; Laws 2013, chapter 1, section 6, as amended; Laws 2013, chapter 85, article 1, sections 3, subdivisions 2, 5, 6; 4, subdivisions 1, 2; 5; 13, subdivision 5; Laws 2013, chapter 86, article 1, sections 12, subdivision 3, as amended; 13; Laws 2013, chapter 108, article 1, section 24; article

3, section 48; article 7, sections 14; 49; article 14, sections 2, subdivisions 1, 4, as amended, 5, 6, as amended; 3, subdivisions 1, 4; 4, subdivision 8; 12; Laws 2013, chapter 114, article 3, section 4, subdivision 3; Laws 2013, chapter 116, article 1, section 58, subdivisions 2, 3, 4, 5, 6, 7, 11; article 3, section 37, subdivisions 3, 4, 5, 6, 8, 11, 15, 20; article 4, section 9, subdivision 2; article 5, section 31, subdivisions 2, 3, 4, 8; article 6, section 12, subdivisions 2, 3, 4, 5, 6; article 7, section 21, subdivisions 2, 3, 4, 6, 7, 9; article 8, section 5, subdivisions 2, 3, 4, 10, 11, 14; article 9, sections 1, subdivision 2; 2; Laws 2013, chapter 117, article 1, sections 3, subdivisions 2, 3; 4; proposing coding for new law in Minnesota Statutes, chapters 8; 18B; 19; 84; 85; 87A; 115E; 116; 116J; 123A; 123B; 124D; 129C; 144; 144A; 145; 168; 219; 299A; 347; 473; proposing coding for new law as Minnesota Statutes, chapter 12B; repealing Minnesota Statutes 2012, sections 115A.551, subdivision 2; 116J.997; 123B.71, subdivision 1; 256.969, subdivisions 2c, 8b, 9a, 9b, 11, 13, 20, 21, 22, 26, 27, 28; 256.9695, subdivisions 3, 4; Minnesota Statutes 2013 Supplement, sections 256B.0625, subdivision 18f; 256N.26, subdivision 7.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

Carlson, Huntley, Mahoney, Marquart and Wagenius have been appointed as such committee on the part of the House.

House File No. 3172 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted April 9, 2014

Senator Bakk, for Senator Cohen, moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 3172, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Madam President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2141, 2227, 2446, 2656, 859, 2096, 1874, 1926, 2313, 2281, 2536 and 2874.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted April 9, 2014

FIRST READING OF HOUSE BILLS

The following bills were read the first time.

H.F. No. 2141: A bill for an act relating to public safety; clarifying probable cause arrests for violations of protection, restraining, and no contact orders; modifying time limit for probable cause arrests for domestic abuse; amending Minnesota Statutes 2012, sections 629.34, subdivision 1; 629.341, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2042, now on General Orders.

H.F. No. 2227: A bill for an act relating to health; requiring the commissioner of health to assess and report on quality of care for ST elevation myocardial infarction response and treatment; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2262, now on General Orders.

H.F. No. 2446: A bill for an act relating to public safety; granting the Board of Pharmacy cease and desist authority to prevent the sale of synthetic drugs; modifying laws governing misbranding drugs, adulterated drugs; expanding the definition of drug; repealing the sunset and legislative reporting requirement for the Board of Pharmacy's emergency drug scheduling authority; providing for mandatory restitution when a person is convicted for selling controlled substance under false pretense of being legal; establishing a public education plan; appropriating money; amending Minnesota Statutes 2012, sections 151.01, subdivision 5; 151.06, subdivision 1a, by adding a subdivision; 151.26, subdivision 1; 151.34; 151.35; 151.36; 152.02, subdivision 8b; proposing coding for new law in Minnesota Statutes, chapter 152.

Referred to the Committee on Finance.

H.F. No. 2656: A bill for an act relating to health; modifying the use of the all-payer claims data; convening a work group to make recommendations on expanded uses of the all-payer claims database; amending Minnesota Statutes 2012, section 62U.04, subdivision 4, by adding subdivisions.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2106, now on General Orders.

H.F. No. 859: A bill for an act relating to housing; landlord and tenant; establishing remedies for victims of violence; establishing a housing opportunities made equitable pilot project; amending Minnesota Statutes 2012, sections 504B.171, subdivision 1; 504B.206; 504B.285, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 771, now on General Orders.

H.F. No. 2096: A bill for an act relating to elections; modifying campaign finance definition; providing for submission of voter registration and absentee ballot applications online; amending Minnesota Statutes 2012, sections 10A.01, subdivision 26; 201.061, subdivision 1, by adding a subdivision; 201.071, subdivisions 1, 3; 201.081; 203B.04, by adding a subdivision; 203B.17; Minnesota Statutes 2013 Supplement, sections 201.275; 203B.04, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2288.

H.F. No. 1874: A bill for an act relating to natural resources; appropriating money from environment and natural resources trust fund; modifying provisions for Legislative-Citizen Commission on Minnesota Resources; modifying requirements for land acquisition with trust fund money; amending Minnesota Statutes 2013 Supplement, section 116P.17; repealing Minnesota Statutes 2012, section 116P.05, subdivision 3.

Referred to the Committee on Finance.

H.F. No. 1926: A bill for an act relating to natural resources; appropriating money from outdoor heritage fund; modifying restoration evaluation requirements; modifying requirements

for acquisition of real property with money from legacy funds; modifying previous parks and trails fund appropriation; amending Minnesota Statutes 2012, sections 84.0272, subdivisions 1, 3; 97A.056, subdivision 10, by adding subdivisions.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2098.

H.F. No. 2313: A bill for an act relating to public employment; changing the definition of a confidential employee; amending Minnesota Statutes 2012, section 179A.03, subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2319, now on General Orders.

H.F. No. 2281: A bill for an act relating to public safety; clarifying legislators' privilege from arrest; specifying that driving while impaired constitutes a breach of the peace for purposes of the Constitution; amending Minnesota Statutes 2012, section 3.151; proposing coding for new law in Minnesota Statutes, chapters 3; 169A.

Referred to the Committee on Judiciary.

H.F. No. 2536: A bill for an act relating to state government; providing for the Women's Economic Security Act; requiring equal pay certificates of compliance; modifying workforce development provisions; creating women and high-wage, high-demand, nontraditional jobs grant program; modifying eligibility for unemployment insurance benefits; offering women entrepreneurs business development competitive grants; requiring a report on a potential state-administered retirement savings plan; modifying parenting leave, sick leave, and pregnancy accommodations; providing employment protections for women and family caregivers; providing wage disclosure protection; modifying the award of early childhood scholarships; appropriating money; amending Minnesota Statutes 2012, sections 13.552, by adding a subdivision; 181.939; 181.940, subdivision 2; 181.941; 181.943; 268.095, subdivisions 1, 6; 363A.03, by adding a subdivision; 363A.08, subdivisions 1, 2, 3, 4, by adding subdivisions; Minnesota Statutes 2013 Supplement, sections 116L.665, subdivision 2; 124D.165, subdivision 3; 181.9413; proposing coding for new law in Minnesota Statutes, chapters 116L; 181; 363A.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2050.

H.F. No. 2874: A bill for an act relating to health; making technical changes; eliminating or modernizing antiquated, unnecessary, and obsolete provisions; amending Minnesota Statutes 2012, sections 62J.50, subdivisions 1, 2; 62J.51; 62J.52, as amended; 62J.53; 62J.535; 62J.536, subdivision 2; 62J.54, subdivisions 1, 2, 3; 62J.56, subdivisions 1, 2, 3; 62J.581, subdivisions 1, 3, 4; 62J.61, subdivision 1; 122A.40, subdivision 12; 122A.41, subdivision 6; 144.12, subdivision 1; 154.25; 626.557, subdivision 12b; repealing Minnesota Statutes 2012, sections 62J.322; 62J.59; 144.011, subdivision 2; 144.0506; 144.071; 144.072; 144.076; 144.146, subdivision 1; 144.1475; 144.443; 144.444; 144.45; 145.132; 145.97; 145.98, subdivisions 1, 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2367, now on General Orders.

REPORTS OF COMMITTEES

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

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

S.F. No. 2098: A bill for an act relating to natural resources; appropriating money from outdoor heritage fund.

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

Page 1, after line 3, insert:

**"ARTICLE 1
OUTDOOR HERITAGE FUND"**

Page 1, lines 6 and 8, delete "act" and insert "article"

Page 1, line 17, delete "108,620,000" and insert "109,320,000"

Page 2, line 33, after the period, insert "Conservation grazing or haying under a management plan that is already being implemented may continue."

Page 3, line 17, after the period, insert "Conservation grazing or haying under a management plan that is already being implemented may continue."

Page 4, lines 6 and 34, after the period, insert "Conservation grazing or haying under a management plan that is already being implemented may continue."

Page 5, line 31, after the period, insert "Conservation grazing or haying under a management plan that is already being implemented may continue."

Page 6, lines 19 and 33, after the period, insert "Conservation grazing or haying under a management plan that is already being implemented may continue."

Page 9, line 14, after the period, insert "Conservation grazing or haying under a management plan that is already being implemented may continue."

Page 11, line 6, after the period, insert "Conservation grazing or haying under a management plan that is already being implemented may continue."

Page 12, line 2, delete "Reserve Program"

Page 12, line 19, after the period, insert "The appropriations in Laws 2012, chapter 264, article 1, section 2, subdivision 4, paragraph (a), and Laws 2013, chapter 137, article 1, section 2, subdivision 4, paragraph (a), may be used for the purposes of this appropriation."

Page 13, line 13, delete "\$197,700" and insert "\$198,000"

Page 13, line 15, delete "\$862,300" and insert "\$862,000"

Page 14, line 5, delete "30,190,000" and insert "30,890,000"

Page 15, line 19, after the period, insert "Conservation grazing or haying under a management plan that is already being implemented may continue."

Page 16, lines 9 and 24, after the period, insert "Conservation grazing or haying under a management plan that is already being implemented may continue."

Page 18, after line 24, insert:

"(l) Albert Lea Lake Management and Invasive Species Control Structure-Supplement

\$700,000 in the second year is added to the appropriation contained in Laws 2013, chapter 137, article 1, section 2, subdivision 5, paragraph (h), to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to construct structural deterrents and lake level controls."

Page 18, line 25, delete "(l)" and insert "(m)"

Page 19, line 18, after the period, insert "Conservation grazing or haying under a management plan that is already being implemented may continue."

Page 20, line 28, delete "(m)" and insert "(n)"

Page 21, line 21, after the period, insert "Conservation grazing or haying under a management plan that is already being implemented may continue."

Page 23, line 19, delete "2016" and insert "2015"

Page 26, after line 24, insert:

"Sec. 3. Minnesota Statutes 2012, section 97A.056, subdivision 1, is amended to read:

Subdivision 1. **Outdoor heritage fund.** An outdoor heritage fund, under article XI, section 15, of the Minnesota Constitution, is established as an account in the state treasury. All money earned by the outdoor heritage fund must be credited to the fund. At least 99 percent of the money appropriated from the fund must be expended to restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife. Money appropriated from the outdoor heritage fund shall not be spent to acquire property by eminent domain or to acquire property that has previously been acquired by eminent domain.

ARTICLE 2

PARKS AND TRAILS FUND

Section 1. CARVER COUNTY PARKS AND TRAILS GRANT MODIFICATION.

The fiscal year 2015 appropriation from the parks and trails fund to the Metropolitan Council for grants to Carver County contained in Laws 2013, chapter 137, article 3, section 4, paragraph (d), may be used for a park programmer position, roads, parking lots, and paving construction at Lake Minnewashta Regional Park."

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "modifying restrictions on use of money appropriated from the outdoor heritage fund; modifying previous parks and trails fund appropriation;"

Amend the title numbers accordingly

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

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

S.F. No. 2805: A bill for an act relating to claims against the state; providing for settlement of certain claims; appropriating money.

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

Page 1, line 14, delete "\$1,310.07" and insert "\$2,359.82"

Page 1, delete line 15 and insert:

"(2) for payment to Garry Green for permanent injuries to his right hand sustained while performing sentence to service work in Hennepin County, \$7,400;

(3) for payment to David Huff for permanent injuries to his back sustained while performing sentence to service work in Waseca County and for medical costs incurred by Mr. Huff, \$19,686.22, and to medical providers for treatment of Mr. Huff, \$9,065.24;

(4) for payment to medical providers for treatment of Michael Livingston, who was injured while performing sentence to service work in Meeker County, \$5,608.02;

(5) for payment to Donald Marrow for permanent injuries to his right hand sustained while performing sentence to service work in Hennepin County, \$3,300, and to medical providers for treatment of Mr. Marrow, \$5,509.28;

(6) for payment to Jamie Patton for permanent injuries sustained to his right hand while performing assigned duties at Minnesota Correctional Facility-Faribault, \$11,135;

(7) for payment to Rebecca Ratzlaff for medical costs incurred as a result of a foot injury sustained while performing sentence to service work in Hennepin County, \$513.97, and to medical providers for treatment of Ms. Ratzlaff, \$15,125.33;

(8) for payment to medical providers for treatment of Damon Russell, who was injured while performing sentence to service work in Olmstead County, \$1,840.35;

(9) for payment to medical providers for treatment of Brian Trautman, who was injured while performing sentence to service work in Winona County, \$1,789.11.

Sec. 2. DEPARTMENT OF TRANSPORTATION.

(a) The Department of Transportation is authorized to pay Cory Zeien \$4,284.92 from the \$10,961.02 retained by the department from contract number 440939 with M. G. Carlson Construction Co., Inc., for construction of the Northern Pacific Railway Depot Roof Rehabilitation in Staples, Minnesota. This payment is conditioned upon the execution of a release by Cory Zeien, releasing the state of Minnesota from all claims for payment for work performed under contract number 440939. The release shall be in a form to be determined by the department, and must include an acknowledgment that Cory Zeien is responsible for the payment of any taxes or other obligations resulting from the \$4,284.92 payment.

(b) The Department of Transportation is authorized to notify the seven additional individuals who were identified in the department's audit of contract number 440939 as having been underpaid. Upon execution of a release as required in paragraph (a), the department is authorized to make a

payment to each individual, from the remaining \$6,676.10 of contract retainage, prorated according to the amount each individual was underpaid. In the event the Department of Transportation is unable to locate an individual identified in the audit, the Department of Transportation shall file an abandoned property report with the Department of Commerce under Minnesota Statutes, section 345.41, together with the payment of the appropriate prorated amount under Minnesota Statutes, section 345.43.

(c) Because contractor M.G. Carlson Construction Co., Inc. cannot be found within the state, the Department of Transportation may make final settlement of contract number 440939 without the certification required by Minnesota Statutes, section 270C.66.

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

Amend the title as follows:

Page 1, line 2, after the second semicolon, insert "authorizing certain payments by the Department of Transportation;"

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

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

S.F. No. 2288: A bill for an act relating to elections; providing for submission of voter registration and absentee ballot applications online; amending Minnesota Statutes 2012, sections 201.061, subdivision 1, by adding a subdivision; 201.071, subdivisions 1, 3; 201.081; 203B.04, by adding a subdivision; 203B.17; Minnesota Statutes 2013 Supplement, sections 201.275; 203B.04, subdivision 1.

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

Page 7, line 27, delete "registration" and insert "absentee ballot application"

Page 7, line 30, delete "voter registration" and insert "absentee ballot"

Page 9, line 28, delete "registration" and insert "absentee ballot application"

Page 9, line 31, delete "voter registration" and insert "absentee ballot"

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

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

H.F. No. 2658: A bill for an act relating to workers' compensation; adopting the recommendations of the Workers' Compensation Advisory Council; amending Minnesota Statutes 2012, sections 176.129, subdivisions 2a, 7; 176.135, subdivision 7; 176.136, subdivision 1a; 176.231, subdivision 2; 176.305, subdivision 1a; Minnesota Statutes 2013 Supplement, section 176.011, subdivision 15; repealing Minnesota Statutes 2012, sections 175.006, subdivision 1; 175.08; 175.14; 175.26; 176.1311; 176.136, subdivision 3; 176.2615; 176.641.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2013 Supplement, section 176.011, subdivision 15, is amended to read:

Subd. 15. **Occupational disease.** (a) "Occupational disease" means a mental impairment as defined in paragraph (d) or physical disease arising out of and in the course of employment peculiar to the occupation in which the employee is engaged and due to causes in excess of the hazards ordinary of employment and shall include undulant fever. Physical stimulus resulting in mental injury and mental stimulus resulting in physical injury shall remain compensable. Mental impairment is not considered a disease if it results from a disciplinary action, work evaluation, job transfer, layoff, demotion, promotion, termination, retirement, or similar action taken in good faith by the employer. Ordinary diseases of life to which the general public is equally exposed outside of employment are not compensable, except where the diseases follow as an incident of an occupational disease, or where the exposure peculiar to the occupation makes the disease an occupational disease hazard. A disease arises out of the employment only if there be a direct causal connection between the conditions under which the work is performed and if the occupational disease follows as a natural incident of the work as a result of the exposure occasioned by the nature of the employment. An employer is not liable for compensation for any occupational disease which cannot be traced to the employment as a direct and proximate cause and is not recognized as a hazard characteristic of and peculiar to the trade, occupation, process, or employment or which results from a hazard to which the worker would have been equally exposed outside of the employment.

(b) If immediately preceding the date of disablement or death, an employee was employed on active duty with an organized fire or police department of any municipality, as a member of the Minnesota State Patrol, conservation officer service, state crime bureau, as a forest officer by the Department of Natural Resources, state correctional officer, or sheriff or full-time deputy sheriff of any county, and the disease is that of myocarditis, coronary sclerosis, pneumonia or its sequel, and at the time of employment such employee was given a thorough physical examination by a licensed doctor of medicine, and a written report thereof has been made and filed with such organized fire or police department, with the Minnesota State Patrol, conservation officer service, state crime bureau, Department of Natural Resources, Department of Corrections, or sheriff's department of any county, which examination and report negated any evidence of myocarditis, coronary sclerosis, pneumonia or its sequel, the disease is presumptively an occupational disease and shall be presumed to have been due to the nature of employment. If immediately preceding the date of disablement or death, any individual who by nature of their position provides emergency medical care, or an employee who was employed as a licensed police officer under section 626.84, subdivision 1; firefighter; paramedic; state correctional officer; emergency medical technician; or licensed nurse providing emergency medical care; and who contracts an infectious or communicable disease to which the employee was exposed in the course of employment outside of a hospital, then the disease is presumptively an occupational disease and shall be presumed to have been due to the nature of employment and the presumption may be rebutted by substantial factors brought by the employer or insurer. Any substantial factors which shall be used to rebut this presumption and which are known to the employer or insurer at the time of the denial of liability shall be communicated to the employee on the denial of liability.

(c) A firefighter on active duty with an organized fire department who is unable to perform duties in the department by reason of a disabling cancer of a type caused by exposure to heat, radiation, or a known or suspected carcinogen, as defined by the International Agency for Research on Cancer, and the carcinogen is reasonably linked to the disabling cancer, is presumed to have an occupational disease under paragraph (a). If a firefighter who enters the service after August 1, 1988, is examined by a physician prior to being hired and the examination discloses the existence of a cancer of a type

described in this paragraph, the firefighter is not entitled to the presumption unless a subsequent medical determination is made that the firefighter no longer has the cancer.

(d) For the purposes of this chapter, "mental impairment" means a diagnosis of post-traumatic stress disorder by a licensed psychiatrist or psychologist. For the purposes of this chapter, "post-traumatic stress disorder" means the condition as described in the most recently published edition of the Diagnostic and Statistical Manual of Mental Disorders by the American Psychiatric Association. For purposes of section 79.34, subdivision 2, one or more compensable mental impairment claims arising out of a single event or occurrence shall constitute a single loss occurrence.

EFFECTIVE DATE. This section is effective for employees with dates of injury on or after October 1, 2013.

Sec. 2. Minnesota Statutes 2012, section 176.129, subdivision 2a, is amended to read:

Subd. 2a. **Payments to fund.** (a) On or before April 1 of each year, all self-insured employers shall report paid indemnity losses and insurers shall report paid indemnity losses and standard workers' compensation premium in the form and manner prescribed by the commissioner. On June 1 of each year, the commissioner shall determine the total amount needed to pay all estimated liabilities, including administrative expenses, of the special compensation fund for the following fiscal year. The commissioner shall assess this amount against self-insured employers and insurers. The total amount of the assessment must be allocated between self-insured employers and insured employers based on paid indemnity losses for the preceding calendar year, as provided by paragraph (b). The method of assessing self-insured employers must be based on paid indemnity losses, as provided by paragraph (c). The method of assessing insured employers is based on standard workers' compensation premium, as provided by paragraph (c). Each insurer shall collect the assessment through a policyholder surcharge as provided by paragraph (d). On or before June 30 of each year, the commissioner shall provide notification to each self-insured employer and insurer of amounts due. Each self-insured employer and each insurer shall pay at least one-half of the amount due to the commissioner for deposit into the special compensation fund on or before August 1 of the same calendar year. The remaining balance is due on February 1 of the following calendar year. Each insurer must pay the full amount due as stated in the commissioner's notification, regardless of the amount the insurer actually collects from the ~~premium~~ policyholder surcharge.

(b) The portion of the total assessment that is allocated to self-insured employers is the proportion that paid indemnity losses made by all self-insured employers bore to the total paid indemnity losses made by all self-insured employers and insured employers during the preceding calendar year. The portion of the total assessment that is allocated to insured employers is the proportion that paid indemnity losses made on behalf of all insured employers bore to the total paid indemnity losses made by all self-insured employers and insured employers during the preceding calendar year.

(c) The portion of the total assessment allocated to self-insured employers that shall be paid by each self-insured employer must be based upon paid indemnity losses made by that self-insured employer during the preceding calendar year. The portion of the total assessment allocated to insured employers that is paid by each insurer must be based on standard workers' compensation premium earned in the state by that insurer during the ~~preceding~~ current calendar year. If the current calendar year earned standard workers' compensation premium is not available, the commissioner shall estimate the portion of the total assessment allocated to insured employers that is paid by each insurer using the earned standard workers' compensation premium from the preceding calendar

year. The commissioner shall then perform a reconciliation and final determination of the portion of the total assessment to be paid by each insurer when the earned standard workers' compensation premium for the current calendar year is calculable, but the final determination must not be made after December 1 of the following calendar year. An employer who has ceased to be self-insured shall continue to be liable for assessments based on paid indemnity losses arising out of injuries occurring during periods when the employer was self-insured, unless the self-insured employer has purchased a replacement policy covering those losses. An insurer who assumes a self-insured employer's obligation under a replacement policy shall separately report and pay assessments based on indemnity losses paid by the insurer under the replacement policy. The replacement policy may provide for reimbursement of the assessment to the insurer by the self-insured employer.

(d) Insurers shall collect the assessments from their insured employers through a surcharge based on standard workers' compensation premium for each employer. Assessments when collected do not constitute an element of loss for the purpose of establishing rates for workers' compensation insurance but for the purpose of collection are treated as separate costs imposed on insured employers. The premium policyholder surcharge is included in the definition of gross premium as defined in section 297I.01 only for premium tax purposes. An insurer may cancel a policy for nonpayment of the premium policyholder surcharge. The premium policyholder surcharge is excluded from the definition of premium for all other purposes, except as otherwise provided in this paragraph.

(e) For purposes of this section, the workers' compensation assigned risk plan established under section 79.252, shall report and pay assessments on standard workers' compensation premium in the same manner as an insurer.

EFFECTIVE DATE. This section is effective for assessments due under Minnesota Statutes, section 176.129, subdivision 2a, paragraph (a), on August 1, 2013, and February 1, 2014, and for the first reconciliation and final determination under Minnesota Statutes, section 176.129, subdivision 2a, paragraph (c), due on or before December 1, 2014.

Sec. 3. Minnesota Statutes 2012, section 176.129, subdivision 7, is amended to read:

Subd. 7. **Refunds.** In case deposit is or has been made pursuant to subdivision 2a by mistake or inadvertence, or under circumstances that justice requires a refund, the commissioner of management and budget is authorized to refund the deposit under order of the commissioner, a compensation judge, the Workers' Compensation Court of Appeals, or a district court. Claims for refunds must be submitted to the commissioner within three years of the assessment due date of reconciliation and final determination under subdivision 2a. There is appropriated to the commissioner from the fund an amount sufficient to make the refund and payment.

EFFECTIVE DATE. This section is effective for assessments due under Minnesota Statutes, section 176.129, subdivision 2a, paragraph (a), on August 1, 2013, and February 1, 2014, and for the first reconciliation and final determination under Minnesota Statutes, section 176.129, subdivision 2a, paragraph (c), due on or before December 1, 2014.

Sec. 4. Minnesota Statutes 2012, section 176.135, subdivision 7, is amended to read:

Subd. 7. **Medical bills and records.** (a) Health care providers shall submit to the insurer an itemized statement of charges in the standard electronic transaction format when required by section 62J.536 or, if there is no prescribed standard electronic transaction format, on a billing form prescribed by the commissioner. Health care providers shall also submit copies of medical

records or reports that substantiate the nature of the charge and its relationship to the work injury. Health care providers may charge for copies of any records or reports that are in existence and directly relate to the items for which payment is sought under this chapter. The commissioner shall adopt a schedule of reasonable charges by rule.

A health care provider shall not collect, attempt to collect, refer a bill for collection, or commence an action for collection against the employee, employer, or any other party until the information required by this section has been furnished.

A United States government facility rendering health care services to veterans is not subject to the uniform billing form requirements of this subdivision.

(b) For medical services provided under this section, the codes from the International Classification of Diseases, Tenth Edition, Clinical Modification/Procedure Coding System (ICD-10), must be used to report medical diagnoses and hospital inpatient procedures when required by the United States Department of Health and Human Services for federal programs. The commissioner must replace the codes from the International Classification of Diseases, Ninth Edition, Clinical Modification/Procedure Coding System (ICD-9), with equivalent ICD-10 codes wherever the ICD-9 codes appear in rules adopted under this chapter. The commissioner must use the General Equivalence Mappings established by the Centers for Medicare and Medicaid Services to replace the ICD-9 diagnostic codes with ICD-10 codes in the rules.

(c) The commissioner shall amend rules adopted under this chapter as necessary to implement the ICD-10 coding system in paragraph (b). The amendments shall be adopted by giving notice in the State Register according to the procedures in section 14.386, paragraph (a). The amended rules are not subject to expiration under section 14.386, paragraph (b).

Sec. 5. Minnesota Statutes 2012, section 176.136, subdivision 1a, is amended to read:

Subd. 1a. **Relative value fee schedule.** (a) The liability of an employer for services included in the medical fee schedule is limited to the maximum fee allowed by the schedule in effect on the date of the medical service, or the provider's actual fee, whichever is lower. The commissioner shall adopt permanent rules regulating fees allowable for medical, chiropractic, podiatric, surgical, and other health care provider treatment or service, including those provided to hospital outpatients, by implementing a relative value fee schedule. The commissioner may adopt by reference, according to the procedures in paragraph ~~(h)~~ (d), clause (2), the relative value fee schedule tables adopted for the federal Medicare program. The relative value fee schedule must contain reasonable classifications including, but not limited to, classifications that differentiate among health care provider disciplines. The conversion factors for the original relative value fee schedule must reasonably reflect a 15 percent overall reduction from the medical fee schedule most recently in effect. The reduction need not be applied equally to all treatment or services, but must represent a gross 15 percent reduction.

(b) Effective October 1, 2005, the commissioner shall remove all scaling factors from the relative value units and establish four separate conversion factors ~~according to paragraphs (c) and (d)~~ for each of the following parts of Minnesota Rules:

(1) medical/surgical services in Minnesota Rules, part 5221.4030, as defined in part 5221.0700, subpart 3, item C, subitem (2);

(2) pathology and laboratory services in Minnesota Rules, part 5221.4040, as defined in part 5221.0700, subpart 3, item C, subitem (3);

(3) physical medicine and rehabilitation services in Minnesota Rules, part 5221.4050, as defined in part 5221.0700, subpart 3, item C, subitem (4); and

(4) chiropractic services in Minnesota Rules, part 5221.4060, as defined in part 5221.0700, subpart 3, item C, subitem (5).

~~(c) The four conversion factors established under paragraph (b) shall be calculated so that there is no change in each maximum fee for each service under the current fee schedule, except as provided in paragraphs (d) and (e).~~

~~(d) By October 1, 2006, the conversion factor for chiropractic services described in paragraph (b), clause (4), shall be increased to equal 72 percent of the conversion factor for medical/surgical services described in paragraph (b), clause (1). Beginning October 1, 2005, the increase in chiropractic conversion factor shall be phased in over two years by approximately equal percentage point increases.~~

~~(e) When adjusting the conversion factors in accordance with paragraph (g) on October 1, 2005, and October 1, 2006, the commissioner may adjust by no less than zero, all of the conversion factors as necessary to offset any overall increase in payments under the fee schedule resulting from the increase in the chiropractic conversion factor.~~

~~(f) The commissioner shall give notice of the relative value units and conversion factors established under paragraphs (b), (c), and (d) according to the procedures in section 14.386, paragraph (a). The relative value units and conversion factors established under paragraphs (b), (c), and (d) are not subject to expiration under section 14.386, paragraph (b).~~

~~(g)~~ (c) The conversion factors shall be adjusted as follows:

(1) After permanent rules have been adopted to implement this section, the conversion factors must be adjusted annually on October 1 by no more than the percentage change computed under section 176.645, but without the annual cap provided by that section.

(2) Each time the workers' compensation relative value fee schedule tables are updated under paragraph (h) (d), the commissioner shall adjust the conversion factors so that, for services in both fee schedules, there is no difference between the overall payment in each category of service listed in paragraph (b) under the new schedule and the overall payment for that category under the workers' compensation fee schedule most recently in effect. This adjustment must be made before making any additional adjustment under clause (1).

~~(h)~~ (d) The commissioner shall give notice of the adjusted conversion factors and updates to the relative value fee schedule as follows:

(1) The commissioner shall annually give notice in the State Register of the adjusted conversion factors and any amendments to rules to implement Medicare relative value tables incorporated by reference under this subdivision. The notices of the adjusted conversion factors and amended rules to implement the relative value tables are subject to the requirements of section 14.386, paragraph (a). The annual adjustments to the conversion factors and the medical fee schedules adopted under this section, including all previous fee schedules, are not subject to expiration under section 14.386, paragraph (b).

(2) The commissioner shall periodically, but at least once every three years, update the workers' compensation relative value tables by incorporating by reference the relative value tables in the

national physician fee schedule relative value file established by the Centers for Medicare and Medicaid Services. The commissioner shall publish the notices of the incorporation by reference in the State Register at least 60 days before the tables are to become effective for purposes of payment under this section. Each notice of incorporation must state the date the incorporated tables will become effective and must include information on how the Medicare relative value tables may be obtained. The published notices of incorporation by reference and the incorporated tables are not rules subject to section 14.386 or other provisions of chapter 14, but have the force and effect of law as of the date specified in the notices.

Sec. 6. Minnesota Statutes 2012, section 176.231, subdivision 2, is amended to read:

Subd. 2. **Initial report, written report.** Where subdivision 1 requires an injury to be reported within 48 hours, the employer may make an initial report by telephone, ~~telegraph~~, or personal notice, and file a written report of the injury within seven days from its occurrence or within such time as the commissioner of labor and industry designates. All written reports of injuries required by subdivision 1 shall include the date of injury. The reports shall be on a form designed by the commissioner, with a clear copy suitable for imaging to the commissioner, one copy to the insurer, and one copy to the employee.

The employer must give the employee the "Minnesota Workers' Compensation System Employee Information Sheet" at the time the employee is given a copy of the first report of injury.

If an insurer or self-insurer repeatedly fails to pay benefits within three days of the due date, pursuant to section 176.221, the insurer or self-insurer shall be ordered by the commissioner to explain, in person, the failure to pay benefits due in a reasonable time. If prompt payments are not thereafter made, the commissioner shall refer the insurer or self-insurer to the commissioner of commerce for action pursuant to section 176.225, subdivision 4.

Sec. 7. Minnesota Statutes 2012, section 176.305, subdivision 1a, is amended to read:

Subd. 1a. **Settlement and pretrial conferences; summary decision.** The chief administrative law judge shall promptly assign the petition to a compensation judge under section 176.307, and shall schedule a settlement conference before a compensation judge, to be held no later than 180 days after a claim petition was filed, or 45 days after a petition to discontinue, objection to discontinuance, or request for formal hearing was filed.

All parties must appear at the settlement conference, either personally or by representative, must be prepared to discuss settlement of all issues, and must be prepared to discuss or present the information required by the joint rules of the division and the office. If a representative appears on behalf of a party, the representative must have authority to fully settle the matter. The parties shall serve and file a pretrial statement no fewer than five days before the settlement conference.

If settlement is not reached, the chief administrative law judge shall schedule a hearing to be held within 90 days from the scheduled settlement conference. However, the hearing must be held earlier than 90 days from the scheduled settlement conference if this chapter requires an expedited hearing to be held at an earlier date. The hearing must be held before a compensation judge other than the compensation judge who conducted the settlement conference. The compensation judge assigned to hold the hearing may choose to conduct a pretrial conference to clarify the issues and evidence that will be presented at the hearing.

Cancellations and continuations of proceedings are disfavored but may be granted upon the showing of good cause under section 176.341, subdivision 4.

The compensation judge conducting the settlement conference may require the parties to present copies of all documentary evidence not previously filed and a summary of the evidence they will present at a formal hearing. If appropriate, a written summary decision shall be issued within ten days after the conference stating the issues and a determination of each issue. If a party fails to appear at the conference, all issues may be determined contrary to the absent party's interest, provided the party in attendance presents a prima facie case.

The summary decision is final unless a written request for a formal hearing is served on all parties and filed with the commissioner within 30 days after the date of service and filing of the summary decision. Within ten days after receipt of the request, the commissioner shall certify the matter to the office for a de novo hearing. ~~In proceedings under section 176.2615, the summary decision is final and not subject to appeal or de novo proceedings.~~

Sec. 8. **REPEALER.**

Minnesota Statutes 2012, sections 175.006, subdivision 1; 175.08; 175.14; 175.26; 176.1311; 176.136, subdivision 3; 176.2615; and 176.641, are repealed."

Amend the title numbers accordingly

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

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

H.F. No. 3014: A bill for an act relating to labor; creating the Public Employment Relations Board; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2012, sections 179A.03, subdivisions 14, 15, by adding a subdivision; 179A.04, subdivision 3; 179A.051; 179A.06, by adding a subdivision; 179A.10, subdivision 1; 179A.13; proposing coding for new law in Minnesota Statutes, chapter 179A.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 179A.03, is amended by adding a subdivision to read:

Subd. 2a. **Board.** "Board" means the Public Employment Relations Board under section 179A.041.

Sec. 2. Minnesota Statutes 2012, section 179A.03, subdivision 14, is amended to read:

Subd. 14. **Public employee or employee.** (a) "Public employee" or "employee" means any person appointed or employed by a public employer except:

- (1) elected public officials;
- (2) election officers;
- (3) commissioned or enlisted personnel of the Minnesota National Guard;
- (4) emergency employees who are employed for emergency work caused by natural disaster;

(5) part-time employees whose service does not exceed the lesser of 14 hours per week or 35 percent of the normal work week in the employee's appropriate unit;

(6) employees whose positions are basically temporary or seasonal in character and: (i) are not for more than 67 working days in any calendar year; or (ii) are not for more than 100 working days in any calendar year and the employees are under the age of 22, are full-time students enrolled in a nonprofit or public educational institution prior to being hired by the employer, and have indicated, either in an application for employment or by being enrolled at an educational institution for the next academic year or term, an intention to continue as students during or after their temporary employment;

(7) employees providing services for not more than two consecutive quarters to the Board of Trustees of the Minnesota State Colleges and Universities under the terms of a professional or technical services contract as defined in section 16C.08, subdivision 1;

(8) employees of charitable hospitals as defined by section 179.35, subdivision 3, except that employees of charitable hospitals as defined by section 179.35, subdivision 3, are public employees for purposes of sections 179A.051; 179A.052; and 179A.13;

(9) full-time undergraduate students employed by the school which they attend under a work-study program or in connection with the receipt of financial aid, irrespective of number of hours of service per week;

(10) an individual who is employed for less than 300 hours in a fiscal year as an instructor in an adult vocational education program;

(11) an individual hired by the Board of Trustees of the Minnesota State Colleges and Universities to teach one course for three or fewer credits for one semester in a year;

(12) with respect to court employees:

(i) personal secretaries to judges;

(ii) law clerks;

(iii) managerial employees;

(iv) confidential employees; and

(v) supervisory employees;

(13) with respect to employees of Hennepin Healthcare System, Inc., managerial, supervisory, and confidential employees.

(b) The following individuals are public employees regardless of the exclusions of paragraph (a), clauses (5) and (6):

(1) an employee hired by a school district or the Board of Trustees of the Minnesota State Colleges and Universities except at the university established in the Twin Cities metropolitan area under section 136F.10 or for community services or community education instruction offered on a noncredit basis: (i) to replace an absent teacher or faculty member who is a public employee, where the replacement employee is employed more than 30 working days as a replacement for that teacher or faculty member; or (ii) to take a teaching position created due to increased enrollment,

curriculum expansion, courses which are a part of the curriculum whether offered annually or not, or other appropriate reasons;

(2) an employee hired for a position under paragraph (a), clause (6), item (i), if that same position has already been filled under paragraph (a), clause (6), item (i), in the same calendar year and the cumulative number of days worked in that same position by all employees exceeds 67 calendar days in that year. For the purpose of this paragraph, "same position" includes a substantially equivalent position if it is not the same position solely due to a change in the classification or title of the position; and

(3) an early childhood family education teacher employed by a school district.

Sec. 3. Minnesota Statutes 2012, section 179A.03, subdivision 15, is amended to read:

Subd. 15. **Public employer or employer.** (a) "Public employer" or "employer" means:

(1) the state of Minnesota for employees of the state not otherwise provided for in this subdivision or section 179A.10 for executive branch employees;

(2) the Board of Regents of the University of Minnesota for its employees;

(3) the state court administrator for court employees;

(4) the state Board of Public Defense for its employees;

(5) Hennepin Healthcare System, Inc.; and

(6) notwithstanding any other law to the contrary, the governing body of a political subdivision or its agency or instrumentality which has final budgetary approval authority for its employees. However, the views of elected appointing authorities who have standing to initiate interest arbitration, and who are responsible for the selection, direction, discipline, and discharge of individual employees shall be considered by the employer in the course of the discharge of rights and duties under sections 179A.01 to 179A.25.

(b) When two or more units of government subject to sections 179A.01 to 179A.25 undertake a project or form a new agency under law authorizing common or joint action, the employer is the governing person or board of the created agency. The governing official or body of the cooperating governmental units shall be bound by an agreement entered into by the created agency according to sections 179A.01 to 179A.25.

(c) "Public employer" or "employer" does not include a "charitable hospital" as defined in section 179.35, subdivision 2, except that a charitable hospital as defined by section 179.35, subdivision 2, is a public employer for purposes of sections 179A.051; 179A.052; and 179A.13.

(d) Nothing in this subdivision diminishes the authority granted pursuant to law to an appointing authority with respect to the selection, direction, discipline, or discharge of an individual employee if this action is consistent with general procedures and standards relating to selection, direction, discipline, or discharge which are the subject of an agreement entered into under sections 179A.01 to 179A.25.

Sec. 4. Minnesota Statutes 2012, section 179A.04, subdivision 3, is amended to read:

Subd. 3. **Other duties.** (a) The commissioner shall:

(1) provide mediation services as requested by the parties until the parties reach agreement, and may continue to assist parties after they have submitted their final positions for interest arbitration;

(2) issue notices, subpoenas, and orders required by law to carry out duties under sections 179A.01 to 179A.25;

(3) assist the parties in formulating petitions, notices, and other papers required to be filed with the commissioner or the board;

(4) conduct elections;

(5) certify the final results of any election or other voting procedure conducted under sections 179A.01 to 179A.25;

(6) adopt rules relating to the administration of this chapter and the conduct of hearings and elections;

(7) receive, catalogue, file, and make available to the public all decisions of arbitrators and panels authorized by sections 179A.01 to 179A.25, all grievance arbitration decisions to the extent the decision is public under section 13.43, subdivision 2, paragraph (b), and the commissioner's orders and decisions;

(8) adopt, subject to chapter 14, a grievance procedure that fulfills the purposes of section 179A.20, subdivision 4, that is available to any employee in a unit not covered by a contractual grievance procedure;

(9) maintain a schedule of state employee classifications or positions assigned to each unit established in section 179A.10, subdivision 2;

(10) collect fees established by rule for empanelment of persons on the labor arbitrator roster maintained by the commissioner or in conjunction with fair share fee challenges. Arbitrator application fees will be \$100 per year for initial applications and renewals effective July 1, 2007;

(11) provide technical support and assistance to voluntary joint labor-management committees established for the purpose of improving relationships between exclusive representatives and employers, at the discretion of the commissioner;

(12) provide to the parties a list of arbitrators as required by section 179A.16, subdivision 4; ~~and~~

(13) maintain a list of up to 60 arbitrators for referral to employers and exclusive representatives for the resolution of grievance or interest disputes. Each person on the list must be knowledgeable about collective bargaining and labor relations in the public sector, well versed in state and federal labor law, and experienced in and knowledgeable about labor arbitration. To the extent practicable, the commissioner shall appoint members to the list so that the list is gender and racially diverse; and

(14) upon request of the board, provide administrative support and other assistance to the board, including assistance in development and adoption of board rules.

(b) From the names provided by representative organizations, the commissioner shall maintain a list of arbitrators to conduct teacher discharge or termination hearings according to section 122A.40 or 122A.41. The persons on the list must meet at least one of the following requirements:

(1) be a former or retired judge;

- (2) be a qualified arbitrator on the list maintained by the bureau;
- (3) be a present, former, or retired administrative law judge; or
- (4) be a neutral individual who is learned in the law and admitted to practice in Minnesota, who is qualified by experience to conduct these hearings, and who is without bias to either party.

Each year, education Minnesota shall provide a list of up to 14 names and the Minnesota School Boards Association a list of up to 14 names of persons to be on the list. The commissioner may adopt rules about maintaining and updating the list.

Sec. 5. [179A.041] PUBLIC EMPLOYMENT RELATIONS BOARD; POWER, AUTHORITY, AND DUTIES.

Subdivision 1. Membership. The Public Employment Relations Board is established with three members. One member shall be an officer or employee of an exclusive representative of public employees and shall be appointed by the governor; one shall be representative of public employers and shall be appointed by the governor; and one shall be representative of the public at large and shall be appointed by the other two members. Public employers and employee organizations representing public employees may submit for consideration names of persons representing their interests. The board shall select one of its members to serve as chair for a term beginning July 1 of each year.

Subd. 2. Alternate members. (a) The appointing authorities shall appoint alternate members to serve only in the case of a member having a conflict of interest under subdivision 9, as follows:

(1) one alternate, appointed by the governor, who is an officer or employee of an exclusive representative of public employees, to serve as an alternate to the member appointed by the governor who is an officer or employee of an exclusive representative of public employees. This alternate must not be an officer or employee of the same exclusive representative of public employees as the member for whom the alternate serves;

(2) one alternate, appointed by the governor, who is a representative of public employers, to serve as an alternate to the member appointed by the governor who is a representative of public employers. This alternate must not represent the same public employer as the member for whom the alternate serves; and

(3) one alternate, appointed by the member who is an officer or employee of an exclusive representative of public employees and the member who is a representative of public employers, who is not an officer or employee of an exclusive representative of public employees, or a representative of a public employer, to serve as an alternate for the member that represents the public at large.

(b) Each alternate member shall serve a term that is coterminous with the term of the member for whom the alternate member serves as an alternate.

Subd. 3. Terms; compensation. The membership terms, compensation, removal of members, and filling of vacancies for members and alternate members shall be as provided in section 15.0575.

Subd. 4. Rules; meetings. The board shall adopt rules governing its procedure and shall hold meetings as prescribed in those rules. The chair shall convene and preside at meetings of the board.

Subd. 5. Powers. The board shall have the powers and authority required for the board to take the actions assigned to the board under section 179A.13.

Subd. 6. **Appeals.** In addition to the other powers and duties given it by law, the board shall hear and decide appeals from:

(1) recommended decisions and orders relating to an unfair labor practice under section 179A.13; and

(2) determinations of the commissioner under section 179A.12, subdivision 11.

Subd. 7. **Rulemaking.** The board shall adopt rules under chapter 14 governing the presentation of issues and the taking of appeals under subdivision 6. All issues and appeals presented to the board shall be determined upon the record of hearing, except that the board may request additional evidence when necessary or helpful.

Subd. 8. **Employees and contracts.** The board may hire investigators, hearing officers, and other employees as necessary to perform its duties, or may enter into contracts to perform any of the board's duties.

Subd. 9. **Conflict of interest.** A member must disclose any conflict of interest in a case before the board and shall not take any action or vote in the case. The person designated as the recused member's alternate shall serve in place of the member who has a conflict for all actions and votes on the case, unless the alternate has a conflict of interest. If both a member and the member's alternate have a conflict of interest in a case, the appointing authority will appoint a second alternate member, who meets the same requirements as the alternate member and who has no conflict of interest, to take action and vote in the case. A board member or alternate member has a conflict of interest in a case if the member is employed by, an officer of, a member of the governing body of, or a member of a party in the case.

EFFECTIVE DATE. This section is effective July 1, 2014. The board shall be established and prepared to hear and decide rules under Minnesota Statutes, section 179A.041, subdivision 4, by July 1, 2015.

Sec. 6. Minnesota Statutes 2012, section 179A.051, is amended to read:

179A.051 APPEALS OF COMMISSIONER'S DECISIONS.

(a) Decisions of the commissioner relating to supervisory, confidential, essential, and professional employees, appropriateness of a unit, or fair share fee challenges may be reviewed on certiorari by the Court of Appeals. A petition for a writ of certiorari must be filed and served on the other party or parties and the commissioner within 30 days from the date of the mailing of the commissioner's decision. The petition must be served on the other party or parties at the party's or parties' last known address.

(b) Decisions of the commissioner relating to unfair labor practices under section 179A.12, subdivision 11, may be appealed to the board if the appeal is filed with the board and served on all other parties no later than 30 days after service of the commissioner's decision.

Sec. 7. [179A.052] APPEALS OF BOARD'S DECISIONS.

Decisions of the board relating to unfair labor practices under section 179.11, 179.12, 179A.12, subdivision 11, or 179A.13 including dismissal of unfair labor practice charges, may be reviewed on certiorari by the Court of Appeals. A petition for a writ of certiorari must be filed and served on the other party or parties and the board within 30 days from the date of the mailing of the board's

decision. The petition must be served on the other party or parties at the party's or parties' last known address.

Sec. 8. Minnesota Statutes 2012, section 179A.06, is amended by adding a subdivision to read:

Subd. 7. **Concerted activity.** Public employees have the right to engage in concerted activities for the purpose of collective bargaining or other mutual aid or protection.

Sec. 9. Minnesota Statutes 2012, section 179A.10, subdivision 1, is amended to read:

Subdivision 1. **Exclusions.** The commissioner of management and budget shall meet and negotiate with the exclusive representative of each of the units specified in this section, except as provided in section 43A.06, subdivision 1, paragraph (c). The units provided in this section are the only appropriate units for executive branch state employees. The following employees shall be excluded from any appropriate unit:

(1) the positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of management and budget in accordance with section 43A.18, subdivision 3, and so designated in the official state compensation schedules;

(2) unclassified positions in the Minnesota State Colleges and Universities defined as managerial by the Board of Trustees;

(3) positions of physician employees compensated under section 43A.17, subdivision 4;

(4) positions of all unclassified employees appointed by a constitutional officer;

(5) positions in the Bureau of Mediation Services and the Public Employment Relations Board;

(6) positions of employees whose classification is pilot or chief pilot;

(7) administrative law judge and compensation judge positions in the Office of Administrative Hearings; and

(8) positions of all confidential employees.

The governor may upon the unanimous written request of exclusive representatives of units and the commissioner direct that negotiations be conducted for one or more units in a common proceeding or that supplemental negotiations be conducted for portions of a unit or units defined on the basis of appointing authority or geography.

Sec. 10. Minnesota Statutes 2012, section 179A.13, is amended to read:

179A.13 UNFAIR LABOR PRACTICES.

Subdivision 1. **Actions.** (a) ~~The practices specified in this section are unfair labor practices. Any employee, employer, employee or employer organization, exclusive representative, or any other person or organization aggrieved by an unfair labor practice as defined in this section may bring an action for injunctive relief and for damages caused by the unfair labor practice in the district court of the county in which the practice is alleged to have occurred. A copy of any complaint alleging an unfair labor practice must be filed with the commissioner at the time it is brought in district court. The party bringing an unfair labor practice action in district court shall also transmit to the commissioner any orders or judgments of the court within ten days of the order or judgment file an unfair labor practice charge with the board.~~

(b) Whenever it is charged that any party has engaged in or is engaging in any unfair labor practice, an investigator designated by the board shall promptly conduct an investigation of the charge. Unless after the investigation the board finds that the charge has no reasonable basis in law or fact, the board shall promptly issue a complaint and cause to be served upon the party a complaint stating the charges, accompanied by a notice of hearing before a qualified hearing officer designated by the board at the offices of the bureau or other location as the board deems appropriate, not less than five days nor more than 20 days after serving the complaint, provided that no complaint shall be issued based upon any unfair labor practice occurring more than six months prior to the filing of a charge. A complaint issued under this subdivision may be amended by the board at any time prior to the issuance of an order based thereon. The party who is the subject of the complaint has the right to file an answer to the original or amended complaint prior to hearing and to appear in person or by a representative and give testimony at the place and time fixed in the complaint. In the discretion of the hearing officer conducting the hearing or the board, any other party may be allowed to intervene in the proceeding and to present testimony. The board or designated hearing officers shall not be bound by the rules of evidence applicable to courts, except as to the rules of privilege recognized by law.

(c) Designated investigators must conduct the investigation of charges.

(d) Hearing officers must be licensed to practice law in the state of Minnesota and must conduct the hearings and issue recommended decisions and orders.

(e) The board or its designees shall have the power to issue subpoenas and administer oaths. If any party willfully fails or neglects to appear or testify or to produce books, papers, and records pursuant to the issuance of a subpoena, the board may apply to a court of competent jurisdiction to request that the party be ordered to appear to testify or produce the requested evidence.

(f) A full and complete record shall be kept of all proceedings before the board or designated hearing officer and shall be transcribed by a reporter appointed by the board.

(g) The party on whom the burden of proof rests shall be required to sustain the burden by a preponderance of the evidence.

(h) At any time prior to the close of a hearing, the parties may by mutual agreement request referral to mediation, at which time the commissioner shall appoint a mediator, and the hearing shall be suspended pending the results of the mediation.

