

NINETY-EIGHTH DAY

St. Paul, Minnesota, Thursday, April 4, 2024

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

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Pastor Ruthie Mhanga.

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 were present:

Abeler	Dziedzic	Johnson	Maye Quade	Rarick
Anderson	Eichorn	Klein	McEwen	Rasmusson
Bahr	Farnsworth	Koran	Miller	Rest
Boldon	Fateh	Kreun	Mitchell	Seeberger
Carlson	Frentz	Kunesh	Mohamed	Utke
Champion	Green	Kupec	Morrison	Weber
Coleman	Gruenhagen	Lang	Murphy	Wesenberg
Cwodzinski	Gustafson	Latz	Nelson	Westlin
Dahms	Hauschild	Lieske	Oumou Verbeten	Westrom
Dibble	Hawj	Limmer	Pappas	Wiklund
Dornink	Hoffman	Lucero	Pha	Xiong
Draheim	Housley	Mann	Port	
Drazkowski	Howe	Marty	Pratt	
Duckworth	Jasinski	Mathews	Putnam	

The President declared a quorum present.

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

REPORTS OF COMMITTEES

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

Senator Murphy from the Committee on Rules and Administration, to which was referred under Joint Rule 2.03, together with the committee report thereon,

S.F. No. 4782: A bill for an act relating to state government; modifying cannabis provisions; appropriating money; amending Minnesota Statutes 2022, section 18K.03, by adding a subdivision; Minnesota Statutes 2023 Supplement, sections 3.9224; 151.72, subdivisions 1, 2, 4, 5a, 5b, 6, 7; 256B.0625, subdivision 13d; 290.0132, subdivision 29; 290.0134, subdivision 19; 295.81, subdivisions 1, 4; 297A.67, subdivision 2; 297A.70, subdivision 2; 342.01, subdivisions 3, 4, 12, 14, 16, 17, 19, 20, 48, 64, 65, 66, by adding a subdivision; 342.02, subdivisions 2, 3, 5, 6; 342.07, subdivision 3; 342.09, subdivisions 1, 3; 342.10; 342.11; 342.12; 342.13; 342.14; 342.15, subdivisions 1, 2, by adding a subdivision; 342.17; 342.18, subdivision 3, by adding subdivisions; 342.19, subdivisions 1, 3, 4, 5; 342.22; 342.24, subdivisions 1, 2; 342.28, subdivision 2, by adding a subdivision; 342.29, subdivisions 1, 4; 342.30, subdivision 4; 342.31, subdivision 4; 342.32, subdivision 4; 342.35, subdivision 1; 342.37, subdivision 1; 342.40, subdivision 7; 342.41, subdivisions 1, 3; 342.51; 342.515; 342.52, subdivisions 1, 2, 3, 4, 5, 9, 11; 342.53; 342.54; 342.55, subdivisions 1, 2; 342.56, subdivisions 1, 2; 342.57, subdivisions 1, 2, 3, 4, 5, 6, 7; 342.58; 342.60; 342.61, subdivisions 4, 5; 342.63, subdivisions 2, 3, 4, 6; Laws 2023, chapter 63, article 1, sections 2; 51; 52; 53; 54; 55; 56; 57; 58; 59; 61; article 6, section 73; proposing coding for new law in Minnesota Statutes, chapter 342; repealing Minnesota Statutes 2023 Supplement, sections 342.01, subdivisions 28, 52, 53, 54, 55; 342.18, subdivision 1; 342.27, subdivision 13; 342.29, subdivision 9; 342.47; 342.48; 342.49; 342.50; 342.52, subdivision 8; Laws 2023, chapter 63, article 7, sections 4; 6.

Reports the same back with the recommendation that Joint Rule 2.03 be suspended for all further proceedings on S.F. No. 4782 and that the report from the Committee on Agriculture, Broadband, and Rural Development, shown in the Journal for April 2, 2024, be adopted; that committee recommendation being:

"the bill do pass and be re-referred to the Committee on State and Local Government and Veterans". Report adopted.

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

H.F. No. 3589 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3589	3579				

and that the above Senate File be indefinitely postponed.

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

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

H.F. No. 3925 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3925	3846				

and that the above Senate File be indefinitely postponed.

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

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

H.F. No. 4109 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
4109	4201				

and that the above Senate File be indefinitely postponed.

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

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

H.F. No. 4457 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.
4457	4544				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 4457 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 4457, the second engrossment; and insert the language after the enacting clause of S.F. No. 4544, the first engrossment; further, delete the title of H.F. No. 4457, the second engrossment; and insert the title of S.F. No. 4544, the first engrossment.

And when so amended H.F. No. 4457 will be identical to S.F. No. 4544, and further recommends that H.F. No. 4457 be given its second reading and substituted for S.F. No. 4544, 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 Marty from the Committee on Finance, to which was referred

H.F. No. 3613: A bill for an act relating to transportation; providing for clarifications on forecasted Metro Mobility funding; amending Minnesota Statutes 2022, section 473.386, subdivision 10; Laws 2021, First Special Session chapter 5, article 4, section 114.

(Amended pursuant to Rule 45, adopted by the Senate March 21, 2024; the text of H.F. No. 3613 is identical to S.F. No. 3660.)

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

Page 3, after line 1, insert:

"Sec. 3. CHAPTER 81 EFFECTIVE DATE.

Notwithstanding any law to the contrary, Laws 2024, chapter 81, is effective retroactively from March 26, 2024.

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

Amend the title as follows:

Page 1, line 2, delete "transportation" and insert "technical corrections"

Page 1, line 3, delete "making a technical change;" and insert "providing an effective date for education forecast adjustments; appropriating money;"

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

SECOND READING OF HOUSE BILLS

H.F. Nos. 3589, 3925, 4109, 4457, and 3613 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Champion introduced--

S.F. No. 5289: A bill for an act relating to economic development; making supplemental budget adjustments for the Department of Employment and Economic Development; appropriating money; amending Minnesota Statutes 2023 Supplement, section 116L.43, subdivision 1; Laws 2023, chapter 53, article 20, section 2, subdivisions 4, 6; article 21, section 6; repealing Minnesota Statutes 2022, section 116J.439.

Referred to the Committee on Jobs and Economic Development.

Senator Champion introduced--

S.F. No. 5290: A bill for an act relating to economic development; appropriating money for a grant for The Mixtape Strategy to develop mixed-used building and business development incubator.

Referred to the Committee on Jobs and Economic Development.

Senator Koran introduced--

S.F. No. 5291: A bill for an act relating to legislative auditor; allowing legislative auditor to bring a civil or criminal complaint; establishing authority for county attorneys to prosecute certain claims; amending Minnesota Statutes 2022, section 3.971, by adding subdivisions.

Referred to the Committee on Judiciary and Public Safety.

Senator Nelson introduced--

S.F. No. 5292: A bill for an act relating to capital investment; appropriating money for road improvements for the Northeast Improvement Zone in the city of Dodge Center and Wasioja Township; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Gustafson introduced--

S.F. No. 5293: A bill for an act relating to capital investment; appropriating money for the Rice Creek Regional Trail in Anoka County; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Gustafson introduced--

S.F. No. 5294: A bill for an act relating to capital investment; appropriating money for an inclusive playground in the city of Lino Lakes; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Hauschild introduced--

S.F. No. 5295: A bill for an act relating to child care licensing; allowing variances to licensed capacity; amending Minnesota Statutes 2022, section 245A.04, subdivision 9.

Referred to the Committee on Health and Human Services.

Senator Hauschild introduced--

S.F. No. 5296: A bill for an act relating to health occupations; extending nurse temporary permits from 60 to 90 days; amending Minnesota Statutes 2022, section 148.212, subdivision 1.

Referred to the Committee on Health and Human Services.

Senator Farnsworth introduced--

S.F. No. 5297: A bill for an act relating to capital investment; appropriating money for water, sewer, and street infrastructure in the city of McKinley; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Hawj introduced--

S.F. No. 5298: A bill for an act relating to legacy; modifying prior appropriations from clean water fund; appropriating money; amending Laws 2023, chapter 40, article 2, sections 2, subdivision 1; 3; 4; 5; 6; 7; 9.

Referred to the Committee on Environment, Climate, and Legacy.

Senators Hawj and Champion introduced--

S.F. No. 5299: A bill for an act relating to economic development; appropriating money for relocation grants for certain businesses.

Referred to the Committee on Jobs and Economic Development.

Senators Hawj, Mann, Murphy, Oumou Verbeten, and Pappas introduced--

S.F. No. 5300: A bill for an act relating to arts and cultural heritage; appropriating money for Los Alegres Bailadores.

Referred to the Committee on Environment, Climate, and Legacy.

Senator Klein introduced--

S.F. No. 5301: A bill for an act relating to commerce; modifying fees assessed by the Department of Commerce; amending Minnesota Statutes 2022, sections 45.0135, subdivision 7; 62Q.73, subdivision 3.

Referred to the Committee on Commerce and Consumer Protection.

Senator Klein introduced--

S.F. No. 5302: A bill for an act relating to arts and cultural heritage; appropriating money for school music grant.

Referred to the Committee on Environment, Climate, and Legacy.

Senator Klein introduced--

S.F. No. 5303: A bill for an act relating to state government; modifying appropriations to the Office of Cannabis Management and the Department of Health; modifying cannabis provisions; appropriating money; amending Minnesota Statutes 2023 Supplement, sections 144.197; 342.72; Laws 2023, chapter 63, article 9, sections 5; 10; 20.

Referred to the Committee on Commerce and Consumer Protection.

Senator Dornink introduced--

S.F. No. 5304: A bill for an act relating to transportation; appropriating money for replacement of bridge on marked Trunk Highway 109 over marked Interstate Highway 90 in Freeborn County; authorizing the sale and issuance of state bonds.

Referred to the Committee on Transportation.

Senator Dornink introduced--

S.F. No. 5305: A bill for an act relating to transportation; appropriating money for replacement of bridge on County State-Aid Highway 13 over marked Interstate Highway 90 in Mower County; authorizing the sale and issuance of state bonds.

Referred to the Committee on Transportation.

Senators Hawj, Putnam, Wesenberg, and Hoffman introduced--

S.F. No. 5306: A bill for an act relating to agriculture; appropriating money to hire a Hmong-speaking farmer outreach and engagement coordinator.

Referred to the Committee on Agriculture, Broadband, and Rural Development.

Senators Mohamed, Boldon, and Abeler introduced--

S.F. No. 5307: A bill for an act relating to homelessness; establishing a working group on simplifying supportive housing resources; providing for appointments; requiring a report.

Referred to the Committee on Housing and Homelessness Prevention.

Senators Putnam and Kunesh introduced--

S.F. No. 5308: A bill for an act relating to agriculture; modifying a previous appropriation; amending Laws 2023, chapter 43, article 1, section 2, subdivision 4.

Referred to the Committee on Agriculture, Broadband, and Rural Development.

Senator Bahr introduced--

S.F. No. 5309: A bill for an act relating to capital investment; appropriating money to connect elementary schools in the city of East Bethel to city water and sewer infrastructure; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senators Howe and Jasinski introduced--

S.F. No. 5310: A bill for an act relating to transportation; amending a surcharge on all-electric vehicles; amending Minnesota Statutes 2022, section 168.013, subdivision 1m.

