

A Summary of the 2006 Session

# CONTENTS

### AGRICULTURE

Food law provisions modified	3
Toughening up on tampering	3
Beekeeping regulations	3
Stock purchase funding study	3

# BANKING

#### BONDING

Medtronic dollars	3
Capital projects law	4

### BUDGET

Supplemental spending addresses legislative priorities ......7

# BUSINESS

Business data classification
Changes to the business
corporation law9
Gasoline retail franchising9

#### CHILDREN

Child care assistance	. 9
Child restraint systems changes	. 9

# CONSUMERS

Home construction regulation	10
Alcohol machine banned	10
Credit card task force	10
Lost dog posters not required	11
Lien holder notification	11
Tools for fighting identity theft	11
Sale of phone records banned	11

#### CRIME

Funeral protest regulations	12
Video game rentals by minors	13

# EDUCATION

More math, science needed	
to graduate	13
Splitting a school district	14

#### **ELECTIONS**

Minneapolis Board of Education ..... 14 Paper ballot remains official record .... 14

# EMPLOYMENT

Workers' compensation

The second second second we	
appeal process	14
No work for felons at race tracks 1	
Leave for organ donation	15
Disabled worker study extension 1	15

# ENVIRONMENT

Timber contracts can be extended	15
Reducing mercury emissions	15
Sewage treatment system usage	15
Response deadline established	16
Sewage pilot project extension	16
State land additions, deletions	16
Commission name change	16
Wastewater treatment facilities	16
Clean Water Legacy	17
Natural resources modifications	17

### FAMILY

Parenting time o	clarified 1	17
------------------	-------------	----

# GAMBLING

Minor gaming changes	18
Prevention grant	18

# GOVERNMENT

State fruit bill passes 1	18
Boat slips for DNR 1	18
Board membership change 1	۱9
Land, council, transit changes 1	19
Annual claims bill 1	۱9
State employee contracts ratified 1	۱9
Audit commission modified 1	19
Clean-up language 1	19

#### GREATER MINNESOTA

Communities get help for stores ...... 20

#### HEALTH

Covering drug costs ...... 20

Maple Grove hospital	20
Medical license provision	
Extending a sunset date	20
Medical license exam	20
Hospital and ambulance changes	20
Containing health care costs	21

#### **HIGHER EDUCATION**

Building permission granted 22
On-campus university stadium22

### HOUSING

Common lighting2	3
Home park closure notice	
Real estate changes	4

# HUMAN SERVICES

No middle ground	.24
Interstate compact	
Child care licensing provisions	.24
Child care, homeless youth	

#### INSURANCE

Township mutual insurance
Adult foster care coverage defined 25
Miscellaneous provisions modified25

#### LAW

Cleaning up statutes	. 25
Property law language clarified	. 25
County recorder, registrar changes	
Liability claims limited	. 26
Medical personnel not liable	

## LOCAL GOVERNMENT

Appointed county positions	26
Authority membership expansion	26
No fees on college students	26
Drainage system fee authorized	26
Met Council powers repealed	26
Letters of credit deadline	26
Eminent domain use restricted	27
Grand Rapids bonds OK'd	27
Strip clubs undressed	27
MAC gets a makeover	28

New land dedication standards	28
Annexation laws modified	28
Zoning provisions modified	28
Aitkin County powers limited	28
'Piggybacking' road projects,	
bridge repair	29

#### RECREATION

Boathouse repair	29
Park name change confirmed	
Golf carts on trailers	
A return to outdoor baseball	29

#### RETIREMENT

Public employee pensions	31
Teachers' pensions merged	31

#### SAFETY

EMT certification	. 32
Volunteer firefighters	. 32
Hearts and bones donations needed.	32
Headsets allowed	. 32
Fire safety funding	. 33
Public safety provisions	. 33

### TAXES

Omnibus tax law	5
-----------------	---

## TECHNOLOGY

More biotechno.	logy, he	ealth	scienc	:es
zones				35

### TRANSPORTATION

Electric vehicles on the road	
Commuter rail liability	
A police officer remembered	
Hybrid vehicle usage	
Transportation service requirem	

#### VETERANS

H	Burial plots for veterans	37
	Meeting protocol	
I	Nar dog plaque authorized	37
1	New veterans' benefits	37

# AGRICULTURE

IGHLIGHTS

## Food law provisions modified

A new law changes specific terms in the current commercial feed law and adds "specialty pet foods" to the Department of Agriculture's rulemaking purview.

Sponsored by Rep. Rod Hamilton (R-Mountain Lake) and Sen. Betsy Wergin (R-Princeton), the law also requires that if a commercial feed is determined to be adulterated or misbranded, the person whose name appears on the label must provide a manufacturer's investigation report to the agriculture commissioner within 30 days. It also changes commercial feed distributors' recordkeeping requirements.

The law takes effect Aug. 1, 2006. HF3670\*/SF3334/CH203

### **Toughening up on tampering**

Sponsored by Sen. Gary Kubly (DFL-Granite Falls) and Rep. Lyle Koenen (DFL-Clara City), a new law prohibits the sale of devices that interfere with the accuracy of tractor clock-hour meters, and the sale of a farm tractor on which the clock hours have been altered unless the alterations are disclosed. It also makes tampering with tractor clock hours illegal and punishable by civil penalties. The law takes effect Aug. 1, 2006.

Similar to the way an odometer keeps track of the miles driven by a car, a tractor's clock-hour meter measures how much use the tractor has incurred.

HF1466/SF1039\*/CH211

#### **Beekeeping regulations**

A new law repeals all laws dealing with beekeeping and replaces a statute that was accidentally sunsetted in 2005 regarding bee inspection. It also authorizes the University of Minnesota to establish a task force to study the impact of its germplasm licensing agreements on Minnesota producers of agricultural products. The task force is also to make recommendations to the Legislature and the Board of Regents on ways to mitigate any negative impacts on Minnesota businesses that arise from the university's license agreements.

Most of the law is effective June 3, 2006,

except for the repealer, which is effective July 1, 2006.

Rep. Doug Magnus (R-Slayton) and Sen. Julie Rosen (R-Fairmont) sponsor the law. HF3376/SF3236\*/CH265

1F5570/3F5250 /CH2

#### Stock purchase funding study

A new law requires the Department of Agriculture and the Department of Employment and Economic Development to study how to fund a revolving loan program for the purchase of dairy stock.

Rep. Andy Welti (DFL-Plainview), who sponsors the law with Sen. Paul Koering (R-Fort Ripley), said Wisconsin used excess HUD money in 2000-2001 to set up its revolving loan program. Since Minnesota doesn't have excess HUD money, he said Minnesota would have to be creative in establishing "a loan where we're going to have a private-public partnership."

Welti said Minnesota has 135,000 fewer dairy cows than it had in 1996, and produces 100 million fewer pounds of milk.

Welti said agricultural economists estimate that one dairy cow produces about \$14,000 of economic activity per year, and therefore Minnesota has lost between \$1 billion and \$2 billion in dairy economic activity since 1996.

If the study produces recommendations that can be implemented next year, Minnesota's dairy industry may be maintained or perhaps strengthened, he said.

The law is effective May 27, 2006. HF3366/SF3017\*/CH268

# BANKING

### New banking facility

Shamrock Township could have a new bank, under a new law sponsored by Rep. Loren Solberg (DFL-Grand Rapids) and Sen. Tom Saxhaug (DFL-Grand Rapids).

The law authorizes the State Bank of Mc-Gregor, located in McGregor, to operate a separate facility in Shamrock Township, with approval of the commerce commissioner.

A bank that wants to open a new branch in a township needs permission from the Legislature. This is the second exemption in two years.

HF2709\*/SF2523/CH174.

#### Securities Act language updated

A new law relating to stocks and bonds conforms state law to the federal 2002 Uniform Securities Act.

"The desire is to have a uniform law so that every state can interact well together," said Rep. Joe Atkins (DFL-Inver Grove Heights), adding that sometimes fraudulent securities activities can evade federal law, and can be only enforced through state law. Atkins and Sen. Don Betzold (DFL-Fridley) sponsor the law, which is endorsed by banking, legal and securities organizations. It takes effect Aug. 1, 2007.

The Uniform Securities Act was first put in place in 1959 to replace the Uniform Sales of Securities Act of 1930. According to its Web site, the "principal effort of the 2002 Uniform Act is to reconcile, and to achieve better coordination of, federal and state securities regulation."

HF2514\*/SF2319/CH196

# BONDING

#### Medtronic dollars

A pair of technical changes to the 2005 capital investment law for a commercial and industrial project that includes an expansion of Medtronic is now law.

Instead of having a \$5 million redevelopment account appropriation go to the city of Mounds View, the dollars are now directed to Anoka and Ramsey counties for roadwork and other infrastructure costs within their borders. This section is effective July 1, 2006.

Supporters said the law simply cleans up language that didn't work with bondholders.

The law also requires that \$14 million of the \$18.5 million in bioscience grants be allocated to the counties for their share of public improvements to County Road J located within each county. This section is effective March 15, 2006.

The law is sponsored by Rep. Dan Dorman (R-Albert Lea) and Sen. Keith Langseth (DFL-Glyndon).

HF2623\*/SF2466/CH171

## **Capital projects law**

A new law calls for nearly \$1 billion in capital investments, thereby making the 2005-06 biennium the largest ever for bonding.

This expenditure is on top of the nearly \$945 million plan passed earlier in the 2005 session, after the 2004 Legislature failed to pass a bonding law.

Of this year's \$999.98 million law, almost \$948.64 million is in general obligation bonds, \$50.34 million will be user financed bonds and \$1 million will be paid from the General Fund.

According to the Department of Finance, "The proceeds from the sale of the bonds are used to pay the cost of building the capital projects that are approved by the Legislature."

The original Senate plan called for \$989.92 million in general obligation bonds, about \$41.05 million more than the House. The governor's plan was just shy of \$844.83 million.

"This bill contains many important projects that will help position our state for an even brighter future," Gov. Tim Pawlenty said before signing the legislation. "I'm pleased to put my signature on this bill and look forward to seeing these projects started soon."

Rep. Dan Dorman (R-Albert Lea) and Sen. Keith Langseth (DFL-Glyndon) are the sponsors.

The following are some highlights of the 2006 law, effective June 2, 2006.

HF2959\*/SF3475/CH258

#### **Minnesota State Colleges and Universities**

Twenty-seven projects will divvy up the \$191.43 million allocated to the 32 colleges and universities that comprise the system. Of the amount, nearly \$141.09 million will come from general obligation bonding and the remainder will come from user financing.

Asset preservation and replacement gets the largest amount (\$40 million), followed by \$32.9 million to construct an addition to Trafton Hall at Minnesota State University, Mankato and remodel existing science and engineering laboratories.

Five projects top \$10 million in allocations: Century College in White Bear Lake will receive \$19.9 million to construct a science instruction and learning resource center; \$18.87 million is directed to a building renovation for science, nursing and allied health care programs at Minneapolis Community and Technical College; \$14 million is for an addition and renovation of the Robert A. Wick Science Building at St. Cloud State University; \$12.39 million is for a library and learning resource center addition and an addition for law enforcement, nursing education, cultural center and related space at Fond du Lac



PHOTO BY TOM OLMSCHEID

Perpich Center for the Arts in Golden Valley recieved \$1.05 million for asset preservation

Tribal and Community College in Cloquet; and nearly \$11.19 million goes to Winona State University to renovate Maxwell Hall for technology classrooms and integrated academic support services. The allocation is also to renovate space in Gildemeister, Phelps and Somsen halls for administrative offices, classrooms and faculty offices. The funding will help support the new National Child Protection Training Center.

Other construction projects include:

- \$9.68 million to renovate MacLean Hall at Minnesota State University Moorhead;
- \$5.14 million for renovations to science and applied technology classrooms at 10 campuses;
- \$5.13 million for a fine arts building renovation and design money for a health and wellness building renovation at Normandale Community College in Bloomington. Part of the fine arts building renovation will include a teacher preparation department in conjunction with Minnesota State University, Mankato.
- \$4.86 million for a learning resource center and student services building at Minnesota State College- Southeast Technical in Red Wing;
- \$4.5 million to renovate Riverview Hall at St. Cloud State University to accommodate the Communications Studies Department;
- \$3.4 million for property acquisition, including at St. Cloud Technical College;
- \$3 million to design the renovation of the transportation and applied technology laboratories and shops at St. Paul College; and

• \$1.66 million to demolish obsolete buildings or portions of buildings at five campuses.

The law also allocates money for design of future projects: \$700,000 for Sattgast Science Hall at Bemidji State University; \$700,000 for a fine arts building addition at Inver Hills Community College; \$420,000 for a health and science center addition at Lake Superior Community and Technical College; \$400,000 for a law enforcement center at Alexandria Technical College; \$400,000 for a Memorial Hall addition and Gildemeister Hall renovation at Winona State University; \$350,000 for a business and technology building addition and renovation of the career and continuing education building at North Hennepin Community College; \$350,000 for a law enforcement center at Hennepin Technical College; \$300,000 for technology-enhanced classrooms at Metropolitan State University; \$300,000 for a Lommen Hall renovation a Minnesota State University Moorhead; \$300,000 for a nursing, health care and learning resources center at Northland Community and Technical College; \$300,000 for a technical laboratory building at Mesabi Range Community and Technical College; and \$300,000 for science and hotel and restaurant laboratories at Southwest Minnesota State University. (Sec. 3)

#### University of Minnesota

Of the \$115.73 million allocated to the university, the largest amount (\$40 million) is directed to construction of a medical biosciences building on the Minneapolis campus. According to the university's capital request, "This will allow for the expansion of research programs in biomedical



Grand Marais Creek, Granite Falls, Inver Grove Heights, Manston Slough, Oakport Township, Riverton Township, Shell Rock Watershed District, St. Vincent and the Wild Rice Watershed District.

Wildlife area land acquisition and improvement is funded in the law at \$14 million.

Slightly more than \$10.81 million in the law is for state trail acquisition and development. In addition to \$2 million for the rehabilitation of state trails, 12 other trail projects receive funding, the largest of which is \$1.5 million for the Paul Bunyan Trail. The law contains nearly \$1.19 million for the Gitchi-Gami Trail, and \$1 million each for the Mill Towns Trail and for the Glacial Lakes Trail from New London to Paynesville. Three segments of the Blufflands Trail combine

PHOTO BY TOM OLMSCHEID

Cindy Swanson, a marine mammal trainer at Como Zoo, works with Neil, a 10-year-old polar bear, during a training session. The zoo saw its bonding request approved during the 2006 session.

engineering and medical devices, research areas that greatly benefit Minnesota's industries and economy."

The law calls for \$30 million to be used for systemwide asset preservation and replacement.

A Carlson School of Management expansion on the Minneapolis campus will be assisted by \$26.6 million. The new building will include space to relocate the Department of Economics into the new facility; thereby freeing space in another campus building.

About 160 miles north, \$15.33 million will go toward a new building for the Labovitz School of Business and Economics on the Duluth campus to accommodate program growth. Current space vacated by the school is expected to help with some other campus space issues.

University research centers will receive \$3.5 million. Of that, \$2.5 million is to construct a facility for the wind energy to hydrogen to anhydrous ammonia pilot project at the West Central Regional Outreach Center near Morris. New housing for students and faculty at the Cedar Creek Natural History Area in East Bethel will be assisted with \$500,000. The same amount is directed for an addition to the administration building, including classroom space, at the Cloquet Forestry Center.

The law also directs \$300,000 to the Minnesota Poultry Testing Laboratory in Willmar for renovations to improve its efficiency and ability to meet testing requirements.

For all projects, other than asset preservation and the Willmar lab, the state share is expected to cover approximately two-thirds of the cost, with the university responsible for the remainder. (Sec. 2)

# K-12 Education

The Nett Lake School District will receive \$10.7 million for an addition and renovation of its K-6 building that includes collocated space for the Head Start program, daycare services, out-of-school youth services and medical services. The MacPhail Center for Music in Minneapolis is to receive \$5 million for a new facility, contingent on \$15 million in nonstate sources being raised. The law also allocates \$1 million for library improvement grants and \$500,000 for early childhood facility grants. (Sec. 4)

Asset preservation at the Minnesota state academies for the deaf and blind is funded with nearly \$2.51 million. Another \$25,000 is dedicated to begin design work on the renovation of Frechette Hall at the Minnesota State Academy for the Deaf. (Sec. 5)

Asset preservation at the Perpich Center for Arts Education in Golden Valley is funded with \$1.05 million. (Sec. 6)

# **Environment and Natural Resources**

Among the highlights in this area is \$25 million for "the state share of flood hazard mitigation grants for publicly owned capital improvements to alleviate flood damage." Money for the following projects is included: Albert Lea, Austin, Canisteo Mine, Crookston, Delano, East Grand Forks, Golden Valley, for \$750,000, the same amount as allocated to the Gateway Trail and the Shooting Star Trail. Other allocations are: Casey Jones and Goodhue Pioneer trails (\$500,000 each), Cuyana Lakes Trail (\$400,000), Heartland Trail from Park Rapids to Detroit Lakes (\$250,000) and the Minnesota River Trail from Big Stone National Wildlife Refuge to Ortonville (\$226,000).

To acquire conservation easements on private forest lands and within Forest Legacy areas, the law appropriates \$7 million. "The conservation easements must guarantee public access, including hunting and fishing," according to the law. "Expenditure of money from this appropriation within a Forest Legacy Area must be matched by \$2 of nonstate money for each \$1 of state money."

Other amounts in the law include \$4 million to increase reforestation activities; \$3 million for public water access acquisition, construction or renovation projects; \$3 million for public access and small craft harbors capital improvements, including to develop the harbor of refuge and marina at Two Harbors; \$3 million for state park and recreation area acquisition; \$2.01 million for five trail connections; \$2 million for fisheries acquisition and improvement; \$2 million for scientific and natural area acquisition and development; \$2 million to construct state park camper cabins; \$2 million to expand the Prairie Wetlands Environmental Learning Center in Fergus Falls; \$1.5 million to construct a visitor center at Grand Portage State Park; and \$648,000 in

matching grants for the Agassiz Recreational ATV Trail; and \$485,000 for 6.3 miles of the Xcel Energy Great River Woodland Trail in Sherburne County. (Sec. 7)

The Pollution Control Agency will receive \$17.3 million, of which \$10.8 million is for the design and construction or remedial systems and the acquisition of land in accordance with the state's closed landfill program. Solid waste capital assistance grants are funded with \$4 million, and \$2.5 million is a grant to Koochiching County to construct a plasma torch gasification facility that will convert solid waste into energy and slag. (Sec. 8)

Of the \$7.9 million for the Board of Water and Soil Resources, \$4.2 million is for wetland replacement due to a public road project, \$2.2 million is to restore the Grass Lake prairie wetland basin near Willmar, \$1 million goes toward streambank and lakeshore erosion control and \$500,000 is for grants to assist local governments in a part of the Minnesota River Basin to construct floodwater retention systems. (Sec. 9)

A biosafety Level 3 agriculture laboratory can be constructed at the agriculture and health joint laboratory in St. Paul with \$1.5 million. (Sec. 10)

## Transportation

The largest amount of transit funding (\$60 million) will provide the final state funding for the Northstar commuter rail line that is to run from Big Lake to downtown Minneapolis. The funding will also extend the Hiawatha light rail transit line to connect with the Northstar project on the western edge of downtown Minneapolis, near the new Minnesota Twins ballpark locale.

Local bridge replacement and rehabilitation is funded with \$55 million. Political subdivisions are permitted to use grants made under this section to construct or reconstruct bridges, including matching federal-aid grants to construct or reconstruct key bridges; paying for preliminary engineering and environmental studies; paying to abandon an existing bridge that is deficient and in need of replacement, but where no replacement will be made; and constructing a road to facilitate the abandonment of an existing bridge determined to be deficient by the Transportation Department if construction of a road is more cost-efficient that bridge replacement. Hennepin County is allocated \$2.5 million to design a replacement for the Lowry Avenue bridge that carries County State-Aid Highway 153 across the Mississippi River in Minneapolis.

Local road improvement programs are funded with \$16 million. Of that \$7.65 million is for construction or reconstruction of local roads with statewide or regional significance, The City of Staples will receive \$700,000 to construct a highway overpass over Highway 10 and the Burlington Northern Santa Fe Railroad tracks.

The law also allocates \$3.7 million for a rail service improvement program, \$3 million for port development assistance, \$2 million for Greater Minnesota transit, \$2 million to buy land adjacent to the St. Cloud Regional Airport and \$1.3 million to help renovate the Duluth Depot and to match federal money for preliminary work "necessary to facilitate the return of intercity and commuter/passenger rail service within Duluth and the Duluth/ Twin Cities rail corridor." (Sec. 16)

For preliminary work on turning the Union Depot in downtown St. Paul into a multimodal transit center, the law allocates \$3.5 million.

A pair of bus rapid transit projects in the Twin Cities metropolitan area receive a combined \$8.3 million in the law: \$5 million for engineering, bus lane improvements, transit station construction and improvements in the Cedar Avenue corridor and \$3.3 million for a bus station at 46th Street and Interstate 35W in south Minneapolis as part of the I-35W Bus Rapid Transit project.

A combined \$1 million is for preliminary engineering and environmental reviews for the Red Rock transitway between Hastings and Minneapolis through St. Paul and the Robert Street corridor transitway from downtown St. Paul to Rosemount along Highway 52. (Sec. 17)

The Central Corridor transitway between downtown Minneapolis and downtown St. Paul is to receive \$7.8 million for environmental studies, preliminary engineering completion and design. However, the money is not new because the dollars come from the cancellation of bonds authorized in 2002 for a bus garage that was never built. (Secs. 17, 26)

#### Corrections

An expansion at the Minnesota Correctional Facility–Faribault will be funded with \$27.99 million. The update will "include, but not be limited to one new 416-bed, doublebunked, wet-celled lockable living unit; renovation of an existing living unit into a long-term care housing unit; additional programming space; and demolition of one vacated unit."

Officials said the expansion and upgrade is needed to help keep up with the state's aging prison population. This will also offer more staff safety. Other projects receiving funding include: construction of a 150-bed segregation unit at the Stillwater prison using \$19.58 million; a 92-bed expansion at the Shakopee women's prison for \$5.38 million; \$5 million in asset preservation; \$2.49 million for construction and renovation at the Lino Lakes prison to "provide consolidated health, dental and psychological services to offenders at the facility;" and design of "a new vocational education building with a combined classroom and shop complex" for \$623,000 at the Red Wing juvenile facility. (Sec. 20)

#### **Human Services**

More than \$41.32 million allocated to the Department of Human Services is for the construction of the first of two phases of additional programming and capacity to accommodate 400 additional patients at the Minnesota Sex Offender Program in Moose Lake.

Security upgrades at department campuses will be upgraded with \$5 million, the same amount allocated for redevelopment, reuse or demolition of other department campuses.