(i) If, upon a preponderance of the evidence taken, the hearing officer determines that any party named in the charge has engaged in or is engaging in an unfair labor practice, then a recommended decision and order shall be issued stating findings of fact and conclusions, and requiring the party to cease and desist from the unfair labor practice, to post a cease-and-desist notice in the workplace, and ordering any appropriate relief to effectuate the policies of this section, including but not limited to reinstatement, back pay, and any other remedies that make a charging party whole. If back pay is awarded, the award must include interest at the rate of seven percent per annum. The order further may require the party to make reports from time to time, and demonstrate the extent to which the party has complied with the order.

(j) If there is no preponderance of evidence that the party named in the charge has engaged in or is engaging in the unfair labor practice, then the hearing officer shall issue a recommended decision and order stating findings of fact and dismissing the complaint.

(k) Parties may file exceptions to the hearing officer's recommended decision and order with the board no later than 30 days after service of the recommended decision and order. The board shall review the recommended decision and order upon timely filing of exceptions or upon its own motion. If no timely exceptions have been filed, the parties must be deemed to have waived their exceptions. Unless the board reviews the recommended decision and order upon its own motion, it must not be legal precedent and must be final and binding only on the parties to the proceeding as issued in an order issued by the board. If the board does review the recommended decision and order, the board may adopt all, part, or none of the recommended decision and order, depending on the extent to which it is consistent with the record and applicable laws. The board shall issue and serve on all parties its decision and order. The board shall retain jurisdiction over the case to ensure the parties' compliance with the board's order. Unless overturned by the board, the parties must comply with the recommended decision and order.

(l) Until the record has been filed in the court of appeals or district court, the board at any time, upon reasonable notice and in a manner it deems appropriate, may modify or set aside, in whole or in part, any finding or order made or issued by it.

(m) Upon a final order that an unfair labor practice has been committed, the board or the charging party may petition the district court for the enforcement of the order and for appropriate temporary relief or a restraining order. When the board petitions the court, the charging party may intervene as a matter of right.

(n) Whenever it appears that any party has violated a final order of the board issued pursuant to this section, the board must petition the district court for an order directing the party and its officers, agents, servants, successors, and assigns to comply with the order of the board. The board shall be represented in this action by its general counsel, who has been appointed by the board. The court may grant or refuse, in whole or in part, the relief sought, provided that the court also may stay an order of the board pending disposition of the proceedings. The court may punish a violation of its order as in civil contempt.

(o) The board shall have power, upon issuance of an unfair labor practice complaint alleging that a party has engaged in or is engaging in an unfair labor practice, to petition the district court for appropriate temporary relief or a restraining order. Upon the filing of any such petition, the court shall cause notice thereof to be served upon such parties, and thereupon shall have jurisdiction to grant to the board or commissioner temporary relief or a restraining order as it deems appropriate. Nothing in this paragraph precludes a charging party from seeking injunctive relief in district court after filing the unfair labor practice charge.

(p) The proceedings in paragraphs (m), (n), and (o) shall be commenced in the district court for the county in which the unfair labor practice which is the subject of the order or administrative complaint was committed, or where a party alleged to have committed the unfair labor practice resides or transacts business.

Subd. 2. **Employers.** Public employers, their agents and representatives are prohibited from:

(1) interfering, restraining, or coercing employees in the exercise of the rights guaranteed in sections 179A.01 to 179A.25;

(2) dominating or interfering with the formation, existence, or administration of any employee organization or contributing other support to it;

(3) discriminating in regard to hire or tenure to encourage or discourage membership in an employee organization;

(4) discharging or otherwise discriminating against an employee because the employee has signed or filed an affidavit, petition, or complaint or given information or testimony under sections 179A.01 to 179A.25;

(5) refusing to meet and negotiate in good faith with the exclusive representative of its employees in an appropriate unit;

(6) refusing to comply with grievance procedures contained in an agreement;

(7) distributing or circulating a blacklist of individuals exercising a legal right or of members of a labor organization for the purpose of preventing blacklisted individuals from obtaining or retaining employment;

(8) violating rules established by the commissioner regulating the conduct of representation elections;

(9) refusing to comply with a valid decision of a binding arbitration panel or arbitrator;

(10) violating or refusing to comply with any lawful order or decision issued by the commissioner or the board;

(11) refusing to provide, upon the request of the exclusive representative, all information pertaining to the public employer's budget both present and proposed, revenues, and other financing information provided that in the executive branch of state government this clause may not be considered contrary to the budgetary requirements of sections 16A.10 and 16A.11; or

(12) granting or offering to grant the status of permanent replacement employee to a person for performing bargaining unit work for the employer during a lockout of employees in an employee organization or during a strike authorized by an employee organization that is an exclusive representative.

Subd. 3. **Employees.** Employee organizations, their agents or representatives, and public employees are prohibited from:

(1) restraining or coercing employees in the exercise of rights provided in sections 179A.01 to 179A.25;

(2) restraining or coercing a public employer in the election of representatives to be employed to meet and negotiate or to adjust grievances;

(3) refusing to meet and negotiate in good faith with a public employer, if the employee organization is the exclusive representative of employees in an appropriate unit;

(4) violating rules established by the commissioner regulating the conduct of representation elections;

(5) refusing to comply with a valid decision of an arbitration panel or arbitrator;

(6) calling, instituting, maintaining, or conducting a strike or boycott against any public employer on account of any jurisdictional controversy;

(7) coercing or restraining any person with the effect to:

- (i) force or require any public employer to cease dealing or doing business with any other person;
 - (ii) force or require a public employer to recognize for representation purposes an employee organization not certified by the commissioner;
 - (iii) refuse to handle goods or perform services; or
 - (iv) prevent an employee from providing services to the employer;
- (8) committing any act designed to damage or actually damaging physical property or endangering the safety of persons while engaging in a strike;
- (9) forcing or requiring any employer to assign particular work to employees in a particular employee organization or in a particular trade, craft, or class rather than to employees in another employee organization or in another trade, craft, or class;
- (10) causing or attempting to cause a public employer to pay or deliver or agree to pay or deliver any money or other thing of value, in the nature of an exaction, for services which are not performed or not to be performed;
- (11) engaging in an unlawful strike;
- (12) picketing which has an unlawful purpose such as secondary boycott;
- (13) picketing which unreasonably interferes with the ingress and egress to facilities of the public employer;
- (14) seizing or occupying or destroying property of the employer;
- (15) violating or refusing to comply with any lawful order or decision issued by the commissioner or the board.

Sec. 11. [179A.135] UNFAIR LABOR PRACTICES INVOLVING CHARITABLE HOSPITALS.

Any charitable hospital as defined in section 179.35, subdivision 2, any hospital employee as defined in section 179.35, subdivision 3, any labor organization as defined in section 179.01, subdivision 6, or any other person or organization connected with a charitable hospital, who is aggrieved by an unfair labor practice as defined in sections 179.11 and 179.12, may file an unfair labor practice charge with the Public Employment Relations Board that will be processed in accordance with the provisions of sections 179A.051, 179A.052, and 179A.13.

Sec. 12. APPROPRIATION; INITIAL ASSISTANCE.

(a) \$125,000 in fiscal year 2015 is appropriated from the general fund to the commissioner of the Bureau of Mediation Services for purposes of the Public Employment Relations Board under Minnesota Statutes, section 179A.041. This appropriation is added to the base.

(b) The commissioner of the Bureau of Mediation Services must call the first meeting of the board, and must assist the board in its initial operations, including development and adoption of the board's initial rules.

Sec. 13. EFFECTIVE DATE.

Sections 1 to 3 and 6 to 11 are effective July 1, 2015. Sections 4, 5, and 12 are effective July 1, 2014."

Delete the title and insert:

"A bill for an act relating to labor; creating the Public Employment Relations Board; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2012, sections 179A.03, subdivisions 14, 15, by adding a subdivision; 179A.04, subdivision 3; 179A.051; 179A.06, by adding a subdivision; 179A.10, subdivision 1; 179A.13; proposing coding for new law in Minnesota Statutes, chapter 179A."

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

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

H.F. No. 2576 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.
2576	2214				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 2576 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2576, the sixth engrossment; and insert the language after the enacting clause of S.F. No. 2214, the second engrossment; further, delete the title of H.F. No. 2576, the sixth engrossment; and insert the title of S.F. No. 2214, the second engrossment.

And when so amended H.F. No. 2576 will be identical to S.F. No. 2214, and further recommends that H.F. No. 2576 be given its second reading and substituted for S.F. No. 2214, 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 Bakk, from the Committee on Rules and Administration, to which was referred

H.F. No. 2733 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.
2733	2191				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 2733 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2733, the third engrossment; and insert the language after the enacting clause of S.F. No. 2191, the first engrossment; further, delete

the title of H.F. No. 2733, the third engrossment; and insert the title of S.F. No. 2191, the first engrossment.

And when so amended H.F. No. 2733 will be identical to S.F. No. 2191, and further recommends that H.F. No. 2733 be given its second reading and substituted for S.F. No. 2191, 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 Bakk, from the Committee on Rules and Administration, to which was referred

H.F. No. 2746 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.
2746	2618				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 2746 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2746, the first engrossment; and insert the language after the enacting clause of S.F. No. 2618, the first engrossment; further, delete the title of H.F. No. 2746, the first engrossment; and insert the title of S.F. No. 2618, the first engrossment.

And when so amended H.F. No. 2746 will be identical to S.F. No. 2618, and further recommends that H.F. No. 2746 be given its second reading and substituted for S.F. No. 2618, 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 Bakk, from the Committee on Rules and Administration, to which was referred

H.F. No. 2840 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.
2840	2399				

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

H.F. No. 2953 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.
2953	2592				

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.

SECOND READING OF SENATE BILLS

S.F. Nos. 2098, 2805 and 2288 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 2658, 3014, 2576, 2733, 2746, 2840 and 2953 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Brown introduced—

S.F. No. 2964: A bill for an act relating to public safety; prohibiting persons from assisting the federal government to indefinitely detain certain persons; proposing coding for new law in Minnesota Statutes, chapter 1.

Referred to the Committee on Judiciary.

Senator Latz introduced—

S.F. No. 2965: A bill for an act relating to civil actions; providing a right to punitive damages in certain cases; clarifying a definition of government for purposes of certain types of civil actions; amending Minnesota Statutes 2012, sections 554.01, subdivision 2; 604A.34.

Referred to the Committee on Judiciary.

Senator Latz introduced—

S.F. No. 2966: A bill for an act relating to insurance; regulating the award of taxable costs in certain actions; amending Minnesota Statutes 2012, section 604.18, subdivision 4.

Referred to the Committee on Judiciary.

Senator Latz introduced—

S.F. No. 2967: A bill for an act relating to insurance; regulating certain coverages; prohibiting certain exclusions in property and casualty policies; proposing coding for new law in Minnesota Statutes, chapter 60A.

Referred to the Committee on Commerce.

MOTIONS AND RESOLUTIONS

Senator Wiklund moved that the name of Senator Hall be added as a co-author to S.F. No. 1688. The motion prevailed.

Senator Saxhaug moved that the name of Senator Cohen be added as a co-author to S.F. No. 2098. The motion prevailed.

RECESS

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

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

APPOINTMENTS

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

H.F. No. 3172: Senators Cohen, Tomassoni, Lourey, Wiger and Bonoff.

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

RECESS

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

MOTIONS AND RESOLUTION - CONTINUED**SPECIAL ORDERS**

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

H.F. Nos. 474, 3167 and 2180.

SPECIAL ORDER

H.F. No. 474: A bill for an act relating to data practices; classifying data related to automated license plate readers; requiring a log of use; requiring data to be destroyed in certain circumstances; providing criminal penalties; amending Minnesota Statutes 2012, sections 13.05, subdivision 5; 13.055; 13.09; 13.82, by adding a subdivision; 299C.40, subdivision 4.

Senator Petersen, B. moved to amend H.F. No. 474, the unofficial engrossment, as follows:

Page 1, line 24, delete "90" and insert "Three"

CALL OF THE SENATE

Senator Champion imposed a call of the Senate for the balance of the proceedings on H.F. No. 474. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Petersen, B. amendment.

The roll was called, and there were yeas 18 and nays 46, as follows:

Those who voted in the affirmative were:

Anderson	Gazelka	Newman	Pratt	Tomassoni
Benson	Hann	Nienow	Ruud	Westrom
Brown	Kiffmeyer	Ortman	Senjem	
Chamberlain	Limmer	Petersen, B.	Thompson	

Those who voted in the negative were:

Bakk	Eaton	Johnson	Pappas	Skoe
Bonoff	Eken	Kent	Pederson, J.	Sparks
Carlson	Fischbach	Koenen	Reinert	Torres Ray
Champion	Franzen	Latz	Rest	Weber
Clausen	Goodwin	Lourey	Rosen	Wiger
Cohen	Hall	Marty	Saxhaug	Wiklund
Dahle	Hawj	Metzen	Scalze	
Dahms	Hayden	Miller	Schmit	
Dibble	Hoffman	Nelson	Sheran	
Dziedzic	Jensen	Osmek	Sieben	

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

Senator Limmer moved to amend H.F. No. 474, the unofficial engrossment, as follows:

Page 2, line 4, after the period, insert "If data collected by an automated license plate reader are shared with another law enforcement agency, the agency that receives the data must comply with the data destruction requirements of this paragraph."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Champion	Eken	Hawj	Koenen
Bakk	Clausen	Fischbach	Hayden	Latz
Benson	Dahle	Franzen	Hoffman	Limmer
Bonoff	Dahms	Gazelka	Jensen	Lourey
Brown	Dibble	Goodwin	Johnson	Marty
Carlson	Dziedzic	Hall	Kent	Metzen
Chamberlain	Eaton	Hann	Kiffmeyer	Miller

Nelson	Pederson, J.	Ruud	Sieben	Wiger
Newman	Petersen, B.	Saxhaug	Skoe	Wiklund
Nienow	Pratt	Scalze	Thompson	
Ortman	Reinert	Schmit	Torres Ray	
Osmek	Rest	Senjem	Weber	
Pappas	Rosen	Sheran	Westrom	

The motion prevailed. So the amendment was adopted.

Senator Limmer moved to amend H.F. No. 474, the unofficial engrossment, as follows:

Page 1, line 15, delete "or become"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 38, as follows:

Those who voted in the affirmative were:

Anderson	Gazelka	Nelson	Petersen, B.	Weber
Benson	Hall	Newman	Pratt	Westrom
Brown	Hann	Nienow	Rosen	
Chamberlain	Kiffmeyer	Ortman	Ruud	
Dahms	Limmer	Osmek	Senjem	
Fischbach	Miller	Pederson, J.	Thompson	

Those who voted in the negative were:

Bakk	Dziedzic	Jensen	Pappas	Skoe
Bonoff	Eaton	Johnson	Reinert	Sparks
Carlson	Eken	Kent	Rest	Tomassoni
Champion	Franzen	Koenen	Saxhaug	Torres Ray
Clausen	Goodwin	Latz	Scalze	Wiger
Cohen	Hawj	Lourey	Schmit	Wiklund
Dahle	Hayden	Marty	Sheran	
Dibble	Hoffman	Metzen	Sieben	

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

Senator Limmer moved to amend H.F. No. 474, the unofficial engrossment, as follows:

Page 2, line 22, after "establish" insert "written"

The motion prevailed. So the amendment was adopted.

Senator Limmer moved to amend H.F. No. 474, the unofficial engrossment, as follows:

Page 1, after line 6, insert:

"Section 1. **[13.026] INVENTORY OF SURVEILLANCE TECHNOLOGY.**

Subdivision 1. **Inventory required.** The responsible authority of a government entity shall prepare and update on a monthly basis an inventory of surveillance technology maintained or used by the government entity. For purposes of this section, "surveillance technology" means technology that:

(1) can be used to track the location, personal characteristics, or activities of an individual or the property of an individual; or

(2) is a powered, aerial vehicle that does not carry a human operator; can fly autonomously or be piloted remotely; and can be expendable or recoverable.

Subd. 2. **Report.** By January 15 of each year, a government entity shall submit a report to the legislature that includes an inventory of all surveillance technologies maintained or used by the government entity during the previous calendar year and any new surveillance technology that the government entity may maintain or use during the current calendar year. The report must be submitted to the chairs and ranking minority members of the policy committees of the legislature with jurisdiction over data practices issues."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Limmer moved to amend the fourth Limmer amendment to H.F. No. 474 as follows:

Page 1, line 6, delete "on a monthly basis"

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the fourth Limmer amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

H.F. No. 474 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dziedzic	Johnson	Ortman	Senjem
Bakk	Eaton	Kent	Osmek	Sheran
Benson	Eken	Kiffmeyer	Pappas	Sieben
Bonoff	Fischbach	Koenen	Pederson, J.	Skoe
Brown	Franzen	Latz	Petersen, B.	Sparks
Carlson	Gazelka	Limmer	Pratt	Thompson
Chamberlain	Goodwin	Lourey	Reinert	Tomassoni
Champion	Hall	Marty	Rest	Torres Ray
Clausen	Hann	Metzen	Rosen	Weber
Cohen	Hawj	Miller	Ruud	Westrom
Dahle	Hayden	Nelson	Saxhaug	Wiger
Dahms	Hoffman	Newman	Scalze	Wiklund
Dibble	Jensen	Nienow	Schmit	

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

SPECIAL ORDER

H.F. No. 3167: A bill for an act relating to financing of state and local government; making changes to individual income, property, sales and use, excise, estate, mineral, tobacco, alcohol, special, local, and other taxes and tax-related provisions; providing for and increasing credits; modifying local government aids; modifying exclusions, exemptions, and levy deadlines; imposing a tax on solar energy production; modifying sales, use, and excise tax exemptions; changing sales, use, and excise tax remittances; modifying certain local sales and use taxes; allowing for temporary sales and use tax amnesty; modifying income tax credits and subtractions; clarifying estate tax provisions; providing for certain local development projects; changing license revocation procedures; modifying installment payments; modifying certain county levy authority; allocating additional tax reductions for border cities; removing obsolete, redundant, and unnecessary laws and administrative rules administered by the Department of Revenue; making various policy and

technical changes; requiring a report; appropriating money; amending Minnesota Statutes 2012, sections 16D.02, subdivisions 3, 6; 16D.04, subdivisions 3, 4; 16D.07; 16D.11, subdivisions 1, 3, 7; 84A.20, subdivision 2; 84A.31, subdivision 2; 115B.49, subdivision 4; 116J.8737, by adding a subdivision; 163.06, subdivision 1; 270.11, subdivision 1; 270.12, subdivisions 2, 4; 270.87; 270A.03, subdivision 2; 270B.14, subdivision 3; 270C.085; 270C.34, subdivision 2; 270C.52, subdivision 2; 270C.56, subdivision 3; 270C.72, subdivisions 1, 3; 272.01, subdivisions 1, 3; 272.02, subdivisions 10, 24; 272.0211, subdivisions 1, 2; 272.025, subdivision 1; 272.027, subdivision 1; 272.029, subdivisions 4a, 6; 272.03, subdivision 1; 273.01; 273.061, subdivision 6; 273.10; 273.11, subdivision 13; 273.112, subdivision 6a; 273.13, subdivision 34; 273.1384, subdivision 2; 273.18; 273.33, subdivision 2; 273.37, subdivision 2; 273.3711; 274.01, subdivisions 1, 2; 274.014, subdivision 3; 275.025, subdivision 2; 275.065, subdivision 1; 275.08, subdivisions 1a, 1d; 275.74, subdivision 2; 275.75; 279.03; 279.16; 279.23; 279.25; 280.001; 280.03; 280.07; 280.11; 281.03; 281.327; 282.01, subdivision 6; 282.04, subdivision 4; 282.261, subdivisions 2, 4, 5; 282.322; 287.30; 289A.02, subdivision 7, as amended; 289A.18, subdivision 2; 289A.25, subdivision 1; 289A.60, subdivision 15; 290.01, subdivisions 5, 19f, 29; 290.015, subdivision 1; 290.068, subdivision 1; 290.07, subdivisions 1, 2; 290.0922, subdivision 3; 290.095, subdivision 3; 290.9728, subdivision 2; 296A.01, subdivision 16; 297A.67, subdivision 13a, by adding a subdivision; 297A.68, by adding a subdivision; 297A.70, subdivision 10; 297A.71, by adding a subdivision; 297A.94; 297B.03; 297B.09; 297F.03, subdivision 2; 297F.09, subdivision 10; 297G.03, by adding a subdivision; 297G.09, subdivision 9; 297I.05, subdivision 14; 298.75, subdivisions 1, 2; 383D.41, by adding a subdivision; 383E.21, subdivisions 1, 2; 412.131; 469.171, subdivision 6; 469.176, subdivisions 1b, 3; 469.1763, subdivision 3; 469.177, subdivision 3; 473.665, subdivision 5; 477A.0124, subdivision 5; 477A.014, subdivision 1; 477A.03, by adding a subdivision; 611.27, subdivisions 13, 15; Minnesota Statutes 2013 Supplement, sections 116J.8737, subdivision 2, as amended; 116J.8738, subdivisions 2, 3, 4; 270B.01, subdivision 8; 270B.03, subdivision 1; 273.032; 273.1325, subdivisions 1, 2; 273.1398, subdivisions 3, 4; 275.70, subdivision 5; 279.37, subdivision 2; 281.17; 289A.20, subdivision 4; 290.01, subdivisions 19, as amended, 19b, as amended, 19d, 31, as amended; 290.068, subdivisions 3, 6a; 290.091, subdivision 2, as amended; 290.0921, subdivision 3; 290.191, subdivision 5; 290A.03, subdivision 15, as amended; 290C.03; 291.005, subdivision 1, as amended; 297A.61, subdivision 3, as amended; 297A.68, subdivisions 42, 44; 297A.70, subdivisions 2, 13, 14; 297A.75, subdivisions 1, 2, 3; 297B.01, subdivision 16; 360.531, subdivision 2; 403.162, subdivision 5; 423A.02, subdivision 3; 423A.022, subdivisions 2, 3; 465.04; 469.169, by adding a subdivision; 469.1763, subdivision 2; 477A.013, subdivision 8; 477A.03, subdivision 2a; 477A.12, subdivision 1; 477A.14, subdivision 1; Laws 1980, chapter 511, sections 1, subdivision 2, as amended; 2, as amended; Laws 2005, First Special Session chapter 3, article 5, section 38, subdivision 4; Laws 2006, chapter 259, article 3, sections 10, subdivisions 3, 4, 5; 11, subdivisions 3, 4, 5; Laws 2008, chapter 366, article 10, section 15; Laws 2013, chapter 143, article 8, sections 3; 37; article 9, section 23; article 11, section 10; Laws 2014, chapter 150, article 3, section 4; proposing coding for new law in Minnesota Statutes, chapters 69; 116J; 168A; 272; 290; 383A; 477A; repealing Minnesota Statutes 2012, sections 16D.02, subdivisions 5, 8; 16D.11, subdivision 2; 270C.131; 270C.53; 270C.991, subdivision 4; 272.02, subdivisions 1, 1a, 43, 48, 51, 53, 67, 72, 82; 272.027, subdivision 2; 272.031; 273.015, subdivision 1; 273.03, subdivision 3; 273.075; 273.13, subdivision 21a; 273.1383; 273.1386; 273.1398, subdivision 4b; 273.80; 275.77; 279.32; 281.173, subdivision 8; 281.174, subdivision 8; 281.328; 282.10; 282.23; 287.20, subdivision 4; 287.27, subdivision 2; 289A.56, subdivision 7; 290.01, subdivisions 4b, 19e, 20e; 290.06, subdivisions 30, 31; 290.0674, subdivision 3; 290.191, subdivision 4; 290.33; 290C.02, subdivisions 5, 9; 290C.06; 295.52, subdivision 7;

297A.666; 297A.68, subdivision 38; 297A.71, subdivisions 4, 5, 7, 9, 10, 17, 18, 20, 32, 41; 297F.08, subdivision 11; 297H.10, subdivision 2; 469.174, subdivision 10c; 469.175, subdivision 2b; 469.176, subdivision 1i; 469.1764; 469.177, subdivision 10; 469.330; 469.331; 469.332; 469.333; 469.334; 469.335; 469.336; 469.337; 469.338; 469.339; 469.340, subdivisions 1, 2, 3, 5; 469.341; 477A.0124, subdivisions 1, 6; 505.173; Minnesota Statutes 2013 Supplement, sections 273.1103; 469.340, subdivision 4; 477A.085; Laws 1993, chapter 375, article 9, section 47; Laws 2014, chapter 150, article 1, section 17; Minnesota Rules, parts 8002.0200, subpart 8; 8007.0200; 8100.0800; 8130.7500, subpart 7; 8130.8900, subpart 3; 8130.9500, subparts 1, 1a, 2, 3, 4, 5.

CALL OF THE SENATE

Senator Skoe imposed a call of the Senate for the balance of the proceedings on H.F. No. 3167. The Sergeant at Arms was instructed to bring in the absent members.

Senator Skoe moved to amend H.F. No. 3167, the unofficial engrossment, as follows:

Page 7, line 5, after "products" insert a comma

Page 20, line 7, after "transfer" insert ": (1)"

Page 20, line 8, before the period, insert "; and (2) \$30,000 to the commissioner of management and budget for deposit into the general fund on July 1, 2016"

Page 22, line 32, delete "contained in section 1,"

Page 37, delete lines 29 and 30 and insert:

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

Page 57, line 15, after "who" insert ", for at least six months of the year in which the credit is claimed,"

Page 57, line 23, delete "3" and insert "4"

Page 63, line 22, before "child" insert "qualifying"

Page 63, line 32, delete "and"

Page 64, line 3, delete the period and insert "; and"

Page 64, after line 3, insert:

"(3) "qualifying child" has the meaning given in section 32(c)(3) of the Internal Revenue Code."

Page 64, line 8, before "child" insert "qualifying"

Page 64, line 23, delete "and"

Page 64, line 28, delete the period and insert "; and"

Page 64, after line 28, insert:

"(4) "qualifying child" has the meaning given in section 32(c)(3) of the Internal Revenue Code."

Page 65, delete section 1

Page 68, delete section 2

Page 84, line 3, delete "or" and before the period, insert ", or 270C.63"

Page 84, line 13, delete "or" and before "if" insert "or 270C.63,"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Skoe moved to amend H.F. No. 3167, the unofficial engrossment, as follows:

Page 65, after line 16, insert:

"Section 1. Minnesota Statutes 2013 Supplement, section 298.018, subdivision 1, is amended to read:

Subdivision 1. **Within taconite assistance area.** The proceeds of the tax paid under sections 298.015 and 298.016 on ores, metals, or minerals mined or extracted within the taconite assistance area defined in section 273.1341, shall be allocated as follows:

(1) five percent to the city or town within which the minerals or energy resources are mined or extracted, or within which the concentrate was produced. If the mining and concentration, or different steps in either process, are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds among the cities and towns by attributing 50 percent of the proceeds of the tax to the operation of mining or extraction, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of the respective operations performed in each taxing district;

(2) ten percent to the taconite municipal aid account to be distributed as provided in section 298.282;

(3) ten percent to the school district within which the minerals or energy resources are mined or extracted, or within which the concentrate was produced. If the mining and concentration, or different steps in either process, are carried on in more than one school district, distribution among the school districts must be based on the apportionment formula prescribed in clause (1);

(4) 20 percent to a group of school districts comprised of those school districts wherein the mineral or energy resource was mined or extracted or in which there is a qualifying municipality as defined by section 273.134, paragraph (b), in direct proportion to school district indexes as follows: for each school district, its pupil units determined under section 126C.05 for the prior school year shall be multiplied by the ratio of the average adjusted net tax capacity per pupil unit for school districts receiving aid under this clause as calculated pursuant to chapters 122A, 126C, and 127A for the school year ending prior to distribution to the adjusted net tax capacity per pupil unit of the district. Each district shall receive that portion of the distribution which its index bears to the sum of the indices for all school districts that receive the distributions;

(5) 20 percent to the county within which the minerals or energy resources are mined or extracted, or within which the concentrate was produced. If the mining and concentration, or different steps in either process, are carried on in more than one county, distribution among the counties must be based on the apportionment formula prescribed in clause (1), provided that any county receiving distributions under this clause shall pay one percent of its proceeds to the Range Association of Municipalities and Schools;

(6) 20 percent to St. Louis County acting as the counties' fiscal agent to be distributed as provided in sections 273.134 to 273.136;

(7) five percent to the Iron Range Resources and Rehabilitation Board for the purposes of section 298.22;

(8) ~~five~~ three percent to the Douglas J. Johnson economic protection trust fund; and

(9) ~~five~~ seven percent to the taconite environmental protection fund.

The proceeds of the tax shall be distributed on July 15 each year.

EFFECTIVE DATE. This section is effective July 1, 2014."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Gazelka moved to amend H.F. No. 3167, the unofficial engrossment, as follows:

Page 55, line 24, delete "and"

Page 55, line 29, delete the period and insert "; and"

Page 55, after line 29, insert:

"(23) to the extent included in federal taxable income, compensation received from a pension or other retirement pay from the federal government for service in the military, as computed under United States Code, title 10, sections 1401 to 1414, 1447 to 1455, and 12733."

Page 55, line 31, before the period, insert ", except that clause (23) is effective for taxable years beginning after December 31, 2016"

Page 60, line 19, delete "and" and after "(22)" insert ", and (23)"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Dahms	Kiffmeyer	Ortman	Rosen
Benson	Fischbach	Limmer	Osmek	Ruud
Bonoff	Franzen	Miller	Pederson, J.	Senjem
Brown	Gazelka	Nelson	Petersen, B.	Thompson
Carlson	Hall	Newman	Pratt	Weber
Chamberlain	Hann	Nienow	Reinert	Westrom

Those who voted in the negative were:

Bakk	Eken	Kent	Rest	Sparks
Clausen	Goodwin	Koenen	Saxhaug	Tomassoni
Cohen	Hawj	Latz	Scalze	Torres Ray
Dahle	Hayden	Lourey	Schmit	Wiger
Dibble	Hoffman	Marty	Sheran	Wiklund
Dziedzic	Jensen	Metzen	Sieben	
Eaton	Johnson	Pappas	Skoe	

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

Senator Chamberlain moved to amend H.F. No. 3167, the unofficial engrossment, as follows:

Page 55, line 24, delete "and"

Page 55, line 29, delete the period and insert "; and"

Page 55, after line 29, insert:

"(23) to the extent included in federal taxable income, for an individual with 20 or more years of military service or who separated from the military after fewer than 20 years of service with a service-connected disability, compensation received from a pension or other retirement pay from the federal government for service in the military, as computed under United States Code, title 10, sections 1401 to 1414, 1447 to 1455, or 12732 to 12733. The subtraction under this clause is limited to \$1,500 for each year or portion of a year of military service. In the case of a married couple filing jointly, each spouse is eligible for this subtraction."

Page 55, line 31, before the period, insert ", except that clause (23) is effective for taxable years beginning after December 31, 2016."

Page 60, line 19, delete "and" and before the semicolon, insert ", and (23)"

Pursuant to Rule 7.4, Senator Skoe questioned whether the Chamberlain amendment was in order. The President ruled the amendment was not in order.

Senator Senjem moved to amend H.F. No. 3167, the unofficial engrossment, as follows:

Page 86, after line 30, insert:

"Sec. 6. Minnesota Statutes 2012, section 297E.01, is amended by adding a subdivision to read:

Subd. 3a. **Compensation.** "Compensation" means the wages actually paid by an organization to its employees for the conduct of lawful gambling and any payroll taxes imposed on those wages.

Sec. 7. Minnesota Statutes 2012, section 297E.02, subdivision 1, is amended to read:

Subdivision 1. **Imposition.** A tax is imposed on all lawful gambling other than (1) paper or electronic pull-tab deals or games; (2) tipboard deals or games; (3) electronic linked bingo; and (4) items listed in section 297E.01, subdivision 8, clauses (4) and (5), at the rate of 8.5 percent on the gross receipts as defined in section 297E.01, subdivision 8, less prizes and compensation actually paid. The tax imposed by this subdivision is in lieu of the tax imposed by section 297A.62 and all local taxes and license fees except a fee authorized under section 349.16, subdivision 8, or a tax authorized under subdivision 5.

The tax imposed under this subdivision is payable by the organization or party conducting, directly or indirectly, the gambling.

Sec. 8. Minnesota Statutes 2012, section 297E.02, subdivision 6, is amended to read:

Subd. 6. **Combined net receipts tax.** (a) In addition to the taxes imposed under subdivision 1, a tax is imposed on the combined receipts of the organization. As used in this section, "combined net receipts" is the sum of the organization's gross receipts from lawful gambling less gross receipts directly derived from the conduct of paper bingo, raffles, and paddle wheels, as defined in section 297E.01, subdivision 8, and less the compensation and net prizes actually paid, other than prizes

actually paid for paper bingo, raffles, and paddle wheels, for the fiscal year. The combined net receipts of an organization are subject to a tax computed according to the following schedule:

If the combined net receipts for the fiscal year are:	The tax is:
Not over \$87,500 <u>\$100,000</u>	nine percent
Over \$87,500 , but not over \$122,500 <u>\$100,000</u> but not over <u>\$200,000</u>	\$7,875 plus 18 percent of the amount over \$87,500 <u>\$100,000</u> , but not over \$122,500 <u>\$200,000</u>
Over \$122,500 , but not over \$157,500 <u>\$200,000</u> but not over <u>\$300,000</u>	\$14,175 plus 27 percent of the amount over \$122,500 , but not over \$157,500 <u>\$200,000</u> but not over <u>\$300,000</u>
Over \$157,500 <u>\$300,000</u>	\$23,625 plus 36 percent of the amount over \$157,500 <u>\$300,000</u>

(b) On or before April 1, 2016, the commissioner shall estimate the total amount of revenue, including interest and penalties, that will be collected for fiscal year 2016 from taxes imposed under this chapter. If the amount estimated by the commissioner equals or exceeds \$94,800,000, the commissioner shall certify that effective July 1, 2016, the rates under this paragraph apply in lieu of the rates under paragraph (a) and shall publish a notice to that effect in the State Register and notify each taxpayer by June 1, 2016. If the rates under this section apply, the combined net receipts of an organization are subject to a tax computed according to the following schedule:

If the combined net receipts for the fiscal year are:	The tax is:
Not over \$87,500 <u>\$100,000</u>	8.5 percent
Over \$87,500 , but not over \$122,500 <u>\$100,000</u> but not over <u>\$200,000</u>	\$7,438 plus 17 percent of the amount over \$87,500 , but not over \$122,500 <u>\$100,000</u> but not over <u>\$200,000</u>
Over \$122,500 , but not over \$157,500 <u>\$200,000</u> but not over <u>\$300,000</u>	\$13,388 plus 25.5 percent of the amount over \$122,500 , but not over \$157,500 <u>\$200,000</u> but not over <u>\$300,000</u>
Over \$157,500 <u>\$300,000</u>	\$22,313 plus 34 percent of the amount over \$157,500 <u>\$300,000</u>

(c) Gross receipts derived from sports-themed tipboards are exempt from taxation under this section. For purposes of this paragraph, a sports-themed tipboard means a sports-themed tipboard as defined in section 349.12, subdivision 34, under which the winning numbers are determined by the numerical outcome of a professional sporting event.

Sec. 9. Minnesota Statutes 2012, section 297E.06, is amended by adding a subdivision to read:

Subd. 1b. Electronic pull-tab activity. The commissioner shall not require organizations to report the gross receipts and prizes from an electronic pull-tab game until the game is closed by the organization.

Sec. 10. Minnesota Statutes 2013 Supplement, section 297E.06, subdivision 4, is amended to read:

Subd. 4. ~~Annual audit, Certified inventory, and cash count.~~ (a) ~~An organization licensed under chapter 349 with gross receipts from lawful gambling of more than \$750,000 in any year must have an annual financial audit of its lawful gambling activities and funds for that year.~~

~~(b)~~ (b) The commissioner may require a financial audit of the lawful gambling activities and funds of an organization licensed under chapter 349, ~~with gross receipts less than \$750,000 annually,~~ when an organization has:

- (1) failed to timely file required gambling tax returns;
- (2) failed to timely pay the gambling tax or regulatory fee;
- (3) filed fraudulent gambling tax returns;
- (4) failed to take corrective actions required by the commissioner; or
- (5) failed to otherwise comply with this chapter.

~~(e)~~ (b) Audits under this subdivision must be performed by an independent accountant licensed in accordance with chapter 326A.

~~(d)~~ (c) An organization licensed under chapter 349 must perform an annual certified inventory and cash count at the end of its fiscal year and submit the report to the commissioner within 30 days after the end of its fiscal year. The report shall be on a form prescribed by the commissioner.

~~(e)~~ (d) The commissioner of revenue shall prescribe standards for the audits, certified inventory, and cash count reports required under this subdivision. The standards may vary based on the gross receipts of the organization. The standards must incorporate and be consistent with standards prescribed by the American Institute of Certified Public Accountants. A complete, true, and correct copy of the audits, certified inventory, and cash count report must be filed as prescribed by the commissioner."

Amend the title accordingly

Pursuant to Rule 7.4, Senator Skoe questioned whether the Senjem amendment was in order. The President ruled the amendment was not in order.

Senator Westrom moved to amend H.F. No. 3167, the unofficial engrossment, as follows:

Page 7, after line 11, insert:

"Sec. 8. Minnesota Statutes 2013 Supplement, section 273.117, as amended by Laws 2014, chapter 150, article 4, section 5, is amended to read:

273.117 CONSERVATION PROPERTY TAX VALUATION.

The value of real property which is subject to a conservation restriction or easement ~~shall not be reduced~~ may be adjusted by the assessor if:

- (a) the restriction or easement is for a conservation purpose and is recorded on the property; and

(b) the property is being used in accordance with the terms of the conservation restriction or easement.

~~This section does not apply to (1) conservation restrictions or easements covering riparian buffers along lakes, rivers, and streams that are used for water quantity or quality control; (2) easements in a county that has adopted, by referendum, a program to protect farmland and natural areas since 1999; or (3) conservation restrictions or easements entered into prior to May 23, 2013.~~

EFFECTIVE DATE. This section is effective beginning with assessment year 2014."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

Senator Petersen, B. moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 27 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Gazelka	Miller	Pederson, J.	Thompson
Benson	Hall	Nelson	Petersen, B.	Weber
Brown	Kiffmeyer	Newman	Pratt	Westrom
Chamberlain	Koenen	Nienow	Rosen	
Dahms	Limmer	Ortman	Ruud	
Fischbach	Marty	Osmek	Senjem	

Those who voted in the negative were:

Bakk	Dibble	Hayden	Metzen	Skoe
Bonoff	Dziedzic	Hoffman	Reinert	Sparks
Carlson	Eaton	Jensen	Rest	Tomassoni
Champion	Eken	Johnson	Saxhaug	Torres Ray
Clausen	Franzen	Kent	Scalze	Wiger
Cohen	Goodwin	Latz	Sheran	Wiklund
Dahle	Hawj	Lourey	Sieben	

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

Senator Ortman moved to amend H.F. No. 3167, the unofficial engrossment, as follows:

Page 44, delete section 29

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 36, as follows:

Those who voted in the affirmative were:

Anderson	Gazelka	Nelson	Petersen, B.	Weber
Benson	Hall	Newman	Pratt	Westrom
Brown	Hoffman	Nienow	Ruud	
Chamberlain	Kiffmeyer	Ortman	Senjem	
Dahms	Limmer	Osmek	Sheran	
Fischbach	Marty	Pederson, J.	Thompson	

Those who voted in the negative were:

Bakk	Dziedzic	Johnson	Reinert	Tomassoni
Bonoff	Eaton	Kent	Rest	Torres Ray
Carlson	Eken	Koenen	Rosen	Wiger
Champion	Franzen	Latz	Saxhaug	Wiklund
Clausen	Goodwin	Lourey	Scalze	
Cohen	Hawj	Metzen	Sieben	
Dahle	Hayden	Miller	Skoe	
Dibble	Jensen	Pappas	Sparks	

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

Senator Ortman moved to amend H.F. No. 3167, the unofficial engrossment, as follows:

Page 84, after line 14, insert:

"Sec. 3. Minnesota Statutes 2013 Supplement, section 270C.13, subdivision 1, is amended to read:

Subdivision 1. **Biennial report.** The commissioner shall report to the legislature by March 1 of each odd-numbered year on the overall incidence of the income tax, sales and excise taxes, and property tax. The report shall present information on the distribution of the tax burden as follows: (1) for the overall income distribution, using a systemwide incidence measure such as the Suits index or other appropriate measures of equality and inequality; (2) by income classes, including at a minimum deciles of the income distribution; and (3) by other appropriate taxpayer characteristics. The report must also include information on the distribution of the burden of federal taxes borne by Minnesota residents.

EFFECTIVE DATE. This section is effective beginning with the report due in March 2015."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 35, as follows:

Those who voted in the affirmative were:

Anderson	Dahms	Miller	Pederson, J.	Weber
Benson	Fischbach	Nelson	Petersen, B.	Westrom
Bonoff	Gazelka	Newman	Rosen	
Brown	Hall	Nienow	Ruud	
Carlson	Kiffmeyer	Ortman	Senjem	
Chamberlain	Limmer	Osmeck	Thompson	

Those who voted in the negative were:

Bakk	Eaton	Jensen	Metzen	Sieben
Champion	Eken	Johnson	Pappas	Skoe
Clausen	Franzen	Kent	Reinert	Sparks
Cohen	Goodwin	Koenen	Rest	Tomassoni
Dahle	Hawj	Latz	Saxhaug	Torres Ray
Dibble	Hayden	Lourey	Scalze	Wiger
Dziedzic	Hoffman	Marty	Sheran	Wiklund

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

Senator Chamberlain moved to amend H.F. No. 3167, the unofficial engrossment, as follows:

Page 23, after line 2, insert:

"Sec. 29. **WORKING GROUP; RECOMMENDATIONS.**

The commissioner of revenue shall convene a temporary working group that includes representatives from the Department of Natural Resources, the Department of Revenue, the State Board of Investment, the Association of Minnesota Counties, and the Minnesota Association of Townships to develop recommendations on methods, including the use of a trust fund, and sources of funding, other than the general fund, for compensating local units of government for lost property tax revenues due to acquisitions of land funded by the outdoor heritage fund. The commissioner of revenue must submit a report with the working group's recommendations to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over taxes, environment and natural resources, and the outdoor heritage fund by January 15, 2015."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 3167 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 57 and nays 6, as follows:

Those who voted in the affirmative were:

Anderson	Eaton	Kent	Osmek	Sieben
Bakk	Eken	Kiffmeyer	Pappas	Skoe
Bonoff	Fischbach	Koenen	Pederson, J.	Sparks
Carlson	Franzen	Latz	Pratt	Tomassoni
Chamberlain	Gazelka	Limmer	Reinert	Torres Ray
Champion	Goodwin	Lourey	Rest	Weber
Clausen	Hall	Marty	Rosen	Westrom
Cohen	Hawj	Metzen	Ruud	Wiger
Dahle	Hayden	Miller	Saxhaug	Wiklund
Dahms	Hoffman	Nelson	Scalze	
Dibble	Jensen	Newman	Senjem	
Dziedzic	Johnson	Nienow	Sheran	

Those who voted in the negative were:

Benson	Hann	Petersen, B.
Brown	Ortman	Thompson

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

SPECIAL ORDER

H.F. No. 2180: A bill for an act relating to insurance; amending provisions relating to health coverage for school district employees; amending Minnesota Statutes 2012, sections 43A.316, subdivision 10, by adding a subdivision; 123B.09, subdivision 12; 123B.75, by adding a subdivision; 471.6161, subdivisions 1, 3, by adding a subdivision; 471.895, subdivision 1; Minnesota Statutes 2013 Supplement, section 124D.10, subdivisions 4a, 11, 21.

Senator Dahms moved to amend H.F. No. 2180, the unofficial engrossment, as follows:

Page 8, line 15, delete everything after the period

Page 8, delete lines 16 and 17

CALL OF THE SENATE

Senator Dibble imposed a call of the Senate for the balance of the proceedings on H.F. No. 2180. The Sergeant at Arms was instructed to bring in the absent members.

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

The roll was called, and there were yeas 25 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Gazelka	Miller	Osmek	Ruud
Benson	Hall	Nelson	Pederson, J.	Senjem
Chamberlain	Hann	Newman	Petersen, B.	Thompson
Dahms	Kiffmeyer	Nienow	Pratt	Weber
Fischbach	Limmer	Ortman	Rosen	Westrom

Those who voted in the negative were:

Bakk	Dziedzic	Jensen	Pappas	Sparks
Bonoff	Eaton	Johnson	Reinert	Tomassoni
Carlson	Eken	Kent	Rest	Torres Ray
Champion	Franzen	Koenen	Saxhaug	Wiger
Clausen	Goodwin	Latz	Scalze	Wiklund
Cohen	Hawj	Lourey	Sheran	
Dahle	Hayden	Marty	Sieben	
Dibble	Hoffman	Metzen	Skoe	

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

Senator Gazelka moved to amend H.F. No. 2180, the unofficial engrossment, as follows:

Page 8, line 7, delete "two" and insert "four"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Gazelka	Miller	Pederson, J.	Thompson
Benson	Hann	Nelson	Petersen, B.	Weber
Bonoff	Kiffmeyer	Newman	Pratt	Westrom
Chamberlain	Koenen	Nienow	Rosen	
Dahms	Latz	Ortman	Ruud	
Fischbach	Limmer	Osmek	Senjem	

Those who voted in the negative were:

Bakk	Dziedzic	Hoffman	Pappas	Skoe
Carlson	Eaton	Jensen	Reinert	Sparks
Champion	Eken	Johnson	Rest	Tomassoni
Clausen	Franzen	Kent	Saxhaug	Torres Ray
Cohen	Goodwin	Lourey	Scalze	Wiger
Dahle	Hawj	Marty	Sheran	Wiklund
Dibble	Hayden	Metzen	Sieben	

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

Senator Dahms moved to amend H.F. No. 2180, the unofficial engrossment, as follows:

Page 8, line 16, delete "choice of bidders must be agreed to by the"

Page 8, line 17, after "employees" insert "must be notified of the board's choice of bidders"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 34, as follows:

Those who voted in the affirmative were:

Benson	Hall	Nelson	Petersen, B.	Thompson
Bonoff	Hann	Newman	Pratt	Weber
Chamberlain	Kiffmeyer	Nienow	Rosen	Westrom
Dahms	Latz	Ortman	Ruud	
Fischbach	Limmer	Osmek	Senjem	
Gazelka	Miller	Pederson, J.	Sparks	

Those who voted in the negative were:

Bakk	Dziedzic	Hoffman	Metzen	Sieben
Carlson	Eaton	Jensen	Pappas	Skoe
Champion	Eken	Johnson	Reinert	Tomassoni
Clausen	Franzen	Kent	Rest	Torres Ray
Cohen	Goodwin	Koenen	Saxhaug	Wiger
Dahle	Hawj	Lourey	Scalze	Wiklund
Dibble	Hayden	Marty	Sheran	

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

Senator Hann moved that H.F. No. 2180 be re-referred to the Committee on Finance.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 24 and nays 37, as follows:

Those who voted in the affirmative were:

Benson	Hall	Nelson	Pederson, J.	Senjem
Chamberlain	Hann	Newman	Petersen, B.	Thompson
Dahms	Kiffmeyer	Nienow	Pratt	Weber
Fischbach	Limmer	Ortman	Rosen	Westrom
Gazelka	Miller	Osmek	Ruud	

Those who voted in the negative were:

Bakk	Dziedzic	Jensen	Pappas	Sparks
Bonoff	Eaton	Johnson	Reinert	Tomassoni
Carlson	Eken	Kent	Rest	Torres Ray
Champion	Franzen	Koenen	Saxhaug	Wiger
Clausen	Goodwin	Latz	Scalze	Wiklund
Cohen	Hawj	Lourey	Sheran	
Dahle	Hayden	Marty	Sieben	
Dibble	Hoffman	Metzen	Skoe	

The motion did not prevail.

Senator Gazelka moved to amend H.F. No. 2180, the unofficial engrossment, as follows:

Page 7, line 29, delete everything after the period

Page 7, line 30, delete everything before "School"

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Benson	Hall	Nelson	Pederson, J.	Senjem
Bonoff	Hann	Newman	Petersen, B.	Thompson
Dahms	Kiffmeyer	Nienow	Pratt	Weber
Fischbach	Limmer	Ortman	Rosen	Westrom
Gazelka	Miller	Osmek	Ruud	

Those who voted in the negative were:

Bakk	Eaton	Johnson	Reinert	Tomassoni
Carlson	Eken	Kent	Rest	Torres Ray
Champion	Franzen	Koenen	Saxhaug	Wiger
Clausen	Goodwin	Latz	Scalze	Wiklund
Cohen	Hawj	Lourey	Sheran	
Dahle	Hayden	Marty	Sieben	
Dibble	Hoffman	Metzen	Skoe	
Dziedzic	Jensen	Pappas	Sparks	

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

Senator Dahms moved to amend H.F. No. 2180, the unofficial engrossment, as follows:

Page 8, line 16, delete "agreed to by" and insert "made after consultation with"

The motion prevailed. So the amendment was adopted.

Senator Dahms moved to amend H.F. No. 2180, the unofficial engrossment, as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 2012, section 43A.316, subdivision 5, is amended to read:

Subd. 5. **Public employee participation.** (a) Participation in the program is subject to the conditions in this subdivision.

(b) Each exclusive representative for an eligible employer, except a school district or charter school, determines whether the employees it represents will participate in the program. The exclusive representative shall give the employer notice of intent to participate at least 30 days before the expiration date of the collective bargaining agreement preceding the collective bargaining agreement that covers the date of entry into the program. The exclusive representative and the eligible employer shall give notice to the commissioner of the determination to participate in the program at least 30 days before entry into the program. Entry into the program is governed by a schedule established by the commissioner.

(c) Employees not represented by exclusive representatives may become members of the program upon a determination of an eligible employer to include these employees in the program. Either all or none of the employer's unrepresented employees must participate. The eligible employer shall give at least 30 days' notice to the commissioner before entering the program. Entry into the program is governed by a schedule established by the commissioner.

(d) Participation in the program is for a two-year term. Participation is automatically renewed for an additional two-year term unless the exclusive representative, or the employer for unrepresented employees, gives the commissioner notice of withdrawal at least 30 days before expiration of the participation period. A group that withdraws must wait two years before rejoining. An exclusive

representative, or employer for unrepresented employees, may also withdraw if premiums increase 50 percent or more from one insurance year to the next.

(e) The exclusive representative shall give the employer notice of intent to withdraw to the commissioner at least 30 days before the expiration date of a collective bargaining agreement that includes the date on which the term of participation expires.

(f) Each participating eligible employer shall notify the commissioner of names of individuals who will be participating within two weeks of the commissioner receiving notice of the parties' intent to participate. The employer shall also submit other information as required by the commissioner for administration of the program."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 36, as follows:

Those who voted in the affirmative were:

Benson	Hall	Nelson	Pederson, J.	Thompson
Bonoff	Hann	Newman	Petersen, B.	Weber
Dahms	Kiffmeyer	Nienow	Pratt	Westrom
Fischbach	Limmer	Ortman	Ruud	
Gazelka	Miller	Osmeck	Senjem	

Those who voted in the negative were:

Bakk	Eaton	Johnson	Reinert	Tomassoni
Carlson	Ekan	Kent	Rest	Torres Ray
Champion	Franzen	Koenen	Saxhaug	Wiger
Clausen	Goodwin	Latz	Scalze	Wiklund
Cohen	Hawj	Lourey	Sheran	
Dahle	Hayden	Marty	Sieben	
Dibble	Hoffman	Metzen	Skoe	
Dziedzic	Jensen	Pappas	Sparks	

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

H.F. No. 2180 was read the third time, as amended.

