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Minnesota House of Representatives

Paul Thissen, Speaker

FOR IMMEDIATE RELEASE

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New Laws Effective July 1, 2014

The following is a listing of selected new laws passed during the 2014 legislative session that take effect July 1, 2014.

The asterisk following the bill number denotes the language that became law. By the end of June, summaries of all laws passed by the 2014 Legislature will be available online from nonpartisan House Public Information Services at www.house.leg.state.mn.us/hinfo/Newlaws2014-0.asp

BUDGET

General Fund gets \$263 million biennial spending bump

Lawmakers enacted an omnibus supplemental budget law that increases spending for almost all aspects of state government courtesy of the \$1.23 billion surplus forecast in February for the remainder of the 2014-2015 biennium.

Sponsored by Rep. Lyndon Carlson Sr. (DFL-Crystal) and Sen. Richard Cohen (DFL-St. Paul), the new law appropriates \$262.7 million from the General Fund for the current biennium and anticipates \$842 million in 2016-2017 spending.

HF3172*/SF2785/CH312

Agriculture and Environment

Agriculture and environmental programs will receive a \$10.5 million boost from the General Fund for the current biennium and \$1.6 million in the 2016-2017 biennium.

Approximately \$4 million is appropriated from the Environmental and Natural Resources Trust Fund to the Pollution Control Agency in 2015 for grants to counties to expand recycling efforts. Farmers and food processors will be able to receive \$2 million in one-time incentives to give surplus food to food shelves.

The law has several sections dealing with pollinators and creates a compensation program for the Department of Agriculture to pay beekeepers whose colonies are killed by pesticides in certain circumstances.

The Department of Natural Resources receives \$1.6 million to improve state parks and \$2 million to provide shooting sports facilities grants.

The law provides ongoing General Fund support to the Board of Animal Health for a new program for inspecting and licensing dog and cat breeders.

The University of Minnesota receives nearly \$5 million combined from the General Fund and the Environment and Natural Resources Trust Fund to create the Invasive Terrestrial Plants and Pests Center.

The Metropolitan Council receives \$400,000 from the Clean Water Fund to design long-term solutions for the declining water supply in the northeast metro.

E-12 Education

Out of \$54 million allotted from the General Fund for E-12 education, \$23 million goes to a \$25 per pupil increase in the basic education formula. The formula increase is ongoing and commits the state to \$52.5 million for the 2016-2017 budget period.

The law provides \$9 million to implement the new teacher evaluation system in school districts that don't participate in the Q-Comp alternative teacher compensation program.

The law spends \$4.9 million to expand eligibility for English language learner revenue from five to six years.

A cap on early learning scholarships is removed, the law increases funding for the scholarships by \$4.7 million, and increases funding for early childhood family education by the same amount.

The law provides \$3.5 million for school lunch and food storage and provides \$569,000 so that all kindergartners can have a school breakfast.

Advertising and recruiting of Post Secondary Enrollment Options will be limited to students in school districts with 700 or more students in grades 10 through 12. The provision repeals a portion of the omnibus education policy law, HF2397, which lifted the so-called "Gag Rule" on colleges being able to advertise PSEO to high school students.

Health and Human Services

The greatest amount of spending in the law is allocated to health and human services programming. The law spends \$104 million in the current biennium and \$649 million from the General Fund during the 2016-2017 biennium.

The largest line item is \$80 million to give home and community-based service providers a 5 percent rate increase for Fiscal Year 2015. The rate increase is permanent and is allotted \$93 million in 2016 and \$99 million in 2017.

The law also rebases hospital payments for Medicaid beneficiaries for the first time since 2002 and gives nursing homes annual rate increases over three years as the new hourly minimum wage increase enacted this session is phased in. Future rate increases will track with the inflationary increases that were passed in the minimum wage law.

Other health and human service provisions include:

- providing \$10 million for a salary supplement for State Operated Services employees, specifically those at the Minnesota Security Hospital in St. Peter;
- creating the Healthy Housing program at the Department of Health and providing \$300,000 a year in permanent funding for local grants to address housing-specific health threats;
- providing \$2.5 million for respite service development grants;
- providing \$1 million in permanent funding to the Health Department for the Safe Harbor for Sexually Exploited Youth program;
- providing \$1 million in permanent funding to the Department of Human Services for the Homeless Youth Act;
- providing \$501,000 in one-time funding to the Health Department for grants to address health equity issues, with a focus on refugee populations; and
- establishing a working group for mentally ill offenders who are arrested or are subject to arrest.

Higher Education

The University of Minnesota will receive \$4.5 million for its partnership with the Mayo Clinic for research into regenerative medicine. The partnership will then receive \$4.35 million annually starting in fiscal year 2016.

The law directs the Minnesota State Colleges and Universities system to develop a plan to create "multi-campus articulation agreements" that help students transfer credits.

The law allows the Office of Higher Education to refinance student and parent loans, with certain limitations. Refinancing may not occur before June 1, 2015, and the office is required to report to the Legislature on its plan and proposed terms and conditions by Feb. 1, 2015.

Jobs and Economic Development

The biggest ticket item in this portion of the law is \$20 million in one-time money for grants to improve broadband connectivity in the state. The money will be available until June 30, 2017. As part of the broadband effort, the law creates the Border-to-Border Broadband Development Grant Program to expand services in unserved or underserved parts of the state.