The St. Peter Regional Treatment Center will receive \$2.5 million for construction of a new program and activity building on the lower campus. (Sec. 18)

### Arenas and arts centers

A multipurpose regional events center will be constructed in Marshall with \$11 million in state assistance. Schwan's has said it will help raise the remaining funds for the approximately \$17 million facility at Southwest Minnesota State University.

The law allocates \$3 million to prepare a site for a regional events center in Bemidji. The remaining 70 percent of the needed dollars are to come from other sources.

Vacant since its move in 1999, the Shubert Theater in Minneapolis is expected to again become lively with \$11 million allocated to refurbish the 96-year-old theater and an adjacent atrium to create the Minnesota Shubert Performing Arts and Education Center. An equal amount must first be secured from nonstate sources.

Across the Mississippi River, the Ordway Center for the Performing Arts in downtown St. Paul is given \$7.5 million for renovations. (Sec. 21)

#### Other funding:

 \$62.1 million to match federal grants for the water pollution control revolving fund and the drinking water revolving fund, both for qualified capital projects to improve state water; (Sec. 21)

- \$35.36 million for capital improvements to Metropolitan Regional Parks, including
  \$9 million to redevelop infrastructure at Como Zoo, including a new polar bear exhibit; (Sec. 17)
- \$17.5 million for loans and grants for publicly owned permanent rental housing for people who for at least 12 months or on at least four occasions in the last three years have been without a permanent residence or who are at significant risk of lacking a permanent residence; (Sec. 21)
- \$15 million for the Minnesota Zoo, evenly split between asset preservation and further implementation of its master plan; (Sec. 11)
- \$12 million to Itasca County for public infrastructure needed to support a steel plant or innovative energy project; (Sec. 21)
- \$10 million for the bioscience business development public infrastructure grant program. Of this, up to \$8 million is for Rochester and the remainder is for political subdivisions to construct publicly owned infrastructure required to support bioscience development outside of the sevencounty Twin Cities metropolitan area and Olmsted County; (Sec. 21)
- \$2.46 million will be used to upgrade the emergency power system and add emergency power outlets to a building at the Minneapolis Veterans Home; (Sec. 19)
- \$2.4 million for repair of the State Capitol dome and Rotunda plus other design work; (Sec. 13)
- \$2.31 million for the phosphorous reduction grant program; (Sec. 21)
- \$1.7 million to construct an addition to the Silver Bay Veterans Home; (Sec. 19)
- \$1 million to construct a regional public safety training center in Scott County; (Sec. 15)
- \$1 million for the small community wastewater treatment fund for loans and grants; (Sec. 21)
- \$800,000 is for Worthington to remediate contaminated soil and redevelop the former Campbell's Soup factory; (Sec. 21)
- \$600,000 to construct a helipad atop the Virginia Regional Medical Center; (Sec. 21)
- \$600,000 for renovations to the polar bear exhibit at the Lake Superior Zoo, contingent on \$200,000 in nonstate funds first being secured; (Sec. 21)
- \$400,000 for improvements at the Little Falls Zoo; (Sec. 21)
- \$250,000 to pre-design facilities for the Shakespeare Festival as part of a riverfront redevelopment plan in Winona; (Sec. 21)
- \$150,000 to restore and renovate the Minnesota Peace Officers Memorial on the Capitol Mall; (Sec. 12)

- \$150,000 to construct a statue on the Capitol grounds to honor Hmong veterans who worked with American forces during the Vietnam War; (Sec. 12) and
- \$100,000 to construct a workers memorial on the Capitol grounds (Sec. 12).

# BUDGET

# Supplemental spending addresses legislative priorities

Some proposals that saw their funding hopes dashed with the demise of many of this session's omnibus finance bills, emerged as winners in the \$203 million supplemental spending legislation passed during the waning hours of the 2006 session. Three appropriations, however, received a line-item veto from the governor.

Sponsored by Rep. Jim Knoblach (R-St. Cloud) and Sen. Richard Cohen (DFL-St. Paul), the law dishes out money for early childhood education, a new university in Rochester, a steel plant on the Iron Range, new programming for military personnel, plugging budget holes in the correctional system and even for reestablishment of a boxing commission.

Knoblach called the law, effective July 1, 2006, unless otherwise noted, "largely deficiencies" spending, addressing budget shortfalls such as:

- \$33.67 million necessitated by more sex offenders than anticipated being locked up in state hospitals; and \$31 million to cover the costs of higher than expected numbers of mentally ill and dangerous people being put into state hospitals (Art. 22, Sec. 2);
- \$32.3 million to cover salary deficiencies for state-operated services and corrections employees whose contracts were settled after budgets were set last year. However, nearly \$14.7 million of that comes from other bed savings. These provisions are effective June 3, 2006, (Art. 13, Sec. 5; Art. 22, Sec. 2);
- \$15 million for one-time water quality initiatives to meet federal mandates (Art. 10, Sec. 1); and
- \$6 million for Veterans Home Boards to correct deficiencies. (Art. 22, Sec. 4)

A House provision to transfer \$317 million from the tax relief account to the General Fund, with the hope of using it for tax cuts, did not make the final law.

View the spreadsheet at http://www.house. leg.state.mn.us/fiscal/files/defic06.pdf.

HF4162\*/SF3781/CH282

# **Red-lined**

Gov. Tim Pawlenty used his pen to "X" out some proposed spending. The largest share, \$1 million, was a grant for the NorthStar Quality Improvement and Rating system. This would have been the state's first child care rating system project giving parents a tool to help measure the quality of a child care organization. It would also have offered training and incentives to providers.

"If the objective for quality child care is to ensure that young children are ready for kindergarten, then a child care rating system should be aligned with the K-12 accountability system," Pawlenty wrote in his veto message. He said the state has been moving to an accountability system that measures results. He directs the Department of Education and Human Services to review the concept and further align it to kindergarten readiness. (Art. 2, Sec. 9)

Also vetoed was \$37,000 for the Legislative Coordinating Commission (LCC) to improve legislative effectiveness and financing a legislators' international forum, and a \$5,000 increase in fiscal years 2006 and 2007 for the Board of Chiropractic Examiners. Pawlenty said the LCC funding should be funded from the Legislature's unexpended balance of \$4.8 million and the latter duplicates funding included in separate legislation that was signed into law. (Art 14, Sec. 2 and Art. 22, Sec. 5)

# **Early Childhood Education**

Advocates for early childhood program funding are pleased that many of the initiatives proposed by the bipartisan Early Childhood Caucus made it into law.

Overall, \$15 million is allocated for early childhood education and help for child care providers. Schools will see their early childhood family education appropriation increase from the current \$104 level to \$112 per student under the age of 5 in the district.

Child care assistance for eligible families on the basic sliding fee waiting list is increased by \$3.8 million for 2006, with an additional \$4 million appropriated for fiscal year 2007. The family child care provider or center will see an increase in their subsidy for eligible families as well.

Parents may see new educational opportunities because of the law. In partnership with health care providers and community organizations, the commissioner of education may work to provide parenting information to parents of newborns at the time of birth. A Web site could be developed to promote information and links to resources on child development, parent education and child care. (Art. 2, Secs. 1-6)



PHOTO BY TOM OLMSCHEID

Former professional heavyweight boxer, Scott LeDoux, *right*, and international boxing referee, Mark Nelson, share a laugh with members of the House Governmental Operations and Veterans Affairs Committee March 24 while LeDoux testifies for the recreation of a state boxing commission.

#### Supporting education

Several proposals aimed at increasing academic rigors are funded:

- With a one-time allocation of \$1 million, schools can apply for a grant to fund a program increasing K-12 academic achievement through increased student participation in advanced placement courses.
- The commissioner of education is permitted to contract with the University of Minnesota Board of Regents or other qualified Minnesota public entity to undertake the development of an articulated K-12 Chinese curriculum for Minnesota. The provision received a onetime allocation of \$250,000.
- Fourth through eighth grade students could see how their math and science skills compare internationally through the Trends in International Mathematics and Science Study assessment offered by Boston College, which is funded at \$500,000. The funding is contingent on the department

receiving, by July 1, 2006, at least \$150,000 in private gifts to support the study. Once program funding is in place, districts must apply to the commissioner for participation in the program.

Schools can apply for a grant to support a pilot program designed to help student's character. The program received a onetime appropriation of \$1.5 million.

These provisions are effective June 3, 2006. (Art. 4, Secs. 1-7)

For fiscal year 2006 only, schools struggling to keep up with increased heating costs will receive some help from the state. The onetime assistance aid available totals \$3.5 million. A school's portion of that amount would equal to \$3.67 times its adjusted marginal cost pupil units. (Art. 3, Sec. 3)

# Rochester to have U of M branch

The new law appropriates money from the General Fund in fiscal years 2007-09 to establish a branch campus of the University of Minnesota in Rochester. The project is funded at

\$5 million in both 2007 and 2008, and \$6.33 million in 2009. The money will support academic planning and programming in the areas of biomedical engineering and computer technologies, as well as health-related programming. (Art. 8, Sec. 2)

#### Banking on bio, boxing

A collaborative partnership between the University of Minnesota and the Mayo Foundation in support of biotechnology and medical genomics received a onetime appropriation of \$15 million for fiscal year 2007. And in an effort to grow and create bioscience jobs in the state, the BioBusiness Alliance of Minnesota received \$467,000 in funding for fiscal year 2007. A report is due to the Legislature by June 30 of each fiscal year, until the money has been expended. It must include the statistics on jobs created, including wages and benefits.

A boxing commission, which was abolished in 2001, is reestablished in the state with a \$50,000 appropriation. By Dec. 15, 2006, the commission must report to the Legislature with a fee schedule that will generate enough income to make the commission self-supporting thereafter.

With a \$200,000 appropriation, the film production jobs program will be operated by the Minnesota Film and TV Board with administrative oversight and control by the director of Explore Minnesota Tourism. (Art. 11, Secs. 2-6)

## **Public Safety**

There is significant funding for public safety initiatives in the new law, including:

- \$1 million in fiscal year 2007, with a base of \$778,000 in fiscal years 2008 and 2009 to create a child pornography investigative unit to assist law enforcement throughout the state;
- \$800,000 in fiscal year 2007 to expand operations of the criminal gang strike and narcotics task forces; and
- \$200,000 in fiscal year 2007, with a base of \$116,000 in fiscal years 2008 and 2009 to enhance a predatory offender database to facilitate public notification of noncompliant sex offenders via the Internet.

The judicial system will receive a onetime appropriation of \$600,000 in fiscal year 2007 to help handle the impact of the increasing number of alcohol and drug offenders coming into the state court system.

Statistics show that Minnesota has become a haven for human trafficking and dollars have been approved for fiscal year 2007 to begin to address the problem. Of the funding, \$75,000 is for the establishment of a human trafficking task force; \$60,000 is for grants to three clinics in Hennepin County staffed by attorneys providing free legal services to immigrants; and \$35,000 is for establishment of a toll-free hotline. With information gathered from the task force, the commissioner of public safety is to increase public awareness of the problem, train agencies to deal with the issue, and make recommendations on how to prevent trafficking.

The city of Minneapolis will see more police officers on its streets with a \$1.53 million allocation. (Art. 13, Secs. 2-12)

#### **Veterans Affairs**

Programming, support and recognition of the state's veterans received funding as well. With a total appropriation of \$3.5 million, the state soldier's assistance fund received the greatest allocation at \$2 million.

To help create a Web site to provide information about agencies supplying goods or services for veterans or their families, an appropriation of \$100,000 is made. Counties across the state will be able to apply for grants

New Laws

from a \$200,000 allocation to enhance benefits, programs and services to veterans, with emphasis on reintegrating combat veterans into society.

Under the law, \$600,000 is to be used to establish veterans assistance offices at higher education institutions in the state. Assistance provided to students who are veterans could include work-study positions, and assistance in accessing governmental and private resources. Each campus of the University of Minnesota and Minnesota State Colleges and Universities system institutions are to provide office space. Beginning Jan. 15, 2007, a steering committee established to oversee operations shall report to the Legislature regarding the effectiveness of the program. This provision is effective July 1, 2007, and expires at the end of the first fiscal year in which the number of veterans enrolled in state higher education institutions is fewer than 4,000, but no later than June 30, 2011. (Art. 15, Sec. 3)

### Assisted living and other items

The use of the term "assisted living" is addressed in the new law. The goal behind the new provisions is to add clarity to the use of the term, define who can use it, and under what circumstances. It also lays out minimum staffing and services requirements for facilities called "assisted living." (Art. 19, Sec. 20) Other provisions in the bill include:

• \$5 million for pandemic preparations (Art. 22, Sec. 3);

- \$1.25 million for adult literacy grants for recent immigrants (Art. 2, Sec. 28);
- \$325,000 for the state's share of the cost of bankruptcy counsel representing joint interests of the state and the city of Duluth in the Northwest Airlines bankruptcy case. (Art. 14, Sec. 3);
- \$312,000 to the state patrol to outfit vehicles with defibrillators (Art. 13, Sec. 4); and
- \$250,000 for a newly created Legislative Commission to End Poverty in Minnesota by 2020. The commission, to be appointed no later than Feb. 15, 2007, will be made up of nine members of the Senate and nine members of the House. (Art. 2, Sec. 27)

# BUSINESS

#### **Business data classification**

Legislation sponsored by Rep. Tim Mahoney (DFL-St. Paul) and Sen. Linda Scheid (DFL-Brooklyn Park) regarding biotechnology process piping is effective Aug. 1, 2006.

The law provides that schematic drawings, structural design and layout of a biotechnology process piping system are classified as HF3185\*/SF2857/CH241

# Changes to the business corporation law

Every few years, selected members of the Minnesota State Bar Association review the statutes as they relate to business law. This year, the MSBA came forward with recommendations that result in a new law that makes technical changes to state statute.

Rep. Tom Emmer (R-Delano), who sponsors the law with Sen. Geoff Michel (R-Edina), said it is largely "tweaking" of the Minnesota Business Corporations Act. While the law makes some changes to the operations of boards of directors for corporations, it makes changes to definitions of the different entities that do business in the state.

David VanderHaar, representing the Minnesota State Bar Association, said that a decade ago, corporation structures were limited, but now there is a "proliferation of different entities for doing business." He said the definition changes in the new law take into consideration these new entities such as limited liability partnerships.

The new law takes effect Aug. 1, 2006. HF3076\*/SF2520/CH250

#### **Gasoline retail franchising**

A new law creates an exemption in the regulation of motor fuel franchises.

Rep. Dean Simpson (R-New York Mills) and Sen. Dan Sparks (DFL-Austin) sponsor the law that, in part, provides an exemption from the definition of franchise for purposes of motor fuel franchise regulation, when all of the following are true:

- the franchisor or an affiliate of the franchisor that is not a refiner of motor vehicle fuel, diesel fuel or gasoline;
- the franchisor's trade name, trademark, service mark, logotype, or other commercial symbol or related characteristic is not used to identify the marketing premises generally, but only the gasoline dispensers, canopy, and gasoline price signage, provided, however, this circumstance is not changed by a voluntary decision by the retailer to identify the buildings on the premises in the manner selected by the retailer;

- the franchisor does not impose any requirements or franchise fee on non-motor vehicle fuel products or sales, provided this circumstance is not changed by a voluntary decision by the retailer to purchase non-motor vehicle fuel products from the franchisor or an affiliate of the franchisor; and
- the facility is not leased from the franchisor or affiliate of the franchisor.

A situation exempted by the new law is subject to regulations that apply to non-motor fuel franchises.

This portion is effective June 1, 2006.

Petroleum tank clean up regulations are also modified under the new law. The Petroleum Tank Release Compensation Board will still reimburse 90 percent of an applicant's cost to retrofit a retail location and transport vehicles completed between Jan. 1, 2001, and extended to Sept. 1, 2006. Previously the law only allowed until January 2006.

The reimbursement cannot exceed \$3,000 per retail location and \$3,000 per transport vehicle. The portion is effective retroactively from Aug. 1, 2003.

HF3747\*/SF3650/CH252

# CHILDREN

#### **Child care assistance**

Under a new law signed May 5 by Gov. Tim Pawlenty, families having a third party help pay for child care costs will no longer be penalized.

Previously, if a family received financial help to pay for child care services, it could count as part of their income. As child care costs continue to rise, Rep. Nora Slawik (DFL-Maplewood) said families should not have to pay the price for receiving help.

When the Department of Human Services counted the assistance money as family income, it could result in the family being ineligible for certain services.

Sen. John Hottinger (DFL-St. Peter) also sponsors the law, which is effective May 6, 2006.

HF3944/SF3615\*/CH191

### **Child restraint systems changes**

Under a new law, child care providers that only transport school-aged children in school buses are exempt from the training requirements of certain staff members in proper installation of a car seat or booster seat in a motor vehicle. School-aged children are currently defined in state law as a child who is at least of sufficient age to have attended the

first day of kindergarten, or is eligible to enter kindergarten within the next four months, but is younger than 13 years of age. Buses have their own safety laws.

The law changes the requirement that programs licensed by the Department of Human Services serving children less than 9 years old have a staff person or caregiver complete child passenger restraint training.

Rep. Brad Finstad (R-Comfrey) and Sen. John Hottinger (DFL-St. Peter) sponsor the law, which is effective July 1, 2006.

HF3368/SF3087\*/CH254

# CONSUMERS

### **Home construction regulation**

Contractors will have 30 days to make an offer to resolve a consumer's complaint regarding home construction defects, according to a new law.

With actions pending or beginning May 17, 2006, homeowners claiming construction defects would be required to allow for an inspection and must give a contractor 30 days to respond with an offer to repair. Once the repairs are made, the contractor is required to give the homeowner notice of the right to pursue a warranty claim, as well as a list of the repairs that were made.

Sponsored by Rep. Dan Severson (R-Sauk Rapids) and Sen. Linda Scheid (DFL-Brooklyn Park), the new law also asks the labor and industry commissioner to establish required competency criteria for construction code inspectors, as well as approved continuing education requirements related to construction inspection and administration of the state building code. Effective Jan. 1, 2008, all construction inspectors hired will need to comply with a new set of competency criteria within one year of hire.

HF1375/SF1287\*/CH202

# **Alcohol machine banned**

A machine, relatively new to the market, that vaporizes alcohol and is advertised to give a quicker high, will be banned in Minnesota beginning Aug. 1, 2006, under a new law signed by Gov. Tim Pawlenty May 18.

The Alcohol Without Liquid machine mixes alcohol with oxygen, creating a vapor that can be inhaled. Minnesota now joins 12 other states that have banned possession or sale of the machine.

The new law excludes nebulizers, inhalers and atomizers from the AWOL definition; but it will be unlawful to utilize these devices for the purpose of inhaling alcohol.

Several local liquor issues are addressed in the new law, sponsored by Rep. Joe Hoppe (R-Chaska) and Sen. Sandy Pappas (DFL-St. Paul), which has various enactment dates.

As of May 19, 2006, Minnesota wineries are allowed to produce fortified wines, which by definition is any product that has alcohol or spirits added. According to Hoppe, the University of Minnesota has developed strains of grapes that can be successfully grown in this climate and are now being exported to other parts of the world, and having the ability to fortify wines will make Minnesota wineries more viable.

Culinary schools and retail stores selling



PHOTO BY TOM OLMSCHEID

Rep. Dan Severson, *left*, listens to testimony by forensic mold investigator Jack Rossbach, *right*, during a committee meeting on a bill to regulate construction defects in residential housing.



PHOTO BY TOM OLMSCHEID

Rep. Morrie Lanning demonstrates a device known as AWOL, or alcohol without liquid, that mixes alcohol with oxygen to create a vapor that can be inhaled.

kitchen products will benefit, as well, under the new law.

Beginning May 19, 2006, these facilities will be allowed to apply for a limited on-sale liquor license, which allows for offering up to a maximum of 6 ounces of wine or 12 ounces of intoxicating malt liquor as part of class for consumption on the licensed premises only.

Other provisions include the granting of several liquor licenses to various businesses. It also allows municipalities to restrict further the hours of on and off sales of alcoholic beverages.

HF3940\*/SF3081/CH210

#### **Credit card task force**

A new law will designate an eight-member task force to study the use of credit and debit cards for transactions with state and local governments.

Sponsored by Rep. Katie Sieben (DFL-Newport) and Sen. Sharon Marko (DFL-Cottage Grove), the law is effective May 22, 2006.

The task force will study the use of such cards for transactions involving "taxes, licenses, permits, or other statutory fees" from both the governments' and the consumers' point of view and report back to the Legislature in 2007. The task force members will be:

- the commissioner of public safety or a designee;
- the commissioner of natural resources or a designee;
- the commissioner of finance or a designee;
- a representative designated by the League of Minnesota Cities;
- a representative designated by the Association of Minnesota Counties;
- a representative designated by the Minnesota Deputy Registrar Association;
- a representative designated by the Minnesota Association of County Auditors, Treasurers, and Finance Officers; and
- a representative of the Consumer Division of the Office of the Attorney General. HF2944/SF2528\*/CH219

# Lost dog posters not required

If Fido is unlicensed, with no identification tags, gets loose and then picked up by animal control, the procedure is to have the dog's description posted around town in at least three locations.

The posting process will no longer be required under a new law.

Sponsored by Rep. Doug Meslow (R-White Bear Lake) and Sen. Don Betzold (DFL-Fridley), the law takes effect Aug. 1, 2006. It states that if the owner of a dog can be identified, they would be called, and the dog would still have five business days in which to be claimed. If after five days the owner does not claim the dog, the dog may be disposed of in a "proper and humane manner," which could mean putting the dog up for adoption.

HF3691/SF2374\*/CH223

#### Lien holder notification

Sometimes, when a car is towed and not claimed, the storage fees can amount to more than the car's worth.

Sponsored by Rep. Greg Davids (R-Preston) and Sen. Ellen Anderson (DFL-St. Paul), a new law makes sure that in this situation any lien holder would be notified within 15 days of the car's storage.

Rep. Melissa Hortman (DFL-Brooklyn Park) amended the law so that charitable organizations that receive donated cars would be allowed to put a lien on the vehicles. Hortman said that after cars are received by these charitable organizations, they are given to people who need them for employment or medical purposes. The lien would prevent people from taking the donated cars and selling them for monetary gain.

HF3282/SF2995\*/CH228

#### Tools for fighting identity theft

Consumers are able to place a security freeze on distribution of their credit report, under a new law that takes effect Aug. 1, 2006.

Sponsors Rep. Paul Kohls (R-Victoria) and Sen. Tom Neuville (R-Northfield) call this a "real tool for consumers" in the fight against identity theft.

Once a consumer asks to have the freeze put in place, the credit reporting agency would be required to impose the freeze no later than three business days after the request. The agency is then prohibited from releasing a credit report to a third party. However, government agencies could still access the consumer's name, address, former addresses and places of employment.

Although the security freeze would remain in effect until the consumer requests that it be lifted, there are provisions for it to be lifted temporarily. Identification would be required, as well as a personal identification number or password provided by the credit-reporting agency.