RECESS

Senator Senjem moved that the Senate do now recess until 7:15 p.m.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 16 and nays 43, as follows:

Those who voted in the affirmative were:

Benson	Kiffmeyer	Nienow	Senjem
Fischbach	Limmer	Pederson, J.	Sheran
Hall	Nelson	Petersen, B.	Thompson
Hann	Newman	Pratt	Weber

Those who voted in the negative were:

Bakk	Bonoff	Carlson	Champion	Clausen
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Cohen	Gazelka	Koenen	Pappas	Sparks
Dahle	Goodwin	Latz	Reinert	Tomassoni
Dahms	Hawj	Lourey	Rest	Torres Ray
Dibble	Hayden	Marty	Ruud	Westrom
Dziedzic	Hoffman	Metzen	Saxhaug	Wiger
Eaton	Jensen	Miller	Scalze	Wiklund
Eken	Johnson	Ortman	Sieben	
Franzen	Kent	Osmek	Skoe	

The motion did not prevail.

The question was taken on the final passage of H.F. No. 2180, as amended.

The roll was called, and there were yeas 37 and nays 22, as follows:

Those who voted in the affirmative were:

Bakk	Eken	Johnson	Pappas	Sparks
Carlson	Franzen	Kent	Reinert	Tomassoni
Champion	Gazelka	Koenen	Rest	Torres Ray
Cohen	Goodwin	Latz	Saxhaug	Wiger
Dahle	Hawj	Lourey	Scalze	Wiklund
Dibble	Hayden	Marty	Sheran	
Dziedzic	Hoffman	Metzen	Sieben	
Eaton	Jensen	Miller	Skoe	

Those who voted in the negative were:

Benson	Hall	Newman	Petersen, B.	Weber
Bonoff	Hann	Nienow	Pratt	Westrom
Clausen	Kiffmeyer	Ortman	Ruud	
Dahms	Limmer	Osmek	Senjem	
Fischbach	Nelson	Pederson, J.	Thompson	

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

MOTIONS AND RESOLUTIONS - CONTINUED

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

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. 2108 and 2221.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned April 10, 2014

Madam President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 3167:

H.F. No. 3167: A bill for an act relating to financing of state and local government; making changes to individual income, property, sales and use, excise, estate, mineral, tobacco, alcohol,

special, local, and other taxes and tax-related provisions; providing for and increasing credits; modifying local government aids; modifying exclusions, exemptions, and levy deadlines; imposing a tax on solar energy production; modifying sales, use, and excise tax exemptions; changing sales, use, and excise tax remittances; modifying certain local sales and use taxes; allowing for temporary sales and use tax amnesty; modifying income tax credits and subtractions; clarifying estate tax provisions; providing for certain local development projects; changing license revocation procedures; modifying installment payments; modifying certain county levy authority; allocating additional tax reductions for border cities; removing obsolete, redundant, and unnecessary laws and administrative rules administered by the Department of Revenue; making various policy and technical changes; requiring a report; appropriating money; amending Minnesota Statutes 2012, sections 16D.02, subdivisions 3, 6; 16D.04, subdivisions 3, 4; 16D.07; 16D.11, subdivisions 1, 3, 7; 84A.20, subdivision 2; 84A.31, subdivision 2; 115B.49, subdivision 4; 116J.8737, by adding a subdivision; 163.06, subdivision 1; 270.11, subdivision 1; 270.12, subdivisions 2, 4; 270.87; 270A.03, subdivision 2; 270B.14, subdivision 3; 270C.085; 270C.34, subdivision 2; 270C.52, subdivision 2; 270C.56, subdivision 3; 270C.72, subdivisions 1, 3; 272.01, subdivisions 1, 3; 272.02, subdivisions 10, 24; 272.0211, subdivisions 1, 2; 272.025, subdivision 1; 272.027, subdivision 1; 272.029, subdivisions 4a, 6; 272.03, subdivision 1; 273.01; 273.061, subdivision 6; 273.10; 273.11, subdivision 13; 273.112, subdivision 6a; 273.13, subdivision 34; 273.1384, subdivision 2; 273.18; 273.33, subdivision 2; 273.37, subdivision 2; 273.3711; 274.01, subdivisions 1, 2; 274.014, subdivision 3; 275.025, subdivision 2; 275.065, subdivision 1; 275.08, subdivisions 1a, 1d; 275.74, subdivision 2; 275.75; 279.03; 279.16; 279.23; 279.25; 280.001; 280.03; 280.07; 280.11; 281.03; 281.327; 282.01, subdivision 6; 282.04, subdivision 4; 282.261, subdivisions 2, 4, 5; 282.322; 287.30; 289A.02, subdivision 7, as amended; 289A.18, subdivision 2; 289A.25, subdivision 1; 289A.60, subdivision 15; 290.01, subdivisions 5, 19f, 29; 290.015, subdivision 1; 290.068, subdivision 1; 290.07, subdivisions 1, 2; 290.0922, subdivision 3; 290.095, subdivision 3; 290.9728, subdivision 2; 296A.01, subdivision 16; 297A.67, subdivision 13a, by adding a subdivision; 297A.68, by adding a subdivision; 297A.70, subdivision 10; 297A.71, by adding a subdivision; 297A.94; 297B.03; 297B.09; 297F.03, subdivision 2; 297F.09, subdivision 10; 297G.03, by adding a subdivision; 297G.09, subdivision 9; 297I.05, subdivision 14; 298.75, subdivisions 1, 2; 383D.41, by adding a subdivision; 383E.21, subdivisions 1, 2; 412.131; 469.171, subdivision 6; 469.176, subdivisions 1b, 3; 469.1763, subdivision 3; 469.177, subdivision 3; 473.665, subdivision 5; 477A.0124, subdivision 5; 477A.014, subdivision 1; 477A.03, by adding a subdivision; 611.27, subdivisions 13, 15; Minnesota Statutes 2013 Supplement, sections 116J.8737, subdivision 2, as amended; 116J.8738, subdivisions 2, 3, 4; 270B.01, subdivision 8; 270B.03, subdivision 1; 273.032; 273.1325, subdivisions 1, 2; 273.1398, subdivisions 3, 4; 275.70, subdivision 5; 279.37, subdivision 2; 281.17; 289A.20, subdivision 4; 290.01, subdivisions 19, as amended, 19b, as amended, 19d, 31, as amended; 290.068, subdivisions 3, 6a; 290.091, subdivision 2, as amended; 290.0921, subdivision 3; 290.191, subdivision 5; 290A.03, subdivision 15, as amended; 290C.03; 291.005, subdivision 1, as amended; 297A.61, subdivision 3, as amended; 297A.68, subdivisions 42, 44; 297A.70, subdivisions 2, 13, 14; 297A.75, subdivisions 1, 2, 3; 297B.01, subdivision 16; 360.531, subdivision 2; 403.162, subdivision 5; 423A.02, subdivision 3; 423A.022, subdivisions 2, 3; 465.04; 469.169, by adding a subdivision; 469.1763, subdivision 2; 477A.013, subdivision 8; 477A.03, subdivision 2a; 477A.12, subdivision 1; 477A.14, subdivision 1; Laws 1980, chapter 511, sections 1, subdivision 2, as amended; 2, as amended; Laws 2005, First Special Session chapter 3, article 5, section 38, subdivision 4; Laws 2006, chapter 259, article 3, sections 10, subdivisions 3, 4, 5; 11, subdivisions 3, 4, 5; Laws 2008, chapter 366, article 10, section 15; Laws 2013, chapter 143, article 8, sections 3; 37; article 9, section 23; article 11, section 10;

Laws 2014, chapter 150, article 3, section 4; proposing coding for new law in Minnesota Statutes, chapters 69; 116J; 168A; 272; 290; 383A; 477A; repealing Minnesota Statutes 2012, sections 16D.02, subdivisions 5, 8; 16D.11, subdivision 2; 270C.131; 270C.53; 270C.991, subdivision 4; 272.02, subdivisions 1, 1a, 43, 48, 51, 53, 67, 72, 82; 272.027, subdivision 2; 272.031; 273.015, subdivision 1; 273.03, subdivision 3; 273.075; 273.13, subdivision 21a; 273.1383; 273.1386; 273.1398, subdivision 4b; 273.80; 275.77; 279.32; 281.173, subdivision 8; 281.174, subdivision 8; 281.328; 282.10; 282.23; 287.20, subdivision 4; 287.27, subdivision 2; 289A.56, subdivision 7; 290.01, subdivisions 4b, 19e, 20e; 290.06, subdivisions 30, 31; 290.0674, subdivision 3; 290.191, subdivision 4; 290.33; 290C.02, subdivisions 5, 9; 290C.06; 295.52, subdivision 7; 297A.666; 297A.68, subdivision 38; 297A.71, subdivisions 4, 5, 7, 9, 10, 17, 18, 20, 32, 41; 297F.08, subdivision 11; 297H.10, subdivision 2; 469.174, subdivision 10c; 469.175, subdivision 2b; 469.176, subdivision 1i; 469.1764; 469.177, subdivision 10; 469.330; 469.331; 469.332; 469.333; 469.334; 469.335; 469.336; 469.337; 469.338; 469.339; 469.340, subdivisions 1, 2, 3, 5; 469.341; 477A.0124, subdivisions 1, 6; 505.173; Minnesota Statutes 2013 Supplement, sections 273.1103; 469.340, subdivision 4; 477A.085; Laws 1993, chapter 375, article 9, section 47; Laws 2014, chapter 150, article 1, section 17; Minnesota Rules, parts 8002.0200, subpart 8; 8007.0200; 8100.0800; 8130.7500, subpart 7; 8130.8900, subpart 3; 8130.9500, subparts 1, 1a, 2, 3, 4, 5.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

Lenczewski, Davnie, Davids, Torkelson and Slocum have been appointed as such committee on the part of the House.

House File No. 3167 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted April 10, 2014

Senator Skoe moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 3167, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Madam President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2092, 2582, 2217, 2149 and 1951.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted April 10, 2014

FIRST READING OF HOUSE BILLS

The following bills were read the first time.

H.F. No. 2092: A bill for an act relating to motor vehicles; license plates; authorizing a veteran's special motorcycle plate for combat wounded veterans; amending Minnesota Statutes 2012, section 168.123, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2071.

H.F. No. 2582: A bill for an act relating to corporations; providing for the organization and operation of public benefit corporations; proposing coding for new law as Minnesota Statutes, chapter 304A.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2053, now on General Orders.

H.F. No. 2217: A bill for an act relating to state government; changing provisions in grants management process and contract management; providing an encumbrance exception in the grant process; amending Minnesota Statutes 2012, sections 16B.98, subdivision 5, by adding a subdivision; 16C.05, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2500, now on General Orders.

H.F. No. 2149: A bill for an act relating to transportation; highways; establishing requirements governing marked Interstate Highway 494 rehabilitation work.

Referred to the Committee on Transportation and Public Safety.

H.F. No. 1951: A bill for an act relating to retirement; various Minnesota public employee retirement plans; allowing MSRS-General deferred members to vote in board elections; continuing Stevens County Housing and Redevelopment Authority employees in PERA-General; excluding fixed-route bus drivers employed by the St. Cloud Metropolitan Transit Commission from PERA-General coverage; increasing member and employer contribution rates for certain retirement plans; providing for the consolidation of the Duluth Teachers Retirement Fund Association retirement plan and fund into the statewide Teachers Retirement Association; revising an amortization target date, creating new state aid programs; appropriating money; extending a MnSCU early retirement incentive program; increasing the limit for certain reemployed MnSCU retirees; extending the applicability of a second chance at tenure retirement coverage election opportunity for MnSCU faculty members; revising investment authority for various defined contribution plans or programs; authorizing the State Board of Investment to revise, remove, or create investment options for the Minnesota supplemental investment fund; expanding permissible investments under the unclassified state employees retirement program, the public employees defined contribution plan, the deferred compensation program, and the health care savings plan; revising salary reporting requirements; clarifying retirement provision applications to sheriffs; revising local government postretirement option program requirements and extending expiration date; clarifying future postretirement adjustment rates for former members of the former Minneapolis Firefighters Relief Association and the former Minneapolis Police Relief Association; making technical changes to amortization state aid and supplemental state aid; clarifying the eligibility of independent nonprofit firefighting corporations to receive police and fire supplemental retirement state aid; implementing the recommendations of the 2013-2014 state auditor volunteer fire working group; modifying the disability benefit application deadline for certain former Wadena County sheriff's deputies; authorizing city of Duluth and Duluth Airports Authority employee salary-supplement payments coverage following Court of Appeals decision; specifying interest rate

for computing joint and survivor annuities; revising postretirement adjustment triggers; revising reemployed annuitant withholding in certain divorce situations; clarifying medical advisor and resumption of teaching provisions; specifying explicit postretirement adjustment assumptions; allowing volunteer firefighter relief associations to pay state fire chiefs association dues from the special fund; authorizing MnSCU employee to elect TRA coverage and transfer past service from IRAP to TRA; clarifying the applicability of 2013 postretirement adjustment modifications to certain county sheriffs; ratifying or grandparenting MSRS-Correctional plan coverage for Department of Human Services employees; allowing various service credit purchases; requiring a PERA report on certain survivor benefit amounts; amending Minnesota Statutes 2012, sections 3A.01, subdivision 1a; 11A.17, subdivisions 1, 9; 13.632, subdivision 1; 122A.18, subdivision 7a; 136F.481; 352.01, subdivisions 2b, 12; 352.03, subdivision 1, by adding a subdivision; 352.04, subdivisions 2, 3; 352.115, subdivisions 8, 10; 352.1155, subdivisions 1, 4; 352.90; 352.91, subdivisions 1, 2, 3c, 3d, 3e, 3f, by adding a subdivision; 352.92, subdivisions 1, 2; 352.965, subdivision 4, by adding subdivisions; 352.98, subdivision 2; 352B.08, subdivision 3; 352D.04, by adding subdivisions; 353.01, subdivision 14; 353.27, subdivisions 2, 3, 3b, 4, by adding a subdivision; 353.30, subdivision 3; 353.37, by adding a subdivision; 353.371, by adding a subdivision; 353.6511, subdivision 7; 353.6512, subdivision 7; 353D.05, subdivision 1, by adding a subdivision; 354.05, subdivisions 2, 7, 13; 354.42, subdivisions 2, 3; 354.44, subdivision 5; 354.445; 354.48, subdivision 6a; 354A.011, subdivisions 11, 15a, 27; 354A.021, subdivision 1; 354A.092; 354A.093, subdivision 1; 354A.096; 354A.12, subdivision 2; 354A.29, subdivision 8; 354A.31, subdivisions 1, 3a; 354A.32, subdivision 1; 354A.35, subdivision 1; 354A.37, subdivisions 3, 4; 354A.39; 354A.41; 354B.21, subdivisions 2, 3a; 355.01, subdivision 2c; 356.215, subdivision 11; 356.24, subdivision 1; 356.302, subdivision 7; 356.303, subdivision 4; 356.32, subdivision 2; 356.415, subdivision 1d; 356.42, subdivision 3; 356.465, subdivision 3; 356.47, subdivision 3; 356.635, subdivision 6; 356.99, subdivision 1; 356A.06, subdivisions 7, 7a; 424A.015, by adding a subdivision; 424A.016, subdivisions 4, 7; 424A.05, subdivision 3; 424A.08; 424B.12; 490.121, subdivision 2a; Minnesota Statutes 2013 Supplement, sections 69.051, subdivisions 1a, 3; 352.01, subdivision 2a; 352.03, subdivision 4; 353.01, subdivisions 2a, 2b; 353.651, subdivision 4; 354.436; 354.44, subdivision 6; 354A.12, subdivisions 1, 2a, 3a, 3c; 354A.27, subdivision 6a; 356.20, subdivision 2; 356.214, subdivision 1; 356.215, subdivision 8; 356.219, subdivision 8; 356.30, subdivision 3; 356.401, subdivision 3; 356.415, subdivisions 1a, 1c, 1e, 1f; 356.91; 363A.36, subdivision 1; 423A.02, subdivision 3; 423A.022, subdivisions 2, 3; 424A.016, subdivision 6; 424A.02, subdivisions 3, 7; 424A.092, subdivision 6; 424A.093, subdivisions 2, 6; 424A.094, subdivision 2; 424A.10, subdivision 2; Laws 2009, chapter 169, article 5, section 2, as amended; article 6, section 1; proposing coding for new law in Minnesota Statutes, chapters 354; 354A; 356; repealing Minnesota Statutes 2012, sections 11A.17, subdivision 4; 352.965, subdivision 5; 352D.04, subdivision 1; 353D.05, subdivision 2; 354A.021, subdivision 5; 354A.108; 354A.24; 354A.27, subdivision 5; 356.415, subdivision 3; Minnesota Statutes 2013 Supplement, sections 354A.27, subdivisions 6a, 7; 354A.31, subdivision 4a.

Referred to the Committee on Finance.

REPORTS OF COMMITTEES

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

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

S.F. No. 2050: A bill for an act relating to women's economic security; promoting the economic self-sufficiency of women; reducing gender segregation in the workforce; reducing the gender pay gap through the participation of women in high-wage, high-demand, nontraditional occupations; establishing a Women and Nontraditional Jobs Grant Program; modifying eligibility for unemployment benefits when applicant is a victim of sexual assault or stalking; creating a women entrepreneurs business development competitive grant program; modifying medical assistance asset availability requirements; providing for pregnancy and parenting leave; requiring pregnancy accommodations; providing for earned sick and safe time; requiring certificates of pay equity compliance as a condition for certain state contracts; classifying data; protecting wage disclosure; prohibiting retaliation; prohibiting discrimination in employment based on status as a family caregiver; clarifying unfair employment practices related to nursing mothers; forecasting the basic sliding fee child care assistance program; modifying child care assistance provider reimbursement rates; early learning; expanding the availability of early learning scholarships; requiring a report; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2012, sections 13.552, by adding a subdivision; 116L.98; 119B.02, subdivisions 1, 2; 119B.03, subdivision 9; 119B.035, subdivisions 1, 4; 119B.05, subdivision 5; 119B.08, subdivision 3; 119B.09, subdivision 4a; 119B.231, subdivision 5; 177.24, subdivision 1; 181.939; 181.940, subdivision 2; 181.941; 181.943; 256.017, subdivision 9; 256B.059, subdivision 5; 268.095, subdivisions 1, 6, by adding a subdivision; 363A.03, by adding a subdivision; 363A.08, subdivisions 1, 2, 3, 4, by adding a subdivision; 504B.001, by adding subdivisions; 504B.171, subdivision 1; 504B.206, subdivisions 1, 3, by adding a subdivision; 504B.285, subdivision 1; Minnesota Statutes 2013 Supplement, sections 116L.665, subdivision 2; 119B.011, subdivision 19b; 119B.05, subdivision 1; 119B.13, subdivision 1; 124D.165, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 16A; 16C; 116L; 181; 363A; repealing Minnesota Statutes 2012, sections 119B.011, subdivision 20a; 119B.03, subdivisions 1, 2, 5, 6, 6a, 6b, 8; 119B.09, subdivision 3; 504B.206, subdivisions 4, 6; Minnesota Statutes 2013 Supplement, sections 119B.03, subdivision 4; 181.9413; Minnesota Rules, parts 3400.0020, subpart 8; 3400.0030; 3400.0060, subparts 2, 4, 6, 6a, 7.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

WOMEN'S ECONOMIC SECURITY ACT

Section 1. **CITATION; WOMEN'S ECONOMIC SECURITY ACT.**

This act shall be known as the Women's Economic Security Act.

ARTICLE 2

ECONOMIC SECURITY

Section 1. Minnesota Statutes 2013 Supplement, section 116L.665, subdivision 2, is amended to read:

Subd. 2. **Membership.** The governor's Workforce Development Council is composed of 31 members appointed by the governor. The members may be removed pursuant to section 15.059. In

selecting the representatives of the council, the governor shall ensure that 50 percent of the members come from nominations provided by local workforce councils. Local education representatives shall come from nominations provided by local education to employment partnerships. The 31 members shall represent the following sectors:

(a) State agencies: the following individuals shall serve on the council:

- (1) commissioner of the Minnesota Department of Employment and Economic Development;
- (2) commissioner of the Minnesota Department of Education; and
- (3) commissioner of the Minnesota Department of Human Services.

(b) Business and industry: six individuals shall represent the business and industry sectors of Minnesota.

(c) Organized labor: six individuals shall represent labor organizations of Minnesota.

(d) Community-based organizations: four individuals shall represent community-based organizations of Minnesota. Community-based organizations are defined by the Workforce Investment Act as private nonprofit organizations that are representative of communities or significant segments of communities and that have demonstrated expertise and effectiveness in the field of workforce investment and may include entities that provide job training services, serve youth, serve individuals with disabilities, serve displaced homemakers, union-related organizations, employer-related nonprofit organizations, and organizations serving nonreservation Indians and tribal governments.

(e) Education: six individuals shall represent the education sector of Minnesota as follows:

- (1) one individual shall represent local public secondary education;
 - (2) one individual shall have expertise in design and implementation of school-based service-learning;
 - (3) one individual shall represent leadership of the University of Minnesota;
 - (4) one individual shall represent secondary/postsecondary vocational institutions;
 - (5) the chancellor of the Board of Trustees of the Minnesota State Colleges and Universities;
- and
- (6) one individual shall have expertise in agricultural education.

(f) Other: two individuals shall represent other constituencies including:

- (1) units of local government; and
- (2) applicable state or local programs.

The speaker and the minority leader of the house of representatives shall each appoint a representative to serve as an ex officio member of the council. The majority and minority leaders of the senate shall each appoint a senator to serve as an ex officio member of the council.

The governor shall appoint one individual representing public libraries, one individual with expertise in assisting women in obtaining employment in nontraditional occupations, and one

individual representing adult basic education programs to serve as a nonvoting ~~advisor~~ advisors to the council.

(g) Appointment: each member shall be appointed for a term of three years from the first day of January or July immediately following their appointment. Elected officials shall forfeit their appointment if they cease to serve in elected office.

(h) Members of the council are compensated as provided in section 15.059, subdivision 3.

Sec. 2. Minnesota Statutes 2012, section 116L.98, is amended to read:

116L.98 WORKFORCE PROGRAM OUTCOMES.

The commissioner shall develop and implement a set of standard approaches for assessing the outcomes of workforce programs under this chapter. The outcomes assessed must include, but are not limited to, periodic comparisons of workforce program participants and nonparticipants. By January 1 of each year, the commissioner shall report to the legislature on progress and outcomes of workforce programs, including the requirements under section 116L.99. The report regarding outcomes of activities under section 116L.99 must include data on:

- (1) the gender, race, and age of participants, including cross tabulations;
- (2) occupations;
- (3) geography;
- (4) advancement salaries; and
- (5) the gender pay gap within occupations.

The commissioner shall also monitor the activities and outcomes of programs and services funded by legislative appropriations and administered by the department on a pass-through basis and develop a consistent and equitable method of assessing recipients for the costs of its monitoring activities.

Sec. 3. **[116L.99] WOMEN AND NONTRADITIONAL JOBS GRANT PROGRAM.**

Subdivision 1. **Definitions.** (a) For the purpose of this section, the following terms have the meanings given.

- (b) "Commissioner" means the commissioner of employment and economic development.
- (c) "Eligible organization" includes, but is not limited to:
 - (1) community-based organizations experienced in serving women;
 - (2) employers;
 - (3) business and trade associations;
 - (4) labor unions and employee organizations;
 - (5) registered apprenticeship programs;
 - (6) secondary and postsecondary education institutions located in Minnesota; and
 - (7) workforce and economic development agencies.

(d) "Nontraditional occupations" means those occupations in which women make up less than 25 percent of the workforce as defined under United States Code, title 20, section 2302.

(e) "Registered apprenticeship program" means a program registered under United States Code, title 29, section 50.

Subd. 2. **Grant program.** The commissioner shall establish the women and nontraditional jobs grant program to increase the number of women in high-wage, nontraditional occupations. The commissioner shall make grants to eligible organizations for programs that encourage and assist women to enter high-wage, high-demand, nontraditional occupations including but not limited to those in the skilled trades, science, technology, engineering, and math (STEM) occupations.

Subd. 3. **Use of funds.** (a) Grant funds awarded under this section may be used for:

(1) recruitment, preparation, placement, and retention of women, including low-income women and women over 50 years old, in registered apprenticeships, postsecondary education programs, on-the-job training, and permanent employment in high-wage, high-demand, nontraditional occupations;

(2) secondary or postsecondary education or other training to prepare women to succeed in nontraditional occupations. Activities under this clause may be conducted by the grantee or in collaboration with another institution, including but not limited to a public or private secondary or postsecondary school;

(3) innovative, hands-on, best practices that stimulate interest in nontraditional occupations among girls, increase awareness among girls about opportunities in nontraditional occupations, or increase access to secondary programming leading to jobs in nontraditional occupations. Best practices include but are not limited to mentoring, internships, or apprenticeships for girls in nontraditional occupations;

(4) training and other staff development for job seeker counselors and Minnesota family investment program (MFIP) caseworkers on opportunities in nontraditional occupations;

(5) incentives for employers and sponsors of registered apprenticeship programs to retain women in nontraditional occupations for more than one year;

(6) training and technical assistance for employers to create a safe and healthy workplace environment designed to retain and advance women, including best practices for addressing sexual harassment, and to overcome gender inequity among employers and registered apprenticeship programs;

(7) public education and outreach activities to overcome stereotypes about women in nontraditional occupations, including the development of educational and marketing materials; and

(8) support for women in nontraditional occupations including but not limited to assistance with workplace issues resolution and access to advocacy assistance and services.

(b) Grant applications must include detailed information about how the applicant plans to:

(1) increase women's participation in high-wage, high-demand occupations in which women are currently underrepresented in the workforce;

(2) comply with the requirements under subdivision 3; and

(3) use grant funds in conjunction with funding from other public or private sources.

(c) In awarding grants under this subdivision, the commissioner shall give priority to eligible organizations:

(1) with demonstrated success in recruiting and preparing women, especially low-income women and women over 50 years old, for nontraditional occupations; and

(2) that leverage additional public and private resources.

(d) At least 50 percent of total grant funds must be awarded to programs providing services and activities targeted to women with family incomes of less than 200 percent of the federal poverty guidelines.

(e) The commissioner of employment and economic development in conjunction with the commissioner of labor and industry shall monitor the use of funds under this section, collect and compile information on the activities of other state agencies and public or private entities that have purposes similar to those under this section, and identify other public and private funding available for these purposes.

Sec. 4. [116L.991] WOMEN ENTREPRENEURS BUSINESS DEVELOPMENT GRANT PROGRAM.

Subdivision 1. **Definitions.** For the purposes of this section, the following terms have the meanings given.

(a) "Women-owned business" means a business entity owned or controlled by women that is organized for profit including, but not limited to, an individual, partnership, corporation, joint venture, association, or cooperative. "Owned or controlled by women" means:

(1) that the business is at least 51 percent owned by one or more women or, in the case of any publicly traded business, at least 51 percent of the stock of which is owned by one or more women; and

(2) the business has management and daily business operations that are controlled by one or more women.

(b) "High economic impact firm" means a business that is projected to generate at least \$500,000 in annual revenue and create at least ten high-quality jobs.

(c) "Qualified business" means a women-owned business in the field of construction; transportation; warehousing; agriculture; mining; finance; insurance; professional, technical, or scientific services; technology; or other high economic impact business.

(d) "High-quality job" means a job that pays an annual income equal to at least 150 percent of the federal poverty guideline adjusted for a family size of four.

Subd. 2. **Program created.** The commissioner of employment and economic development shall operate a women entrepreneurs business development competitive grant program to facilitate the creation and expansion of high-growth, high-revenue, women-owned businesses that are a qualified business.

Subd. 3. **Use of funds.** Funds available for the purpose of this section may be used for:

(1) entrepreneurial training, mentoring, and technical assistance for the startup or expansion of businesses owned by women;

(2) development of networks of potential investors; and

(3) development of a recruitment program for midcareer women with an interest in starting a qualified business.

Sec. 5. [363A.44] EQUAL PAY CERTIFICATE.

Subdivision 1. **Scope.** (a) No department, agency of the state, the Metropolitan Council, or an agency subject to section 473.143, subdivision 1, shall execute a contract or agreement in excess of \$500,000 with a business that has 40 or more full-time employees in this state or a state where the business has its primary place of business on a single day during the prior 12 months, unless the business has an equal pay certificate or it has certified in writing that it is exempt. For purposes of this section, a business does not include an entity with a contract with a department or agency of the state if the entity has a license, certification, registration, provider agreement, or provider enrollment contract, which are prerequisite to providing goods and services to consumers under chapters 43A, 62A, 62C, 62D, 62E, 256B, 256L, and 256I. A certificate is valid for four years.

(b) This section does not apply to contracts entered into by the State Board of Investment for investment options under section 352.965, subdivision 4.

Subd. 2. **Application.** (a) A business shall apply for an equal pay certificate by paying a \$150 filing fee and submitting an equal pay compliance statement to the commissioner. The proceeds from the fees collected under this subdivision shall be deposited in an equal pay certificate special revenue account. Money in the account is appropriated to the commissioner for the purposes of this section. The commissioner shall issue an equal pay certificate of compliance to a business that submits to the commissioner a statement signed by the chairperson of the board or chief executive officer of the business:

(1) that the business is in compliance with Title VII of the Civil Rights Act of 1964, Equal Pay Act of 1963, Minnesota Human Rights Act, and Minnesota Equal Pay for Equal Work Law;

(2) that wage and benefit disparities are corrected when identified to ensure compliance with the laws cited in clause (1); and

(3) how often wages and benefits are evaluated to ensure compliance with the laws cited in clause (1).

(b) The equal pay compliance statement shall also indicate whether the business, in setting compensation and benefits, utilizes:

(1) a market pricing approach;

(2) state prevailing wage or union contract requirements;

(3) a performance pay system;

(4) an internal analysis; or

(5) an alternative approach to determine what level of wages and benefits to pay its employees. If the business uses an alternative approach, the business must provide a description of its approach.

(c) Receipt of the equal pay compliance statement by the commissioner does not establish good-faith efforts or compliance with the laws set forth in paragraph (a), clause (1).

Subd. 3. **Issuance or rejection of certificate.** The commissioner must issue an equal pay certificate, or a statement of why the application was rejected, within 15 days of receipt of the application. An application may be rejected only if it does not comply with the requirements of subdivision 2.

Subd. 4. **Revocation of certificate.** An equal pay certificate for a business may be suspended or revoked by the commissioner when the business fails to make a good-faith effort to comply with the laws identified in subdivision 2, paragraph (a), clause (1), fails to make a good-faith effort to comply with this section, or has multiple violations of this section or the laws identified in subdivision 2, paragraph (a), clause (1). Prior to suspending or revoking a certificate, the commissioner must first have sought to conciliate with the business regarding wages and benefits due to employees.

Subd. 5. **Revocation of contract.** (a) If a contract is awarded to a business that does not have an equal pay certificate as required under subdivision 1, the commissioner may void the contract on behalf of the state. The contract award entity that is a party to the agreement must be notified by the commissioner prior to the commissioner taking action to void the contract.

(b) A contract may be abridged or terminated by the contract award entity identified in subdivision 1 upon notice that the commissioner has suspended or revoked the certificate of the business.

Subd. 6. **Administrative review.** (a) A business may obtain an administrative hearing pursuant to sections 14.57 to 14.69 when the commissioner suspends or revokes its certificate by filing a written request for hearing 20 days after service of notice by the commissioner.

(b) A business may obtain an administrative hearing pursuant to sections 14.57 to 14.69 when the contract award entity identified in subdivision 1 abridges or terminates a contract by filing a written request for a hearing 20 days after service of notice by the contract award entity.

Subd. 7. **Technical assistance.** The commissioner must provide technical assistance to any business that requests assistance regarding this section.

Subd. 8. **Audit.** The commissioner shall have authority to audit compliance with this section to determine exempt status or with respect to employees expected to perform work under the contract by requesting information from the business necessary to determine compliance with this section and laws identified under subdivision 2, paragraph (a), clause (1).

Subd. 9. **Access to data.** Data submitted to the commissioner related to equal pay certificates are private data on individuals or nonpublic data with respect to persons other than department employees. The commissioner's decision to issue, not issue, revoke, or suspend an equal pay certificate is public data.

Subd. 10. **Report.** The commissioner shall report to the governor and the chairs and ranking minority members of the committees in the senate and the house of representatives with primary jurisdiction over the department by January 31 of every even-numbered year, beginning January 31, 2016. The report shall indicate the number of equal pay certificates issued, the number of audits conducted, the processes used by contractors to ensure compliance with the laws cited in subdivision 2, paragraph (a), clause (1), and a summary of its auditing efforts. The commissioner

shall consult with the Legislative Coordinating Commission Office on the Economic Status of Women in preparing the report.

EFFECTIVE DATE. This section is effective August 1, 2015, and applies to any solicitation made on or after that date.

Sec. 6. **REPORT; RETIREMENT SAVINGS PLAN.**

(a) The commissioner of management and budget must report to the legislature by January 15, 2015, on the potential for a state-administered retirement savings plan to serve employees without access to either an automatic enrollment payroll deduction IRA maintained or offered by their employer, or a multiemployer retirement plan or qualifying retirement plan or arrangement described in sections 414(f) and 219(g)(5), respectively, of the Internal Revenue Code of 1986, as amended through April 14, 2011. The potential state-administered plan would provide for individuals to make contributions to their own accounts to be pooled and invested by the State Board of Investment, with the benefit consisting of the balance in each individual's account, and with the state having no liability for investment earnings and losses, while discouraging employers from dropping existing retirement plan options.

(b) The report must include:

(1) estimates of the average amount of savings and other financial resources residents of Minnesota have upon retirement and those that are recommended for a financially secure retirement in Minnesota;

(2) estimates of the relative progress toward achieving the savings recommended for a financially secure retirement by gender, race, and ethnicity;

(3) barriers to savings and reasons individuals and employers may not be participating in existing private sector retirement plans;

(4) estimated impact on publicly funded social safety net programs attributable to insufficient retirement savings, and the aggregate effect of potential state-administered plan options on publicly funded social safety net programs and the state economy;

(5) estimates of the number of Minnesota workers who could be served by the potential state-administered plan, and the participation rate that would make the plan self-sustaining;

(6) effect of federal tax laws and the federal Employee Retirement Income Security Act on a potential state-administered plan and on participating employers and employees, including the effect of these laws if the plan included potential for employer contributions, either commingled with or segregated from employee contributions;

(7) comparison of a potential state-administered plan to private sector and federal government retirement savings options with regard to participation rates, contribution rates, risk-adjusted return expectations, and fees;

(8) existing state and federal consumer protections that would apply to a potential state-administered plan and options for strengthening consumer protections for plan participants;

(9) alternative ways and costs for the state to encourage similar outcomes to a state-administered plan;

(10) options for state administration of the plan, including investment strategies for funds contributed to the plan in consultation with the State Board of Investment, the potential use and availability of investment strategies, private insurance, underwriting, or reinsurance against loss to limit or eliminate potential state liability and manage risk to the principal, and group annuities to ensure a stable stream of retirement income throughout beneficiaries' retirement years;

(11) options for meeting the investment needs of participants based on income, desired liquidity, age, risk tolerance, and other factors determined by the commissioner;

(12) options for the process by which individuals or employers would contribute to the plan, and their effect on participation rates, savings rates, and fees;

(13) options discouraging employers from dropping existing employer-sponsored retirement savings plans in favor of a potential state-administered plan;

(14) projected costs of administration, record keeping, and investment management, including staffing, legal, compliance, licensing, procurement, communications with employers and employees, oversight, marketing, technology and infrastructure, and the fee needed to cover these costs as a percentage of the average daily net assets of the potential state-administered plan, relative to asset size and plan structure, and projected by year of plan operation, with estimates of investment-related fees determined in consultation with the State Board of Investment;

(15) how the projected fees compare with those of comparable retirement savings options in the private sector with similar risk-adjusted return expectations; and

(16) other topics that the commissioner determines are relevant to legislative consideration of possible establishment of a state-administered plan.

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

Sec. 7. APPROPRIATIONS.

Subdivision 1. **Department of Human Rights.** \$674,000 in fiscal year 2015 is appropriated from the general fund to the commissioner of human rights for the equal pay certificate program under Minnesota Statutes, section 363A.44. The base budget for this appropriation for fiscal year 2016 and later is \$426,000.

Subd. 2. **Minnesota Management and Budget.** \$750,000 in fiscal year 2014 is appropriated from the general fund to the commissioner of Minnesota management and budget for the retirement savings plan report in section 6. This is a onetime appropriation and is available until expended.

Subd. 3. **Department of Employment and Economic Development.** (a) \$500,000 in fiscal year 2015 is appropriated from the general fund to the commissioner of employment and economic development for the women entrepreneurs business development grant program under Minnesota Statutes, section 166L.991. This is a onetime appropriation and is available until expended.

(b) \$500,000 in fiscal year 2015 is appropriated from the workforce development fund to the commissioner of employment and economic development for the women and nontraditional jobs grant program under Minnesota Statutes, section 166L.99. The commissioner may use up to five percent of the appropriation to administer the grant program. This is a onetime appropriation and is available until expended.

Subd. 4. **Department of Labor and Industry.** (a) \$250,000 in fiscal year 2015 is appropriated from the workforce development fund to the commissioner of labor and industry for the labor education advancement program under Minnesota Statutes, section 178.11, to educate, promote, assist, and support women to enter apprenticeship programs in nontraditional occupations. This is a onetime appropriation and is available until expended.

(b) \$24,000 in fiscal year 2015 is appropriated from the general fund to the commissioner of labor and industry for additional compliance and enforcement activities by the labor standards unit related to this act.

ARTICLE 3

EMPLOYMENT PROTECTIONS

Section 1. Minnesota Statutes 2012, section 181.67, is amended by adding a subdivision to read:

Subd. 3. **Wage disclosure protection.** (a) An employer shall not:

(1) require nondisclosure by an employee of his or her wages as a condition of employment;

(2) require an employee to sign a waiver or other document which purports to deny an employee the right to disclose the employee's wages; or

(3) take any adverse employment action against an employee for disclosing the employee's own wages or discussing another employee's wages which have been disclosed voluntarily.

(b) Nothing in this subdivision shall be construed to:

(1) create an obligation on any employer or employee to disclose wages;

(2) permit an employee, without the written consent of the employer, to disclose proprietary information, trade secret information, or information that is otherwise subject to a legal privilege or protected by law;

(3) diminish any existing rights under the National Labor Relations Act under United States Code, title 29; or

(4) permit the employee to disclose wage information of other employees to a competitor of their employer.

Sec. 2. Minnesota Statutes 2012, section 181.939, is amended to read:

181.939 NURSING MOTHERS.

Subdivision 1. **Employer duties.** (a) An employer must provide reasonable unpaid break time each day to an employee who needs to express breast milk for her infant child. The break time must, if possible, run concurrently with any break time already provided to the employee. An employer is not required to provide break time under this section if to do so would unduly disrupt the operations of the employer.

(b) The employer must make reasonable efforts to provide a room or other location, in close proximity to the work area, other than a bathroom or a toilet stall, that is shielded from view and free from intrusion from coworkers and the public and that includes access to an electrical outlet, where

the employee can express her milk in privacy. The employer would be held harmless if reasonable effort has been made.

(c) For the purposes of this section, "employer" means a person or entity that employs one or more employees and includes the state and its political subdivisions.

(d) An employer may not retaliate against an employee for asserting rights or remedies under this section.

Subd. 2. **Enforcement.** The Department of Labor and Industry shall enforce this section. The department shall assess a fine of up to \$1,000 for a first violation and up to \$2,000 for a second and subsequent violations of this section. A fine shall be assessed only if an employer fails to remedy a violation within 15 days of written notice of a violation from the department.

Sec. 3. Minnesota Statutes 2012, section 181.940, subdivision 2, is amended to read:

Subd. 2. **Employee.** "Employee" means a person who performs services for hire for an employer from whom a leave is requested under sections 181.940 to 181.944 for:

(1) at least 12 consecutive months immediately preceding the request; and

(2) for an average number of hours per week equal to one-half the full-time equivalent position in the employee's job classification as defined by the employer's personnel policies or practices or pursuant to the provisions of a collective bargaining agreement, during those the 12 months month period immediately preceding the leave.

Employee includes all individuals employed at any site owned or operated by the employer but does not include an independent contractor.

Sec. 4. Minnesota Statutes 2012, section 181.941, is amended to read:

181.941 PREGNANCY AND PARENTING LEAVE.

Subdivision 1. ~~Six Twelve-week leave; pregnancy, birth, or adoption.~~ (a) ~~An employer must grant an unpaid leave of absence to an employee who is a natural or adoptive parent in conjunction with the birth or adoption of a child. The length of the leave shall be determined by the employee, but may not exceed six weeks, unless agreed to by the employer.:~~

(1) a biological or adoptive parent in conjunction with the birth or adoption of a child; or

(2) a female employee for prenatal care, or incapacity due to pregnancy, childbirth, or related health conditions.

(b) The length of the leave shall be determined by the employee, but must not exceed 12 weeks, unless agreed to by the employer.

Subd. 2. **Start of leave.** The leave shall begin at a time requested by the employee. The employer may adopt reasonable policies governing the timing of requests for unpaid leave: and may require an employee who plans to take a leave under this section to give the employer reasonable notice of the date the leave shall commence and the estimated duration of the leave. For leave taken under subdivision 1, paragraph (a), clause (1), the leave may must begin not more than six weeks after within 12 months of the birth or adoption; except that, in the case where the child must remain in the hospital longer than the mother, the leave may not must begin more than six weeks within 12 months after the child leaves the hospital.

Subd. 3. **No employer retribution.** An employer shall not retaliate against an employee for requesting or obtaining a leave of absence as provided by this section.

Subd. 4. **Continued insurance.** The employer must continue to make coverage available to the employee while on leave of absence under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents. Nothing in this section requires the employer to pay the costs of the insurance or health care while the employee is on leave of absence.

Sec. 5. Minnesota Statutes 2013 Supplement, section 181.9413, is amended to read:

181.9413 SICK LEAVE BENEFITS; CARE OF RELATIVES.

(a) An employee may use personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's child, as defined in section 181.940, subdivision 4, adult child, spouse, sibling, parent, grandchild, grandparent, or stepparent, for reasonable periods of time as the employee's attendance may be necessary, on the same terms upon which the employee is able to use sick leave benefits for the employee's own illness or injury. This section applies only to personal sick leave benefits payable to the employee from the employer's general assets.

(b) An employee may use sick leave as allowed under this section for safety leave, whether or not the employee's employer allows use of sick leave for that purpose for such reasonable periods of time as assistance may be necessary. Safety leave may be used for assistance to the employee or assistance to the relatives described in paragraph (a). For the purpose of this section, "safety leave" is leave for the purpose of providing or receiving assistance because of sexual assault, domestic abuse, or stalking. For the purpose of this paragraph:

(1) "domestic abuse" has the meaning given in section 518B.01;

(2) "sexual assault" means an act that constitutes a violation under sections 609.342 to 609.3453 or 609.352; and

(3) "stalking" has the meaning given in section 609.749.

(c) An employer may limit the use of safety leave as described in paragraph (b) or personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's adult child, spouse, sibling, parent, grandchild, grandparent, or stepparent to no less than 160 hours in any 12-month period. This paragraph does not apply to absences due to the illness or injury of a child, as defined in section 181.940, subdivision 4.

(e) (d) For purposes of this section, "personal sick leave benefits" means time accrued and available to an employee to be used as a result of absence from work due to personal illness or injury, but does not include short-term or long-term disability or other salary continuation benefits.

(d) (e) For the purpose of this section, "child" includes a stepchild and a biological, adopted, and foster child.

(f) For the purpose of this section, "grandchild" includes a step-grandchild, and a biological, adopted, and foster grandchild.

(e) (g) This section does not prevent an employer from providing greater sick leave benefits than are provided for under this section.

(h) An employer shall not retaliate against an employee for requesting or obtaining a leave of absence under this section.

Sec. 6. [181.9414] PREGNANCY ACCOMMODATIONS.

Subdivision 1. **Accommodation.** An employer must provide reasonable accommodations to an employee for the employee's medical or physical conditions related to pregnancy or childbirth, if the employee provides a written documentation of a medical necessity by a licensed health care provider or certified doula for an accommodation unless the employer demonstrates that the accommodation would impose an undue hardship on the operation of the employer's business. A pregnant employee shall not be required to provide documentation of medical necessity nor may an employer claim undue hardship for the following accommodations: (1) more frequent restroom, food, and water breaks; (2) seating; and (3) limits on lifting over 20 pounds. The employee and employer shall engage in an interactive process with respect to an employee's request for a reasonable accommodation. "Reasonable accommodation" may include, but is not limited to, temporary transfer to a less strenuous or hazardous position, seating, frequent restroom breaks, and limits to heavy lifting. Notwithstanding any other provision of this section, an employer shall not be required to create a new or additional position in order to accommodate an employee pursuant to this section, and shall not be required to discharge any employee, transfer any other employee with greater seniority, or promote any employee.

Subd. 2. **Interaction with other laws.** Nothing in this section shall be construed to affect any other provision of law relating to sex discrimination or pregnancy, or in any way to diminish the coverage of pregnancy, childbirth, or health conditions related to pregnancy or childbirth under any other provisions of any other law.

Subd. 3. **No employer retribution.** An employer shall not retaliate against an employee for requesting or obtaining accommodation under this section.

Subd. 4. **Employee not required to take leave.** An employer shall not require an employee to take a leave or accept an accommodation.

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

Sec. 7. Minnesota Statutes 2012, section 181.943, is amended to read:

181.943 RELATIONSHIP TO OTHER LEAVE.

(a) The length of ~~parental~~ leave provided under section 181.941 may be reduced by any period of ~~paid parental or disability leave, but not accrued sick leave, provided by the employer, so that the total leave does not exceed six weeks, unless agreed to by the employer.:~~

(1) paid parental, disability, personal, medical, or sick leave, or accrued vacation provided by the employer so that the total leave does not exceed 12 weeks, unless agreed to by the employer; or

(2) leave taken for the same purpose by the employee under United States Code, title 29, chapter 28.

(b) Nothing in sections 181.940 to 181.943 prevents any employer from providing leave benefits in addition to those provided in sections 181.940 to 181.944 or otherwise affects an employee's rights with respect to any other employment benefit.

Sec. 8. Minnesota Statutes 2012, section 268.095, subdivision 1, is amended to read:

Subdivision 1. **Quit.** An applicant who quit employment is ineligible for all unemployment benefits according to subdivision 10 except when:

(1) the applicant quit the employment because of a good reason caused by the employer as defined in subdivision 3;

(2) the applicant quit the employment to accept other covered employment that provided substantially better terms and conditions of employment, but the applicant did not work long enough at the second employment to have sufficient subsequent earnings to satisfy the period of ineligibility that would otherwise be imposed under subdivision 10 for quitting the first employment;

(3) the applicant quit the employment within 30 calendar days of beginning the employment because the employment was unsuitable for the applicant;

(4) the employment was unsuitable for the applicant and the applicant quit to enter reemployment assistance training;

(5) the employment was part time and the applicant also had full-time employment in the base period, from which full-time employment the applicant separated because of reasons for which the applicant was held not to be ineligible, and the wage credits from the full-time employment are sufficient to meet the minimum requirements to establish a benefit account under section 268.07;

(6) the applicant quit because the employer notified the applicant that the applicant was going to be laid off because of lack of work within 30 calendar days. An applicant who quit employment within 30 calendar days of a notified date of layoff because of lack of work is ineligible for unemployment benefits through the end of the week that includes the scheduled date of layoff;

(7) the applicant quit the employment (i) because the applicant's serious illness or injury made it medically necessary that the applicant quit; or (ii) in order to provide necessary care because of the illness, injury, or disability of an immediate family member of the applicant. This exception only applies if the applicant informs the employer of the medical problem and requests accommodation and no reasonable accommodation is made available.

If the applicant's serious illness is chemical dependency, this exception does not apply if the applicant was previously diagnosed as chemically dependent or had treatment for chemical dependency, and since that diagnosis or treatment has failed to make consistent efforts to control the chemical dependency.

This exception raises an issue of the applicant's being available for suitable employment under section 268.085, subdivision 1, that the commissioner must determine;

(8) the applicant's loss of child care for the applicant's minor child caused the applicant to quit the employment, provided the applicant made reasonable effort to obtain other child care and requested time off or other accommodation from the employer and no reasonable accommodation is available.

This exception raises an issue of the applicant's being available for suitable employment under section 268.085, subdivision 1, that the commissioner must determine;

(9) the applicant quit because domestic abuse, sexual assault, or stalking of the applicant or an immediate family member of the applicant, necessitated the applicant's quitting the employment. Domestic abuse must be shown by one or more of the following:

~~(i) a district court order for protection or other documentation of equitable relief issued by a court;~~

~~(ii) a police record documenting the domestic abuse;~~

~~(iii) documentation that the perpetrator of the domestic abuse has been convicted of the offense of domestic abuse;~~

~~(iv) medical documentation of domestic abuse; or~~

~~(v) written statement that the applicant or an immediate family member of the applicant is a victim of domestic abuse, provided by a social worker, member of the clergy, shelter worker, attorney at law, or other professional who has assisted the applicant in dealing with the domestic abuse.~~

~~Domestic abuse for purposes of this clause is defined under section 518B.01; or~~

~~For purposes of this paragraph:~~

~~(1) "domestic abuse" has the meaning given in section 518B.01;~~

~~(2) "sexual assault" means an act that would constitute a violation of sections 609.342 to 609.3453 or 609.352; and~~

~~(3) "stalking" means an act that would constitute a violation of section 609.749; or~~

~~(10) the applicant quit in order to relocate to accompany a spouse whose job location changed making it impractical for the applicant to commute.~~

EFFECTIVE DATE. This section is effective October 5, 2014, and applies to all determinations and appeal decisions issued on or after that date.

Sec. 9. Minnesota Statutes 2012, section 268.095, subdivision 6, is amended to read:

Subd. 6. **Employment misconduct defined.** (a) Employment misconduct means any intentional, negligent, or indifferent conduct, on the job or off the job that displays clearly:

(1) a serious violation of the standards of behavior the employer has the right to reasonably expect of the employee; or

(2) a substantial lack of concern for the employment.