Referred to the Committee on Transportation.

Senator Hauschild introduced--

S.F. No. 5311: A bill for an act relating to workforce development; appropriating money for a grant to Duluth Public Schools.

Referred to the Committee on Jobs and Economic Development.

Senator Hauschild introduced--

S.F. No. 5312: A bill for an act relating to workforce development; appropriating money for a grant to Proctor Public Schools.

Referred to the Committee on Jobs and Economic Development.

Senator Hauschild introduced--

S.F. No. 5313: A bill for an act relating to workforce development; appropriating money for a grant to Lake County Ambulance Service.

Referred to the Committee on Jobs and Economic Development.

Senator Hauschild introduced--

S.F. No. 5314: A bill for an act relating to capital investment; appropriating money for a campground and recreational area in the city of Little Fork; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senators Weber, Housley, Westrom, and Duckworth introduced--

S.F. No. 5315: A bill for an act relating to education; authorizing certain fund transfers for fiscal years 2025, 2026, and 2027; allowing a school board to not comply with certain laws or rules.

Referred to the Committee on Education Finance.

Senators Pratt, Draheim, and Lieske introduced--

S.F. No. 5316: A bill for an act relating to education; authorizing certain fund transfers for fiscal years 2025, 2026, and 2027; allowing a school board to not comply with certain laws or rules.

Referred to the Committee on Education Finance.

Senators Maye Quade and Hoffman introduced--

S.F. No. 5317: A bill for an act relating to human services; eliminating TEFRA parental contributions; making conforming changes; amending Minnesota Statutes 2022, sections 245.821, subdivision 1; 245.825, subdivision 1; 246.511, as amended; 252.27, subdivision 2b; 252.282, subdivision 1, by adding a subdivision; 256B.02, subdivision 11; 256B.0924, subdivision 3; 256B.77, subdivision 7a; 447.42, subdivision 1; Minnesota Statutes 2023 Supplement, sections 13.46, subdivision 2, as amended; 270B.14, subdivision 1; repealing Minnesota Statutes 2022, sections 252.021; 252.27, subdivisions 1a, 2, 3, 4a, 5, 6; Minnesota Statutes 2023 Supplement, section 252.27, subdivision 2a.

Referred to the Committee on Human Services.

Senators Kupec, Putnam, and Seeberger introduced--

S.F. No. 5318: A bill for an act relating to commerce; requiring an original equipment manufacturer to facilitate the repair of farm equipment; amending Minnesota Statutes 2023 Supplement, section 325E.72, subdivisions 2, 3, 5, 6, 7, by adding a subdivision.

Referred to the Committee on Commerce and Consumer Protection.

Senator Jasinski introduced--

S.F. No. 5319: A bill for an act relating to motor vehicles; authorizing deputy registrars to conduct certain fleet vehicle transactions; amending Minnesota Statutes 2022, section 168.127.

Referred to the Committee on Transportation.

Senator Mann introduced--

S.F. No. 5320: A bill for an act relating to health insurance; requiring coverage of cancer imaging and clinical genetic testing; proposing coding for new law in Minnesota Statutes, chapter 62Q.

Referred to the Committee on Commerce and Consumer Protection.

Senator Dziedzic introduced--

S.F. No. 5321: A bill for an act relating to capital investment; appropriating money for the Como Community Center in the city of Minneapolis.

Referred to the Committee on Capital Investment.

Senator Carlson introduced--

S.F. No. 5322: A bill for an act relating to barbers; modifying provisions relating to the Board of Barber Examiners; amending Minnesota Statutes 2022, sections 154.001, subdivision 2; 154.003; 154.01; 154.02, subdivisions 1, 4, by adding subdivisions; 154.05; 154.07, subdivision 1, by adding a subdivision; 154.08; 154.09; 154.11, subdivision 1, by adding a subdivision; repealing Minnesota Rules, parts 2100.2500; 2100.2600; 2100.2900; 2100.3000; 2100.3200; 2100.3300; 2100.4500; 2100.5200, subparts 1, 2, 5; 2100.5300; 2100.6000.

Referred to the Committee on State and Local Government and Veterans.

Senator Pappas introduced--

S.F. No. 5323: A bill for an act relating to capital investment; clarifying capital project funding expectations; amending Minnesota Statutes 2022, section 16A.86, subdivision 4.

Referred to the Committee on Capital Investment.

Senator Frentz introduced--

S.F. No. 5324: A bill for an act relating to retirement; modifying a Teachers Retirement Act provision; transferring money to the Teachers Retirement Association; amending Minnesota Statutes 2023 Supplement, section 354.42, subdivision 2.

Referred to the Committee on State and Local Government and Veterans.

Senator Gruenhagen introduced--

S.F. No. 5325: A bill for an act relating to local government aid; providing 2023 aid penalty forgiveness to the city of Stewart.

Referred to the Committee on Taxes.

Senator Fateh introduced--

S.F. No. 5326: A bill for an act relating to higher education; providing for funding and related policy changes to certain licensure and grant provisions; establishing fees; appropriating money; amending Minnesota Statutes 2022, sections 136A.69, subdivision 1; 136A.824, subdivisions 1, 2; Laws 2022, chapter 42, section 2.

Referred to the Committee on Higher Education.

Senator Dibble introduced--

S.F. No. 5327: A bill for an act relating to housing; landlord and tenants; prohibiting dog breed restrictions; authorizing civil penalties; proposing coding for new law in Minnesota Statutes, chapter 504B.

Referred to the Committee on Judiciary and Public Safety.

Senators Kupec, Dornink, and Hauschild introduced--

S.F. No. 5328: A bill for an act relating to labor and industry; regulating online continuing education; amending Minnesota Statutes 2022, section 326B.098, by adding a subdivision.

Referred to the Committee on Labor.

Senator Morrison introduced--

S.F. No. 5329: A bill for an act relating to health; modifying reporting requirements for drug price increases; modifying commissioner of health posting requirements relating to prescription drug price information; exempting the commissioner of health from rulemaking requirements under chapter 14; modifying pharmacy benefit manager reporting requirements for certain prescription drugs; amending Minnesota Statutes 2023 Supplement, section 62J.84, subdivisions 3, 6, 10, 11, 13, 15.

Referred to the Committee on Health and Human Services.

Senators Marty, Dibble, and Maye Quade introduced--

S.F. No. 5330: A bill for an act relating to gambling; authorizing and providing for sports betting; establishing licenses; prohibiting local restrictions; providing for taxation of sports betting; providing civil and criminal penalties; requiring reports; appropriating money; amending Minnesota Statutes 2022, sections 240.01, subdivision 1b; 245.98, subdivision 2; 260B.007, subdivision 16; 325E.42, subdivision 2; 609.75, subdivisions 3, 4, 7, by adding a subdivision; 609.755; 609.76, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 299L; 609; proposing coding for new law as Minnesota Statutes, chapter 297J.

Referred to the Committee on State and Local Government and Veterans.

Senator Pappas introduced--

S.F. No. 5331: A bill for an act relating to labor; appropriating money to the Nursing Home Workforce Standards Board for certified worker organization grants.

Referred to the Committee on Labor.

Senator Maye Quade introduced--

S.F. No. 5332: A bill for an act relating to education finance; authorizing a school district to reauthorize a capital projects referendum by board action; amending Minnesota Statutes 2022, section 123B.63, subdivision 3.

Referred to the Committee on Education Finance.

Senator Putnam introduced--

S.F. No. 5333: A bill for an act relating to capital investment; appropriating money for sewer main improvements in St. Joseph; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Putnam introduced--

S.F. No. 5334: A bill for an act relating to taxation; sales and use; modifying the exemption for telecommunications or pay television services machinery and equipment; amending Minnesota Statutes 2022, section 297A.68, subdivision 35a.

Referred to the Committee on Taxes.

Senator Hoffman introduced--

S.F. No. 5335: A bill for an act relating to human services; the governor's budget bill for human services; modifying provisions related to aging, disability services, substance use disorder treatment, and the Department of Direct Care and Treatment; making technical changes to human services law; establishing a human services contingency fund; adjusting appropriations for forecasted programs; appropriating money; amending Minnesota Statutes 2022, sections 13.46, subdivisions 1, 10; 145.61, subdivision 5; 246.018, subdivision 3; 246.13, subdivision 2; 256.88; 256.89; 256.90; 256.91; 256.92; 256B.0911, subdivision 20; 256B.0913, subdivision 5a; 256B.69, subdivision 4; 256S.205, subdivisions 2, 3, 5; Minnesota Statutes 2023 Supplement, sections 10.65, subdivision 2; 13.46, subdivision 2; 15.01; 15.06, subdivision 1; 15A.082, subdivisions 1, 3, 7; 43A.08, subdivisions 1, 1a; 246C.01; 246C.02; 246C.04; 246C.05; 256.042, subdivision 2; 256.043, subdivision 3; 256B.0911, subdivision 13; 256B.0913, subdivision 5; 256R.55, subdivision 9; Laws 2023, chapter 61, article 4, section 11; article 8, sections 1; 2; 3; 8; article 9, section 2, subdivision 16, as amended; proposing coding for new law in Minnesota Statutes, chapters 246C; 256; 256B; 256S; repealing Minnesota Statutes 2022, sections 246.01; 246.12; 246.234; 246.36; 246.41; 256S.205, subdivision 4; Minnesota Statutes 2023 Supplement, section 246C.03.

Referred to the Committee on Human Services.

MOTIONS AND RESOLUTIONS

Senator Rest moved that her name be stricken as chief author, shown as a co-author, and the name of Senator Boldon be added as chief author to S.F. No. 2583. The motion prevailed.

Senator Hoffman moved that the name of Senator Champion be added as a co-author to S.F. No. 2601. The motion prevailed.

Senator Gustafson moved that the name of Senator Cwodzinski be added as a co-author to S.F. No. 3370. The motion prevailed.

Senator Mitchell moved that the name of Senator Pha be added as a co-author to S.F. No. 3616. The motion prevailed.

Senator Boldon moved that the name of Senator Pha be added as a co-author to S.F. No. 3647. The motion prevailed.

Senator Boldon moved that the name of Senator Pha be added as a co-author to S.F. No. 3649. The motion prevailed.

Senator Dibble moved that the name of Senator Kunesh be added as a co-author to S.F. No. 3660. The motion prevailed.

Senator Maye Quade moved that the name of Senator Gustafson be added as a co-author to S.F. No. 3698. The motion prevailed.

Senator Kunesh moved that the name of Senator Pha be added as a co-author to S.F. No. 3731. The motion prevailed.

Senator Kunesh moved that the name of Senator Pha be added as a co-author to S.F. No. 3859. The motion prevailed.

Senator Mitchell moved that the name of Senator Pha be added as a co-author to S.F. No. 3875. The motion prevailed.

Senator Mitchell moved that the name of Senator Pha be added as a co-author to S.F. No. 3878. The motion prevailed.

Senator Boldon moved that the name of Senator Pha be added as a co-author to S.F. No. 3895. The motion prevailed.