For the consumer, this new protection may have some fees attached. The law allows for the credit-reporting agency to charge a \$5 fee for placing, temporarily lifting or removing a security freeze. However, those who think they may be a victim of identity theft could be exempt from the charge. (Sec 1-5)

Additionally, under the law, creditors will no longer be able to offer or provide credit to someone under the age of 18 without a written request from a parent or guardian. (Sec. 9) Credit card solicitations through the mail are also addressed. If a credit card company receives a completed application with an address that is different from the address on the offer or solicitation, it would need to be verified. The intended recipient of the solicitation would not be held liable for the unauthorized use of a card issued in response to an offer, if the card issuer did not verify the change of address. (Sec. 10)

The law also establishes safeguards for how official records should be handled and destroyed. The commissioner of administration is to establish standards and procedures for handling government records and local government agencies are directed to work with the commissioner on programs to manage their records as well.

When records containing information not classified as public are being destroyed, it must be done in a way that prevents their contents from being determined.

If a person or business operating in the state finds there has been any breach in the security and that personal information may have been inappropriately accessed, notification to the affected parties must be made is soon as possible. (Sec. 8)

HF2843/SF2002\*/CH233

#### Sale of phone records banned

A new law makes it a misdemeanor to solicit, sell or attempt to sell, or receive a telephone record of any resident without authorization from the customer to whom the record pertains. This applies to records from traditional



PHOTO BY TOM OLMSCHEID

Dick Andree of AARP Minnesota District 8 in Duluth, empties a paper shredder during a rally in the Rotunda to bring awareness to senior citizens of the importance of shredding sensitive documents to prevent identity theft.

wire-lines, as well as wireless and computer technology. Any violation will be considered a gross misdemeanor punishable by up to one year in jail and a \$3,000 fine. Any subsequent violation is a felony punishable by up to five years in jail and a \$5,000 fine. A \$5,000 civil penalty could also apply. (Sec. 20)

The new law classifies genetic information held by a government entity as private data. It lays out a definition of genetic information, as well as what type of consent is needed for its collection or dissemination. (Sec. 4)

The use of genetic information is the focus of a work group to be established by the new law. Among the issues to be addressed are:

- how genetic information is used by local government entities;
- how the private sector uses genetic information;
- whether regulation is needed of companies that perform genetic testing; and
- whether individuals required to provide genetic information need protection against genetic discrimination.
  - A report of the findings is due to the Legislature by Jan. 15, 2008. (Sec. 22) The law also:
- prohibits the Campaign Finance and Public

Disclosure Board from placing any cancelled check, account numbers or Social Security numbers on its Web site in connection with report or statement filings or complaints; (Sec. 1)

- establishes a tribal identification card, issued by a Minnesota tribal government and recognized by the Bureau of Indian Affairs, as a primary identification document; (Sec. 12)
- requires employers who use electronic wage statements to provide employees access, during regular working hours, to an employer-owned computer so the employee can review and print earnings statements. If the employee prefers statements in writing, the employer, after 24 hours written notice, must comply with the request on an ongoing basis; (Sec. 13) and
- classifies as private data the homeowner's name, telephone number and address of a residence which is tested for lead and copper (Sec. 3).

Unless stated otherwise, the new law takes effect Aug. 1, 2006. It is sponsored by Rep. Mary Liz Holberg (R-Lakeville) and Sen. Wes Skoglund (DFL-Mpls).

HF3378/SF3132\*/CH253

# CRIME

#### **Funeral protest regulations**

Those who protest at funerals could be charged with a misdemeanor.

Effective May 10, 2006, a new law prohibits the intentional disruption of a funeral, burial or memorial service for any deceased person.

Sponsored by Rep. Steve Smith (R-Mound) and Sen. Don Betzold (DFL-Fridley), the law requires that protesters or picketers stay at least 500 feet away from a burial site or entrance to a facility where the service is occurring.

Furthermore, a crime will be committed if a person intentionally disrupts a funeral procession, including impeding or attempting to impede a vehicle in the procession; or intentionally blocking or attempting to block access to a ceremony or service. Knowingly engaging in picketing at the residence of any member of the deceased person's family or household the day of the service will also result in a misdemeanor.

By definition, "family or household" includes spouses, former spouses, parents, children, people related by blood, people residing



PHOTO BY TOM OLMSCHEID

The intentional disruption of a funeral, burial or memorial service for any deceased person is prohibited, under a new law. Picketing at the residence of any member of the deceased person's family or household the day of the service is also now a crime.

together or who have resided together in the past, individuals who have or will have a child together, and people involved in a significant romantic or sexual relationship.

Members of the deceased person's family now also have the right to seek action for damages, injunctive relief and other appropriate relief or remedial compensation, including attorney fees.

HF2985\*/SF2614/CH195

## Video game rentals by minors

A federal judge has thrown out a law that would have made it illegal for a person under age 17 to rent or purchase video games rated "Adults Only" or "Mature" by the Entertainment Software Rating Board.

U.S. District Judge James M. Rosenbaum struck down the law Aug. 1, 2006 — the day it was set to take effect. It would have subjected violators to a \$25 civil penalty.

Sponsored by Rep. Jeff Johnson (R-Plymouth) and Sen. Sandy Pappas (DFL-St. Paul), the law would have required retailers to post a sign in a location clearly visible to consumers informing them of the penalty. The language would have to have been in at least 30-point type, and the clerk that sells or rents the game would have had to call the authorities.

Johnson said the law was one way of restricting youth access to games that feature violent images and storylines, including the murdering of police officers and being a serial killer.

Johnson said he would have preferred retailers be penalized for selling or renting such games, but similar laws in other states have been found unconstitutional by courts because they violate the first amendment.

Attorney General Mike Hatch said he would consider appealing the ruling. HF1298/SF785\*/CH246

# EDUCATION

### More math, science needed to graduate

A new law requires the commissioner of education to immediately begin a review of the state's academic benchmarks, standards, and vocational programs to ensure that students are prepared for postsecondary education. Provisions of the new law are effective June 1, 2006, unless stated otherwise.

Future high school graduates must take more required math and science courses to graduate. Beginning in the 2010-11 school year, students must successfully complete algebra I by the end of eighth grade. Beginning with the class of 2015, students must complete an algebra II credit or its equivalent, as well as

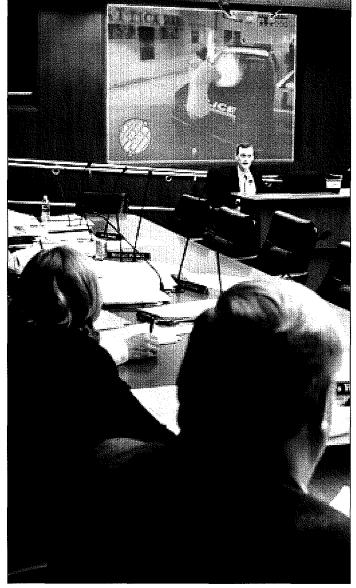


PHOTO BY TOM OLMSCHEID

Rep. Jeff Johnson shows members of the House Public Safety Policy and Finance Committee examples of violent video games.

a chemistry or physics credit. In addition to other specified science course requirements, the new law adds agriculture science as a class that may be used to fulfill a science credit requirement. (Art. 2, Sec. 3)

A new advisory task force will make recommendations to the Legislature by Feb. 15, 2007, on strengthening school crisis management and safety efforts, which could include preparedness training to currently licensed K-12 teachers and school administrators. Beginning with the 2006-07 school year, public schools must hold at least five school lockdown drills, five fire drills and one tornado drill annually. (Art. 2, Secs. 6-7, 19, 24)

Each year the Department of Education makes available a school progress report card comparing schools across the state on specific criteria. The law changes the public release date of the 2006 report from Sept. 1 to Nov. 15. A preliminary report will be available to schools by Aug. 15, 2006. The department says it needs the longer timeframe this year because it is implementing a new test. (Art. 2, Sec. 23)

# Other provisions

To bring the state into compliance with federal law, for Head Start programs in existence since 1993, the commissioner must ensure that local programs receive no less funding in any fiscal year than the programs received in fiscal year 1993.

Eligible Head Start programs must have their funding plan approved by the education commissioner. The plan must include the estimated number of low-income children to be served; a description of the program and area to be served; and it must ensure fair and equitable access to services. The law stipulates that before money is allocated to the program, the commissioner must notify each program of its initial allocation based upon the federally funded per

child rate, and indicate how the money must be used and the number of low-income children to be served. (Art. 6, Secs. 1-4)

- The law also:
- includes blindness in the definition of disability; (Art. 2, Sec. 22)
- requires nonpublic and charter school students transported by a public school district to comply with the same conduct and discipline policies as public school students; (Art. 2, Sec. 10)
- requires a school district enrolling children limited in English proficiency to have a plan in place to address students' needs; (Art. 2, Sec. 17)
- addresses alternative revenue compensation for nontraditional students over the age of 21 and the state-funded programs for which they are eligible to apply

beginning with the 2005-06 school year; (Art. 1, Secs. 1-8)

• requires a district that believes a student attending a school does not meet the district's residency requirements to give the student's parents written notice before removing the student and allow the parent to document the student's residency status. (Art. 2, Sec. 1)

The law is sponsored by Rep. Mark Buesgens (R-Jordan) and Sen. Steve Kelley (DFL-Hop-kins).

HF3179/SF2994\*/CH263

## Splitting a school district

As the Twin Cities metropolitan area expands and pressure is put on growing school districts in outlying areas, some residents are questioning when is a district too big. The Elk River School District is the 10th largest in the state with 11,000 students, and it is expected to nearly double in size in the next 10 years. Here, accommodating a growing student population has become a contentious issue.

When a bill was heard proposing to split the district, some lawmakers were reluctant to get involved in what they viewed as a local issue. A new law, sponsored by Rep. Joyce Peppin (R-Rogers) and Sen. Warren Limmer (R-Maple Grove), puts the issue back in district hands. In an effort to reach consensus among interested parties, the new law mandates that a task force examine and make recommendations regarding the governance, facilities and programming of the district.

Task force members must submit a written report with findings and recommendations to the Elk River School Board by Sept. 1, 2006. The board, in turn, is required to submit the task force report and any board recommendations to the Legislature by Jan. 15, 2007.

HF3237\*/SF2894/CH278

# ELECTIONS

#### **Minneapolis Board of Education**

A new law specifically deals with the configuration of the Minneapolis Board of Education.

Sponsored by Rep. Jim Davnie (DFL-Mpls) and Sen. Wes Skoglund (DFL-Mpls), the law allows for six board seats to be filled from three election districts that correspond to those of the Minneapolis Park Board; and three at-large seats. Currently the board has seven at-large members. Davnie said that the change to district representation would allow for more inclusion on the board from all parts of the city.

HF295/SF358\*/CH239

#### Paper ballot remains official record

The paper ballot will remain the official record of the voter's choices, according to a new law. effective June 1, 2006.

Sponsored by Rep. Torrey Westrom (R-Elbow Lake) and Sen. John Hottinger (DFL-St. Peter), the law is one of several passed the last two sessions to help the state comply with the federal Help America Vote Act, which specifies that beginning with the 2006 election, voters who are disabled in any way must be able to vote independently and privately.

Although precincts across the state will have electronic voting systems in place, each voter's ballot will be recorded on a permanent paper ballot, which the voter can verify if needed. (Sec. 30)

The new law lays out a review procedure for the new voting systems. After the general election, each county canvassing board, during a public meeting, will randomly select precincts to review. The number will depend upon the size of the county.

The review must be a manual count of votes cast for president or governor, U.S. senator and representative and must take place in public. If the post-election review shows a difference greater than one-half of 1 percent between the manual count and the electronic one, there must be an additional review of at least three precincts in the same jurisdiction where the discrepancy was discovered. (Sec. 34)

A working group is also called for to investigate and recommend to the Legislature additional options for complying with the federal act. It is to be co-chaired by representatives of the Minnesota Disability Law Center and Citizens for Election Integrity – MN with the first meeting to be held by June 30, 2006. A report is due to the Legislature by Feb. 15, 2007. (Sec. 37)

Under the law, victims of domestic violence could have assurance that their address will remain out of the hands of their perpetrator. While information contained on voter registration forms is public, this law makes an exception to protect victims of domestic violence, sexual assault or stalking. They can apply for participation in a confidentiality program where an alternative address, designated by the secretary of state, could be used. This provision is effective Sept. 1, 2007. (Secs. 1-8)

Some election-related information is made more accessible under the law. In an effort to consolidate information about candidates, the election-related Web site maintained by the Office of the Secretary of State will provide links to various campaign Web sites, including candidates for legislative, constitutional, judicial or federal offices. (Sec. 10)

The law makes it easier for people to vote

in the case of a pandemic or other state emergency. Once the governor calls a state of emergency, and the declaration states it is difficult for voters to get to the polls on Election Day, provisions for absentee balloting would be put in place. (Sec. 16)

In an effort to protect the integrity of the polling place, beginning Aug. 1, 2006, the law makes it a misdemeanor to knowingly deceive another regarding the time, place or manner of conducting an election or the qualifications for voter eligibility. (Sec. 20)

HF3110/SF2743\*/CH242

# EMPLOYMENT

# Workers' compensation appeal process

Effective Aug. 1, 2006, a new law will allow for fax filing of a notice of appeal to the workers' compensation court. In past practice, the notice needed to be hand-delivered or mailed. The fax, however, must be 15 pages or less. If the appeal is received after 4:30 p.m. on a state business day, it is considered to be filed on the next state business day.

The law also clarifies language regarding notification of policy cancellation, termination or renewal.

Rep. Denny McNamara (R-Hastings) and Sen. Thomas Bakk (DFL-Cook) are the sponsors.

HF3780/SF3465\*/CH178

#### No work for felons at race tracks

Citing concerns that a bill goes too far in allowing felons to work in the gaming industry, Gov. Tim Pawlenty vetoed the proposal.

The provision was amended onto a bill, sponsored by Rep. Neva Walker (DFL-Mpls) and Sen. Linda Higgins (DFL-Mpls), which allowed a cosmetologist license to be granted to an applicant with a felony record if that person meets all licensing requirements established by the Board of Barber and Cosmetology Examiners.

The amendment called for giving workers with a felony record a chance to be licensed for racetrack-related jobs requiring certain certification. Racetrack workers with a felony cannot enter a track without being licensed.

Pawlenty said he understood the intent of the bill that would give people with felony convictions an opportunity to work in areas not directly associated with gaming or security that currently require a Class C license. However, he said the bill does not limit the work directly to caring for horses or other non-gaming positions. He also found specific language problematic. He said the date used to initiate a 10-year exclusion period would "permit persons who have committed serious crimes to obtain a license within a very short time after serving time in prison." It would also prohibit licensure of a person "on parole resulting from felony conviction." This does not reflect Minnesota sentencing practices, he said.

"While a limited exception to the current requirements may be more appropriate, the licensing standards for the race track must remain rigorous to ensure the integrity of horse racing and pari-mutuel gaming in Minnesota," he said.

HF3464\*/SF3079/CH197

#### Leave for organ donation

Public employees wanting to donate an organ or partial organ to another person must be granted a paid leave of absence, under a new law.

Effective Aug. 1, 2006, any public employer (state, county, city, town, school district or other governmental subdivision) with more than 20 employees must grant paid leave of absence to an employee who seeks to undergo a medical procedure to donate an organ or partial organ — up to 40 hours of leave per donation, unless otherwise agreed to by the employer.

"This is a good bill that restores a provision in law that lapsed in 2001. It wasn't caught, with the lapse that occurred, until there were contract negotiations," said Rep. Rick Hansen (DFL-South St. Paul), who sponsors the law with Sen. Linda Scheid (DFL-Brooklyn Park).

The law also forbids an employer from retaliating against an employee for requesting or obtaining such leave, and provides that employees' other benefits are not affected.

HF3217/SF2840\*/CH220

#### **Disabled worker study extension**

The completion date for an extended pilot project for employment of individuals with severe disabilities will be extended for one year to June 30, 2007.

Established by the commissioner of employment and economic development, the project in Thief River Falls is implemented by the non-profit Occupational Development Center. The project, which began July 1, 2004, is designed to provide the state with information to clarify the distinction between center-based and community employment subprograms.

The center's Custom Products division provides the employment. The company must pay at least minimum wage to all employees with a severe disability and provide benefits equal to those provided to non-disabled employees. All work teams are to be integrated and the project is to maintain a minimum 60 percent ratio of disabled persons.

The project must also provide the extended employment program with useful information to clarify the distinction between center-based and community employment subprograms.

Rep. Maxine Penas (R-Badger) and Sen. LeRoy Stumpf (DFL-Plummer) are the sponsors.

HF3172/SF2706\*/CH275

# ENVIRONMENT

#### Timber contracts can be extended

Contracts with the Department of Natural Resources to harvest timber from public lands can be extended if needed, according to a new law, effective April 6, 2006.

Rep. Greg Blaine (R-Little Falls) and Sen. Tom Saxhaug (DFL-Grand Rapids) sponsored the legislation that provides for the extension of timber contracts when adverse surface conditions limit the number of days harvesters can work. Harvesting equipment is prohibited from timberland unless the ground is frozen, and deep snow can also restrict access.

HF3039\*/SF2632/CH175

# **Reducing mercury emissions**

A new law establishes regulations to govern the reduction in mercury emissions from six coal-fired electric generating units that collectively account for more than 75 percent of the mercury emissions of all such plants in Minnesota.

Among the regulations are the installation of continuous emissions monitors for mercury, and the filing of plans for reducing mercury emissions by at least 90 percent from both dry- and wet-scrubbed units. Each plant must assess its own ability to optimize environmental and health benefits without excessive cost to utility customers. The law sets deadlines for the submission of these plans, and for the installation and operation of the emissions control equipment.

After reviewing the plans, the Minnesota Pollution Control Agency will set the mercury emissions reduction target for each unit and will insert those targets into the facility's air quality permit. After the reduction measures are in place, the utilities have one year to meet the target, after which they can be found in violation of their air quality permit.

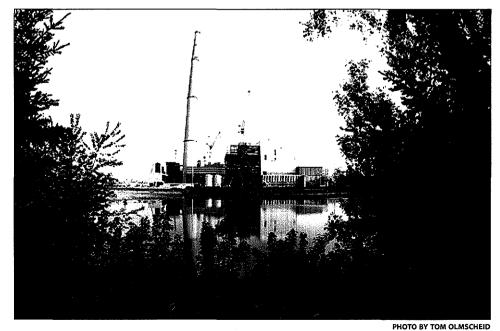
The utilities are required to report biannually to customers their share of the utility's cost to reduce mercury emissions.

The bill also requires utilities to provide information on how to dispose of fluorescent lamps containing mercury in a safe manner. Except for this section, which is effective Oct. 1, 2006, the law is effective Aug. 1, 2006.

Rep. Tom Hackbarth (R-Cedar) and Sen. D. Scott Dibble (DFL-Mpls) sponsor the law. HF3712\*/SF3398/CH201

### Sewage treatment system usage

Effective Aug. 1, 2006, a new law encourages owners of straight-pipe sewer systems — systems that discharge sewage directly



A new law establishes regulations to govern the reduction in mercury emissions from six coal-fired electric generating units.

onto the ground or into a lake or stream — to discontinue their use.

An owner who does not discontinue the use of a straight-pipe system or replace it with a septic system within 10 months after receiving notice of non-compliance will be subject to an administrative penalty of \$500 per month of continued noncompliance.

The law also stipulates that half of the proceeds collected from non-compliant owners be remitted to the local unit of government that has jurisdiction over the noncompliant straight-pipe system.

Rep. Kathy Tingelstad (R-Andover) and Sen. Michael Jungbauer (R-East Bethel) are the sponsors.

HF2839/SF2437\*/CH224

# **Response deadline established**

A new law establishes timelines for government action on requests for review of watershed districts or soil and water conservation districts.

Sponsored by Rep. Michael Beard (R-Shakopee) and Sen. Ann Rest (DFL-New Hope), the law also authorizes the Lower Minnesota River Watershed District to build and operate a site for the deposit of dredge material from the river.

State law mandates that all political subdivisions — cities, counties, state agencies, etc. — respond to requests for permits or licenses within 60 days of receiving a completed written application. The law extends that 60-day deadline to apply to watershed district reviews and soil and conservation district reviews.

Beard said that many such districts already complied with the 60-day requirement voluntarily, and that lobbying organizations representing the districts supported the law. This section is effective Aug. 1, 2006. (Sec. 1)

#### Dredge site authorized

Sections 2 and 3 of the law, which are effective May 25, 2006, authorize the Lower Minnesota River Watershed District to "acquire, construct, and install all facilities needed" for a dredge material depositing site for use by both public and private entities. It allows the district board to use the power of eminent domain to acquire any properties necessary for the site, and permits it to impose charges and surcharges on private customers for depositing their dredge material at the site.

HF3391/SF3023\*/CH226

### Sewage pilot project extension

Effective Aug. 1, 2006, a new law gives more time to the individual sewer treatment pilot project, as established in 2003, in three Minnesota counties. Sponsored by Rep. Greg Davids (R-Preston) and Sen. Bob Kierlin (R-Winona), the law gives Fillmore, Carlton and Chisago counties an additional year to complete an inventory of property with individual sewage treatment systems that are an imminent threat to public health or safety due to discharge of untreated sewage. The bill stipulates that the inventory may take place in phases over the period of the project.

The law also states that certain Minnesota Pollution Control Agency storm water rules do not apply to counties until they are amended.

HF2721\*/SF2564/CH227

### State land additions, deletions

A new law provides for land changes to state parks, forests and recreation areas.

Sponsored by Rep. Tony Cornish (R-Good Thunder) and Sen. Tom Saxhaug (DFL-Grand Rapids), most of the law is effective May 27, 2006. The exception is a provision relating to the Land Replacement Trust Fund in Itasca County.

Parcels will be added to Crow Wing State Park, Frontenac State Park, Grand Portage State Park, Mille Lacs Kathio State Park, Split Rock Creek State Park and William O'Brien State Park. Parcels will be deleted from Banning State Park, Schoolcraft State Park and William O'Brien State Park.

The law also deletes parcels from the Iron Range Off-Highway Vehicle Recreation Area and the Minnesota Valley State Recreation Area, and adds parcels to the Rum River State Forest. It also allows for the sale or conveyance of surplus state land bordering public water in Anoka, Goodhue, Hennepin, Lake of the Woods, Mille Lacs, Morrison, Otter Tail, St. Louis, Washington and Wright counties, including the Brainerd Regional Treatment Center.

Tax-forfeited land bordering public water is authorized to be sold or conveyed in Chisago, Clearwater, Hennepin, Itasca, Marshall, Pine, St. Louis and Stevens counties.

Additionally, the law allows a free, one-day park permit to people home on leave from active military duty outside of Minnesota. (Art. 1, Sec. 2)

The law also requires that the Minnesota Historical Society, in consultation with Koochiching County, the Minnesota Indian Affairs Council and other interested groups, study the future of the Grand Mound State Historic Site and report its findings and recommendations to the Legislature by Jan. 30, 2007. (Art. 1, Sec. 45)

Article 2 of the law makes changes to the Sustainable Forest Resource Incentive Program regarding claims to payments when enrolled land is sold or transferred, as well as to forest management planning, timber harvesting and applying for enrollment in the program.