(b) Regardless of paragraph (a), the following is not employment misconduct:

(1) conduct that was a consequence of the applicant's mental illness or impairment;

(2) conduct that was a consequence of the applicant's inefficiency or inadvertence;

(3) simple unsatisfactory conduct;

(4) conduct an average reasonable employee would have engaged in under the circumstances;

(5) conduct that was a consequence of the applicant's inability or incapacity;

(6) good faith errors in judgment if judgment was required;

(7) absence because of illness or injury of the applicant, with proper notice to the employer;

(8) absence, with proper notice to the employer, in order to provide necessary care because of the illness, injury, or disability of an immediate family member of the applicant;

(9) conduct that was a consequence of the applicant's chemical dependency, unless the applicant was previously diagnosed chemically dependent or had treatment for chemical dependency, and since that diagnosis or treatment has failed to make consistent efforts to control the chemical dependency; or

(10) conduct that was a consequence of the applicant, or an immediate family member of the applicant, being a victim of domestic abuse as defined under section 518B-01, sexual assault, or stalking. ~~Domestic abuse must be shown as provided for in subdivision 1, clause (9).~~

(c) Regardless of paragraph (b), clause (9), conduct in violation of sections 169A.20, 169A.31, or 169A.50 to 169A.53 that interferes with or adversely affects the employment is employment misconduct.

(d) If the conduct for which the applicant was discharged involved only a single incident, that is an important fact that must be considered in deciding whether the conduct rises to the level of employment misconduct under paragraph (a). This paragraph does not require that a determination under section 268.101 or decision under section 268.105 contain a specific acknowledgment or explanation that this paragraph was considered.

(e) The definition of employment misconduct provided by this subdivision is exclusive and no other definition applies.

EFFECTIVE DATE. This section is effective October 5, 2014, and applies to all determinations and appeal decisions issued on or after that date.

Amend the title as follows:

Page 1, line 5, delete "Women and Nontraditional Jobs Grant" and insert "women and nontraditional jobs grant"

Page 1, line 6, delete "Program" and insert "program"

Page 1, line 8, delete everything after the semicolon

Page 1, line 9, delete everything before "providing"

Page 1, line 10, delete "providing for earned sick and safe time;"

Page 1, line 14, delete everything after the semicolon

Page 1, delete lines 15 and 16

Page 1, line 17, delete "learning scholarships;" and delete "authorizing rulemaking;"

Amend the title numbers accordingly

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

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

S.F. No. 2480: A bill for an act relating to public safety; compensating exonerated persons; amending Minnesota Statutes 2012, sections 590.01, subdivision 1, by adding a subdivision; 609A.02, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 611.

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

Delete everything after the enacting clause and insert:

"Section 1. [590.11] ORDER DETERMINING ELIGIBILITY FOR COMPENSATION BASED ON EXONERATION.

Subdivision 1. **Definition.** For purposes of this section, "exonerated" means that:

(1) a court of this state:

(i) vacated or reversed a judgment of conviction, including all convictions arising out of the same behavioral incident, and the prosecutor dismissed the charges; or

(ii) ordered a new trial and the prosecutor dismissed the charges or the petitioner was found not guilty at the new trial; and

(2) the time for appeal of the order resulting in exoneration has expired or the order has been affirmed and is final.

Subd. 2. **Procedure.** A petition for an order declaring eligibility for compensation based on exoneration under sections 611.362 to 611.368 must be brought before the district court where the order resulting in the exoneration was obtained. The state must be represented by the prosecutor who obtained the conviction or the prosecutor's successor. Within 20 days after the filing of the petition, the prosecutor must respond to the petition. A petition may be brought within two years after the petitioner is exonerated or at a later time if the petitioner establishes that the petition is not frivolous and is in the interests of justice. Persons released from custody on grounds consistent with exoneration before the effective date of this section may commence an action under this section within two years of the effective date.

Subd. 3. **Compensation based on innocence.** An individual who is exonerated is eligible for compensation based on the establishment of innocence if the petitioner establishes by a preponderance of the evidence that a crime was not committed or that the crime was not committed by the petitioner.

Subd. 4. **Compensation without establishing innocence.** An individual who is exonerated is eligible for compensation without establishing innocence if newly discovered evidence was the basis for the exoneration and the prosecutor, within 60 days of the filing of the petition, joins in the petition and indicates that it is likely that the original complaint would not have been filed or would have been dismissed if the newly discovered evidence had been available.

Subd. 5. **Evidence.** District court records related to the conviction and the exoneration are admissible in a proceeding under this section. A written affidavit or verbal statement on the record by the prosecutor who obtained the conviction or the prosecutor's successor is admissible to support or refute the petition. The prosecutor may address the prosecutor's decision to dismiss the charges or other information that may not be fully reflected in the proceedings resulting in exoneration. Acts by the petitioner that may have contributed to bringing about the conviction may be considered.

Subd. 6. **Elements.** (a) A claim for compensation arises if a person is eligible for compensation under subdivision 3 or 4 and:

(1) the person was convicted of a felony and served any part of the imposed sentence in prison;

(2) in cases where the person was convicted of multiple charges arising out of the same behavioral incident, the person was exonerated for all of those charges;

(3) the person did not commit or induce another person to commit perjury or fabricate evidence to cause or bring about the conviction; and

(4) the person was not serving a term of imprisonment for another crime at the same time, provided that if the person served additional time in prison due to the conviction that is the basis of the claim, the person may make a claim for that portion of time served in prison during which the person was serving no other sentence.

(b) A claimant may make a claim only for that portion of time served in prison during which the claimant was serving no other sentence.

(c) A confession or admission later found to be false or a guilty plea to a crime the claimant did not commit does not constitute bringing about the claimant's conviction for purposes of paragraph (a), clause (3).

Subd. 7. **Order.** If the court determines that the petitioner is eligible for compensation based on exoneration under subdivision 3 or 4, the court shall issue an order containing its findings and, if applicable, indicate the portion of the term of imprisonment for which the petitioner is entitled to make a claim. The court shall notify the petitioner of the right to file a claim for compensation under sections 611.362 to 611.368 and provide the petitioner with a copy of those sections. The petitioner must acknowledge receipt of the notice and a copy of those sections in writing or on the record before the court.

Subd. 8. **Appeal.** An order issued under this section may be appealed as provided for under section 590.06, except that service of the notice of appeal on the attorney general is not required.

Sec. 2. Minnesota Statutes 2012, section 609A.02, subdivision 3, is amended to read:

Subd. 3. **Certain criminal proceedings not resulting in conviction resolved in favor of defendant.** (a) A petition may be filed under section 609A.03 to seal all records relating to an arrest, indictment or information, trial, or verdict if the records are not subject to section 299C.11, subdivision 1, paragraph (b), and if all pending actions or proceedings were resolved in favor of the petitioner. For purposes of this chapter, a verdict of not guilty by reason of mental illness is not a resolution in favor of the petitioner.

(b) For purposes of this chapter, an action or proceeding is resolved in favor of the petitioner if the petitioner received an order under section 590.11 determining that the petitioner is eligible for compensation based on exoneration.

Sec. 3. **[611.362] CLAIM FOR COMPENSATION BASED ON EXONERATION.**

Subdivision 1. **General.** A person who receives an order under section 590.11 determining that the person is entitled to compensation based on exoneration may bring a claim for an award under sections 611.362 to 611.368.

Subd. 2. **Process; filing requirement.** The state must be named as the respondent. A claimant shall serve the claim and all documents on the state through the commissioner of management and budget and file the claim with the Supreme Court. The claim must include a copy of the order issued by the district court under section 590.11, subdivision 7. The state shall respond to the claim within 60 days after service.

Subd. 3. **Agent for claimant.** If a person entitled to file a claim is incapacitated and incapable of filing the claim or is a minor or nonresident of the state, the claim may be filed on behalf of the claimant by a court-appointed guardian, the parent or guardian of a minor, or an authorized agent.

Subd. 4. **Statute of limitations.** A claimant may commence a claim under this section within two years after the date the order was issued under section 590.11, subdivision 7, provided that if the person did not receive the notice required under section 590.11, subdivision 7, the person may commence a claim within three years of that date. An action by the state challenging or appealing the order under section 590.11 tolls the two-year period. Persons released from custody on grounds consistent with exoneration before the effective date of this section may commence an action under this section within two years of the effective date.

Sec. 4. **[611.363] COMPENSATION PANEL.**

Subdivision 1. **Appointment.** Within 30 business days after the claim is filed with the Supreme Court, the chief justice of the Supreme Court shall appoint a compensation panel of three attorneys or judges who are responsible for determining the amount of damages to be awarded. Members of the panel must have experience in legal issues involving the settlement of tort claims and the determination of damages.

Subd. 2. **Compensation of panel members; procedures.** (a) Members of the panel are entitled to the compensation authorized for members of boards under section 15.0575, subdivision 3.

(b) Consistent with sections 611.362 to 611.368, the panel may establish procedures, rules, and forms for considering claims and awarding damages.

Subd. 3. **Payment of expenses.** The state court administrator shall forward documentation of expenses and administrative costs of the panel to the commissioner of management and budget for payment of those amounts from appropriations available for this purpose.

Sec. 5. **[611.364] PREHEARING SETTLEMENTS AND HEARING.**

Subdivision 1. **Prehearing settlements.** The panel may set a prehearing settlement conference date. At this conference, the parties must make a good faith attempt to reach a settlement in the case. If the parties agree, they may present the panel with a joint motion for summary disposition and no further hearings are required. If a settlement document is approved by the panel, it has the same effect as an award under section 611.365, for all purposes of that section.

Subd. 2. **Hearing.** (a) If the parties are unable to reach a settlement, the panel must hold an evidentiary hearing to determine the amount of damages to be awarded to the claimant. The panel may consider any evidence and argument submitted by the parties, including affidavits, documentation, and oral and written arguments. The panel is bound by any fact or damage amount established by the stipulation of the parties.

(b) Hearings and records relating to the hearing are open to the public, except where, in the interest of justice, the panel orders a hearing closed or a record sealed.

Sec. 6. [611.365] DAMAGES.

Subdivision 1. **General.** A claimant is entitled to the damages provided for in this section.

Subd. 2. **Reimbursement; monetary damages; attorney fees.** (a) The claimant is entitled to reimbursement for all restitution, assessments, fees, court costs, and other sums paid by the claimant as required by the judgment and sentence. In addition, the claimant is entitled to monetary damages of not less than \$50,000 for each year of imprisonment, and not less than \$25,000 for each year served on supervised release or as a registered sex offender, to be prorated for partial years served. In calculating monetary damages, the panel shall consider:

(1) economic damages, including reasonable attorney fees, lost wages, and reimbursement for costs associated with the claimant's criminal defense;

(2) reimbursement for medical and dental expenses that the claimant already incurred and future unpaid expenses expected to be incurred related to the claimant's imprisonment;

(3) noneconomic damages for personal physical injuries or sickness and any nonphysical injuries or sickness incurred during or as a result of imprisonment;

(4) reimbursement for any tuition and fees paid for each semester successfully completed by the claimant in an educational program or for employment skills and development training, up to the equivalent value of a four-year degree at a public university, and reasonable payment for future unpaid costs for education and training, not to exceed the anticipated cost of a four-year degree at a public university;

(5) reimbursement for paid or unpaid child support payments owed by the claimant that became due, and interest on child support arrearages that accrued, during the time served in prison; and

(6) reimbursement for reasonable costs of paid or unpaid reintegrative expenses for immediate services secured by the claimant upon exoneration and release, including housing, transportation and subsistence, reintegrative services, and medical and dental health care costs.

(b) The panel shall award the claimant reasonable attorney fees incurred in bringing a claim under sections 611.362 to 611.368 and in obtaining an order of eligibility for compensation based on exoneration under chapter 590.

Subd. 3. **Limits on damages.** There is no limit on the aggregate amount of damages that may be awarded under this section. Damages that may be awarded under subdivision 2, paragraph (b), clauses (1) and (4) to (6), are limited to \$100,000 per year of imprisonment and \$50,000 per year served on supervised release or as a registered sex offender.

Subd. 4. **Notice and acceptance of award.** A claimant who is awarded damages under this section must be provided with a written notice of the award, which must include an itemization of the total damage award calculation. A claimant's acceptance of an award, compromise, or settlement must be in writing and is final and conclusive on the claimant.

Subd. 5. **Subsequent damage awards.** Any future damages awarded to the claimant resulting from an action by the claimant against the state or a political subdivision of this state based on the same subject must be offset by the damage award received under this section.

Subd. 6. **No offsets.** The damage award must not be offset by:

(1) any expenses incurred by the state or any political subdivision of the state, including expenses incurred to secure the claimant's custody or to feed, clothe, or provide medical services for the claimant; or

(2) the value of any services or reduction in fees for services, or the value of services to be provided to the claimant that may be awarded to the claimant under this section.

Subd. 7. **Survival of claim.** A pending order issued under section 590.11, subdivision 7, or claim under sections 611.362 to 611.368, survives the death of the petitioner or claimant and the personal representative of the person may be substituted as the claimant or bring a claim.

Subd. 8. **Child support payments.** The amount of an award that represents reimbursement for child support payments or lost wages is subject to execution for payment of child support arrearages and interest.

Sec. 7. **[611.366] JUDICIAL REVIEW.**

A party aggrieved by an award of damages under section 611.365 is entitled to judicial review of the decision as provided in sections 14.63 to 14.69; however, proceedings on a complaint filed under this section are not a contested case within the meaning of chapter 14 and are not otherwise governed by chapter 14.

Sec. 8. **[611.367] COMPENSATING EXONERATED PERSONS; APPROPRIATIONS PROCESS.**

The compensation panel established in section 611.363 shall forward a final award of damages under section 611.365 to the commissioner of management and budget. The commissioner shall submit the amount of the final award to the legislature for consideration during the next session of the legislature.

Sec. 9. **[611.368] SHORT TITLE.**

Sections 611.362 to 611.368 may be cited as the Imprisonment and Exoneration Remedies Act.

Sec. 10. **APPROPRIATION.**

\$3,000 is appropriated from the general fund for the fiscal year ending June 30, 2015, to the commissioner of management and budget for expenses incurred by the compensation panel described in Minnesota Statutes, section 611.363."

Delete the title and insert:

"A bill for an act relating to criminal justice; establishing a process for compensation of certain exonerated persons; authorizing expungement of records; appropriating money; amending Minnesota Statutes 2012, section 609A.02, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 590; 611."

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

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

S.F. No. 2071: A bill for an act relating to motor vehicles; license plates; authorizing a veteran's special motorcycle plate for combat wounded veterans; amending Minnesota Statutes 2012, section 168.123, subdivision 1.

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

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

S.F. No. 2616: A bill for an act relating to transportation; eliminating certain reporting requirements; eliminating or modernizing antiquated, unnecessary, redundant, and obsolete provisions; making conforming changes; amending Minnesota Statutes 2012, sections 12A.16, subdivision 5; 16A.633, subdivision 4; 16B.335, subdivision 1; 16B.51, subdivision 1; 161.082, subdivision 2a; 161.20, subdivision 2; 161.3410, subdivision 1; 161.3412, subdivision 2; 161.3414, subdivision 1; 161.3418, subdivision 2; 161.36, subdivision 7; 162.06, subdivision 3; 162.12, subdivision 3; 162.13, subdivision 1; 165.09, subdivision 3; 169.86, subdivision 5; 173.02, subdivisions 6, 16; 173.13, subdivision 4; 174.02, subdivisions 6, 8; 174.06, subdivision 7; 174.30, subdivision 9; 174.40, subdivision 8; 174.66; 221.022; 221.0252, subdivision 7; 221.026, subdivision 2; 221.031, subdivision 1; 221.036, subdivisions 1, 3; 302A.021, subdivision 10; 322B.02; 336.9-201; 360.015, subdivision 2; 360.511, subdivision 4; 360.55, subdivision 4; 360.59, subdivision 7; Laws 2013, chapter 117, article 1, section 3, subdivision 7; repealing Minnesota Statutes 2012, sections 160.27, subdivision 3; 160.283, subdivision 1; 161.05; 161.06; 161.07; 161.08, subdivision 1; 161.082, subdivision 3; 161.1231, subdivisions 3, 9; 161.13; 161.161; 161.201; 161.22; 161.31, subdivision 2; 161.3205; 161.3428; 161.51; 162.02, subdivision 2; 162.06, subdivision 6; 162.065; 162.08, subdivision 3; 162.09, subdivision 3; 162.12, subdivision 5; 162.125; 163.07, subdivision 3; 164.041; 164.05; 165.09, subdivision 5; 165.11; 165.13; 169.16; 169.835; 169.867; 173.0845; 173.085; 174.02, subdivision 7; 174.05; 174.06, subdivision 8; 174.19; 174.256, subdivision 5; 174.50, subdivisions 6a, 6b; 174.93, subdivision 2; 181.28; 181.29; 181.30; 218.021; 218.031, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10; 218.041, subdivisions 1, 2, 7; 219.55; 219.562, subdivisions 1, 1a, 3, 4; 219.565; 219.566; 221.123; 221.151, subdivision 1; 221.241; 221.251; 221.295; 222.04; 222.06; 222.07; 222.08; 222.09; 222.10; 222.11; 222.12; 222.13; 222.141; 222.15; 222.16; 222.17; 222.18; 222.19; 222.20; 222.21; 222.22; 222.23; 222.24; 222.25; 222.28; 222.31; 222.32; 222.35; 360.013, subdivision 59; 360.015, subdivisions 11a, 17, 19; 360.55, subdivision 7; Minnesota Statutes 2013 Supplement, section 174.03, subdivision 1d.

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

Page 14, line 30, delete "221.251;"

Amend the title numbers accordingly

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

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

S.F. No. 1922: A bill for an act relating to public safety; authorizing carryover to second year of POST funds to combat sexual exploitation of youth; amending Laws 2013, chapter 86, article 1, section 13.

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

Page 2, line 10, delete "Any" and insert "These funds are available until June 30, 2016."

Page 2, delete lines 11 and 12

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

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

S.F. No. 1978: A bill for an act relating to veterans; authorizing special women veterans license plates; appropriating money; amending Minnesota Statutes 2012, section 168.123, subdivision 1; Minnesota Statutes 2013 Supplement, section 168.123, subdivision 2.

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

Page 1, line 20, strike the first "or" and after the second "or" insert "(m), or"

Page 2, delete lines 10 to 17

Page 4, delete line 15

Page 4, after line 21, insert:

"Sec. 4. **EFFECTIVE DATE.**

Sections 1 and 2 are effective January 1, 2015."

Amend the title accordingly

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

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

H.F. No. 3017: A bill for an act relating to public safety; amending and repealing outdated and redundant statutes; modifying provisions related to the Violent Crime Coordinating Council; providing grants for support services to victims of sexual assault and victims of crime; requiring a report on collection of data on victims of domestic abuse; amending Minnesota Statutes 2012, sections 13.823; 15.0591, subdivision 2; 299A.642, subdivisions 1, 3; 299C.05; 299C.111; 403.025, subdivision 7; 403.05, subdivision 1; 403.08, subdivision 10; 518B.01, subdivision 21; 611A.0311, subdivision 2; 611A.37, subdivision 5; 611A.76; 629.342, subdivision 2; Minnesota Statutes 2013 Supplement, sections 13.82, subdivision 5; 403.11, subdivision 1; 611A.02, subdivisions 2, 3; proposing coding for new law in Minnesota Statutes, chapter 611A; repealing Minnesota Statutes 2012, sections 237.83, subdivision 4; 299A.63; 299C.01, subdivision 1; 299C.04; 299C.145, subdivision 4; 299C.19; 299C.20; 299C.215; 299C.30; 299C.31; 299C.32; 299C.33; 299C.34; 299C.49; 299F.01, subdivision 1; 299F.04, subdivision 3a; 299F.37; 403.02, subdivision 15; 611A.02, subdivision 1; 611A.0311, subdivision 3; 611A.21; 611A.22; 611A.221; 611A.36; 611A.41; 611A.43; 611A.78.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

OFFICE OF JUSTICE PROGRAMS

Section 1. Minnesota Statutes 2013 Supplement, section 13.82, subdivision 5, is amended to read:

Subd. 5. **Domestic abuse data.** The written police report required by section 629.341, subdivision 4, of an alleged incident described in section 629.341, subdivision 1, and arrest data, request for service data, and response or incident data described in subdivision 2, 3, or 6 that

arise out of this type of incident or out of an alleged violation of an order for protection must be released upon request at no cost to the victim of domestic abuse, the victim's attorney, or an organization designated by the Office of Justice Programs in the Department of Public Safety as providing services to victims of domestic abuse. The executive director or the commissioner of the appropriate state agency shall develop written criteria for this designation ~~in consultation with the Advisory Council on Battered Women and Domestic Abuse.~~

Sec. 2. Minnesota Statutes 2012, section 13.823, is amended to read:

13.823 DOMESTIC ABUSE OR SEXUAL ATTACK PROGRAMS.

Subdivision 1. **Definitions.** For purposes of this section:

- (1) "domestic abuse" has the meaning given in section 518B.01, subdivision 2; and
- (2) "sexual ~~attack~~ assault" has the meaning given in section ~~611A.21~~ 611A.211, subdivision ~~2~~ 4.

Subd. 2. **Provisions not applicable.** Except as otherwise provided in this subdivision, a program that provides shelter or support services to victims of domestic abuse or a sexual ~~attack~~ assault and whose employees or volunteers are not under the direct supervision of a government entity is not subject to this chapter, except that the program shall comply with sections 13.822, 611A.32, subdivision 5, 611A.371, subdivision 3, and 611A.46.

Sec. 3. Minnesota Statutes 2012, section 15.0591, subdivision 2, is amended to read:

Subd. 2. **Bodies affected.** A member meeting the qualifications in subdivision 1 must be appointed to the following boards, commissions, advisory councils, task forces, or committees:

- (1) ~~Advisory Council on Battered Women and Domestic Abuse;~~
- (2) (1) Advisory Task Force on the Use of State Facilities;
- (3) (2) Alcohol and Other Drug Abuse Advisory Council;
- (4) (3) Board of Examiners for Nursing Home Administrators;
- (5) (4) Board on Aging;
- (6) (5) Chiropractic Examiners Board;
- (7) (6) Council on Disability;
- (8) (7) Council on Affairs of Chicano/Latino People;
- (9) (8) Council on Black Minnesotans;
- (10) (9) Dentistry Board;
- (11) (10) Minnesota Office of Higher Education;
- (12) (11) Housing Finance Agency;
- (13) (12) Indian Advisory Council on Chemical Dependency;
- (14) (13) Medical Practice Board;
- (15) (14) Minnesota State Arts Board;

- (16) (15) Nursing Board;
- (17) (16) Optometry Board;
- (18) (17) Pharmacy Board;
- (19) (18) Board of Physical Therapy;
- (20) (19) Podiatry Board;
- (21) (20) Psychology Board.

Sec. 4. Minnesota Statutes 2012, section 518B.01, subdivision 21, is amended to read:

Subd. 21. **Order for protection forms.** The state court administrator, in consultation with ~~the Advisory Council on Battered Women and Domestic Abuse~~, city and county attorneys, and legal advocates who work with victims, shall ~~develop a~~ update the uniform order for protection form that ~~will facilitate~~ facilitates the consistent enforcement of orders for protection throughout the state.

Sec. 5. Minnesota Statutes 2013 Supplement, section 611A.02, subdivision 2, is amended to read:

Subd. 2. **Victims' rights.** (a) The Office of Justice Programs in the Department of Public Safety shall ~~develop~~ update the two model notices of the rights of crime victims.

(b) The initial notice of the rights of crime victims must be distributed by a peace officer to each victim, as defined in section 611A.01, at the time of initial contact with the victim. The notice must inform a victim of:

(1) the victim's right to apply for reparations to cover losses, not including property losses, resulting from a violent crime and the telephone number to call to request an application;

(2) the victim's right to request that the law enforcement agency withhold public access to data revealing the victim's identity under section 13.82, subdivision 17, paragraph (d);

(3) the additional rights of domestic abuse victims as described in section 629.341;

(4) information on the nearest crime victim assistance program or resource;

(5) the victim's rights, if an offender is charged, to be informed of and participate in the prosecution process, including the right to request restitution; and

(6) in homicide cases, information on rights and procedures available under sections 524.2-803, 524.3-614, and 524.3-615.

(c) A supplemental notice of the rights of crime victims must be distributed by the city or county attorney's office to each victim, within a reasonable time after the offender is charged or petitioned. This notice must inform a victim of all the rights of crime victims under this chapter.

Sec. 6. Minnesota Statutes 2013 Supplement, section 611A.02, subdivision 3, is amended to read:

Subd. 3. **Notice of rights of victims in juvenile court.** (a) The Office of Justice Programs in the Department of Public Safety shall ~~develop a~~ update the notice of the rights of victims in juvenile court that explains:

- (1) the rights of victims in the juvenile court;
- (2) when a juvenile matter is public;
- (3) the procedures to be followed in juvenile court proceedings; and
- (4) other relevant matters.

(b) The juvenile court shall distribute a copy of the notice to each victim of juvenile crime who attends a juvenile court proceeding, along with a notice of services for victims available in that judicial district.

Sec. 7. Minnesota Statutes 2012, section 611A.0311, subdivision 2, is amended to read:

Subd. 2. **Contents of plan.** Each county and city attorney shall develop and implement a written plan to expedite and improve the efficiency and just disposition of domestic abuse cases brought to the prosecuting authority. Domestic abuse advocates, law enforcement officials, and other interested members of the public must have an opportunity to assist in the development or adaptation of the plans in each jurisdiction. The commissioner shall make the model plan and related training and technical assistance available to all city and county attorneys. All plans must state goals and contain policies and procedures to address the following matters:

(1) early assignment of a trial prosecutor who has the responsibility of handling the domestic abuse case through disposition, whenever feasible, or, where applicable, probation revocation; and early contact between the trial prosecutor and the victim;

(2) procedures to facilitate the earliest possible contact between the prosecutor's office and the victim for the purpose of acquainting the victim with the criminal justice process, the use of subpoenas, the victim's role as a witness in the prosecution, and the domestic abuse or victim services that are available;

(3) procedures to coordinate the trial prosecutor's efforts with those of the domestic abuse advocate or victim advocate, where available, and to facilitate the early provision of advocacy services to the victim;

(4) procedures to encourage the prosecution of all domestic abuse cases where a crime can be proven;

(5) methods that will be used to identify, gather, and preserve evidence in addition to the victim's in-court testimony that will enhance the ability to prosecute a case when a victim is reluctant to assist, including but not limited to physical evidence of the victim's injury, evidence relating to the scene of the crime, eyewitness testimony, and statements of the victim made at or near the time of the injury;

(6) procedures for educating local law enforcement agencies about the contents of the plan and their role in assisting with its implementation;

(7) the use for subpoenas to victims and witnesses, where appropriate;

(8) procedures for annual review of the plan to evaluate whether it is meeting its goals effectively and whether improvements are needed; and

(9) a timetable for implementation.

Sec. 8. **[611A.211] PROGRAMS FOR VICTIMS OF SEXUAL ASSAULT.**

Subdivision 1. **Grants.** The commissioner of public safety shall award grants to programs which provide support services to victims of sexual assault. The commissioner shall also award grants for training, technical assistance, and for the development and implementation of education programs to increase public awareness of the causes of sexual assault, the solutions to preventing and ending sexual assault, and the problems faced by sexual assault victims.

Subd. 2. **Applications.** Any public or private nonprofit agency may apply to the commissioner for a grant to provide services to victims of sexual assault. The application shall be submitted in a form approved by the commissioner.

Subd. 3. **Duties of grantees.** Every public or private nonprofit agency which receives a grant to provide services to victims of sexual assault shall comply with rules of the commissioner related to the administration of the grant programs.

Subd. 4. **Sexual assault.** For the purposes of this section, "sexual assault" means any violation of sections 609.342 to 609.3453.

Sec. 9. Minnesota Statutes 2012, section 611A.37, subdivision 5, is amended to read:

Subd. 5. **Designated shelter facility.** "Designated shelter facility" means a facility that has applied to, and been approved by, the ~~center~~ Office of Justice Programs to provide shelter and services to battered women and their children.

Sec. 10. **[611A.45] PROGRAMS FOR VICTIMS OF CRIME.**

Subdivision 1. **Grants.** The commissioner of public safety shall award grants to programs which provide support services to victims of crime.

Subd. 2. **Applications.** Any public or private nonprofit agency may apply to the commissioner for a grant to provide services to victims of crime. The application shall be submitted in a form approved by the commissioner.

Subd. 3. **Duties of grantees.** Every public or private nonprofit agency which receives a grant to provide services to victims of crime shall comply with rules of the commissioner related to the administration of the grant programs.

Sec. 11. Minnesota Statutes 2012, section 611A.76, is amended to read:

611A.76 CRIME VICTIM SERVICES TELEPHONE LINE.

The commissioner of public safety shall ~~operate fund~~ at least one statewide toll-free 24-hour telephone line for the purpose of providing crime victims with referrals for victim services and resources.

Sec. 12. Minnesota Statutes 2012, section 629.342, subdivision 2, is amended to read:

Subd. 2. **Policies required.** (a) ~~By July 1, 1993,~~ Each law enforcement agency shall develop, adopt, and implement a written policy regarding arrest procedures for domestic abuse incidents. In the development of a policy, each law enforcement agency shall consult with domestic abuse advocates, community organizations, and other law enforcement agencies with expertise in the recognition and handling of domestic abuse incidents. The policy shall discourage dual arrests, include consideration of whether one of the parties acted in self defense, and provide guidance

to officers concerning instances in which officers should remain at the scene of a domestic abuse incident until the likelihood of further imminent violence has been eliminated.

(b) ~~The Bureau of Criminal Apprehension; and the Board of Peace Officer Standards and Training, and the Advisory Council on Battered Women and Domestic Abuse appointed by the commissioner of corrections under section 611A.34, in consultation with the Minnesota Chiefs of Police Association, the Minnesota Sheriffs Association, and the Minnesota Police and Peace Officers Association, and a domestic violence statewide coalition shall develop a~~ update the written model policy regarding arrest procedures for domestic abuse incidents for use by local law enforcement agencies. Each law enforcement agency may adopt the model policy in lieu of developing its own policy under the provisions of paragraph (a).

(c) ~~Local law enforcement agencies that have already developed a written policy regarding arrest procedures for domestic abuse incidents before July 1, 1992, are not required to develop a new policy but must review their policies and consider the written model policy developed under paragraph (b).~~

Sec. 13. DATA COLLECTION; DOMESTIC ABUSE.

The commissioner of public safety, in consultation with the Minnesota Peace Officer Standards and Training Board, and representatives from state, county, and municipal law enforcement agencies, prosecutors' offices, and programs providing services to domestic abuse victims, shall develop recommendations for the collection and reporting of comprehensive, statewide data on victims of domestic abuse as defined in Minnesota Statutes, section 518B.01, subdivision 2, including data related to law enforcement response, arrests, and prosecution. These recommendations shall be submitted to the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over data practices by January 15, 2016.

Sec. 14. REVISOR'S INSTRUCTION.

In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall change the headnote of section 13.823 from "DOMESTIC ABUSE OR SEXUAL ATTACK PROGRAMS" to "DOMESTIC ABUSE OR SEXUAL ASSAULT PROGRAMS."

Sec. 15. REPEALER.

Minnesota Statutes 2012, sections 299A.63; 611A.02, subdivision 1; 611A.0311, subdivision 3; 611A.21; 611A.22; 611A.221; 611A.36; 611A.41; 611A.43; and 611A.78, are repealed.

ARTICLE 2

EMERGENCY COMMUNICATION NETWORKS

Section 1. Minnesota Statutes 2012, section 403.025, subdivision 7, is amended to read:

Subd. 7. **Contractual requirements.** (a) The state shall contract with the county or other governmental agencies operating public safety answering points and with the appropriate wire-line telecommunications service providers or other entities determined by the commissioner to be capable of providing effective and efficient components of the 911 system for the operation, maintenance, enhancement, and expansion of the 911 system.

(b) ~~The state shall contract with the appropriate wireless telecommunications service providers for maintaining, enhancing, and expanding the 911 system.~~

~~(e)~~ (b) The contract language or subsequent amendments to the contract must include a description of the services to be furnished to the county or other governmental agencies operating public safety answering points. The contract language or subsequent amendments must include the terms of compensation based on the effective tariff or price list filed with the Public Utilities Commission or the prices agreed to by the parties.

~~(d)~~ (c) The contract language or subsequent amendments to contracts between the parties must contain a provision for resolving disputes.

Sec. 2. Minnesota Statutes 2012, section 403.05, subdivision 1, is amended to read:

Subdivision 1. **Operate and maintain.** Each county or any other governmental agency shall operate and maintain its 911 system to meet the requirements of governmental agencies whose services are available through the 911 system and to permit future expansion or enhancement of the system. ~~Each county or any other governmental agency shall ensure that a 911 emergency call made with a wireless access device is automatically connected to and answered by the appropriate public safety answering point.~~

Sec. 3. Minnesota Statutes 2012, section 403.08, subdivision 10, is amended to read:

Subd. 10. **Plan integration.** Counties shall incorporate the statewide design when modifying county 911 plans to provide for integrating wireless 911 service into existing county 911 systems. ~~The commissioner shall contract with the involved wireless service providers and 911 emergency telecommunications service providers to integrate cellular and other wireless services into existing 911 systems where feasible.~~

Sec. 4. Minnesota Statutes 2013 Supplement, section 403.11, subdivision 1, is amended to read:

Subdivision 1. **Emergency telecommunications service fee; account.** (a) Each customer of a wireless or wire-line switched or packet-based telecommunications service provider connected to the public switched telephone network that furnishes service capable of originating a 911 emergency telephone call is assessed a fee based upon the number of wired or wireless telephone lines, or their equivalent, to cover the costs of ongoing maintenance and related improvements for trunking and central office switching equipment for 911 emergency telecommunications service, to offset administrative and staffing costs of the commissioner related to managing the 911 emergency telecommunications service program, to make distributions provided for in section 403.113, and to offset the costs, including administrative and staffing costs, incurred by the State Patrol Division of the Department of Public Safety in handling 911 emergency calls made from wireless phones.

(b) Money remaining in the 911 emergency telecommunications service account after all other obligations are paid must not cancel and is carried forward to subsequent years and may be appropriated from time to time to the commissioner to provide financial assistance to counties for the improvement of local emergency telecommunications services. ~~The improvements may include providing access to 911 service for telecommunications service subscribers currently without access and upgrading existing 911 service to include automatic number identification, local location identification, automatic location identification, and other improvements specified in revised county 911 plans approved by the commissioner.~~

(c) The fee may not be less than eight cents nor more than 65 cents a month until June 30, 2008, not less than eight cents nor more than 75 cents a month until June 30, 2009, not less than eight cents nor more than 85 cents a month until June 30, 2010, and not less than eight cents nor

more than 95 cents a month on or after July 1, 2010, for each customer access line or other basic access service, including trunk equivalents as designated by the Public Utilities Commission for access charge purposes and including wireless telecommunications services. With the approval of the commissioner of management and budget, the commissioner of public safety shall establish the amount of the fee within the limits specified and inform the companies and carriers of the amount to be collected. When the revenue bonds authorized under section 403.27, subdivision 1, have been fully paid or defeased, the commissioner shall reduce the fee to reflect that debt service on the bonds is no longer needed. The commissioner shall provide companies and carriers a minimum of 45 days' notice of each fee change. The fee must be the same for all customers, except that the fee imposed under this subdivision does not apply to prepaid wireless telecommunications service, which is instead subject to the fee imposed under section 403.161, subdivision 1, paragraph (a).

(d) The fee must be collected by each wireless or wire-line telecommunications service provider subject to the fee. Fees are payable to and must be submitted to the commissioner monthly before the 25th of each month following the month of collection, except that fees may be submitted quarterly if less than \$250 a month is due, or annually if less than \$25 a month is due. Receipts must be deposited in the state treasury and credited to a 911 emergency telecommunications service account in the special revenue fund. The money in the account may only be used for 911 telecommunications services.

~~(e) This subdivision does not apply to customers of interexchange carriers.~~

~~(f) The installation and recurring charges for integrating wireless 911 calls into enhanced 911 systems are eligible for payment by the commissioner if the 911 service provider is included in the statewide design plan and the charges are made pursuant to contract.~~

~~(g)~~ (e) Competitive local exchanges carriers holding certificates of authority from the Public Utilities Commission are eligible to receive payment for recurring 911 services.

Sec. 5. **REPEALER.**

Minnesota Statutes 2012, section 403.02, subdivision 15, is repealed.

ARTICLE 3

STATE FIRE MARSHAL

Section 1. **REPEALER.**

Minnesota Statutes 2012, sections 299F.01, subdivision 1; 299F.04, subdivision 3a; and 299F.37, are repealed.

ARTICLE 4

BUREAU OF CRIMINAL APPREHENSION

Section 1. Minnesota Statutes 2012, section 299C.05, is amended to read:

299C.05 DIVISION OF CRIMINAL STATISTICS.

~~There is hereby established within the bureau a Division of Criminal Statistics, and the superintendent, within the limits of membership herein prescribed, shall appoint a qualified statistician and one assistant to be in charge thereof. It shall be the duty of this division to collect,~~

and preserve as a record of the bureau, information concerning the number and nature of offenses known to have been committed in the state, of the legal steps taken in connection therewith from the inception of the complaint to the final discharge of the defendant, and such other information as may be useful in the study of crime and the administration of justice. The information so collected and preserved shall include such data as may be requested by the United States Department of Justice, at Washington, under its national system of crime reporting. To the extent possible, the superintendent must utilize a nationally recognized system or standard approved by the Federal Bureau of Investigation to collect and preserve crime data.

Sec. 2. Minnesota Statutes 2012, section 299C.111, is amended to read:

299C.111 SUSPENSE FILE REPORTING.

(a) ~~By June 1 and December 1 of each year, the superintendent shall:~~

~~(1) provide an entity or individual having responsibility regarding identification data under section 299C.10 and the Criminal and Juvenile Justice Information Policy Group with summary data on the number of disposition records pertaining to the entity or individual that have not been linked to an arrest record; and~~

~~(2) provide the Criminal and Juvenile Justice Information Policy Group with the number of identification records not entered on the automated fingerprint identification system and the criminal history files.~~

(b) The superintendent shall immediately notify the appropriate entity or individual when a disposition record is received that cannot be linked to an arrest record.

Sec. 3. **REPEALER.**

Minnesota Statutes 2012, sections 237.83, subdivision 4; 299C.01, subdivision 1; 299C.04; 299C.145, subdivision 4; 299C.19; 299C.20; 299C.215; 299C.30; 299C.31; 299C.32; 299C.33; 299C.34; and 299C.49, are repealed.

ARTICLE 5

REVISOR'S INSTRUCTION

Section 1. **REVISOR'S INSTRUCTION.**

The revisor of statutes, in consultation with the Department of Public Safety, shall prepare draft legislation showing technical and other necessary changes to Minnesota Statutes resulting from the repealers in articles 1, 2, 3, and 4, and submit it to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over public safety and criminal justice by January 1, 2015."

Delete the title and insert:

"A bill for an act relating to public safety; amending and repealing outdated and redundant statutes; requiring a report on collection of data on victims of domestic abuse; amending Minnesota Statutes 2012, sections 13.823; 15.0591, subdivision 2; 299C.05; 299C.111; 403.025, subdivision 7; 403.05, subdivision 1; 403.08, subdivision 10; 518B.01, subdivision 21; 611A.0311, subdivision 2; 611A.37, subdivision 5; 611A.76; 629.342, subdivision 2; Minnesota Statutes 2013 Supplement, sections 13.82, subdivision 5; 403.11, subdivision 1; 611A.02, subdivisions 2, 3; proposing coding

for new law in Minnesota Statutes, chapter 611A; repealing Minnesota Statutes 2012, sections 237.83, subdivision 4; 299A.63; 299C.01, subdivision 1; 299C.04; 299C.145, subdivision 4; 299C.19; 299C.20; 299C.215; 299C.30; 299C.31; 299C.32; 299C.33; 299C.34; 299C.49; 299F.01, subdivision 1; 299F.04, subdivision 3a; 299F.37; 403.02, subdivision 15; 611A.02, subdivision 1; 611A.0311, subdivision 3; 611A.21; 611A.22; 611A.221; 611A.36; 611A.41; 611A.43; 611A.78."

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

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

S.F. No. 1890: A bill for an act relating to health occupations; modifying grounds for disciplinary action by the Board of Nursing; modifying the health professionals services program; modifying the compensation paid to the health-related licensing board members; amending Minnesota Statutes 2012, sections 148.261, subdivisions 1, 4, by adding a subdivision; 214.09, subdivision 3; 214.32, by adding a subdivision; 214.33, subdivision 3; Minnesota Statutes 2013 Supplement, section 364.09.

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

Page 5, line 27, strike everything after "(a)"

Page 5, line 28, delete "\$75" and strike the old language and insert "Members of health-related licensing boards may be compensated at the rate of \$75 a day spent on board activities and members of nonhealth-related licensing boards may be compensated at the rate of \$55 a day spent on board activities when authorized by the board, plus expenses in"

Page 8, after line 21, insert:

	<u>"APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2014</u>	<u>2015</u>
Sec. 8. <u>APPROPRIATIONS</u>	<u>\$</u>	<u>\$</u>
<u>Board of Behavioral Health and Therapy</u>	<u>-0-</u>	<u>8,000</u>
<u>This appropriation is from the state government special revenue fund for board member per diem payments and licensing activity.</u>		
<u>Board of Chiropractic Examiners</u>	<u>-0-</u>	<u>3,000</u>
<u>This appropriation is from the state government special revenue fund for board member per diem payments.</u>		
<u>Board of Dentistry</u>	<u>-0-</u>	<u>17,000</u>

This appropriation is from the state government special revenue fund for board member per diem payments.

Board of Dietetics and Nutrition Practice -0- 1,000

This appropriation is from the state government special revenue fund for board member per diem payments.

Board of Marriage and Family Therapy -0- 4,000

This appropriation is from the state government special revenue fund for board member per diem payments and licensing activity.

Board of Medical Practice -0- 38,000

This appropriation is from the state government special revenue fund for board member per diem payments.

Board of Nursing -0- 258,000

This appropriation is from the state government special revenue fund for board member per diem payments and licensing activity.

Board of Nursing Home Administrators -0- 2,000

This appropriation is from the state government special revenue fund for board member per diem payments.

Board of Optometry -0- 1,000

This appropriation is from the state government special revenue fund for board member per diem payments.

Board of Pharmacy -0- 2,000

This appropriation is from the state government special revenue fund for board member per diem payments.

Board of Physical Therapy -0- 4,000

This appropriation is from the state government special revenue fund for board member per diem payments.

Board of Podiatric Medicine

-0-

1,000

This appropriation is from the state government special revenue fund for board member per diem payments.

Board of Psychology

-0-

4,000

This appropriation is from the state government special revenue fund for board member per diem payments.

Board of Social Work

-0-

17,000

This appropriation is from the state government special revenue fund for board member per diem payments and licensing activity.

Board of Veterinary Medicine

-0-

2,000

This appropriation is from the state government special revenue fund for board member per diem payments."

Amend the title numbers accordingly

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

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

S.F. No. 511: A bill for an act relating to health; improving access to health care delivered by advanced practice registered nurses; providing penalties; amending Minnesota Statutes 2012, sections 148.171, subdivisions 3, 5, 9, 10, 11, 13, 16, 17, 21, by adding subdivisions; 148.181, subdivision 1; 148.191, subdivision 2; 148.211, subdivision 2, by adding subdivisions; 148.231, subdivisions 1, 4, 5; 148.233, subdivision 2; 148.234; 148.235, by adding subdivisions; 148.251, subdivision 1; 148.261, subdivision 1; 148.262, subdivisions 1, 2, 4; 148.281, subdivision 1, by adding a subdivision; 148.283; 151.01, subdivision 23; 152.12; Minnesota Statutes 2013 Supplement, section 148.271; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 2012, sections 148.171, subdivision 6; 148.235, subdivisions 1, 2, 2a, 4, 4a, 4b, 6, 7; 148.284.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 148.171, subdivision 3, is amended to read:

Subd. 3. **Advanced practice registered nurse.** "Advanced practice registered nurse," abbreviated APRN, means an individual licensed as a an advanced practice registered nurse by the board and certified by a national nurse certification organization acceptable to the board to practice as a clinical nurse specialist, nurse anesthetist, nurse-midwife, or nurse practitioner. The national nursing certification organization must:

(1) be endorsed by a national professional nursing organization that describes scope and standards statements specific to the practice as a clinical nurse specialist, nurse-midwife, nurse practitioner, or registered nurse anesthetist for the population focus for which the individual will be certified;

(2) be independent from the national professional nursing organization in decision-making for all matters pertaining to certification or recertification;

(3) administer a professional nursing certification program that is psychometrically sound and legally defensible, and meets nationally recognized accreditation standards for certification programs; and

(4) require periodic recertification or be affiliated with an organization that provides recertification.

Sec. 2. Minnesota Statutes 2012, section 148.171, is amended by adding a subdivision to read:

Subd. 4a. **Certification.** "Certification" means the formal recognition of knowledge, skills, and experience demonstrated by the achievement of standards identified by the National Professional Nursing Organization acceptable to the Minnesota Board of Nursing.

Sec. 3. Minnesota Statutes 2012, section 148.171, subdivision 5, is amended to read:

~~Subd. 5. **Clinical nurse specialist practice.** "Clinical nurse specialist practice" means the provision of patient care in a particular specialty or subspecialty of advanced practice registered nursing within the context of collaborative management, and includes: (1) diagnosing illness and disease; (2) providing nonpharmacologic treatment, including psychotherapy; (3) promoting wellness; and (4) preventing illness and disease. The certified clinical nurse specialist is certified for advanced practice registered nursing in a specific field of clinical nurse specialist practice.:~~

(1) the diagnosis and treatment of health and illness states;

(2) disease management;

(3) prescribing pharmacologic and nonpharmacologic therapies;

(4) ordering, performing, supervising, and interpreting diagnostic studies, excluding interpreting computed tomography scans, magnetic resonance imaging scans, positron emission tomography scans, and nuclear scans, and mammography;

(5) prevention of illness and risk behaviors;

(6) nursing care for individuals, families, and communities;

(7) consulting with, collaborating with, or referring to other health care providers as warranted by the needs of the patient; and

(8) integration of care across the continuum to improve patient outcomes.

Sec. 5. Minnesota Statutes 2012, section 148.171, is amended by adding a subdivision to read:

Subd. 6a. **Collaboration.** "Collaboration" means the process in which two or more health care professionals work together to meet the health care needs of a patient, as warranted by the patient.

Sec. 6. Minnesota Statutes 2012, section 148.171, subdivision 9, is amended to read:

Subd. 9. **Nurse.** "Nurse" means advanced practice registered nurse, registered nurse, advanced practice registered nurse, and licensed practical nurse unless the context clearly refers to only one category.

Sec. 7. Minnesota Statutes 2012, section 148.171, subdivision 10, is amended to read:

Subd. 10. **Nurse-midwife practice.** "Nurse-midwife practice" means the management of women's primary health care, focusing on pregnancy, childbirth, the postpartum period, care of the newborn, and the family planning and gynecological needs of women and includes diagnosing and providing nonpharmacologic treatment within a system that provides for consultation, collaborative management, and referral as indicated by the health status of patients:.

(1) the management, diagnosis, and treatment of women's primary health care including pregnancy, childbirth, postpartum period, care of the newborn, family planning, partner care management relating to sexual health, and gynecological care of women across the life span;

(2) ordering, performing, supervising, and interpreting diagnostic studies, excluding interpreting computed tomography scans, magnetic resonance imaging scans, positron emission tomography scans, and nuclear scan, and mammography;

(3) prescribing pharmacologic and nonpharmacologic therapies; and

(4) consulting with, collaborating with, or referring to other health care providers as warranted by the needs of the patient.

Sec. 8. Minnesota Statutes 2012, section 148.171, subdivision 11, is amended to read:

Subd. 11. **Nurse practitioner practice.** "Nurse practitioner practice" means, within the context of collaborative management: (1) diagnosing, directly managing, and preventing acute and chronic illness and disease; and (2) promoting wellness, including providing nonpharmacologic treatment. The certified nurse practitioner is certified for advanced registered nurse practice in a specific field of nurse practitioner practice. the provision of care including:

(1) health promotion, disease prevention, health education, and counseling;

(2) providing health assessment and screening activities;

(3) diagnosing, treating, and facilitating patients' management of their acute and chronic illnesses and diseases;

(4) ordering, performing, supervising, and interpreting diagnostic studies, excluding interpreting computed tomography scans, magnetic resonance imaging scans, positron emission tomography scans, and nuclear scan, and mammography;

(5) prescribing pharmacologic and nonpharmacologic therapies; and

(6) consulting with, collaborating with, or referring to other health care providers as warranted by the needs of the patient.

Sec. 9. Minnesota Statutes 2012, section 148.171, is amended by adding a subdivision to read:

Subd. 12a. **Population focus.** "Population focus" means the categories of patients for which the advanced practice registered nurse has the educational preparation to provide care and services. The categories of population foci are:

- (1) family and individual across the life span;
- (2) adult gerontology;
- (3) neonatal;
- (4) pediatrics;
- (5) women's and gender-related health; and
- (6) psychiatric and mental health.

Sec. 10. Minnesota Statutes 2012, section 148.171, subdivision 13, is amended to read:

Subd. 13. **Practice of advanced practice registered nursing.** (a) The "practice of advanced practice registered nursing" means the performance of ~~clinical nurse specialist practice, nurse-midwife practice, nurse practitioner practice, or registered nurse anesthetist practice as defined in subdivisions 5, 10, 11, and 21~~ an expanded scope of nursing in at least one of the recognized advanced practice registered nurse roles for at least one population focus. The scope and practice standards of an advanced practice registered nurse are defined by the national professional nursing organizations specific to the practice as a clinical nurse specialist, nurse-midwife, nurse practitioner, or registered nurse anesthetist in the population focus. The scope of advanced practice registered nursing includes, but is not limited to, performing acts of advanced assessment, diagnosing, prescribing, and ordering. The practice includes functioning as a primary care provider, direct care provider, case manager, consultant, educator, and researcher. ~~The practice of advanced practice registered nursing also includes accepting referrals from, consulting with, cooperating with, or referring to all other types of health care providers, including but not limited to physicians, chiropractors, podiatrists, and dentists, provided that the advanced practice registered nurse and the other provider are practicing within their scopes of practice as defined in state law. The advanced practice registered nurse must practice within a health care system that provides for consultation, collaborative management, and referral as indicated by the health status of the patient.~~

(b) The practice of advanced practice registered nursing requires the advanced practice registered nurse to be accountable: (1) to patients for the quality of advanced nursing care rendered; (2) for recognizing limits of knowledge and experience; and (3) for planning for the management of situations beyond the advanced practice registered nurse's expertise. The practice of advanced practice registered nursing includes accepting referrals from, consulting with, collaborating with, or referring to other health care providers as warranted by the needs of the patient.

Sec. 11. Minnesota Statutes 2012, section 148.171, subdivision 16, is amended to read:

Subd. 16. **Prescribing.** "Prescribing" means the act of generating a prescription for the preparation of, use of, or manner of using a drug or therapeutic device in accordance with the provisions of section 148.235. Prescribing does not include recommending the use of a drug or therapeutic device which is not required by the federal Food and Drug Administration to meet the labeling requirements for prescription drugs and devices. Prescribing also does not include

recommending or administering a drug or therapeutic device perioperatively for anesthesia care and related services by a certified registered nurse anesthetist.

