

NINETY-NINTH DAY

St. Paul, Minnesota, Thursday, May 17, 2018

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

CALL OF THE SENATE

Senator Gazelka 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. Judy Zabel.

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:

| | | | | |
|--------------|-----------|--------------|---------|------------|
| Abeler | Draheim | Housley | Little | Ruud |
| Anderson, B. | Dziedzic | Ingebrigtsen | Lourey | Senjem |
| Anderson, P. | Eaton | Isaacson | Marty | Simonson |
| Bakk | Eichorn | Jasinski | Mathews | Sparks |
| Benson | Eken | Jensen | Miller | Tomassoni |
| Bigham | Fischbach | Johnson | Nelson | Torres Ray |
| Carlson | Franzen | Kent | Newman | Utke |
| Chamberlain | Frentz | Kiffmeyer | Newton | Weber |
| Champion | Gazelka | Klein | Osmek | Westrom |
| Clausen | Goggin | Koran | Pappas | Wiger |
| Cohen | Hall | Laine | Pratt | Wiklund |
| Cwodzinski | Hawj | Lang | Relph | |
| Dahms | Hayden | Latz | Rest | |
| Dibble | Hoffman | Limmer | Rosen | |

The President declared a quorum present.

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

RECESS

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

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. 327 and 893.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 16, 2018

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. 3638: A bill for an act relating to public safety; fully incorporating snowmobiles, all-terrain vehicles, and motorboats in operation into the DWI law; amending Minnesota Statutes 2017 Supplement, sections 84.91, subdivision 1; 86B.331, subdivision 1; repealing Minnesota Statutes 2016, section 169A.33, subdivision 1; Minnesota Statutes 2017 Supplement, section 169A.07.

Senate File No. 3638 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 16, 2018

CONCURRENCE AND REPASSAGE

Senator Koran moved that the Senate concur in the amendments by the House to S.F. No. 3638 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 3638 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 49 and nays 9, as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|--------------|-----------|--------|
| Abeler | Clausen | Frentz | Isaacson | Klein |
| Anderson, B. | Cohen | Gazelka | Jasinski | Koran |
| Anderson, P. | Cwodzinski | Hall | Jensen | Laine |
| Benson | Dahms | Hawj | Johnson | Lang |
| Bigham | Draheim | Housley | Kent | Latz |
| Chamberlain | Fischbach | Ingebrigtsen | Kiffmeyer | Limmer |

Little
Lourey
Marty
Mathews

Miller
Newman
Newton
Osmek

Pappas
Pratt
Relph
Rest

Rosen
Ruud
Simonson
Utke

Weber
Wiger
Wiklund

Those who voted in the negative were:

Dibble
Dziedzic

Eaton
Franzen

Hayden
Hoffman

Sparks
Tomassoni

Torres Ray

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 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. 2869: A bill for an act relating to transportation; eliminating a tariff filing requirement for certain motor carriers; amending Minnesota Statutes 2016, sections 174.66; 221.036, subdivisions 1, 3; 221.122, subdivision 1; 221.161, subdivision 1, by adding a subdivision; 221.171, subdivision 1; repealing Minnesota Statutes 2016, section 221.161, subdivisions 2, 3, 4.

Senate File No. 2869 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 16, 2018

CONCURRENCE AND REPASSAGE

Senator Koran moved that the Senate concur in the amendments by the House to S.F. No. 2869 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2869: A bill for an act relating to transportation; modifying tariff requirements for certain motor carriers; amending Minnesota Statutes 2016, sections 174.66; 221.036, subdivisions 1, 3; 221.122, subdivision 1; 221.161, subdivision 1, by adding a subdivision; 221.171, subdivision 1; repealing Minnesota Statutes 2016, section 221.161, subdivisions 2, 3, 4.

S.F. No. 2869 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 58 and nays 1, as follows:

Those who voted in the affirmative were:

Abeler
Anderson, B.
Anderson, P.
Benson

Bigham
Carlson
Chamberlain
Clausen

Cohen
Cwodzinski
Dahms
Dibble

Draheim
Dziedzic
Eaton
Fischbach

Franzen
Frentz
Gazelka
Hall

| | | | | |
|--------------|-----------|---------|----------|------------|
| Hawj | Kent | Little | Pappas | Tomassoni |
| Hoffman | Kiffmeyer | Lourey | Pratt | Torres Ray |
| Housley | Klein | Marty | Relph | Utke |
| Ingebrigtsen | Koran | Mathews | Rest | Weber |
| Isaacson | Laine | Miller | Rosen | Wiger |
| Jasinski | Lang | Newman | Ruud | Wiklund |
| Jensen | Latz | Newton | Simonson | |
| Johnson | Limmer | Osmek | Sparks | |

Those who voted in the negative were:

Hayden

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 has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

S.F. No. 3310: A bill for an act relating to human services; modifying provisions relating to child care licensing; amending Minnesota Statutes 2016, sections 245A.04, subdivision 9; 245A.05; 245A.06, subdivision 1; 245A.14, by adding a subdivision; 245A.152; Minnesota Statutes 2017 Supplement, sections 245A.07, subdivision 3; 245A.1434.

There has been appointed as such committee on the part of the House:

Peterson, Franson and Quam.

Senate File No. 3310 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 16, 2018

Madam President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 3202, 3610, and 3463.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 16, 2018

FIRST READING OF HOUSE BILLS

The following bills were read the first time.

H.F. No. 3202: A bill for an act relating to health; adding a project to the hospital construction moratorium exception; changing provisions for the plan required for an exception to the hospital

construction moratorium; amending Minnesota Statutes 2016, section 144.552; Minnesota Statutes 2017 Supplement, section 144.551, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2892, now on General Orders.

H.F. No. 3610: A bill for an act relating to public safety; enhancing the penalty for assaulting a police officer; criminalizing the dissemination of personal information about law enforcement officials in certain circumstances; amending Minnesota Statutes 2016, section 609.2231, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609.

Senator Benson, designee of the Chair of the Committee on Rules and Administration, moved that H.F. No. 3610 be laid on the table. The motion prevailed.

H.F. No. 3463: A bill for an act relating to motor vehicles; modifying various provisions governing motor vehicle titling and registration; appropriating money; amending Minnesota Statutes 2016, sections 80E.13; 168.013, subdivision 6; 168.27, by adding subdivisions; 168.301, subdivision 3; 168.33, subdivision 8a; 168.346, subdivision 1; 168A.12, subdivision 2; 168A.17, by adding a subdivision; Minnesota Statutes 2017 Supplement, section 168.013, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 168A.

Senator Benson, designee of the Chair of the Committee on Rules and Administration, moved that H.F. No. 3463 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

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

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

H.F. No. 3674 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. |
| 3674 | 3554 | | | | |

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 3674 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 3674; and insert the language after the enacting clause of S.F. No. 3554, the first engrossment; further, delete the title of H.F. No. 3674; and insert the title of S.F. No. 3554, the first engrossment.

And when so amended H.F. No. 3674 will be identical to S.F. No. 3554, and further recommends that H.F. No. 3674 be given its second reading and substituted for S.F. No. 3554, 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 Gazelka from the Committee on Rules and Administration, to which was referred

S.F. No. 4075: A bill for an act relating to legislative enactments; correcting miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors; amending Minnesota Statutes 2016, section 14.47, subdivision 5.

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

Page 2, after line 25, insert:

"Sec. 2. [CORR18-03A] Laws 2018, chapter 121, section 1, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~August 1~~ June 30, 2018.

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

Sec. 3. [CORR18-03B] Laws 2018, chapter 121, section 2, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~August 1~~ June 30, 2018.

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

Sec. 4. [CORR18-03C] Laws 2018, chapter 121, section 3, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~August 1~~ June 30, 2018.

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

Sec. 5. [CORR18-03D] Laws 2018, chapter 121, section 4, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~August 1~~ June 30, 2018.

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

Sec. 6. [CORR18-03E] Laws 2018, chapter 121, section 5, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~August 1~~ June 30, 2018.

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

Sec. 7. [CORR18-03F] Laws 2018, chapter 121, section 6, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~August 1~~ June 30, 2018.

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

Sec. 8. **EFFECTIVE DATE.**

Unless otherwise provided, each section of this act is effective at the time the provision being corrected is effective."

Renumber the sections in sequence

Amend the title accordingly

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

SECOND READING OF SENATE BILLS

S.F. No. 4075 was read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 3674 was read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Koran introduced--

S.F. No. 4088: A bill for an act relating to municipal contracting; increasing transparency for certain bids; amending Minnesota Statutes 2016, section 471.345, subdivision 6.

Referred to the Committee on Local Government.

Senator Dziejic introduced--

S.F. No. 4089: A bill for an act relating to real property; requiring tenant notice of grounds for eviction before action may be brought; amending Minnesota Statutes 2016, section 504B.321.

Referred to the Committee on Judiciary and Public Safety Finance and Policy.

Senator Bigham introduced--

S.F. No. 4090: A bill for an act relating to local government; providing a contested case hearing procedure; amending Minnesota Statutes 2016, section 390.11, subdivisions 1, 2; proposing coding for new law in Minnesota Statutes, chapter 390.

Referred to the Committee on Local Government.

Senators Simonson, Tomassoni, Wiger, Wiklund, and Hoffman introduced--

S.F. No. 4091: A bill for an act relating to education finance; increasing special education funding for school districts; reducing the tuition billbacks to resident school districts; adding local optional revenue and operating referendum revenue to general education revenue for charter schools; amending Minnesota Statutes 2016, sections 124E.20, subdivision 1; 124E.21, subdivision 3; 125A.76, as amended; 125A.79; 127A.45, subdivision 13; 127A.47, subdivision 7.