Senator Boldon moved that the name of Senator Pha be added as a co-author to S.F. No. 3896. The motion prevailed.

Senator Mitchell moved that the name of Senator Pha be added as a co-author to S.F. No. 3930. The motion prevailed.

Senator Marty moved that the name of Senator Kunesh be added as a co-author to S.F. No. 3990. The motion prevailed.

Senator Maye Quade moved that the name of Senator Abeler be added as a co-author to S.F. No. 4030. The motion prevailed.

Senator McEwen moved that the name of Senator Pha be added as a co-author to S.F. No. 4036. The motion prevailed.

Senator Carlson moved that the name of Senator Pha be added as a co-author to S.F. No. 4066. The motion prevailed.

Senator McEwen moved that the name of Senator Pha be added as a co-author to S.F. No. 4071. The motion prevailed.

Senator McEwen moved that the name of Senator Pha be added as a co-author to S.F. No. 4073. The motion prevailed.

Senator Kunesh moved that the name of Senator Pha be added as a co-author to S.F. No. 4107. The motion prevailed.

Senator Mitchell moved that the name of Senator Pha be added as a co-author to S.F. No. 4132. The motion prevailed.

Senator Rasmusson moved that the name of Senator Kreun be added as a co-author to S.F. No. 4169. The motion prevailed.

Senator Mitchell moved that the name of Senator Pha be added as a co-author to S.F. No. 4202. The motion prevailed.

Senator Mitchell moved that the name of Senator Pha be added as a co-author to S.F. No. 4204. The motion prevailed.

Senator Kunesh moved that the name of Senator Pha be added as a co-author to S.F. No. 4251. The motion prevailed.

Senator Carlson moved that the name of Senator Pha be added as a co-author to S.F. No. 4259. The motion prevailed.

Senator Carlson moved that the name of Senator Howe be added as a co-author to S.F. No. 4272. The motion prevailed.

Senator Dibble moved that the name of Senator Pha be added as a co-author to S.F. No. 4524. The motion prevailed.

Senator Port moved that the name of Senator Rest be added as a co-author to S.F. No. 4591. The motion prevailed.

Senator McEwen moved that the name of Senator Pha be added as a co-author to S.F. No. 4597. The motion prevailed.

Senator Boldon moved that the name of Senator Pha be added as a co-author to S.F. No. 4619. The motion prevailed.

Senator Mitchell moved that the name of Senator Pha be added as a co-author to S.F. No. 4620. The motion prevailed.

Senator Frentz moved that the name of Senator Pha be added as a co-author to S.F. No. 4643. The motion prevailed.

Senator McEwen moved that the name of Senator Pha be added as a co-author to S.F. No. 4708. The motion prevailed.

Senator Champion moved that the name of Senator Gustafson be added as a co-author to S.F. No. 4713. The motion prevailed.

Senator McEwen moved that the name of Senator Pha be added as a co-author to S.F. No. 4742. The motion prevailed.

Senator McEwen moved that the name of Senator Pha be added as a co-author to S.F. No. 4743. The motion prevailed.

Senator Champion moved that the name of Senator Gustafson be added as a co-author to S.F. No. 4808. The motion prevailed.

Senator Oumou Verbeten moved that the name of Senator Rest be added as a co-author to S.F. No. 4862. The motion prevailed.

Senator Hauschild moved that the name of Senator Eichorn be added as a co-author to S.F. No. 4936. The motion prevailed.

Senator Dibble moved that the name of Senator Pha be added as a co-author to S.F. No. 5032. The motion prevailed.

Senator Hoffman moved that the name of Senator Champion be added as a co-author to S.F. No. 5097. The motion prevailed.

Senator Mitchell moved that the name of Senator Pha be added as a co-author to S.F. No. 5115. The motion prevailed.

Senator Maye Quade moved that the name of Senator Champion be added as a co-author to S.F. No. 5126. The motion prevailed.

Senator Mohamed moved that the name of Senator Champion be added as a co-author to S.F. No. 5151. The motion prevailed.

Senator Kunesh moved that the name of Senator Champion be added as a co-author to S.F. No. 5171. The motion prevailed.

Senator Champion moved that the name of Senator Gustafson be added as a co-author to S.F. No. 5181. The motion prevailed.

Senator Anderson moved that the name of Senator Hoffman be added as a co-author to S.F. No. 5222. The motion prevailed.

Senator Dibble moved that the name of Senator Wiklund be added as a co-author to S.F. No. 5232. The motion prevailed.

Senator McEwen moved that the name of Senator Gustafson be added as a co-author to S.F. No. 5258. The motion prevailed.

Senator Morrison moved that the name of Senator Boldon be added as a co-author to S.F. No. 5287. The motion prevailed.

Senator Fateh moved that S.F. No. 3123 be withdrawn from the Committee on Human Services and re-referred to the Committee on Health and Human Services. The motion prevailed.

Pursuant to Rule 5.1, Senator Klein, chief author, moved that S.F. No. 2003 be withdrawn from the Committee on Finance, given a second reading, and placed on General Orders. The motion prevailed.

S.F. No. 2003 was read the second time.

Senator Howe introduced --

Senate Resolution No. 87: A Senate resolution congratulating Magnus Baker of Avon, Minnesota, for earning the rank of Eagle Scout.

Referred to the Committee on Rules and Administration.

RECESS

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

SPECIAL ORDERS

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

S.F. Nos. 4399, 4225, 4097, and H.F. No. 3377.

SPECIAL ORDER

S.F. No. 4399: A bill for an act relating to human services; modifying and establishing laws regarding disability services, aging services, and substance use disorder treatment services; modifying assisted living facility licensing standards; modernizing language in Deaf and Hard-of-Hearing Services Act; expanding application of bloodborne pathogen testing to nonsecure direct care and treatment programming; making technical corrections and repealing obsolete language; limiting rent increases in certain low-income rental projects receiving low-income housing tax credits; amending Minnesota Statutes 2022, sections 144A.20, subdivision 4; 144G.08, subdivision 7; 144G.30, subdivision 5; 144G.45, subdivision 3; 148F.025, subdivision 2; 245A.11, subdivision 2; 245D.071, subdivisions 3, 4; 245D.081, subdivisions 2, 3; 245D.09, subdivision 3; 245D.091, subdivisions 3, 4; 245D.10, subdivision 1; 245F.02, subdivisions 17, 21; 245F.08, subdivision 3; 245F.15, subdivision 7; 245G.01, subdivisions 13b, 24, by adding subdivisions; 245G.031, subdivision 2; 245G.04, by adding a subdivision; 245G.07, subdivisions 3, 3a; 245G.11, subdivision 7; 245G.22, subdivision 6; 246.71, subdivisions 3, 4, 5; 246.711; 246.712, subdivisions 1, 2; 246.713; 246.714; 246.715, subdivisions 1, 2, 3; 246.716, subdivisions 1, 2; 246.717; 246.72; 246.721; 246.722; 254A.03, subdivision 1; 256.975, subdivision 7e; 256B.0759, subdivision 4; 256B.0911, subdivisions 12, 17, 18, 20, 24, 25; 256B.092, by adding a subdivision; 256B.49, by adding a

subdivision; 256B.4905, subdivision 12; 256B.69, subdivision 5k, by adding a subdivision; 256B.85, subdivisions 2, 6, 6a, 11, 17, 20, by adding a subdivision; 256C.21; 256C.23, subdivisions 1a, 2, 2a, 2b, 2c, 6, 7, by adding a subdivision; 256C.233, subdivisions 1, 2; 256C.24, subdivisions 1, 2, 3; 256C.26; 256C.261; 256C.28, subdivision 1; 256R.08, subdivision 1, by adding a subdivision; 256S.205, subdivision 5, by adding a subdivision; 325F.722, subdivision 1, by adding subdivisions; 402A.16, subdivision 2; 462A.222, by adding a subdivision; Minnesota Statutes 2023 Supplement, sections 245G.05, subdivisions 1, 3; 245G.06, subdivisions 1, 3, 3a, 4; 245G.07, subdivision 2; 245G.09, subdivision 3; 245G.11, subdivision 10; 245G.22, subdivisions 2, 17; 254A.19, subdivision 3; 254B.04, subdivision 6, by adding a subdivision; 254B.05, subdivisions 1, 5; 254B.181, subdivision 1; 254B.19, subdivision 1; 256B.057, subdivision 9; 256B.0759, subdivision 2; 256B.4914, subdivisions 4, 10, 10a; 256B.85, subdivision 13a; Laws 2021, First Special Session chapter 7, article 13, section 75; Laws 2023, chapter 61, article 8, section 13, subdivision 2; repealing Minnesota Statutes 2022, sections 245G.011, subdivision 5; 245G.22, subdivisions 4, 7; 252.34; 256.01, subdivisions 39, 41; 256.975, subdivisions 7f, 7g; 256B.79, subdivision 6; 256K.45, subdivision 2; 256R.18; 325F.722, subdivisions 2, 3, 9.

Senator Hoffman moved to amend S.F. No. 4399 as follows:

Pages 13 to 14, delete sections 12 to 15

Page 15, lines 14 to 21, reinstate the stricken language

Page 15, line 22, delete "(b)" and insert "(d)"

Page 15, line 25, delete "(c)" and insert "(e)"

Page 15, line 29, delete "(d)" and insert "(f)"

Page 15, line 31, delete "(e)" and insert "(g)"

Page 16, line 1, delete "(f)" and insert "(h)"

Page 16, delete section 17

Page 35, delete section 31

Page 46, line 24, after "hire" insert "as an assisted living director"

Page 61, delete sections 6 and 7

Page 62, delete sections 8 to 10

Page 63, lines 4 to 6, delete the new language

Page 63, delete section 13

Pages 65 to 69, delete sections 15 to 21

Page 70, delete section 23

Page 82, line 2, strike "two hours" and insert "one hour"

Page 82, strike lines 8 to 13, and insert "(ii) the program employs a mental health professional as defined in section 245I.04, subdivision 2;"

Page 83, after line 14, insert:

"(j) A license holder that is unable to provide all residential treatment services because a client missed services remains eligible to bill for the client's intensity level of services under this paragraph if the license holder can document the reason the client missed services and the interventions done to address the client's absence.

(k) Hours in a treatment week may be reduced in observance of federally recognized holidays."

Page 89, after line 6, insert:

"Sec. 23. Laws 2021, First Special Session chapter 7, article 11, section 38, as amended by Laws 2022, chapter 98, article 4, section 50, is amended to read:

Sec. 38. DIRECTION TO THE COMMISSIONER; SUBSTANCE USE DISORDER TREATMENT PAPERWORK REDUCTION.

(a) The commissioner of human services, in consultation with counties, tribes, managed care organizations, substance use disorder treatment professional associations, and other relevant stakeholders, shall develop, assess, and recommend systems improvements to minimize regulatory paperwork and improve systems for substance use disorder programs licensed under Minnesota Statutes, chapter 245A, and regulated under Minnesota Statutes, chapters 245F and 245G, and Minnesota Rules, chapters 2960 and 9530. The commissioner of human services shall make available any resources needed from other divisions within the department to implement systems improvements.