Sec. 12. Minnesota Statutes 2012, section 148.171, subdivision 17, is amended to read:

Subd. 17. **Prescription.** "Prescription" means a written direction or an oral direction reduced to writing provided to or for an individual patient for the preparation or use of a drug or therapeutic device. In the case of a prescription for a drug, the requirements of section 151.01, subdivisions 16, 16a, and 16b, shall apply.

Sec. 13. Minnesota Statutes 2012, section 148.171, is amended by adding a subdivision to read:

Subd. 17a. **Primary care provider.** "Primary care provider" means a licensed health care provider who acts as the first point of care for comprehensive health maintenance and promotion, preventive care, and undiagnosed health concerns and who provides continuing care of varied health conditions not limited by cause, organ systems, or diagnosis.

Sec. 14. Minnesota Statutes 2012, section 148.171, subdivision 21, is amended to read:

Subd. 21. **Registered nurse anesthetist practice.** (a) "Registered nurse anesthetist practice" means the provision of anesthesia care and related services within the context of collaborative management, including:

(1) selecting, obtaining, and administering drugs and therapeutic devices to facilitate diagnostic, therapeutic, and surgical procedures upon request, assignment, or referral by a patient's physician, dentist, or podiatrist;

(2) ordering, performing, supervising, and interpreting diagnostic studies, excluding interpreting computed tomography scans, magnetic resonance imaging scans, positron emission tomography scans, and nuclear scan, and mammography;

(3) prescribing pharmacologic and nonpharmacologic therapies;

(4) providing anesthesia and analgesia for acute and chronic pain symptoms through noninvasive and interventional therapies, including the use of image-guided technology as needed for a selected therapy; and

(5) consulting with, collaborating with, or referring to other health care providers as warranted by the needs of the patient.

(b) A registered nurse anesthetist may only provide services described under paragraph (a), clause (4), within the context of a collaborative agreement. For purposes of this section, a collaborative agreement means a mutually agreed upon plan between the registered nurse anesthetist and one or more physicians licensed under chapter 147 that designates the scope of collaboration necessary to manage the care for patients with acute and chronic pain. The registered nurse anesthetist must provide anesthesia services at the same hospital, clinic, or health care setting as the physician.

Sec. 15. Minnesota Statutes 2012, section 148.171, is amended by adding a subdivision to read:

Subd. 23. **Roles of advanced practice registered nurses.** "Role" means one of four recognized advanced practice registered nurse roles: certified registered nurse anesthetist (CRNA); certified

nurse-midwife (CNM); certified clinical nurse specialist (CNS); or certified nurse practitioner (CNP).

Sec. 16. Minnesota Statutes 2012, section 148.181, subdivision 1, is amended to read:

Subdivision 1. **Membership.** The Board of Nursing consists of 16 members appointed by the governor, each of whom must be a resident of this state. Eight members must be registered nurses, each of whom must have graduated from an approved school of nursing, must be licensed and currently registered as a registered nurse in this state, and must have had at least five years experience in nursing practice, nursing administration, or nursing education immediately preceding appointment. One of the eight must have had at least two years executive or teaching experience in a baccalaureate degree nursing program approved by the board under section 148.251 during the five years immediately preceding appointment, one of the eight must have had at least two years executive or teaching experience in an associate degree nursing program approved by the board under section 148.251 during the five years immediately preceding appointment, one of the eight must be practicing professional nursing in a nursing home at the time of appointment, one of the eight must have had at least two years executive or teaching experience in a practical nursing program approved by the board under section 148.251 during the five years immediately preceding appointment, and one of the eight must be licensed and have national certification or recertification as a registered nurse anesthetist, nurse practitioner, nurse midwife, or clinical nurse specialist. Four of the eight must have had at least five years of experience in nursing practice or nursing administration immediately preceding appointment. Four members must be licensed practical nurses, each of whom must have graduated from an approved school of nursing, must be licensed and currently registered as a licensed practical nurse in this state, and must have had at least five years experience in nursing practice immediately preceding appointment. The remaining four members must be public members as defined by section 214.02.

A member may be reappointed but may not serve more than two full terms consecutively. The governor shall attempt to make appointments to the board that reflect the geography of the state. The board members who are nurses should as a whole reflect the broad mix of practice types and sites of nurses practicing in Minnesota.

Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements are as provided in sections 214.07 to 214.09. Any nurse on the board who during incumbency permanently ceases to be actively engaged in the practice of nursing or otherwise becomes disqualified for board membership is automatically removed, and the governor shall fill the vacancy. The provision of staff, administrative services, and office space; the review and processing of complaints; the setting of board fees; and other provisions relating to board operations are as provided in sections 148.171 to 148.285 and chapter 214. Each member of the board shall file with the secretary of state the constitutional oath of office before beginning the term of office.

Sec. 17. Minnesota Statutes 2012, section 148.191, subdivision 2, is amended to read:

Subd. 2. **Powers.** (a) The board is authorized to adopt and, from time to time, revise rules not inconsistent with the law, as may be necessary to enable it to carry into effect the provisions of sections 148.171 to 148.285. The board shall prescribe by rule curricula and standards for schools and courses preparing persons for licensure under sections 148.171 to 148.285. It shall conduct or provide for surveys of such schools and courses at such times as it may deem necessary. It shall approve such schools and courses as meet the requirements of sections 148.171 to 148.285

and board rules. It shall examine, license, and renew the license of duly qualified applicants. It shall hold examinations at least once in each year at such time and place as it may determine. It shall by rule adopt, evaluate, and periodically revise, as necessary, requirements for licensure and for registration and renewal of registration as defined in section 148.231. It shall maintain a record of all persons licensed by the board to practice advanced practice, professional, or practical nursing and all registered nurses who hold Minnesota licensure and registration and are certified as advanced practice registered nurses. It shall cause the prosecution of all persons violating sections 148.171 to 148.285 and have power to incur such necessary expense therefor. It shall register public health nurses who meet educational and other requirements established by the board by rule, including payment of a fee. It shall have power to issue subpoenas, and to compel the attendance of witnesses and the production of all necessary documents and other evidentiary material. Any board member may administer oaths to witnesses, or take their affirmation. It shall keep a record of all its proceedings.

(b) The board shall have access to hospital, nursing home, and other medical records of a patient cared for by a nurse under review. If the board does not have a written consent from a patient permitting access to the patient's records, the nurse or facility shall delete any data in the record that identifies the patient before providing it to the board. The board shall have access to such other records as reasonably requested by the board to assist the board in its investigation. Nothing herein may be construed to allow access to any records protected by section 145.64. The board shall maintain any records obtained pursuant to this paragraph as investigative data under chapter 13.

(c) The board may accept and expend grants or gifts of money or in-kind services from a person, a public or private entity, or any other source for purposes consistent with the board's role and within the scope of its statutory authority.

(d) The board may accept registration fees for meetings and conferences conducted for the purposes of board activities that are within the scope of its authority.

Sec. 18. Minnesota Statutes 2012, section 148.211, is amended by adding a subdivision to read:

Subd. 1a. **Advanced practice registered nurse licensure.** (a) Effective January 1, 2015, no advanced practice nurse shall practice as an advanced practice registered nurse unless the advanced practice nurse is licensed by the board under this section.

(b) An applicant for a license to practice as an advanced practice registered nurse (APRN) shall apply to the board in a format prescribed by the board and pay a fee in an amount determined under section 148.243.

(c) To be eligible for licensure an applicant:

(1) must hold a current Minnesota professional nursing license or demonstrate eligibility for licensure as a registered nurse in this state;

(2) must not hold an encumbered license as a registered nurse in any state or territory;

(3) must have completed a graduate level APRN program accredited by a nursing or nursing-related accrediting body that is recognized by the United States Secretary of Education or the Council for Higher Education Accreditation as acceptable to the board. The education must be in one of the four APRN roles for at least one population focus;

(4) must be currently certified by a national certifying body recognized by the board in the APRN role and population foci appropriate to educational preparation;

(5) must report any criminal conviction, nolo contendere plea, Alford Plea, or other plea arrangement in lieu of conviction; and

(6) must not have committed any acts or omissions which are grounds for disciplinary action in another jurisdiction or, if these acts have been committed and would be grounds for disciplinary action as set forth in section 148.261, the board has found, after investigation, that sufficient restitution has been made.

Sec. 19. Minnesota Statutes 2012, section 148.211, is amended by adding a subdivision to read:

Subd. 1b. **Advanced practice registered nurse grandfather provision.** (a) The board shall issue a license to an applicant who does not meet the education requirements in subdivision 1a, paragraph (c), clause (3), if the applicant:

(1) is recognized by the board to practice as an advanced practice registered nurse in this state on July 1, 2014;

(2) submits an application to the board in a format prescribed by the board and the applicable fee as determined under section 148.243 by January 1, 2015; and

(3) meets the requirements under subdivision 1a, paragraph (c), clauses (1), (2), (4), (5), and (6).

(b) An advanced practice registered nurse licensed under this subdivision shall maintain all practice privileges provided to licensed advanced practice registered nurses under this chapter.

Sec. 20. Minnesota Statutes 2012, section 148.211, is amended by adding a subdivision to read:

Subd. 1c. **Postgraduate practice.** A nurse practitioner or clinical nurse specialist who qualifies for licensure as an advanced practice registered nurse must practice for a at least 2,080 hours, within the context of a collaborative agreement, within a hospital or integrated clinical setting where advanced practice registered nurses and physicians work together to provide patient care. The nurse practitioner or clinical nurse specialist shall submit written evidence to the board with the application, or upon completion of the required collaborative practice experience. For purposes of this subdivision, a collaborative agreement is a mutually agreed upon plan for the overall working relationship between a nurse practitioner or clinical nurse specialist, and one or more physicians licensed under chapter 147, or one or more advanced practice registered nurses licensed under this section that designates the scope of collaboration necessary to manage the care of patients. The nurse practitioner or clinical nurse specialist, and one of the collaborating physicians or advanced practice registered nurses, must have experience in providing care to patients with the same or similar medical problems.

Sec. 20. Minnesota Statutes 2012, section 148.211, subdivision 2, is amended to read:

Subd. 2. **Licensure by endorsement.** (a) The board shall issue a license to practice professional nursing or practical nursing without examination to an applicant who has been duly licensed or registered as a nurse under the laws of another state, territory, or country, if in the opinion of the board the applicant has the qualifications equivalent to the qualifications required in this state as stated in subdivision 1, all other laws not inconsistent with this section, and rules promulgated by the board.

(b) Effective January 1, 2015, an applicant for advanced practice registered nurse licensure by endorsement is eligible for licensure if the applicant meets the requirements in paragraph (a) and demonstrates:

(1) current national certification or recertification in the advanced role and population focus area; and

(2) compliance with the advanced practice nursing educational requirements that were in effect in Minnesota at the time the advanced practice registered nurse completed the advanced practice nursing education program.

Sec. 21. Minnesota Statutes 2012, section 148.231, subdivision 1, is amended to read:

Subdivision 1. **Registration.** (a) Every person licensed to practice advanced practice, professional, or practical nursing must maintain with the board a current registration for practice as a an advanced practice registered nurse, registered nurse, or licensed practical nurse which must be renewed at regular intervals established by the board by rule. No registration shall be issued by the board to a nurse until the nurse has submitted satisfactory evidence of compliance with the procedures and minimum requirements established by the board.

~~The fee for periodic registration for practice as a nurse shall be determined by the board by law.~~
(b) Upon receipt of the application and the required fees, as determined under section 148.243, the board shall verify the application and the evidence of completion of continuing education requirements in effect, and thereupon issue to the nurse registration for the next renewal period.

(c) An applicant for advanced practice registered nursing (APRN) renewal must provide evidence of current certification or recertification in the appropriate APRN role in at least one population focus by a nationally accredited certifying body recognized by the board.

Sec. 22. Minnesota Statutes 2012, section 148.231, subdivision 4, is amended to read:

Subd. 4. **Failure to register.** Any person licensed under the provisions of sections 148.171 to 148.285 who fails to register within the required period shall not be entitled to practice nursing in this state as an advanced practice registered nurse, a registered nurse, or a licensed practical nurse.

Sec. 23. Minnesota Statutes 2012, section 148.231, subdivision 5, is amended to read:

Subd. 5. **Reregistration.** A person whose registration has lapsed desiring to resume practice shall make application for reregistration, submit satisfactory evidence of compliance with the procedures and requirements established by the board, and pay the reregistration fee for the current period to the board. A penalty fee shall be required from a person who practiced nursing without current registration. Thereupon, registration shall be issued to the person who shall immediately be placed on the practicing list as an advanced practice registered nurse, a registered nurse, or a licensed practical nurse.

Sec. 24. Minnesota Statutes 2012, section 148.233, subdivision 2, is amended to read:

Subd. 2. **Advanced practice registered nurse.** ~~An advanced practice registered nurse certified as a certified clinical nurse specialist, certified nurse-midwife, certified nurse practitioner, or certified registered nurse anesthetist shall use the appropriate designation: RN,CNS; RN,CNM; RN,CNP; or RN,CRNA for personal identification and in documentation of services provided. Identification of educational degrees and specialty fields may be added.~~ (a) Only those persons who hold a current

license to practice advanced practice registered nursing in this state may use the title advanced practice registered nurse with the role designation of certified registered nurse anesthetist, certified nurse-midwife, certified clinical nurse specialist, or certified nurse practitioner.

(b) An advanced practice registered nurse shall use the appropriate designation: APRN, CNS; APRN, CNM; APRN, CNP; or APRN, CRNA for personal identification and in documentation of services provided. Identification of educational degrees and specialty fields may be added.

(c) When providing nursing care, an advanced practice registered nurse shall provide clear identification of the appropriate advanced practice registered nurse designation.

Sec. 25. Minnesota Statutes 2012, section 148.234, is amended to read:

148.234 STATE BOUNDARIES CONSIDERATION.

A nurse may perform medical patient care procedures and techniques at the direction of a physician, a podiatrist, or a dentist, or an advanced practice registered nurse licensed in another state, United States territory, or Canadian province if the physician, podiatrist, or dentist, or advanced practice registered nurse gave the direction after examining the patient and issued the direction in that state, United States territory, or Canadian province.

Nothing in this section allows a nurse to perform a ~~medical procedure~~ patient care procedure or technique at the direction of a physician, a podiatrist, or a dentist, or an advanced practice registered nurse that is illegal in this state.

Sec. 26. Minnesota Statutes 2012, section 148.235, is amended by adding a subdivision to read:

Subd. 7a. **Diagnosis, prescribing, and ordering.** Advanced practice registered nurses are authorized to:

(1) diagnose, prescribe, and institute therapy or referrals of patients to health care agencies and providers;

(2) prescribe, procure, sign for, record, administer, and dispense over-the-counter, legend, and controlled substances, including sample drugs; and

(3) plan and initiate a therapeutic regimen that includes ordering and prescribing durable medical devices and equipment, nutrition, diagnostic, and supportive services including, but not limited to, home health care, hospice, physical, and occupational therapy.

Sec. 27. Minnesota Statutes 2012, section 148.235, is amended by adding a subdivision to read:

Subd. 7b. **Drug Enforcement Administration requirements.** (a) Advanced practice registered nurses must:

(1) comply with federal Drug Enforcement Administration (DEA) requirements related to controlled substances; and

(2) file any and all of the nurse's DEA registrations and numbers with the board.

(b) The board shall maintain current records of all advanced practice registered nurses with DEA registration and numbers.

Sec. 28. Minnesota Statutes 2012, section 148.251, subdivision 1, is amended to read:

Subdivision 1. **Initial approval.** An institution desiring to conduct a nursing program shall apply to the board and submit evidence that:

(1) It is prepared to provide a program of theory and practice in advanced practice, professional, or practical nursing that meets the program approval standards adopted by the board. Instruction and required experience may be obtained in one or more institutions or agencies outside the applying institution as long as the nursing program retains accountability for all clinical and nonclinical teaching.

(2) It is prepared to meet other standards established by law and by the board.

Sec. 29. Minnesota Statutes 2012, section 148.261, subdivision 1, is amended to read:

Subdivision 1. **Grounds listed.** The board may deny, revoke, suspend, limit, or condition the license and registration of any person to practice advanced practice, professional, advanced practice registered, or practical nursing under sections 148.171 to 148.285, or to otherwise discipline a licensee or applicant as described in section 148.262. The following are grounds for disciplinary action:

(1) Failure to demonstrate the qualifications or satisfy the requirements for a license contained in sections 148.171 to 148.285 or rules of the board. In the case of a person applying for a license, the burden of proof is upon the applicant to demonstrate the qualifications or satisfaction of the requirements.

(2) Employing fraud or deceit in procuring or attempting to procure a permit, license, or registration certificate to practice advanced practice, professional, or practical nursing or attempting to subvert the licensing examination process. Conduct that subverts or attempts to subvert the licensing examination process includes, but is not limited to:

(i) conduct that violates the security of the examination materials, such as removing examination materials from the examination room or having unauthorized possession of any portion of a future, current, or previously administered licensing examination;

(ii) conduct that violates the standard of test administration, such as communicating with another examinee during administration of the examination, copying another examinee's answers, permitting another examinee to copy one's answers, or possessing unauthorized materials; or

(iii) impersonating an examinee or permitting an impersonator to take the examination on one's own behalf.

(3) Conviction of a felony or gross misdemeanor reasonably related to the practice of professional, advanced practice registered, or practical nursing. Conviction as used in this subdivision includes a conviction of an offense that if committed in this state would be considered a felony or gross misdemeanor without regard to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilt is made or returned but the adjudication of guilt is either withheld or not entered.

(4) Revocation, suspension, limitation, conditioning, or other disciplinary action against the person's professional or practical nursing license or advanced practice registered nursing credential, in another state, territory, or country; failure to report to the board that charges regarding the person's nursing license or other credential are pending in another state, territory, or country; or having been refused a license or other credential by another state, territory, or country.

(5) Failure to or inability to perform professional or practical nursing as defined in section 148.171, subdivision 14 or 15, with reasonable skill and safety, including failure of a registered nurse to supervise or a licensed practical nurse to monitor adequately the performance of acts by any person working at the nurse's direction.

(6) Engaging in unprofessional conduct, including, but not limited to, a departure from or failure to conform to board rules of professional or practical nursing practice that interpret the statutory definition of professional or practical nursing as well as provide criteria for violations of the statutes, or, if no rule exists, to the minimal standards of acceptable and prevailing professional or practical nursing practice, or any nursing practice that may create unnecessary danger to a patient's life, health, or safety. Actual injury to a patient need not be established under this clause.

(7) Failure of an advanced practice registered nurse to practice with reasonable skill and safety or departure from or failure to conform to standards of acceptable and prevailing advanced practice registered nursing.

(8) Delegating or accepting the delegation of a nursing function or a prescribed health care function when the delegation or acceptance could reasonably be expected to result in unsafe or ineffective patient care.

(9) Actual or potential inability to practice nursing with reasonable skill and safety to patients by reason of illness, use of alcohol, drugs, chemicals, or any other material, or as a result of any mental or physical condition.

(10) Adjudication as mentally incompetent, mentally ill, a chemically dependent person, or a person dangerous to the public by a court of competent jurisdiction, within or without this state.

(11) Engaging in any unethical conduct, including, but not limited to, conduct likely to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard for the health, welfare, or safety of a patient. Actual injury need not be established under this clause.

(12) Engaging in conduct with a patient that is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning to a patient, or engaging in sexual exploitation of a patient or former patient.

(13) Obtaining money, property, or services from a patient, other than reasonable fees for services provided to the patient, through the use of undue influence, harassment, duress, deception, or fraud.

(14) Revealing a privileged communication from or relating to a patient except when otherwise required or permitted by law.

(15) Engaging in abusive or fraudulent billing practices, including violations of federal Medicare and Medicaid laws or state medical assistance laws.

(16) Improper management of patient records, including failure to maintain adequate patient records, to comply with a patient's request made pursuant to sections 144.291 to 144.298, or to furnish a patient record or report required by law.

(17) Knowingly aiding, assisting, advising, or allowing an unlicensed person to engage in the unlawful practice of advanced practice, professional, ~~advanced practice registered~~, or practical nursing.

(18) Violating a rule adopted by the board, an order of the board, or a state or federal law relating to the practice of advanced practice, professional, advanced practice registered, or practical nursing, or a state or federal narcotics or controlled substance law.

(19) Knowingly providing false or misleading information that is directly related to the care of that patient unless done for an accepted therapeutic purpose such as the administration of a placebo.

(20) Aiding suicide or aiding attempted suicide in violation of section 609.215 as established by any of the following:

(i) a copy of the record of criminal conviction or plea of guilty for a felony in violation of section 609.215, subdivision 1 or 2;

(ii) a copy of the record of a judgment of contempt of court for violating an injunction issued under section 609.215, subdivision 4;

(iii) a copy of the record of a judgment assessing damages under section 609.215, subdivision 5; or

(iv) a finding by the board that the person violated section 609.215, subdivision 1 or 2. The board shall investigate any complaint of a violation of section 609.215, subdivision 1 or 2.

(21) Practicing outside the scope of practice authorized by section 148.171, subdivision 5, 10, 11, 13, 14, 15, or 21.

~~(22) Practicing outside the specific field of nursing practice for which an advanced practice registered nurse is certified unless the practice is authorized under section 148.284.~~

~~(23)~~ (22) Making a false statement or knowingly providing false information to the board, failing to make reports as required by section 148.263, or failing to cooperate with an investigation of the board as required by section 148.265.

~~(24)~~ (23) Engaging in false, fraudulent, deceptive, or misleading advertising.

~~(25)~~ (24) Failure to inform the board of the person's certification or recertification status as a certified registered nurse anesthetist, certified nurse-midwife, certified nurse practitioner, or certified clinical nurse specialist.

~~(26)~~ (25) Engaging in clinical nurse specialist practice, nurse-midwife practice, nurse practitioner practice, or registered nurse anesthetist practice without a license and current certification or recertification by a national nurse certification organization acceptable to the board; ~~except during the period between completion of an advanced practice registered nurse course of study and certification, not to exceed six months or as authorized by the board.~~

~~(27)~~ (26) Engaging in conduct that is prohibited under section 145.412.

~~(28)~~ (27) Failing to report employment to the board as required by section 148.211, subdivision 2a, or knowingly aiding, assisting, advising, or allowing a person to fail to report as required by section 148.211, subdivision 2a.

Sec. 30. Minnesota Statutes 2012, section 148.262, subdivision 1, is amended to read:

Subdivision 1. **Forms of disciplinary action.** When the board finds that grounds for disciplinary action exist under section 148.261, subdivision 1, it may take one or more of the following actions:

- (1) deny the license, registration, or registration renewal;
- (2) revoke the license;
- (3) suspend the license;
- (4) impose limitations on the nurse's practice of advanced practice, professional, ~~advanced practice registered~~, or practical nursing including, but not limited to, limitation of scope of practice or the requirement of practice under supervision;
- (5) impose conditions on the retention of the license including, but not limited to, the imposition of retraining or rehabilitation requirements or the conditioning of continued practice on demonstration of knowledge or skills by appropriate examination, monitoring, or other review;
- (6) impose a civil penalty not exceeding \$10,000 for each separate violation, the amount of the civil penalty to be fixed as to deprive the nurse of any economic advantage gained by reason of the violation charged, to reimburse the board for the cost of counsel, investigation, and proceeding, and to discourage repeated violations;
- (7) order the nurse to provide unremunerated service;
- (8) censure or reprimand the nurse; or
- (9) any other action justified by the facts in the case.

Sec. 31. Minnesota Statutes 2012, section 148.262, subdivision 2, is amended to read:

Subd. 2. **Automatic suspension.** Unless the board orders otherwise, a license to practice advanced practice, professional, or practical nursing is automatically suspended if:

- (1) a guardian of a nurse is appointed by order of a court under sections 524.5-101 to 524.5-502;
- (2) the nurse is committed by order of a court under chapter 253B; or
- (3) the nurse is determined to be mentally incompetent, mentally ill, chemically dependent, or a person dangerous to the public by a court of competent jurisdiction within or without this state.

The license remains suspended until the nurse is restored to capacity by a court and, upon petition by the nurse, the suspension is terminated by the board after a hearing or upon agreement between the board and the nurse.

Sec. 32. Minnesota Statutes 2012, section 148.262, subdivision 4, is amended to read:

Subd. 4. **Reissuance.** The board may reinstate and reissue a license or registration certificate to practice advanced practice, professional, or practical nursing, but as a condition may impose any disciplinary or corrective measure that it might originally have imposed. Any person whose license or registration has been revoked, suspended, or limited may have the license reinstated and a new registration issued when, in the discretion of the board, the action is warranted, provided that the person shall be required by the board to pay the costs of the proceedings resulting in the revocation, suspension, or limitation of the license or registration certificate and reinstatement of the license or registration certificate, and to pay the fee for the current registration period. The cost of proceedings shall include, but not be limited to, the cost paid by the board to the Office of Administrative Hearings and the Office of the Attorney General for legal and investigative services,

the costs of a court reporter and witnesses, reproduction of records, board staff time, travel, and expenses, and board members' per diem reimbursements, travel costs, and expenses.

Sec. 33. Minnesota Statutes 2013 Supplement, section 148.271, is amended to read:

148.271 EXEMPTIONS.

The provisions of sections 148.171 to 148.285 shall not prohibit:

(1) The furnishing of nursing assistance in an emergency.

(2) The practice of advanced practice, professional, or practical nursing by any legally qualified advanced practice, registered, or licensed practical nurse of another state who is employed by the United States government or any bureau, division, or agency thereof while in the discharge of official duties.

(3) The practice of any profession or occupation licensed by the state, other than advanced practice, professional, or practical nursing, by any person duly licensed to practice the profession or occupation, or the performance by a person of any acts properly coming within the scope of the profession, occupation, or license.

(4) The provision of a nursing or nursing-related service by an unlicensed assistive person who has been delegated or assigned the specific function and is supervised by a registered nurse or monitored by a licensed practical nurse.

(5) The care of the sick with or without compensation when done in a nursing home covered by the provisions of section 144A.09, subdivision 1.

(6) Professional nursing practice or advanced practice registered nursing practice by a registered nurse or practical nursing practice by a licensed practical nurse licensed in another state or territory who is in Minnesota as a student enrolled in a formal, structured course of study, such as a course leading to a higher degree, certification in a nursing specialty, or to enhance skills in a clinical field, while the student is practicing in the course.

(7) Professional or practical nursing practice by a student practicing under the supervision of an instructor while the student is enrolled in a nursing program approved by the board under section 148.251.

(8) Advanced practice registered nursing as defined in section 148.171, subdivisions 5, 10, 11, 13, and 21, by a registered nurse who is licensed and currently registered in Minnesota or another United States jurisdiction and who is enrolled as a student in a formal graduate education program leading to eligibility for certification and licensure as an advanced practice registered nurse; ~~or by a registered nurse licensed and currently registered in Minnesota who has completed an advanced practice registered nurse course of study and is awaiting certification, the period not to exceed six months.~~

Sec. 34. Minnesota Statutes 2012, section 148.281, subdivision 1, is amended to read:

Subdivision 1. **Violations described.** It shall be unlawful for any person, corporation, firm, or association, to:

(1) sell or fraudulently obtain or furnish any nursing diploma, license or record, or aid or abet therein;

(2) practice advanced practice, professional, or practical nursing; ~~or practice as a public health nurse, or practice as a certified clinical nurse specialist, certified nurse-midwife, certified nurse practitioner, or certified registered nurse anesthetist~~ under cover of any diploma, permit, license, registration certificate, advanced practice credential, or record illegally or fraudulently obtained or signed or issued unlawfully or under fraudulent representation;

(3) practice advanced practice, professional, or practical nursing unless the person has been issued a temporary permit under the provisions of section 148.212 or is duly licensed and currently registered to do so under the provisions of sections 148.171 to 148.285;

(4) use the professional title nurse unless duly licensed to practice advanced practice, professional, or practical nursing under the provisions of sections 148.171 to 148.285, except as authorized by the board by rule;

(5) use any abbreviation or other designation tending to imply licensure as ~~a an advanced practice registered nurse, a registered nurse, or a licensed practical nurse~~ unless duly licensed and currently registered so to practice advanced practice, professional, or practical nursing under the provisions of sections 148.171 to 148.285 except as authorized by the board by rule;

(6) use any title, abbreviation, or other designation tending to imply certification as a certified registered nurse as defined in section 148.171, subdivision 22, unless duly certified by a national nurse certification organization;

(7) use any abbreviation or other designation tending to imply registration as a public health nurse unless duly registered by the board;

(8) practice advanced practice, professional, advanced practice registered, or practical nursing in a manner prohibited by the board in any limitation of a license or registration issued under the provisions of sections 148.171 to 148.285;

(9) practice advanced practice, professional, advanced practice registered, or practical nursing during the time a license or current registration issued under the provisions of sections 148.171 to 148.285 shall be suspended or revoked;

(10) conduct a nursing program for the education of persons to become advanced practice registered nurses, registered nurses, or licensed practical nurses unless the program has been approved by the board; and

(11) knowingly employ persons in the practice of advanced practice, professional, or practical nursing who have not been issued a current permit, license, or registration certificate to practice as a nurse in this state; and

(12) knowingly employ a person in ~~advanced practice registered nursing~~ unless the person meets the standards and practices of sections 148.171 to 148.285.

Sec. 35. Minnesota Statutes 2012, section 148.281, is amended by adding a subdivision to read:

Subd. 3. Penalty; advanced practice registered nurses. In addition to subdivision 2, an advanced practice registered nurse who practices advanced practice registered nursing without a current license and certification or recertification shall pay a penalty fee of \$200 for the first month or part of a month and an additional \$100 for each subsequent month or parts of months of practice. The amount of the penalty fee shall be calculated from the first day the advanced practice registered

nurse practiced without a current advanced practice registered nurse license and certification to the last day of practice without a current license and certification, or from the first day the advanced practice registered nurse practiced without a current license and certification on file with the board until the day the current license and certification is filed with the board.

Sec. 36. Minnesota Statutes 2012, section 148.283, is amended to read:

148.283 UNAUTHORIZED PRACTICE OF PROFESSIONAL, ADVANCED PRACTICE REGISTERED, AND PRACTICAL NURSING.

The practice of advanced practice, professional, ~~advanced practice registered,~~ or practical nursing by any person who has not been licensed to practice advanced practice, professional, or practical nursing under the provisions of sections 148.171 to 148.285, or whose license has been suspended or revoked, or whose registration or national credential has expired, is hereby declared to be inimical to the public health and welfare and to constitute a public nuisance. Upon a complaint being made thereof by the board, or any prosecuting officer, and upon a proper showing of the facts, the district court of the county where such practice occurred may enjoin such acts and practice. Such injunction proceeding shall be in addition to, and not in lieu of, all other penalties and remedies provided by law.

Sec. 37. **[148.2841] ADVANCED PRACTICE NURSING ADVISORY COMMITTEE.**

(a) The Board of Nursing shall appoint an Advanced Practice Nursing Advisory Committee consisting of:

- (1) four Minnesota licensed advanced practice registered nurses, consisting of one nurse practitioner, one nurse midwife, one clinical nurse specialist, and one nurse anesthetist;
- (2) two Minnesota licensed physicians who work with advanced practice registered nurses; and
- (3) one public member.

The committee shall meet at least two times per year. Each member appointment shall be for a two-year term, with no member serving more than two consecutive terms. The chair shall rotate among the four advanced practice registered nurse members.

(b) The advisory committee shall:

- (1) review prescribing trends of advanced practice registered nurses at an aggregate level;
- (2) review emerging practices and overlap of advanced practice nursing and specialty medical practices in the six population foci and four categories of advanced practice registered nurse practice;
- (3) provide recommendations to the Board of Nursing regarding advanced practice nursing;
- (4) advise the board on advanced practice registered nurse licensure and practice standards, including emerging practice trends, aggregate prescribing trends, and overlap of advanced practice registered nursing and medical practices;
- (5) advise the board on distribution of information regarding advanced practice registered nurse licensure standards; and
- (6) advise the board on issues related to advanced practice registered nurse practice and regulation.

Sec. 38. Minnesota Statutes 2012, section 151.01, subdivision 23, is amended to read:

Subd. 23. **Practitioner.** "Practitioner" means a licensed doctor of medicine, licensed doctor of osteopathy duly licensed to practice medicine, licensed doctor of dentistry, licensed doctor of optometry, licensed podiatrist, ~~or licensed veterinarian, or a licensed advanced practice registered nurse.~~ For purposes of sections 151.15, subdivision 4; 151.37, subdivision 2, paragraphs (b), (e), and (f); and 151.461, "practitioner" also means a physician assistant authorized to prescribe, dispense, and administer under chapter 147A, ~~or an advanced practice nurse authorized to prescribe, dispense, and administer under section 148.235.~~ For purposes of sections 151.15, subdivision 4; 151.37, subdivision 2, paragraph (b); and 151.461, "practitioner" also means a dental therapist authorized to dispense and administer under chapter 150A.

Sec. 39. Minnesota Statutes 2012, section 152.12, is amended to read:

152.12 DOCTORS HEALTH CARE PROVIDERS MAY PRESCRIBE.

Subdivision 1. **Prescribing, dispensing, administering controlled substances in Schedules II through V.** A licensed doctor of medicine, a doctor of osteopathy, duly licensed to practice medicine, a doctor of dental surgery, a doctor of dental medicine, a licensed doctor of podiatry, a licensed advanced practice registered nurse, or a licensed doctor of optometry limited to Schedules IV and V, and in the course of professional practice only, may prescribe, administer, and dispense a controlled substance included in Schedules II through V of section 152.02, may cause the same to be administered by a nurse, an intern or an assistant under the direction and supervision of the doctor, and may cause a person who is an appropriately certified and licensed health care professional to prescribe and administer the same within the expressed legal scope of the person's practice as defined in Minnesota Statutes.

Subd. 2. **Doctor of veterinary medicine.** A licensed doctor of veterinary medicine, in good faith, and in the course of professional practice only, and not for use by a human being, may prescribe, administer, and dispense a controlled substance included in Schedules II through V of section 152.02, and may cause the same to be administered by an assistant under the direction and supervision of the doctor.

Subd. 3. **Research project use of controlled substances.** Any qualified person may use controlled substances in the course of a bona fide research project but cannot administer or dispense such drugs to human beings unless such drugs are prescribed, dispensed and administered by a person lawfully authorized to do so. Every person who engages in research involving the use of such substances shall apply annually for registration by the state Board of Pharmacy and shall pay any applicable fee specified in section 151.065, provided that such registration shall not be required if the person is covered by and has complied with federal laws covering such research projects.

Subd. 4. **Sale of controlled substances not prohibited for certain persons and entities.** Nothing in this chapter shall prohibit the sale to, or the possession of, a controlled substance in Schedule II, III, IV or V by: Registered drug wholesalers, registered manufacturers, registered pharmacies, or any licensed hospital or other licensed institutions wherein sick and injured persons are cared for or treated, or bona fide hospitals wherein animals are treated; or by licensed pharmacists, licensed doctors of medicine, doctors of osteopathy duly licensed to practice medicine, licensed doctors of dental surgery, licensed doctors of dental medicine, licensed doctors of podiatry, licensed doctors of optometry limited to Schedules IV and V, or licensed doctors of veterinary

medicine when such practitioners use controlled substances within the course of their professional practice only.

Nothing in this chapter shall prohibit the possession of a controlled substance in Schedule II, III, IV or V by an employee or agent of a registered drug wholesaler, registered manufacturer, or registered pharmacy, while acting in the course of employment; by a patient of a licensed doctor of medicine, a doctor of osteopathy duly licensed to practice medicine, a licensed doctor of dental surgery, a licensed doctor of dental medicine, or a licensed doctor of optometry limited to Schedules IV and V; or by the owner of an animal for which a controlled substance has been prescribed by a licensed doctor of veterinary medicine, when such controlled substances are dispensed according to law.

Subd. 5. **Analytical laboratory not prohibited from providing anonymous analysis service.** Nothing in this chapter shall prohibit an analytical laboratory from conducting an anonymous analysis service when such laboratory is registered by the Federal Drug Enforcement Administration, nor prohibit the possession of a controlled substance by an employee or agent of such analytical laboratory while acting in the course of employment.

Sec. 40. **APPROPRIATION.**

\$378,000 in fiscal year 2015 is appropriated from the state government special revenue fund to the Board of Nursing to implement licensing requirements for Advance Practice Registered Nurses. The base for this appropriation is \$232,000 in fiscal years 2016 and 2017.

Sec. 41. **REPEALER.**

Minnesota Statutes 2012, sections 148.171, subdivision 6; 148.235, subdivisions 1, 2, 2a, 4, 4a, 4b, 6, and 7; and 148.284, are repealed.

Sec. 42. **EFFECTIVE DATE.**

Sections 1 to 39 are effective January 1, 2015."

Amend the title numbers accordingly

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

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

S.F. No. 1484: A bill for an act relating to health; making changes to dental licensing provisions; improving access to health care delivered by advanced practice registered nurses; providing penalties; modifying grounds for disciplinary action by the Board of Nursing; modifying the health professionals services program; modifying the compensation paid to the health-related licensing board members; making changes to the Minnesota prescription monitoring program; adding and modifying definitions; changing the requirements for pharmacist participation in immunizations; changing the powers and duties of the Board of Pharmacy; changing licensing requirements for businesses regulated by the Board of Pharmacy; clarifying requirements for compounding; allowing certain educational institutions to purchase legend drugs in limited circumstances; allowing certain entities to handle drugs in preparation for emergency use; clarifying the requirement that drug manufacturers report certain payments to the Board of Pharmacy; adding certain substances to the schedules for controlled substances; amending Minnesota Statutes 2012, sections 148.171, subdivisions 3, 5, 9, 10, 11, 13, 16, 17, 21, by adding subdivisions; 148.181, subdivision 1;

148.191, subdivision 2; 148.211, subdivision 2, by adding subdivisions; 148.231, subdivisions 1, 4, 5; 148.233, subdivision 2; 148.234; 148.235, by adding subdivisions; 148.251, subdivision 1; 148.261, subdivisions 1, 4, by adding a subdivision; 148.262, subdivisions 1, 2, 4; 148.281, subdivision 1, by adding a subdivision; 148.283; 150A.01, subdivision 8a; 150A.06, subdivisions 1, 1a, 1c, 1d, 2, 2a, 2d, 3, 8; 150A.091, subdivisions 3, 8, 16; 150A.10; 151.01; 151.06; 151.211; 151.26; 151.34; 151.35; 151.361, subdivision 2; 151.37, as amended; 151.44; 151.58, subdivisions 2, 3, 5; 152.02, subdivision 8b; 152.12; 152.126, as amended; 214.09, subdivision 3; 214.32, by adding a subdivision; 214.33, subdivision 3; Minnesota Statutes 2013 Supplement, sections 148.271; 151.252, by adding a subdivision; 152.02, subdivision 2; 364.09; proposing coding for new law in Minnesota Statutes, chapters 148; 151; repealing Minnesota Statutes 2012, sections 148.171, subdivision 6; 148.235, subdivisions 1, 2, 2a, 4, 4a, 4b, 6, 7; 148.284.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

HEALTH-RELATED LICENSING BOARDS

Section 1. Minnesota Statutes 2012, section 148.261, subdivision 1, is amended to read:

Subdivision 1. **Grounds listed.** The board may deny, revoke, suspend, limit, or condition the license and registration of any person to practice professional, advanced practice registered, or practical nursing under sections 148.171 to 148.285, or to otherwise discipline a licensee or applicant as described in section 148.262. The following are grounds for disciplinary action:

(1) Failure to demonstrate the qualifications or satisfy the requirements for a license contained in sections 148.171 to 148.285 or rules of the board. In the case of a person applying for a license, the burden of proof is upon the applicant to demonstrate the qualifications or satisfaction of the requirements.

(2) Employing fraud or deceit in procuring or attempting to procure a permit, license, or registration certificate to practice professional or practical nursing or attempting to subvert the licensing examination process. Conduct that subverts or attempts to subvert the licensing examination process includes, but is not limited to:

(i) conduct that violates the security of the examination materials, such as removing examination materials from the examination room or having unauthorized possession of any portion of a future, current, or previously administered licensing examination;

(ii) conduct that violates the standard of test administration, such as communicating with another examinee during administration of the examination, copying another examinee's answers, permitting another examinee to copy one's answers, or possessing unauthorized materials; or

(iii) impersonating an examinee or permitting an impersonator to take the examination on one's own behalf.

(3) Conviction of a felony or gross misdemeanor reasonably related to the practice of professional, advanced practice registered, or practical nursing. Conviction as used in this subdivision includes a conviction of an offense that if committed in this state would be considered a felony or gross misdemeanor without regard to its designation elsewhere, or a criminal proceeding

where a finding or verdict of guilt is made or returned but the adjudication of guilt is either withheld or not entered.

(4) Revocation, suspension, limitation, conditioning, or other disciplinary action against the person's professional or practical nursing license or advanced practice registered nursing credential, in another state, territory, or country; failure to report to the board that charges regarding the person's nursing license or other credential are pending in another state, territory, or country; or having been refused a license or other credential by another state, territory, or country.

(5) Failure to or inability to perform professional or practical nursing as defined in section 148.171, subdivision 14 or 15, with reasonable skill and safety, including failure of a registered nurse to supervise or a licensed practical nurse to monitor adequately the performance of acts by any person working at the nurse's direction.

(6) Engaging in unprofessional conduct, including, but not limited to, a departure from or failure to conform to board rules of professional or practical nursing practice that interpret the statutory definition of professional or practical nursing as well as provide criteria for violations of the statutes, or, if no rule exists, to the minimal standards of acceptable and prevailing professional or practical nursing practice, or any nursing practice that may create unnecessary danger to a patient's life, health, or safety. Actual injury to a patient need not be established under this clause.

(7) Failure of an advanced practice registered nurse to practice with reasonable skill and safety or departure from or failure to conform to standards of acceptable and prevailing advanced practice registered nursing.

(8) Delegating or accepting the delegation of a nursing function or a prescribed health care function when the delegation or acceptance could reasonably be expected to result in unsafe or ineffective patient care.

(9) Actual or potential inability to practice nursing with reasonable skill and safety to patients by reason of illness, use of alcohol, drugs, chemicals, or any other material, or as a result of any mental or physical condition.

(10) Adjudication as mentally incompetent, mentally ill, a chemically dependent person, or a person dangerous to the public by a court of competent jurisdiction, within or without this state.

(11) Engaging in any unethical conduct, including, but not limited to, conduct likely to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard for the health, welfare, or safety of a patient. Actual injury need not be established under this clause.

(12) Engaging in conduct with a patient that is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning to a patient, or engaging in sexual exploitation of a patient or former patient.

(13) Obtaining money, property, or services from a patient, other than reasonable fees for services provided to the patient, through the use of undue influence, harassment, duress, deception, or fraud.

(14) Revealing a privileged communication from or relating to a patient except when otherwise required or permitted by law.

(15) Engaging in abusive or fraudulent billing practices, including violations of federal Medicare and Medicaid laws or state medical assistance laws.

(16) Improper management of patient records, including failure to maintain adequate patient records, to comply with a patient's request made pursuant to sections 144.291 to 144.298, or to furnish a patient record or report required by law.

(17) Knowingly aiding, assisting, advising, or allowing an unlicensed person to engage in the unlawful practice of professional, advanced practice registered, or practical nursing.

(18) Violating a rule adopted by the board, an order of the board, or a state or federal law relating to the practice of professional, advanced practice registered, or practical nursing, or a state or federal narcotics or controlled substance law.

(19) Knowingly providing false or misleading information that is directly related to the care of that patient unless done for an accepted therapeutic purpose such as the administration of a placebo.

(20) Aiding suicide or aiding attempted suicide in violation of section 609.215 as established by any of the following:

(i) a copy of the record of criminal conviction or plea of guilty for a felony in violation of section 609.215, subdivision 1 or 2;

(ii) a copy of the record of a judgment of contempt of court for violating an injunction issued under section 609.215, subdivision 4;

(iii) a copy of the record of a judgment assessing damages under section 609.215, subdivision 5; or

(iv) a finding by the board that the person violated section 609.215, subdivision 1 or 2. The board shall investigate any complaint of a violation of section 609.215, subdivision 1 or 2.

(21) Practicing outside the scope of practice authorized by section 148.171, subdivision 5, 10, 11, 13, 14, 15, or 21.

(22) Practicing outside the specific field of nursing practice for which an advanced practice registered nurse is certified unless the practice is authorized under section 148.284.

(23) Making a false statement or knowingly providing false information to the board, failing to make reports as required by section 148.263, or failing to cooperate with an investigation of the board as required by section 148.265.

(24) Engaging in false, fraudulent, deceptive, or misleading advertising.

(25) Failure to inform the board of the person's certification status as a nurse anesthetist, nurse-midwife, nurse practitioner, or clinical nurse specialist.

(26) Engaging in clinical nurse specialist practice, nurse-midwife practice, nurse practitioner practice, or registered nurse anesthetist practice without current certification by a national nurse certification organization acceptable to the board, except during the period between completion of an advanced practice registered nurse course of study and certification, not to exceed six months or as authorized by the board.

(27) Engaging in conduct that is prohibited under section 145.412.

(28) Failing to report employment to the board as required by section 148.211, subdivision 2a, or knowingly aiding, assisting, advising, or allowing a person to fail to report as required by section 148.211, subdivision 2a.

(29) Discharge from the health professionals services program as described in sections 214.31 to 214.37, or any other alternative monitoring or diversion program for reasons other than satisfactory completion of the program as set forth in the participation agreement.

Sec. 2. Minnesota Statutes 2012, section 148.261, is amended by adding a subdivision to read:

Subd. 1a. **Conviction of a felony-level criminal sexual offense.** (a) Except as provided in paragraph (e), the board may not grant or renew a license to practice nursing to any person who has been convicted on or after August 1, 2014, of any of the provisions of sections 609.342, subdivision 1, 609.343, subdivision 1, 609.344, subdivision 1, paragraphs (c) to (o), or 609.345, subdivision 1, paragraphs (c) to (o), or a similar statute in another jurisdiction.

(b) A license to practice nursing is automatically revoked if the licensee is convicted of an offense listed in paragraph (a) of this section.

(c) A license to practice nursing that has been denied or revoked under this subdivision is not subject to chapter 364.

(d) For purposes of this subdivision, "conviction" means a plea of guilty, a verdict of guilty by a jury, or a finding of guilty by the court, unless the court stays imposition or execution of the sentence and final disposition of the case is accomplished at a nonfelony level.

(e) The board may establish criteria whereby an individual convicted of an offense listed in paragraph (a) of this subdivision may become licensed provided that the criteria:

- (1) utilize a rebuttable presumption that the applicant is not suitable for licensing;
- (2) provide a standard for overcoming the presumption; and
- (3) require that a minimum of ten years has elapsed since the applicant's sentence was discharged.

The board shall not consider an application under this paragraph if the board determines that the victim involved in the offense was a patient or a client of the applicant at the time of the offense.

Sec. 3. Minnesota Statutes 2012, section 148.261, subdivision 4, is amended to read:

Subd. 4. **Evidence.** In disciplinary actions alleging a violation of subdivision 1, clause (3) or (4), or subdivision 1a, a copy of the judgment or proceeding under the seal of the court administrator or of the administrative agency that entered the same shall be admissible into evidence without further authentication and shall constitute prima facie evidence of the violation concerned.

Sec. 4. Minnesota Statutes 2012, section 150A.01, subdivision 8a, is amended to read:

Subd. 8a. **Resident dentist.** "Resident dentist" means a person who is licensed to practice dentistry as an enrolled graduate student or student of an advanced education program accredited by the ~~American Dental Association~~ Commission on Dental Accreditation.

Sec. 5. Minnesota Statutes 2012, section 150A.06, subdivision 1, is amended to read:

Subdivision 1. **Dentists.** A person of good moral character who has graduated from a dental program accredited by the Commission on Dental Accreditation ~~of the American Dental~~

Association, having submitted an application and fee as prescribed by the board, may be examined by the board or by an agency pursuant to section 150A.03, subdivision 1, in a manner to test the applicant's fitness to practice dentistry. A graduate of a dental college in another country must not be disqualified from examination solely because of the applicant's foreign training if the board determines that the training is equivalent to or higher than that provided by a dental college accredited by the Commission on Dental Accreditation ~~of the American Dental Association~~. In the case of examinations conducted pursuant to section 150A.03, subdivision 1, applicants shall take the examination prior to applying to the board for licensure. The examination shall include an examination of the applicant's knowledge of the laws of Minnesota relating to dentistry and the rules of the board. An applicant is ineligible to retake the clinical examination required by the board after failing it twice until further education and training are obtained as specified by the board by rule. A separate, nonrefundable fee may be charged for each time a person applies. An applicant who passes the examination in compliance with subdivision 2b, abides by professional ethical conduct requirements, and meets all other requirements of the board shall be licensed to practice dentistry and granted a general dentist license by the board.

Sec. 6. Minnesota Statutes 2012, section 150A.06, subdivision 1a, is amended to read:

Subd. 1a. **Faculty dentists.** (a) Faculty members of a school of dentistry must be licensed in order to practice dentistry as defined in section 150A.05. The board may issue to members of the faculty of a school of dentistry a license designated as either a "limited faculty license" or a "full faculty license" entitling the holder to practice dentistry within the terms described in paragraph (b) or (c). The dean of a school of dentistry and program directors of a Minnesota dental hygiene or dental assisting school accredited by the Commission on Dental Accreditation ~~of the American Dental Association~~ shall certify to the board those members of the school's faculty who practice dentistry but are not licensed to practice dentistry in Minnesota. A faculty member who practices dentistry as defined in section 150A.05, before beginning duties in a school of dentistry or a dental hygiene or dental assisting school, shall apply to the board for a limited or full faculty license. Pursuant to Minnesota Rules, chapter 3100, and at the discretion of the board, a limited faculty license must be renewed annually and a full faculty license must be renewed biennially. The faculty applicant shall pay a nonrefundable fee set by the board for issuing and renewing the faculty license. The faculty license is valid during the time the holder remains a member of the faculty of a school of dentistry or a dental hygiene or dental assisting school and subjects the holder to this chapter.

(b) The board may issue to dentist members of the faculty of a Minnesota school of dentistry, dental hygiene, or dental assisting accredited by the Commission on Dental Accreditation ~~of the American Dental Association~~, a license designated as a limited faculty license entitling the holder to practice dentistry within the school and its affiliated teaching facilities, but only for the purposes of teaching or conducting research. The practice of dentistry at a school facility for purposes other than teaching or research is not allowed unless the dentist was a faculty member on August 1, 1993.