Referred to the Committee on E-12 Finance.

Senator Osmek introduced--

S.F. No. 4092: A bill for an act relating to capital investment; appropriating money for capital investment; appropriating money for water and sewer infrastructure in Spring Park; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senators Wiklund and Wiger introduced--

S.F. No. 4093: A bill for an act relating to education; establishing a legislative working group on early childhood programs.

Referred to the Committee on E-12 Policy.

Senator Hoffman introduced--

S.F. No. 4094: A bill for an act relating to health occupations; requiring health care providers to obtain a direct secure messaging address; proposing coding for new law in Minnesota Statutes, chapters 62J; 214.

Referred to the Committee on Health and Human Services Finance and Policy.

Senators Pratt and Koran introduced--

S.F. No. 4095: A bill for an act relating to state government; modifying certain requirements related to state workforce reporting; requiring a legislative report; amending Minnesota Statutes 2016, section 16A.122, subdivision 3.

Referred to the Committee on State Government Finance and Policy and Elections.

Senators Dziezic and Dibble introduced--

S.F. No. 4096: A bill for an act relating to education finance; authorizing a fund transfer for the Minneapolis school district.

Referred to the Committee on E-12 Finance.

Senators Abeler; Fischbach; Draheim; Anderson, P.; and Gazelka introduced--

S.F. No. 4097: A bill for an act relating to higher education; prohibiting the Board of Regents of the University of Minnesota from funding fellowships related to abortion training, advocacy, or education; proposing coding for new law in Minnesota Statutes, chapter 137.

Referred to the Committee on Higher Education Finance and Policy.

Senators Tomassoni, Bakk, Dziedzic, Housley, and Sparks introduced--

S.F. No. 4098: A bill for an act relating to capital investment; appropriating money for improvements to the Hoyt Lakes ice arena; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

MOTIONS AND RESOLUTIONS

Senator Anderson, B. moved that the name of Senator Bigham be added as a co-author to S.F. No. 4020. The motion prevailed.

Senator Carlson introduced --

Senate Resolution No. 260: A Senate resolution honoring Eagan High School graduate Vananh Vo for entering the United States Air Force.

Referred to the Committee on Rules and Administration.

Senator Gazelka introduced --

Senate Resolution No. 261: A Senate resolution honoring the Wadena Soil & Water Conservation District on its 60th Anniversary.

Referred to the Committee on Rules and Administration.

Senator Benson, designee of the Chair of the Committee on Rules and Administration, moved that H.F. No. 1481 be taken from the table and given a second reading. The motion prevailed.

H.F. No. 1481: A bill for an act relating to public safety; providing enhanced criminal penalties for assaulting firefighters and medical personnel; amending Minnesota Statutes 2016, section 609.2231, subdivision 2.

H.F. No. 1481 was read the second time.

Senator Benson moved that H.F. No. 1481 be laid on the table. The motion prevailed.

Senator Benson, designee of the Chair of the Committee on Rules and Administration, moved that H.F. No. 3611 be taken from the table and given a second reading. The motion prevailed.

H.F. No. 3611: A bill for an act relating to public safety; prohibiting local units of government from disarming peace officers who are in good standing; amending Minnesota Statutes 2016, section 626.8452, by adding a subdivision.

H.F. No. 3611 was read the second time.

Senator Benson moved that H.F. No. 3611 be laid on the table. The motion prevailed.

Senators Gazelka and Bakk introduced --

Senate Concurrent Resolution No. 11: A Senate concurrent resolution relating to the delivery of bills to the Governor after final adjournment.

WHEREAS, the Minnesota Constitution, Article IV, Section 23, authorizes the presentation to the Governor after sine die adjournment of bills that passed in the last three days of the Session; NOW, THEREFORE,

BE IT RESOLVED, by the Senate of the State of Minnesota, the House of Representatives concurring, that upon adjournment sine die of the 90th regular session of the Legislature, bills must be presented to the Governor as follows:

(a) The Speaker of the House of Representatives, the Chief Clerk of the House of Representatives, the President of the Senate, and the Secretary of the Senate shall certify and sign each bill in the same manner and upon the same certification as each bill is signed for presentation to the Governor before adjournment sine die, and each of those officers shall continue in their designated capacity during the three days following the date of final adjournment.

(b) The Chief Clerk of the House of Representatives and the Secretary of the Senate, in accordance with the rules of the respective bodies and under the supervision and direction of the standing Committee on Rules and Legislative Administration and the standing Committee on Rules and Administration, shall carefully enroll each bill and present it to the Governor in the same manner as each bill is enrolled and presented to the Governor before adjournment of the Legislature sine die.

(c) The Revisor of Statutes shall continue to assist in all of the functions relating to enrollment of bills of the House of Representatives and of the Senate under the supervision of the Chief Clerk of the House of Representatives and the Secretary of the Senate in the same manner that the assistance was rendered before adjournment of the Legislature sine die.

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to deliver copies of this resolution to the Governor and the Secretary of State.

Senator Benson moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

SPECIAL ORDERS

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

H.F. No. 3873, S.F. No. 2565, H.F. No. 4133, and S.F. No. 2651.

SPECIAL ORDER

H.F. No. 3873: A bill for an act relating to workers' compensation; adopting recommendations of the Workers' Compensation Advisory Council; modifying workers' compensation provisions; modifying hospital outpatient fee schedules; modifying billing, payment, and dispute resolution; defining ambulatory surgical center payments; modifying covered benefits; amending Minnesota Statutes 2016, sections 175A.05; 176.011, subdivision 15; 176.101, subdivisions 2, 2a, 4; 176.102, subdivision 11; 176.136, subdivision 1b; 176.231, subdivision 9; 176.83, subdivision 5; Minnesota Statutes 2017 Supplement, section 15A.083, subdivision 7; Laws 2017, chapter 94, article 1, section 6; proposing coding for new law in Minnesota Statutes, chapter 176.

H.F. No. 3873 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|--------------|---------|------------|
| Abeler | Dziedzic | Ingebrigtsen | Lourey | Simonson |
| Anderson, B. | Eaton | Isaacson | Marty | Sparks |
| Anderson, P. | Eichorn | Jasinski | Mathews | Tomassoni |
| Benson | Eken | Jensen | Nelson | Torres Ray |
| Bigham | Fischbach | Johnson | Newman | Utke |
| Carlson | Franzen | Kent | Newton | Weber |
| Chamberlain | Frentz | Klein | Osmek | Westrom |
| Clausen | Goggin | Koran | Pappas | Wiger |
| Cohen | Hall | Laine | Pratt | Wicklund |
| Cwodzinski | Hawj | Lang | Relph | |
| Dahms | Hayden | Latz | Rest | |
| Dibble | Hoffman | Limmer | Ruud | |
| Draheim | Housley | Little | Senjem | |

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 2565: A bill for an act relating to unemployment insurance; adopting recommendations of the Unemployment Insurance Advisory Council; amending Minnesota Statutes 2016, sections 268.035, subdivisions 4, 12; 268.044, subdivisions 2, 3; 268.047, subdivision 3; 268.051, subdivisions 2a, 3; 268.053, subdivision 1; 268.057, subdivision 5; 268.059; 268.066; 268.067; 268.069, subdivision 1; 268.085, subdivisions 3, 3a; 268.095, subdivision 6a; 268.105, subdivision 6; 268.145, subdivision 1; Minnesota Statutes 2017 Supplement, sections 268.035, subdivisions 15, 20; 268.046, subdivision 1; 268.07, subdivision 1; 268.085, subdivision 13a; 268.095, subdivision 6; 268.18, subdivisions 2b, 5; repealing Minnesota Statutes 2016, section 268.053, subdivisions 4, 5.

S.F. No. 2565 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|--------------|---------|------------|
| Abeler | Draheim | Hoffman | Lang | Ruud |
| Anderson, B. | Dziedzic | Housley | Little | Senjem |
| Anderson, P. | Eaton | Ingebrigtsen | Lourey | Simonson |
| Benson | Eichorn | Isaacson | Marty | Sparks |
| Bigham | Eken | Jasinski | Mathews | Tomassoni |
| Carlson | Fischbach | Jensen | Nelson | Torres Ray |
| Chamberlain | Franzen | Johnson | Newton | Utke |
| Clausen | Frentz | Kent | Osmek | Weber |
| Cohen | Goggin | Kiffmeyer | Pappas | Westrom |
| Cwodzinski | Hall | Klein | Pratt | Wiger |
| Dahms | Hawj | Koran | Relph | Wiklund |
| Dibble | Hayden | Laine | Rest | |

So the bill passed and its title was agreed to.

RECESS

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 12.5, Senator Pratt moved that the following members be excused for a Conference Committee on S.F. No. 2809 at 4:20 p.m.:

Senators Pratt, Newton, and Jensen. The motion prevailed.