(b) The commissioner of health shall make available needed information and resources from the Division of Health Policy.

(c) The Office of MN.IT Services shall provide advance consultation and implementation of the changes needed in data systems.

(d) The commissioner of human services shall contract with a vendor that has experience with developing statewide system changes for multiple states at the payer and provider levels. If the commissioner, after exercising reasonable diligence, is unable to secure a vendor with the requisite qualifications, the commissioner may select the best qualified vendor available. When developing recommendations, the commissioner shall consider input from all stakeholders. The commissioner's recommendations shall maximize benefits for clients and utility for providers, regulatory agencies, and payers.

(e) The commissioner of human services and the contracted vendor shall follow the recommendations from the report issued in response to Laws 2019, First Special Session chapter 9, article 6, section 76.

(f) ~~Within two years of contracting with a qualified vendor according to paragraph (d)~~ By December 15, 2024, the commissioner of human services shall take steps to implement paperwork reductions and systems improvements within the commissioner's authority and submit to the chairs

and ranking minority members of the legislative committees with jurisdiction over health and human services a report that includes recommendations for changes in statutes that would further enhance systems improvements to reduce paperwork. The report shall include a summary of the approaches developed and assessed by the commissioner of human services and stakeholders and the results of any assessments conducted."

Page 94, delete section 13 and insert:

"Sec. 13. Minnesota Statutes 2022, section 246.716, subdivision 2, as amended by Laws 2024, chapter 79, article 2, section 58, is amended to read:

Subd. 2. **Procedures without consent.** (a) A ~~secure treatment facility~~ state-operated treatment program or an employee of a ~~secure treatment facility~~ state-operated treatment program may bring a petition for a court order to require a patient to provide a blood sample for testing for blood-borne pathogens. The petition shall be filed in the district court in the county where the patient is receiving treatment from the ~~secure treatment facility~~ state-operated treatment program. ~~The secure treatment facility~~ state-operated treatment program shall serve the petition on the patient three days before a hearing on the petition. The petition shall include one or more affidavits attesting that:

(1) the ~~secure treatment facility~~ state-operated treatment program followed the procedures in sections 246.71 to 246.722 and attempted to obtain blood-borne pathogen test results according to those sections;

(2) a licensed physician, advanced practice registered nurse, or physician assistant knowledgeable about the most current recommendations of the United States Public Health Service has determined that a significant exposure has occurred to the employee of a ~~secure treatment facility~~ state-operated treatment program under section 246.721; and

(3) a physician, advanced practice registered nurse, or physician assistant has documented that the employee has provided a blood sample and consented to testing for blood-borne pathogens and blood-borne pathogen test results are needed for beginning, continuing, modifying, or discontinuing medical treatment for the employee under section 246.721.

(b) ~~Secure treatment facilities~~ State-operated treatment programs shall cooperate with petitioners in providing any necessary affidavits to the extent that facility staff can attest under oath to the facts in the affidavits.

(c) The court may order the patient to provide a blood sample for blood-borne pathogen testing if:

(1) there is probable cause to believe the employee of a ~~secure treatment facility~~ state-operated treatment program has experienced a significant exposure to the patient;

(2) the court imposes appropriate safeguards against unauthorized disclosure that must specify the persons who have access to the test results and the purposes for which the test results may be used;

(3) a licensed physician, advanced practice registered nurse, or physician assistant for the employee of a ~~secure treatment facility~~ state-operated treatment program needs the test results for beginning, continuing, modifying, or discontinuing medical treatment for the employee; and

(4) the court finds a compelling need for the test results. In assessing compelling need, the court shall weigh the need for the court-ordered blood collection and test results against the interests of the patient, including, but not limited to, privacy, health, safety, or economic interests. The court shall also consider whether involuntary blood collection and testing would serve the public interests.

(d) The court shall conduct the proceeding in camera unless the petitioner or the patient requests a hearing in open court and the court determines that a public hearing is necessary to the public interest and the proper administration of justice.

(e) The patient may arrange for counsel in any proceeding brought under this subdivision."

Page 95, delete section 15

Page 95, delete section 16 and insert:

"Sec. 15. Minnesota Statutes 2022, section 246.721, as amended by Laws 2024, chapter 79, article 2, section 60, is amended to read:

246.721 PROTOCOL FOR EXPOSURE TO BLOOD-BORNE PATHOGENS.

(a) A ~~secure treatment facility~~ state-operated treatment program shall follow applicable Occupational Safety and Health Administration guidelines under Code of Federal Regulations, title 29, part 1910.1030, for blood-borne pathogens.

(b) Every ~~secure treatment facility~~ state-operated treatment program shall adopt and follow a postexposure protocol for employees at a ~~secure treatment facility~~ state-operated treatment program who have experienced a significant exposure. The postexposure protocol must adhere to the most current recommendations of the United States Public Health Service and include, at a minimum, the following:

(1) a process for employees to report an exposure in a timely fashion;

(2) a process for an infectious disease specialist, or a licensed physician, advanced practice registered nurse, or physician assistant who is knowledgeable about the most current recommendations of the United States Public Health Service in consultation with an infectious disease specialist, (i) to determine whether a significant exposure to one or more blood-borne pathogens has occurred, and (ii) to provide, under the direction of a licensed physician, advanced practice registered nurse, or physician assistant, a recommendation or recommendations for follow-up treatment appropriate to the particular blood-borne pathogen or pathogens for which a significant exposure has been determined;

(3) if there has been a significant exposure, a process to determine whether the patient has a blood-borne pathogen through disclosure of test results, or through blood collection and testing as required by sections 246.71 to 246.722;

(4) a process for providing appropriate counseling prior to and following testing for a blood-borne pathogen regarding the likelihood of blood-borne pathogen transmission and follow-up recommendations according to the most current recommendations of the United States Public Health Service for testing and treatment;

(5) a process for providing appropriate counseling under clause (4) to the employee of a ~~secure treatment facility~~ state-operated treatment program and to the patient; and

(6) compliance with applicable state and federal laws relating to data practices, confidentiality, informed consent, and the patient bill of rights."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Hoffman moved to amend S.F. No. 4399 as follows:

Page 80, lines 16 to 24, delete the new language

The motion prevailed. So the amendment was adopted.

Senator Hoffman moved to amend S.F. No. 4399 as follows:

Page 104, delete section 6 and insert:

"Sec. 6. **REPEALER.**

Minnesota Statutes 2022, sections 245G.011, subdivision 5; 252.34; and 256.01, subdivision 39, are repealed."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Rasmusson moved to amend S.F. No. 4399 as follows:

Page 84, line 9, after the second comma, insert "one or more"

Page 84, line 11, after "other" insert "nonaddictive"

The motion prevailed. So the amendment was adopted.

Senator Housley moved to amend S.F. No. 4399 as follows:

Page 47, delete section 2

Pages 55 to 58, delete sections 10 to 23

Page 59, delete section 25 and insert:

"Sec. 10. **REPEALER.**

(a) Minnesota Statutes 2022, section 256.975, subdivisions 7f and 7g, are repealed.

(b) Minnesota Statutes 2022, section 256R.18, is repealed.

EFFECTIVE DATE. Paragraph (a) is effective August 1, 2024. Paragraph (b) is effective July 1, 2024."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Abeler moved to amend S.F. No. 4399 as follows:

Page 13, after line 20, insert:

"Sec. 12. Minnesota Statutes 2022, section 256B.0659, subdivision 17a, is amended to read:

Subd. 17a. **Enhanced rate.** (a) An enhanced rate of 107.5 percent of the rate paid for personal care assistance services shall be paid for services provided to persons who qualify for ten or more hours of personal care assistance services per day when provided by a personal care assistant who meets the requirements of subdivision 11, paragraph (d).

(b) A personal care assistance provider must use all additional revenue attributable to the rate enhancements under this subdivision for the wages and wage-related costs of the personal care assistants, including any corresponding increase in the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, and workers' compensation premiums. The agency must not use the additional revenue attributable to any enhanced rate under this subdivision to pay for mileage reimbursement, health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, contributions to employee retirement accounts, or any other employee benefits.

(c) Any change in the eligibility criteria for the enhanced rate for personal care assistance services as described in this subdivision and referenced in subdivision 11, paragraph (d), does not constitute a change in a term or condition for individual providers as defined in section 256B.0711, and is not subject to the state's obligation to meet and negotiate under chapter 179A.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 13. Minnesota Statutes 2023 Supplement, section 256B.0659, subdivision 24, is amended to read:

Subd. 24. **Personal care assistance provider agency; general duties.** A personal care assistance provider agency shall:

(1) enroll as a Medicaid provider meeting all provider standards, including completion of the required provider training;

- (2) comply with general medical assistance coverage requirements;
- (3) demonstrate compliance with law and policies of the personal care assistance program to be determined by the commissioner;
- (4) comply with background study requirements;
- (5) verify and keep records of hours worked by the personal care assistant and qualified professional;
- (6) not engage in any agency-initiated direct contact or marketing in person, by phone, or other electronic means to potential recipients, guardians, or family members;
- (7) pay the personal care assistant and qualified professional based on actual hours of services provided;
- (8) withhold and pay all applicable federal and state taxes;
- (9) document that the agency uses a minimum of 72.5 percent of the revenue generated by the medical assistance rate for personal care assistance services for employee personal care assistant wages and benefits. The revenue generated by the qualified professional and the reasonable costs associated with the qualified professional shall not be used in making this calculation;
- (10) make the arrangements and pay unemployment insurance, taxes, workers' compensation, liability insurance, and other benefits, if any;
- (11) enter into a written agreement under subdivision 20 before services are provided;
- (12) report suspected neglect and abuse to the common entry point according to section 256B.0651;
- (13) provide the recipient with a copy of the home care bill of rights at start of service;
- (14) request reassessments at least 60 days prior to the end of the current authorization for personal care assistance services, on forms provided by the commissioner;
- (15) comply with the labor market reporting requirements described in section 256B.4912, subdivision 1a;
- (16) document that the agency uses the additional revenue due to the enhanced rate under subdivision 17a for the wages ~~and benefits~~ and any corresponding increase in the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, and workers' compensation premiums of the PCAs whose services meet the requirements under subdivision 11, paragraph (d); and
- (17) ensure that a personal care assistant driving a recipient under subdivision 1, paragraph (i), has a valid driver's license and the vehicle used is registered and insured according to Minnesota law.

EFFECTIVE DATE. This section is effective July 1, 2024."

Page 27, after line 8, insert:

"Sec. 27. Minnesota Statutes 2022, section 256B.85, subdivision 7a, is amended to read:

Subd. 7a. **Enhanced rate.** (a) An enhanced rate of 107.5 percent of the rate paid for CFSS must be paid for services provided to persons who qualify for ten or more hours of CFSS per day when provided by a support worker who meets the requirements of subdivision 16, paragraph (e).

(b) An agency provider must use all additional revenue attributable to the rate enhancements under this subdivision for the wages and wage-related costs of the support workers, including any corresponding increase in the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, and workers' compensation premiums. The agency provider must not use the additional revenue attributable to any enhanced rate under this subdivision to pay for mileage reimbursement, health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, contributions to employee retirement accounts, or any other employee benefits.