HF3397/SF2851\*/CH236

#### **Commission name change**

A new law sets in statute the reconfiguration of the Legislative Commission on Minnesota Resources.

The new provisions add seven citizens to the commission and renames it the Legislative-Citizen Commission on Minnesota Resources.

The law, effective June 1, 2006, also requires that trust fund amounts be annually appropriated by law. In addition, the funds may only be appropriated for the public purpose of protection, conservation, preservation and enhancement of the state's air, water, land, fish, wildlife and other natural resources. The funds must be appropriated according to a strategic plan that has both long- and shortterm goals and measurable outcomes.

The law also contains a list of projects that originally were vetoed in 2005 and re-designates the amount of funding each will receive during the 2006-2007 biennium, including \$200,000 in fiscal years 2006 and 2007 for the Virginia Public Utility to lease land and plant approximately 1,000 acres of trees to support a proposed conversion to a biomass power plant.

Rep. Kathy Tingelstad (R-Andover) and Sen. Dallas Sams (DFL-Staples) are the sponsors. HF2972/SF2814\*/CH243

#### Wastewater treatment facilities

A new law addresses accountability in the construction and operation of public wastewater treatment facilities by requiring certain actions from the Minnesota Pollution Control Agency.

Effective Aug. 1, 2006, the agency must require that proposals for design services for a facility seeking a permit to operate include a description of the treatment alternatives. It must also provide a range of all annual costs related to operation and maintenance of the facility during its first five years.

The agency must also track the location and capacity of each wastewater treatment system built since May 1, 2000. It must annually report this information to the legislative committees responsible for environmental policy and finance and publish the report on the agency's Web site.

The report must include the names of the owner, primary design/engineering firm, primary construction contractor and

16 New Laws

management company for each system.

It must also contain a list of water discharge violations, the violation date and any known causes; a summary of conditions at any facility that pose an imminent threat to public health and safety or a list of limit violations, including the specifics of each violation.

Rep. Larry Howes (R-Walker) and Sen. Tom Saxhaug (DFL-Grand Rapids) are the sponsors.

HF3722/SF2723\*/CH244

#### **Clean Water Legacy**

The purpose of the Clean Water Legacy Act, sponsored by Sen. Dennis Frederickson (R-New Ulm) and Rep. Dennis Ozment (R-Rosemount), is to expedite the state's implementation of the Federal Clean Water Act, and clarify procedures by which the Minnesota Pollution Control Agency (MPCA) restores impaired waters.

It creates a Clean Water Council, an advisory-only body, to assist in implementing the policies of the Clean Water Legacy Act. It is to report biennially to the Legislature regarding progress toward clean water goals.

The law, effective June 2, 2006, contains eight implementation policies and six goals: to identify impaired waters within 10 years; to submit for each impaired water a calculation of the maximum amount of a pollutant (TMDL) that may be introduced while ensuring water quality is being restored; to submit TMDLs to the U.S. Environmental Protection Agency in a timely manner; to set reasonable times for restoring impaired waters; to provide assistance and incentives to keep waters clean; to seek delisting of waters from the impaired waters list; and to achieve compliance with federal law.

It also delays the effects of a MPCA rule on limits of phosphorus discharges from wastewater facilities until July 1, 2007.

The MPCA will set priorities for identifying impaired waters, and may issue a permit for new or expanded discharges into an impaired water before its TMDL is completed, provided that the discharges result in a net decrease of pollutants.

The Clean Water Council, composed of one member each from the MPCA, the Department of Natural Resources, the Board of Water and Soil Resources and the Department of Agriculture, and 17 citizens representing diverse interests will make recommendations to the MPCA regarding priorities, including funding for projects that coordinate with others and leverage funding from other sources.

The law creates a Clean Water Legacy account in the environmental fund. Under the Public Facilities Authority, it creates a Clean Funding for clean water efforts is contained in the 2006 bonding and supplemental appropriations bills.

HF826/SF762\*/CH251

#### Natural resources modifications

Legislative scrambling in the final hours of the 2006 session had some interesting results. One is a new law with most provisions related to natural resources, but one entire article related to economic development.

Sponsored by Rep. Tom Hackbarth (R-Cedar) and Sen. John Marty (DFL-Roseville), the annual Department of Natural Resources technical bill also carries most of the provisions of HF4062, sponsored by Rep. Bob Gunther (R-Fairmont). The law is effective July 1, 2006, unless otherwise noted.

Article 1 makes slight modifications to a host of already existing statutes. Among these are the addition of curly-leaf pondweed to the list of prohibited invasive species that require a specific management program, the addition of areas to already existing state trails, a policy to determine the surcharge for municipalities with more than one water use permit and the adoption of the Great River Ridge Trail as a state trail.

Article 2 defines the classes of all-terrain vehicles (ATVs) and establishes where they may be operated and how old an operator must be. While allowing 11-year-olds to take ATV safety courses, it prohibits those under 15 years old to operate a Class 2 ATV. The article also features numerous small changes regarding hunting seasons and licenses, the establishment of game refuges by petition and regulations regarding motorized watercraft and recreational vehicles on lakes designated for wildlife management purposes. It also establishes opportunities for special hunts for military personnel, and regulates fishing contests and other fishing-related actions.

Article 3 modifies regulations regarding the acquisition of state lands and sale of timber, reduces by \$2 the price of one-day vehicle permits for individuals and groups, institutes a \$20 annual motorcycle pass for \$5 less than a regular vehicle pass, and drops the requirement that campers purchase a second vehicle permit when they tow a vehicle behind their recreational vehicle.

It also allows the Lower Minnesota River Watershed to own and operate a dredge material site in order to keep the river navigable. The watershed already leases or acquires property on which to deposit dredge materials as required by the Army Corps of Engineers. The new 17-acre site would provide a disposal area for materials dredged by commercial interests that navigate the river.

Article 4 makes a variety of changes to provisions of law affecting economic development, including requiring the Rural Policy and Development Center to submit a legislative report by March 1 of each odd-numbered year regarding economic development in rural Minnesota.

This article also declares the Iron Range Resources and Rehabilitation Board (IRRRB) a state agency and provides legislative clarifications regarding its authority for spending, budgeting, project approval, administration, appropriations and a long-range plan for use of the Douglas J. Johnson Economic Protection Trust Fund. Created in 2005, the fund is devoted to the economic rehabilitation and diversification of industrial enterprises where these conditions ensue as the result of the decline of a single industry. Much of these provisions are effective June 2, 2006.

Provisions regarding the Public Facilities Authority are: the director serves in the unclassified state civil service; municipalities may repay loans from the Water Pollution Control Revolving Fund over 40 years; and the authority's bonding authority is increased from \$1.25 billion to \$1.5 billion to meet future needs.

The law also extends by three years the job opportunity building zone (JOBZ) for qualified businesses that operate an ethanol plant on the JOBZ site and that executed a business subsidy agreement after April 30, 2006. This section is effective June 2, 2006.

A provision in Article 5 prohibits the feeding of wildlife within a 15-mile radius of a cattle herd that is infected with bovine tuberculosis and sets forth other statutes regarding preventing or controlling wildlife disease.

HF3200/SF2973\*/CH281

# FAMILY

# **Parenting time clarified**

Unless there is evidence to prove otherwise, courts can presume a parent is entitled to receive at least 25 percent of the parenting time in child custody cases.

The new law, sponsored by Rep. Steve Smith (R-Mound) and Sen. Thomas Neuville (R-Northfield), is effective July 1, 2006, unless otherwise noted.

In calculating parenting time, the court can consider the number of overnights that a child spends with a parent, the age of the child and, in cases where there are no overnight stays, how much time a parent spends during the day with the child. The law also clarifies provisions relating to a parent moving a child to another state.

Previous law stated that if the purpose of the move was to interfere with the parenting time given to the other parent, the court would not grant the move. New language lays out the factors the court must consider in deciding whether a move is in the child's best interest, including:

- the quality of the child's relationship with each of the parents and the significant people in the child's life;
- age and developmental stage of the child; and
- how the move will impact the time spent with the non-relocating parent.

The law allows the court leeway in making determinations for victims of domestic abuse (Secs. 10-14).

Clarifications are also made to the 2005 child support/custody legislation. Billed as the most significant change to the state's family law in decades, it allowed both parents' incomes to be included in determining child support. Besides updating the basic support guideline, the 2006 language clarifies the support order as it relates to those who receive public assistance. It also addresses situations where parents stay at home to care for a child. Added is a provision that states if a parent is voluntarily unemployed or underemployed, child support must be calculated based on a determination of potential income. (Secs. 19-44)

A custodial parent who marries or lives in the same residence with someone convicted of a specified crime must notify the child's other parent (when applicable), the county social service agency and the court that granted custody or parenting time of the situation. (Sec. 1)

The bill also clarifies language relating to the definition of paternity. If blood or genetic tests determine there is a 99 percent or greater likelihood of paternity, that is considered evidentiary presumption that the man is the biological father. This does not preclude the adjudication of another as the "legal" father under state statute. Nor does it allow the donor of genetic material for assisted reproduction to claim to be the child's biological or legal parent. (Secs. 2-4)

The new law applies to all support orders in effect prior to Jan. 1, 2007, with the exception of the guidelines used to calculate support obligations. This part of the law applies to actions or motions for past support or reimbursement filed after Jan. 1, 2007. Protective orders issued by a tribal court in Minnesota have an effective date of Aug. 1, 2006; for foreign protective orders, the effective date is Aug. 1, 2007.

HF3585/SF3199\*/CH280

# GAMBLING

# Minor gaming changes

Language relating to bingo and some modifications of the pull tab statutes is the substance of a law relating to gambling signed by Gov. Tim Pawlenty.

The sponsors, Rep. Andy Westerberg (R-Blaine) and Sen. Ann Rest (DFL-New Hope), term the law as "technical," with "no expansion of gambling." It takes effect May 19, 2006.

Money from the Minnesota Breeders' Fund that is apportioned for the Arabian breed may now be distributed to owners who are state residents and race them at licensed Minnesota racetracks or at racetracks in border states. Supported by a specific tax paid by Canterbury Park, the fund is used as an incentive to encourage horseracing and breeding of certain horses used for racing at licensed Minnesota race tracks.

Other provisions of the law allow those conducting raffles to legally sell a button for up to \$5 as part of the game.

HF3194/SF2953\*/CH205

#### **Prevention grant**

A bill signed by Gov. Tim Pawlenty provides \$150,000 this biennium for a grant to help compulsive gamblers. The law is effective May 25, 2006.

Sponsored by Rep. Laura Brod (R-New Prague) and Sen. Gary Kubly (DFL-Granite Falls), the new law calls for the money from the lottery prize fund to go toward a state affiliate recognized by the National Council on Problem Gambling. The funding is contingent upon an equal non-state match.

The affiliate must provide services to increase public awareness of problem gambling, training for people or organizations that help problem gamblers and their families, and problem gambling research.

Brod said the state has provided money to the state affiliate since 1997, but this bill is different in that it will provide for significant oversight by the Department of Human Services.

HF934/SF930\*/CH225

# GOVERNMENT

# **State fruit bill passes**

A new law designates the Honeycrisp apple as the state fruit.

First introduced in 2005, the bill originated as a writing assignment for a class of students from Andersen Elementary School in Bayport. The students and their teacher, Laurel Avery, decided to take the idea further, and eventu-



PHOTO BY ANDREW VONBANK

Rep. Mike Charron displays a Honeycrisp apple to members on the House floor May 19 to garner support for a bill that would make the variety Minnesota's state fruit. The bill passed overwhelmingly and was signed into law May 24.

ally convinced Rep. Mike Charron (R-Woodbury) and Sen. Brian LeClair (R-Woodbury) to carry the actual legislation.

Charron said that Avery and her students, who were present in the House gallery for the bill's passage, had testified and sat in on House and Senate committee hearings on the bill throughout the process.

"I don't want you to dismiss this offhand as, 'This is a nice thing to do for the kids," he said. "These students really did do their research. The Honeycrisp apple is worthy of designation as our state fruit."

The Honeycrisp, a genetically engineered hybrid of the Macoun and Honeygold apple varieties, was developed at the University of Minnesota's Horticultural Research Center starting in the 1960s and formally introduced in 1991. Charron said the apple has become "one of the chief agricultural products in the fruit industry," and that there are now tens of thousands of trees planted across the United States and more than a million worldwide.

Minnesota is the 21st state to adopt an official state fruit.

HF2516/SF2302\*/CH229

#### **Boat slips for DNR**

A three-word change in state law will make it a lot easier for the Department of Natural Resources to find docking space for its boats.

Sponsored by Rep. Tony Cornish (R-Good Thunder) and Sen. Satveer Chaudhary (DFL-Fridley), the law, effective Aug. 1, 2006, authorizes the DNR to make advance deposits and payments on boat slips, which are reserved spaces for boats on docks. Col. Mike Hamm, chief of the DNR's enforcement division, said most marinas require prepayment to reserve boat slips. Until the new law was passed, the DNR was not legally authorized to prepay for boat slips, which made it very difficult to reserve spaces at already overcrowded docks.

HF3310\*/SF2969/CH181

#### **Board membership change**

A new law changes the makeup of the Statewide Radio Board.

Sponsored by Rep. Mary Liz Holberg (R-Lakeville) and Sen. Linda Higgins (DFL-Mpls), the law makes the chair of the Metropolitan Council or a designee a board member, and the health commissioner or their designee will be removed.

"This will allow the Met Council, which has a very large investment in this program, to have representation on the board," Holberg said.

The board is responsible for developing a project plan for a statewide, shared, trunked public safety radio communication system, applying statewide standards for interoperability and initiating an education plan to stakeholders.

HF3288\*/SF3099/CH230

### Land, council, transit changes

A new law transfers state lands to the United States Fish and Wildlife Service, changes the membership of the Minnesota Indian Affairs Council and lowers the age restriction for the transportation of hazardous materials.

Sponsored by Rep. Andy Westerberg (R-Blaine) and Sen. Gary Kubly (DFL-Granite Falls), land changes include one located in Houston County known as the Four Seasons Wetland and Boots Bog, and another section located in Lac Qui Parle County.

Membership changes to the Indian Affairs Council include adding the commissioners of transportation and administration as ex-officio members. Other department commissioners currently designated include: education, human services, natural resources, human rights, and employment and economic development.

The new law also makes changes to the transportation of hazardous materials statutes. Drivers of self-propelled or towed motor vehicles transporting no hazardous material other than material of trade must be at least 18 years of age. The provision doesn't apply unless the transportation conforms to federal regulations.

The law also allows the department to enter into agreements with Iowa for the connecting highway during the Trunk Highway 60 and Bigelow bypass construction project.

The law is effective Aug. 1, 2006. HF3202/SF3213\*/CH234

### **Annual claims bill**

More than \$59,000 will be paid out to settle 14 claims brought "against the state for injuries suffered by, and medical services provided to, persons injured while performing community service or sentence-to-service work for correctional purposes or while incarcerated in a correctional facility."

The largest claim is a combined \$23,790.73 to a woman who was hurt while performing work at the Shakopee correctional facility. Included in the amount is \$5,002 for lost wages while recovering from surgery, \$4,500 for permanent injuries and \$289.34 for costs of obtaining required medical records. The remainder is payments to medical providers.

Other payments range from to \$695.06 to \$6,280. In addition, the law covers nearly \$4,489 in medical expenses already paid by the Department of Corrections.

Each year, a joint House-Senate Subcommittee on Claims meets to determine which petitions will be funded. All state agencies are eligible to receive funding to cover the claims. More than 100 claims were submitted by people who believe the state did not properly reimburse them or take care of their financial needs.

Rep. Bruce Anderson (R-Buffalo Township) and Sen. Wes Skoglund (DFL-Mpls) sponsor the law, which is effective June 1, 2006.

HF3995\*/SF3631/CH238

### State employee contracts ratified

Sponsored by Rep. Chris DeLaForest (R-Andover) and Sen. Linda Scheid (DFL-Brooklyn Park), the law, which is effective May 27, 2006, ratifies labor contracts between the state and the following exclusive representatives:

- American Federation of State, Municipal and County Employees (AFSCME) Council 5;
- the Minnesota Association of Professional Employees;
- the Middle Management Association;
- Minnesota State College Faculty;
- the Minnesota Government Engineers Council;
- the State Residential Schools Education Association;
- the Inter Faculty Organization;
- Minnesota State University Administrative and Service Faculty;
- the Office of Higher Education;

- Minnesota State Colleges and Universities administrators; and
- the State Board of Investment. Additionally, the law ratifies compensation plans for unrepresented state employees.
- HF3114/SF2634\*/CH256

#### Audit commission modified

A new law changes the membership of the Legislative Audit Commission — the body responsible for overseeing the Office of the Legislative Auditor and its activities.

Sponsored by Rep. Tim Wilkin (R-Eagan) and Sen. Ann H. Rest (DFL-New Hope), and effective Aug. 1, 2006, the law alters the commission's 12 members to include: three members appointed by the Committees Subcommittee of the Senate Rules and Administration Committee; three members appointed by the Senate minority leader; three members appointed by the speaker of the House; and three members appointed by the House minority leader. Previously, the commission had 16 members, including the chairs of specified legislative committees.

The law redefines the commission members' terms as follows: "Members shall serve until replaced or until they are not members of the legislative body from which they were appointed." Additionally, all vacancies on the commission must now be filled within 30 days of their creation. Wilkin said the 30-day provision would ensure "continuity between terms."

HF3507/SF2735\*/CH262

#### **Clean-up language**

The last law passed by the 2006 Legislature contains cleanup language.

Sponsored by Rep. Doug Meslow (R-White Bear Lake) and Sen. Don Betzold (DFL-Fridley), the law changes an effective date in the 2006 tax law; corrects a statutory reference in the 2006 bonding law; and amends state statute to clarify that the education, human services and public safety commissioners are required to jointly submit a report to the Legislature by Jan. 15, 2007, "recommending the most efficient and effective allocation of agency responsibility for assessing or investigating reports of maltreatment and must specifically address allegations of maltreatment that currently are not the responsibility of a designated agency."

The provisions are effective the date the original law took effect.

HF4157\*/SF3780/CH283

# **GREATER MINNESOTA**

## **Communities get help for stores**

A new law aims to help two rural Minnesota communities by allowing them to purchase and/or operate small businesses.

Sponsored by Rep. Al Juhnke (DFL-Willmar) and Senate Majority Leader Dean Johnson (DFL-Willmar), the law affects the cities of Pennock and Kiester, towns of approximately 500 people each near Willmar and the Minnesota-Iowa border, respectively.

The law allows Pennock to purchase and make improvements to a gas station and convenience store that happens to be the residents' only source of groceries, household goods and gas. The city may issue up to \$250,000 in general obligation bonds to finance the project. (Secs. 2, 3)

Pennock plans to renovate the gas station and then sell or lease it to a private party. Juhnke said the city cannot currently find a buyer because no one wants to pay for the necessary improvements to the property.

Kiester will be allowed to purchase inventory for a grocery store, under the law. The city currently owns the only grocery store in town, which it leases out to a private owner who runs the store. That individual has become sick, however, and the city wants to run the store itself to keep it from closing down. (Sec. 4) Other provisions of the law include:

- Little Falls is prohibited from selling, leasing or contracting property it owns that is listed on the National Register of Historic Places unless certain conditions are first met (Sec. 1);
- a land conveyance of the Department of Human Services' regional treatment center in Brainerd to local authorities (Sec. 5); and

 a study of the future of the Minnesota Historical Society's now-closed Grand Mound Historic Site. (Sec. 6) HF3446/SF2939\*/CH248

# HEALTH

# **Covering drug costs**

A new law provides continuing coverage for Minnesotans who had difficulty getting their prescriptions because of problems with a new federal prescription drug benefit.

A governor's executive order in January continued to cover the \$4.57 million in prescription drug costs incurred by Minnesotans who had difficulty getting their prescriptions because of problems with a new federal prescription drug benefit. Now the state seeks federal reimbursement.

Rep. Fran Bradley (R-Rochester), who sponsored the law with Sen. Linda Berglin (DFL-Mpls), said the law, which is retroactive to Jan. 1, 2006, is an attempt to protect people eligible for Medical Assistance and Medicare who, for one reason or another, went to get their prescriptions and found the eligibility documentation was not there. In such cases, the pharmacist either covered the costs or the prescription was not filled.

"In January, when this Medicare Part D kicked in and we discovered these kind of issues in Minnesota and other places, the governor issued an executive order that made us the payer of last resort and then empowered us to seek federal reimbursement when that was made available, and that did happen, but that was limited," Bradley said. "Then we had the Legislative Advisory Commission get together, and we allocated up to \$4 million to extend it to as late as March 8 and again empower the state to get reimbursements from the federal government if that (money) were made available."

The law also made up to \$570,000 available so the state could be the payer of last resort from March 9 until April 15.

HF3015/SF2653\*/CH170

# **Maple Grove hospital**

A new law allows for a new 300-bed facility to be built in Maple Grove as a partnership between North Memorial Health Care and Fairview Health Services.

The law, 18 months in the making, grants an exception to a moratorium that has been in place since 1984 on hospital construction or modification. Nineteen exceptions have previously been granted.

The House and Senate passed separate bills in 2005 relating to the new facility. A conference committee, which did not meet, was called to work out the details such as the number of beds and the services to be provided, including: surgical, orthopedic, pediatric and mental health services. New conferees were appointed this year to complete the work.

The facility will be built near the intersection of Interstate 94 and the future Highway 610. It is expected to be completed by Dec. 31, 2009.

Rep. Kurt Zellers (R-Maple Grove) and Sen. Warren Limmer (R-Maple Grove) are the sponsors.

HF1915\*/SF1840/CH172

#### **Medical license provision**

A new law, signed May 5 by Gov. Tim Pawlenty, will modify provisions for medical licenses in Minnesota of United States and Canadian medical school graduates.

Effective Aug. 1, 2006, it requires medical

license applicants who passed a certified exam more than 10 years ago to meet additional criteria. Furthermore, the Board of Medical Practices would approve which endorsed organizations could administer the exams.

Rep. Jim Abeler (R-Anoka), who sponsored the law with Sen. Steve Kelley (DFL-Hopkins), said it will help streamline the medical licensure process.

HF2745\*/SF2721/CH188

#### **Extending a sunset date**

Currently, all radiation therapy facilities must be constructed by an entity owned, operated or controlled by a hospital. A new law, sponsored by Rep. Duke Powell (R-Burnsville) and Sen. Linda Berglin (DFL-Mpls), that takes effect Aug. 1, 2006, extends the sunset provision on radiation therapy facilities construction from Aug. 1, 2008, to Aug. 1, 2013.

Powell originally wanted the current law to be permanent by removing the sunset because he believes hospitals can provide the best services for consumers, but the sunset extension was a comprise he would accept. Opponents of the law have said they favor a law that enables more competition in a free market.

HF2810/SF2532\*/CH190

#### Medical license exam

Gov. Tim Pawlenty signed legislation into law May 10 establishing an examination extension for medical licensure candidates who serve in the military.