SPECIAL ORDER

H.F. No. 4133: A bill for an act relating to agriculture; making policy and technical changes to various agricultural provisions; modifying various agriculture programs and requirements; modifying the cottage foods exemption; modifying certain rulemaking authority; making changes to certain production incentive programs; amending Minnesota Statutes 2016, sections 17.117, subdivisions 1, 4, 11; 17.494; 17.4982, by adding subdivisions; 18.83, subdivision 7; 18B.34, subdivision 5; 25.33, subdivision 8; 28A.04, subdivision 1; 28A.08, subdivision 3; 28A.152, as amended; 29.26; 34A.11, subdivision 7; 41A.15, subdivision 10, by adding a subdivision; 41A.16, subdivisions 1, 4; 41A.17, subdivisions 1, 2, 3; 41A.18, subdivisions 1, 3; 41B.02, subdivision 10a; 41B.047, subdivisions 1, 3; 41B.049, subdivision 5; 41B.055, subdivision 3; 41B.057, subdivision 3; 103H.275, subdivision 1; Minnesota Statutes 2017 Supplement, sections 28A.05; 32D.13, by adding a subdivision; 32D.20, subdivision 2; 32D.22; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 2016, section 41A.15, subdivisions 2a, 2b.

Senator Weber moved to amend H.F. No. 4133, as amended pursuant to Rule 45, adopted by the Senate May 15, 2018, as follows:

(The text of the amended House File is identical to S.F. No. 3536.)

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2016, section 17.117, subdivision 1, is amended to read:

Subdivision 1. **Purpose.** The purpose of the agriculture best management practices loan program is to provide low or no interest financing to farmers, agriculture supply businesses, rural landowners, chapter 103E drainage authorities, and water-quality cooperatives for the implementation of agriculture and other best management practices that reduce environmental pollution.

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

Sec. 2. Minnesota Statutes 2016, section 17.117, subdivision 4, is amended to read:

Subd. 4. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Agricultural and environmental revolving accounts" means accounts in the agricultural fund, controlled by the commissioner, which hold funds available to the program.

(c) "Agriculture supply business" means a person, partnership, joint venture, corporation, limited liability company, association, firm, public service company, or cooperative that provides materials, equipment, or services to farmers or agriculture-related enterprises.

(d) "Allocation" means the funds awarded to an applicant for implementation of best management practices through a competitive or noncompetitive application process.

(e) "Applicant" means a local unit of government eligible to participate in this program that requests an allocation of funds as provided in subdivision 6b.

(f) "Best management practices" has the meaning given in sections 103F.711, subdivision 3, and 103H.151, subdivision 2. Best management practices also means other practices, techniques, and measures that have been demonstrated to the satisfaction of the commissioner: (1) to prevent or reduce adverse environmental impacts by using the most effective and practicable means of achieving environmental goals; or (2) to achieve drinking water quality standards under chapter 103H or under Code of Federal Regulations, title 40, parts 141 and 143, as amended.

(g) "Borrower" means a farmer, an agriculture supply business, ~~or a rural landowner,~~ or a chapter 103E drainage authority applying for a low-interest loan.

(h) "Commissioner" means the commissioner of agriculture, including when the commissioner is acting in the capacity of chair of the Rural Finance Authority, or the designee of the commissioner.

(i) "Committed project" means an eligible project scheduled to be implemented at a future date:

(1) that has been approved and certified by the local government unit; and

(2) for which a local lender has obligated itself to offer a loan.

(j) "Comprehensive water management plan" means a state-approved and locally adopted plan authorized under section 103B.231, 103B.255, 103B.311, 103C.331, 103D.401, or 103D.405.

(k) "Cost incurred" means expenses for implementation of a project accrued because the borrower has agreed to purchase equipment or is obligated to pay for services or materials already provided as a result of implementing an approved eligible project.

(l) "Farmer" means a person, partnership, joint venture, corporation, limited liability company, association, firm, public service company, or cooperative that regularly participates in physical labor or operations management of farming and files a Schedule F as part of filing United States Internal Revenue Service Form 1040 or indicates farming as the primary business activity under Schedule C, K, or S, or any other applicable report to the United States Internal Revenue Service.

(m) "Lender agreement" means an agreement entered into between the commissioner and a local lender which contains terms and conditions of participation in the program.

(n) "Local government unit" means a county, soil and water conservation district, or an organization formed for the joint exercise of powers under section 471.59 with the authority to participate in the program.

(o) "Local lender" means a local government unit as defined in paragraph (n), a state or federally chartered bank, a savings association, a state or federal credit union, Agribank and its affiliated organizations, or a nonprofit economic development organization or other financial lending institution approved by the commissioner.

(p) "Local revolving loan account" means the account held by a local government unit and a local lender into which principal repayments from borrowers are deposited and new loans are issued in accordance with the requirements of the program and lender agreements.

(q) "Nonpoint source" has the meaning given in section 103F.711, subdivision 6.

(r) "Program" means the agriculture best management practices loan program in this section.

(s) "Project" means one or more components or activities located within Minnesota that are required by the local government unit to be implemented for satisfactory completion of an eligible best management practice.

(t) "Rural landowner" means the owner of record of Minnesota real estate located in an area determined by the local government unit to be rural after consideration of local land use patterns, zoning regulations, jurisdictional boundaries, local community definitions, historical uses, and other pertinent local factors.

(u) "Water-quality cooperative" has the meaning given in section 115.58, paragraph (d), except as expressly limited in this section.

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

Sec. 3. Minnesota Statutes 2016, section 17.117, subdivision 11, is amended to read:

Subd. 11. **Loans issued to borrower.** (a) Local lenders may issue loans only for projects that are approved and certified by the local government unit as meeting priority needs identified in a comprehensive water management plan or other local planning documents, are in compliance with accepted practices, standards, specifications, or criteria, and are eligible for financing under Environmental Protection Agency or other applicable guidelines.

(b) The local lender may use any additional criteria considered necessary to determine the eligibility of borrowers for loans.

(c) Local lenders shall set the terms and conditions of loans to borrowers, except that:

(1) no loan to a borrower may exceed \$200,000;

(2) no loan for a project may exceed \$200,000; and

(3) no borrower shall, at any time, have multiple loans from this program with a total outstanding loan balance of more than \$200,000.

Notwithstanding the limits in clauses (1) to (3), a chapter 103E drainage authority may request a loan to finance projects implemented on behalf of multiple landowners and the loan must not exceed an amount equal to the number of landowners represented in the drainage system multiplied by the limit in clause (1).

(d) The maximum term length for projects in this paragraph is ten years.

(e) Fees charged at the time of closing must:

(1) be in compliance with normal and customary practices of the local lender;

(2) be in accordance with published fee schedules issued by the local lender;

(3) not be based on participation program; and

(4) be consistent with fees charged other similar types of loans offered by the local lender.

(f) The interest rate assessed to an outstanding loan balance by the local lender must not exceed three percent per year.

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

Sec. 4. Minnesota Statutes 2016, section 17.494, is amended to read:

17.494 AQUACULTURE PERMITS; RULES.

(a) The commissioner shall act as permit or license coordinator for aquatic farmers and shall assist aquatic farmers to obtain licenses or permits.

~~By July 1, 1992,~~ (b) A state agency issuing multiple permits or licenses for aquaculture shall consolidate the permits or licenses required for every aquatic farm location. The Department of Natural Resources transportation permits are exempt from this requirement. State agencies shall adopt rules or issue commissioner's orders that establish permit and license requirements, approval

timelines, and compliance standards. Saltwater aquatic farms, as defined in section 17.4982, and processing facilities for saltwater aquatic life, as defined in section 17.4982, must be classified as agricultural operations for purposes of any construction, discharge, or other permit issued by the Pollution Control Agency.

Nothing in this section modifies any state agency's regulatory authority over aquaculture production.

Sec. 5. Minnesota Statutes 2016, section 17.4982, is amended by adding a subdivision to read:

Subd. 20a. **Saltwater aquaculture.** "Saltwater aquaculture" means the commercial propagation and rearing of saltwater aquatic life including, but not limited to, crustaceans, primarily for consumption as human food.

Sec. 6. Minnesota Statutes 2016, section 17.4982, is amended by adding a subdivision to read:

Subd. 20b. **Saltwater aquatic farm.** "Saltwater aquatic farm" means a facility used for saltwater aquaculture including but not limited to artificial ponds, vats, tanks, raceways, and other facilities that an aquatic farmer owns or has exclusive control of for the sole purpose of producing saltwater aquatic life.

Sec. 7. Minnesota Statutes 2016, section 17.4982, is amended by adding a subdivision to read:

Subd. 20c. **Saltwater aquatic life.** "Saltwater aquatic life" means aquatic species that are saltwater obligates or perform optimally when raised in salinities closer to that of natural seawater and need saltwater to survive.

Sec. 8. [17.499] TRANSPORTATION OR IMPORTATION OF SALTWATER AQUATIC LIFE; QUARANTINE REQUIREMENT.

Subdivision 1. **Purpose.** The legislature finds that it is in the public interest to increase private saltwater aquaculture production and processing in this state under the coordination of the commissioner of agriculture. Additional private production will reduce dependence on foreign suppliers and benefit the rural economy by creating new jobs and economic activity.

Subd. 2. **Transportation permit.** (a) Notwithstanding the requirements in section 17.4985, saltwater aquatic life transportation and importation requirements are governed by this section. A transportation permit is required prior to any importation or intrastate transportation of saltwater aquatic life not exempted under subdivision 3. A transportation permit may be used for multiple shipments within the 30-day term of the permit if the source and the destination remain the same. Transportation permits must be obtained from the commissioner prior to shipment of saltwater aquatic life.

(b) An application for a transportation permit must be made in the form required by the commissioner. The commissioner may reject an incomplete application.