(c) Any change in the eligibility criteria for the enhanced rate for CFSS as described in this subdivision and referenced in subdivision 16, paragraph (e), does not constitute a change in a term or condition for individual providers as defined in section 256B.0711, and is not subject to the state's obligation to meet and negotiate under chapter 179A.

EFFECTIVE DATE. This section is effective July 1, 2024."

The motion prevailed. So the amendment was adopted.

Senator Rest moved to amend S.F. No. 4399 as follows:

Page 59, delete section 24

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 4399 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 58 and nays 9, as follows:

Those who voted in the affirmative were:

Abeler	Dornink	Hauschild	Kupec	Miller
Anderson	Draheim	Hawj	Lang	Mitchell
Boldon	Duckworth	Hoffman	Latz	Mohamed
Carlson	Dziedzic	Housley	Lieske	Morrison
Champion	Farnsworth	Jasinski	Limmer	Murphy
Coleman	Fateh	Johnson	Mann	Nelson
Cwodzinski	Frentz	Klein	Marty	Oumou Verbeten
Dahms	Gruenhagen	Kreun	Maye Quade	Pappas
Dibble	Gustafson	Kunesh	McEwen	Pha

Port
Pratt
Putnam

Rarick
Rasmusson
Rest

Seeberger
Utke
Weber

Westlin
Westrom
Wiklund

Xiong

Pursuant to Rule 40, Senator Kunesh cast the affirmative vote on behalf of the following Senators: Dziedzic and Port.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Duckworth and Miller.

Those who voted in the negative were:

Bahr
Drazkowski

Eichorn
Green

Howe
Koran

Lucero
Mathews

Wesenberg

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

SPECIAL ORDER

S.F. No. 4225: A bill for an act relating to agriculture; amending agriculture policy provisions; modifying provisions relating to pesticide control; amending provisions for agricultural contracts; amending fertilizer definitions; modifying provisions related to food product sampling and demonstration; extending the expiration of the Food Safety and Defense Task Force provisions; amending the definition of a sustainable aviation fuel; modifying provisions related to the Minnesota Rural Finance Authority; amending grain indemnity provisions; modifying provisions related to elk; requiring notice of an estray; requiring the commissioner to establish an anonymous means for a person to report potential land ownership violations; amending provisions for importing Cervidae from another state; requiring the commissioner to establish a cooperative financial reporting workgroup and to report back with recommendations to the legislature; reviving and reenacting section 32D.25, subdivision 2; modifying provisions related to pest control; amending Minnesota Statutes 2022, sections 3.7371, subdivisions 2, 3, by adding subdivisions; 18B.01, by adding a subdivision; 18B.26, subdivision 6; 18B.305, subdivision 2; 18B.32, subdivisions 1, 3, 4, 5; 18B.33, subdivisions 1, 5, 6; 18B.34, subdivisions 1, 4; 18B.35, subdivision 1; 18B.36, subdivisions 1, 2; 18B.37, subdivisions 2, 3; 18C.005, subdivision 33, by adding a subdivision; 18C.115, subdivision 2; 18C.215, subdivision 1; 18C.221; 28A.151, subdivisions 1, 2, 3, 5, by adding a subdivision; 28A.21, subdivision 6; 223.17, subdivision 6; 232.21, subdivisions 3, 7, 11, 12, 13; Minnesota Statutes 2023 Supplement, sections 17.710; 35.155, subdivision 12; 41A.30, subdivision 1; 41B.0391, subdivision 4; Laws 2023, chapter 43, article 2, section 142, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 346; repealing Minnesota Statutes 2022, section 3.7371, subdivision 7; Minnesota Rules, parts 1506.0010; 1506.0015; 1506.0020; 1506.0025; 1506.0030; 1506.0035; 1506.0040.

Senator Westrom moved to amend S.F. No. 4225 as follows:

Page 8, after line 29, insert:

"Sec. 18. **[31.641] CELL-CULTURED PRODUCTS; INSECT PROTEIN.**

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

(b) "Cell-cultured product" means a food product intended for human consumption and derived by harvesting animal cells and artificially replicating those cells in a growth medium in a laboratory to produce tissue.

(c) "Close proximity" means:

(1) immediately before or after the name of the product;

(2) in the line of the label immediately before or after the line containing the name of the product;

or

(3) within the same phrase or sentence containing the name of the product.

(d) "Insect product" means a food product intended for human consumption and derived by combining processed insects with food additives to approximate the texture, flavor, appearance, or other aesthetic qualities or the chemical characteristics of any specific type of egg, egg product, fish, meat, meat product, poultry, or poultry product.

Subd. 2. **Cell-cultured product labeling required.** It is unlawful for any person to sell, offer or expose for sale, or have in possession with intent to sell, a cell-cultured product at wholesale or retail unless the product label bears, in prominent type equal to or greater in size than the surrounding type and in close proximity to the name of the product, one of the following:

(1) "cell-cultured";

(2) "lab-grown"; or

(3) a similar qualifying term or disclaimer approved by the commissioner of agriculture and intended to clearly communicate to a consumer the contents of the product.

Subd. 3. **Insect product labeling required.** It is unlawful for any person to sell, offer or expose for sale, or have in possession with intent to sell, an insect product at wholesale or retail unless:

(1) the product label bears, in prominent type equal to or greater in size than the surrounding type and in close proximity to the name of the product, the term insect protein or a similar qualifying term or disclaimer approved by the commissioner of agriculture and intended to clearly communicate to a consumer that the product is an insect product; and

(2) the ingredient list includes both the common and scientific name of each insect incorporated in the insect product.

Subd. 4. **Grocery stores and other retailers.** It is unlawful for any person to sell, offer or expose for sale, or have in possession with intent to sell, a cell-cultured product or insect product at retail unless the products are labeled as required in subdivision 2 or 3.

Subd. 5. **Restaurants and similar establishments.** It is unlawful for any person to sell, offer or expose for sale, or have in possession with intent to sell, a cell-cultured product, an insect product, a food containing a cell-cultured product, or a food containing an insect product at a restaurant or other food service establishment unless these products are clearly and prominently identified as such on the menu or bill of fare."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Rasmusson
Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Eichorn	Johnson	Mathews	Weber
Coleman	Farnsworth	Koran	Miller	Wesenberg
Dahms	Green	Kreun	Nelson	Westrom
Dornink	Gruenhagen	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Duckworth and Miller.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodziński	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Kunesh cast the negative vote on behalf of the following Senators: Dziedzic and Port.

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

Senator Draheim moved to amend S.F. No. 4225 as follows:

Page 15, after line 12, insert:

"Sec. 32. **REPORT REQUIRED; CELL-CULTURED MEAT LABELING.**

The commissioner of agriculture shall evaluate options for labeling requirements for cell-cultured meat and report back with recommendations to the legislative committees with jurisdiction over agriculture by January 3, 2025."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Wesenberg moved to amend S.F. No. 4225 as follows:

Page 4, delete section 5

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Jasinski	Lucero	Utke
Anderson	Duckworth	Johnson	Mathews	Weber
Bahr	Eichorn	Koran	Miller	Wesenberg
Coleman	Green	Kreun	Nelson	Westrom
Dahms	Gruenhagen	Lang	Pratt	
Dornink	Housley	Lieske	Rarick	
Draheim	Howe	Limmer	Rasmusson	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Duckworth and Miller.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Kunesh cast the negative vote on behalf of the following Senators: Dziedzic and Port.

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

S.F. No. 4225 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 58 and nays 9, as follows:

Those who voted in the affirmative were:

Abeler	Dziedzic	Johnson	Maye Quade	Putnam
Anderson	Farnsworth	Klein	McEwen	Rarick
Boldon	Fateh	Koran	Miller	Rasmusson
Carlson	Frentz	Kreun	Mohamed	Rest
Champion	Green	Kunesh	Morrison	Seeberger
Coleman	Gustafson	Kupec	Murphy	Weber
Cwodzinski	Hauschild	Lang	Nelson	Westlin
Dahms	Hawj	Latz	Oumou Verbeten	Westrom
Dibble	Hoffman	Lieske	Pappas	Wiklund
Dornink	Housley	Limmer	Pha	Xiong
Draheim	Howe	Mann	Port	
Duckworth	Jasinski	Marty	Pratt	

Pursuant to Rule 40, Senator Kunesh cast the affirmative vote on behalf of the following Senators: Dziedzic and Port.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Duckworth and Miller.

Those who voted in the negative were:

Bahr
Drazkowski

Eichorn
Gruenhagen

Lucero
Mathews

Mitchell
Utke

Wesenberg

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

SPECIAL ORDER

S.F. No. 4097: A bill for an act relating to commerce; adding and modifying various provisions related to insurance; regulating financial institutions; modifying provisions governing financial institutions; providing for certain consumer protections and privacy; modifying provisions governing commerce; making technical changes; establishing civil and criminal penalties; authorizing administrative rulemaking; requiring reports; amending Minnesota Statutes 2022, sections 45.011, subdivision 1; 47.20, subdivision 2; 47.54, subdivisions 2, 6; 48.24, subdivision 2; 58.02, subdivisions 18, 21, by adding a subdivision; 58.04, subdivisions 1, 2; 58.05, subdivisions 1, 3; 58.06, by adding subdivisions; 58.08, subdivisions 1a, 2; 58.10, subdivision 3; 58.115; 58.13, subdivision 1; 58B.02, subdivision 8, by adding a subdivision; 58B.03, by adding a subdivision; 58B.06, subdivisions 4, 5; 58B.07, subdivisions 1, 3, 9, by adding subdivisions; 58B.09, by adding a subdivision; 60A.201, by adding a subdivision; 67A.01, subdivision 2; 67A.14, subdivision 1; 80A.61; 80A.66; 80C.05, subdivision 3; 82B.021, subdivision 26; 82B.094; 82B.095, subdivision 3; 82B.13, subdivision 1; 82B.19, subdivision 1; 115C.08, subdivision 2; 239.791, by adding a subdivision; 325F.03; 325F.04; 325F.05; 325G.24; 325G.25, subdivision 1; 340A.101, subdivision 13; 340A.404, subdivision 2; 340A.412, by adding a subdivision; 507.071; Minnesota Statutes 2023 Supplement, sections 53B.28, subdivisions 18, 25; 53B.29; 53B.69, by adding subdivisions; 80A.50; 239.791, subdivision 8; 325E.80, subdivisions 1, 5, 6, 7; 332.71, subdivisions 2, 4, 5, 7; 332.72; 332.73, subdivision 1; 332.74, subdivisions 3, 5; Laws 2022, chapter 86, article 2, section 3; Laws 2023, chapter 57, article 2, sections 7; 8; 9; 10; 11; 12; 13; 14; 15; proposing coding for new law in Minnesota Statutes, chapters 53B; 58; 58B; 65A; 325F; 325G; 332; 507; 513; proposing coding for new law as Minnesota Statutes, chapters 46A; 60M; repealing Minnesota Statutes 2022, sections 45.014; 58.08, subdivision 3; 82B.25; 325G.25, subdivision 1a; 332.3351; Minnesota Statutes 2023 Supplement, sections 53B.58; 332.71, subdivision 8.