Sponsored by Rep. Fran Bradley (R-Rochester) and Sen. Becky Lourey (DFL-Kerrick), an applicant mobilized into active military service would have additional time to pass all three steps of the United States medical licensure exam. Currently, those active in the military, who must show proof of their service, may be gone for extended periods of time. However, they have seven years to take the exam, which is administered by the Board of Medical Practices.

The law is effective retroactively from Dec. 1, 2005.

HF3771\*/SF3457/CH199

#### Hospital and ambulance changes

A new law adds exceptions to the hospital construction and modification moratorium for a new hospital and for an existing hospital so it can increase its total number of licensed beds; changes the approval process for new hospital construction; and requires the commissioner of health to study a new process for constructing medical facilities.

Sponsored by Rep. Greg Davids (R-Preston)

20 New Laws

and Sen. Dan Sparks (DFL-Austin), the law allows for "a project for the construction of a hospital with up to 25 beds in Cass County within a 20-mile radius of the state Ah-Gwah-Ching facility, provided the hospital's license holder is approved by the Cass County Board," and "a project for an acute care hospital in Fergus Falls that will increase the bed capacity from 108 to 110 beds by increasing the rehabilitation bed capacity from 14 to 16 and closing a separately licensed 13-bed skilled nursing facility."

The law is effective Aug. 1, 2006.

Another change includes an alternative approval process for new hospital construction. The process is set to expire Jan. 1, 2009, and includes:

- an organization seeking to obtain a hospital license must submit a letter of intent to the health commissioner specifying which community it would be in and the number of beds being proposed;
- once the commissioner receives the letter, a notice must be published in the State Register. If more than one organization is interested in the license for an area, the notice must state so. Any other interested party must notify the commissioner within 30 days; and
- after further review, if the commissioner determines that a new hospital is needed, a market-specific list of criteria would be used to evaluate all proposals and the commissioner must select the project that best meets this criteria.

The commissioner is also required to study and report to the Legislature by Feb. 15, 2007, on the need for a new process of approving the construction of medical facilities or the addition of services at existing medical facilities.

Additionally, ambulances are added to the so called "lemon law" mandating for a manufacturers duty to repair, refund or replace a vehicle.

HF3049/SF2576\*/CH249

# **Containing health care costs**

A new law aims to help control the rising costs of health care in Minnesota.

Sponsored by Rep. Jim Abeler (R-Anoka) and Sen. Sheila Kiscaden (DFL-Rochester), all sections of the law are effective Aug. 1, 2006, unless otherwise noted.

#### **Electronic billing**

The commissioner of human services is directed to encourage and assist (using existing resources) health care providers to adopt electronic billing for state programs. (Art. 1, Sec. 1)

# **Providing information**

The commissioner of health may post the following information on state agency Web sites, including but not limited to minnesotahealthinfo.com:

- healthy lifestyle and preventive health care information, organized by sex and age, with procedures and treatments categorized by level of effectiveness and reliability of the supporting evidence on effectiveness;
- health plan company administrative efficiency report cards;
- health care provider charges for common procedures;
- evidence-based medicine guidelines and related information for use as resources by health care professionals, and summaries of the guidelines and related information for use by patients and consumers;
- resources and Web links related to improving efficiency in medical clinics and health care professional practices; and
- lists of nonprofit and charitable entities that accept donations of used medical equipment and supplies, such as crutches and walkers. (Art. 1, Sec. 2)

Also, the Board of Medical Practice is required to encourage health care providers to make information on free and discounted prescription drug programs available to patients at no cost. (Art. 1, Sec. 3)

### **Studies and evaluations**

The commissioner of human services is required to study the potential for improving

the quality and cost-effectiveness of health care through greater use of alternative and complementary medicine. Furthermore, the commissioner is directed to incorporate these alternative health care methods into the Medical Assistance, MinnesotaCare and General Assistance Medical Care programs and provide recommendations as appropriate. These recommendations shall be posted on state agency Web sites. (Art. 1, Sec. 9)

The commissioners of human services and health are directed to consider whether the current system of community health clinics is adequate in regard to providing racial and ethnic equality for health care access. (Art. 1, Sec. 9)

The commissioner of health may consult with infection control specialists and others to obtain recommendations for implementing infection control reporting in hospitals and nursing homes, and is also required to study the trends, costs, policies and effects of hospitals providing uncompensated care. (Art. 1, Secs. 10, 11)

# **Abortion regulations**

A female seeking an abortion of her unborn child because it has been diagnosed with a fetal anomaly that will inevitably result in the death of the infant may choose to have an abortion, but she must first be informed of available perinatal hospice services and offered this care as an alternative.

One of the requirements for performing an abortion in Minnesota is that the patient's "voluntary and informed consent" must first



PHOTO BY TOM OLMSCHEID

Part of a new law requires the human services commissioner to study the potential for improving the quality and cost-effectiveness of health care through greater use of alternative and complementary medicine. Also, the Board of Medical Practice is required to encourage health care providers to make information on free and discounted prescription drug programs available to patients at no cost.

be obtained. In the cases involving a fetal anomaly, if perinatal hospice services are declined, a woman is exempt from the following portions of the existing informed consent requirements, which require the woman to be informed that Medical Assistance may be available, fathers are liable to assist in the support of children; and that she has the right to review materials developed by the commissioner of health that include information on support services and information on the gestational development of the fetus.

Perinatal hospice care is defined as "comprehensive support to the female and her family that includes support from the time of diagnosis through the time of birth and death of the infant and through the postpartum period." (Art. 2, Secs. 1, 2, 3)

### Audiologist licensing

Effective June 1, 2006, audiologist license applicants who obtain a temporary license are allowed to dispense hearing aids only under the supervision of a fully licensed audiologist who dispenses hearing aids. (Art. 2, Sec. 5)

### **Occupational therapist education**

For an activity to qualify as a continuing education activity for occupational therapists, it must be conducted by a sponsor approved by the American Occupational Therapy Association. (Art. 2, Sec. 11)

For an activity to qualify as continuing education contact hours, at least 50 percent of the required contact hours must be directly related to the occupational therapy practice. The remaining contact hours may be related to occupational therapy practice, the delivery of occupational therapy services or to the practitioner's current professional role. (Art. 2, Sec. 12)

A licensed occupational therapist may receive up to six contact hours of continuing education in a two-year period for:

- supervising occupational therapist or occupational therapist assistant students (one contact hour for every eight hours of supervision);
- teaching or participating in courses related to leisure activities, recreational activities or hobbies if these interventions are used within the practitioner's current practice or employment; and
- engaging in research activities associated with grants, postgraduate studies or professional publications. (Art. 2, Sec. 13)

A licensed occupational therapist may receive up to two contact hours of continuing education in a two-year period for education related to payment systems, including covered services, coding, documentation and billing. These sections are all effective June 1, 2006.

HF1010/SF367\*/CH267

# + HIGHER EDUCATION

# **Building permission granted**

A law, effective Aug. 1, 2006, allows Minnesota State University, Mankato to "raise \$24 million to build a 95,000-square foot building for its College of Business and give it to the state. The university will also need raise \$8 million to provide facility operations and maintenance endowment," said Rep. John Dorn (DFL-Mankato), who sponsors the law with Sen. John Hottinger (DFL-St. Peter). Additional money would be used for faculty costs and scholarships, Dorn said.

The law specifies nonstate money is to be used to "design, construct, furnish, and equip an academic building" on the campus. Further, the law states, "A facility endowment must be created with nonstate money for operating costs of the building."

Basically the role of the Legislature is to consent to the agreement to allow \$57 million in private dollars to be used by the Minnesota State Colleges and Universities system to build the addition for the College of Business, said Dorn.

HF2892\*/SF2716/CH237

#### **On-campus university stadium**

A new law will allow the University of Minnesota to once again play home football games on its Minneapolis campus beginning in 2009.

The Gophers moved from Memorial Stadium to the Metrodome in 1982; however, that lease, set to expire July 1, 2012, can be terminated upon completion of the new 50,000-seat open-air stadium. (Sec. 15)

Sponsored by Rep. Ron Abrams (R-Minnetonka) and Sen. Larry Pogemiller (DFL-Mpls), the law calls for the state to contribute more than 50 percent of the \$248 million construction cost.

Beginning July 1, 2007, the state must transfer up to \$10.25 million annually to the university to cover debt service on the bonds issued to pay the state's share of the stadium costs, provided the bonds issued to pay the state share do not exceed \$137.25 million. The appropriation can be for no more than 25 years. The university's Board of Regents must certify to the state finance commissioner the amount of the annual payments of principal and interest required to service each series of bonds. State payments will not begin until at least \$110.75 million has been committed to the stadium construction from non-state sources.

Before the first payment is made, the university must also certify to the finance commissioner "that a provision for affordable access for university students to the university sporting events held at the football stadium has been made." The university must also certify that the per semester student fee to assist in construction costs will be at a fixed level, and that cost overruns will not result in greater student fees. (Sec. 5)

Any bonds issued by the university are not public debt of the state, and the full faith and credit and taxing powers of the state is not pledged for their payment. (Sec. 8)

To receive the state assistance, the university will offer 2,840 acres of environmentally sensitive land in UMore Park near Rosemount in Dakota County in its "as is" condition to the state for \$1 no later than the date the final payment is made. (Sec. 2)

The natural resources commissioner, in cooperation with the university, must submit an assessment of the short- and long-term programmatic plans for the development of the land to the governor and Legislature by Jan. 15, 2007. The assessment is to include "a timeline for providing the recreational opportunities, and the needed restoration including native species of local ecotype, measurable outcomes, and anticipated costs. The assessment must also include an evaluation of the opportunities to foster small-scale farm-to-market vegetable farming."

The Board of Regents must report annually to the Legislature on efforts with the Department of Defense to remedy contamination caused by activities prior to the university acquiring the land, which is close to where a munitions plant was housed in the 1940s. The natural resources commissioner with the Pollution Control Agency shall report to the Legislature by Jan. 7, 2007, what entities are responsible for remediating pollution on the land caused before the university took ownership. (Sec. 3)

The university is requested to cooperate with an area advisory group to mitigate the impact of stadium construction and operation. On July 1, 2007, the university must put \$1.5 million into a fund used to pay for mitigation activities. Further, a neighborhood impact report is due to the governor and Legislature by Jan. 15, 2007. "The report shall include consensus recommendations from the University of Minnesota, the city of Minneapolis, and the reconstituted stadium area advisory group for short- and long-term



ILLUSTRATION COURTESY OF THE UNIVERSTIY OF MINNESOTA

An artist's rendering of the new University of Minnesota TCF Bank Stadium.

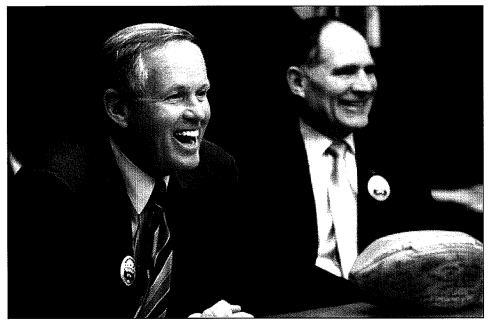


PHOTO BY TOM OLMSCHEID

Seated behind the University of Minnesota's 1941 national championship football, current football coach Glen Mason, *left*, and Athletic Director Joel Maturi, *right*, were among university supporters testifying before the House Capital Investment Committee for a new on-campus football stadium.

solutions to ongoing issues and concerns and shall include projected costs and benefits of the recommendations made." (Secs. 9, 10)

Materials and supplies used in the stadium's construction are tax-exempt. The university must ensure to the fullest extent practicable that materials derived from American-made steel are used in the stadium construction. (Secs. 4, 12)

Eminent domain may not be used to acquire the Fire Station 19 building for construction of the stadium or any related infrastructure. Other than a few negotiated parking spots, university officials said the site is not needed for the stadium. (Sec. 11) The university is requested to "provide ample opportunities for use of the stadium for events sponsored by public bodies including public schools." (Sec. 6)

An on-sale intoxicating liquor license will be issued for the stadium. However, it will be up to the Board of Regents to determine if, and where, alcohol will be sold. The university now has a license for Northrop Auditorium. (Sec. 14)

The law also provides that 0.20-cent per taxable ton from a taconite distribution fund be paid to the City of Eveleth from 2007 to 2011 to support the U.S. Hockey Hall of Fame, provided it continues to operate in the city,

and provided that private donations be received equal the dedication. It was announced in May 2006 that the Hall of Fame would close in the city and could be relocated. (Sec. 13)

HF3423/SF2460\*/CH247

# HOUSING

# **Common lighting**

Those renting apartments may be surprised to know that the cost of the lights in the hallways or other common areas in the building may actually be showing up on their electric bills.

Under a new law, if electrical use in a "common area" (i.e. foyer, stairway, etc.) does not exceed 1,752 kilowatt hours annually, the landlord will not be charged a penalty for nonpayment of "common" electrical usage in cases where a renter does not pay their electrical bill.

The amount of electricity used in the common area may be determined by actual measurement. When actual measurement is impossible, a licensed tradesperson or housing inspector, at the landlord's expense, can confirm that the electricity used will likely not exceed the annual threshold.

Sponsored by Rep. Chris DeLaForest (R-Andover), and Sen. David Senjem (R-Rochester), the law takes effect Aug. 1, 2006. HF680\*/SF1217/CH183

HF680\*/SF1217/CH183

#### Home park closure notice

By law, residents in manufactured home parks and the local government planning agency are given at least nine months' notice if there is to be a conversion of all or a portion of the park to another use, or if it is to close.

A new law amends the current statute to include the commissioner of health and the Housing Finance Agency to that notification list.

The new law does not apply if the manufactured home park is being converted into a common interest community; if it is incorporated as a nonprofit; and at least 90 percent of the cooperative's members are residents of the park at the time of the conversion. The residents are not required, at the time of the conversion, to become members of the cooperative.

Sponsored by Rep. Karen Clark (DFL-Mpls) and Sen. D. Scott Dibble (DFL-Mpls), the law takes effect Aug. 1, 2006.

HF3449\*/SF2887/CH200

#### **Real estate changes**

Training and education requirements for real estate appraisers are changed, under a new law.

Sponsored by Rep. Judy Soderstrom (R-Mora) and Senate President James Metzen (DFL-South St. Paul), the new law requires that on or after Jan. 1, 2009, appraiser qualifications of experience, education and examination components that take effect Jan. 1, 2008 must be met.

Trainee or licensed real property appraisers, after Jan. 1, 2008, are required to present evidence satisfactory to the commerce commissioner of completing specified hours of pre-license courses approved by the commissioner.

After Jan. 1, 2008, certified residential real property appraisers must present evidence to the commissioner of successfully completing 200 hours of pre-license courses approved by the commissioner and that they have an associate degree from an accredited college or university.

Under the law, "In lieu of the required degree the applicant may present satisfactory documentation of completion of 21 semester credit hours from an accredited college or university covering the following subject matter courses: English composition; principles of economics; introduction to computer word processing/spreadsheets; and business or real estate law."

Certified general real property appraisers are required to have 300 hours of pre-license courses and a bachelor's degree from an accredited college or university. Some completion of college course work can also be substituted for the degree, under the law.

All appraiser license levels must meet specific core curriculum courses and hours in accordance with the real property appraiser qualification criteria as defined by the Appraisal Qualifications Board and detailed in the law. Students are responsible for keeping track of the qualifying educational requirements.

HF3890/SF3551\*/CH235

# HUMAN SERVICES

#### No middle ground

Effective Aug. 1, 2006, a new law will overturn a sunset provision on firefighter labor arbitration.

When firefighters and public employers cannot negotiate a new contract, an arbitrator now steps in. The arbitrator must choose between the two competing offers and cannot pick a compromising position, unless otherwise agreed by the parties, according to previous law, which expired June 30. The new law repeals the expiration date and makes the law permanent for firefighters.

Rep. Joe Hoppe (R-Chaska) and Sen. Steve Kelley (DFL-Hopkins) are the sponsors. HF2998\*/SF1553/CH182

#### **Interstate compact**

Chemical health treatment facilities will be able to treat out-of-state patients, under a new law.

The law was created so people in neighboring states could receive chemical health treatment in Minnesota and vice versa. Similar laws exist for mental health services so people do not have to travel far distances to seek such services.

Sponsored by Rep. Matt Dean (R-Dellwood) and Sen. Julie Rosen (R-Fairmont), the law takes effect Aug. 1, 2006.

HF3111\*/SF2881/CH193

#### **Child care licensing provisions**

Effective May 17, 2006, a new law permits a not-for-profit agency with at least two contracts with community agencies, organizations or employers that provides child care services to be classified as a special family day care home. There is also a capacity revision that allows a program to exceed the capacity maximum of 14 children in transition periods if certain standards are met, from square footage requirements to staff-to-child ratio to fire code compliance.

It also contains some CPR requirement changes. Under current law, when children are present in a child care center or family child care home governed by state rules, at least one staff person with CPR training must be present.

Under the law, a family child care provider is exempt from the requirement "related to any substitute caregiver who provides less than 30 hours of care during any 12-month period." Furthermore, "video training reviewed and approved by the county licensing agency satisfies the family child care training requirement."

Rep. Jeanne Poppe (DFL-Austin) and Sen. Dan Sparks (DFL-Austin) sponsor the law. HF2977/SF2883\*/CH207

#### Child care, homeless youth

Imagine having to post a sign at the entrance of your home day care center that your child had committed a misdemeanor when they stole from a grocery store nearly three years ago. This was the situation facing a constituent of Rep. Jim Abeler (R-Anoka), who, with Sen. John Hottinger (DFL-St. Peter), sponsors a law that rectifies the situation.

"There was a young girl that was 13 years old and she stole something from a grocery store ... all was forgotten until her mother applied to get her child care license renewed," Abeler said. He equated the situation to having to post a sign reading "thief in the house."

The law changes posting requirements for a misdemeanor theft crime so that they do not apply to those under the age of 18 living in a child care facility.

The law also:

- requires all teachers and assistant teachers at a child care center and at least one staff person during field trips and when transporting children in care to have satisfactorily completed first aid training within 90 days of the start of work, unless the training has been completed within the previous three years;
- creates a runaway and homeless youth act, including a requirement that the commissioner of human services develop a report on homeless youth, youth at risk of homelessness and runaways, requiring youth drop-in centers to provide access to crisis intervention and support services and transitional living programs to help the youth find safe and dignified housing;
- grants a variance to certain alcohol and drug counselors that have been disqualified for certain crimes or conduct to continue working in their current positions and allows them to change employers with a letter of recommendation; and
- requires the commissioner of human services to approve a pilot project in Ramsey County to help teen parents remain in school and complete their education while providing child care assistance.
   The law is effective Aug. 1, 2006. HF2807/SF2833\*/CH264

# INSURANCE

#### **Township mutual insurance**

A new law permits township mutual insurance companies to provide coverage in all or a portion of a city of the second class that was within the company's authorized territory before that area became all or part of a city of the second class. These cities have populations between 20,000 and 100,000.

Previous law permitted this only if the company was selling coverage in the area at that time. This part of the law is effective May 19, 2006. Owned by their policyholders, township mutual insurance companies are typically restricted to serving rural areas. But Rep. Dan Severson (R-Sauk Rapids), who sponsors the law with Sen. Linda Scheid (DFL-Brooklyn Park), said that, as more people move outside the metropolitan area, these smaller businesses should be able to provide insurance to customers. The commerce commissioner would have to approve the township mutual insurance company doing business in a city of the second class.

The law also permits a domestic insurance company that previously reorganized into a stock subsidiary of a mutual insurance holding company to convert back into a mutual insurance company with approval of the commerce commissioner. Also effective May 19, 2006, Severson said this would provide Minnesota mutual insurance companies with job growth in the future.

Among other provisions, the law allows insurance agents to satisfy continuing education requirements with courses on ethics and privacy protections, and it authorizes fraternal benefit societies to reinsure an affiliated entity under circumstances approved by the commissioner. These are effective Aug. 1, 2006.

HF2876\*/SF2527/CH204

### Adult foster care coverage defined

A new law relating to homeowner's insurance defines coverage for homes providing adult foster care services.

Sponsored by Rep. Loren Solberg (DFL-Grand Rapids) and Sen. Tom Saxhaug (DFL-Grand Rapids), the law, effective Aug. 1, 2006, provides that homeowner's insurance does not cover losses for homes that provide foster care for adults unless the policy specifically covers it, or there is a policy rider for business coverage that covers those losses. Furthermore, the law would prohibit an insurer from refusing to issue or renew homeowner's insurance because the property covered is used to provide adult foster for five or fewer residents.

Adult foster care is considered a business pursuit, which is normally excluded for homeowner's insurance. Solberg said the law is similar to how insurance companies handle homeowner's insurance for those providing day care in their homes.

HF2722\*/SF2524/CH215

#### **Miscellaneous provisions modified**

Described as the Department of Commerce insurance bill, a new law will regulate licensee education, certain insurance forms and rates, coverage, filings and reporting, and utilization reviews and claims. The law is effective The law adopts the Interstate Insurance Product Regulation Compact, which creates an Interstate Compact Commission. The new organization's purpose is to provide a way for its member-states to collectively use their expertise to develop uniform national product standards. If all goes as planned, the result will be the availability of uniform national insurance products for life insurance, annuities, disability income and long-term care insurance products.

Under the new law, health insurers may use premium rates without prior approval from the Department of Commerce if they guarantee that their products produce a minimum annual loss ratio of 65 percent. If their annual loss ratio is lower, they will be required to refund or credit individual policyholders in the amount necessary to bring it up to the guaranteed minimum. Generally speaking, the loss ratio is the percent of premium dollars paid out to policyholders. (Secs. 8-9)

People on Medicare will have more supplement choices, as the new law defines what supplement plans that offer 50 percent or 75 percent coverage must cover. Although these plans have higher enrollee cost-sharing, the premiums are less costly.

Rural Minnesotans may benefit from a partial deregulation of premium rates. Insurers will now be able to establish more than three geographic regions in the state, each with a separate rate. The law eliminates a requirement that the rate in any region cannot differ by more than 20 percent from any other region. This is effective Jan. 1, 2007.

Among the new law's cost containment measures is a mandated report of medical malpractice insurance, as well as provisions on prior authorizations and limitations on deductibles and out-of-pocket maximums.

The new law also provides for service cooperative language and pricing transparency language regarding hospital and pharmacy services and a provision for reinsurance of public employees through service cooperatives. It exempts retired people from having to pay for lost-wages benefits on their auto insurance policies.

Rep. Tim Wilkin (R-Eagan) and Sen. Linda Scheid (DFL-Brooklyn Park) are the sponsors. HF3760/SF3480\*/CH255

# LAW

## **Cleaning up statutes**

A law making technical corrections to state statutes was signed by the governor May 18.

The annual so-called "revisor's bill" corrects erroneous and ambiguous language, including obsolete references in state statutes. The law is sponsored by Rep. Pete Nelson (R-Lindstrom) and Sen. Don Betzold (DFL-Fridley) and takes effect Aug. 1, 2006.