(c) An application for a transportation permit must be accompanied by satisfactory evidence, as determined by the commissioner, that the shipment is free of any nonindigenous species of animal other than the saltwater aquatic species and either:

(1) the facility from which the saltwater aquatic life originated has provided documentation of 36 or more consecutive months of negative testing by an approved laboratory as free of any disease listed by OIE - the World Organisation for Animal Health for that species following the testing guidelines outlined in the OIE Aquatic Animal Health Code for crustaceans or the AFS Fish Health Blue Book for other species, as appropriate; or

(2) the saltwater aquatic life to be imported or transported includes documentation of negative testing for that specific lot by an approved laboratory as free of any disease listed by OIE - the World Organisation for Animal Health for crustaceans or in the AFS Fish Health Blue Book for other species, as appropriate.

If a shipment authorized by the commissioner under clause (1) includes saltwater aquatic life that originated in a foreign country, the shipment must be quarantined at the receiving facility according to a quarantine plan approved by the commissioner. A shipment authorized by the commissioner under clause (2) must be quarantined at the receiving facility according to a quarantine plan approved by the commissioner.

(d) For purposes of this subdivision, "approved laboratory" means a laboratory approved by the commissioner or the United States Department of Agriculture, Animal and Plant Health Inspection Services.

(e) No later than 14 calendar days after a completed transportation permit application is received, the commissioner must approve or deny the transportation permit application.

(f) A copy of the transportation permit must accompany a shipment of saltwater aquatic life while in transit and must be available for inspection by the commissioner.

(g) A vehicle used by a licensee for transporting aquatic life must be identified with the license number and the licensee's name and town of residence as it appears on the license. A vehicle used by a licensee must have identification displayed so that it is readily visible from either side of the vehicle in letters and numbers not less than 2-1/2 inches high and three-eighths inch wide. Identification may be permanently affixed to vehicles or displayed on removable plates or placards placed on opposite doors of the vehicle or on the tanks carried on the vehicle.

(h) An application to license a vehicle for brood stock or larvae transport or for use as a saltwater aquatic life vendor that is received by the commissioner is a temporary license until approved or denied by the commissioner.

Subd. 3. **Exemptions.** (a) A transportation permit is not required to transport or import saltwater aquatic life:

(1) previously processed for use as food or other purposes unrelated to propagation;

(2) transported directly to an outlet for processing as food or for other food purposes if accompanied by shipping documents;

(3) that is being exported if accompanied by shipping documents;

(4) that is being transported through the state if accompanied by shipping documents; or

(5) transported intrastate within or between facilities licensed for saltwater aquaculture by the commissioner if accompanied by shipping documents.

(b) Shipping documents required under paragraph (a) must include the place of origin, owner or consignee, destination, number, species, and satisfactory evidence, as determined by the commissioner, of the disease-free certification required under subdivision 2, paragraph (c), clauses (1) and (2).

Sec. 9. Minnesota Statutes 2016, section 18B.34, subdivision 5, is amended to read:

Subd. 5. **Fees.** (a) A person initially applying for or renewing a noncommercial applicator license must pay a nonrefundable application fee of \$50, except an applicant who ~~is uses pesticides in the course of performing official duties as: (1) a government employee; (2) a contractor providing rest area custodial services for the commissioner of transportation; or (3) a Conservation Corps Minnesota employee who uses pesticides in the course of performing official duties~~ must pay a nonrefundable application fee of \$10.

(b) A license renewal application received after March 1 in the year for which the license is to be issued is subject to a penalty fee of 50 percent of the application fee. The penalty fee must be paid before the renewal license may be issued.

(c) An application for a duplicate noncommercial applicator license must be accompanied by a nonrefundable application fee of \$10.

Sec. 10. Minnesota Statutes 2016, section 25.33, subdivision 8, is amended to read:

Subd. 8. **Drug.** "Drug" means (1) any article intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in animals other than humans; and (2) articles other than feed intended to affect the structure or any function of the animal body.

Sec. 11. Minnesota Statutes 2016, section 28A.04, subdivision 1, is amended to read:

Subdivision 1. **Application; date of issuance.** (a) No person shall engage in the business of manufacturing, processing, selling, handling, or storing food without having first obtained from the commissioner a license for doing such business. Applications for such license shall be made to the commissioner in such manner and time as required and upon such forms as provided by the commissioner and shall contain the name and address of the applicant, address or description of each place of business, and the nature of the business to be conducted at each place, and such other pertinent information as the commissioner may require.

(b) A retail or wholesale food handler license shall be issued for the period July 1 to June 30 following and shall be renewed thereafter by the licensee on or before July 1 each year, except that:

(1) licenses for all mobile food concession units and retail mobile units must be issued for the period April 1 to March 31, and must be renewed thereafter by the licensee on or before April 1 each year; and

(2) a license issued for a temporary food concession stand must have a license issuance and renewal date consistent with appropriate statutory provisions.

(c) A custom exempt food handler license shall be issued for the period July 1 to June 30 following and shall be renewed thereafter by the licensee on or before July 1 each year. The custom exempt food handler license is for businesses that only conduct custom exempt operations and mark all products as "Not For Sale." Food handlers that conduct retail exempt operations or other operations other than custom exempt processing or slaughter are not eligible for this license.

(d) A license for a food broker or for a food processor or manufacturer shall be issued for the period January 1 to December 31 following and shall be renewed thereafter by the licensee on or before January 1 of each year, except that a license for a wholesale food processor or manufacturer operating only at the state fair shall be issued for the period July 1 to June 30 following and shall be renewed thereafter by the licensee on or before July 1 of each year. A penalty for a late renewal shall be assessed in accordance with section 28A.08.

~~(e)~~ (e) A person applying for a new license up to 14 calendar days before the effective date of the new license period under paragraph (b) must be issued a license for the 14 days and the next license year as a single license and pay a single license fee as if the 14 days were part of the upcoming license period.

Sec. 12. Minnesota Statutes 2017 Supplement, section 28A.05, is amended to read:

28A.05 CLASSIFICATION.

All persons required to have a license under section 28A.04 shall be classified into one of the following classes of food handlers, according to their principal mode of business.

(a) Retail food handlers are persons who sell or process and sell food directly to the ultimate consumer or who custom process meat or poultry. The term includes a person who sells food directly to the ultimate consumer through the use of vending machines, and a person who sells food for consumption on site or off site if the sale is conducted on the premises that are part of a grocery or convenience store operation.

(b) Wholesale food handlers are persons who sell to others for resale. A person who handles food in job lots (jobbers) is included in this classification.

(c) Wholesale food processors or manufacturers are persons who process or manufacture raw materials and other food ingredients into food items, or who reprocess food items, or who package food for sale to others for resale, or who commercially slaughter animals or poultry. Included herein are persons who can, extract, ferment, distill, pickle, bake, freeze, dry, smoke, grind, mix, stuff, pack, bottle, recondition, or otherwise treat or preserve food for sale to others for resale, cold storage warehouse operators as defined in section 28.01, subdivision 3, salvage food processors as defined in section 31.495, subdivision 1, and dairy plants as defined in section 32D.01, subdivision 6.

(d) Custom exempt food handlers are persons who only conduct custom exempt processing as defined in section 31A.02, subdivision 5. A retail or wholesale transaction may not take place in a facility operated by a person with a custom exempt food handler license.

~~(e)~~ (e) A food broker is a person who buys and sells food and who negotiates between a buyer and a seller of food, but who at no time has custody of the food being bought and sold.

Sec. 13. Minnesota Statutes 2016, section 28A.08, subdivision 3, is amended to read:

Subd. 3. **Fees effective July 1, 2003.**

| Type of food handler | License Fee Effective July 1, 2003 | Penalties Late Renewal | No License |
|---|--|------------------------------|---------------|
| 1. Retail food handler <u>or custom exempt food handler</u> | | | |
| (a) Having gross sales of only prepackaged nonperishable food of less than \$15,000 for the immediately previous license or fiscal year and filing a statement with the commissioner | \$ 50 | \$ 17 | \$ 33 |
| (b) Having under \$15,000 gross sales or service including food preparation or having \$15,000 to \$50,000 gross sales or service for the immediately previous license or fiscal year | \$ 77 | \$ 25 | \$ 51 |
| (c) Having \$50,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year | \$155 | \$ 51 | \$102 |
| (d) Having \$250,001 to \$1,000,000 gross sales or service for the immediately previous license or fiscal year | \$276 | \$ 91 | \$182 |
| (e) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year | \$799 | \$264 | \$527 |
| (f) Having \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous license or fiscal year | \$1,162 | \$383 | \$767 |
| (g) Having \$10,000,001 to \$15,000,000 gross sales or service for the immediately previous license or fiscal year | \$1,376 | \$454 | \$908 |
| (h) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year | \$1,607 | \$530 | \$1,061 |
| (i) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year | \$1,847 | \$610 | \$1,219 |
| (j) Having over \$25,000,001 gross sales or service for the immediately previous license or fiscal year | \$2,001 | \$660 | \$1,321 |
| 2. Wholesale food handler | | | |