Senator Klein moved to amend S.F. No. 4097 as follows:

Page 16, delete section 6

Page 16, lines 18 and 19, delete "6 and 7" and insert "4 and 5"

Page 16, line 22, delete "6" and insert "5"

Page 86, delete section 14

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Hauschild moved to amend S.F. No. 4097 as follows:

Page 122, delete section 3

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

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

Senator Gruenhagen moved to amend S.F. No. 4097 as follows:

Page 4, after line 6, insert:

"Sec. 3. **[62K.16] REFERENCE-BASED PRICING HEALTH PLAN.**

Subdivision 1. **General.** Notwithstanding any law to the contrary and upon any necessary federal approval, a health carrier shall offer in the individual, small, and large group market a reference-based pricing health plan that meets the requirements of this section.

Subd. 2. **Provider participation.** (a) An enrollee of a reference-based pricing health plan may access any health care provider who has agreed to: (1) a reimbursement rate up to but not greater than the reimbursement rate specified in the enrollee's reference-based pricing plan as defined under subdivision 5; and (2) any other terms and conditions offered by the health carrier. Any terms and conditions offered by the health carrier must be the same for all health care providers who agree to participate in the health plan.

(b) A health carrier may require a participating provider to meet reasonable data, utilization review, and quality assurance requirements.

(c) A provider who agrees to participate must provide services to all enrollees of the health plan if the provider's reimbursement rates are equal to or less than those services specified in the enrollee's health plan.

Subd. 3. **Reimbursement rates.** (a) The reimbursement rates offered to providers that agree to participate in a reference-based pricing health plan must be based on a percentage relative to the rates defined by the most recent medical assistance fee-for-service reimbursement fee schedules promulgated by the Department of Human Services.

(b) For services that do not have a corresponding medical assistance fee-for-service reimbursement value, the health carrier must negotiate the rates based on other fee schedules used within the health care market.

(c) If a reference-based pricing health plan's reimbursement rate is at least 190 percent above the medical assistance fee-for-service rate and the health plan is offered in all counties throughout Minnesota, the health plan is exempt from the geographic and network adequacy requirements under section 62K.10.

(d) A provider who agrees to participate in the health plan agrees to accept the reimbursement rate as payment in full under the terms of the health plan in accordance with section 62K.11.

Subd. 4. **Conditions.** (a) Nothing in this section requires a provider to participate in a reference-based pricing health plan. A health carrier is prohibited from requiring, as a condition of participation in any other health plan, product, or other arrangement offered by the health carrier, that the provider participate in a reference-based pricing health plan.

(b) Nothing in this section requires a health carrier to provide coverage for a service or treatment that is not covered under the enrollee's health plan.

(c) A reference-based pricing health plan may impose cost-sharing requirements, including co-payments, deductibles, and coinsurance and reasonable referral and prior authorization requirements.

Subd. 5. **Definitions.** (a) For purposes of this section, the following terms have the meaning given.

(b) "Provider" has the meaning given in section 62J.03, subdivision 8.

(c) "Reference-based pricing health plan" means a health plan in which the employer pays a set price for each service instead of negotiating prices with providers."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Abeler	Drazkowski	Housley	Lieske	Rasmusson
Anderson	Duckworth	Howe	Limmer	Utke
Bahr	Eichorn	Jasinski	Lucero	Weber
Coleman	Farnsworth	Johnson	Mathews	Wesenberg
Dahms	Green	Koran	Miller	Westrom
Dornink	Gruenhagen	Kreun	Pratt	
Draheim	Hoffman	Lang	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Duckworth and Miller.

Those who voted in the negative were:

Boldon	Frentz	Latz	Morrison	Rest
Carlson	Gustafson	Mann	Murphy	Seeberger
Champion	Hauschild	Marty	Oumou Verbeten	Westlin
Cwodzinski	Hawj	Maye Quade	Pappas	Wiklund
Dibble	Klein	McEwen	Pha	Xiong
Dziedzic	Kunesh	Mitchell	Port	
Fateh	Kupec	Mohamed	Putnam	

Pursuant to Rule 40, Senator Kunesh cast the negative vote on behalf of the following Senators: Dziedzic and Port.

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

Senator Latz moved to amend S.F. No. 4097 as follows:

Pages 52 to 63, delete sections 32 to 38 and insert:

"Sec. 35. **[60M.01] DEFINITIONS.**

Subdivision 1. **Terms.** For the purposes of this chapter, the terms defined in this section have the meanings given.

Subd. 2. **Bail bond.** "Bail bond" is an instrument that is the tool utilized to guarantee the appearance of an individual and secure the monetary requirement of the bond.

Subd. 3. **Bail bond agency.** "Bail bond agency" means an agency contracted by a surety to supervise or otherwise manage the bail bond business written in Minnesota by producers appointed by the surety.

Subd. 4. **Commissioner.** "Commissioner" means the commissioner of commerce.

Subd. 5. **Department.** "Department" means the Department of Commerce.

Subd. 6. **Depositor.** "Depositor" means:

(1) an individual that has paid money to a surety, bail bond agency, or producer as premium or premium towards a bail bond product transaction, as defined in section 60M.02; or

(2) an individual that deposited money, property, or assets with a surety, bail bond agency, or producer to be held as collateral or used towards the liability of a bail bond product transaction, as defined in section 60M.03.

Subd. 7. **Negotiate.** "Negotiate" means the act of conferring directly with or offering advice directly to a purchaser or prospective purchaser of a particular insurance contract concerning any of the substantive benefits, terms, or conditions of the contract, if the person engaged in the act either sells insurance or obtains insurance from insurers for purchasers.

Subd. 8. **Net premium.** "Net premium" means a bond's premium, less any commission agreed to in advance and in writing between a producer and the surety or bail bond agency.

Subd. 9. **Personal information.** "Personal information" has the meaning given in section 72A.491, subdivision 17.

Subd. 10. **Principal.** "Principal" is an individual who has engaged with a bail bond agency or producer to arrange for the individual's bail bond to be posted on the individual's behalf, securing the individual's release pretrial on a bail bond.

Subd. 11. **Privileged information.** "Privileged information" has the meaning given in section 72A.491, subdivision 19.

Subd. 12. **Producer.** "Producer" means a person that is licensed to write bail bonds, has been approved by the state court administrator's office, is a contractor or employee for a bail bond agency, and is appointed by a surety to execute or countersign bail bonds for the surety in connection with judicial proceedings.

Subd. 13. **Sell.** "Sell" means to exchange a bail bond product for money on behalf of a surety company.

Subd. 14. **Surety.** "Surety" means a domestic, foreign, or alien insurance company that is licensed to transact surety business in Minnesota under section 60A.06.

Sec. 36. **[60M.02] PREMIUMS.**

Subdivision 1. **Premiums; generally.** (a) Regardless of whether a producer is an employee or an independent contractor, a producer must charge the approved, filed rate of the surety being used to post a bail bond. Except as provided in subdivision 2 or in a situation where cash bail is set by the court under subdivision 5, the rate charged must not be less than the surety's filed rate.

(b) A producer is prohibited from providing a premium rebate.

(c) A producer may charge travel or other related fees, provided the producer complies with section 60K.46, subdivision 2.

Subd. 2. **Minimum premium.** A producer must charge a minimum premium of \$100. Any premium amount must be included in the surety's rate filing with the commissioner.

Subd. 3. **Bail bonds less than \$10,000.** (a) A producer is prohibited from posting a bail bond with a penal sum of \$10,000 or less unless the producer has:

(1) received at least 50 percent of the total premium owed under the surety's rate filing;

(2) provided the depositor with a receipt that indicates the premium paid; and

(3) if the full premium is not collected before posting the bond, a signed promissory note must be obtained requiring the unpaid premium in full within four months of the date the bond is posted.

(b) A promissory note issued under paragraph (a), clause (3), must be made on a surety or bail bond agency form as approved by the commissioner. The maximum annual interest rate allowed on a promissory note under this subdivision is six percent. A promissory note may authorize collection of the actual costs incurred to collect the premium, including reasonable attorney fees, in the event of a default.

Subd. 4. **Bail bonds greater than \$10,000.** (a) A producer is prohibited from posting a bail bond with a penal sum greater than \$10,000 unless the producer has:

(1) received at least 30 percent of the total premium owed under the surety's rate filing;

(2) provided the depositor with a receipt that indicates the premium paid; and

(3) if the full premium is not collected before posting the bond, a signed promissory note must be obtained requiring the unpaid premium in full within 12 months of the date the bond is posted.

(b) A promissory note issued under paragraph (a), clause (3), must be made on a surety or bail bond agency form as approved by the commissioner. The maximum annual interest rate allowed on a promissory note under this subdivision is six percent. A promissory note may authorize collection of the actual costs incurred to collect the premium, including reasonable attorney fees, in the event of a default.

Subd. 5. **Alternative premium structure.** (a) A bail bond agency or producer may include an alternative premium structure as part of the bail bond agency or producer's surety rate filing submitted to the commissioner.

(b) If a court sets cash bail at 15 percent or less of the bond's penal amount, a surety, bail bond agency, or producer may charge an alternative premium that is as low as one-half of the cash bail amount set by the court. An alternative premium charged under this subdivision is subject to the minimum premium requirement under subdivision 2.

(c) A bail bond agency or producer is required to obtain from the court documentation indicating the cash bail amount set by the court and must maintain the documentation in the bond file.

(d) A bail bond agency and producer must maintain a log of all bonds where an alternative premium was charged under this subdivision.

(e) Subdivisions 3 and 4 apply to the payment of an alternative premium structure under this subdivision.

Subd. 6. **Late payments.** If a payment, including a minimum monthly payment, that is required under a promissory note executed pursuant to subdivision 3 or 4 is more than 90 days late, the bail bond agency or producer must, within 20 days of the date a payment becomes 90 days late:

(1) for amounts owed that are \$2,500 or less, assign the debt to a Minnesota-licensed debt collector; or

(2) for amounts owed that are greater than \$2,500:

(i) file a civil action against the delinquent premium payer; and

(ii) make all reasonable efforts to:

(A) serve a summons and complaint;

(B) enter judgment, unless the matter is settled while the action is pending; and

(C) enforce the judgment, which may be satisfied by assigning the debt to a licensed debt collector.

Subd. 7. **Form of payment.** A surety, bail bond agency, or producer may only accept cash, money orders, checks, wire transfers, electronic funds transfers, debit cards, prepaid cash cards, or credit cards as a premium payment method. Any balance owed must be evidenced by a promissory note, as provided under subdivision 3 or 4.

Subd. 8. **Premium trust account.** (a) A payment made to or received by the producer, bail bond agency, or surety must be deposited into a premium trust account that is maintained by the producer, bail bond agency, or surety within seven business days.

(b) A premium trust account must be used only for premium payments and travel or other related fees authorized under subdivision 1, paragraph (c). A producer, bail bond agency, or surety is prohibited from depositing any other money into a premium trust account.

(c) A deposit into a premium trust account must be accompanied by a deposit slip that:

(1) separately designates the principal; and

(2) lists the power of attorney number of the bond for which the payment is being collected.