Nelson said that the Office of the Revisor of Statutes is asked to do a lot of work in a short amount of time during session, and this bill "is a cleanup, fix-up, straighten up" for errors that were made.

HF3488\*/SF3128/CH212

# **Property law language clarified**

Sponsored by Rep. Paul Thissen (DFL-Mpls) and Sen. Thomas Neuville (R-Northfield), a new law makes technical changes to the state's property law and provisions passed last year relating to foreign judgments.

Language, already in practice, spells out in law how the sale of a homestead should be treated when there is no surviving spouse. The new law states that a homestead can only be sold with the consent of a surviving spouse, but if there is no surviving spouse, a sale can be made by the estate's personal representative without the input of other heirs, unless there is a provision in the will stating otherwise. This provision is retroactive to June 1989.

The law, effective Aug. 1, 2006, also modifies the law enforcing in Minnesota a judgment won in federal court or another state's court. These judgments must follow Minnesota law as to the length of time the judgment can be collected and the interest rate being charged. The new law clarifies that the date of the judgment is the date the foreign judgment was entered.

HF3073\*/SF2519/CH221

#### **County recorder, registrar changes**

A new law makes miscellaneous changes to legislation passed in 2005 that updated the county recorder and registrar of titles statutes.

Sponsored by Rep. Connie Ruth (R-Owatonna) and Sen. Steve Murphy (DFL-Red Wing), it takes effect Aug. 1, 2006.

Ruth said the bill merely "cleans up statutory language." Some of its various provisions modify requirements for the first page of a document to be recorded or filed, permit a person to attach an administrative page in front of a document to meet the requirements of the first page, strike language relating to a pilot project for the electronic filing of real estate documents, and add two fees to the list of fees of which a portion is paid to the state General Fund.

HF3454/SF3105\*/CH222

# **Liability claims limited**

A new law limits state and municipal tort liability damage awards in such a way that claims brought against two or more government entities involved in a joint venture may not exceed the limits on governmental liability for a single governmental unit.

Sponsored by Rep. Ron Abrams (R-Minnetonka) and Sen. Ann H. Rest (DFL-New Hope), the law was drafted as a response to a decision by the 8th U.S. Circuit Court of Appeals on an "unfortunate incident" in Crookston.

The city and a local school district had set up a joint powers board to operate a swimming pool when a boiler repairman was severely injured in an accident. The court ruled that two separate tort liability claims could be filed against the city and the school district, as opposed to just one claim against the joint powers board as a single entity. Effective May 25, 2006, the law makes it so that only one claim can be filed against a joint venture or enterprise. (Sec. 3)

The law also raises caps on liability damages awarded in lawsuits involving the state and/or municipal governments as follows:

- For single claims against the state involving death by wrongful act or omission, the damage cap is raised from \$300,000 to \$400,000 Jan. 1, 2008, and to \$500,000 July 1, 2009;
- For multiple claims brought against the state, the cap is raised from \$1 million to \$1.2 million Jan. 1, 2008, and to \$1.5 million July 1, 2009 (Sec. 1);
- For single claims brought against municipalities involving death by wrongful act or omission, the cap is raised from \$300,000 to \$400,000 Jan. 1, 2008, and to \$500,000 July 1, 2009; and
- For multiple claims brought against municipalities, the cap is raised from \$1 million to \$1.2 million Jan. 1, 2008, and to \$1.5 million July 1, 2009 (Sec. 2).
   HF3079\*/SF2648/CH232

#### Medical personnel not liable

Medical personnel will not be held civilly liable for the conduct of a prisoner or a civilly committed person, once released, related to the use or nonuse of medicines they may have prescribed during their confinement. The new law also applies to people who serve, without compensation, on boards of directors of a facility where prescriptions may be prescribed.

The limitation on liability applies from the date of release from confinement until the person is scheduled to receive new medicine prescribed after release.

26 New Laws

Rep. Mindy Greiling (DFL-Roseville) and Sen. Don Betzold (DFL-Fridley), sponsor the new law, most of which takes effect Aug. 1, 2006.

HF1106/SF1040\*/CH266

★

# LOCAL GOVERNMENT

#### Appointed county positions

Carver County can now follow the actions of 24 other counties in the state, and change some previously elected county positions to appointed.

A new law gives the county authority to make the auditor, treasurer and recorder positions appointed rather than elected. It also provides for a current officeholder to complete the elected term before the office is made appointive. For enactment, it is subject to a four-fifths vote of the county board and is subject to reverse referendum.

Rep. Paul Kohls (R-Victoria) and Sen. Julianne Ortman (R-Chanhassen) sponsor the law.

HF3263/SF1878\*/CH173

### Authority membership expansion

Effective Aug. 1, 2006, a new law adds two members to the Swift County Rural Development Finance Authority.

Sponsored by Rep. Aaron Peterson (DFL-Madison) and Sen. Gary Kubly (DFL-Granite Falls), the law stipulates that the authority's membership be increased from seven to nine. It also increases from two to four members that must represent various county-based economic development organizations or be at-large. No more than three members may reside in any one county commissioner district, up from the previous two.

HF2645\*/SF2622/CH184

#### No fees on college students

Sponsored by Rep. Marty Seifert (R-Marshall) and Sen. David Senjem (R-Rochester), a new law, effective April 28, 2006, makes it illegal for local governments to assess fees and/or similar charges to either: (1) students, based on their status as postsecondary students; or (2) postsecondary educational institutions, based on the number of students they have enrolled.

Seifert said that although no governments currently impose such fees, there was a real danger they might do so in the future.

"I think it's important to pass this now before anyone starts doing it," Seifert said. He mentioned that a St. Paul City Council member had recently proposed a per-person fee against all college students living within city limits.

HF3169\*/SF3254/CH185

#### **Drainage system fee authorized**

A new law permits Red Lake and Pennington counties to set up a joint board to establish a fee for use of a Red Lake drainage ditch originating in Pennington County.

The law allows the two counties to work out an agreement to assess a fee to help pay for cleaning and improving the ditch. Sponsored by Rep. Bernie Lieder (DFL-Crookston) and Sen. LeRoy Stumpf (DFL-Plummer), it is effective May 6, 2006.

"What happens, because of this established drainage ditch, and it's in two counties, they want to have a ditch clean-out or improvement and they can't do that. They can't assess the ditch cost back in the other county unless they get a joint agreement. This allows them to assess those costs back onto the ditch system," Lieder said.

Lieder said the counties approached him about passing the legislation.

HF1480\*/SF1364/CH186

#### **Met Council powers repealed**

The Metropolitan Council no longer reviews capital improvement plans for school districts, and a new law ensures that in state statutes.

"In 2003, we took away the Met Council's authority to review school district capital improvement plans, and this is remnant language that was discovered recently and needs to be removed from the statutes," said Rep. Mary Liz Holberg (R-Lakeville), who sponsors the law with Sen. Chuck Wiger (DFL-North St. Paul). It takes effect Aug. 1, 2006.

HF3285\*/SF2929/CH194

#### Letters of credit deadline

Municipalities are required to release a letter of credit or other financial security within 30 days of the completion of a project by a builder or developer, under a new law that takes effect Aug. 1, 2006.

Sponsored by Rep. Larry Hosch (DFL-St. Joseph) and Sen. Sharon Marko (DFL-Cottage Grove), the law permits cities and townships to require developers to establish escrow accounts or other financial securities to reimburse them for direct costs related to the review and approval of projects. Upon completion of such projects, the municipalities have 30 days to release and return the letters of credit or financial securities. It also requires that the charge on any such securities be equal to the value of the professional services supplied to the municipality, and provides that municipalities failing to meet the 30-day deadline must pay any accrued interest to the developers.

Hosch said the provisions of the new law are already common practice. He added that it is supported by both the municipalities and the developers.

HF3477\*/SF3159/CH209

# Eminent domain use restricted

Local governments can no longer use powers of eminent domain to take private property for economic development purposes.

Sponsored by Rep. Jeff Johnson (R-Plymouth) and Sen. Tom M. Bakk (DFL-Cook), a new law states that eminent domain may only be used for a "public use or public purpose," which is defined to include only such things as the construction of parks, public utilities or other publicly-owned facilities, as well as the mitigation of blight and the remediation of environmentally contaminated areas.

It also specifically states that the public benefits of economic development, including "an increase in tax base, tax revenues, employment, or general economic health," do not constitute a public use or purpose.

The law was drafted as a response to a controversial 2005 U.S. Supreme Court decision. In *Kelo v. New London*, the court upheld the right of governments to take property from one private owner and transfer it to another private owner as long as the community as a whole benefits; however, the court's decision also recognized the right of states to restrict the use of eminent domain as they see fit.

Other provisions of the law include:

- courts may and in some cases, must

   award compensation for attorney fees, appraisals and other expenses to those whose property is the subject of eminent domain proceedings, under certain circumstances;
- public hearings must be held for all eminent domain takings involving blight mitigation or environmental remediation;
- "a preponderance of evidence" is now the evidentiary standard for eminent domain



PHOTO BY TOM OLMSCHEID

Jim and Beverly Meide of Champlin are afraid their home and several apartment buildings around them will be taken by the city to be developed into a park, marina and condos along the Mississippi River.

takings for blight or environmental contamination reasons; and

• property owners whose businesses are destroyed by an eminent domain taking must be compensated for loss of going concern.

Most of the law was effective May 20, 2006, but it provides some exceptions for tax increment financing districts and a few other situations.

HF2846/SF2750\*/CH214

#### **Grand Rapids bonds OK'd**

The city of Grand Rapids will be allowed to refinance bonds that it had issued for public utilities projects, under a new law.

Sponsored by Rep. Loren Solberg (DFL-Grand Rapids) and Sen. Tom Saxhaug (DFL-Grand Rapids), the law is effective upon local approval.

Solberg said city officials approached him about the idea of issuing general obligation bonds to refund outstanding revenue bonds in the hope of saving money on interest rates.

"It will give them an opportunity to save some interest rates on their revenue bonds that they have with the public utilities commission," he said.

HF3383\*/SF3148/CH216

#### Strip clubs undressed

Effective May 27, 2006, anyone who wants to open a strip club or similar establishment is required to give the appropriate local governing body 60 days' notice of their intent to do so.

Rep. Dean Urdahl (R-Grove City), who sponsors the law with Sen. Steve Dille (R-Dassel), said it was drafted in response to complaints that owners of strip clubs and similar adult-oriented businesses frequently mislead local officials as to what kind of establishment they intend to open.

In addition to the 60 days' notice requirement, the law also contains a number of other provisions that give municipal and county governments extra leverage against anyone looking to open a business that features live performances or depictions of sexually oriented material, including:

- local governments are not required to provide by zoning or otherwise for a location in which an adult entertainment establishment may be located if another one is within 50 miles;
- such establishments are prohibited from operating within 1,500 feet of another adult entertainment establishment, 500 feet of residential property or 2,800 feet of an elementary or secondary school, church, synagogue, mosque or other place of worship;
- such establishments that operate in a municipality that does not regulate hours of

operation may not be open for business before 10 a.m. or after 10 p.m. on Monday through Saturday, and may not be open for business on a Sunday or legal holiday;

- a person convicted of certain sex-related crimes may not operate or manage an adult business establishment for three years after discharge of the sentence for the offense; and
- local governments may choose to adopt their own set of rules and regulations on the subject, and may override state law to create ordinances that are either more or less restrictive as they see fit.

The law also contains a "findings" section that outlines a number of negative effects associated with adult entertainment establishments, including an increased criminal activity, prostitution, increased risks of communicable diseases and diminished property values.

HF3779\*/SF3394/CH240

#### **MAC gets a makeover**

A new law makes a number of changes to the terms, appointment and operations of the Metropolitan Airports Commission.

Sponsored by Rep. Michael Beard (R-Shakopee) and Sen. Ann Rest (DFL-New Hope), the law's changes include:

- stipulating that commissioners must have lived in their districts for at least six months at the time of their appointment;
- declaring the operation and maintenance of airports an "essential public service"; and
- mandating the disclosure of airport zoning restrictions in certain real estate transfers. Beard said the law's provisions are based, in

part, on a 2001 report from the Office of the Legislative Auditor that recommends increasing accountability of the commissioners.

The law also makes municipalities ineligible for assistance from the State Airports Fund if the fund commissioner finds they have adopted comprehensive plans that are incompatible with the state aviation plan.

Additionally, it makes minor changes in the terms and conditions by which the commission must make its annual report to the Legislature.

HF2086/SF1940\*/CH261

#### **New land dedication standards**

A new law requires that when municipalities require developers to pay a fee or dedicate land for parks and recreation use, the portion of the land to be dedicated must be based on the amount of "buildable land," as defined by municipal ordinance. Sponsored by Rep. Bruce Anderson (R-Buffalo Township) and Sen. Betsy Wergin (R-Princeton), the law also requires municipalities that adopt ordinances requiring a dedication of land or payment of fee in lieu of such dedication to adopt a capital improvements budget with a parks and open space component.

In establishing the portion of land to be dedicated or preserved, municipalities must give due consideration to the open space, recreational or common areas and facilities open to the public that a developer proposes to reserve for the subdivision in question. Cash payments received in lieu of land dedication must be used only for parks or other recreational or public facilities. This section is effective Aug. 1, 2006.

The law also allows the Minneapolis City Council and the Minneapolis Parks and Recreation Board to jointly impose a park dedication fee on all new housing units within city limits. This section is effective upon local approval of the Minneapolis authorities.

HF3451\*/SF2933/CH269

#### **Annexation laws modified**

A new law aims to help solve border disputes by balancing the interests of cities and townships in the state's annexation laws.

The law makes a number of changes to the current annexation statutes, and also lays the groundwork for more extensive changes by establishing a "municipal boundary adjustment task force" that will look deeper into the issue. Representatives of city and township interests and legislators will comprise the group, which will report its findings and recommendations to the Legislature by Jan. 1, 2007.

Some of the changes made include:

- requiring 30 days' notice by a city before annexing a township;
- requiring townships that intend to incorporate give 30 days' notice to all adjacent cities and towns;
- requiring cities and townships involved in orderly annexation agreements to hold a joint informational hearing and publicize the date, time and place of the meeting at least 10 days before it is held;
- expanding the acreage limit for annexation by ordinance by property owner's petition from 60 acres to 120 acres;
- prohibiting property owners from petitioning more than once a year to annex parcels of land that are contiguous to previously annexed parcels;
- requiring cities to reimburse townships for special assessments and debt assigned to annexed property;
- requiring that a property owner who wishes

to detach his land from one city and annex to another get the consent of both cities; and

 allowing cities to enter into orderly annexation agreements with counties for areas that have no organized township government.

Originally included in a bill sponsored by Rep. Mark Olson (R-Big Lake) and Sen. Linda Higgins (DFL-Mpls), the provisions of the new law were amended onto another bill, sponsored by Rep. Laura Brod (R-New Prague) and Sen. David Senjem (R-Rochester), which dealt with county and municipal zoning regulations.

#### **Zoning provisions modified**

The new law also modifies municipal and county planning and zoning provisions by providing standards for preliminary plat approval in a proposed development and clarifying restrictions on nonconforming use of certain kinds of properties.

Effective Aug. 1, 2006, a county or city is required to approve a preliminary plat that meets the county's or city's zoning and subdivision regulations, standards and criteria — unless the county or city adopts written findings, based on the public record, as to why the application should not be approved.

Effective retroactively from Aug. 1, 2004, legal nonconforming use of certain classes of property — homestead and non-homestead residential real estate and seasonal residential real estate occupied for recreational purposes — may be continued except in certain circumstances when the nonconformity or occupancy is discontinued for a period of more than one year or any nonconforming building or structure is destroyed to the extent of 50 percent of its market value.

HF3302\*/SF2934/CH270

#### **Aitkin County powers limited**

A group of lakefront property owners in Aitkin County may be able to keep their docks right where they are, thanks to a new law.

Sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center) and Sen. Linda Scheid (DFL-Brooklyn Park), the law repeals a 1988 special law that authorized Aitkin County to regulate a number of land parcels that a private property owner donated for "public use" in his will.

Because it was not clear who owns the property, the parcels went unregulated for many years. But many homeowners with property near Lake Minnewawa built docks for their own private use on land that was technically part of this "public" property. When the county decided to start regulating these lands a few years ago, property owners who had been using these docks for decades were suddenly told they no longer had a right to do so.

The law, which is effective upon compliance by local authorities, will allow those individuals to keep their docks and other facilities by permitting cities and townships in Aitkin County to regulate these lands with their own ordinances.

HF3452/SF2635\*/CH272

# 'Piggybacking' road projects, bridge repair

A new law is designed to save townships money by allowing them to "piggyback" onto county road construction projects.

Sponsored by Rep. Sondra Erickson (R-Princeton) and Sen. Steve Murphy (DFL-Red Wing), the law allows townships to contract for road construction without competitive bidding, under certain circumstances. For example, if a county builds a road through or near a township that is itself in need of new roads or road maintenance, the township would be able to "piggyback" onto the county's project by simply agreeing to the same terms and conditions that were agreed upon by the county and vendor.

Previously, townships were forbidden by law to contract with vendors without first setting up a joint powers agreement or carrying out a competitive bid process. The law will allow townships to save the costs associated with seeking out and finding a vendor of their own. It is effective Aug. 1, 2006.

Also included in the law is a provision that modifies the requirements for townships to receive state aid to pay for repairs and maintenance on bridges. Effective July 1, 2006, for a town to qualify for aid to cover 100 percent of engineering costs, its net tax capacity must be \$300,000 or less. Previous law set the cap at \$200,000.

HF2677\*/SF2602/CH274

# $\star \frac{\text{RECREATION}}{1}$

#### **Boathouse repair**

The owners of boathouses on public waters can now apply to the Department of Natural Resources for a permit to renovate or replace those structures. The permit is also subject to approval by the local governmental unit.

A new law, effective April 21, 2006, allows restoration or replacement of existing boathouses. Additionally, boathouses can be extended in height by 1 foot, although not enlarged in area. Owners can replace the No new boathouses have been allowed on public waters since 1997, when owners were also prohibited from maintaining more than 50 percent of an existing structure in any given year.

Rep. David Dill (DFL-Crane Lake) and Sen. Thomas Bakk (DFL-Cook) sponsor the law. HF2994\*/SF2736/CH180

# Park name change confirmed

When the Hennepin County Park Reserve District had its name changed in state statute last year to the "Three Rivers Park District," the Legislature forgot to change it in another part of state statute.

Effective Aug. 1, 2006, a new law, sponsored by Rep. Joe Hoppe (R-Chaska) and Sen. Ann Rest (DFL-New Hope), finalizes the park district's name change as far as state law is concerned.

"This is an addendum to the bill that we passed last year changing the name 'Hennepin Parks' to 'Three Rivers Parks' in statute," Hoppe said. "The bill passed unanimously last year; this was just overlooked. All we're doing is changing this one last place in statute."

HF3142\*/SF2754/CH187

#### **Golf carts on trailers**

A new law adds motorized golf carts to the list of vehicles permitted to be pulled by a recreational vehicle combination, said House sponsor Rep. Al Juhnke (DFL-Willmar).

According to nonpartisan House Research, a recreational vehicle combination consists of a truck attached via a fifth-wheel to a campersemi trailer that is towing a trailer with certain types of vehicles on it. The Senate sponsor is Majority Leader Dean Johnson (DFL-Willmar).

Juhnke said the issue was brought to his attention by a disabled constituent who uses a golf cart to move about at parks and recreation areas. The constituent went to renew his trailer license and was told it was not legal to pull the golf cart with a fifth-wheel trailer.

Other vehicles currently legal to be pulled include snowmobiles, boats and watercraft. HF3472\*/SF3083/CH231

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#### A return to outdoor baseball

A law signed by Gov. Tim Pawlenty during a Minnesota Twins pregame ceremony at the Metrodome, provides that the team will leave the domed facility, likely in time for the 2010 season. Rep. Brad Finstad (R-Comfrey) and Sen. Steve Kelley (DFL-Hopkins) sponsored the legislation, which mainly provides for the financing, construction, operation and maintenance of a 42,000-seat, open-air ballpark for the Twins on the western edge of downtown Minneapolis. The law declares that "government assistance to facilitate the presence of Major League Baseball provides to the state of Minnesota and its citizens highly valued intangible benefits that are virtually impossible to quantify..."

The ballpark's steel components are to be American made. If grant funds are sufficient, the ballpark is to be "architecturally significant" and have an environmental design that is sufficient for certification by the U.S. Green Building Council. It is to be a non-smoking facility.

The law is effective July 1, 2006, unless otherwise noted.

HF2480\*/SF2297/CH257

#### Financing

The ballpark project's total estimated cost is \$522 million. The amount the county may grant or expend for the project is not to exceed \$260 million for the ballpark and \$90 million for land, site improvements and public infrastructure. The county is also to contribute \$1 million per year to a capital improvement reserve fund.

A 0.15 percent general sales and use tax increase imposed without referendum in Hennepin County for up to 30 years will allow the county to finance its share of the project with revenue bonds. It may also accept donations and contributions. (Sec. 12)

The Twins must contribute \$130 million toward ballpark costs and \$1 million per year to a capital improvement reserve fund. They must pay \$45 million at the start of the project. The remaining \$85 million and any ballpark cost overruns are due at the end of the project. (Sec. 14)

The state will allow that all construction materials consumed on the development site be purchased tax-exempt. The tax savings are estimated at \$10.3 million through 2009. (Sec. 3)

#### Minnesota Ballpark Authority

To oversee the construction and maintenance of the new ballpark and enter into the necessary contracts, including the lease of the facility to the Twins, the law creates a five-member Minnesota Ballpark Authority.

Membership is by appointment of the governor, the Hennepin County board and the governing body of Minneapolis. As a public body, the authority's meetings are to be open. Information about its activities and information about how to contact its members are to

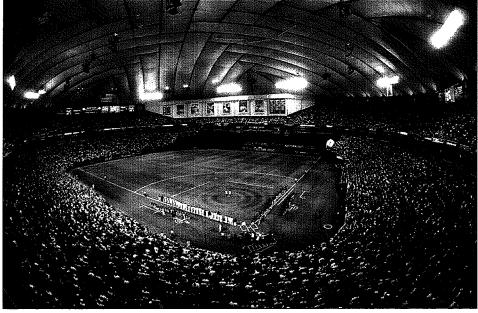


PHOTO BY TOM OLMSCHEID

The Minnesota Twins line-up on the Hubert H. Humphrey Metrodome field to open the 2006 home season.

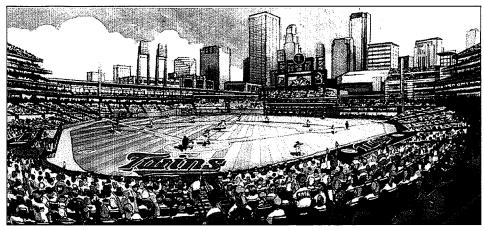


ILLUSTRATION COURTESY OF THE MINNESOTA TWINS

A new law establishes a way to pay for a new 42,000-seat, open-air ballpark to house the Minnesota Twins shown here in an artists' rendering. The law includes a sales and use tax increase in Hennepin County, without voter approval.

be made available to the public on a Web site created for that purpose by the authority.