| | | | |
|--|---------|-------|-------|
| (a) Having gross sales or service of less than \$25,000 for the immediately previous license or fiscal year | \$ 57 | \$ 19 | \$ 38 |
| (b) Having \$25,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year | \$284 | \$ 94 | \$187 |
| (c) Having \$250,001 to \$1,000,000 gross sales or service from a mobile unit without a separate food facility for the immediately previous license or fiscal year | \$444 | \$147 | \$293 |
| (d) Having \$250,001 to \$1,000,000 gross sales or service not covered under paragraph (c) for the immediately previous license or fiscal year | \$590 | \$195 | \$389 |
| (e) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year | \$769 | \$254 | \$508 |
| (f) Having \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous license or fiscal year | \$920 | \$304 | \$607 |
| (g) Having \$10,000,001 to \$15,000,000 gross sales or service for the immediately previous license or fiscal year | \$990 | \$327 | \$653 |
| (h) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year | \$1,156 | \$381 | \$763 |
| (i) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year | \$1,329 | \$439 | \$877 |
| (j) Having over \$25,000,001 or more gross sales or service for the immediately previous license or fiscal year | \$1,502 | \$496 | \$991 |
| 3. Food broker | \$150 | \$ 50 | \$ 99 |
| 4. Wholesale food processor or manufacturer | | | |
| (a) Having gross sales or service of less than \$125,000 for the immediately previous license or fiscal year | \$169 | \$ 56 | \$112 |
| (b) Having \$125,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year | \$392 | \$129 | \$259 |
| (c) Having \$250,001 to \$1,000,000 gross sales or service for the immediately previous license or fiscal year | \$590 | \$195 | \$389 |

| | | | |
|---|---------|-------|---------|
| (d) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year | \$769 | \$254 | \$508 |
| (e) Having \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous license or fiscal year | \$920 | \$304 | \$607 |
| (f) Having \$10,000,001 to \$15,000,000 gross sales or service for the immediately previous license or fiscal year | \$1,377 | \$454 | \$909 |
| (g) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year | \$1,608 | \$531 | \$1,061 |
| (h) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year | \$1,849 | \$610 | \$1,220 |
| (i) Having \$25,000,001 to \$50,000,000 gross sales or service for the immediately previous license or fiscal year | \$2,090 | \$690 | \$1,379 |
| (j) Having \$50,000,001 to \$100,000,000 gross sales or service for the immediately previous license or fiscal year | \$2,330 | \$769 | \$1,538 |
| (k) Having \$100,000,000 or more gross sales or service for the immediately previous license or fiscal year | \$2,571 | \$848 | \$1,697 |
| 5. Wholesale food processor of meat or poultry products under supervision of the U.S. Department of Agriculture | | | |
| (a) Having gross sales or service of less than \$125,000 for the immediately previous license or fiscal year | \$112 | \$ 37 | \$ 74 |
| (b) Having \$125,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year | \$214 | \$ 71 | \$141 |
| (c) Having \$250,001 to \$1,000,000 gross sales or service for the immediately previous license or fiscal year | \$333 | \$110 | \$220 |
| (d) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year | \$425 | \$140 | \$281 |
| (e) Having \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous license or fiscal year | \$521 | \$172 | \$344 |
| (f) Having over \$10,000,001 gross sales or service for the immediately previous license or fiscal year | \$765 | \$252 | \$505 |

| | | | |
|---|---------|-------|-------|
| (g) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year | \$893 | \$295 | \$589 |
| (h) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year | \$1,027 | \$339 | \$678 |
| (i) Having \$25,000,001 to \$50,000,000 gross sales or service for the immediately previous license or fiscal year | \$1,161 | \$383 | \$766 |
| (j) Having \$50,000,001 to \$100,000,000 gross sales or service for the immediately previous license or fiscal year | \$1,295 | \$427 | \$855 |
| (k) Having \$100,000,001 or more gross sales or service for the immediately previous license or fiscal year | \$1,428 | \$471 | \$942 |
| 6. Wholesale food processor or manufacturer operating only at the State Fair | \$125 | \$ 40 | \$ 50 |
| 7. Wholesale food manufacturer having the permission of the commissioner to use the name Minnesota Farmstead cheese | \$ 30 | \$ 10 | \$ 15 |
| 8. Wholesale food manufacturer processing less than 700,000 pounds per year of raw milk | \$ 30 | \$ 10 | \$ 15 |
| 9. A milk marketing organization without facilities for processing or manufacturing that purchases milk from milk producers for delivery to a licensed wholesale food processor or manufacturer | \$ 50 | \$ 15 | \$ 25 |

Sec. 14. Minnesota Statutes 2016, section 29.26, is amended to read:

29.26 EGGS IN POSSESSION OF RETAILER.

All eggs sold or offered for sale at retail must have been candled and graded and must be clearly labeled according to Minnesota consumer grades as established by rule under section 29.23. No eggs shall be sold or offered for sale as "ungraded," "unclassified," or by any other name that does not clearly designate the grade. All eggs in possession of the retailer, either in temporary storage or on display, must be held at a temperature not to exceed 45 degrees Fahrenheit (7 degrees Celsius).

~~Candled and graded~~ Grade AA eggs held 31 days past the coded pack date for Grade AA eggs, or Grade A eggs held 46 days past the coded pack date for Grade A eggs, lose their grades and must be removed from sale.

Sec. 15. Minnesota Statutes 2017 Supplement, section 32D.13, is amended by adding a subdivision to read:

Subd. 11. Milk storage requirement. (a) A milk hauler may only pick up milk from farms with a bulk tank that is in proper working order.

(b) Milk must not have been stored for longer than 72 hours when the milk is picked up by a milk hauler at a farm for transport to a plant. The commissioner or an agent of the commissioner may waive the 72-hour time limit in the case of hardship, emergency, or natural disaster.

Sec. 16. Minnesota Statutes 2017 Supplement, section 32D.20, subdivision 2, is amended to read:

Subd. 2. **Labels.** (a) Pasteurized milk or fluid milk products offered or exposed for sale or held in possession for sale shall be labeled or otherwise designated as pasteurized milk or pasteurized fluid milk products, and in the case of fluid milk products the label shall also state the name of the specific product.

(b) Milk and dairy products must be labeled (1) with the plant number where the product was produced; or (2) if produced in a state where official plant numbers are not assigned, with the name and address of the manufacturer and the address of the plant where it was manufactured or distributor.

Sec. 17. Minnesota Statutes 2017 Supplement, section 32D.22, is amended to read:

32D.22 MANUFACTURE OF CHEESE; REQUIREMENTS IN PROCESS.

(a) No person, firm, or corporation shall manufacture, transport, sell, offer, or expose for sale or have in possession with intent to sell at retail to a consumer any cheese that has not been (1) manufactured from milk or milk products that have been pasteurized; (2) subjected to a heat treatment equivalent to pasteurization during the process of manufacturing or processing; or (3) subjected to an aging process where it has been kept for at least 60 days after manufacture at a temperature no lower than 35 degrees Fahrenheit.

(b) Any cheese described in paragraph (a), clause (3), that has been made from unpasteurized milk must be labeled with a statement that the cheese is more than 60 days of age.

Sec. 18. Minnesota Statutes 2016, section 34A.11, subdivision 7, is amended to read:

Subd. 7. **Emergency powers.** After an emergency declaration issued under chapter 12, chapter 35, or the federal Stafford Act, the commissioner may restrict the movement of food if the commissioner has probable cause to believe that the movement of food may: threaten the agricultural economy; transport a dangerous, infectious, or communicable disease; or threaten the health of animals. The commissioner may provide for the issuance of permits to allow for the continued movement of food upon meeting the ~~disease~~ control measures established by the commissioner.

Sec. 19. Minnesota Statutes 2016, section 41A.15, is amended by adding a subdivision to read:

Subd. 2e. **Biomass.** "Biomass" means any organic matter that is available on a renewable or recurring basis, including agricultural crops and trees, wood and wood waste and residues, plants including aquatic plants, grasses, residues, fibers, animal waste, and the organic portion of solid wastes.

Sec. 20. Minnesota Statutes 2016, section 41A.15, subdivision 10, is amended to read:

Subd. 10. **Renewable chemical.** "Renewable chemical" means a chemical with biobased content, ~~polymer, monomer, plastic, or composite material that is entirely produced from biomass.~~

Sec. 21. Minnesota Statutes 2016, section 41A.16, subdivision 1, is amended to read:

Subdivision 1. **Eligibility.** (a) A facility eligible for payment under this section must source from Minnesota at least 80 percent ~~raw materials from Minnesota.~~ of the biomass used to produce an advanced biofuel, except that, if a facility is sited 50 miles or less from the state border, raw materials biomass used to produce an advanced biofuel may be sourced from outside of Minnesota, but only if at least 80 percent of the biomass is sourced from within a 100-mile radius of the facility or from within Minnesota. ~~Raw materials must be from agricultural or forestry sources or from solid waste.~~ The facility must be located in Minnesota, must begin production at a specific location by June 30, 2025, and must not begin operating above 23,750 MMbtu of quarterly advanced biofuel production before July 1, 2015. Eligible facilities include existing companies and facilities that are adding advanced biofuel production capacity, or retrofitting existing capacity, as well as new companies and facilities. Production of conventional corn ethanol and conventional biodiesel is not eligible. Eligible advanced biofuel facilities must produce at least ~~23,750~~ 1,500 MMbtu of advanced biofuel quarterly.

(b) No payments shall be made for advanced biofuel production that occurs after June 30, 2035, for those eligible biofuel producers under paragraph (a).

(c) An eligible producer of advanced biofuel shall not transfer the producer's eligibility for payments under this section to an advanced biofuel facility at a different location.

(d) A producer that ceases production for any reason is ineligible to receive payments under this section until the producer resumes production.