(c) The board may issue to dentist members of the faculty of a Minnesota school of dentistry, dental hygiene, or dental assisting accredited by the Commission on Dental Accreditation ~~of the American Dental Association~~ a license designated as a full faculty license entitling the holder to practice dentistry within the school and its affiliated teaching facilities and elsewhere if the holder of the license is employed 50 percent time or more by the school in the practice of teaching or research, and upon successful review by the board of the applicant's qualifications as described in subdivisions 1, 1c, and 4 and board rule. The board, at its discretion, may waive specific licensing prerequisites.

Sec. 7. Minnesota Statutes 2012, section 150A.06, subdivision 1c, is amended to read:

Subd. 1c. **Specialty dentists.** (a) The board may grant a one or more specialty license licenses in the specialty areas of dentistry that are recognized by the American Dental Association Commission on Dental Accreditation.

(b) An applicant for a specialty license shall:

(1) have successfully completed a postdoctoral specialty ~~education~~ program accredited by the Commission on Dental Accreditation ~~of the American Dental Association~~, or have announced a limitation of practice before 1967;

(2) have been certified by a specialty ~~examining~~ board approved by the Minnesota Board of Dentistry, or provide evidence of having passed a clinical examination for licensure required for practice in any state or Canadian province, or in the case of oral and maxillofacial surgeons only, have a Minnesota medical license in good standing;

(3) have been in active practice or a postdoctoral specialty education program or United States government service at least 2,000 hours in the 36 months prior to applying for a specialty license;

(4) if requested by the board, be interviewed by a committee of the board, which may include the assistance of specialists in the evaluation process, and satisfactorily respond to questions designed to determine the applicant's knowledge of dental subjects and ability to practice;

(5) if requested by the board, present complete records on a sample of patients treated by the applicant. The sample must be drawn from patients treated by the applicant during the 36 months preceding the date of application. The number of records shall be established by the board. The records shall be reasonably representative of the treatment typically provided by the applicant for each specialty area;

(6) at board discretion, pass a board-approved English proficiency test if English is not the applicant's primary language;

(7) pass all components of the National Board Dental Examinations;

(8) pass the Minnesota Board of Dentistry jurisprudence examination;

(9) abide by professional ethical conduct requirements; and

(10) meet all other requirements prescribed by the Board of Dentistry.

(c) The application must include:

(1) a completed application furnished by the board;

(2) at least two character references from two different dentists for each specialty area, one of whom must be a dentist practicing in the same specialty area, and the other from the director of the each specialty program attended;

(3) a licensed physician's statement attesting to the applicant's physical and mental condition;

(4) a statement from a licensed ophthalmologist or optometrist attesting to the applicant's visual acuity;

(5) a nonrefundable fee; and

(6) a notarized, unmounted passport-type photograph, three inches by three inches, taken not more than six months before the date of application.

(d) A specialty dentist holding a one or more specialty license licenses is limited to practicing in the dentist's designated specialty area or areas. The scope of practice must be defined by each national specialty board recognized by the ~~American Dental Association~~ Commission on Dental Accreditation.

(e) A specialty dentist holding a general ~~dentist dental~~ license is limited to practicing in the dentist's designated specialty area or areas if the dentist has announced a limitation of practice. The scope of practice must be defined by each national specialty board recognized by the ~~American Dental Association~~ Commission on Dental Accreditation.

(f) All specialty dentists who have fulfilled the specialty dentist requirements and who intend to limit their practice to a particular specialty area or areas may apply for a one or more specialty license licenses.

Sec. 8. Minnesota Statutes 2012, section 150A.06, subdivision 1d, is amended to read:

Subd. 1d. **Dental therapists.** A person of good moral character who has graduated with a baccalaureate degree or a master's degree from a dental therapy education program that has been approved by the board or accredited by the ~~American Dental Association~~ Commission on Dental Accreditation or another board-approved national accreditation organization may apply for licensure.

The applicant must submit an application and fee as prescribed by the board and a diploma or certificate from a dental therapy education program. Prior to being licensed, the applicant must pass a comprehensive, competency-based clinical examination that is approved by the board and administered independently of an institution providing dental therapy education. The applicant must also pass an examination testing the applicant's knowledge of the Minnesota laws and rules relating to the practice of dentistry. An applicant who has failed the clinical examination twice is ineligible to retake the clinical examination until further education and training are obtained as specified by the board. A separate, nonrefundable fee may be charged for each time a person applies. An applicant who passes the examination in compliance with subdivision 2b, abides by professional ethical conduct requirements, and meets all the other requirements of the board shall be licensed as a dental therapist.

Sec. 9. Minnesota Statutes 2012, section 150A.06, subdivision 2, is amended to read:

Subd. 2. **Dental hygienists.** A person of good moral character, who has graduated from a dental hygiene program accredited by the Commission on Dental Accreditation ~~of the American Dental Association~~ and established in an institution accredited by an agency recognized by the United States Department of Education to offer college-level programs, may apply for licensure. The dental hygiene program must provide a minimum of two academic years of dental hygiene education. The applicant must submit an application and fee as prescribed by the board and a diploma or certificate of dental hygiene. Prior to being licensed, the applicant must pass the National Board of Dental Hygiene examination and a board approved examination designed to determine the applicant's clinical competency. In the case of examinations conducted pursuant to section 150A.03, subdivision 1, applicants shall take the examination before applying to the board for licensure. The applicant must also pass an examination testing the applicant's knowledge of the laws of Minnesota relating to the practice of dentistry and of the rules of the board. An applicant is

ineligible to retake the clinical examination required by the board after failing it twice until further education and training are obtained as specified by board rule. A separate, nonrefundable fee may be charged for each time a person applies. An applicant who passes the examination in compliance with subdivision 2b, abides by professional ethical conduct requirements, and meets all the other requirements of the board shall be licensed as a dental hygienist.

Sec. 10. Minnesota Statutes 2012, section 150A.06, subdivision 2a, is amended to read:

Subd. 2a. **Licensed dental assistant.** A person of good moral character, who has graduated from a dental assisting program accredited by the Commission on Dental Accreditation of the American Dental Association, may apply for licensure. The applicant must submit an application and fee as prescribed by the board and the diploma or certificate of dental assisting. In the case of examinations conducted pursuant to section 150A.03, subdivision 1, applicants shall take the examination before applying to the board for licensure. The examination shall include an examination of the applicant's knowledge of the laws of Minnesota relating to dentistry and the rules of the board. An applicant is ineligible to retake the licensure examination required by the board after failing it twice until further education and training are obtained as specified by board rule. A separate, nonrefundable fee may be charged for each time a person applies. An applicant who passes the examination in compliance with subdivision 2b, abides by professional ethical conduct requirements, and meets all the other requirements of the board shall be licensed as a dental assistant.

Sec. 11. Minnesota Statutes 2012, section 150A.06, subdivision 2d, is amended to read:

Subd. 2d. **Continuing education and professional development waiver.** (a) The board shall grant a waiver to the continuing education requirements under this chapter for a licensed dentist, licensed dental therapist, licensed dental hygienist, or licensed dental assistant who documents to the satisfaction of the board that the dentist, dental therapist, dental hygienist, or licensed dental assistant has retired from active practice in the state and limits the provision of dental care services to those offered without compensation in a public health, community, or tribal clinic or a nonprofit organization that provides services to the indigent or to recipients of medical assistance, general assistance medical care, or MinnesotaCare programs.

(b) The board may require written documentation from the volunteer and retired dentist, dental therapist, dental hygienist, or licensed dental assistant prior to granting this waiver.

(c) The board shall require the volunteer and retired dentist, dental therapist, dental hygienist, or licensed dental assistant to meet the following requirements:

(1) a licensee seeking a waiver under this subdivision must complete and document at least five hours of approved courses in infection control, medical emergencies, and medical management for the continuing education cycle; and

(2) provide documentation of current CPR certification from completion of the American Heart Association healthcare provider course; or the American Red Cross professional rescuer course; ~~or an equivalent entity.~~

Sec. 12. Minnesota Statutes 2012, section 150A.06, subdivision 3, is amended to read:

Subd. 3. **Waiver of examination.** (a) All or any part of the examination for dentists or dental hygienists, except that pertaining to the law of Minnesota relating to dentistry and the rules of the board, may, at the discretion of the board, be waived for an applicant who presents a certificate of

having passed all components of the National Board Dental Examinations or evidence of having maintained an adequate scholastic standing as determined by the board, in dental school as to dentists, or dental hygiene school as to dental hygienists.

(b) The board shall waive the clinical examination required for licensure for any dentist applicant who is a graduate of a dental school accredited by the Commission on Dental Accreditation of the American Dental Association, who has passed all components of the National Board Dental Examinations, and who has satisfactorily completed a Minnesota-based postdoctoral general dentistry residency program (GPR) or an advanced education in general dentistry (AEGD) program after January 1, 2004. The postdoctoral program must be accredited by the Commission on Dental Accreditation of the American Dental Association, be of at least one year's duration, and include an outcome assessment evaluation assessing the resident's competence to practice dentistry. The board may require the applicant to submit any information deemed necessary by the board to determine whether the waiver is applicable. ~~The board may waive the clinical examination for an applicant who meets the requirements of this paragraph and has satisfactorily completed an accredited postdoctoral general dentistry residency program located outside of Minnesota.~~

Sec. 13. Minnesota Statutes 2012, section 150A.06, subdivision 8, is amended to read:

Subd. 8. **Licensure by credentials.** (a) Any dental assistant may, upon application and payment of a fee established by the board, apply for licensure based on an evaluation of the applicant's education, experience, and performance record in lieu of completing a board-approved dental assisting program for expanded functions as defined in rule, and may be interviewed by the board to determine if the applicant:

(1) has graduated from an accredited dental assisting program accredited by the Commission of on Dental Accreditation of the American Dental Association, or is currently certified by the Dental Assisting National Board;

(2) is not subject to any pending or final disciplinary action in another state or Canadian province, or if not currently certified or registered, previously had a certification or registration in another state or Canadian province in good standing that was not subject to any final or pending disciplinary action at the time of surrender;

(3) is of good moral character and abides by professional ethical conduct requirements;

(4) at board discretion, has passed a board-approved English proficiency test if English is not the applicant's primary language; and

(5) has met all expanded functions curriculum equivalency requirements of a Minnesota board-approved dental assisting program.

(b) The board, at its discretion, may waive specific licensure requirements in paragraph (a).

(c) An applicant who fulfills the conditions of this subdivision and demonstrates the minimum knowledge in dental subjects required for licensure under subdivision 2a must be licensed to practice the applicant's profession.

(d) If the applicant does not demonstrate the minimum knowledge in dental subjects required for licensure under subdivision 2a, the application must be denied. If licensure is denied, the board may notify the applicant of any specific remedy that the applicant could take which, when passed,

would qualify the applicant for licensure. A denial does not prohibit the applicant from applying for licensure under subdivision 2a.

(e) A candidate whose application has been denied may appeal the decision to the board according to subdivision 4a.

Sec. 14. Minnesota Statutes 2012, section 150A.091, subdivision 3, is amended to read:

Subd. 3. **Initial license or permit fees.** Along with the application fee, each of the following applicants shall submit a separate ~~prorated~~ initial license or permit fee. The ~~prorated~~ initial fee shall be established by the board ~~based on the number of months of the applicant's initial term as described in Minnesota Rules, part 3100.1700, subpart 1a;~~ not to exceed the following monthly nonrefundable fee amounts:

- (1) dentist or full faculty dentist, ~~\$14 times the number of months of the initial term~~ \$168;
- (2) dental therapist, ~~\$10 times the number of months of the initial term~~ \$120;
- (3) dental hygienist, ~~\$5 times the number of months of the initial term~~ \$60;
- (4) licensed dental assistant, ~~\$3 times the number of months of the initial term~~ \$36; and
- (5) dental assistant with a permit as described in Minnesota Rules, part 3100.8500, subpart 3, ~~\$1 times the number of months of the initial term~~ \$12.

Sec. 15. Minnesota Statutes 2012, section 150A.091, subdivision 8, is amended to read:

Subd. 8. **Duplicate license or certificate fee.** Each applicant shall submit, with a request for issuance of a duplicate of the original license, or of an annual or biennial renewal certificate for a license or permit, a fee in the following amounts:

- (1) original dentist, full faculty dentist, dental therapist, dental hygiene, or dental assistant license, \$35; ~~and~~
- (2) annual or biennial renewal certificates, \$10; ~~and~~
- (3) wallet-sized license and renewal certificate, \$15.

Sec. 16. Minnesota Statutes 2012, section 150A.091, subdivision 16, is amended to read:

Subd. 16. **Failure of professional development portfolio audit.** ~~A licensee shall submit a fee as established by the board not to exceed the amount of \$250 after failing two consecutive professional development portfolio audits and, thereafter, for each failed~~ (a) If a licensee fails a professional development portfolio audit under Minnesota Rules, part 3100.5300, the board is authorized to take the following actions:

- (1) for the first failure, the board may issue a warning to the licensee;
- (2) for the second failure within ten years, the board may assess a penalty of not more than \$250;
and
- (3) for any additional failures within the ten year period, the board may assess a penalty of not more than \$1000.

(b) In addition to the penalty fee, the board may initiate the complaint process to address multiple failed audits.

Sec. 17. Minnesota Statutes 2012, section 150A.10, is amended to read:

150A.10 ALLIED DENTAL PERSONNEL.

Subdivision 1. **Dental hygienists.** Any licensed dentist, licensed dental therapist, public institution, or school authority may obtain services from a licensed dental hygienist. The licensed dental hygienist may provide those services defined in section 150A.05, subdivision 1a. The services provided shall not include the establishment of a final diagnosis or treatment plan for a dental patient. All services shall be provided under supervision of a licensed dentist. Any licensed dentist who shall permit any dental service by a dental hygienist other than those authorized by the Board of Dentistry, shall be deemed to be violating the provisions of sections 150A.01 to 150A.12, and any unauthorized dental service by a dental hygienist shall constitute a violation of sections 150A.01 to 150A.12.

Subd. 1a. **Limited authorization for dental hygienists.** (a) Notwithstanding subdivision 1, a dental hygienist licensed under this chapter may be employed or retained by a health care facility, program, or nonprofit organization to perform dental hygiene services described under paragraph (b) without the patient first being examined by a licensed dentist if the dental hygienist:

(1) has been engaged in the active practice of clinical dental hygiene for not less than 2,400 hours in the past 18 months or a career total of 3,000 hours, including a minimum of 200 hours of clinical practice in two of the past three years;

(2) has entered into a collaborative agreement with a licensed dentist that designates authorization for the services provided by the dental hygienist;

(3) has documented participation in courses in infection control and medical emergencies within each continuing education cycle; and

(4) maintains current CPR certification from completion of the American Heart Association healthcare provider course; or the American Red Cross professional rescuer course; or an equivalent entity.

(b) The dental hygiene services authorized to be performed by a dental hygienist under this subdivision are limited to:

(1) oral health promotion and disease prevention education;

(2) removal of deposits and stains from the surfaces of the teeth;

(3) application of topical preventive or prophylactic agents, including fluoride varnishes and pit and fissure sealants;

(4) polishing and smoothing restorations;

(5) removal of marginal overhangs;

(6) performance of preliminary charting;

(7) taking of radiographs; and

(8) performance of scaling and root planing.

The dental hygienist may administer injections of local anesthetic agents or nitrous oxide inhalation analgesia as specifically delegated in the collaborative agreement with a licensed dentist. The dentist need not first examine the patient or be present. If the patient is considered medically compromised, the collaborative dentist shall review the patient record, including the medical history, prior to the provision of these services. Collaborating dental hygienists may work with unlicensed and licensed dental assistants who may only perform duties for which licensure is not required. The performance of dental hygiene services in a health care facility, program, or nonprofit organization as authorized under this subdivision is limited to patients, students, and residents of the facility, program, or organization.

(c) A collaborating dentist must be licensed under this chapter and may enter into a collaborative agreement with no more than four dental hygienists unless otherwise authorized by the board. The board shall develop parameters and a process for obtaining authorization to collaborate with more than four dental hygienists. The collaborative agreement must include:

(1) consideration for medically compromised patients and medical conditions for which a dental evaluation and treatment plan must occur prior to the provision of dental hygiene services;

(2) age- and procedure-specific standard collaborative practice protocols, including recommended intervals for the performance of dental hygiene services and a period of time in which an examination by a dentist should occur;

(3) copies of consent to treatment form provided to the patient by the dental hygienist;

(4) specific protocols for the placement of pit and fissure sealants and requirements for follow-up care to assure the efficacy of the sealants after application; and

(5) a procedure for creating and maintaining dental records for the patients that are treated by the dental hygienist. This procedure must specify where these records are to be located.

The collaborative agreement must be signed and maintained by the dentist, the dental hygienist, and the facility, program, or organization; must be reviewed annually by the collaborating dentist and dental hygienist; and must be made available to the board upon request.

(d) Before performing any services authorized under this subdivision, a dental hygienist must provide the patient with a consent to treatment form which must include a statement advising the patient that the dental hygiene services provided are not a substitute for a dental examination by a licensed dentist. If the dental hygienist makes any referrals to the patient for further dental procedures, the dental hygienist must fill out a referral form and provide a copy of the form to the collaborating dentist.

(e) For the purposes of this subdivision, a "health care facility, program, or nonprofit organization" is limited to a hospital; nursing home; home health agency; group home serving the elderly, disabled, or juveniles; state-operated facility licensed by the commissioner of human services or the commissioner of corrections; and federal, state, or local public health facility, community clinic, tribal clinic, school authority, Head Start program, or nonprofit organization that serves individuals who are uninsured or who are Minnesota health care public program recipients.

(f) For purposes of this subdivision, a "collaborative agreement" means a written agreement with a licensed dentist who authorizes and accepts responsibility for the services performed by the dental hygienist. The services authorized under this subdivision and the collaborative agreement may be

performed without the presence of a licensed dentist and may be performed at a location other than the usual place of practice of the dentist or dental hygienist and without a dentist's diagnosis and treatment plan, unless specified in the collaborative agreement.

Subd. 2. **Dental assistants.** Every licensed dentist and dental therapist who uses the services of any unlicensed person for the purpose of assistance in the practice of dentistry or dental therapy shall be responsible for the acts of such unlicensed person while engaged in such assistance. The dentist or dental therapist shall permit the unlicensed assistant to perform only those acts which are authorized to be delegated to unlicensed assistants by the Board of Dentistry. The acts shall be performed under supervision of a licensed dentist or dental therapist. A licensed dental therapist shall not supervise more than four ~~registered~~ licensed or unlicensed dental assistants at any one practice setting. The board may permit differing levels of dental assistance based upon recognized educational standards, approved by the board, for the training of dental assistants. The board may also define by rule the scope of practice of licensed and unlicensed dental assistants. The board by rule may require continuing education for differing levels of dental assistants, as a condition to their license or authority to perform their authorized duties. Any licensed dentist or dental therapist who permits an unlicensed assistant to perform any dental service other than that authorized by the board shall be deemed to be enabling an unlicensed person to practice dentistry, and commission of such an act by an unlicensed assistant shall constitute a violation of sections 150A.01 to 150A.12.

Subd. 3. **Dental technicians.** Every licensed dentist and dental therapist who uses the services of any unlicensed person, other than under the dentist's or dental therapist's supervision and within the same practice setting, for the purpose of constructing, altering, repairing or duplicating any denture, partial denture, crown, bridge, splint, orthodontic, prosthetic or other dental appliance, shall be required to furnish such unlicensed person with a written work order in such form as shall be prescribed by the rules of the board. The work order shall be made in duplicate form, a duplicate copy to be retained in a permanent file of the dentist or dental therapist at the practice setting for a period of two years, and the original to be retained in a permanent file for a period of two years by the unlicensed person in that person's place of business. The permanent file of work orders to be kept by the dentist, dental therapist, or unlicensed person shall be open to inspection at any reasonable time by the board or its duly constituted agent.

Subd. 4. **Restorative procedures.** (a) Notwithstanding subdivisions 1, 1a, and 2, a licensed dental hygienist or licensed dental assistant may perform the following restorative procedures:

- (1) place, contour, and adjust amalgam restorations;
- (2) place, contour, and adjust glass ionomer;
- (3) adapt and cement stainless steel crowns; ~~and~~
- (4) place, contour, and adjust class I and class V supragingival composite restorations where the margins are entirely within the enamel; and
- (5) place, contour, and adjust class II and class V supragingival composite restorations on primary teeth.

(b) The restorative procedures described in paragraph (a) may be performed only if:

- (1) the licensed dental hygienist or licensed dental assistant has completed a board-approved course on the specific procedures;

(2) the board-approved course includes a component that sufficiently prepares the licensed dental hygienist or licensed dental assistant to adjust the occlusion on the newly placed restoration;

(3) a licensed dentist or licensed advanced dental therapist has authorized the procedure to be performed; and

(4) a licensed dentist or licensed advanced dental therapist is available in the clinic while the procedure is being performed.

(c) The dental faculty who teaches the educators of the board-approved courses specified in paragraph (b) must have prior experience teaching these procedures in an accredited dental education program.

Sec. 18. Minnesota Statutes 2012, section 214.09, subdivision 3, is amended to read:

Subd. 3. **Compensation.** ~~(a) Members of the boards may be compensated at the rate of \$55 a day spent on board activities, when authorized by the board, plus expenses in~~ Members of health-related licensing boards may be compensated at the rate of \$75 a day spent on board activities and members of nonhealth-related licensing boards may be compensated at the rate of \$55 a day spent on board activities when authorized by the board, plus expenses in the same manner and amount as authorized by the commissioner's plan adopted under section 43A.18, subdivision 2. Members who, as a result of time spent attending board meetings, incur child care expenses that would not otherwise have been incurred, may be reimbursed for those expenses upon board authorization.

(b) Members who are state employees or employees of the political subdivisions of the state must not receive the daily payment for activities that occur during working hours for which they are also compensated by the state or political subdivision. However, a state or political subdivision employee may receive the daily payment if the employee uses vacation time or compensatory time accumulated in accordance with a collective bargaining agreement or compensation plan for board activity. Members who are state employees or employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source. Members who are state employees or employees of political subdivisions of the state may be reimbursed for child care expenses only for time spent on board activities that are outside their working hours.

(c) Each board must adopt internal standards prescribing what constitutes a day spent on board activities for purposes of making daily payments under this subdivision.

Sec. 19. Minnesota Statutes 2012, section 214.32, is amended by adding a subdivision to read:

Subd. 6. **Duties of a participating board.** Upon receiving a report from the program manager in accordance with section 214.33, subdivision 3, that a regulated person has been discharged from the program due to noncompliance based on allegations that the regulated person has engaged in conduct that might cause risk to the public, the participating board may temporarily suspend the regulated person's professional license until the completion of a disciplinary investigation. The board must complete the disciplinary investigation within 60 days of receipt of the report from the program. If the investigation is not completed by the board within 60 days, the temporary suspension shall be lifted, unless the regulated person requests a delay in the disciplinary proceedings for any reason, upon which the temporary suspension shall remain in place until the completion of the investigation.

Sec. 20. Minnesota Statutes 2012, section 214.33, subdivision 3, is amended to read:

Subd. 3. **Program manager.** (a) The program manager shall report to the appropriate participating board a regulated person who:

- (1) does not meet program admission criteria;
- (2) violates the terms of the program participation agreement; ~~or;~~
- (3) leaves or is discharged from the program except upon fulfilling the terms for successful completion of the program as set forth in the participation agreement;
- (4) is subject to the provisions of sections 214.17 to 214.25;
- (5) causes identifiable patient harm;
- (6) unlawfully substitutes or adulterates medications;
- (7) writes a prescription or causes a prescription to be dispensed in the name of a person, other than the prescriber, or veterinary patient for the personal use of the prescriber;
- (8) alters a prescription without the knowledge of the prescriber for the purpose of obtaining a drug for personal use;
- (9) unlawfully uses a controlled or mood-altering substance or uses alcohol while providing patient care or during the period of time in which the regulated person may be contacted to provide patient care or is otherwise on duty, if current use is the reason for participation in the program or the use occurs while the regulated person is participating in the program; or

~~The program manager shall report to the appropriate participating board a regulated person who~~ (10) is alleged to have committed violations of the person's practice act that are outside the authority of the health professionals services program as described in sections 214.31 to 214.37.

(b) The program manager shall inform any reporting person of the disposition of the person's report to the program.

EFFECTIVE DATE. This section is effective August 1, 2014, and applies to violations that occur after the effective date.

Sec. 21. Minnesota Statutes 2013 Supplement, section 364.09, is amended to read:

364.09 EXCEPTIONS.

(a) This chapter does not apply to the licensing process for peace officers; to law enforcement agencies as defined in section 626.84, subdivision 1, paragraph (f); to fire protection agencies; to eligibility for a private detective or protective agent license; to the licensing and background study process under chapters 245A and 245C; to eligibility for school bus driver endorsements; to eligibility for special transportation service endorsements; to eligibility for a commercial driver training instructor license, which is governed by section 171.35 and rules adopted under that section; to emergency medical services personnel, or to the licensing by political subdivisions of taxicab drivers, if the applicant for the license has been discharged from sentence for a conviction within the ten years immediately preceding application of a violation of any of the following:

- (1) sections 609.185 to 609.21, 609.221 to 609.223, 609.342 to 609.3451, or 617.23, subdivision 2 or 3;

(2) any provision of chapter 152 that is punishable by a maximum sentence of 15 years or more;
or

(3) a violation of chapter 169 or 169A involving driving under the influence, leaving the scene of an accident, or reckless or careless driving.

This chapter also shall not apply to eligibility for juvenile corrections employment, where the offense involved child physical or sexual abuse or criminal sexual conduct.

(b) This chapter does not apply to a school district or to eligibility for a license issued or renewed by the Board of Teaching or the commissioner of education.

(c) Nothing in this section precludes the Minnesota Police and Peace Officers Training Board or the state fire marshal from recommending policies set forth in this chapter to the attorney general for adoption in the attorney general's discretion to apply to law enforcement or fire protection agencies.

(d) This chapter does not apply to a license to practice medicine that has been denied or revoked by the Board of Medical Practice pursuant to section 147.091, subdivision 1a.

(e) This chapter does not apply to any person who has been denied a license to practice chiropractic or whose license to practice chiropractic has been revoked by the board in accordance with section 148.10, subdivision 7.

(f) This chapter does not apply to any license, registration, or permit that has been denied or revoked by the Board of Nursing in accordance with section 148.261, subdivision 1a.

(f)(g) This chapter does not supersede a requirement under law to conduct a criminal history background investigation or consider criminal history records in hiring for particular types of employment.

				<u>APPROPRIATIONS</u>	
				<u>Available for the Year</u>	
				<u>Ending June 30</u>	
				<u>2014</u>	<u>2015</u>
Sec. 22. <u>APPROPRIATIONS</u>	<u>\$</u>		<u>\$</u>		
<u>Board of Behavioral Health and Therapy</u>			<u>-0-</u>	<u>8,000</u>	
<u>This appropriation is from the state government special revenue fund for board member per diem payments and licensing activity.</u>					
<u>Board of Chiropractic Examiners</u>			<u>-0-</u>	<u>3,000</u>	
<u>This appropriation is from the state government special revenue fund for board member per diem payments.</u>					

<u>Board of Dentistry</u>	<u>-0-</u>	<u>17,000</u>
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This appropriation is from the state government special revenue fund for board member per diem payments.

<u>Board of Dietetics and Nutrition Practice</u>	<u>-0-</u>	<u>1,000</u>
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This appropriation is from the state government special revenue fund for board member per diem payments.

<u>Board of Marriage and Family Therapy</u>	<u>-0-</u>	<u>4,000</u>
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This appropriation is from the state government special revenue fund for board member per diem payments and licensing activity.

<u>Board of Medical Practice</u>	<u>-0-</u>	<u>38,000</u>
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This appropriation is from the state government special revenue fund for board member per diem payments.

<u>Board of Nursing</u>	<u>-0-</u>	<u>258,000</u>
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This appropriation is from the state government special revenue fund for board member per diem payments and licensing activity.

<u>Board of Nursing Home Administrators</u>	<u>-0-</u>	<u>2,000</u>
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This appropriation is from the state government special revenue fund for board member per diem payments.

<u>Board of Optometry</u>	<u>-0-</u>	<u>1,000</u>
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This appropriation is from the state government special revenue fund for board member per diem payments.

<u>Board of Pharmacy</u>	<u>-0-</u>	<u>2,000</u>
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This appropriation is from the state government special revenue fund for board member per diem payments.

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Board of Physical Therapy -0- 4,000

This appropriation is from the state government special revenue fund for board member per diem payments.

Board of Podiatric Medicine -0- 1,000

This appropriation is from the state government special revenue fund for board member per diem payments.

Board of Psychology -0- 4,000

This appropriation is from the state government special revenue fund for board member per diem payments.

Board of Social Work -0- 17,000

This appropriation is from the state government special revenue fund for board member per diem payments and licensing activity.

Board of Veterinary Medicine -0- 2,000

This appropriation is from the state government special revenue fund for board member per diem payments.

ARTICLE 2

BOARD OF PHARMACY

Section 1. Minnesota Statutes 2012, section 151.01, is amended to read:

151.01 DEFINITIONS.

Subdivision 1. **Words, terms, and phrases.** Unless the language or context clearly indicates that a different meaning is intended, the following words, terms, and phrases, for the purposes of this chapter, shall be given the meanings subjoined to them.

Subd. 2. **Pharmacy.** "Pharmacy" means ~~an established~~ a place of business in which ~~prescriptions, prescription drugs, medicines, chemicals, and poisons~~ are prepared, compounded, or dispensed, vended, or sold to or for the use of patients by or under the supervision of a pharmacist and from which related clinical pharmacy services are delivered.

Subd. 2a. **Limited service pharmacy.** "Limited service pharmacy" means a pharmacy that has been issued a restricted license by the board to perform a limited range of the activities that constitute the practice of pharmacy.

Subd. 3. **Pharmacist.** The term "pharmacist" means an individual with a currently valid license issued by the Board of Pharmacy to practice pharmacy.

Subd. 5. **Drug.** The term "drug" means all medicinal substances and preparations recognized by the United States Pharmacopoeia and National Formulary, or any revision thereof, vaccines and biologicals, and all substances and preparations intended for external and internal use in the diagnosis, cure, mitigation, treatment, or prevention of disease in humans or other animals, and all substances and preparations, other than food, intended to affect the structure or any function of the bodies of humans or other animals. The term drug shall also mean any compound, substance, or derivative that is not approved for human consumption by the United States Food and Drug Administration or specifically permitted for human consumption under Minnesota law and, when introduced into the body, induces an effect similar to that of a Schedule I or Schedule II controlled substance listed in section 152.02, subdivisions 2 and 3, or Minnesota Rules, parts 6800.4210 and 6800.4220, regardless of whether the substance is marketed for the purpose of human consumption.

Subd. 6. **Medicine.** The term "medicine" means any remedial agent that has the property of curing, preventing, treating, or mitigating diseases, or that is used for that purpose.

Subd. 7. **Poisons.** The term "poisons" means any substance ~~which~~ that, when introduced into the system, directly or by absorption, produces violent, morbid, or fatal changes, or ~~which~~ that destroys living tissue with which it comes in contact.

Subd. 8. **Chemical.** The term "chemical" means all medicinal or industrial substances, whether simple or compound, or obtained through the process of the science and art of chemistry, whether of organic or inorganic origin.

Subd. 9. **Board or State Board of Pharmacy.** The term "board" or "State Board of Pharmacy" means the Minnesota State Board of Pharmacy.

Subd. 10. **Director.** The term "director" means the executive director of the Minnesota State Board of Pharmacy.

Subd. 11. **Person.** The term "person" means an individual, firm, partnership, company, corporation, trustee, association, agency, or other public or private entity.

Subd. 12. **Wholesale.** The term "wholesale" means and includes any sale for the purpose of resale.

Subd. 13. **Commercial purposes.** The phrase "commercial purposes" means the ordinary purposes of trade, agriculture, industry, and commerce, exclusive of the practices of medicine ~~and~~, pharmacy, and other health care professions.

Subd. 14. **Manufacturing.** The term "manufacturing" ~~except in the case of bulk compounding, prepackaging or extemporaneous compounding within a pharmacy, means and includes the production, quality control and standardization by mechanical, physical, chemical, or pharmaceutical means, packing, repacking, tableting, encapsulating, labeling, relabeling, filling or by any other process, of all drugs, medicines, chemicals, or poisons, without exception, for medicinal purposes: preparation, propagation, conversion, or processing of a drug, either directly or indirectly, by extraction from substances of natural origin or independently by means of chemical or biological synthesis. Manufacturing includes the packaging or repackaging of a drug, or the labeling or relabeling of the container of a drug, for resale by pharmacies, practitioners, or~~

other persons. Manufacturing does not include the prepackaging, extemporaneous compounding, or anticipatory compounding of a drug within a licensed pharmacy or by a practitioner, nor the labeling of a container within a pharmacy or by a practitioner for the purpose of dispensing a drug to a patient pursuant to a valid prescription.

Subd. 14a. **Manufacturer.** The term "manufacturer" means any person engaged in manufacturing.

Subd. 14b. **Outsourcing facility.** "Outsourcing facility" means a facility that is registered by the United States Food and Drug Administration pursuant to United States Code, title 21, section 353b.

Subd. 15. **Pharmacist intern.** The term "pharmacist intern" means (1) a natural person satisfactorily progressing toward the degree in pharmacy required for licensure, or (2) a graduate of the University of Minnesota College of Pharmacy, or other pharmacy college approved by the board, who is registered by the State Board of Pharmacy for the purpose of obtaining practical experience as a requirement for licensure as a pharmacist, or (3) a qualified applicant awaiting examination for licensure.

Subd. 15a. **Pharmacy technician.** The term "pharmacy technician" means a person not licensed as a pharmacist or a pharmacist intern, who assists the pharmacist in the preparation and dispensing of medications by performing computer entry of prescription data and other manipulative tasks. A pharmacy technician shall not perform tasks specifically reserved to a licensed pharmacist or requiring professional judgment.

Subd. 16. **Prescription drug order.** The term "prescription drug order" means a signed lawful written order, or an, oral, or electronic order reduced to writing, given by of a practitioner licensed to prescribe drugs for patients in the course of the practitioner's practice, issued for an individual patient and containing the following: the date of issue, name and address of the patient, name and quantity of the drug prescribed, directions for use, and the name and address of the prescriber. for a drug for a specific patient. Prescription drug orders for controlled substances must be prepared in accordance with the provisions of section 152.11 and the federal Controlled Substances Act and the regulations promulgated thereunder.

Subd. 16a. **Prescription.** The term "prescription" means a prescription drug order that is written or printed on paper, an oral order reduced to writing by a pharmacist, or an electronic order. To be valid, a prescription must be issued for an individual patient by a practitioner within the scope and usual course of the practitioner's practice, and must contain the date of issue, name and address of the patient, name and quantity of the drug prescribed, directions for use, the name and address of the practitioner, and a telephone number at which the practitioner can be reached. A prescription written or printed on paper that is given to the patient or an agent of the patient or that is transmitted by fax must contain the practitioner's manual signature. An electronic prescription must contain the practitioner's electronic signature.

Subd. 16b. **Chart order.** The term "chart order" means a prescription drug order for a drug that is to be dispensed by a pharmacist, or by a pharmacist intern under the direct supervision of a pharmacist, and administered by an authorized person only during the patient's stay in a hospital or long-term care facility. The chart order shall contain the name of the patient, another patient identifier such as birth date or medical record number, the drug ordered, and any directions that the practitioner may prescribe concerning strength, dosage, frequency, and route of administration. The

manual or electronic signature of the practitioner must be affixed to the chart order at the time it is written or at a later date in the case of verbal chart orders.

Subd. 17. **Legend drug.** "Legend drug" means a drug ~~which~~ that is required by federal law to bear the following statement, "Caution: Federal law prohibits dispensing without prescription." be dispensed only pursuant to the prescription of a licensed practitioner.

Subd. 18. **Label.** "Label" means a display of written, printed, or graphic matter upon the immediate container of any drug or medicine; ~~and a requirement made by or under authority of Laws 1969, chapter 933 that.~~ Any word, statement, or other information appearing required by or under the authority of this chapter to appear on the label shall not be considered to be complied with unless such word, statement, or other information also appears appear on the outside container or wrapper, if any there be, of the retail package of such drug or medicine, or is be easily legible through the outside container or wrapper.

Subd. 19. **Package.** "Package" means any container or wrapping in which any drug or medicine is enclosed for use in the delivery or display of that article to retail purchasers, but does not include:

(a) shipping containers or wrappings used solely for the transportation of any such article in bulk or in quantity to manufacturers, packers, processors, or wholesale or retail distributors;

(b) shipping containers or outer wrappings used by retailers to ship or deliver any such article to retail customers if such containers and wrappings bear no printed matter pertaining to any particular drug or medicine.

Subd. 20. **Labeling.** "Labeling" means all labels and other written, printed, or graphic matter (a) upon a drug or medicine or any of its containers or wrappers, or (b) accompanying such article.

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

Subd. 22. **Pharmacist in charge.** "Pharmacist in charge" means a duly licensed pharmacist in the state of Minnesota who has been designated in accordance with the rules of the State Board of Pharmacy to assume professional responsibility for the operation of the pharmacy in compliance with the requirements and duties as established by the board in its rules.

Subd. 23. **Practitioner.** "Practitioner" means a licensed doctor of medicine, licensed doctor of osteopathy duly licensed to practice medicine, licensed doctor of dentistry, licensed doctor of optometry, licensed podiatrist, or licensed veterinarian. For purposes of sections 151.15, subdivision 4; 151.252, subdivision 3; 151.37, subdivision 2, paragraphs (b), (e), and (f); and 151.461, "practitioner" also means a physician assistant authorized to prescribe, dispense, and administer under chapter 147A, or an advanced practice nurse authorized to prescribe, dispense, and administer under section 148.235. For purposes of sections 151.15, subdivision 4; 151.252, subdivision 3; 151.37, subdivision 2, paragraph (b); and 151.461, "practitioner" also means a dental therapist authorized to dispense and administer under chapter 150A.

Subd. 24. **Brand name.** "Brand name" means the registered trademark name given to a drug product by its manufacturer, labeler or distributor.

Subd. 25. **Generic name.** "Generic name" means the established name or official name of a drug or drug product.

Subd. 26. **Finished dosage form.** "Finished dosage form" means that form of a drug ~~which that~~ is or is intended to be dispensed or administered to the patient and requires no further manufacturing or processing other than packaging, reconstitution, or labeling.

Subd. 27. **Practice of pharmacy.** "Practice of pharmacy" means:

- (1) interpretation and evaluation of prescription drug orders;
- (2) compounding, labeling, and dispensing drugs and devices (except labeling by a manufacturer or packager of nonprescription drugs or commercially packaged legend drugs and devices);
- (3) participation in clinical interpretations and monitoring of drug therapy for assurance of safe and effective use of drugs, including the performance of laboratory tests that are waived under the federal Clinical Laboratory Improvement Act of 1988, United States Code, title 42, section 263a et seq., provided that a pharmacist may interpret the results of laboratory tests but may modify drug therapy only pursuant to a protocol or collaborative practice agreement;
- (4) participation in drug and therapeutic device selection; drug administration for first dosage and medical emergencies; drug regimen reviews; and drug or drug-related research;
- (5) participation in administration of influenza vaccines to all eligible individuals ten years of age and older and all other vaccines to patients 18 years of age and older ~~under standing orders from a physician licensed under chapter 147 or by written protocol with a physician licensed under chapter 147, a physician assistant authorized to prescribe drugs under chapter 147A, or an advanced practice nurse authorized to prescribe drugs under section 148.235, provided that:~~
 - (i) the protocol includes, at a minimum:
 - (A) the name, dose, and route of each vaccine that may be given;
 - (B) the patient population for whom the vaccine may be given;
 - (C) contraindications and precautions to the vaccine;
 - (D) the procedure for handling an adverse reaction;
 - (E) the name, signature, and address of the physician, physician assistant, or advanced nurse practitioner;
 - (F) a telephone number at which the physician, physician assistant, or advanced nurse practitioner can be contacted; and
 - (G) the date and time period for which the protocol is valid;
 - (i) (ii) the pharmacist ~~is trained in~~ has successfully completed a program approved by the American Accreditation Council of Pharmaceutical for Pharmacy Education specifically for the administration of immunizations or graduated from a college of pharmacy in 2001 or thereafter a program approved by the board; and
 - (ii) (iii) the pharmacist reports the administration of the immunization to the patient's primary physician or clinic or to the Minnesota Immunization Information Connection; and
 - (iii) (iv) the pharmacist complies with guidelines for vaccines and immunizations established by the federal Advisory Committee on Immunization Practices, except that a pharmacist does not need to comply with those portions of the guidelines that establish immunization schedules when

administering a vaccine pursuant to a valid, patient-specific order issued by a physician licensed under chapter 147, a physician assistant authorized to prescribe drugs under chapter 147A, or an advanced practice nurse authorized to prescribe drugs under section 148.235, provided that the order is consistent with the United States Food and Drug Administration approved labeling of the vaccine;

(6) participation in the practice of managing drug therapy and modifying initiation, management, modification, and discontinuation of drug therapy, according to section 151.21, subdivision 1, according to a written protocol or collaborative practice agreement between the specific pharmacist: (i) one or more pharmacists and the individual dentist, optometrist, physician, podiatrist, or veterinarian who is responsible for the patient's care and authorized to independently prescribe drugs one or more dentists, optometrists, physicians, podiatrists, or veterinarians; or (ii) one or more pharmacists and one or more physician assistants authorized to prescribe, dispense, and administer under chapter 147A, or advanced practice nurses authorized to prescribe, dispense, and administer under section 148.235. Any significant changes in drug therapy made pursuant to a protocol or collaborative practice agreement must be reported documented by the pharmacist to in the patient's medical record or reported by the pharmacist to a practitioner responsible for the patient's care;

(7) participation in the storage of drugs and the maintenance of records;

(8) ~~responsibility for participation in patient counseling on therapeutic values, content, hazards, and uses of drugs and devices; and~~

(9) offering or performing those acts, services, operations, or transactions necessary in the conduct, operation, management, and control of a pharmacy.

Subd. 27a. **Protocol.** "Protocol" means:

(1) a specific written plan that describes the nature and scope of activities that a pharmacist may engage in when initiating, managing, modifying, or discontinuing drug therapy as allowed in subdivision 27, clause (6); or

(2) a specific written plan that authorizes a pharmacist to administer vaccines and that complies with subdivision 27, clause (5).

Subd. 27b. **Collaborative practice.** "Collaborative practice" means patient care activities, consistent with subdivision 27, engaged in by one or more pharmacists who have agreed to work in collaboration with one or more practitioners to initiate, manage, and modify drug therapy under specified conditions mutually agreed to by the pharmacists and practitioners.

Subd. 27c. **Collaborative practice agreement.** "Collaborative practice agreement" means a written and signed agreement between one or more pharmacists and one or more practitioners that allows the pharmacist or pharmacists to engage in collaborative practice.

Subd. 28. **Veterinary legend drug.** "Veterinary legend drug" means a drug that is required by federal law to bear the following statement: "Caution: Federal law restricts this drug to use by or on the order of a licensed veterinarian." be dispensed only pursuant to the prescription of a licensed veterinarian.

Subd. 29. **Legend medical gas.** "Legend medical gas" means a liquid or gaseous substance used for medical purposes and that is required by federal law to bear the following statement:

"Caution: Federal law prohibits dispensing without a prescription." be dispensed only pursuant to the prescription of a licensed practitioner.

Subd. 30. **Dispense or dispensing.** "Dispense or dispensing" means the preparation or delivery of a drug pursuant to a lawful order of a practitioner in a suitable container appropriately labeled for subsequent administration to or use by a patient or other individual entitled to receive the drug; interpretation, evaluation, and processing of a prescription drug order and includes those processes specified by the board in rule that are necessary for the preparation and provision of a drug to a patient or patient's agent in a suitable container appropriately labeled for subsequent administration to, or use by, a patient.

Subd. 31. **Central service pharmacy.** "Central service pharmacy" means a pharmacy that may provide dispensing functions, drug utilization review, packaging, labeling, or delivery of a prescription product to another pharmacy for the purpose of filling a prescription.

Subd. 32. **Electronic signature.** "Electronic signature" means an electronic sound, symbol, or process attached to or associated with a record and executed or adopted by a person with the intent to sign the record.

Subd. 33. **Electronic transmission.** "Electronic transmission" means transmission of information in electronic form.

Subd. 34. **Health professional shortage area.** "Health professional shortage area" means an area designated as such by the federal Secretary of Health and Human Services, as provided under Code of Federal Regulations, title 42, part 5, and United States Code, title 42, section 254E.

Subd. 35. **Compounding.** "Compounding" means preparing, mixing, assembling, packaging, and labeling a drug for an identified individual patient as a result of a practitioner's prescription drug order. Compounding also includes anticipatory compounding, as defined in this section, and the preparation of drugs in which all bulk drug substances and components are nonprescription substances. Compounding does not include mixing or reconstituting a drug according to the product's labeling or to the manufacturer's directions. Compounding does not include the preparation of a drug for the purpose of, or incident to, research, teaching, or chemical analysis, provided that the drug is not prepared for dispensing or administration to patients. All compounding, regardless of the type of product, must be done pursuant to a prescription drug order unless otherwise permitted in this chapter or by the rules of the board. Compounding does not include a minor deviation from such directions with regard to radioactivity, volume, or stability, which is made by or under the supervision of a licensed nuclear pharmacist or a physician, and which is necessary in order to accommodate circumstances not contemplated in the manufacturer's instructions, such as the rate of radioactive decay or geographical distance from the patient.

Subd. 36. **Anticipatory compounding.** "Anticipatory compounding" means the preparation by a pharmacy of a supply of a compounded drug product that is sufficient to meet the short-term anticipated need of the pharmacy for the filling of prescription drug orders. In the case of practitioners only, anticipatory compounding means the preparation of a supply of a compounded drug product that is sufficient to meet the practitioner's short-term anticipated need for dispensing or administering the drug to patients treated by the practitioner. Anticipatory compounding is not the preparation of a compounded drug product for wholesale distribution.

Subd. 37. **Extemporaneous compounding.** "Extemporaneous compounding" means the compounding of a drug product pursuant to a prescription drug order for a specific patient that is

issued in advance of the compounding. Extemporaneous compounding is not the preparation of a compounded drug product for wholesale distribution.

Subd. 38. **Compounded positron emission tomography drug.** "Compounded positron emission tomography drug" means a drug that:

(1) exhibits spontaneous disintegration of unstable nuclei by the emission of positrons and is used for the purpose of providing dual photon positron emission tomographic diagnostic images;

(2) has been compounded by or on the order of a practitioner in accordance with the relevant parts of Minnesota Rules, chapters 4731 and 6800, for a patient or for research, teaching, or quality control; and

(3) includes any nonradioactive reagent, reagent kit, ingredient, nuclide generator, accelerator, target material, electronic synthesizer, or other apparatus or computer program to be used in the preparation of such a drug.

Sec. 2. Minnesota Statutes 2012, section 151.06, is amended to read:

151.06 POWERS AND DUTIES.

Subdivision 1. **Generally; rules.** (a) Powers and duties. The Board of Pharmacy shall have the power and it shall be its duty:

(1) to regulate the practice of pharmacy;

(2) to regulate the manufacture, wholesale, and retail sale of drugs within this state;

(3) to regulate the identity, labeling, purity, and quality of all drugs and medicines dispensed in this state, using the United States Pharmacopeia and the National Formulary, or any revisions thereof, or standards adopted under the federal act as the standard;

(4) to enter and inspect by its authorized representative any and all places where drugs, medicines, medical gases, or veterinary drugs or devices are sold, vended, given away, compounded, dispensed, manufactured, wholesaled, or held; it may secure samples or specimens of any drugs, medicines, medical gases, or veterinary drugs or devices after paying or offering to pay for such sample; it shall be entitled to inspect and make copies of any and all records of shipment, purchase, manufacture, quality control, and sale of these items provided, however, that such inspection shall not extend to financial data, sales data, or pricing data;

(5) to examine and license as pharmacists all applicants whom it shall deem qualified to be such;

(6) to license wholesale drug distributors;

(7) to ~~deny, suspend, revoke, or refuse to renew~~ take disciplinary action against any registration or license required under this chapter, ~~to any applicant or registrant or licensee~~ upon any of the following grounds: listed in section 151.071, and in accordance with the provisions of section 151.071;

~~(i) fraud or deception in connection with the securing of such license or registration;~~

~~(ii) in the case of a pharmacist, conviction in any court of a felony;~~

~~(iii) in the case of a pharmacist, conviction in any court of an offense involving moral turpitude;~~

~~(iv) habitual indulgence in the use of narcotics, stimulants, or depressant drugs; or habitual indulgence in intoxicating liquors in a manner which could cause conduct endangering public health;~~

~~(v) unprofessional conduct or conduct endangering public health;~~

~~(vi) gross immorality;~~

~~(vii) employing, assisting, or enabling in any manner an unlicensed person to practice pharmacy;~~

~~(viii) conviction of theft of drugs, or the unauthorized use, possession, or sale thereof;~~

~~(ix) violation of any of the provisions of this chapter or any of the rules of the State Board of Pharmacy;~~

~~(x) in the case of a pharmacy license, operation of such pharmacy without a pharmacist present and on duty;~~

~~(xi) in the case of a pharmacist, physical or mental disability which could cause incompetency in the practice of pharmacy;~~

~~(xii) in the case of a pharmacist, the suspension or revocation of a license to practice pharmacy in another state; or~~

~~(xiii) in the case of a pharmacist, aiding suicide or aiding attempted suicide in violation of section 609.215 as established by any of the following:~~

~~(A) a copy of the record of criminal conviction or plea of guilty for a felony in violation of section 609.215, subdivision 1 or 2;~~

~~(B) a copy of the record of a judgment of contempt of court for violating an injunction issued under section 609.215, subdivision 4;~~

~~(C) a copy of the record of a judgment assessing damages under section 609.215, subdivision 5; or~~

~~(D) a finding by the board that the person violated section 609.215, subdivision 1 or 2. The board shall investigate any complaint of a violation of section 609.215, subdivision 1 or 2;~~

~~(8) to employ necessary assistants and adopt rules for the conduct of its business;~~

~~(9) to register as pharmacy technicians all applicants who the board determines are qualified to carry out the duties of a pharmacy technician; and~~

~~(10) to perform such other duties and exercise such other powers as the provisions of the act may require; and~~

~~(11) to enter and inspect any business to which it issues a license or registration.~~

~~(b) Temporary suspension. In addition to any other remedy provided by law, the board may, without a hearing, temporarily suspend a license for not more than 60 days if the board finds that a pharmacist has violated a statute or rule that the board is empowered to enforce and continued practice by the pharmacist would create an imminent risk of harm to others. The suspension shall take effect upon written notice to the pharmacist, specifying the statute or rule violated. At the time it issues the suspension notice, the board shall schedule a disciplinary hearing to be held under the~~

~~Administrative Procedure Act. The pharmacist shall be provided with at least 20 days' notice of any hearing held under this subdivision.~~

~~(e)~~ (b) Rules. For the purposes aforesaid, it shall be the duty of the board to make and publish uniform rules not inconsistent herewith for carrying out and enforcing the provisions of this chapter. The board shall adopt rules regarding prospective drug utilization review and patient counseling by pharmacists. A pharmacist in the exercise of the pharmacist's professional judgment, upon the presentation of a new prescription by a patient or the patient's caregiver or agent, shall perform the prospective drug utilization review required by rules issued under this subdivision.