Before ballpark construction begins, the authority must determine that all public and private funding sources for project are included in written agreements. The committed funds must be adequate to design, construct, furnish and equip the ballpark. The authority may also accept contributions toward the project. (Secs. 10-11)

### **Hennepin County**

The county is authorized to acquire the necessary land for the project and to dispose of any excess land acquired in the process. The county may review and approve ballpark designs and plans. Public infrastructure designs must optimize area transit and bicycle opportunities, including connections to existing trails, as determined by the county board.

The county may also spend up to \$4 million annually, increased by up to 1.5 percent each year, to fund youth activities and amateur sports within the county. An equal amount is to be spent to extend the hours of operation of Hennepin County libraries and Minneapolis public libraries. This funding is not to supplant ordinary funding to these programs. (Sec. 12)

#### **Minnesota Twins**

The Twins must enter into a lease or use agreement of at least 30 years with the authority for its use of the ballpark, which must include terms for default, termination and breach of the agreement. The team must agree to play all regularly scheduled and postseason home games at the ballpark. Preseason games may also be scheduled and played at the ballpark.

Until 30 years from the date of ballpark completion, the Twins must provide 90 days written notice to the authority of any action, including any action imposed upon the team by Major League Baseball, which would result in a breach or default of provisions of the lease or use agreements.

The Twins must provide the authority access to its annual audited financial statements and other financial books and records that the authority deems necessary to determine if the team is in compliance with the terms of any lease or use agreements. However, any such financial information obtained by the authority is nonpublic data.

The Twins are also to provide \$250,000 annually for youth and amateur sports. (Sec. 14)

#### State Asset

The law provides that the citizens of Minnesota may someday acquire ownership of the team.

Subject to the rules of Major League Baseball, Minnesota's governor and the Metropolitan Sports Facilities Commission are to facilitate the formation of a corporation to acquire the Twins, if the team is on the market. The law provides for the corporation's capital structure and states that the corporation may not move the team outside of the state or agree to voluntary contraction by the league without approval of at least 75 percent of the shares of common stock and at least 75 percent of the shares of preferred stock.

If the current owner plans to sell the franchise, he must offer the corporation a right of first refusal to purchase the team at the same price and upon the same terms and conditions as are contemplated in the intended sale.

The law also provides that if the intended sale goes forward, a portion of the sale price must be paid to the authority and deposited in a reserve fund. The portion required is 18 percent of the gross sale price, declining by 1.8 percent per year after the ballpark's construction commences. This mandate is suspended if the intended sale is to members of the owner's family and entities and trusts beneficially owned by family members.

Should the franchise contract or relocate, it must transfer ownership of the Minnesota Twins' heritage and records, including the name, logo, colors, history, playing records, trophies and memorabilia to the state of Minnesota. (Secs. 14, 18)

# Minnesota Sports Facilities Commission/ Metrodome

Founded in 1977 to oversee the construction and operation of the Hubert H. Humphrey Metrodome, the Minnesota Sports Facilities Commission will lend \$300,000 from its cash reserves to Hennepin County by Jan. 1, 2007, for preliminary ballpark and public infrastructure costs. This amount is to be repaid to the commission by the county from collections of the sales and use tax. The commission may also authorize technical, professional or financial assistance to the county and Minnesota Ballpark Authority for the development and operation of the ballpark according to agreements between the county or authority and the commission.

Prior to the eventual sale of the Metrodome, the commission will transfer \$5 million from its cash reserves to the city of Minneapolis for future infrastructure costs at the Metrodome site.

Upon the sale of the Metrodome, the commission will transfer \$5 million to the county for ballpark capital improvement reserves. Any remaining proceeds are to be used in financing a future stadium for the Minnesota Vikings. (Secs. 15, 22)

# Taxes

While subject to special assessments, the site is exempt from property taxes. Tickets for events at the ballpark are subject to all regular sales and use taxes imposed within the jurisdiction, including the 3 percent Minneapolis admissions and amusement tax, but no new or additional taxes may be imposed only and specifically on admissions to baseball events. (Secs. 8, 17)

# **Employment**

In both the construction and operation of the ballpark, the Minnesota Ballpark Authority must make good faith efforts to have entry-level middle management and upper management staffed by minority and female employees, to employ women and members of minority communities, to utilize minority and female-owned businesses in Hennepin County and to use vendors of goods and services provided by minority and female-owned businesses from Hennepin County.

The authority must contract with an employment assistance firm, preferably minority owned, to create an employment program to recruit, hire and retain minorities to work at the ballpark and is required to hold a job fair and recruit and advertise with Minneapolis Urban League, Sabathani, American Indian Opportunities Industrial Centers, YouthBuild and other such organizations. It must report to the attorney general on the efforts it makes in carrying out these mandates.

The authority must also negotiate a public sector project labor agreement or other agreement to prevent strikes and lockouts that would impede construction of the ballpark and related facilities and will enter into an agreement with the city of Minneapolis regarding traffic control for the ballpark. (Secs. 9, 11)

# **Environmental Impact Statement**

An environmental impact statement (EIS) must be submitted by Hennepin County. An EIS contains four parts: a statement of purpose and need of the proposed action; a description of the affected environment; a range of alternatives to the proposed action; and an analysis of the environmental impacts of each of the possible alternatives. The EIS will be open to public review and comment and must be deemed adequate before construction begins on the ballpark's foundation. (Sec. 13)

# Anoka County football stadium

Described by several legislators as "placeholder language," the law sets the stage for a new Vikings' stadium by providing that representatives of Anoka County and the team negotiate an agreement for the development and financing of a stadium that meet the requirements of the National Football League. The future stadium must have a retractable roof and must be located in Blaine. A report on the agreement must be presented to the Legislature by Jan. 15, 2007.

Contingent on future action taken by the Legislature regarding the stadium agreement, Anoka County may impose — without a referendum — a countywide, general sales and use tax of up to 0.75 percent to help finance the stadium. The tax imposed must end after the bonds issued to pay for the stadium have been redeemed. (Secs. 20-21)

# **Minnesota State High School League**

Tickets or admissions to games, events and activities sponsored by the Minnesota State High School League are exempt from state and local sales taxes from July 1, 2006, through June 30, 2011.

Beginning July 1, 2007, the league must annually determine the sales tax savings attributable to the exemption and transfer that amount to a nonprofit charitable foundation created for the purpose of promoting high school extracurricular activities. The foundation will use the money to make grants to fund, assist, recognize or promote high school students' participation in extracurricular activities. The first priority for funding will be grants for scholarships to individuals to offset athletic fees. As far as is feasible, the foundation must equitably award grants based on considerations of gender balance, school size and geographic location. (Sec. 19)

# RETIREMENT

# **Public employee pensions**

A new law makes changes to the retirement plans of public employees, including the Minnesota State Retirement System (MSRS), Public Employees Retirement Association (PERA) and Minneapolis Employees Retirement Fund.

Sponsored by Rep. Steve Smith (R-Mound) and Sen. Larry Pogemiller (DFL-Mpls), the law represents the work of the Legislative Commission on Pensions and Retirement. Smith said it takes steps to decrease the funding liability problems in the state's public pension plans; makes minor changes to the plan structures; recodifies and updates certain areas; and makes small, one-person policy changes.

Among the law's various provisions:

- incrementally and by July 1, 2010, employee and employer contributions to the MSRS general plan will both increase from 4 percent to 5 percent;
- incrementally and by July 1, 2010, employee contributions to the MSRS correctional plan will increase from 5.69 percent to 8.6 percent of salary, while employer contributions will increase from 7.98 percent to 12 percent;
- incrementally and by July 1, 2010, employee contributions to the MSRS State Patrol plan will increase from 8.4 percent to 10.4 percent of salary, while employer contributions will increase from 12.6 percent to 15.6 percent;
- employee contributions to the MSRS unclassified plan will remain at the current rate of 4 percent of salary; and
- more than 100 employees in specified positions will switch from the MSRS general plan to the MSRS correctional plan.

Other articles in the law, which has various effective dates, include PERA administrative changes, privatization retirement coverage for certain hospital employees, Social Security coverage for certain elected officials who participate in the PERA plan.

HF2362/SF2239\*/CH271

# **Teachers' pensions merged**

The Minneapolis Teachers' Retirement Fund Association (MTRFA) will be merged into the Teachers Retirement Association

#### (TRA), under a new law.

Sponsored by Rep. Dennis Ozment (R-Rosemount) and Sen. Larry Pogemiller (DFL-Mpls), the law transfers the membership, service credit, records, obligations, assets and allocated state aid from the Minneapolis fund — which has experienced financial difficulties and incurred a large debt — to the state fund.

The MTRFA ceased to exist as of June 30, 2006, and as of July 1, 2006, the employees of the MTRFA became employees of the TRA. They will remain so until until Dec. 31, 2007.

Effective July 1, 2006, the retirement plan contributions of both teachers and their respective school districts increase by 0.5 percent each. Also, for service after July 1, 2006, the formula used to calculate TRA benefits increases in most cases from 1.7 percent to 1.9 percent of high-five salary for each year of service.

In addition, a 5 percent per year cap on postretirement benefit adjustments is placed on all state-operated pension funds as well as the St. Paul Teachers Retirement Fund. This section is effective July 1, 2010.

### State board changes

A section of the law provides that most appropriations for the Minnesota State Board of Investment will be paid directly by pension rather than making a General Fund appropriation and then billing pension funds to recover the appropriation. It also requires the executive director to prepare and submit biennial and annual budgets to the board and the Department of Finance. This section is effective July 1, 2006.

### Studies on public pensions

Also included in the law are provisions directing the Legislative Commission on Pensions and Retirement to conduct two studies: one comparing Minnesota's teacher retirement plans to those of other states, and one evaluating the structure of the state's retirement investment funds. The commission is to report back to the Legislature on the findings of both studies by Dec. 1, 2006. This section is effective May 27, 2006.

HF1120/SF1057\*/CH277



### **EMT certification**

EMT training programs need to maintain an average yearly pass rate on state certification exams, under a new law sponsored by Rep. Duke Powell (R-Burnsville) and Sen. Gary Kubly (DFL-Granite Falls). It takes effect Aug. 1, 2006.

A program not meeting the yearly standard

will be placed on probation and shall be on a performance improvement plan approved by the Emergency Medical Services Regulatory Board. If a program still fails to pass standards it could face disciplinary action.

Powell said the lack of certified EMTs in Greater Minnesota is a problem because emergency medical professionals choose not to work in rural areas.

HF2731/SF2621\*/CH177

#### **Volunteer firefighters**

Rep. Tom Rukuvina (DFL-Virginia) said the lack of Minnesota volunteer firefighters is a problem, especially in Greater Minnesota.

However, a new law hopes to reverse that trend.

Effective Aug. 1, 2006, it requires the commissioner of public safety to coordinate a task force to study the recruitment and retention of volunteer firefighters, ambulance personnel and emergency responders. A report is due to the commissioner by Dec. 15, 2006.

Rukavina and Sen. David Tomassoni (DFL-Chisholm) are the sponsors.

HF2788/SF2832\*/CH179

#### Hearts and bones donations needed

A minimum of 30 minutes of teaching related to organ and tissue donations will be required as part of Minnesota's driver education curriculum. Although the law is effective Aug. 1, 2006, the instruction does not become mandatory until Jan. 1, 2007. It applies to public schools, private schools and commercial drivers training schools.

Rep. Michael Paymar (DFL-St. Paul), who sponsored the law with Sen. Chuck Wiger (DFL-North St. Paul), said it is an opportunity to give the gift of life. He said more than 2,000 Minnesotans are waiting for an organ transplant.

Previous law only required that students be informed of their option to donate, and any additional information was voluntary.

Organs and tissues that can be donated include: heart, lungs, kidneys, pancreas, liver, intestines, corneas, skin, veins, tendons, bones, bone marrow, heart valves and connective tissues.

HF3401/SF2646\*/CH192

#### **Headsets allowed**

A new law creates an exception for firefighters operating emergency vehicles to wear headsets.

Rep. Fran Bradley (R-Rochester) sponsored the law with Sen. David Senjem (R-Rochester).

Supporters said the headsets are needed so firefighters can communicate with one another when a siren is going, that the use of headsets helps prevent hearing loss and they allow others in the vehicle to warn the truck driver of oncoming traffic.



PHOTO BY TOM OLMSCHEID

Mounds Park Academy seniors Rachel Payne, *left*, and Christopher Staral testify before the House Transportation Committee in support of a bill that would require organ and tissue donation information to be included in a driver's education curriculum. Current law states, "No person, while operating a motor vehicle, shall wear headphones or earphones which are used in both ears simultaneously for purposes of receiving or listening to broadcasts or reproductions from radios, tape decks, or other sound-producing or transmitting devices."

The law takes effect Aug. 1, 2006. HF2697\*/SF2474/CH208

# **Fire safety funding**

A new law moves a current fire tax placed on insurers to a 0.65 percent tax surcharge on homeowner's and commercial insurance policies that provide fire and non-liability insurance protection.

The taxes collected are now deposited in the General Fund.

The surcharge has not been increased since 1935, and Rep. Steve Smith (R-Mound), who sponsors the law with Sen. Ann Rest (DFL-New Hope), said it will amount to a penny per day for the average homeowner with an \$800 annual premium.

The law creates a Fire Safety Account to finance the State Fire Marshal Division of the Department of Public Safety which in recent years, according to Smith, has had to lay off four arson investigators, nine fire safety inspectors and all fire code specialists.

The funding will also provide state support for the \$26 million annual training costs for local fire departments and will provide reliable funding for hazardous materials teams that help with things like train derailments, methamphetamine lab cleanups and other explosive emergencies.

While the current tax is hidden, the surcharge must be separately stated on a billing or policy declaration sent to the insured party. The surcharge would begin when the law takes effect on July 1, 2007.

HF2916\*/SF2941/CH217

#### **Public safety provisions**

The omnibus public safety law contains all or parts of more than 50 other bills heard during the 2006 session.

Among the topics addressed in the law, sponsored by Rep. Steve Smith (R-Mound) and Sen. Jane Ranum (DFL-Mpls), are sentencing provisions, public safety policy, emergency communications, cell phone use by teenage drivers, counterfeiting money and the mandatory use of carbon monoxide detectors.

The following are select provisions of the law, effective Aug 1, 2006, unless otherwise noted. HF2656\*/SF2633/CH260

HF2656^/SF2633/CH260

#### **Criminal and sentencing provisions**

A new device on the market that allows people to get drunk quicker will be banned in Minnesota. An alcohol without liquid device mixes an alcoholic beverage with pure or diluted oxygen to create a vapor that can be inhaled. Under the law, a person or business that possesses, purchases, sells, offers to sell or uses a device is guilty of a misdemeanor. This comes from HF3336/SF3256, sponsored by Rep. Morrie Lanning (R-Moorhead) and Ranum. (Art. 1, Sec. 4)

A person who houses a regulated animal as defined in state statute, such as a lion, tiger, bear, cougar, cheetah, leopard or a non-human primate, must post a sign on the premises indicating that a regulated animal is present. The law requires the word "dangerous" be added to the wording. Further, the owner of such an animal must notify the local animal control authority when there is change of where the animal is kept. Under the law, the notification form "must be prepared by the Minnesota Animal Control Association and approved by the Board of Animal Health."

The crime of negligent control or confinement of a regulated animal where the lack of control or confinement results in bodily harm to a human is created. The penalty ranges from a misdemeanor to a felony depending on the severity of such injuries. These provisions come from HF3119/SF2373, sponsored by Rep. Joe Hoppe (R-Chaska) and Sen. Don Betzold (DFL-Fridley). (Art. 1, Secs. 5-9)

The law amends the Order for Protection statute by adding a 10-year look back period from the time of conviction. Juvenile adjudications will now be counted along with adult convictions when determining repeat violations.

A person who knowingly violates a domestic abuse no contact order within 10 years of a previous qualified domestic violence-related offense conviction or adjudication of delinquency is guilty of a gross misdemeanor.

Further, violations of domestic abuse no contact orders and interference with an emergency call are added to the list of offenses that constitute a qualified domestic violencerelated offense.

The gross misdemeanor penalty for fifthdegree assault is amended to add a 10-year look back period dating from the time of conviction when the previous offense had the same victim and adding a three-year look back period dating from the time of conviction for any previous qualified domestic violencerelated offense. The felony penalty for fifthdegree assault adds a 10-year look back from the time of conviction.

The statute relating to a gross misdemeanor domestic assault adds a 10-year look back period dating from the time of conviction. At the felony level, the requirement that an assault be against the same victim of at least two previous qualified domestic violence-related offense convictions is eliminated. These provisions come from HF3091/SF2911, sponsored by Rep. Doug Meslow (R-White Bear Lake) and Ranum. (Art. 1, Secs. 10-12, 16-19)

A person who assaults an animal control officer engaged in the performance of his or her duty is guilty of a gross misdemeanor. This comes from HF2692/SF2755, sponsored by Rep. Joe Mullery (DFL-Mpls) and Sen. Wes Skoglund (DFL-Mpls). (Art. 1, Sec. 15)

A penalty of up to 20 years in prison and a \$40,000 fine is created for trafficking of a person under age 18. Previous law made no age distinction. A potential 15-year imprisonment/\$30,000 fine for trafficking those at least 18 years old remains. Also, a penalty of up to 10 years in prison and a \$20,000 fine is created for a person who unlawfully conducts themselves with respect to documents in the furtherance of labor or sex trafficking if the victim is a minor. In other cases, a potential 5-year imprisonment/\$10,000 fine remains. The provisions come from HF3244/SF2870, sponsored by Rep. Kathy Tingelstad (R-Andover) and Sen. Sandy Pappas (DFL-St. Paul). (Art. 1, Secs. 20-21)

The law recodifies the patterned sex offender sentencing law so that mandatory sentences are provided for certain patterned and predatory sex offenders, even when there is no prior conviction if, for example, a "factfinder determines the offender is a danger to public safety and if the offender's criminal sexual behavior is so engrained that the risk of reoffending is great without intensive psychotherapeutic intervention or other long-term treatment or supervision extending beyond the presumptive term of imprisonment and supervised release." This comes from HF3540/SF3226, sponsored by Meslow and Ranum. (Art. 1, Sec. 22)

A crime of manufacturing or printing currency with the intent to defraud is established. Also created are crimes for possessing or using counterfeiting devices with the intent to defraud and issuing or using counterfeit currency with intent to defraud. Violators could receive up to 20 years in prison and be fined \$100,000. This comes from HF3506/SF2963, sponsored by Rep. Kurt Zellers (R-Maple Grove) and Sen. Satveer Chaudhary (DFL-Fridley). (Art. 1, Secs. 27, 40)

The law contains a handful of provisions relating to computer crimes, including the criminal use of encryption to commit or conceal a crime or the identity of the perpetrator, or to disrupt the normal operation of a computer. It also imposes a gross misdemeanor if a person knows or has reason to know that by facilitating access to a system they are aiding another who intends to and commits a crime. The provisions come from HF3308/SF3117, sponsored by Smith and Sen. Betsy Wergin (R-Princeton). (Art. 1, Secs. 30-37)

A five-year conditional release period, to run concurrently with a supervised release term, must be applied by courts when sentencing offenders to prison based on a conviction for disseminating or possessing child pornography or using minors in sexual performance. If the person has previous sex offense convictions, the release period will be 10 years. This comes from HF2837/SF2380, sponsored by Rep. Debra Hilstrom (DFL-Brooklyn Center) and Ranum. (Art. 1, Secs. 38-39)

#### Controlled substances and traffic safety

The definition of reckless driving is expanded to include racing, no matter if the speed exceeds the maximum set for the roadway. This comes from HF3521/SF2982, sponsored by Rep. Lloyd Cybart (R-Apple Valley) and Sen. Steve Murphy (DFL-Red Wing). (Art. 2, Sec. 1)

A number of provisions from a DWI Task Force are included in the law. For example, the definition of driving while impaired will include the metabolites of controlled substances, and the consecutive sentencing provision does not apply when a person is sentenced for a felony level DWI offense. The provisions come from HF3647/SF3517, sponsored by Meslow and Sen. Leo Foley (DFL-Coon Rapids). (Art. 2, Secs. 2, 4-14 and 20)

Additionally, the criminal penalty for a DWI will be enhanced if a person has a prior conviction for criminal vehicular homicide involving impaired driving. Rep. Scott Newman (R-Hutchinson) and Ranum offered this provision as HF3808/SF3374. (Art. 2, Sec. 3)

A provisional license holder who is caught talking on a cell phone while driving will be guilty of a petty misdemeanor. This also applies to a person under age 18 with an instruction permit. These are effective June 1, 2006, and come from HF2954/SF2774, sponsored by Smith and Sen. Gen Olson (R-Minnetrista). (Art. 2, Secs. 15-16)

# **Public safety policy**

Effective July 1, 2006, the governor's office is permitted to conduct background checks on governor's residence employees and gubernatorial executive branch appointments. This comes from HF3433/SF3100, sponsored by Rep. Jeff Johnson (R-Plymouth) and Sen. Thomas Neuville (R-Northfield). (Art. 3, Sec. 1)

In an effort to get public safety officers to seek peer counseling, confidentiality protections are extended to comments made by peace officers during one-on-one peer counseling, beginning July 1, 2006. Previously, just comments made during post-traumatic event group debriefings were protected. This comes from HF2775/SF2539, sponsored by Rep. Tony Cornish (R-Good Thunder) and Sen. Mike McGinn (R-Eagan). (Art. 3, Sec. 6)

Starting July 1, 2006, schools, day cares or other entities that primarily educate or serve children will be required to notify parents when notified of a Level III predatory offender working or residing in the surrounding community if the offender is given access through their child to other children at the facility. This comes from HF4085/SF3748, sponsored by Rep. Sandra Peterson (DFL-New Hope) and Sen. Ann Rest (DFL-New Hope). (Art. 3, Sec. 11)

The Department of Public Safety must give local law enforcement agencies information about the best practices for handling death scene investigations, including any publications or training opportunities. Effective July 1, 2006, this is from HF3648/SF3192, sponsored by Meslow and Sen. Julianne Ortman (R-Chanhassen). (Art. 3, Sec. 12)

Effective July 1, 2006, the local law enforcement agency where a missing person was last seen is required to take a missing person report from an interested party. The agency where the person last resided will take the report if the last location cannot be determined. Additionally, the superintendent of the Bureau of Criminal Apprehension is to "develop a model policy to address law enforcement efforts and duties related to missing adults and provide training to local law enforcement agencies on this model policy." These provisions come from HF3645/SF3249, sponsored by Hilstrom and Ranum. (Art. 3, Secs. 16, 27)

Every single-family dwelling and every unit in a multi-family dwelling will be required to have an operational carbon monoxide detector on each level of the residence and within 10 feet of each sleeping room. The law takes effect Jan. 1, 2007, for newly constructed facilities in which permits were issued after that date; Aug. 1, 2008, for existing single family dwelling units; and Aug. 1, 2009, for all multi-family dwelling units. This comes from HF1337/SF1003, sponsored by Rep. Denny McNamara (R-Hastings) and Sen. Pat Pariseau (R-Farmington). (Art. 3, Secs. 20-21)

Beginning June 3, 2006, the way emergency responders and peace officers contact the state's organ procurement organization will change, in hopes of helping more people awaiting replacement organs.