(e) Renewable chemical production for which payment has been received under section 41A.17, and biomass thermal production for which payment has been received under section 41A.18, are not eligible for payment under this section.

(f) Biobutanol is eligible under this section.

Sec. 22. Minnesota Statutes 2016, section 41A.16, subdivision 2, is amended to read:

Subd. 2. **Payment amounts; limits.** (a) The commissioner shall make payments to eligible producers of advanced biofuel. The amount of the payment for each eligible producer's annual production is \$2.1053 per MMbtu for advanced biofuel production from cellulosic biomass, and \$1.053 per MMbtu for advanced biofuel production from ~~sugar or~~ starch, oil, or animal fat at a specific location for ten years after the start of production.

(b) Total payments under this section to an eligible biofuel producer in a fiscal year may not exceed the amount necessary for 2,850,000 MMbtu of biofuel production. Total payments under this section to all eligible biofuel producers in a fiscal year may not exceed the amount necessary for 17,100,000 MMbtu of biofuel production. The commissioner shall award payments on a first-come, first-served basis within the limits of available funding.

(c) For purposes of this section, an entity that holds a controlling interest in more than one advanced biofuel facility is considered a single eligible producer.

Sec. 23. Minnesota Statutes 2016, section 41A.16, subdivision 4, is amended to read:

Subd. 4. **Cellulosic forestry biomass requirements.** All forestry-derived cellulosic biomass must be produced using Minnesota ~~state forest~~ biomass harvesting guidelines or the equivalent. All cellulosic biomass from brushlands must be produced using Minnesota brushland ~~harvesting~~ biomass ~~harvest~~ harvesting guidelines or the equivalent. Forestry-derived cellulosic biomass that comes from land parcels greater than 160 acres must be certified by the Forest Stewardship Council, the Sustainable Forestry Initiative, or the American Tree Farm System. Uncertified land from parcels of 160 acres or less and federal land must be harvested by a logger who has completed training for biomass harvesting from the Minnesota logger education program or the equivalent and have a forest ~~stewardship~~ management plan, as defined in section 290C.02, subdivision 7, or its equivalent.

Sec. 24. Minnesota Statutes 2016, section 41A.17, subdivision 1, is amended to read:

Subdivision 1. **Eligibility.** (a) A facility eligible for payment under this ~~program section~~ must source from Minnesota at least 80 percent ~~biobased content from Minnesota~~ of the biomass used to produce a renewable chemical, except that, if a facility is sited 50 miles or less from the state border, ~~biobased content must~~ biomass used to produce a renewable chemical may be sourced from outside of Minnesota, but only if at least 80 percent of the biomass is sourced from within a 100-mile radius of the facility or from within Minnesota. ~~Biobased content must be from agricultural or forestry sources or from solid waste.~~ The facility must be located in Minnesota, must begin production at a specific location by June 30, 2025, and must not begin production of ~~750,000~~ 250,000 pounds of chemicals quarterly before January 1, 2015. Eligible facilities include existing companies and facilities that are adding production capacity, or retrofitting existing capacity, as well as new companies and facilities. Eligible renewable chemical facilities must produce at least ~~750,000~~ 250,000 pounds of renewable chemicals quarterly. Renewable chemicals produced through processes that are fully commercial before January 1, 2000, are not eligible.

(b) No payments shall be made for renewable chemical production that occurs after June 30, 2035, for those eligible renewable chemical producers under paragraph (a).

(c) An eligible producer of renewable chemicals shall not transfer the producer's eligibility for payments under this section to a renewable chemical facility at a different location.

(d) A producer that ceases production for any reason is ineligible to receive payments under this section until the producer resumes production.

(e) Advanced biofuel production for which payment has been received under section 41A.16, and biomass thermal production for which payment has been received under section 41A.18, are not eligible for payment under this section.

Sec. 25. Minnesota Statutes 2016, section 41A.17, subdivision 2, is amended to read:

Subd. 2. **Payment amounts; bonus; limits.** (a) The commissioner shall make payments to eligible producers of renewable chemicals located in the state. The amount of the payment for each producer's annual production is \$0.03 per pound of sugar-derived renewable chemical, \$0.03 per pound of cellulosic sugar, and \$0.06 per pound of cellulosic-derived renewable chemical produced at a specific location for ten years after the start of production.

(b) An eligible facility producing renewable chemicals using agricultural cellulosic biomass is eligible for a 20 percent bonus payment for each pound produced from agricultural biomass that is derived from perennial crop or cover crop biomass.

(c) Total payments under this section to an eligible renewable chemical producer in a fiscal year may not exceed the amount necessary for 99,999,999 pounds of renewable chemical production. Total payments under this section to all eligible renewable chemical producers in a fiscal year may not exceed the amount necessary for 599,999,999 pounds of renewable chemical production. The commissioner shall award payments on a first-come, first-served basis within the limits of available funding.

(d) An eligible facility may blend renewable chemicals with other chemicals that are not renewable chemicals, but only the percentage attributable to renewable chemicals in the blended product is eligible to receive payment.

~~(d)~~ (e) For purposes of this section, an entity that holds a controlling interest in more than one renewable chemical production facility is considered a single eligible producer.

Sec. 26. Minnesota Statutes 2016, section 41A.17, subdivision 3, is amended to read:

Subd. 3. **Cellulosic forestry biomass requirements.** All forestry-derived cellulosic biomass must be produced using Minnesota state forest biomass harvesting guidelines or the equivalent. All cellulosic biomass from brushlands must be produced using Minnesota brushland harvesting biomass harvest harvesting guidelines or the equivalent. Forestry-derived cellulosic biomass that comes from land parcels greater than 160 acres must be certified by the Forest Stewardship Council, the Sustainable Forestry Initiative, or the American Tree Farm System. Uncertified land from parcels of 160 acres or less and federal land must be harvested by a logger who has completed training for biomass harvesting from the Minnesota logger education program or the equivalent and have a forest stewardship management plan, as defined in section 290C.02, subdivision 7, or its equivalent.

Sec. 27. Minnesota Statutes 2016, section 41A.18, subdivision 1, is amended to read:

Subdivision 1. **Eligibility.** (a) A facility eligible for payment under this section must source from Minnesota at least 80 percent raw materials from Minnesota. of the biomass used for biomass thermal production, except that, if a facility is sited 50 miles or less from the state border, raw materials should biomass used for biomass thermal production may be sourced from outside of Minnesota, but only if at least 80 percent of the biomass is sourced from within a 100-mile radius of the facility, or from within Minnesota. Raw materials Biomass must be from agricultural or forestry sources. The facility must be located in Minnesota, must have begun production at a specific location by June 30, 2025, and must not begin before July 1, 2015. Eligible facilities include existing companies and facilities that are adding production capacity, or retrofitting existing capacity, as well as new companies and facilities. Eligible biomass thermal production facilities must produce at least 250 MMbtu of biomass thermal quarterly.

(b) No payments shall be made for biomass thermal production that occurs after June 30, 2035, for those eligible biomass thermal producers under paragraph (a).

(c) An eligible producer of biomass thermal production shall not transfer the producer's eligibility for payments under this section to a biomass thermal production facility at a different location.

(d) A producer that ceases production for any reason is ineligible to receive payments under this section until the producer resumes production.

(e) Biofuel production for which payment has been received under section 41A.16, and renewable chemical production for which payment has been received under section 41A.17, are not eligible for payment under this section.

Sec. 28. Minnesota Statutes 2016, section 41A.18, subdivision 3, is amended to read:

Subd. 3. **Cellulosic forestry biomass requirements.** All forestry-derived cellulosic biomass must be produced using Minnesota ~~state forest~~ biomass harvesting guidelines or the equivalent. All cellulosic biomass from ~~brushland brushlands~~ must be produced using Minnesota brushland ~~harvesting~~ biomass harvesting guidelines or the equivalent. Forestry-derived cellulosic biomass that comes from land parcels greater than 160 acres must be certified by the Forest Stewardship Council, the Sustainable Forestry Initiative, or the American Tree Farm System. Uncertified land from parcels of 160 acres or less and federal land must be harvested by a logger who has completed training for biomass harvesting from the Minnesota logger education program or the equivalent and have a forest ~~stewardship~~ management plan, as defined in section 290C.02, subdivision 7, or its equivalent.

Sec. 29. Minnesota Statutes 2016, section 41B.02, subdivision 10a, is amended to read:

Subd. 10a. **Livestock expansion.** "Livestock expansion" means the purchase of a livestock farm or improvements to a livestock operation, including the purchase and construction or installation of improvements to land, buildings, and other permanent structures, including equipment incorporated in or permanently affixed to the land, buildings, or structures, which are useful for and intended to be used for the purpose of raising livestock.

Sec. 30. Minnesota Statutes 2017 Supplement, section 41B.0391, subdivision 1, is amended to read:

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

(b) "Agricultural assets" means agricultural land, livestock, facilities, buildings, and machinery used for farming in Minnesota.