(d) Money may be withdrawn from a premium trust account only to:

(1) pay the net premium to the surety or bail bond agency;

(2) pay a surety or bail bond agency any build-up fund or escrow account required by a contract executed by the producer and the surety or bail bond agency;

(3) pay or reimburse travel or other related fees authorized under subdivision 1, paragraph (c);

(4) pay or reimburse the producer any fees or charges deducted electronically by credit card processing vendors, provided the fees and charges comply with section 60K.46, subdivision 2; and

(5) distribute any excess amounts to the operating account.

Sec. 37. [60M.03] COLLATERAL.

Subdivision 1. **Collateral generally.** When collateral is accepted, the producer, surety, or bail bond agency must provide a written and numbered receipt to the depositor. The receipt must:

(1) contain the date; depositor's name and address; bail bond agency's name and address; surety's name and address; defendant's name; bond amount; and cash amount or a detailed description of the collateral, if the collateral is not cash; and

(2) be signed by:

(i) the producer, surety, or bail bond agency; and

(ii) the depositor.

Subd. 2. **Collateral received; transfer; control.** (a) Except as otherwise provided under paragraph (b), a producer or bail bond agency must transfer all cash and noncash collateral that the producer or bail bond agency receives to the surety.

(b) A surety may, at the surety's discretion, permit: (1) a producer to transfer all cash and noncash collateral that the producer receives to the bail bond agency; and (2) the bail bond agency to retain possession and control over the cash and noncash collateral without transferring the cash and noncash collateral to the surety. If a surety exercises the surety's discretion under this paragraph, the bail bond agency assumes the surety's responsibilities and responsibilities under this section. A producer is prohibited from retaining possession or control of cash or noncash collateral beyond the time periods established in this section.

Subd. 3. **Cash collateral trust account.** (a) All cash collateral must be deposited into a cash collateral account maintained by a surety or bail bond agency as provided in subdivision 2, paragraph (b), within seven business days of the date the cash collateral is received.

(b) All checks, money orders, wire transfers, or similar money transfer for collateral must be made payable to the bail bond agency and deposited into the surety's or bail bond agency's collateral account within ten business days of the date the payment was received.

(c) When required by law, a bail bond agency or producer must: (1) file an IRS Form 8300 and informational notice; and (2) retain a copy of the filed IRS Form 8300 and informational notice in the bail bond agency's or producer's files.

Subd. 4. **Separate cash collateral account.** At the surety's discretion, the surety or a bail bond agency may maintain a separate cash collateral trust account. A cash collateral trust account may be an interest-bearing account or a noninterest-bearing account. If the separate cash collateral trust account is an interest-bearing account, the interest earned is for the benefit of the depositor.

Subd. 5. **Surety liable.** The surety is liable to return any cash or noncash collateral that a producer or bail bond agency collects, less any amounts owed under subdivision 9, paragraph (b), even if the collected collateral is not transferred to the surety.

Subd. 6. **Prohibitions.** (a) A surety, bail bond agency, or producer is prohibited from collecting cash collateral in excess of the bond's penal sum. A surety, bail bond agency, or producer is prohibited from collecting physical collateral that may be considered unreasonably higher than the excess of the bond's penal sum, based upon fair market value, less any outstanding liabilities or lien at the time of the transaction.

(b) A surety, bail bond agency, or producer is prohibited from using collateral for personal benefit or gain.

(c) A surety, bail bond agency, or producer is prohibited from taking a quitclaim deed on real property as collateral for a bond.

Subd. 7. **Collateral log.** (a) A bail bond agency or producer must maintain a collateral log that includes:

(1) the power of attorney number;

(2) the principal's name;

(3) the depositor's name;

(4) the cash collateral amount, including whether the cash collateral is being held in an interest-bearing account;

(5) if the collateral is noncash collateral, a detailed description of the collateral;

(6) the date the collateral was taken; and

(7) the dates the collateral was sent to the surety, returned to the depositor, liquidated, or applied to a loss or cost incurred by the producer, bail bond agency, or surety.

(b) For purposes of paragraph (a), an indemnity agreement does not constitute collateral and is not required to be included in the collateral log. For purposes of paragraph (a), clause (7), the amount of a loss incurred must be listed separately from other costs in the collateral log.

Subd. 8. **Mortgages and deeds of trust.** (a) A mortgage or deed of trust taken as collateral for a bond must name the surety as a mortgagee. At the discretion of the surety, a bail bond agency may be named as the mortgagee in lieu of the surety being named as the mortgagee.

(b) A producer is prohibited from being named as a mortgagee for a mortgage or deed of trust taken as collateral for a bond.

Subd. 9. **Return of collateral.** (a) A surety or bail bond agency that controls the collateral must return cash and noncash collateral to the depositor named in the collateral receipt within 21 days of the date the depositor provides the surety or bail bond agency with written proof that the bond has been discharged.

(b) If the depositor owes the surety, bail bond agency, or producer a premium; is liable for a loss or expense related to a breach of the bond; or is liable pursuant to the terms of an indemnity or other agreement, the surety or bail bond agency may retain from the collateral all money required to satisfy the depositor's debts.

(c) If all of the depositor's debts secured by collateral are satisfied, the surety or bail bond agency must provide documentation to release any liens, security interests, mortgages, or other security interests that were filed or obtained in relation to the collateral. The documentation must be provided within 21 days of the date the depositor provides the surety or bail bond agency with written proof that the bond has been discharged.

Subd. 10. **Bond or indemnity agreement; breach.** If a bond or indemnity agreement is breached and the surety, bail bond agency, or producer suffers a loss, the surety or bail bond agency that controls the collateral must send to the depositor written notice that notifies the depositor that the surety or bail bond agency intends to liquidate noncash collateral. The written notice must be sent by certified mail to the depositor's last known address at least 30 days before the date the surety or bail bond agency liquidates the noncash collateral.

Subd. 11. **Compliance with Minnesota law.** Any action taken to enforce or foreclose on cash or noncash collateral must comply with Minnesota law.

Subd. 12. **Collateral documentation; audit and inspection.** (a) All collateral and related documentation held in trust by the surety or bail bond agency must be made available for immediate audit and inspection by the department.

(b) All collateral and related documentation held in trust by the bail bond agency must be made available for immediate audit and inspection by the surety.

Sec. 38. **[60M.04] PRODUCER AUDITS.**

Subdivision 1. **Premium audits.** (a) By April 30 each year, a surety must audit each licensed bail bond producer's bonds written during the previous calendar year to ensure the licensed bail bond producer has complied with this subdivision.

(b) The premium audits must include a review of an adequate sample of bonds written by each bail bond producer. A review sample is adequate if it consists of the lesser of: (1) 20 percent of the bonds written by the bail bond producer; (2) 24 bonds; or (3) all of the bonds written by the bail bond producer, if the bail bond producer wrote fewer than 12 bonds during the previous calendar year. The audit sample must include the four largest bonds written by the bail bond producer and four bonds that charged an alternative premium under section 60M.02, subdivision 5, if applicable. Of the remaining bonds audited and to the extent the quantity of bonds supports the percentages, 50 percent must be randomly selected bonds with a penal sum that is \$10,000 or less, and 50 percent must be randomly selected bonds with a penal sum that is greater than \$10,000.

(c) The premium audit must be conducted at the producer's office or the bail bond agency's office, depending on which entity maintains the physical records. The surety must not disclose to the producer or bail bond agency, or anyone affiliated with the surety or bail bond agency, which files the surety intends to audit until the surety's on-site audit of the producer begins.

(d) For each bond audited, the surety must confirm that:

(1) the proper premium was charged and collected, including a review of the premium account statements and deposit slips;

(2) a proper premium receipt is in the producer's file;

(3) if the full premium was not paid before the bond was posted, a proper promissory note was executed; and

(4) if the premium was not paid as required, the producer complied with section 60M.02, subdivision 6.

(e) An annual premium audit under this section must also include a follow-up review of each bond audited the previous year for which full premium had not yet been collected at the time the audit occurred. For each bond subject to a follow-up review, the surety must:

(1) review the premium account and deposit slips to confirm that the full premium was collected;
or

(2) if full payment of the premium was not received, confirm that the producer complied with section 60M.02, subdivision 6.

(f) A bail bond agency or producer is prohibited from acting on behalf of the surety to conduct the bail bond agency's or producer's own bail bond agency or producer audits.

Subd. 2. **Collateral audits.** (a) By April 30 each year, a surety must audit each licensed bail bond producer's bonds written during the previous calendar year to ensure the licensed bail bond producer has complied with this subdivision.

(b) A collateral audit under this subdivision must include confirmation that:

(1) a collateral log was maintained;

(2) a cash collateral account exists;

(3) the balance of the cash collateral indicated on the collateral log is identical to the amount held in the collateral trust account; and

(4) a collateral receipt exists for collateral collected, as represented by a sampling of the lesser of: (i) 20 percent of all bonds secured by collateral; or (ii) 12 bonds that were secured by collateral.

Subd. 3. **Audits report.** (a) By May 31 each year, a surety must prepare a report of the audits conducted under this section during that year. The report must include:

(1) a list of the bonds audited under subdivision 1 for each producer, including the power of attorney number used for each audited bond and whether full premium payment was made by the date the audit occurred;

(2) a list of the bonds included in a follow-up review of the previous year's audit, including whether full premium payment was collected by the date the audit occurred;

(3) the compliance certifications required under section 60M.07, subdivision 4; and

(4) details regarding any violations discovered during the audit or a statement that no violations were discovered, as applicable.

(b) The annual report under this subdivision must be maintained for a period of at least 36 months from the date the report is complete. Annual reports must be submitted to the commissioner by June 30 each year.

Sec. 39. **[60M.05] SOLICITATION.**

Subdivision 1. **Solicitation generally.** (a) A producer is prohibited from, in or on the grounds of a jail, prison, or other location where an incarcerated person is confined, or in or on the grounds of a court unless requested by the principal, a potential indemnitor, or the legal counsel of a principal:

(1) approaching, enticing, inviting, or soliciting a person to use a bail bonds's services;

(2) distributing, displaying, or wearing an item that advertises a bail bonds's services;

(3) no producer or bail bond agency is permitted to solicit by calling or leaving messages for principals on jail phones or any other messaging devices available to principals, while in custody; or

(4) no producer or bail bond agency is permitted to place money on the canteen or books of any individual held in custody.

(b) Notwithstanding paragraph (a), clause (3), permissible print advertising in a jail is limited to:

(1) a listing in a telephone directory; and

(2) posting the producer's or bail bond agency's name, address, and telephone number in a designated location within the jail, as approved by the jail.

Subd. 2. **Identification; marketing material.** A producer is prohibited from wearing or displaying any information, other than identification approved by the surety or bail bond agency, which constitutes marketing material that a surety or bail bond agency must approve and maintain under Minnesota Rules, chapter 2790. A producer is prohibited from displaying any information constituting marketing material in or on the property or grounds of: (1) a jail, prison, or other location where incarcerated people are confined; or (2) a court.

Subd. 3. **Other prohibited conduct.** (a) A producer is prohibited from loitering in or about the courthouse, jail, or any other place where individuals are held in custody.