~~(d)~~ (c) Substitution; rules. If the United States Food and Drug Administration (FDA) determines that the substitution of drugs used for the treatment of epilepsy or seizures poses a health risk to patients, the board shall adopt rules in accordance with accompanying FDA interchangeability standards regarding the use of substitution for these drugs. If the board adopts a rule regarding the substitution of drugs used for the treatment of epilepsy or seizures that conflicts with the substitution requirements of section 151.21, subdivision 3, the rule shall supersede the conflicting statute. If the rule proposed by the board would increase state costs for state public health care programs, the board shall report to the chairs and ranking minority members of the senate Health and Human Services Budget Division and the house of representatives Health Care and Human Services Finance Division the proposed rule and the increased cost associated with the proposed rule before the board may adopt the rule.

Subd. 1a. **Disciplinary action Cease and desist orders.** ~~It shall be grounds for disciplinary action by the Board of Pharmacy against the registration of the pharmacy if the Board of Pharmacy determines that any person with supervisory responsibilities at the pharmacy sets policies that prevent a licensed pharmacist from providing drug utilization review and patient counseling as required by rules adopted under subdivision 1. The Board of Pharmacy shall follow the requirements of chapter 14 in any disciplinary actions taken under this section. (a) Whenever it appears to the board that a person has engaged in an act or practice constituting a violation of a law, rule, or other order related to the duties and responsibilities entrusted to the board, the board may issue and cause to be served upon the person an order requiring the person to cease and desist from violations.~~

~~(b) The cease and desist order must state the reasons for the issuance of the order and must give reasonable notice of the rights of the person to request a hearing before an administrative law judge. A hearing must be held not later than ten days after the request for the hearing is received by the board. After the completion of the hearing, the administrative law judge shall issue a report within ten days. Within 15 days after receiving the report of the administrative law judge, the board shall issue a further order vacating or making permanent the cease and desist order. The time periods provided in this provision may be waived by agreement of the executive director of the board and the person against whom the cease and desist order was issued. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person is in default, and the proceeding may be determined against that person upon consideration of the cease and desist order, the allegations of which may be considered to be true. Unless otherwise provided, all hearings must be conducted according to chapter 14. The board may adopt rules of procedure concerning all proceedings conducted under this subdivision.~~

~~(c) If no hearing is requested within 30 days of service of the order, the cease and desist order will become permanent.~~

(d) A cease and desist order issued under this subdivision remains in effect until it is modified or vacated by the board. The administrative proceeding provided by this subdivision, and subsequent appellate judicial review of that administrative proceeding, constitutes the exclusive remedy for determining whether the board properly issued the cease and desist order and whether the cease and desist order should be vacated or made permanent.

Subd. 1b. **Enforcement of violations of cease and desist orders.** (a) Whenever the board under subdivision 1a seeks to enforce compliance with a cease and desist order that has been made permanent, the allegations of the cease and desist order are considered conclusively established for purposes of proceeding under subdivision 1a for permanent or temporary relief to enforce the cease and desist order. Whenever the board under subdivision 1a seeks to enforce compliance with a cease and desist order when a hearing or hearing request on the cease and desist order is pending, or the time has not yet expired to request a hearing on whether a cease and desist order should be vacated or made permanent, the allegations in the cease and desist order are considered conclusively established for the purposes of proceeding under subdivision 1a for temporary relief to enforce the cease and desist order.

(b) Notwithstanding this subdivision or subdivision 1a, the person against whom the cease and desist order is issued and who has requested a hearing under subdivision 1a may, within 15 days after service of the cease and desist order, bring an action in Ramsey County District Court for issuance of an injunction to suspend enforcement of the cease and desist order pending a final decision of the board under subdivision 1a to vacate or make permanent the cease and desist order. The court shall determine whether to issue such an injunction based on traditional principles of temporary relief.

Subd. 2. **Application.** In the case of a facility licensed or registered by the board, the provisions of subdivision 1 shall apply to an individual owner or sole proprietor and shall also apply to the following:

- (1) In the case of a partnership, each partner thereof;
- (2) In the case of an association, each member thereof;
- (3) In the case of a corporation, each officer or director thereof and each shareholder owning 30 percent or more of the voting stock of such corporation.

~~Subd. 3. **Application of Administrative Procedure Act.** The board shall comply with the provisions of chapter 14, before it fails to issue, renew, suspends, or revokes any license or registration issued under this chapter.~~

~~Subd. 4. **Reinstatement.** Any license or registration which has been suspended or revoked may be reinstated by the board provided the holder thereof shall pay all costs of the proceedings resulting in the suspension or revocation, and, in addition thereto, pay a fee set by the board.~~

~~Subd. 5. **Costs; penalties.** The board may impose a civil penalty not exceeding \$10,000 for each separate violation, the amount of the civil penalty to be fixed so as to deprive a licensee or registrant of any economic advantage gained by reason of the violation, to discourage similar violations by the licensee or registrant or any other licensee or registrant, or to reimburse the board for the cost of the investigation and proceeding, including, but not limited to, fees paid for services provided by the Office of Administrative Hearings, legal and investigative services provided by the Office of the Attorney General, court reporters, witnesses, reproduction of records, board members' per diem~~

compensation, board staff time, and travel costs and expenses incurred by board staff and board members:

Sec. 3. [151.071] DISCIPLINARY ACTION.

Subdivision 1. **Forms of disciplinary action.** When the board finds that a licensee, registrant, or applicant has engaged in conduct prohibited under subdivision 2, it may do one or more of the following:

- (1) deny the issuance of a license or registration;
- (2) refuse to renew a license or registration;
- (3) revoke the license or registration;
- (4) suspend the license or registration;
- (5) impose limitations, conditions, or both on the license or registration, including but not limited to: the limitation of practice designated settings; the imposition of retraining or rehabilitation requirements; the requirement of practice under supervision; the requirement of participation in a diversion program such as that established pursuant to section 214.31 or the conditioning of continued practice on demonstration of knowledge or skills by appropriate examination or other review of skill and competence;
- (6) impose a civil penalty not exceeding \$10,000 for each separate violation, the amount of the civil penalty to be fixed so as to deprive a licensee or registrant of any economic advantage gained by reason of the violation, to discourage similar violations by the licensee or registrant or any other licensee or registrant, or to reimburse the board for the cost of the investigation and proceeding, including but not limited to, fees paid for services provided by the Office of Administrative Hearings, legal and investigative services provided by the Office of the Attorney General, court reporters, witnesses, reproduction of records, board members' per diem compensation, board staff time, and travel costs and expenses incurred by board staff and board members; and
- (7) reprimand the licensee or registrant.

Subd. 2. **Grounds for disciplinary action.** The following conduct is prohibited and is grounds for disciplinary action:

- (1) failure to demonstrate the qualifications or satisfy the requirements for a license or registration contained in this chapter or the rules of the board. The burden of proof is on the applicant to demonstrate such qualifications or satisfaction of such requirements;
- (2) obtaining a license by fraud or by misleading the board in any way during the application process or obtaining a license by cheating, or attempting to subvert the licensing examination process. Conduct that subverts or attempts to subvert the licensing examination process includes, but is not limited to: (i) conduct that violates the security of the examination materials, such as removing examination materials from the examination room or having unauthorized possession of any portion of a future, current, or previously administered licensing examination; (ii) conduct that violates the standard of test administration, such as communicating with another examinee during administration of the examination, copying another examinee's answers, permitting another examinee to copy one's answers, or possessing unauthorized materials; or (iii) impersonating an examinee or permitting an impersonator to take the examination on one's own behalf;

(3) for a pharmacist, pharmacy technician, pharmacist intern, applicant for a pharmacist or pharmacy license, or applicant for a pharmacy technician or pharmacist intern registration, conviction of a felony reasonably related to the practice of pharmacy. Conviction as used in this subdivision includes a conviction of an offense that if committed in this state would be deemed a felony without regard to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilt is made or returned but the adjudication of guilt is either withheld or not entered thereon. The board may delay the issuance of a new license or registration if the applicant has been charged with a felony until the matter has been adjudicated;

(4) for a facility, other than a pharmacy, licensed or registered by the board, if an owner or applicant is convicted of a felony reasonably related to the operation of the facility. The board may delay the issuance of a new license or registration if the owner or applicant has been charged with a felony until the matter has been adjudicated;

(5) for a controlled substance researcher, conviction of a felony reasonably related to controlled substances or to the practice of the researcher's profession. The board may delay the issuance of a registration if the applicant has been charged with a felony until the matter has been adjudicated;

(6) disciplinary action taken by another state or by one of this state's health licensing agencies:

(i) revocation, suspension, restriction, limitation, or other disciplinary action against a license or registration in another state or jurisdiction, failure to report to the board that charges or allegations regarding the person's license or registration have been brought in another state or jurisdiction, or having been refused a license or registration by any other state or jurisdiction. The board may delay the issuance of a new license or registration if an investigation or disciplinary action is pending in another state or jurisdiction until the investigation or action has been dismissed or otherwise resolved; and

(ii) revocation, suspension, restriction, limitation, or other disciplinary action against a license or registration issued by another of this state's health licensing agencies, failure to report to the board that charges regarding the person's license or registration have been brought by another of this state's health licensing agencies, or having been refused a license or registration by another of this state's health licensing agencies. The board may delay the issuance of a new license or registration if a disciplinary action is pending before another of this state's health licensing agencies until the action has been dismissed or otherwise resolved;

(7) for a pharmacist, pharmacy, pharmacy technician, or pharmacist intern, violation of any order of the board, of any of the provisions of this chapter or any rules of the board or violation of any federal, state, or local law or rule reasonably pertaining to the practice of pharmacy;

(8) for a facility, other than a pharmacy, licensed by the board, violations of any order of the board, of any of the provisions of this chapter or the rules of the board or violation of any federal, state, or local law relating to the operation of the facility;

(9) engaging in any unethical conduct; conduct likely to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard for the health, welfare, or safety of a patient; or pharmacy practice that is professionally incompetent, in that it may create unnecessary danger to any patient's life, health, or safety, in any of which cases, proof of actual injury need not be established;

(10) aiding or abetting an unlicensed person in the practice of pharmacy, except that it is not a violation of this clause for a pharmacist to supervise a properly registered pharmacy technician

or pharmacist intern if that person is performing duties allowed by this chapter or the rules of the board;

(11) for an individual licensed or registered by the board, adjudication as mentally ill or developmentally disabled, or as a chemically dependent person, a person dangerous to the public, a sexually dangerous person, or a person who has a sexual psychopathic personality, by a court of competent jurisdiction, within or without this state. Such adjudication shall automatically suspend a license for the duration thereof unless the board orders otherwise;

(12) for a pharmacist or pharmacy intern, engaging in unprofessional conduct as specified in the board's rules. In the case of a pharmacy technician, engaging in conduct specified in board rules that would be unprofessional if it were engaged in by a pharmacist or pharmacist intern or performing duties specifically reserved for pharmacists under this chapter or the rules of the board;

(13) for a pharmacy, operation of the pharmacy without a pharmacist present and on duty except as allowed by a variance approved by the board;

(14) for a pharmacist, the inability to practice pharmacy with reasonable skill and safety to patients by reason of illness, drunkenness, use of drugs, narcotics, chemicals, or any other type of material or as a result of any mental or physical condition, including deterioration through the aging process or loss of motor skills. In the case of registered pharmacy technicians, pharmacist interns, or controlled substance researchers, the inability to carry out duties allowed under this chapter or the rules of the board with reasonable skill and safety to patients by reason of illness, drunkenness, use of drugs, narcotics, chemicals, or any other type of material or as a result of any mental or physical condition, including deterioration through the aging process or loss of motor skills;

(15) for a pharmacist, pharmacy, pharmacist intern, pharmacy technician, medical gas distributor, or controlled substance researcher, revealing a privileged communication from or relating to a patient except when otherwise required or permitted by law;

(16) for a pharmacist or pharmacy, improper management of patient records, including failure to maintain adequate patient records, to comply with a patient's request made pursuant to sections 144.291 to 144.298, or to furnish a patient record or report required by law;

(17) paying, offering to pay, receiving, or agreeing to receive, a commission, rebate, kickback, or other form of remuneration, directly or indirectly, for the referral of patients or the dispensing of drugs or devices;

(18) engaging in abusive or fraudulent billing practices, including violations of the federal Medicare and Medicaid laws or state medical assistance laws or rules;

(19) engaging in conduct with a patient that is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning to a patient;

(20) failure to make reports as required by section 151.072 or to cooperate with an investigation of the board as required by section 151.074;

(21) knowingly providing false or misleading information that is directly related to the care of a patient unless done for an accepted therapeutic purpose such as the dispensing and administration of a placebo;

(22) aiding suicide or aiding attempted suicide in violation of section 609.215 as established by any of the following:

(i) a copy of the record of criminal conviction or plea of guilty for a felony in violation of section 609.215, subdivision 1 or 2;

(ii) a copy of the record of a judgment of contempt of court for violating an injunction issued under section 609.215, subdivision 4;

(iii) a copy of the record of a judgment assessing damages under section 609.215, subdivision 5; or

(iv) a finding by the board that the person violated section 609.215, subdivision 1 or 2. The board shall investigate any complaint of a violation of section 609.215, subdivision 1 or 2;

(23) for a pharmacist, practice of pharmacy under a lapsed or nonrenewed license. For a pharmacist intern, pharmacy technician, or controlled substance researcher, performing duties permitted to such individuals by this chapter or the rules of the board under a lapsed or nonrenewed registration. For a facility required to be licensed under this chapter, operation of the facility under a lapsed or nonrenewed license or registration; and

(24) for a pharmacist, pharmacist intern, or pharmacy technician, termination or discharge from the health professional services program for reasons other than the satisfactory completion of the program.

Subd. 3. **Automatic suspension.** (a) A license or registration issued under this chapter to a pharmacist, pharmacist intern, pharmacy technician, or controlled substance researcher is automatically suspended if: (1) a guardian of a licensee or registrant is appointed by order of a court pursuant to sections 524.5-101 to 524.5-502, for reasons other than the minority of the licensee or registrant; or (2) the licensee or registrant is committed by order of a court pursuant to chapter 253B. The license or registration remains suspended until the licensee is restored to capacity by a court and, upon petition by the licensee or registrant, the suspension is terminated by the board after a hearing.

(b) For a pharmacist, pharmacy intern, or pharmacy technician, upon notice to the board of a judgment of, or a plea of guilty to, a felony reasonably related to the practice of pharmacy, the license or registration of the regulated person may be automatically suspended by the board. The license or registration will remain suspended until, upon petition by the regulated individual and after a hearing, the suspension is terminated by the board. The board may indefinitely suspend or revoke the license or registration of the regulated individual if, after a hearing before the board, the board finds that the felonious conduct would cause a serious risk of harm to the public.

(c) For a facility that is licensed or registered by the board, upon notice to the board that an owner of the facility is subject to a judgment of, or a plea of guilty to, a felony reasonably related to the operation of the facility, the license or registration of the facility may be automatically suspended by the board. The license or registration will remain suspended until, upon petition by the facility and after a hearing, the suspension is terminated by the board. The board may indefinitely suspend or revoke the license or registration of the facility if, after a hearing before the board, the board finds that the felonious conduct would cause a serious risk of harm to the public.

(d) For licenses and registrations that have been suspended or revoked pursuant to paragraphs (a) and (b), the regulated individual may have a license or registration reinstated, either with or without restrictions, by demonstrating clear and convincing evidence of rehabilitation, as provided in section 364.03. If the regulated individual has the conviction subsequently overturned by court decision, the board shall conduct a hearing to review the suspension within 30 days after the receipt of the court decision. The regulated individual is not required to prove rehabilitation if the subsequent court decision overturns previous court findings of public risk.

(e) For licenses and registrations that have been suspended or revoked pursuant to paragraph (c), the regulated facility may have a license or registration reinstated, either with or without restrictions, conditions, or limitations, by demonstrating clear and convincing evidence of rehabilitation of the convicted owner, as provided in section 364.03. If the convicted owner has the conviction subsequently overturned by court decision, the board shall conduct a hearing to review the suspension within 30 days after receipt of the court decision. The regulated facility is not required to prove rehabilitation of the convicted owner if the subsequent court decision overturns previous court findings of public risk.

(f) The board may, upon majority vote of a quorum of its appointed members, suspend the license or registration of a regulated individual without a hearing if the regulated individual fails to maintain a current name and address with the board, as described in paragraphs (h) and (i), while the regulated individual is: (1) under board investigation, and a notice of conference has been issued by the board; (2) party to a contested case with the board; (3) party to an agreement for corrective action with the board; or (4) under a board order for disciplinary action. The suspension shall remain in effect until lifted by the board to the board's receipt of a petition from the regulated individual, along with the current name and address of the regulated individual.

(g) The board may, upon majority vote of a quorum of its appointed members, suspend the license or registration of a regulated facility without a hearing if the regulated facility fails to maintain a current name and address of the owner of the facility with the board, as described in paragraphs (h) and (i), while the regulated facility is: (1) under board investigation, and a notice of conference has been issued by the board; (2) party to a contested case with the board; (3) party to an agreement for corrective action with the board; or (4) under a board order for disciplinary action. The suspension shall remain in effect until lifted by the board pursuant to the board's receipt of a petition from the regulated facility, along with the current name and address of the owner of the facility.

(h) An individual licensed or registered by the board shall maintain a current name and home address with the board and shall notify the board in writing within 30 days of any change in name or home address. An individual regulated by the board shall also maintain a current business address with the board as required by section 214.073. For an individual, if a name change only is requested, the regulated individual must request a revised license or registration. The board may require the individual to substantiate the name change by submitting official documentation from a court of law or agency authorized under law to receive and officially record a name change. In the case of an individual, if an address change only is requested, no request for a revised license or registration is required. If the current license or registration of an individual has been lost, stolen, or destroyed, the individual shall provide a written explanation to the board.

(i) A facility licensed or registered by the board shall maintain a current name and address with the board. A facility shall notify the board in writing within 30 days of any change in name. A facility licensed or registered by the board but located outside of the state must notify the board within 30

days of an address change. A facility licensed or registered by the board and located within the state must notify the board at least 60 days in advance of a change of address that will result from the move of the facility to a different location and must pass an inspection at the new location as required by the board. If the current license or registration of a facility has been lost, stolen, or destroyed, the facility shall provide a written explanation to the board.

Subd. 4. **Effective dates.** A suspension, revocation, condition, limitation, qualification, or restriction of a license or registration shall be in effect pending determination of an appeal. A revocation of a license pursuant to subdivision 1 is not appealable and shall remain in effect indefinitely.

Subd. 5. **Conditions on reissued license.** In its discretion, the board may restore and reissue a license or registration issued under this chapter, but as a condition thereof may impose any disciplinary or corrective measure that it might originally have imposed.

Subd. 6. **Temporary suspension of license for pharmacists.** In addition to any other remedy provided by law, the board may, without a hearing, temporarily suspend the license of a pharmacist if the board finds that the pharmacist has violated a statute or rule that the board is empowered to enforce and continued practice by the pharmacist would create a serious risk of harm to the public. The suspension shall take effect upon written notice to the pharmacist, specifying the statute or rule violated. The suspension shall remain in effect until the board issues a final order in the matter after a hearing. At the time it issues the suspension notice, the board shall schedule a disciplinary hearing to be held pursuant to the Administrative Procedure Act. The pharmacist shall be provided with at least 20 days' notice of any hearing held pursuant to this subdivision. The hearing shall be scheduled to begin no later than 30 days after the issuance of the suspension order.

Subd. 7. **Temporary suspension of license for pharmacist interns, pharmacy technicians, and controlled substance researchers.** In addition to any other remedy provided by law, the board may, without a hearing, temporarily suspend the registration of a pharmacist intern, pharmacy technician, or controlled substance researcher if the board finds that the registrant has violated a statute or rule that the board is empowered to enforce and continued registration of the registrant would create a serious risk of harm to the public. The suspension shall take effect upon written notice to the registrant, specifying the statute or rule violated. The suspension shall remain in effect until the board issues a final order in the matter after a hearing. At the time it issues the suspension notice, the board shall schedule a disciplinary hearing to be held pursuant to the Administrative Procedure Act. The licensee or registrant shall be provided with at least 20 days' notice of any hearing held pursuant to this subdivision. The hearing shall be scheduled to begin no later than 30 days after the issuance of the suspension order.

Subd. 8. **Temporary suspension of license for pharmacies, drug wholesalers, drug manufacturers, medical gas manufacturers, and medical gas distributors.** In addition to any other remedy provided by law, the board may, without a hearing, temporarily suspend the license or registration of a pharmacy, drug wholesaler, drug manufacturer, medical gas manufacturer, or medical gas distributor if the board finds that the licensee or registrant has violated a statute or rule that the board is empowered to enforce and continued operation of the licensed facility would create a serious risk of harm to the public. The suspension shall take effect upon written notice to the licensee or registrant, specifying the statute or rule violated. The suspension shall remain in effect until the board issues a final order in the matter after a hearing. At the time it issues the suspension notice, the board shall schedule a disciplinary hearing to be held pursuant to the

Administrative Procedure Act. The licensee or registrant shall be provided with at least 20 days' notice of any hearing held pursuant to this subdivision. The hearing shall be scheduled to begin no later than 30 days after the issuance of the suspension order.

Subd. 9. **Evidence.** In disciplinary actions alleging a violation of subdivision 2, clause (4), (5), (6), or (7), a copy of the judgment or proceeding under the seal of the court administrator or of the administrative agency that entered the same shall be admissible into evidence without further authentication and shall constitute prima facie evidence of the contents thereof.

Subd. 10. **Mental examination; access to medical data.** (a) If the board has probable cause to believe that an individual licensed or registered by the board falls under subdivision 2, clause (14), it may direct the individual to submit to a mental or physical examination. For the purpose of this subdivision, every licensed or registered individual is deemed to have consented to submit to a mental or physical examination when directed in writing by the board and further to have waived all objections to the admissibility of the examining practitioner's testimony or examination reports on the grounds that the same constitute a privileged communication. Failure of a licensed or registered individual to submit to an examination when directed constitutes an admission of the allegations against the individual, unless the failure was due to circumstances beyond the individual's control, in which case a default and final order may be entered without the taking of testimony or presentation of evidence. Pharmacists affected under this paragraph shall at reasonable intervals be given an opportunity to demonstrate that they can resume the competent practice of the profession of pharmacy with reasonable skill and safety to the public. Pharmacist interns, pharmacy technicians, or controlled substance researchers affected under this paragraph shall at reasonable intervals be given an opportunity to demonstrate that they can competently resume the duties that can be performed, under this chapter or the rules of the board, by similarly registered persons with reasonable skill and safety to the public. In any proceeding under this paragraph, neither the record of proceedings nor the orders entered by the board shall be used against a licensed or registered individual in any other proceeding.

(b) In addition to ordering a physical or mental examination, the board may, notwithstanding section 13.384, 144.651, or any other law limiting access to medical or other health data, obtain medical data and health records relating to an individual licensed or registered by the board, or to an applicant for licensure or registration, without the individual's consent, if the board has probable cause to believe that the individual falls under subdivision 2, clause (14). The medical data may be requested from a provider, as defined in section 144.291, subdivision 2, paragraph (h), an insurance company, or a government agency, including the Department of Human Services. A provider, insurance company, or government agency shall comply with any written request of the board under this subdivision and is not liable in any action for damages for releasing the data requested by the board if the data are released pursuant to a written request under this subdivision, unless the information is false and the provider giving the information knew, or had reason to believe, the information was false. Information obtained under this subdivision is classified as private under sections 13.01 to 13.87.

Subd. 11. **Tax clearance certificate.** (a) In addition to the provisions of subdivision 1, the board may not issue or renew a license or registration if the commissioner of revenue notifies the board and the licensee or applicant for a license that the licensee or applicant owes the state delinquent taxes in the amount of \$500 or more. The board may issue or renew the license or registration only if (1) the commissioner of revenue issues a tax clearance certificate, and (2) the commissioner of revenue or the licensee, registrant, or applicant forwards a copy of the clearance to the board. The commissioner

of revenue may issue a clearance certificate only if the licensee, registrant, or applicant does not owe the state any uncontested delinquent taxes.

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

(1) "Taxes" are all taxes payable to the commissioner of revenue, including penalties and interest due on those taxes.

(2) "Delinquent taxes" do not include a tax liability if (i) an administrative or court action that contests the amount or validity of the liability has been filed or served, (ii) the appeal period to contest the tax liability has not expired, or (iii) the licensee or applicant has entered into a payment agreement to pay the liability and is current with the payments.

(c) In lieu of the notice and hearing requirements of subdivision 1, when a licensee, registrant, or applicant is required to obtain a clearance certificate under this subdivision, a contested case hearing must be held if the licensee or applicant requests a hearing in writing to the commissioner of revenue within 30 days of the date of the notice provided in paragraph (a). The hearing must be held within 45 days of the date the commissioner of revenue refers the case to the Office of Administrative Hearings. Notwithstanding any law to the contrary, the licensee or applicant must be served with 20 days' notice in writing specifying the time and place of the hearing and the allegations against the licensee or applicant. The notice may be served personally or by mail.

(d) A licensee or applicant must provide the licensee's or applicant's Social Security number and Minnesota business identification number on all license applications. Upon request of the commissioner of revenue, the board must provide to the commissioner of revenue a list of all licensees and applicants that includes the licensee's or applicant's name, address, Social Security number, and business identification number. The commissioner of revenue may request a list of the licensees and applicants no more than once each calendar year.

Subd. 12. **Limitation.** No board proceeding against a regulated person or facility shall be instituted unless commenced within seven years from the date of the commission of some portion of the offense or misconduct complained of except for alleged violations of subdivision 2, clause (21).

Sec. 4. [151.072] REPORTING OBLIGATIONS.

Subdivision 1. **Permission to report.** A person who has knowledge of any conduct constituting grounds for discipline under the provisions of this chapter or the rules of the board may report the violation to the board.

Subd. 2. **Pharmacies.** A pharmacy located in this state must report to the board any discipline that is related to an incident involving conduct that would constitute grounds for discipline under the provisions of this chapter or the rules of the board, that is taken by the pharmacy or any of its administrators against a pharmacist, pharmacist intern, or pharmacy technician, including the termination of employment of the individual or the revocation, suspension, restriction, limitation, or conditioning of an individual's ability to practice or work at or on behalf of the pharmacy. The pharmacy shall also report the resignation of any pharmacist, pharmacist intern, or technician prior to the conclusion of any disciplinary proceeding, or prior to the commencement of formal charges but after the individual had knowledge that formal charges were contemplated or in preparation. Each report made under this subdivision must state the nature of the action taken and state in detail

the reasons for the action. Failure to report violations as required by this subdivision is a basis for discipline pursuant to section 151.071, subdivision 2, clause (8).

Subd. 3. **Licenses and registrants of the board.** A licensee or registrant of the board shall report to the board personal knowledge of any conduct that the person reasonably believes constitutes grounds for disciplinary action under this chapter or the rules of the board by any pharmacist, pharmacist intern, pharmacy technician, or controlled substance researcher, including any conduct indicating that the person may be professionally incompetent, or may have engaged in unprofessional conduct or may be medically or physically unable to engage safely in the practice of pharmacy or to carry out the duties permitted to the person by this chapter or the rules of the board. Failure to report violations as required by this subdivision is a basis for discipline pursuant to section 151.071, subdivision 2, clause (20).

Subd. 4. **Self-reporting.** A licensee or registrant of the board shall report to the board any personal action that would require that a report be filed with the board pursuant to subdivision 2.

Subd. 5. **Deadlines; forms.** Reports required by subdivisions 2 to 4 must be submitted not later than 30 days after the occurrence of the reportable event or transaction. The board may provide forms for the submission of reports required by this section, may require that reports be submitted on the forms provided, and may adopt rules necessary to assure prompt and accurate reporting.

Subd. 6. **Subpoenas.** The board may issue subpoenas for the production of any reports required by subdivisions 2 to 4 or any related documents.

Sec. 5. **[151.073] IMMUNITY.**

Subdivision 1. **Reporting.** Any person, health care facility, business, or organization is immune from civil liability or criminal prosecution for submitting in good faith a report to the board under section 151.072 or for otherwise reporting in good faith to the board violations or alleged violations of this chapter or the rules of the board. All such reports are investigative data as defined in chapter 13.

Subd. 2. **Investigation.** (a) Members of the board and persons employed by the board or engaged on behalf of the board in the investigation of violations and in the preparation and management of charges or violations of this chapter of the rules of the board, or persons participating in the investigation or testifying regarding charges of violations, are immune from civil liability and criminal prosecution for any actions, transactions, or publications in the execution of, or relating to, their duties under this chapter or the rules of the board.

(b) Members of the board and persons employed by the board or engaged in maintaining records and making reports regarding adverse health care events are immune from civil liability and criminal prosecution for any actions, transactions, or publications in the execution of, or relating to, their duties under section 151.301.

Sec. 6. **[151.074] LICENSEE OR REGISTRANT COOPERATION.**

An individual who is licensed or registered by the board, who is the subject of an investigation by or on behalf of the board, shall cooperate fully with the investigation. An owner or employee of a facility that is licensed or registered by the board, when the facility is the subject of an investigation by or on behalf of the board, shall cooperate fully with the investigation. Cooperation includes responding fully and promptly to any question raised by, or on behalf of, the board relating to the

subject of the investigation and providing copies of patient pharmacy records and other relevant records, as reasonably requested by the board, to assist the board in its investigation. The board shall maintain any records obtained pursuant to this section as investigative data pursuant to chapter 13.

Sec. 7. [151.075] DISCIPLINARY RECORD ON JUDICIAL REVIEW.

Upon judicial review of any board disciplinary action taken under this chapter, the reviewing court shall seal the administrative record, except for the board's final decision, and shall not make the administrative record available to the public.

Sec. 8. Minnesota Statutes 2012, section 151.211, is amended to read:

151.211 RECORDS OF PRESCRIPTIONS.

Subdivision 1. **Retention of prescription drug orders.** All prescriptions dispensed prescription drug orders shall be kept on file at the location in from which such dispensing occurred of the ordered drug occurs for a period of at least two years. Prescription drug orders that are electronically prescribed must be kept on file in the format in which they were originally received. Written or printed prescription drug orders and verbal prescription drug orders reduced to writing, must be kept on file as received or transcribed, except that such orders may be kept in an electronic format as allowed by the board. Electronic systems used to process and store prescription drug orders must be compliant with the requirements of this chapter and the rules of the board. Prescription drug orders that are stored in an electronic format, as permitted by this subdivision, may be kept on file at a remote location provided that they are readily and securely accessible from the location at which dispensing of the ordered drug occurred.

Subd. 2. **Refill requirements.** No A prescription shall drug order may be refilled except only with the written, electronic, or verbal consent of the prescriber and in accordance with the requirements of this chapter, the rules of the board, and where applicable, section 152.11. The date of such refill must be recorded and initialed upon the original prescription drug order, or within the electronically maintained record of the original prescription drug order, by the pharmacist, pharmacist intern, or practitioner who refills the prescription.

Sec. 9. [151.251] COMPOUNDING.

Subdivision 1. **Exemption from manufacturing licensure requirement.** Section 151.252 shall not apply to:

(1) a practitioner engaged in extemporaneous compounding, anticipatory compounding, or compounding not done pursuant to a prescription drug order when permitted by this chapter or the rules of the board; and

(2) a pharmacy in which a pharmacist is engaged in extemporaneous compounding, anticipatory compounding, or compounding not done pursuant to a prescription drug order when permitted by this chapter or the rules of the board.

Subd. 2. **Compounded drug.** A drug product may be compounded under this section if a pharmacist or practitioner:

(a) compounds the drug product using bulk drug substances, as defined in the federal regulations published in Code of Federal Regulations, title 21, section 207.3(a)(4):

(1) that:

(i) comply with the standards of an applicable United States Pharmacopoeia or National Formulary monograph, if a monograph exists, and the United States Pharmacopoeia chapter on pharmacy compounding;

(ii) if such a monograph does not exist, are drug substances that are components of drugs approved for use in this country by the United States Food and Drug Administration; or

(iii) if such a monograph does not exist and the drug substance is not a component of a drug approved for use in this country by the United States Food and Drug Administration, that appear on a list developed by the United States Food and Drug Administration through regulations issued by the secretary of the federal Department of Health and Human Services pursuant to section 503a of the Food, Drug and Cosmetic Act under paragraph (d);

(2) that are manufactured by an establishment that is registered under section 360 of the federal Food, Drug and Cosmetic Act, including a foreign establishment that is registered under section 360(i) of that act; and

(3) that are accompanied by valid certificates of analysis for each bulk drug substance;

(b) compounds the drug product using ingredients, other than bulk drug substances, that comply with the standards of an applicable United States Pharmacopoeia or National Formulary monograph, if a monograph exists, and the United States Pharmacopoeia chapters on pharmacy compounding;

(c) does not compound a drug product that appears on a list published by the secretary of the federal Department of Health and Human Services in the Federal Register of drug products that have been withdrawn or removed from the market because such drug products or components of such drug products have been found to be unsafe or not effective;

(d) does not compound any drug products that are essentially copies of a commercially available drug product; and

(e) does not compound any drug product that has been identified pursuant to United States Code, title 21, section 353a, as a drug product that presents demonstrable difficulties for compounding that reasonably demonstrate an adverse effect on the safety or effectiveness of that drug product.

The term "essentially a copy of a commercially available drug product" does not include a drug product in which there is a change, made for an identified individual patient, that produces for that patient a significant difference, as determined by the prescribing practitioner, between the compounded drug and the comparable commercially available drug product.

Subd. 3. **Exceptions.** This section shall not apply to:

(1) compounded positron emission tomography drugs as defined in section 151.01, subdivision 38; or

(2) radiopharmaceuticals.

Sec. 10. Minnesota Statutes 2013 Supplement, section 151.252, is amended by adding a subdivision to read:

Subd. 1a. **Outsourcing facility.** (a) No person shall act as an outsourcing facility without first obtaining a license from the board and paying any applicable manufacturer licensing fee specified in section 151.065.

(b) Application for an outsourcing facility license under this section shall be made in a manner specified by the board and may differ from the application required of other drug manufacturers.

(c) No license shall be issued or renewed for an outsourcing facility unless the applicant agrees to operate in a manner prescribed for outsourcing facilities by federal and state law and according to Minnesota Rules.

(d) No license shall be issued or renewed for an outsourcing facility unless the applicant supplies the board with proof of such registration by the United States Food and Drug Administration as required by United States Code, title 21, section 353b.

(e) No license shall be issued or renewed for an outsourcing facility that is required to be licensed or registered by the state in which it is physically located unless the applicant supplies the board with proof of such licensure or registration. The board may establish, by rule, standards for the licensure of an outsourcing facility that is not required to be licensed or registered by the state in which it is physically located.

(f) The board shall require a separate license for each outsourcing facility located within the state and for each outsourcing facility located outside of the state at which drugs that are shipped into the state are prepared.

(g) The board shall not issue an initial or renewed license for an outsourcing facility unless the facility passes an inspection conducted by an authorized representative of the board. In the case of an outsourcing facility located outside of the state, the board may require the applicant to pay the cost of the inspection, in addition to the license fee in section 151.065, unless the applicant furnishes the board with a report, issued by the appropriate regulatory agency of the state in which the facility is located or by the United States Food and Drug Administration, of an inspection that has occurred within the 24 months immediately preceding receipt of the license application by the board. The board may deny licensure unless the applicant submits documentation satisfactory to the board that any deficiencies noted in an inspection report have been corrected.

Sec. 11. Minnesota Statutes 2012, section 151.26, is amended to read:

151.26 EXCEPTIONS.

Subdivision 1. **Generally.** Nothing in this chapter shall subject a person duly licensed in this state to practice medicine, dentistry, or veterinary medicine, to inspection by the State Board of Pharmacy, nor prevent the person from administering drugs, medicines, chemicals, or poisons in the person's practice, nor prevent a duly licensed practitioner from furnishing to a patient properly packaged and labeled drugs, medicines, chemicals, or poisons as may be considered appropriate in the treatment of such patient; unless the person is engaged in the dispensing, sale, or distribution of drugs and the board provides reasonable notice of an inspection.

Except for the provisions of section 151.37, nothing in this chapter applies to or interferes with the dispensing, in its original package and at no charge to the patient, of a legend drug, ~~other than a controlled substance,~~ that was packaged by a manufacturer and provided to the dispenser for

distribution dispensing as a professional sample, so long as the sample is prepared and distributed pursuant to Code of Federal Regulations, title 21, section 203, subpart D.

Nothing in this chapter shall prevent the sale of drugs, medicines, chemicals, or poisons at wholesale to licensed physicians, dentists and veterinarians for use in their practice, nor to hospitals for use therein.

Nothing in this chapter shall prevent the sale of drugs, chemicals, or poisons either at wholesale or retail for use for commercial purposes, or in the arts, nor interfere with the sale of insecticides, as defined in Minnesota Statutes 1974, section 24.069, and nothing in this chapter shall prevent the sale of common household preparations and other drugs, chemicals, and poisons sold exclusively for use for nonmedicinal purposes; provided that this exception does not apply to any compound, substance, or derivative that is not approved for human consumption by the United States Food and Drug Administration or specifically permitted for human consumption under Minnesota law and, when introduced into the body, induces an effect similar to that of a Schedule I or Schedule II controlled substance listed in section 152.02, subdivisions 2 and 3, or Minnesota Rules, parts 6800.4210 and 6800.4220, regardless of whether the substance is marketed for the purpose of human consumption.

Nothing in this chapter shall apply to or interfere with the vending or retailing of any nonprescription medicine or drug not otherwise prohibited by statute ~~which~~ that is prepackaged, fully prepared by the manufacturer or producer for use by the consumer, and labeled in accordance with the requirements of the state or federal Food and Drug Act; nor to the manufacture, wholesaling, vending, or retailing of flavoring extracts, toilet articles, cosmetics, perfumes, spices, and other commonly used household articles of a chemical nature, for use for nonmedicinal purposes; provided that this exception does not apply to any compound, substance, or derivative that is not approved for human consumption by the United States Food and Drug Administration or specifically permitted for human consumption under Minnesota law that, when introduced into the body, induces an effect similar to that of a Schedule I or Schedule II controlled substance listed in section 152.02, subdivisions 2 and 3, or Minnesota Rules, parts 6800.4210 and 6800.4220, regardless of whether the substance is marketed for the purpose of human consumption. Nothing in this chapter shall prevent the sale of drugs or medicines by licensed pharmacists at a discount to persons over 65 years of age.

Sec. 12. Minnesota Statutes 2012, section 151.34, is amended to read:

151.34 PROHIBITED ACTS.

It shall be unlawful to:

- (1) manufacture, sell or deliver, hold or offer for sale any drug that is adulterated or misbranded;
- (2) adulterate or misbrand any drug;
- (3) receive in commerce any drug that is adulterated or misbranded, and to deliver or proffer delivery thereof for pay or otherwise;
- (4) refuse to permit entry or inspection, or to permit the taking of a sample, or to permit access to or copying of any record as authorized by this chapter;
- (5) remove or dispose of a detained or embargoed article in violation of this chapter;

(6) alter, mutilate, destroy, obliterate, or remove the whole or any part of the labeling of, or to do any other act with respect to a drug, if such act is done while such drug is held for sale and results in such drug being adulterated or misbranded;

(7) use for a person's own advantage or to reveal other than to the board or its authorized representative or to the courts when required in any judicial proceeding under this chapter any information acquired under authority of this chapter concerning any method or process ~~which~~ that is a trade secret and entitled to protection;

(8) use on the labeling of any drug any representation or suggestion that an application with respect to such drug is effective under the federal act or that such drug complies with such provisions;

(9) in the case of a manufacturer, packer, or distributor offering legend drugs for sale within this state, fail to maintain for transmittal or to transmit, to any practitioner licensed by applicable law to administer such drug who makes written request for information as to such drug, true and correct copies of all printed matter ~~which~~ that is required to be included in any package in which that drug is distributed or sold, or such other printed matter as is approved under the federal act. Nothing in this paragraph shall be construed to exempt any person from any labeling requirement imposed by or under provisions of this chapter;

(10) conduct a pharmacy without a pharmacist in charge;

(11) dispense a legend drug without first obtaining a valid prescription for that drug;

(12) conduct a pharmacy without proper registration with the board;

(13) practice pharmacy without being licensed to do so by the board; or

(14) sell at retail federally restricted medical gases without proper registration with the board except as provided in this chapter; or

(15) sell any compound, substance, or derivative that is not approved for human consumption by the United States Food and Drug Administration or specifically permitted for human consumption under Minnesota law and, when introduced into the body, induces an effect similar to that of a Schedule I or Schedule II controlled substance listed in section 152.02, subdivisions 2 and 3, or Minnesota Rules, parts 6800.4210 and 6800.4220, regardless of whether the substance is marketed for the purpose of human consumption.

Sec. 13. Minnesota Statutes 2012, section 151.35, is amended to read:

151.35 DRUGS, ADULTERATION.

A drug shall be deemed to be adulterated:

(1) if it consists in whole or in part of any filthy, putrid or decomposed substance; or if it has been produced, prepared, packed, or held under unsanitary conditions whereby it may have been rendered injurious to health, or whereby it may have been contaminated with filth; or if the methods used in, or the facilities or controls used for, its manufacture, processing, packing, or holding do not conform to or are not operated or administered in conformity with current good manufacturing practice as required under the federal act to assure that such drug is safe and has the identity, strength, quality, and purity characteristics, which it purports or is represented to possess; or the facility in which it was produced was not registered by the United States Food and Drug Administration or licensed by the board; or, its container is composed, in whole or in part, of any poisonous or deleterious

substance which may render the contents injurious to health; or it bears or contains, for purposes of coloring only, a color additive which is unsafe within the meaning of the federal act, or it is a color additive, the intended use of which in or on drugs is for the purposes of coloring only, and is unsafe within the meaning of the federal act;

(2) if it purports to be or is represented as a drug the name of which is recognized in the United States Pharmacopoeia or the National Formulary, and its strength differs from, or its quality or purity falls below, the standard set forth therein. Such determination as to strength, quality, or purity shall be made in accordance with the tests or methods of assay set forth in such compendium, or in the absence of or inadequacy of such tests or methods of assay, those prescribed under authority of the federal act. No drug defined in the United States Pharmacopoeia or the National Formulary shall be deemed to be adulterated under this paragraph because it differs from the standard of strength, quality, or purity therefor set forth in such compendium, if its difference in strength, quality, or purity from such standard is plainly stated on its label;

(3) if it is not subject to the provisions of paragraph (2) of this section and its strength differs from, or its purity or quality differs from that which it purports or is represented to possess;

(4) if any substance has been mixed or packed therewith so as to reduce its quality or strength, or substituted wholly or in part therefor.

Sec. 14. Minnesota Statutes 2012, section 151.361, subdivision 2, is amended to read:

Subd. 2. **After January 1, 1983.** (a) No legend drug in solid oral dosage form may be manufactured, packaged or distributed for sale in this state after January 1, 1983 unless it is clearly marked or imprinted with a symbol, number, company name, words, letters, national drug code or other mark uniquely identifiable to that drug product. An identifying mark or imprint made as required by federal law or by the federal Food and Drug Administration shall be deemed to be in compliance with this section.

(b) The Board of Pharmacy may grant exemptions from the requirements of this section on its own initiative or upon application of a manufacturer, packager, or distributor indicating size or other characteristics ~~which~~ that render the product impractical for the imprinting required by this section.

~~(c) The provisions of clauses (a) and (b) shall not apply to any of the following:~~

~~(1) Drugs purchased by a pharmacy, pharmacist, or licensed wholesaler prior to January 1, 1983, and held in stock for resale.~~

~~(2) Drugs which are manufactured by or upon the order of a practitioner licensed by law to prescribe or administer drugs and which are to be used solely by the patient for whom prescribed.~~

Sec. 15. Minnesota Statutes 2012, section 151.37, as amended by Laws 2013, chapter 43, section 30, Laws 2013, chapter 55, section 2, and Laws 2013, chapter 108, article 10, section 5, is amended to read:

151.37 LEGEND DRUGS, WHO MAY PRESCRIBE, POSSESS.

Subdivision 1. **Prohibition.** Except as otherwise provided in this chapter, it shall be unlawful for any person to have in possession, or to sell, give away, barter, exchange, or distribute a legend drug.

Subd. 2. **Prescribing and filing.** (a) A licensed practitioner in the course of professional practice only, may prescribe, administer, and dispense a legend drug, and may cause the same to be administered by a nurse, a physician assistant, or medical student or resident under the practitioner's direction and supervision, and may cause a person who is an appropriately certified, registered, or licensed health care professional to prescribe, dispense, and administer the same within the expressed legal scope of the person's practice as defined in Minnesota Statutes. A licensed practitioner may prescribe a legend drug, without reference to a specific patient, by directing a licensed dietitian or licensed nutritionist, pursuant to section 148.634; a nurse, pursuant to section 148.235, subdivisions 8 and 9; physician assistant; medical student or resident; or pharmacist according to section 151.01, subdivision 27, to adhere to a particular practice guideline or protocol when treating patients whose condition falls within such guideline or protocol, and when such guideline or protocol specifies the circumstances under which the legend drug is to be prescribed and administered. An individual who verbally, electronically, or otherwise transmits a written, oral, or electronic order, as an agent of a prescriber, shall not be deemed to have prescribed the legend drug. This paragraph applies to a physician assistant only if the physician assistant meets the requirements of section 147A.18.

(b) The commissioner of health, if a licensed practitioner, or a person designated by the commissioner who is a licensed practitioner, may prescribe a legend drug to an individual or by protocol for mass dispensing purposes where the commissioner finds that the conditions triggering section 144.4197 or 144.4198, subdivision 2, paragraph (b), exist. The commissioner, if a licensed practitioner, or a designated licensed practitioner, may prescribe, dispense, or administer a legend drug or other substance listed in subdivision 10 to control tuberculosis and other communicable diseases. The commissioner may modify state drug labeling requirements, and medical screening criteria and documentation, where time is critical and limited labeling and screening are most likely to ensure legend drugs reach the maximum number of persons in a timely fashion so as to reduce morbidity and mortality.

(c) A licensed practitioner that dispenses for profit a legend drug that is to be administered orally, is ordinarily dispensed by a pharmacist, and is not a vaccine, must file with the practitioner's licensing board a statement indicating that the practitioner dispenses legend drugs for profit, the general circumstances under which the practitioner dispenses for profit, and the types of legend drugs generally dispensed. It is unlawful to dispense legend drugs for profit after July 31, 1990, unless the statement has been filed with the appropriate licensing board. For purposes of this paragraph, "profit" means (1) any amount received by the practitioner in excess of the acquisition cost of a legend drug for legend drugs that are purchased in prepackaged form, or (2) any amount received by the practitioner in excess of the acquisition cost of a legend drug plus the cost of making the drug available if the legend drug requires compounding, packaging, or other treatment. The statement filed under this paragraph is public data under section 13.03. This paragraph does not apply to a licensed doctor of veterinary medicine or a registered pharmacist. Any person other than a licensed practitioner with the authority to prescribe, dispense, and administer a legend drug under paragraph (a) shall not dispense for profit. To dispense for profit does not include dispensing by a community health clinic when the profit from dispensing is used to meet operating expenses.

(d) A prescription or drug order for the following drugs is not valid, unless it can be established that the prescription or drug order was based on a documented patient evaluation, including an examination, adequate to establish a diagnosis and identify underlying conditions and contraindications to treatment:

- (1) controlled substance drugs listed in section 152.02, subdivisions 3 to 5;
 - (2) drugs defined by the Board of Pharmacy as controlled substances under section 152.02, subdivisions 7, 8, and 12;
 - (3) muscle relaxants;
 - (4) centrally acting analgesics with opioid activity;
 - (5) drugs containing butalbital; or
 - (6) phosphodiesterase type 5 inhibitors when used to treat erectile dysfunction.
- (e) For the purposes of paragraph (d), the requirement for an examination shall be met if an in-person examination has been completed in any of the following circumstances:
- (1) the prescribing practitioner examines the patient at the time the prescription or drug order is issued;
 - (2) the prescribing practitioner has performed a prior examination of the patient;
 - (3) another prescribing practitioner practicing within the same group or clinic as the prescribing practitioner has examined the patient;
 - (4) a consulting practitioner to whom the prescribing practitioner has referred the patient has examined the patient; or
 - (5) the referring practitioner has performed an examination in the case of a consultant practitioner issuing a prescription or drug order when providing services by means of telemedicine.
- (f) Nothing in paragraph (d) or (e) prohibits a licensed practitioner from prescribing a drug through the use of a guideline or protocol pursuant to paragraph (a).
- (g) Nothing in this chapter prohibits a licensed practitioner from issuing a prescription or dispensing a legend drug in accordance with the Expedited Partner Therapy in the Management of Sexually Transmitted Diseases guidance document issued by the United States Centers for Disease Control.
- (h) Nothing in paragraph (d) or (e) limits prescription, administration, or dispensing of legend drugs through a public health clinic or other distribution mechanism approved by the commissioner of health or a board of health in order to prevent, mitigate, or treat a pandemic illness, infectious disease outbreak, or intentional or accidental release of a biological, chemical, or radiological agent.
- (i) No pharmacist employed by, under contract to, or working for a pharmacy licensed under section 151.19, subdivision 1, may dispense a legend drug based on a prescription that the pharmacist knows, or would reasonably be expected to know, is not valid under paragraph (d).
- (j) No pharmacist employed by, under contract to, or working for a pharmacy licensed under section 151.19, subdivision 2, may dispense a legend drug to a resident of this state based on a prescription that the pharmacist knows, or would reasonably be expected to know, is not valid under paragraph (d).
- (k) Nothing in this chapter prohibits the commissioner of health, if a licensed practitioner, or, if not a licensed practitioner, a designee of the commissioner who is a licensed practitioner, from

prescribing legend drugs for field-delivered therapy in the treatment of a communicable disease according to the Centers For Disease Control and Prevention Partner Services Guidelines.

Subd. 2a. **Delegation.** A supervising physician may delegate to a physician assistant who is registered with the Board of Medical Practice and certified by the National Commission on Certification of Physician Assistants and who is under the supervising physician's supervision, the authority to prescribe, dispense, and administer legend drugs and medical devices, subject to the requirements in chapter 147A and other requirements established by the Board of Medical Practice in rules.

Subd. 3. **Veterinarians.** A licensed doctor of veterinary medicine, in the course of professional practice only and not for use by a human being, may personally prescribe, administer, and dispense a legend drug, and may cause the same to be administered or dispensed by an assistant under the doctor's direction and supervision.

Subd. 4. **Research.** (a) Any qualified person may use legend drugs in the course of a bona fide research project, but cannot administer or dispense such drugs to human beings unless such drugs are prescribed, dispensed, and administered by a person lawfully authorized to do so.