(c) "Beginning farmer" means an individual who:

(1) is a resident of Minnesota;

(2) is seeking entry, or has entered within the last ten years, into farming;

(3) intends to farm land located within the state borders of Minnesota;

(4) is not and whose spouse is not a family member of the owner of the agricultural assets from whom the beginning farmer is seeking to purchase or rent agricultural assets;

(5) is not and whose spouse is not a family member of a partner, member, shareholder, or trustee of the owner of agricultural assets from whom the beginning farmer is seeking to purchase or rent agricultural assets; and

(6) meets the following eligibility requirements as determined by the authority:

(i) has a net worth that does not exceed the limit provided under section 41B.03, subdivision 3, paragraph (a), clause (2);

(ii) provides the majority of the day-to-day physical labor and management of the farm;

(iii) has, by the judgment of the authority, adequate farming experience or demonstrates knowledge in the type of farming for which the beginning farmer seeks assistance from the authority;

(iv) demonstrates to the authority a profit potential by submitting projected earnings statements;

(v) asserts to the satisfaction of the authority that farming will be a significant source of income for the beginning farmer;

(vi) ~~participates in~~ is enrolled in or has completed within ten years of their first year of farming a financial management program approved by the authority or the commissioner of agriculture;

(vii) agrees to notify the authority if the beginning farmer no longer meets the eligibility requirements within the three-year certification period, in which case the beginning farmer is no longer eligible for credits under this section; and

(viii) has other qualifications as specified by the authority.

The commissioner may waive the requirement in item (vi) if the participant requests a waiver and has a four-year degree in an agricultural program or related field, reasonable agricultural job-related experience, or certification as an adult farm management instructor.

(d) "Family member" means a family member within the meaning of the Internal Revenue Code, section 267(c)(4).

(e) "Farm product" means plants and animals useful to humans and includes, but is not limited to, forage and sod crops, oilseeds, grain and feed crops, dairy and dairy products, poultry and poultry products, livestock, fruits, and vegetables.

(f) "Farming" means the active use, management, and operation of real and personal property for the production of a farm product.

(g) "Owner of agricultural assets" means an individual, trust, or pass-through entity that is the owner in fee of agricultural land or has legal title to any other agricultural asset. Owner of agricultural assets does not mean an equipment dealer, livestock dealer defined in section 17A.03, subdivision 7, or comparable entity that is engaged in the business of selling agricultural assets for profit and that is not engaged in farming as its primary business activity. An owner of agricultural assets approved and certified by the authority under subdivision 4 must notify the authority if the owner no longer meets the definition in this paragraph within the three year certification period and is then no longer eligible for credits under this section.

(h) "Resident" has the meaning given in section 290.01, subdivision 7.

(i) "Share rent agreement" means a rental agreement in which the principal consideration given to the owner of agricultural assets is a predetermined portion of the production of farm products produced from the rented agricultural assets and which provides for sharing production costs or risk of loss, or both.

EFFECTIVE DATE. This section is effective January 1, 2019.

Sec. 31. Minnesota Statutes 2016, section 41B.047, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** The authority shall establish and implement a disaster recovery loan program to help farmers:

(1) clean up, repair, or replace farm structures and septic and water systems, as well as replace seed, other crop inputs, feed, and livestock, ~~when damaged by high winds, hail, tornado, or flood;~~

(2) purchase watering systems, irrigation systems, and other drought mitigation systems and practices when drought is the cause of the purchase;

(3) restore farmland; or

(4) replace flocks, make building improvements, or cover the loss of revenue when the replacement, improvements, or loss of revenue is due to the confirmed presence of the highly pathogenic avian influenza in a commercial poultry or game flock located in Minnesota.

Sec. 32. Minnesota Statutes 2016, section 41B.047, subdivision 3, is amended to read:

Subd. 3. **Eligibility.** To be eligible for this program, a borrower must:

(1) meet the requirements of section 41B.03, subdivision 1;

(2) certify that the damage or loss was (i) sustained within a county that was the subject of a state or federal disaster declaration ~~or~~ (ii) due to the confirmed presence of the highly pathogenic avian influenza in a commercial poultry or game flock located in Minnesota; or (iii) a market disaster or emergency as determined by the authority;

(3) demonstrate an ability to repay the loan; and

(4) have received at least 50 percent of average annual gross income from farming for the past three years.

Sec. 33. Minnesota Statutes 2016, section 41B.049, subdivision 5, is amended to read:

Subd. 5. **Loan criteria.** (a) To be eligible, a borrower must be a resident of Minnesota or an entity that is not prohibited from owning agricultural land under section 500.24.

(b) State participation in a participation loan is limited to 45 percent of the principal amount of the loan. A direct loan or loan participation may not exceed \$250,000.

(c) Loans under this program may be used as a match for federal loans or grants.

~~(d) A borrower who has previously received a loan under subdivision 1 is prohibited from receiving another methane digester loan under subdivision 1.~~

Sec. 34. Minnesota Statutes 2016, section 41B.055, subdivision 3, is amended to read:

Subd. 3. **Loans.** (a) The authority may participate in a livestock equipment loan equal to 90 percent of the purchased equipment value with an eligible lender to a farmer who is eligible under subdivision 2. Participation is limited to 45 percent of the principal amount of the loan or ~~\$40,000~~ \$100,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may differ from the interest rates and repayment terms of the lender's retained portion of the loan, but the authority's interest rate must not exceed three percent. The authority may review the interest annually and make adjustments as necessary.

(b) Standards for loan amortization must be set by the Rural Finance Authority and must not exceed ten years.

(c) Security for a livestock equipment loan must be a personal note executed by the borrower and whatever other security is required by the eligible lender or the authority.

(d) Refinancing of existing debt is not an eligible purpose.

(e) The authority may impose a reasonable, nonrefundable application fee for a livestock equipment loan. The authority may review the fee annually and make adjustments as necessary. The initial application fee is \$50. Application fees received by the authority must be deposited in the Rural Finance Authority administrative account established in section 41B.03.

(f) Loans under this program must be made using money in the revolving loan account established in section 41B.06.

Sec. 35. Minnesota Statutes 2016, section 41B.056, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Intermediary" means any lending institution or other organization of a for-profit or nonprofit nature that is in good standing with the state of Minnesota that has the appropriate business structure and trained personnel suitable to providing efficient disbursement of loan funds and the servicing and collection of loans.

(c) "Specialty crops" means crops produced in an aquaculture system and agricultural crops, such as annuals, flowers, perennials, and other horticultural products, that are intensively cultivated.

(d) "Eligible livestock" means fish produced in an aquaculture system, beef cattle, dairy cattle, swine, poultry, goats, mules, farmed Cervidae, Ratitae, bison, sheep, horses, and llamas.

Sec. 36. Minnesota Statutes 2016, section 41B.057, subdivision 3, is amended to read:

Subd. 3. **Loan participation.** The authority may participate in a farm opportunity loan with an eligible lender, as defined in section 41B.02, subdivision 8, to a farmer or a group of farmers on joint projects who are eligible under subdivision 2, paragraph (c), and who are actively engaged in farming. Participation is limited to 45 percent of the principal amount of the loan or ~~\$45,000~~ \$100,000

per individual, whichever is less. For loans to a group made up of four or more individuals, participation is limited to 45 percent of the principal amount of the loan or ~~\$180,000~~ \$250,000, whichever is less. The interest rate on the loans must not exceed six percent.

Sec. 37. **[103F.452] APPLICABILITY.**

The provisions of sections 103F.415 to 103F.455 are not applicable without the adoption of an ordinance by the county or local government unit.

Sec. 38. Minnesota Statutes 2017 Supplement, section 116.0714, is amended to read:

116.0714 NEW OPEN-AIR SWINE BASINS.

(a) The commissioner of the Pollution Control Agency or a county board shall not approve any permits for the construction of new open-air swine basins, except that existing facilities may use one basin of less than 1,000,000 gallons as part of a permitted waste treatment program for resolving pollution problems or to allow conversion of an existing basin of less than 1,000,000 gallons to a different animal type, provided all standards are met. This section expires June 30, 2022.

(b) This section does not apply to basins used solely for wastewater from truck-washing facilities.

Sec. 39. **REPEALER.**

Minnesota Statutes 2016, section 41A.15, subdivisions 2a and 2b, are repealed."

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. 4133 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|--------------|---------|-----------|
| Abeler | Draheim | Hoffman | Little | Senjem |
| Anderson, B. | Eichorn | Ingebrigtsen | Lourey | Simonson |
| Anderson, P. | Eken | Isaacson | Mathews | Sparks |
| Bakk | Fischbach | Jasinski | Miller | Tomassoni |
| Benson | Franzen | Johnson | Nelson | Utke |
| Bigham | Frentz | Kiffmeyer | Newman | Weber |
| Chamberlain | Gazelka | Klein | Osmek | Westrom |
| Clausen | Goggin | Koran | Relph | Wiger |
| Cwodzinski | Hall | Lang | Rosen | Wiklund |
| Dahms | Hayden | Limmer | Ruud | |

Those who voted in the negative were:

| | | | | |
|----------|----------|-------|--------|------------|
| Carlson | Dziedzic | Kent | Marty | Torres Ray |
| Champion | Eaton | Laine | Pappas | |
| Dibble | Hawj | Latz | Rest | |

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

SPECIAL ORDER

S.F. No. 2651: A bill for an act relating to local government; amending the St. Louis County Civil Service Commission; making technical changes; removing obsolete language; amending Minnesota Statutes 2016, sections 383C.031; 383C.032; 383C.033; 383C.034; 383C.035; 383C.037; 383C.038; 383C.039; 383C.04; 383C.041; 383C.042; 383C.043; 383C.044; 383C.045; 383C.046; 383C.048; 383C.05; 383C.051; 383C.055; 383C.056; proposing coding for new law in Minnesota Statutes, chapter 383C; repealing Minnesota Statutes 2016, sections 383C.036; 383C.047; 383C.049; 383C.052; 383C.053; 383C.059.