(b) A producer is prohibited from making unauthorized and unsolicited cold calls without having first spoken with the principal.

(c) A producer is prohibited from soliciting a bond to a person by recorded or electronic communication, or by live telephone contact, unless the producer otherwise complies with applicable state and federal law, including but not limited to:

(1) the National Do Not Call Registry under Code of Federal Regulations, title 16, part 310; and

(2) the Telephone Consumer Protection Act of 1991, Code of Federal Regulations, title 47, part 64.1200.

(d) A surety, bail bond agency, or producer is prohibited from obtaining a credit check on a person unless the person has authorized the surety, bail bond agency, or producer to do so in writing. The surety, bail bond agency, or producer must retain the written authorization provided by the person subject to the credit check.

Subd. 4. **Compliance with other law.** (a) A surety, bail bond agency, and producer must comply with all federal and state privacy laws related to information provided to a producer during the application process and during bond underwriting by a bond principal, indemnitor, or other person.

(b) A surety, bail bond agency, and producer must comply with sections 60K.46, subdivision 6; 72A.494; 72A.496, subdivision 1; 72A.501; and 72A.502, subdivision 1.

(c) A surety, bail bond agency, and producer must receive preauthorization before collecting and disclosing personal or privileged information about an applicant or proposed insured, and must provide all notices otherwise required by Minnesota law.

(d) A surety, bail bond agency, and producer must otherwise comply with all applicable Minnesota law.

Subd. 5. **Insurance transaction.** The act of soliciting, underwriting, negotiating, or selling a bail bond constitutes an insurance transaction.

Sec. 40. [60M.06] UNLICENSED INDIVIDUALS; NO REBATES OR PAYMENT.

(a) With the exception of a contracted bail enforcement agent offering a reward for information that assists in the location and apprehension of a principal under section 629.63, a surety, bail bond agency, or producer is prohibited from paying a fee or commission, or otherwise giving or promising anything of value, to: (1) a jailer, police officer, peace officer, or any other person who has the power to arrest or hold an individual in custody; or (2) a judge, public official, or public employee.

(b) A surety, bail bond agency, or producer is prohibited from paying a fee or rebate, or otherwise giving or promising anything of value, to the individual seeking the producer's services or the individual seeking the producer's services on another individual's behalf.

(c) A surety, bail bond agency, or producer is prohibited from paying a fee or commission, or otherwise giving or promising anything of value, to a person for selling, soliciting, or negotiating a bail bond if the person is not properly licensed as a producer.

(d) A surety, bail bond agency, or producer is prohibited from paying a fee, rebate, or commission, or otherwise giving or promising anything of value, to an inmate for referring business or for any other reason related to soliciting, negotiating, or selling a bail bond.

Sec. 41. [60M.07] OTHER PROVISIONS.

Subdivision 1. **Compliance with standards of conduct.** A producer must comply with the Minnesota Court Administrator's Office's bail bond procedures and standards of conduct, including but not limited to while in or on the property of courts, jails, or other detention facilities in Minnesota. A surety or bail bond agency must require the surety or bail bond agency's producers to affirm that the producer complies with any changes to the bail bond procedures and standards of conduct as the changes are posted to the Minnesota state court website or the Minnesota Court Administrator's Office's website.

Subd. 2. **No waiver.** A producer is prohibited from soliciting or accepting a waiver of any requirement under this chapter.

Subd. 3. **Record maintenance.** (a) A bail bond agency and producer must maintain the following records on each bond for at least seven years after the date the bond is terminated:

(1) power of attorney;

(2) premium receipts;

(3) the promissory note for unpaid premium, if any;

(4) the cash bond amount set by the court, if an amount less than the filed rate is accepted for the premium;

(5) all documents related to any lawsuit filed to collect the premium;

(6) indemnity agreements;

(7) collateral receipts, if any;

(8) proof that collateral was returned, if any;

(9) proof of bond exoneration or forfeiture payment;

(10) all records relating to liquidating and converting collateral, including fees or costs; and

(11) proof of any expenses incurred or losses paid by the surety, bail bond agency, or producer.

(b) A bail bond agency and producer must maintain all premium account, collateral account, and operating account bank records, including deposit slips, for at least seven years after the records are made available.

(c) All records that a bail bond agency or producer maintain under this chapter must be kept in the bail bond agency or producer's office or storage location, as applicable. If a bail bond agency or producer's relationship with a surety is terminated, the information and documentation must be immediately transferred to:

(1) the bail bond agency, if the producer is terminated; or

(2) the surety, if the bail bond agency is terminated.

(d) A bail bond agency and producer's records must be available for the commissioner or the surety to inspect, with or without notice.

Subd. 4. Compliance certification. (a) During the surety's annual audit of a producer, the producer must sign a compliance certification form that attests to the producer's compliance with this chapter during the previous calendar year.

(b) Before a producer is appointed by a surety and at each license renewal thereafter, a producer must sign an affidavit of compliance form in which the producer acknowledges the producer is familiar and continually complies with the requirements under this chapter. The surety must retain completed affidavits and send requested affidavits to the commissioner within ten days of the date an affidavit is requested.

(c) The commissioner must establish the compliance certification and affidavit of compliance forms for use under this subdivision.

Subd. 5. Producer termination; notice. (a) If a producer's relationship with a surety is voluntarily or involuntarily terminated due to a violation of this chapter or because the surety determined the

producer violated this chapter during an annual audit, the surety must, within 30 days of the date the producer is terminated, provide the commissioner with the terminated producer's name and the reason the producer was terminated.

(b) Another surety is prohibited from appointing a producer subject to a termination under paragraph (a) unless the department approves the appointment.

Subd. 6. **Access to information.** A surety, bail bonds agency, and producer are considered a government associated entity and are allowed to apply and be granted access to the Minnesota Government Access system under the Court Access Rules.

Subd. 7. **Surrender of a principal for bail revocation.** The courts, jails, and sheriff offices in Minnesota must comply with section 629.63, allowing for a principal to be surrendered and received by the jail of the county that the bail bond was originated from and to be held in custody until the principal can have a court hearing where the surety, bail bond agency, or producer can give evidence and make motion for the revocation and discharge of the bail bond.

Subd. 8. **Forfeiture timing requirement.** The court must order a bail bond forfeited and send notice to the surety, bail bond agency, or producer no later than 30 days from the date of a principal failing to appear at a scheduled hearing. If a court fails to forfeit a bail bond within 30 days of a principal failing to appear or fail to send notice within seven days of the forfeiture to the surety, bail bond agency, or producer, the court must allow for a reinstatement and discharge of the bail bond without penalty. If a court fails to take action against the bail bond within 30 days of a principal failing to appear at a hearing, the court must allow for revocation and discharge without penalty."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Nelson moved to amend S.F. No. 4097 as follows:

Page 123, after line 28, insert:

"Sec. 8. **SPECIAL LIQUOR LAW; CITY OF ROCHESTER.**

Notwithstanding Minnesota Statutes, section 340A.404, the city of Rochester may issue an on-sale wine license and an on-sale malt liquor license for beverage sales at a soccer field, indoor soccer complex, or stadium located on property in the city of Rochester for the purposes of soccer games and any other events at the soccer field, indoor soccer complex, or stadium to the following:

- (1) a person who is the owner of a soccer club;
- (2) a person holding a concessions or management contract with the owner;
- (3) a nonprofit organization that has established a soccer club; or
- (4) an agent of the nonprofit organization.

A license issued under this section authorizes sales on all days of the week to persons attending soccer games and any other events at the soccer field, indoor soccer complex, or stadium."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Rasmusson moved to amend S.F. No. 4097 as follows:

Page 83, delete subdivision 4

Renumber the subdivisions in sequence

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Rasmusson
Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Eichorn	Johnson	Mathews	Weber
Coleman	Farnsworth	Koran	Miller	Wesenberg
Dahms	Green	Kreun	Nelson	Westrom
Dornink	Gruenhagen	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Duckworth and Miller.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Kunesh cast the negative vote on behalf of the following Senators: Dziedzic and Port.

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

S.F. No. 4097 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 53 and nays 14, as follows:

Those who voted in the affirmative were:

Boldon	Cwodzinski	Draheim	Fateh	Hawj
Carlson	Dahms	Duckworth	Frentz	Hoffman
Champion	Dibble	Dziedzic	Gustafson	Housley
Coleman	Dornink	Farnsworth	Hauschild	Howe

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Jasinski	Limmer	Mohamed	Port	Utke
Johnson	Mann	Morrison	Pratt	Weber
Klein	Marty	Murphy	Putnam	Westlin
Kunesh	Maye Quade	Nelson	Rarick	Wiklund
Kupec	McEwen	Oumou Verbeten	Rasmusson	Xiong
Lang	Miller	Pappas	Rest	
Latz	Mitchell	Pha	Seeberger	

Pursuant to Rule 40, Senator Kunesh cast the affirmative vote on behalf of the following Senators: Dziedzic and Port.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Duckworth and Miller.

Those who voted in the negative were:

Abeler	Drazkowski	Gruenhagen	Lieske	Wesenberg
Anderson	Eichorn	Koran	Lucero	Westrom
Bahr	Green	Kreun	Mathews	

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

SPECIAL ORDER

H.F. No. 3377: A bill for an act relating to natural resources; appropriating money from environment and natural resources trust fund; modifying previous appropriations; amending Laws 2019, First Special Session chapter 4, article 2, section 2, subdivision 9; Laws 2021, First Special Session chapter 6, article 6, section 2, subdivision 9; Laws 2022, chapter 94, section 2, subdivisions 9, as amended, 10; Laws 2023, chapter 60, article 2, section 2, subdivision 9.

H.F. No. 3377 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 41 and nays 25, as follows:

Those who voted in the affirmative were:

Abeler	Fateh	Kupec	Morrison	Seeberger
Boldon	Frentz	Latz	Murphy	Westlin
Carlson	Gustafson	Limmer	Nelson	Westrom
Champion	Hauschild	Mann	Oumou Verbeten	Wiklund
Coleman	Hawj	Marty	Pappas	Xiong
Cwodzinski	Hoffman	Maye Quade	Pha	
Dibble	Housley	McEwen	Port	
Duckworth	Klein	Mitchell	Putnam	
Dziedzic	Kunesh	Mohamed	Rest	

Pursuant to Rule 40, Senator Kunesh cast the affirmative vote on behalf of the following Senators: Dziedzic and Port.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Duckworth.

Those who voted in the negative were:

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Anderson
Bahr
Dahms
Dornink
Draheim

Drazkowski
Eichorn
Farnsworth
Green
Gruenhagen

Howe
Jasinski
Johnson
Koran
Kreun

Lieske
Lucero
Mathews
Miller
Pratt

Rarick
Rasmusson
Utke
Weber
Wesenberg

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senator: Miller.

So the bill passed and its title was agreed to.

MEMBERS EXCUSED

Senator Nelson was excused from the Session of today from 1:15 to 1:30 p.m. Senator Lang was excused from the Session of today at 2:00 p.m.

ADJOURNMENT

Senator Murphy moved that the Senate do now adjourn until 11:00 a.m., Monday, April 8, 2024. The motion prevailed.

Thomas S. Bottern, Secretary of the Senate