(b) Drugs may be dispensed or distributed by a pharmacy licensed by the board for use by, or administration to, patients enrolled in a bona fide research study that is being conducted pursuant to either an investigational new drug application approved by the United States Food and Drug Administration or that has been approved by an institutional review board. For the purposes of this subdivision only:

(1) a prescription drug order is not required for a pharmacy to dispense a research drug, unless the study protocol requires the pharmacy to receive such an order;

(2) notwithstanding the prescription labeling requirements found in this chapter or the rules promulgated by the board, a research drug may be labeled as required by the study protocol; ~~and~~

(3) dispensing and distribution of research drugs by pharmacies shall not be considered ~~compounding, manufacturing, or wholesaling under this chapter;~~ and

(4) a pharmacy may compound drugs for research studies as provided in this subdivision but must follow applicable standards established by United States Pharmacopeia, chapter 795 or 797, for nonsterile and sterile compounding, respectively.

(c) An entity that is under contract to a federal agency for the purpose of distributing drugs for bona fide research studies is exempt from the drug wholesaler licensing requirements of this chapter. Any other entity is exempt from the drug wholesaler licensing requirements of this chapter if the board finds that the entity is licensed or registered according to the laws of the state in which it is physically located and it is distributing drugs for use by, or administration to, patients enrolled in a bona fide research study that is being conducted pursuant to either an investigational new drug application approved by the United States Food and Drug Administration or that has been approved by an institutional review board.

Subd. 5. **Exclusion for course of practice.** Nothing in this chapter shall prohibit the sale to, or the possession of, a legend drug by licensed drug wholesalers, licensed manufacturers, registered pharmacies, local detoxification centers, licensed hospitals, bona fide hospitals wherein animals are

treated, or licensed pharmacists and licensed practitioners while acting within the course of their practice only.

Subd. 6. **Exclusion for course of employment.** (a) Nothing in this chapter shall prohibit the possession of a legend drug by an employee, agent, or sales representative of a registered drug manufacturer, or an employee or agent of a registered drug wholesaler, or registered pharmacy, while acting in the course of employment.

(b) Nothing in this chapter shall prohibit the following entities from possessing a legend drug for the purpose of disposing of the legend drug as pharmaceutical waste:

- (1) a law enforcement officer;
- (2) a hazardous waste transporter licensed by the Department of Transportation;
- (3) a facility permitted by the Pollution Control Agency to treat, store, or dispose of hazardous waste, including household hazardous waste;
- (4) a facility licensed by the Pollution Control Agency or a metropolitan county as a very small quantity generator collection program or a minimal generator;
- (5) a county that collects, stores, transports, or disposes of a legend drug pursuant to a program in compliance with applicable federal law or a person authorized by the county to conduct one or more of these activities; or
- (6) a sanitary district organized under chapter 115, or a special law.

Subd. 7. **Exclusion for prescriptions.** (a) Nothing in this chapter shall prohibit the possession of a legend drug by a person for that person's use when it has been dispensed to the person in accordance with a valid prescription issued by a practitioner.

(b) Nothing in this chapter shall prohibit a person, for whom a legend drug has been dispensed in accordance with a written or oral prescription by a practitioner, from designating a family member, caregiver, or other individual to handle the legend drug for the purpose of assisting the person in obtaining or administering the drug or sending the drug for destruction.

(c) Nothing in this chapter shall prohibit a person for whom a prescription drug has been dispensed in accordance with a valid prescription issued by a practitioner from transferring the legend drug to a county that collects, stores, transports, or disposes of a legend drug pursuant to a program in compliance with applicable federal law or to a person authorized by the county to conduct one or more of these activities.

Subd. 8. **Misrepresentation.** It is unlawful for a person to procure, attempt to procure, possess, or control a legend drug by any of the following means:

- (1) deceit, misrepresentation, or subterfuge;
- (2) using a false name; or
- (3) falsely assuming the title of, or falsely representing a person to be a manufacturer, wholesaler, pharmacist, practitioner, or other authorized person for the purpose of obtaining a legend drug.

Subd. 9. **Exclusion for course of laboratory employment.** Nothing in this chapter shall prohibit the possession of a legend drug by an employee or agent of a registered analytical laboratory while acting in the course of laboratory employment.

Subd. 10. **Purchase of drugs and other agents by commissioner of health.** The commissioner of health, in preparation for and in carrying out the duties of sections 144.05, 144.4197, and 144.4198, may purchase, store, and distribute antituberculosis drugs, biologics, vaccines, antitoxins, serums, immunizing agents, antibiotics, antivirals, antidotes, other pharmaceutical agents, and medical supplies to treat and prevent communicable disease.

Subd. 10a. **Emergency use authorizations.** Nothing in this chapter shall prohibit the purchase, possession, or use of a legend drug by an entity acting according to an emergency use authorization issued by the United States Food and Drug Administration pursuant to United States Code, title 21, section 360.bbb-3. The entity must be specifically tasked in a public health response plan to perform critical functions necessary to support the response to a public health incident or event.

Subd. 11. **Complaint reporting Exclusion for health care educational programs.** The Board of Pharmacy shall report on a quarterly basis to the Board of Optometry any complaints received regarding the prescription or administration of legend drugs under section 148.576. Nothing in this section shall prohibit an accredited public or private postsecondary school from possessing a legend drug that is not a controlled substance listed in section 152.02, provided that:

(a) the school is approved by the United States secretary of education in accordance with requirements of the Higher Education Act of 1965, as amended;

(b) the school provides a course of instruction that prepares individuals for employment in a health care occupation or profession;

(c) the school may only possess those drugs necessary for the instruction of such individuals;
and

(d) the drugs may only be used in the course of providing such instruction and are labeled by the purchaser to indicate that they are not to be administered to patients.

Those areas of the school in which legend drugs are stored are subject to section 151.06, subdivision 1, paragraph (a), clause (4).

Sec. 16. Minnesota Statutes 2012, section 151.44, is amended to read:

151.44 DEFINITIONS.

As used in sections 151.43 to 151.51, the following terms have the meanings given in paragraphs (a) to (h):

(a) "Wholesale drug distribution" means distribution of prescription or nonprescription drugs to persons other than a consumer or patient or reverse distribution of such drugs, but does not include:

(1) a sale between a division, subsidiary, parent, affiliated, or related company under the common ownership and control of a corporate entity;

(2) the purchase or other acquisition, by a hospital or other health care entity that is a member of a group purchasing organization, of a drug for its own use from the organization or from other hospitals or health care entities that are members of such organizations;

(3) the sale, purchase, or trade of a drug or an offer to sell, purchase, or trade a drug by a charitable organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1988, to a nonprofit affiliate of the organization to the extent otherwise permitted by law;

(4) the sale, purchase, or trade of a drug or offer to sell, purchase, or trade a drug among hospitals or other health care entities that are under common control;

(5) the sale, purchase, or trade of a drug or offer to sell, purchase, or trade a drug for emergency medical reasons;

(6) the sale, purchase, or trade of a drug, an offer to sell, purchase, or trade a drug, or the dispensing of a drug pursuant to a prescription;

(7) the transfer of prescription or nonprescription drugs by a retail pharmacy to another retail pharmacy to alleviate a temporary shortage;

(8) the distribution of prescription or nonprescription drug samples by manufacturers representatives; or

(9) the sale, purchase, or trade of blood and blood components.

(b) "Wholesale drug distributor" means anyone engaged in wholesale drug distribution including, but not limited to, manufacturers; ~~repackers~~ repackagers; own-label distributors; jobbers; brokers; warehouses, including manufacturers' and distributors' warehouses, chain drug warehouses, and wholesale drug warehouses; independent wholesale drug traders; and pharmacies that conduct wholesale drug distribution. A wholesale drug distributor does not include a common carrier or individual hired primarily to transport prescription or nonprescription drugs.

(c) ~~"Manufacturer" means anyone who is engaged in the manufacturing, preparing, propagating, compounding, processing, packaging, repackaging, or labeling of a prescription drug has the meaning provided in section 151.01, subdivision 14b.~~

(d) "Prescription drug" means a drug required by federal or state law or regulation to be dispensed only by a prescription, including finished dosage forms and active ingredients subject to United States Code, title 21, sections 811 and 812.

(e) "Blood" means whole blood collected from a single donor and processed either for transfusion or further manufacturing.

(f) "Blood components" means that part of blood separated by physical or mechanical means.

(g) "Reverse distribution" means the receipt of prescription or nonprescription drugs received from or shipped to Minnesota locations for the purpose of returning the drugs to their producers or distributors.

(h) "Reverse distributor" means a person engaged in the reverse distribution of drugs.

Sec. 17. Minnesota Statutes 2012, section 151.58, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of this section only, the terms defined in this subdivision have the meanings given.

(a) "Automated drug distribution system" or "system" means a mechanical system approved by the board that performs operations or activities, other than compounding or administration, related to the storage, packaging, or dispensing of drugs, and collects, controls, and maintains all required transaction information and records.

(b) "Health care facility" means a nursing home licensed under section 144A.02; a housing with services establishment registered under section 144D.01, subdivision 4, in which a home provider licensed under chapter 144A is providing centralized storage of medications; or a ~~community behavioral health hospital or~~ Minnesota sex offender program facility operated by the Department of Human Services.

(c) "Managing pharmacy" means a pharmacy licensed by the board that controls and is responsible for the operation of an automated drug distribution system.

Sec. 18. Minnesota Statutes 2012, section 151.58, subdivision 3, is amended to read:

Subd. 3. **Authorization.** A pharmacy may use an automated drug distribution system to fill prescription drug orders for patients of a health care facility provided that the policies and procedures required by this section have been approved by the board. The automated drug distribution system may be located in a health care facility that is not at the same location as the managing pharmacy. When located within a health care facility, the system is considered to be an extension of the managing pharmacy.

Sec. 19. Minnesota Statutes 2012, section 151.58, subdivision 5, is amended to read:

Subd. 5. **Operation of automated drug distribution systems.** (a) The managing pharmacy and the pharmacist in charge are responsible for the operation of an automated drug distribution system.

(b) Access to an automated drug distribution system must be limited to pharmacy and nonpharmacy personnel authorized to procure drugs from the system, except that field service technicians may access a system located in a health care facility for the purposes of servicing and maintaining it while being monitored either by the managing pharmacy, or a licensed nurse within the health care facility. In the case of an automated drug distribution system that is not physically located within a licensed pharmacy, access for the purpose of procuring drugs shall be limited to licensed nurses. Each person authorized to access the system must be assigned an individual specific access code. Alternatively, access to the system may be controlled through the use of biometric identification procedures. A policy specifying time access parameters, including time-outs, logoffs, and lockouts, must be in place.

(c) For the purposes of this section only, the requirements of section 151.215 are met if the following clauses are met:

(1) a pharmacist employed by and working at the managing pharmacy, or at a pharmacy that is acting as a central services pharmacy for the managing pharmacy, pursuant to Minnesota Rules, part 6800.4075, must review, interpret, and approve all prescription drug orders before any drug is distributed from the system to be administered to a patient. A pharmacy technician may perform data entry of prescription drug orders provided that a pharmacist certifies the accuracy of the data entry before the drug can be released from the automated drug distribution system. A pharmacist employed by and working at the managing pharmacy must certify the accuracy of the filling of any cassettes, canisters, or other containers that contain drugs that will be loaded into the automated drug distribution system; and

(2) when the automated drug dispensing system is located and used within the managing pharmacy, a pharmacist must personally supervise and take responsibility for all packaging and labeling associated with the use of an automated drug distribution system.

(d) Access to drugs when a pharmacist has not reviewed and approved the prescription drug order is permitted only when a formal and written decision to allow such access is issued by the pharmacy and the therapeutics committee or its equivalent. The committee must specify the patient care circumstances in which such access is allowed, the drugs that can be accessed, and the staff that are allowed to access the drugs.

(e) In the case of an automated drug distribution system that does not utilize bar coding in the loading process, the loading of a system located in a health care facility may be performed by a pharmacy technician, so long as the activity is continuously supervised, through a two-way audiovisual system by a pharmacist on duty within the managing pharmacy. In the case of an automated drug distribution system that utilizes bar coding in the loading process, the loading of a system located in a health care facility may be performed by a pharmacy technician or a licensed nurse, provided that the managing pharmacy retains an electronic record of loading activities.

(f) The automated drug distribution system must be under the supervision of a pharmacist. The pharmacist is not required to be physically present at the site of the automated drug distribution system if the system is continuously monitored electronically by the managing pharmacy. A pharmacist on duty within a pharmacy licensed by the board must be continuously available to address any problems detected by the monitoring or to answer questions from the staff of the health care facility. The licensed pharmacy may be the managing pharmacy or a pharmacy which is acting as a central services pharmacy, pursuant to Minnesota Rules, part 6800.4075, for the managing pharmacy.

Sec. 20. Minnesota Statutes 2013 Supplement, section 152.02, subdivision 2, is amended to read:

Subd. 2. **Schedule I.** (a) Schedule I consists of the substances listed in this subdivision.

(b) Opiates. Unless specifically excepted or unless listed in another schedule, any of the following substances, including their analogs, isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, whenever the existence of the analogs, isomers, esters, ethers, and salts is possible:

- (1) acetylmethadol;
- (2) allylprodine;
- (3) alphacetylmethadol (except levo-alphacetylmethadol, also known as levomethadyl acetate);
- (4) alphameprodine;
- (5) alphasmethadol;
- (6) alpha-methylfentanyl benzethidine;
- (7) betacetylmethadol;
- (8) betameprodine;
- (9) betamethadol;

- (10) betaprodine;
- (11) clonitazene;
- (12) dextromoramide;
- (13) diampromide;
- (14) diethylambutene;
- (15) difenoxin;
- (16) dimenoxadol;
- (17) dimepheptanol;
- (18) dimethylambutene;
- (19) dioxaphetyl butyrate;
- (20) dipipanone;
- (21) ethylmethylthiambutene;
- (22) etonitazene;
- (23) etoxeridine;
- (24) furethidine;
- (25) hydroxypethidine;
- (26) ketobemidone;
- (27) levomoramide;
- (28) levophenacilmorphan;
- (29) 3-methylfentanyl;
- (30) acetyl-alpha-methylfentanyl;
- (31) alpha-methylthiofentanyl;
- (32) benzylfentanyl beta-hydroxyfentanyl;
- (33) beta-hydroxy-3-methylfentanyl;
- (34) 3-methylthiofentanyl;
- (35) thenylfentanyl;
- (36) thiofentanyl;
- (37) para-fluorofentanyl;
- (38) morpheridine;
- (39) 1-methyl-4-phenyl-4-propionoxypiperidine;

- (40) noracymethadol;
- (41) norlevorphanol;
- (42) normethadone;
- (43) norpipanone;
- (44) 1-(2-phenylethyl)-4-phenyl-4-acetoxypiperidine (PEPAP);
- (45) phenadoxone;
- (46) phenampromide;
- (47) phenomorphan;
- (48) phenoperidine;
- (49) piritramide;
- (50) proheptazine;
- (51) properidine;
- (52) propiram;
- (53) racemoramide;
- (54) tilidine;
- (55) trimeperidine;
- (56) N-(1-Phenethylpiperidin-4-yl)-N-phenylacetamide (acetyl fentanyl).

(c) Opium derivatives. Any of the following substances, their analogs, salts, isomers, and salts of isomers, unless specifically excepted or unless listed in another schedule, whenever the existence of the analogs, salts, isomers, and salts of isomers is possible:

- (1) acetorphine;
- (2) acetyldihydrocodeine;
- (3) benzylmorphine;
- (4) codeine methylbromide;
- (5) codeine-n-oxide;
- (6) cyprenorphine;
- (7) desomorphine;
- (8) dihydromorphine;
- (9) drotebanol;
- (10) etorphine;
- (11) heroin;

- (12) hydromorphenol;
- (13) methyldesorphine;
- (14) methyldihydromorphine;
- (15) morphine methylbromide;
- (16) morphine methylsulfonate;
- (17) morphine-n-oxide;
- (18) myrophine;
- (19) nicocodeine;
- (20) nicomorphine;
- (21) normorphine;
- (22) pholcodine;
- (23) thebacon.

(d) Hallucinogens. Any material, compound, mixture or preparation which contains any quantity of the following substances, their analogs, salts, isomers (whether optical, positional, or geometric), and salts of isomers, unless specifically excepted or unless listed in another schedule, whenever the existence of the analogs, salts, isomers, and salts of isomers is possible:

- (1) methylenedioxy amphetamine;
- (2) methylenedioxymethamphetamine;
- (3) methylenedioxy-N-ethylamphetamine (MDEA);
- (4) n-hydroxy-methylenedioxyamphetamine;
- (5) 4-bromo-2,5-dimethoxyamphetamine (DOB);
- (6) 2,5-dimethoxyamphetamine (2,5-DMA);
- (7) 4-methoxyamphetamine;
- (8) 5-methoxy-3, 4-methylenedioxy amphetamine;
- (9) alpha-ethyltryptamine;
- (10) bufotenine;
- (11) diethyltryptamine;
- (12) dimethyltryptamine;
- (13) 3,4,5-trimethoxy amphetamine;
- (14) 4-methyl-2, 5-dimethoxyamphetamine (DOM);
- (15) ibogaine;

- (16) lysergic acid diethylamide (LSD);
- (17) mescaline;
- (18) parahexyl;
- (19) N-ethyl-3-piperidyl benzilate;
- (20) N-methyl-3-piperidyl benzilate;
- (21) psilocybin;
- (22) psilocyn;
- (23) tenocyclidine (TPCP or TCP);
- (24) N-ethyl-1-phenyl-cyclohexylamine (PCE);
- (25) 1-(1-phenylcyclohexyl) pyrrolidine (PCPy);
- (26) 1-[1-(2-thienyl)cyclohexyl]-pyrrolidine (TCPy);
- (27) 4-chloro-2,5-dimethoxyamphetamine (DOC);
- (28) 4-ethyl-2,5-dimethoxyamphetamine (DOET);
- (29) 4-iodo-2,5-dimethoxyamphetamine (DOI);
- (30) 4-bromo-2,5-dimethoxyphenethylamine (2C-B);
- (31) 4-chloro-2,5-dimethoxyphenethylamine (2C-C);
- (32) 4-methyl-2,5-dimethoxyphenethylamine (2-CD);
- (33) 4-ethyl-2,5-dimethoxyphenethylamine (2C-E);
- (34) 4-iodo-2,5-dimethoxyphenethylamine (2C-I);
- (35) 4-propyl-2,5-dimethoxyphenethylamine (2C-P);
- (36) 4-isopropylthio-2,5-dimethoxyphenethylamine (2C-T-4);
- (37) 4-propylthio-2,5-dimethoxyphenethylamine (2C-T-7);
- (38) 2-(8-bromo-2,3,6,7-tetrahydrofuro [2,3-f][1]benzofuran-4-yl)ethanamine (2-CB-FLY);
- (39) bromo-benzodifuranyl-isopropylamine (Bromo-DragonFLY);
- (40) alpha-methyltryptamine (AMT);
- (41) N,N-diisopropyltryptamine (DiPT);
- (42) 4-acetoxy-N,N-dimethyltryptamine (4-AcO-DMT);
- (43) 4-acetoxy-N,N-diethyltryptamine (4-AcO-DET);
- (44) 4-hydroxy-N-methyl-N-propyltryptamine (4-HO-MPT);
- (45) 4-hydroxy-N,N-dipropyltryptamine (4-HO-DPT);

- (46) 4-hydroxy-N,N-diallyltryptamine (4-HO-DALT);
- (47) 4-hydroxy-N,N-diisopropyltryptamine (4-HO-DiPT);
- (48) 5-methoxy-N,N-diisopropyltryptamine (5-MeO-DiPT);
- (49) 5-methoxy- α -methyltryptamine (5-MeO-AMT);
- (50) 5-methoxy-N,N-dimethyltryptamine (5-MeO-DMT);
- (51) 5-methylthio-N,N-dimethyltryptamine (5-MeS-DMT);
- (52) 5-methoxy-N-methyl-N-propyltryptamine (5-MeO-MiPT);
- (53) 5-methoxy- α -ethyltryptamine (5-MeO-AET);
- (54) 5-methoxy-N,N-dipropyltryptamine (5-MeO-DPT);
- (55) 5-methoxy-N,N-diethyltryptamine (5-MeO-DET);
- (56) 5-methoxy-N,N-diallyltryptamine (5-MeO-DALT);
- (57) methoxetamine (MXE);
- (58) 5-iodo-2-aminoindane (5-IAI);
- (59) 5,6-methylenedioxy-2-aminoindane (MDAI);
- (60) 2-(4-iodo-2,5-dimethoxyphenyl)-N-[(2-methoxyphenyl)methyl]ethanamine (25I-NBOMe).

(e) Peyote. All parts of the plant presently classified botanically as *Lophophora williamsii* Lemaire, whether growing or not, the seeds thereof, any extract from any part of the plant, and every compound, manufacture, salts, derivative, mixture, or preparation of the plant, its seeds or extracts. The listing of peyote as a controlled substance in Schedule I does not apply to the nondrug use of peyote in bona fide religious ceremonies of the American Indian Church, and members of the American Indian Church are exempt from registration. Any person who manufactures peyote for or distributes peyote to the American Indian Church, however, is required to obtain federal registration annually and to comply with all other requirements of law.

(f) Central nervous system depressants. Unless specifically excepted or unless listed in another schedule, any material compound, mixture, or preparation which contains any quantity of the following substances, their analogs, salts, isomers, and salts of isomers whenever the existence of the analogs, salts, isomers, and salts of isomers is possible:

- (1) mecloqualone;
- (2) methaqualone;
- (3) gamma-hydroxybutyric acid (GHB), including its esters and ethers;
- (4) flunitrazepam.

(g) Stimulants. Unless specifically excepted or unless listed in another schedule, any material compound, mixture, or preparation which contains any quantity of the following substances, their

analogs, salts, isomers, and salts of isomers whenever the existence of the analogs, salts, isomers, and salts of isomers is possible:

- (1) aminorex;
- (2) cathinone;
- (3) fenethylamine;
- (4) methcathinone;
- (5) methylaminorex;
- (6) N,N-dimethylamphetamine;
- (7) N-benzylpiperazine (BZP);
- (8) methylmethcathinone (mephedrone);
- (9) 3,4-methylenedioxy-N-methylcathinone (methydone);
- (10) methoxymethcathinone (methedrone);
- (11) methylenedioxypropylamphetamine (MDPV);
- (12) fluoromethcathinone;
- (13) methylethcathinone (MEC);
- (14) 1-benzofuran-6-ylpropan-2-amine (6-APB);
- (15) dimethylmethcathinone (DMMC);
- (16) fluoroamphetamine;
- (17) fluoromethamphetamine;
- (18) α -methylaminobutyrophenone (MABP or buphedrone);
- (19) β -keto-N-methylbenzodioxolylpropylamine (bk-MBDB or butylone);
- (20) 2-(methylamino)-1-(4-methylphenyl)butan-1-one (4-MEMABP or BZ-6378);
- (21) naphthylpropylamphetamine (naphyrone); ~~and~~
- (22) (RS)-1-phenyl-2-(1-pyrrolidinyl)-1-pentanone (alpha-PVP) or
alpha-pyrrolidinovalerophenone;
- (23) (RS)-1-(4-methylphenyl)-2-(1-pyrrolidinyl)-1-hexanone (4-Me-PHP or MPHP); and

~~(22)~~ (24) any other substance, except bupropion or compounds listed under a different schedule, that is structurally derived from 2-aminopropan-1-one by substitution at the 1-position with either phenyl, naphthyl, or thiophene ring systems, whether or not the compound is further modified in any of the following ways:

(i) by substitution in the ring system to any extent with alkyl, alkylendioxy, alkoxy, haloalkyl, hydroxyl, or halide substituents, whether or not further substituted in the ring system by one or more other univalent substituents;

(ii) by substitution at the 3-position with an acyclic alkyl substituent;

(iii) by substitution at the 2-amino nitrogen atom with alkyl, dialkyl, benzyl, or methoxybenzyl groups; or

(iv) by inclusion of the 2-amino nitrogen atom in a cyclic structure.

(h) Marijuana, tetrahydrocannabinols, and synthetic cannabinoids. Unless specifically excepted or unless listed in another schedule, any natural or synthetic material, compound, mixture, or preparation that contains any quantity of the following substances, their analogs, isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, whenever the existence of the isomers, esters, ethers, or salts is possible:

(1) marijuana;

(2) tetrahydrocannabinols naturally contained in a plant of the genus *Cannabis*, synthetic equivalents of the substances contained in the cannabis plant or in the resinous extractives of the plant, or synthetic substances with similar chemical structure and pharmacological activity to those substances contained in the plant or resinous extract, including, but not limited to, 1 cis or trans tetrahydrocannabinol, 6 cis or trans tetrahydrocannabinol, and 3,4 cis or trans tetrahydrocannabinol;

(3) synthetic cannabinoids, including the following substances:

(i) Naphthoylindoles, which are any compounds containing a 3-(1-naphthoyl)indole structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group, whether or not further substituted in the indole ring to any extent and whether or not substituted in the naphthyl ring to any extent. Examples of naphthoylindoles include, but are not limited to:

(A) 1-Pentyl-3-(1-naphthoyl)indole (JWH-018 and AM-678);

(B) 1-Butyl-3-(1-naphthoyl)indole (JWH-073);

(C) 1-Pentyl-3-(4-methoxy-1-naphthoyl)indole (JWH-081);

(D) 1-[2-(4-morpholinyl)ethyl]-3-(1-naphthoyl)indole (JWH-200);

(E) 1-Propyl-2-methyl-3-(1-naphthoyl)indole (JWH-015);

(F) 1-Hexyl-3-(1-naphthoyl)indole (JWH-019);

(G) 1-Pentyl-3-(4-methyl-1-naphthoyl)indole (JWH-122);

(H) 1-Pentyl-3-(4-ethyl-1-naphthoyl)indole (JWH-210);

(I) 1-Pentyl-3-(4-chloro-1-naphthoyl)indole (JWH-398);

(J) 1-(5-fluoropentyl)-3-(1-naphthoyl)indole (AM-2201).

(ii) Naphthylmethylindoles, which are any compounds containing a 1H-indol-3-yl-(1-naphthyl)methane structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group, whether or not further

substituted in the indole ring to any extent and whether or not substituted in the naphthyl ring to any extent. Examples of naphthylmethylindeles include, but are not limited to:

(A) 1-Pentyl-1H-indol-3-yl-(1-naphthyl)methane (JWH-175);

(B) 1-Pentyl-1H-indol-3-yl-(4-methyl-1-naphthyl)methan (JWH-184).

(iii) Naphthoylpyrroles, which are any compounds containing a 3-(1-naphthoyl)pyrrole structure with substitution at the nitrogen atom of the pyrrole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not further substituted in the pyrrole ring to any extent, whether or not substituted in the naphthyl ring to any extent. Examples of naphthoylpyrroles include, but are not limited to, (5-(2-fluorophenyl)-1-pentylpyrrol-3-yl)-naphthalen-1-ylmethanone (JWH-307).

(iv) Naphthylmethylindenes, which are any compounds containing a naphthylideneindene structure with substitution at the 3-position of the indene ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not further substituted in the indene ring to any extent, whether or not substituted in the naphthyl ring to any extent. Examples of naphthylmethylindenes include, but are not limited to, E-1-[1-(1-naphthalenylmethylene)-1H-inden-3-yl]pentane (JWH-176).

(v) Phenylacetylindoles, which are any compounds containing a 3-phenylacetylindole structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not further substituted in the indole ring to any extent, whether or not substituted in the phenyl ring to any extent. Examples of phenylacetylindoles include, but are not limited to:

(A) 1-(2-cyclohexylethyl)-3-(2-methoxyphenylacetyl)indole (RCS-8);

(B) 1-pentyl-3-(2-methoxyphenylacetyl)indole (JWH-250);

(C) 1-pentyl-3-(2-methylphenylacetyl)indole (JWH-251);

(D) 1-pentyl-3-(2-chlorophenylacetyl)indole (JWH-203).

(vi) Cyclohexylphenols, which are compounds containing a 2-(3-hydroxycyclohexyl)phenol structure with substitution at the 5-position of the phenolic ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not substituted in the cyclohexyl ring to any extent. Examples of cyclohexylphenols include, but are not limited to:

(A) 5-(1,1-dimethylheptyl)-2-[(1R,3S)-3-hydroxycyclohexyl]-phenol (CP 47,497);

(B) 5-(1,1-dimethyloctyl)-2-[(1R,3S)-3-hydroxycyclohexyl]-phenol (Cannabicyclohexanol or CP 47,497 C8 homologue);

(C) 5-(1,1-dimethylheptyl)-2-[(1R,2R)-5-hydroxy-2-(3-hydroxypropyl)cyclohexyl] -phenol (CP 55,940).

(vii) Benzoylindoles, which are any compounds containing a 3-(benzoyl)indole structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not

further substituted in the indole ring to any extent and whether or not substituted in the phenyl ring to any extent. Examples of benzoylindoles include, but are not limited to:

- (A) 1-Pentyl-3-(4-methoxybenzoyl)indole (RCS-4);
 - (B) 1-(5-fluoropentyl)-3-(2-iodobenzoyl)indole (AM-694);
 - (C) (4-methoxyphenyl-[2-methyl-1-(2-(4-morpholinyl)ethyl)indol-3-yl]methanone (WIN 48,098 or Pravadoline).
- (viii) Others specifically named:
- (A) (6aR,10aR)-9-(hydroxymethyl)-6,6-dimethyl-3-(2-methyloctan-2-yl)-6a,7,10,10a-tetrahydrobenzo[c]chromen-1-ol (HU-210);
 - (B) (6aS,10aS)-9-(hydroxymethyl)-6,6-dimethyl-3-(2-methyloctan-2-yl)-6a,7,10,10a-tetrahydrobenzo[c]chromen-1-ol (Dexanabinol or HU-211);
 - (C) 2,3-dihydro-5-methyl-3-(4-morpholinylmethyl)pyrrolo[1,2,3-de]-1,4-benzoxazin-6-yl-1-naphthalenylmethanone (WIN 55,212-2);
 - (D) (1-pentylindol-3-yl)-(2,2,3,3-tetramethylcyclopropyl)methanone (UR-144);
 - (E) (1-(5-fluoropentyl)-1H-indol-3-yl)(2,2,3,3-tetramethylcyclopropyl)methanone (XLR-11);
 - (F) 1-pentyl-N-tricyclo[3.3.1.1^{3,7}]dec-1-yl-1H-indazole-3-carboxamide (AKB-48(APINACA));
 - (G) N-((3s,5s,7s)-adamantan-1-yl)-1-(5-fluoropentyl)-1H-indazole-3-carboxamide (5-Fluoro-AKB-48);
 - (H) 1-pentyl-8-quinolinyl ester-1H-indole-3-carboxylic acid (PB-22);
 - (I) 8-quinolinyl ester-1-(5-fluoropentyl)-1H-indole-3-carboxylic acid (5-Fluoro PB-22);
 - (J) N-[(1S)-1-(aminocarbonyl)-2-methylpropyl]-1-pentyl-1H-indazole-3-carboxamide (AB-PINACA);
 - (K) N-[(1S)-1-(aminocarbonyl)-2-methylpropyl]-1-[(4-fluorophenyl)methyl]-1H-indazole-3-carboxamide (AB-FUBINACA).

(i) A controlled substance analog, to the extent that it is implicitly or explicitly intended for human consumption.

Sec. 21. Minnesota Statutes 2012, section 152.02, subdivision 8b, is amended to read:

Subd. 8b. **Board of Pharmacy; expedited scheduling of additional substances.** (a) The state Board of Pharmacy may, by rule, add a substance to Schedule I provided that it finds that the substance has a high potential for abuse, has no currently accepted medical use in the United States, has a lack of accepted safety for use under medical supervision, has known adverse health effects, and is currently available for use within the state. For the purposes of this subdivision only, the board may use the expedited rulemaking process under section 14.389. ~~The scheduling of a substance under this subdivision expires the day after the adjournment of the legislative session immediately following the substance's scheduling unless the legislature by law ratifies the action.~~

~~(b) If the board schedules a substance under this subdivision, the board shall notify in a timely manner the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over criminal justice and health policy and finance of the action and the reasons for it. The notice must include a copy of the administrative law judge's decision on the matter.~~

~~(c) This subdivision expires August 1, 2014.~~

Sec. 22. Minnesota Statutes 2012, section 152.126, as amended by Laws 2013, chapter 113, article 3, section 3, is amended to read:

152.126 CONTROLLED SUBSTANCES PRESCRIPTION ELECTRONIC REPORTING SYSTEM PRESCRIPTION MONITORING PROGRAM.

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

~~(a)~~ (b) "Board" means the Minnesota State Board of Pharmacy established under chapter 151.

~~(b)~~ (c) "Controlled substances" means those substances listed in section 152.02, subdivisions 3 to 5 6, and those substances defined by the board pursuant to section 152.02, subdivisions 7, 8, and 12. For the purposes of this section, controlled substances includes tramadol and butalbital.

~~(c)~~ (d) "Dispense" or "dispensing" has the meaning given in section 151.01, subdivision 30. Dispensing does not include the direct administering of a controlled substance to a patient by a licensed health care professional.

~~(d)~~ (e) "Dispenser" means a person authorized by law to dispense a controlled substance, pursuant to a valid prescription. For the purposes of this section, a dispenser does not include a licensed hospital pharmacy that distributes controlled substances for inpatient hospital care, a licensed pharmacy, located on the same premises as a residential hospice, when the licensed pharmacy is dispensing controlled substances to be used by an individual who is a resident of the hospice or a veterinarian who is dispensing prescriptions under section 156.18.

~~(e)~~ (f) "Prescriber" means a licensed health care professional who is authorized to prescribe a controlled substance under section 152.12, subdivision 1 or 2.

~~(f)~~ (g) "Prescription" has the meaning given in section 151.01, subdivision 16.

Subd. 1a. **Treatment of intractable pain.** This section is not intended to limit or interfere with the legitimate prescribing of controlled substances for pain. No prescriber shall be subject to disciplinary action by a health-related licensing board for prescribing a controlled substance according to the provisions of section 152.125.

Subd. 2. **Prescription electronic reporting system.** (a) The board shall establish by January 1, 2010, an electronic system for reporting the information required under subdivision 4 for all controlled substances dispensed within the state.

(b) The board may contract with a vendor for the purpose of obtaining technical assistance in the design, implementation, operation, and maintenance of the electronic reporting system.

Subd. 3. **Prescription Electronic Reporting Monitoring Program Advisory Committee Task Force.** (a) ~~The board shall convene~~ may appoint an advisory committee. ~~The committee must include~~ task force consisting of at least one representative of:

- (1) the Department of Health;
- (2) the Department of Human Services;
- (3) each health-related licensing board that licenses prescribers;
- (4) a professional medical association, which may include an association of pain management and chemical dependency specialists;
- (5) a professional pharmacy association;
- (6) a professional nursing association;
- (7) a professional dental association;
- (8) a consumer privacy or security advocate; ~~and~~
- (9) a consumer or patient rights organization; ~~and~~
- (10) an association of medical examiners and coroners.

(b) ~~The advisory committee~~ task force shall advise the board on the development and operation of the electronic reporting system prescription monitoring program, including, but not limited to:

- (1) technical standards for electronic prescription drug reporting;
- (2) proper analysis and interpretation of prescription monitoring data; ~~and~~
- (3) an evaluation process for the program; and
- (4) criteria for the unsolicited provision of prescription monitoring data by the board to prescribers and dispensers.

(c) The task force is governed by section 15.059. Notwithstanding section 15.059, subdivision 5, the task force shall not expire.

Subd. 4. **Reporting requirements; notice.** (a) Each dispenser must submit the following data to the board or its designated vendor; ~~subject to the notice required under paragraph (d):~~

- (1) name of the prescriber;
- (2) national provider identifier of the prescriber;
- (3) name of the dispenser;
- (4) national provider identifier of the dispenser;
- (5) prescription number;
- (6) name of the patient for whom the prescription was written;
- (7) address of the patient for whom the prescription was written;
- (8) date of birth of the patient for whom the prescription was written;

- (9) date the prescription was written;
- (10) date the prescription was filled;
- (11) name and strength of the controlled substance;
- (12) quantity of controlled substance prescribed;
- (13) quantity of controlled substance dispensed; and
- (14) number of days supply.

(b) The dispenser must submit the required information by a procedure and in a format established by the board. The board may allow dispensers to omit data listed in this subdivision or may require the submission of data not listed in this subdivision provided the omission or submission is necessary for the purpose of complying with the electronic reporting or data transmission standards of the American Society for Automation in Pharmacy, the National Council on Prescription Drug Programs, or other relevant national standard-setting body.

(c) A dispenser is not required to submit this data for those controlled substance prescriptions dispensed for:

- ~~(1) individuals residing in licensed skilled nursing or intermediate care facilities;~~
- ~~(2) individuals receiving assisted living services under chapter 144G or through a medical assistance home and community-based waiver;~~
- ~~(3) individuals receiving medication intravenously;~~
- ~~(4) individuals receiving hospice and other palliative or end-of-life care; and~~
- ~~(5) individuals receiving services from a home care provider regulated under chapter 144A.~~

(1) individuals residing in a health care facility as defined in section 151.58, subdivision 2, paragraph (b), when a drug is distributed through the use of an automated drug distribution system according to section 151.58; and

(2) individuals receiving a drug sample that was packaged by a manufacturer and provided to the dispenser for dispensing as a professional sample pursuant to Code of Federal Regulations, title 21, section 203, subpart D.

~~(d) A dispenser must not submit data under this subdivision unless provide to the patient for whom the prescription was written a conspicuous notice of the reporting requirements of this section is given to the patient for whom the prescription was written and notice that the information may be used for program administration purposes.~~

Subd. 5. Use of data by board. (a) The board shall develop and maintain a database of the data reported under subdivision 4. The board shall maintain data that could identify an individual prescriber or dispenser in encrypted form. Except as otherwise allowed under subdivision 6, the database may be used by permissible users identified under subdivision 6 for the identification of:

(1) individuals receiving prescriptions for controlled substances from prescribers who subsequently obtain controlled substances from dispensers in quantities or with a frequency inconsistent with generally recognized standards of use for those controlled substances, including standards accepted by national and international pain management associations; and

(2) individuals presenting forged or otherwise false or altered prescriptions for controlled substances to dispensers.

(b) No permissible user identified under subdivision 6 may access the database for the sole purpose of identifying prescribers of controlled substances for unusual or excessive prescribing patterns without a valid search warrant or court order.

(c) No personnel of a state or federal occupational licensing board or agency may access the database for the purpose of obtaining information to be used to initiate or substantiate a disciplinary action against a prescriber when the disciplinary action relates to allegations involving unusual or excessive prescribing of the drugs for which data is collected under subdivision 4.

(d) Data reported under subdivision 4 shall be retained by the board in the database for a 12-month period, and shall be removed from the database no later than 12 months from the last day of the month during which the data was received; made available to permissible users for a 12-month period beginning the day the data was received and ending 12 months from the last day of the month in which the data was received, except that permissible users defined in subdivision 6, paragraph (b), clauses (6) and (7), may use all data collected under this section for the purposes of administering, operating, and maintaining the prescription monitoring program and conducting trend analyses and other studies necessary to evaluate the effectiveness of the program.

(e) The board shall not retain data reported under subdivision 4 for a period longer than five years from the date the data was received.

Subd. 6. Access to reporting system data. (a) Except as indicated in this subdivision, the data submitted to the board under subdivision 4 is private data on individuals as defined in section 13.02, subdivision 12, and not subject to public disclosure.

(b) Except as specified in subdivision 5, the following persons shall be considered permissible users and may access the data submitted under subdivision 4 in the same or similar manner, and for the same or similar purposes, as those persons who are authorized to access similar private data on individuals under federal and state law:

(1) a prescriber or an agent or employee of the prescriber to whom the prescriber has delegated the task of accessing the data, to the extent the information relates specifically to a current patient, to whom the prescriber is prescribing or considering prescribing any controlled substance or to whom the prescriber is providing other medical treatment for which access to the data may be necessary and with the provision that the prescriber remains responsible for the use or misuse of data accessed by a delegated agent or employee;

(2) a dispenser or an agent or employee of the dispenser to whom the dispenser has delegated the task of accessing the data, to the extent the information relates specifically to a current patient to whom that dispenser is dispensing or considering dispensing any controlled substance and with the provision that the dispenser remains responsible for the use or misuse of data accessed by a delegated agent or employee;

(3) a licensed pharmacist who is providing pharmaceutical care for which access to the data may be necessary to the extent that the information relates specifically to a current patient for whom the pharmacist is providing pharmaceutical care;

~~(3)~~ (4) an individual who is the recipient of a controlled substance prescription for which data was submitted under subdivision 4, or a guardian of the individual, parent or guardian of a minor, or health care agent of the individual acting under a health care directive under chapter 145C;

~~(4)~~ (5) personnel of ~~the~~ a health-related licensing board ~~specifically~~ listed in section 214.01, subdivision 2, or the Emergency Medical Services Regulatory Board, assigned to conduct a bona fide investigation of a complaint received by that board alleging that a specific licensee is impaired by use of a drug for which data is collected under subdivision 4, has engaged in activity that would constitute a crime as defined in section 152.025, or has engaged in the behavior specified in section 152.126, subdivision 5, paragraph (a);

~~(5)~~ (6) personnel of the board engaged in the collection, review, and analysis of controlled substance prescription information as part of the assigned duties and responsibilities under this section;

~~(6)~~ (7) authorized personnel of a vendor under contract with the ~~board~~ state of Minnesota who are engaged in the design, implementation, operation, and maintenance of the ~~electronic reporting system~~ prescription monitoring program as part of the assigned duties and responsibilities of their employment, provided that access to data is limited to the minimum amount necessary to carry out such duties and responsibilities;

~~(7)~~ (8) federal, state, and local law enforcement authorities acting pursuant to a valid search warrant;

~~(8)~~ (9) personnel of the ~~medical assistance program~~ Minnesota health care programs assigned to use the data collected under this section to identify and manage recipients whose usage of controlled substances may warrant restriction to a single primary care ~~physician~~ provider, a single outpatient pharmacy, ~~or and~~ a single hospital; ~~and~~

~~(9)~~ (10) personnel of the Department of Human Services assigned to access the data pursuant to paragraph (h);

(11) a coroner or medical examiner, or an agent or employee of the coroner or medical examiner to whom the coroner or medical examiner has delegated the task of accessing the data, conducting an investigation pursuant to section 390.11, and with the provision that the coroner or medical examiner remains responsible for the use or misuse of data accessed by a delegated agent or employee; and

(12) personnel of the health professionals services program established under section 214.31, to the extent that the information relates specifically to an individual who is currently enrolled in and being monitored by the program. The health professionals services program personnel shall not provide this data to a health-related licensing board or the Emergency Medical Services Regulatory Board, except as permitted under section 214.33, subdivision 3.

For purposes of clause ~~(3)~~ (4), access by an individual includes persons in the definition of an individual under section 13.02.

(c) ~~Any~~ A permissible user identified in paragraph (b), ~~who~~ clauses (1), (2), (3), (6), (7), (9), (10), and (11) may directly ~~accesses~~ access the data electronically; ~~If the data is directly accessed electronically, the permissible user shall implement and maintain a comprehensive information security program that contains administrative, technical, and physical safeguards that are appropriate to the user's size and complexity, and the sensitivity of the personal information~~

obtained. The permissible user shall identify reasonably foreseeable internal and external risks to the security, confidentiality, and integrity of personal information that could result in the unauthorized disclosure, misuse, or other compromise of the information and assess the sufficiency of any safeguards in place to control the risks.

(d) The board shall not release data submitted under ~~this section~~ subdivision 4 unless it is provided with evidence, satisfactory to the board, that the person requesting the information is entitled to receive the data.

~~(e) The board shall not release the name of a prescriber without the written consent of the prescriber or a valid search warrant or court order. The board shall provide a mechanism for a prescriber to submit to the board a signed consent authorizing the release of the prescriber's name when data containing the prescriber's name is requested.~~

~~(f)~~ (e) The board shall maintain a log of all persons who access the data for a period of at least three years and shall ensure that any permissible user complies with paragraph (c) prior to attaining direct access to the data.

~~(g)~~ (f) Section 13.05, subdivision 6, shall apply to any contract the board enters into pursuant to subdivision 2. A vendor shall not use data collected under this section for any purpose not specified in this section.

(g) The board may participate in an interstate prescription monitoring program data exchange system provided that permissible users in other states have access to the data only as allowed under this section, and that section 13.05, subdivision 6, applies to any contract or memorandum of understanding that the board enters into under this paragraph.

(h) With available appropriations, the commissioner of human services shall establish and implement a system through which the Department of Human Services shall routinely access the data for the purpose of determining whether any client enrolled in an opioid treatment program licensed according to chapter 245A has been prescribed or dispensed a controlled substance in addition to that administered or dispensed by the opioid treatment program. When the commissioner determines there have been multiple prescribers or multiple prescriptions of controlled substances, the commissioner shall:

(1) inform the medical director of the opioid treatment program only that the commissioner determined the existence of multiple prescribers or multiple prescriptions of controlled substances; and

(2) direct the medical director of the opioid treatment program to access the data directly, review the effect of the multiple prescribers or multiple prescriptions, and document the review.

If determined necessary, the commissioner of human services shall seek a federal waiver of, or exception to, any applicable provision of Code of Federal Regulations, title 42, part 2.34, item (c), prior to implementing this paragraph.

(i) The board may provide data submitted under subdivision 4 for public research, policy, or education purposes, but only after the removal of any information that is likely to reveal the identity of the patient, prescriber, or dispenser who is the subject of the data.

(j) The board shall review the data submitted under subdivision 4 on at least a quarterly basis and shall establish criteria, in consultation with the advisory task force, for referring information about

a patient to prescribers and dispensers who prescribed or dispensed the prescriptions in question if the criteria are met.

Subd. 7. **Disciplinary action.** (a) A dispenser who knowingly fails to submit data to the board as required under this section is subject to disciplinary action by the appropriate health-related licensing board.

(b) A prescriber or dispenser authorized to access the data who knowingly discloses the data in violation of state or federal laws relating to the privacy of health care data shall be subject to disciplinary action by the appropriate health-related licensing board, and appropriate civil penalties.

~~Subd. 8. **Evaluation and reporting.** (a) The board shall evaluate the prescription electronic reporting system to determine if the system is negatively impacting appropriate prescribing practices of controlled substances. The board may contract with a vendor to design and conduct the evaluation.~~

~~(b) The board shall submit the evaluation of the system to the legislature by July 15, 2011.~~

Subd. 9. **Immunity from liability; no requirement to obtain information.** (a) A pharmacist, prescriber, or other dispenser making a report to the program in good faith under this section is immune from any civil, criminal, or administrative liability, which might otherwise be incurred or imposed as a result of the report, or on the basis that the pharmacist or prescriber did or did not seek or obtain or use information from the program.

(b) Nothing in this section shall require a pharmacist, prescriber, or other dispenser to obtain information about a patient from the program, and the pharmacist, prescriber, or other dispenser, if acting in good faith, is immune from any civil, criminal, or administrative liability that might otherwise be incurred or imposed for requesting, receiving, or using information from the program.

Subd. 10. **Funding.** (a) The board may seek grants and private funds from nonprofit charitable foundations, the federal government, and other sources to fund the enhancement and ongoing operations of the prescription electronic reporting system monitoring program established under this section. Any funds received shall be appropriated to the board for this purpose. The board may not expend funds to enhance the program in a way that conflicts with this section without seeking approval from the legislature.

(b) Notwithstanding any other section, the administrative services unit for the health-related licensing boards shall apportion between the Board of Medical Practice, the Board of Nursing, the Board of Dentistry, the Board of Podiatric Medicine, the Board of Optometry, the Board of Veterinary Medicine, and the Board of Pharmacy an amount to be paid through fees by each respective board. The amount apportioned to each board shall equal each board's share of the annual appropriation to the Board of Pharmacy from the state government special revenue fund for operating the prescription electronic reporting system monitoring program under this section. Each board's apportioned share shall be based on the number of prescribers or dispensers that each board identified in this paragraph licenses as a percentage of the total number of prescribers and dispensers licensed collectively by these boards. Each respective board may adjust the fees that the boards are required to collect to compensate for the amount apportioned to each board by the administrative services unit.

Sec. 23. **STUDY REQUIRED; PRESCRIPTION MONITORING PROGRAM DATABASE.**

The Board of Pharmacy, in collaboration with the Prescription Monitoring Program Advisory Task Force, shall study program database and report to the chairs and ranking minority members of the senate health and human services policy and finance division and the house of representatives health and human services policy and finance committees by December 15, 2014, with recommendations on whether or not to (1) require the use of the prescription monitoring by prescribers when prescribing or considering prescribing, and pharmacists when dispensing or considering dispensing, a controlled substance as defined in Minnesota Statutes, section 152.126, subdivision 1, paragraph (c); and (2) allow for the use of the prescription monitoring program database to identify potentially inappropriate prescribing of controlled substances.

Sec. 24. **APPROPRIATION.**

(a) \$210,000 in fiscal year 2015 is appropriated from the state government special revenue fund to the Board of Pharmacy to implement changes to the prescription monitoring program. The base for this appropriation is \$171,000 in fiscal years 2016 and 2017.

(b) \$5,000 in fiscal year 2015 is appropriated from the state government special revenue fund to the Board of Pharmacy for costs attributable to the board's cease and desist authority."

Amend the title as follows:

Page 1, line 2, delete "improving"

Page 1, delete line 3

Page 1, line 16, after the semicolon, insert "requiring a study; appropriating money;"

Amend the title numbers accordingly

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

SECOND READING OF SENATE BILLS

S.F. Nos. 2050, 2480, 2071, 2616, 1922, 1978, 1890, 511 and 1484 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 3017 was read the second time.

RECESS

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

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

APPOINTMENTS

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

H.F. No. 3167: Senators Skoe, Rest, Dziedzic, Koenen and Gazelka.

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

MEMBERS EXCUSED

Senator Stumpf was excused from the Session of today. Senators Bonoff, Cohen, Dziedzic, Goodwin, Housley, Limmer, Newman, Schmit, Senjem, Tomassoni and Westrom were excused from the Session of today from 11:00 to 11:30 a.m. Senators Housley and Ingebrigtsen were excused from the Session of today at 1:30 p.m. Senator Schmit was excused from the Session of today at 3:30 p.m. Senator Hann was excused from the Session of today from 3:30 to 3:55 p.m. Senator Pratt was excused from the Session of today from 3:50 to 3:55 p.m. Senator Brown was excused from the Session of today at 4:20 p.m. Senator Anderson was excused from the Session of today at 5:00 p.m. Senator Chamberlain was excused from the Session of today at 5:45 p.m. Senator Rosen was excused from the Session of today at 6:00 p.m.

ADJOURNMENT

Senator Bakk moved that the Senate do now adjourn until 12:00 noon, Tuesday, April 22, 2014. The motion prevailed.

JoAnne M. Zoff, Secretary of the Senate