Senator Tomassoni moved to amend S.F. No. 2651 as follows:

Page 17, after line 14, insert:

"Sec. 23. **EFFECTIVE DATE.**

This act is effective the day after the St. Louis County Board of Commissioners and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3."

The motion prevailed. So the amendment was adopted.

S.F. No. 2651 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|--------------|---------|------------|
| Abeler | Draheim | Ingebrigtsen | Lourey | Simonson |
| Anderson, B. | Dziedzic | Isaacson | Marty | Sparks |
| Anderson, P. | Eaton | Jasinski | Mathews | Tomassoni |
| Bakk | Eichorn | Johnson | Miller | Torres Ray |
| Benson | Eken | Kent | Nelson | Utke |
| Bigham | Fischbach | Kiffmeyer | Newman | Weber |
| Carlson | Franzen | Klein | Osmek | Westrom |
| Chamberlain | Frentz | Koran | Pappas | Wiger |
| Champion | Goggin | Laine | Relph | Wiklund |
| Clausen | Hall | Lang | Rest | |
| Cwodzinski | Hawj | Latz | Rosen | |
| Dahms | Hayden | Limmer | Ruud | |
| Dibble | Hoffman | Little | Senjem | |

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 and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Madam President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 3265, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 3265 is herewith transmitted to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 17, 2018

CONFERENCE COMMITTEE REPORT ON H. F. No. 3265

A bill for an act relating to human services; modifying child foster care training requirements; establishing a foster care sibling bill of rights; amending Minnesota Statutes 2016, section 245A.175; proposing coding for new law in Minnesota Statutes, chapter 260C.

May 16, 2018

The Honorable Kurt L. Daudt
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

We, the undersigned conferees for H. F. No. 3265 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 3265 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2016, section 245A.175, is amended to read:

245A.175 CHILD FOSTER CARE TRAINING REQUIREMENT; MENTAL HEALTH TRAINING; FETAL ALCOHOL SPECTRUM DISORDERS TRAINING.

Prior to a nonemergency placement of a child in a foster care home, the child foster care license holder and caregivers in foster family and treatment foster care settings, and all staff providing care in foster residence settings must complete two hours of training that addresses the causes, symptoms, and key warning signs of mental health disorders; cultural considerations; and effective approaches for dealing with a child's behaviors. At least one hour of the annual training requirement for the foster family license holder and caregivers, and foster residence staff must be on children's mental health issues and treatment. Except for providers and services under chapter 245D, the annual training must also include at least one hour of training on fetal alcohol spectrum disorders within the first 12 months of licensure. ~~After the first 12 months of licensure, training on fetal alcohol~~

~~spectrum disorders may count~~, which must be counted toward the 12 hours of required in-service training per year. Short-term substitute caregivers are exempt from these requirements. Training curriculum shall be approved by the commissioner of human services.

Sec. 2. Minnesota Statutes 2016, section 256N.24, is amended by adding a subdivision to read:

Subd. 2a. **Minnesota assessment of parenting for children and youth (MAPCY) revision.** The commissioner, in consultation with representatives from communities of color, including but not limited to advisory councils and ombudspersons, shall review and revise the MAPCY tool and incorporate changes that take into consideration different cultures and the diverse needs of communities of color.

Sec. 3. **[260C.008] FOSTER CARE SIBLING BILL OF RIGHTS.**

Subdivision 1. **Statement of rights.** (a) A child placed in foster care who has a sibling has the right to:

(1) be placed in foster care homes with the child's siblings, when possible and when it is in the best interest of each sibling, in order to sustain family relationships;

(2) be placed in close geographical distance to the child's siblings, if placement together is not possible, to facilitate frequent and meaningful contact;

(3) have frequent contact with the child's siblings in foster care and, whenever possible, with the child's siblings who are not in foster care, unless the responsible social services agency has documented that contact is not in the best interest of any sibling. Contact includes, but is not limited to, telephone calls, text messaging, social media and other Internet use, and video calls;

(4) annually receive a telephone number, address, and e-mail address for all siblings in foster care, and receive updated photographs of siblings regularly, by regular mail or e-mail;

(5) participate in regular face-to-face visits with the child's siblings in foster care and, whenever possible, with the child's siblings who are not in foster care. Participation in these visits shall not be withheld or restricted as a consequence for behavior, and shall only be restricted if the responsible social services agency documents that the visits are contrary to the safety or well-being of any sibling. Social workers, parents, foster care providers, and older children must cooperate to ensure regular visits and must coordinate dates, times, transportation, and other accommodations as necessary. The timing and regularity of visits shall be outlined in each sibling's service plan, based on the individual circumstances and needs of each child. A social worker need not give explicit permission for each visit or possible overnight visit, but foster care providers shall communicate with social workers about these visits;

(6) be actively involved in each other's lives and share celebrations, if they choose to do so, including but not limited to birthdays, holidays, graduations, school and extracurricular activities, cultural customs in the siblings' native language, and other milestones;

(7) be promptly informed about changes in sibling placements or circumstances, including but not limited to new placements, discharge from placements, significant life events, and discharge from foster care;

(8) be included in permanency planning decisions for siblings, if appropriate; and

(9) be informed of the expectations for and possibility of continued contact with a sibling after an adoption or transfer of permanent physical and legal custody to a relative.

(b) Adult siblings of children in foster care shall have the right to be considered as foster care providers, adoptive parents, and relative custodians for their siblings, if they choose to do so.

Subd. 2. **Interpretation.** The rights under this section are established for the benefit of siblings in foster care. This statement of rights does not replace or diminish other rights, liberties, and responsibilities that may exist relative to children in foster care, adult siblings of children in foster care, foster care providers, parents, relatives, or responsible social services agencies.

Subd. 3. **Disclosure.** Child welfare agency staff shall provide a copy of these rights to a child who has a sibling at the time the child enters foster care, to any adult siblings of a child entering foster care, if known, and to the foster care provider, in a format specified by the commissioner of human services. The copy shall contain the address and telephone number of the Office of Ombudsman for Families and a brief statement describing how to file a complaint with the office.

EFFECTIVE DATE. This section is effective for children entering foster care on or after August 1, 2018. Subdivision 3 is effective August 1, 2018, and applies to all children in foster care on that date, regardless of when the child entered foster care."

Delete the title and insert:

"A bill for an act relating to human services; modifying provisions governing MAPCY and child foster care; establishing foster care sibling bill of rights; amending Minnesota Statutes 2016, sections 245A.175; 256N.24, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 260C."

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

House Conferees: Ron Kresha, Peggy Bennett, Laurie Halverson

Senate Conferees: Jerry Relph, Jim Abeler, Melisa Franzen

Senator Relph moved that the foregoing recommendations and Conference Committee Report on H.F. No. 3265 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 3265 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 51 and nays 12, as follows:

Those who voted in the affirmative were:

Abeler

Anderson, B.

Anderson, P.

Bakk

Benson

| | | | | |
|-------------|--------------|-----------|----------|-----------|
| Bigham | Fischbach | Kiffmeyer | Nelson | Tomassoni |
| Chamberlain | Franzen | Koran | Newman | Utke |
| Clausen | Frentz | Lang | Osmek | Weber |
| Cohen | Gazelka | Latz | Relph | Westrom |
| Cwodzinski | Goggin | Limmer | Rest | Wiger |
| Dahms | Hall | Little | Rosen | Wiklund |
| Draheim | Hoffman | Lourey | Ruud | |
| Eaton | Ingebrigtsen | Marty | Senjem | |
| Eichorn | Jasinski | Mathews | Simonson | |
| Eken | Johnson | Miller | Sparks | |

Those who voted in the negative were:

| | | | |
|----------|----------|----------|------------|
| Carlson | Dziedzic | Isaacson | Laine |
| Champion | Hawj | Kent | Pappas |
| Dibble | Hayden | Klein | Torres Ray |

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

MESSAGES FROM THE HOUSE - CONTINUED

Madam President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 4437.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 17, 2018

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 4437: A bill for an act relating to transportation finance; proposing a constitutional amendment to the Minnesota Constitution, article XIV, to allocate state general sales tax revenue related to motor vehicle repair and replacement parts exclusively to fund roads; making conforming and technical changes; amending Minnesota Statutes 2017 Supplement, section 297A.94; proposing coding for new law as Minnesota Statutes, chapter 160A.

Referred to the Committee on Taxes.

MEMBERS EXCUSED

Senator Carlson was excused from the Session of today from 1:45 to 1:50 p.m. Senators Eichorn, Eken, Goggin, Nelson, Senjem, and Westrom were excused from the Session of today from 1:45 to 2:00 p.m. Senators Bakk and Champion were excused from the Session of today from 1:45 to 2:15 p.m. Senator Kiffmeyer was excused from the Session of today from 2:05 to 2:10 p.m. Senators Miller and Rosen were excused from the Session of today from 2:05 to 2:15 p.m. Senator Gazelka was excused from the Session of today from 2:05 to 2:15 p.m. and from 4:30 to 4:40 p.m. Senators Latz, Limmer, and Newman were excused from the Session of today from 2:10 to 2:15 p.m. Senator

Cohen was excused from the Session of today from 4:20 to 4:40 p.m. Senator Housley was excused from the Session of today from 4:20 to 4:50 p.m.

ADJOURNMENT

Senator Gazelka moved that the Senate do now adjourn until 9:00 a.m., Friday, May 18, 2018. The motion prevailed.

Cal R. Ludeman, Secretary of the Senate