Public safety officers are currently obligated to search gravely injured and deceased people at incident scenes for documentation indicating the person's willingness to be an organ donor. Found information is sent to hospital staff if the person is sent there, but no information is passed if the person is morgue-bound. Under the new law, if information is found the public safety personnel must contact their dispatcher who will then contact Lifesource, the state's federally designated management organization for organ transplant. This comes from HF2673/SF3604, sponsored by Rep. Phyllis Kahn (DFL-Mpls) and Sen. Linda Scheid (DFL-Brooklyn Park). (Art. 3, Sec. 22)

A prosecutor that chooses not to press charges or dismisses criminal charges must notify the victim of the criminal sexual conduct offense, beginning July 1, 2006. If a prosecutor dismisses the charges, a record of reason must be made. The law already is enforced in cases of domestic assault or harassment. This comes from HF3415/SF3102, sponsored by Meslow and Neuville. (Art. 3, Sec. 23)

A process is established, beginning July 1, 2006, for a person to appeal a state fire marshal decision to suspend, revoke or refuse to renew a fireworks operator certification. This includes a written appeal, and, if necessary, appealing to a district court. This comes from HF3413/SF3051, sponsored by Newman and Sen. Michelle Fischbach (R-Paynesville). (Art. 3, Sec. 24)

### Corrections

A person confined for 14 or more consecutive days in a facility operated, licensed or inspected by the Corrections Department must be screened for tuberculosis. Effective July 1, 2006, if an inmate refuses to be tested the corrections commissioner may order the inmate be tested. This provision comes from HF3338/SF3251, sponsored by Rep. Rob Eastlund (R-Isanti) and Ranum. (Art. 4, Sec. 2)

Beginning July 1, 2006, local correctional agencies will be permitted to impose a fee on all persons under the supervision of a local jail, regardless if a sentence has been imposed by a court. Previously, the person must have been sentenced before the fee could be imposed. This comes from HF3849/SF3577, sponsored by Hilstrom and Skoglund. (Art. 4, Sec. 13)

# Other provisions

The fine and penalty structure in Hennepin County District Court will be changed. Under current law, all fine and penalty revenue goes to the municipality or subdivision of government where the crime was committed. However, if the county attorney had charge of the prosecution all revenue goes to the county general fund. Beginning July 1, 2007, the municipality or subdivision of government will receive 80 percent of the revenue with the remaining 20 percent going to the state General Fund. If the county attorney had charge of the prosecution, all monies will go to the General Fund. This comes from HF3679/SF3466, sponsored by Rep. Keith Ellison (DFL-Mpls) and Ranum. (Art. 5, Sec. 31)

A domestic fatality review team pilot project in the fourth judicial district may be extended two years until Dec. 31, 2008, with a report due the Legislature by Jan. 15, 2009. The team examines deaths resulting from domestic violence in order to identify the circumstances that led to those homicides in hopes of improving identification, intervention and prevention efforts in similar cases. This section is effective June 2, 2006. It comes from HF3197/SF2818, sponsored by Smith and Skoglund. (Art. 5, Sec. 53)

Secondary public safety answering points are added to the 911 emergency communication system, effective July 1, 2006. According to the law, "'Secondary public safety answering point' means a communications facility that: (1) is operated on a 24-hour basis, in which a minimum of three public safety answering points (PSAP's) route calls for postdispatch or prearrival instructions, (2) receives calls directly from medical facilities to reduce call volume at the PSAP's, and (3) is able to receive 911 calls routed to it from a PSAP when the PSAP is unable to receive or answer 911 calls." This provision is from HF3645/SF3107, sponsored by Rep. Duke Powell (R-Burnsville) and Sen. Dallas Sams (DFL-Staples). (Art. 6, Sec. 2)

The law provides for an expedited court process so a person harmed by a fraudulent financing statement can challenge its validity and get a court determination on the validity. It also provides a civil cause of action against a person who files a fraudulent statement or files one for an improper purpose. Doing so will be a gross misdemeanor, unless it is done to "influence or otherwise tamper with a juror or a judicial proceeding or with intent to retaliate against a judicial officer, or a prosecutor, defense attorney, or officer of the court, because of that person's performance of official duties in connection with the judicial proceeding;" or a person commits the offense for a second time. In either case it becomes a felony. This comes from HF3526/SF3049, sponsored by Rep. Ray Vandeveer (R-Forest Lake) and Sen. John Hottinger (DFL-St. Peter) and is mostly effective July 1, 2006. The criminal provisions are effective Aug. 1, 2006. (Art. 7, Secs. 11-13)

# TAXES

#### **Omnibus tax law**

An omnibus tax law was one of the final pieces of legislation to pass in 2006.

It contains a number of provisions that range from tax credits for specific dairy operators and military personnel to federal conformity to local property tax levies.

Sponsored by Rep. Phil Krinkie (R-Lino Lakes) and Sen. Larry Pogemiller (DFL-Mpls) the law's provisions are effective July 1, 2006, unless otherwise noted.

Income and franchise tax provisions include refundable income tax credits for residents of Minnesota in active military service and deployed to certain areas after Sept. 11, 2001, and to cattle owners who have their herds tested for bovine tuberculosis. Also included are increased exemption amounts that benefit taxpayers who must pay an alternative minimum tax. (Art. 1)

Minnesota's income tax laws now conform to changes in the federal income tax law since April 15, 2005. The effects include raising Minnesota's standard deduction for married filers for tax years 2006 to 2008; an acceleration of capital expenditure deductions for companies providing energy and energy services to U.S. consumers; additional tax incentives for charitable contributions for hurricanes Katrina, Rita and Wilma relief and additional tax relief to victims of Katrina; a longer amortization of certain geological and geophysical costs as well as higher limits on some deductions and an additional income exception for major integrated oil companies; additions to taxable corporate income; changes to household income, which is used to compute the dependent care and K-12 education credit; changes to the federal earned-income tax credit; and changes to the federal definition of "qualified research expenses." These sections are effective the day after enactment. (Art. 2)

Existing local sales tax authorities for Hermantown, Winona and Worthington are modified, and new local sales taxes for Austin, Baxter, Brainerd and Owatonna are authorized. An exemption from sales tax materials used in the construction of a hydroelectric generating facility at St. Anthony Falls is included. These provisions have individual effective dates. (Art. 3)

Property tax features may provide some tax relief for farmers and military personnel. The limit for agricultural land value taxed in first tier is indexed to increase annually at the same rate as the statewide average agricultural land value increase, beginning at a base value of \$600,000 as set in 1999. (Art. 4, Sec. 11) Property acquired by Minnesota residents on active duty with the military, Peace Corps or VISTA can still be granted homestead classification despite the resident's absence. However, the absence must be the result of that duty, and the resident must notify the county assessor of the situation. These provisions are effective for assessment year 2006 and thereafter. (Art. 4, Sec. 12)

Some local property taxes will likely go up as the maximum levy limit on emergency medical services is increased and extended through 2011. The certification deadline for the 2007 levy proposed for the Rochester Independent School District 535 is extended to Oct. 8, 2006. Additionally, the Rocori and Faribault school districts are authorized to levy for leased administrative space if leasing such space is less costly than the alternative of leasing instructional space; land on the Bois Forte Indian Reservation may be included in the Cook-Orr Hospital District; and the Buffalo-Red River Watershed District is authorized to levy for water management. These provisions have various effective dates. (Art. 4, Secs. 22-25)

The law modifies mining occupation taxes and the distribution of taconite production tax revenues. It also allocates surplus money in the taconite homestead credit account to various infrastructure projects in the tax relief area. (Art. 12, Secs. 1-17)

HF785\*/SF318/CH259

# TECHNOLOGY

# More biotechnology, health sciences zones

Under a new law, sponsored by Rep. Dan Severson (R-Sauk Rapids) and Sen. Tarryl Clark (DFL-St. Cloud), the employment and economic development commissioner, in consultation with the revenue commissioner and the director of the Office of Strategic and Long-Range Planning, can create another biotechnology or health sciences industry zone within the state if it is determined the need exists. A zone now exists between St. Paul, Minneapolis and Rochester that creates incentives for biotechnology. Previous law authorized only one such zone.

Severson said the state has intellectual property to generate patents that will move biotechnology forward, and the law "just brings the possibility that in other parts of the state where we have some agriculture and we have some manufacturing, that we can actually designate those as biotech zones, give them a tax break and allow those industries to operate within the manufacturing phase of that biotechnology." Qualifying businesses in a zone may be eligible for sales, corporate franchise and some property tax exemptions, and job and research credits.

The law is effective May 27, 2006. HF3561/SF3260\*/CH276

# TRANSPORTATION

# **Electric vehicles on the road**

Sponsored by Rep. Greg Blaine (R-Little Falls) and Sen. Paul Koering (R-Fort Ripley), a new law, effective Aug. 1, 2006, defines "neighborhood electric vehicle" and sets the restrictions and requirements for its operation.

The cars are restricted from going on roads with speed limits of more than 35 mph, "except to make a direct crossing" of a street or highway with a higher speed limit. The vehicles are subject to all the same requirements as other cars, such as turn signals, license plates, windshields and seat belts.

The transportation commissioner or a road authority can further restrict the electric vehicles.

Furthermore, the law specifically says that vehicles such as "a homemade neighborhood electric or low-speed vehicle or retrofitted golf cart," do not qualify as neighborhood electric vehicles.

HF1838\*/SF1811/CH189

#### **Commuter rail liability**

With an expectation that commuter rail lines will use already existing, privately owned freight railroad lines, a new law will give private companies performing public services the same kind of liability protection as governmental entities.

Sponsored by Rep. Kathy Tingelstad (R-Andover) and Sen. Don Betzold (DFL-Fridley), and effective Aug. 1, 2006, the law allows the transportation commissioner, or a public entity contracting with the commissioner, to contract with a railroad for use of the track.

Additionally, the law applies governmental tort liability law to a private railroad acting under state contract to provide commuter rail service, and allows for the purchasing of insurance for all types of claims or damages. "We look to the other states with the liability issues they have in place and this legislation mimics that," said Tingelstad.

According to the nonpartisan House Research Department the result is twofold: the law applies the \$300,000 per person and \$1 million per incident damage cap to the railroad operation, and it exempts a railroad from liability for punitive damages. Issues involving railway employees will still be covered by federal laws on railway employees.

HF3656/SF3246\*/CH206

#### A police officer remembered

Sponsored by Rep. Ray Vandeveer (R-Forest Lake) and Sen. Michele Bachmann (R-Stillwater), a new law requires the transportation commissioner, in consultation with the Shawn Silvera Foundation, to adopt a suitable marking design and placement of four signs to memorialize the Lino Lakes police officer killed in the line of duty.

On Sept. 6, 2005, Silvera, a Forest Lake resident, was killed along Interstate 35 while in the line of duty. The law, effective Aug. 1, 2006, will designate portions of I-35 and I-35W from the site of the accident at Lake Drive in Lino Lakes to Broadway Street in Forest Lake in his honor.

HF3805/SF3526\*/CH213

#### Hybrid vehicle usage

A new law defines plug-in hybrid electric vehicles and encourages Minnesota State University, Mankato to retrofit two flexiblefuel vehicles to demonstrate the plug-in hybrid technology.

The law, effective June 1, 2006, also requires the Department of Administration, when purchasing vehicles for the state, to include a policy in the bidding statement saying, "It is the intention of Minnesota to begin purchasing plug-in hybrid electric vehicles and neighborhood vehicles as soon as they become commercially available, meet the state's performance specifications, and are priced at no more than 10 percent above the price for comparable gasoline-powered vehicles."

A plug-in hybrid electric vehicle task force is created to identify barriers to the adoption of the vehicles by the department. It will develop strategies to be implemented over several timeframes to overcome those barriers.

Included in the analysis should be possible financial incentives to encourage Ford Motor Company to produce plug-in hybrid, flexiblefuel vehicles at its St. Paul plant. The task force expires on June 30, 2008.

A plug-in hybrid electric vehicle is defined in the law as, "a vehicle containing an internal combustion engine that also allows power to be delivered to the drive wheels by a battery-powered electric motor and that meets applicable federal motor vehicle safety standards."

Additionally, when the vehicle is connected to the electrical grid, it must be able to recharge its battery and have the ability to travel at least 20 miles powered by electricity.

Rep. Frank Hornstein (DFL-Mpls) and Sen. D. Scott Dibble (DFL-Mpls) sponsor the law.

HF3718\*/SF3440/CH245

### **Transportation service requirements**

Effective Aug. 1, 2006, a new law guarantees the same metro mobility transit service as last year to those with disabilities in the taxable district of the Metropolitan Council.

Rep. Mary Liz Holberg (R-Lakeville), who

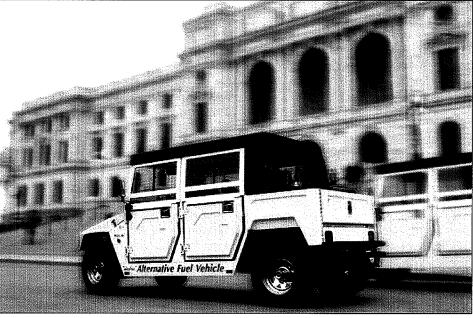


PHOTO BY SARAH STACKE

Three neighborhood electric vehicles (NEVs) were parked outside the Capitol to acquaint lawmakers with the benefits of battery-powered cars.

sponsors the law with Sen. Steve Murphy (DFL-Red Wing), said when the council was facing budget cuts in 2005 the paratransit service was on the chopping block with drastic reductions.

The new law ensures that, "taken as a whole including contracts with public, private, and private nonprofit providers, the geographic coverage area of the special transportation service is continuous within the boundaries of the transit taxing district, as defined as of March 1, 2006."

Supporters said the law will ensure that people with disabilities will continue to receive the Metro Mobility, which allows them to stay independent, stay in their own homes and stay out of nursing homes, thus reducing some costs to the state.

HF3637/SF3450\*/CH279

# VETERANS

### **Burial plots for veterans**

Brown County can continue its practice of purchasing burial plots for veterans and their spouses, under a new law.

The law, sponsored by Rep. Brad Finstad (R-Comfrey) and Sen. Dennis Frederickson (R-Comfrey), is effective April 8, 2006.

Brown County is currently the only county in Minnesota — and according to Finstad, possibly the only county in the United States — that buys burial plots for veterans and their spouses. The bill removed a \$3,500 cap on burial expenditures that Finstad said was preventing the county from keeping up with burial plot costs, which have increased by 220 percent in the last five years.

HF3876/SF2749\*/CH176

#### **Meeting protocol**

Under a new law, the Minnesota Veterans Homes Board is permitted to conduct meetings by telephone or other electronic means.

Effective May 11, 2006, the law stipulates that at least one board member, the executive director or an attorney for the agency must be present at the regular meeting location during a teleconference meeting, for example, so the public can attend.

While the law makes it easier for the veterans board to conduct meetings, it is not intended to limit public access. A similar law was passed in 2004 giving the same authority to the Minnesota State Council on Disability.

Rep. Denny McNamara (R-Hastings) and Sen. Paul Koering (R-Fort Ripley) sponsor the law.

HF3665\*/SF3096/CH198

#### War dog plaque authorized

A new law authorizes a memorial plaque honoring military war dogs and their handlers on Capitol grounds, and creates a task force to plan for restoration of the Victory Memorial Drive Historic District.

The law, effective May 22, 2006, is sponsored by Rep. Torrey Westrom (R-Elbow Lake) and Sen. Jim Vickerman (DFL-Tracy).

The plaque would be placed in the Court of Honor, near the Veterans Service Building on the Capitol Mall. It would recognize "the valiant service to our nation by the thousands of brave military war dogs and their handlers who served honorably as members of the United States armed forces during all of our nation's wars and during peacetime," according to law.

The law also stipulates that the plaque be funded privately and that it be approved by both the Department of Veterans Affairs and the Capitol Area Architectural and Planning Board.

The original bill only dealt with the war dogs plaque, but it was amended on the House floor by Rep. Joe Mullery (DFL-Mpls) to include the Victory Memorial Drive task force, which will "develop strategies around the master plan for restoration" of the historic rows of trees and markers that commemorate the Hennepin County servicemen of World War I.

The task force will be made up of a number of local officials as well as state legislators, and will report its actions to the Legislature once each biennium.

HF2688\*/SF3410/CH218

#### New veterans' benefits

A new law is designed to make Minnesota a more veteran-friendly state by providing new benefits and protections for current and former members of the military.

Sponsored by Rep. Lloyd Cybart (R-Apple Valley) and Sen. Jim Vickerman (DFL-Tracy), it addresses a variety of veteran-related issues, and contains most of the non-fiscal policy initiatives of the "Governor's Veterans Bill of 2006".

The law is made up of provisions culled from numerous veteran-related bills that were introduced in the 2005-06 biennium. All sections are effective Aug. 1, 2006, unless otherwise noted.

HF3664\*/SF3333/CH273

### Pay differential program expanded

A law that makes up the difference in salaries of state employees who have been ordered into active military service has been expanded to broaden the program's eligibility criteria. Under the current program, state employees who have been mobilized for active duty with the National Guard or military reserves are authorized to receive their normal state salaries minus their military pay for the duration of their service. Under the new law, the program now includes any state employee who is a reserve member of the "uniformed services of the United States." As defined by federal law, this includes:

• the U.S. armed forces (Army, Navy, Air Force, Marine Corps and Coast Guard);

• the commissioned corps of the National Oceanic and Atmospheric Administration; and • the commissioned corps of the Public Health Service (e.g., morticians mobilized to identify bodies following Hurricane Katrina).

This section is effective July 1, 2006. (Sec. 1)

#### State park pass exemption

Effective June 2, 2006, military personnel stationed outside the state for active service no longer have to obtain an entrance permit to visit a Minnesota State Park when on leave. The exemption is good during, and for up to 90 days following "federal active military service," and applies to both residents and non-residents of Minnesota.

In lieu of purchasing and displaying a park permit on their motor vehicle, a service member must notify the park attendant on duty of their military status. They must also possess a valid military ID and visibly affix their current military orders to the inside of the windshield of the vehicle being used. (Sec. 2)

# Leave for soldiers' families

Two sections of the new law require employers to grant leaves of absence to employees whose family members are mobilized for active duty military service or are injured or killed during such service.

The first section requires all employers in the state to grant an unpaid leave of absence of up to 10 working days for an employee whose immediate family member is killed or injured while on active military duty.

This section applies to parents, children, grandparents, siblings and spouses of activeduty military personnel, and requires that the employee in question give their employer as much notice as is practicable before exercising such leave. Additionally, it allows the employer to reduce the unpaid leave by any period of paid leave provided for the employee. (Sec. 3)

The second section provides that all public and private employers in Minnesota — except independent contractors — must grant unpaid leave to an employee whose immediate family member has been mobilized into active military service in support of a war or other national emergency.

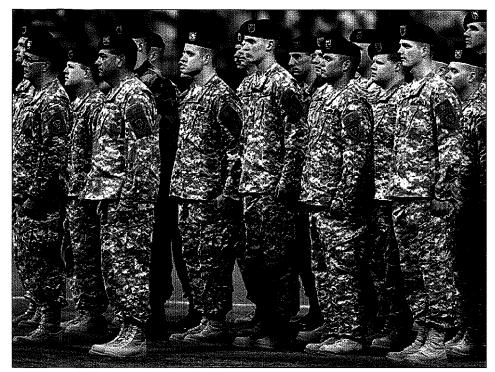


PHOTO BY TOM OLMSCHEID

A new law addresses a variety of veterans-related issues, including: state employee pay differential, state park admittance, leaves of absence for family members and maintaining professional or occupational licensure.

Employers may limit the amount of leave to the actual time necessary to attend a military send-off or homecoming ceremony, not to exceed one-day's duration in any calendar year. This section applies to grandparents, parents, legal guardians, siblings, children, grandchildren, spouses or fiancées of service members. (Sec. 4)

# **Policy statement**

Included in the new law is a statement regarding the state's various policies on military and veterans affairs. Briefly summarized, it encourages the state to adopt laws and policies that "encourage, recognize, and reward honorable military service to this state and nation." (Sec. 5)

# **Higher education fairness**

Several provisions of the new law seek to address fairness issues for military members and veterans enrolled in postsecondary educational institutions:

 The Minnesota State Colleges and Universities (MnSCU) system must recognize and award educational credits for courses that were part of a veteran's military training or service if the courses meet the standards of the American Council on Education or equivalent standards for awarding academic credits. Additionally, the University of Minnesota and private colleges and universities in Minnesota are encouraged to recognize courses and award educational credits for such courses.

- MnSCU and the University of Minnesota are directed to treat all veterans as residents for the purpose of undergraduate tuition rates. For graduate school tuition, a veteran must be treated as a resident if the student in question was a resident upon entering the military and started the graduate program within two years of completing military service.
- MnSCU and the University of Minnesota must not assess late fees to veterans who are eligible to receive, have applied for, but have not yet received federal educational assistance; nor may those institutions prevent such individuals from registering for a subsequent term. The institutions may require payment from a veteran within 30 days of their receipt of such federal assistance, however. (Sec. 9)

### **Professional licensure**

A section of the new law clarifies a 50-yearold statute in such a way as to ensure that Minnesotans who are ordered into active military service are able to keep any professional or occupational licensure/certifications.

Currently, people who have such licensures or certifications may be re-licensed or recertified during and up to six months after completing a military deployment without fee and without having to meet any additional requirements or conditions. Similarly, if an individual's licensure or certification has expired during their deployment, it must be reinstated upon request under the same conditions.

The language of the new law merely clarifies the statute, which had been interpreted differently by different state agencies. (Sec. 10)

# **Machineguns for Guard**

Security personnel employed by the Minnesota National Guard are now officially allowed to carry machineguns and short-barreled shotguns when performing their duties. Such employees already carry such weapons in practice and in accordance with federal military regulations, but state statutes were previously not clear on whether this was allowed. (Sec. 11)

# **Memorial plaques**

Two new memorial plaques — one honoring Minnesota's Medal of Honor recipients and one honoring military war dogs and their handlers — are authorized on Capitol grounds.

Pending approval by the Department of Veterans Affairs and the Capitol Area Architectural and Planning Board, the plaques will be placed in the Court of Honor, near the Veterans Service Building. The law states that both must be privately financed.

The war dogs' plaque would recognize "the valiant service to our nation by the thousands of brave military war dogs and their handlers who served honorably as members of the United States armed forces during all of our nation's wars and during peacetime," while the Medal of Honor recipients' plaque would recognize "those Minnesotans who have received the highest award for valor in action against an enemy force which can be bestowed upon an individual serving in the armed services of the United States." (Sec. 14)

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