The law provides \$475,000 on a one-time basis to each of the state's six initiative foundations for revolving loans and other lending programs. It also provides \$2.2 million in one-time funding for the Greater Minnesota Business Development Public Infrastructure Grant Program that's available until June 30, 2017.

The law appropriates \$1.05 million in one-time money from the Workforce Development Fund for job training programs in various parts of the state. It also requires the Department of Employment and Economic Development to establish a "uniform outcome measurement and reporting system" for adult workforce programs that are funded out of the Workforce Development Fund.

Judiciary and Public Safety

The Department of Corrections gets \$16.2 million in base funding for negotiated staff pay increases. It also receives \$11 million in one-time money to handle unexpected growth in the prison population.

The Office of Justice Programs at the Department of Public Safety will receive \$1.3 million, including \$500,000 for youth intervention programs and \$500,000 for emergency shelter programs for victims of domestic violence and trafficking.

The law creates a Disaster Assistance Contingency Account to pay toward the non-federal share of disaster assistance. The law places \$3 million into the account.

Transportation

The law includes \$6.5 million for Greater Minnesota transit, \$2 million for railroad crossing safety and \$2 million for Capitol security. The law also spends \$129 million in one-time money from the Trunk Highway Fund, which is supported by gas taxes, motor vehicle sales taxes and license tab fees. For Fiscal Year 2015, the Corridors of Commerce program gets \$25 million in trunk highway dollars. Also, \$20 million from the Trunk Highway Fund is appropriated for Fiscal Year 2014 for snow and ice removal and \$10 million goes to winter-weather related highway repair.

The law creates a Railroad and Pipeline Safety Council for the Department of Public Safety. The account is given a one-time transfer of \$1.6 million. The law establishes rules for how railroad companies must act after they've spilled hazardous substances. It also provides guidance to the Pollution Control Agency for preparing to deal with oil and hazardous substance spills by railroads.

The law changes statute related to speeding in a work zone and creates a new fine. It also allows the Department of Transportation to increase the speed limit on two-lane highways from 55 mph if the increase can be "reasonably and safely" done.

CONSUMERS

Minnesota becomes first state to require smartphone ‘kill switch’

Cell phone retailers will be on the frontlines of a new law designed to help curb the theft of smartphones. However, manufacturers will have until July 1, 2015, to equip phones with the antitheft function.

Sponsored by Rep. Joe Atkins (DFL-Inver Grove Heights) and Sen. Katie Sieben (DFL-Newport) and effective July 1, 2014, all Minnesota phone dealers – those who buy or sell used cell phones – must keep a written record of each acquisition that includes information about the device, the transaction, the seller of the device (including driver’s license number), and a statement signed by the seller attesting that the cell phone is not stolen and is free of any liens or encumbrances.

Additionally, used cell phone dealers are prohibited from selling or removing from the dealer’s premises a used cell phone if notified by a law enforcement official that there is probable cause to believe the cell phone is stolen or is evidence of a crime. The law also requires a dealer to install and operate video cameras positioned to record the face of used cell phone sellers, and the date and time. If they fail to do so, they will be charged with a misdemeanor.

Smartphones manufactured after July 1, 2015, that are bought or sold in Minnesota must be equipped with antitheft functionality or capable of downloading that functionality, at no cost to the buyer.

HF1952/SF1740*/CH241

New regulations for nurseries that label products as ‘bee-friendly’

Nurseries that want to label products as friendly to bees will have to pass muster with state inspectors.

Sponsors of the new law, Rep. Rick Hansen (DFL-South St. Paul) and Sen. Kari Dziedzic (DFL-Mpls), referred to it as “truth-in-advertising” for plant products. Plants, plant material and nursery stock for sale can’t be advertised or labeled as beneficial to pollinators if they have “a detectable level of systemic insecticide” that either has a pollinator protection box on the label or has a certain precautionary statement in the environmental hazards section of the insecticide product label.

HF2798*/SF2695/CH299

EMPLOYMENT

Gender pay gap addressed in new law

Sponsored by Rep. Carly Melin (DFL-Hibbing) and Senate President Sandy Pappas (DFL-St. Paul), a new law includes provisions to expand parental leave, protect victims of domestic violence and decrease the gender pay gap.

The Department of Employment and Economic Development will be required to create a grant program with a one-time appropriation of \$500,000 from the Workforce Development Fund to increase the number of women employed in high-wage, high-demand, nontraditional jobs. The grants will be given to state organizations for programs that assist and encourage women to find employment in careers deemed “nontraditional:” skilled trades, science, technology, engineering and math (STEM) occupations. An additional \$250,000 from the fund is appropriated to the Department of Labor and Industry for apprenticeship opportunities for women in nontraditional occupations.

The law also:

- adds an advisory member to the governor’s Workforce Development Council that has expertise in helping women obtain employment in high-wage, high-demand jobs;
- expands unpaid leave under the Minnesota Parental Leave Act from six to 12 weeks and allows the use of leave under the Parental Leave Act for pregnancy-related needs;
- provides for enforcement by the Department of Labor and Industry of existing and new laws related to pregnancy, parenting and child-related leave; pregnancy accommodations; use of earned sick leave; break time and space for nursing mothers; and wage disclosure;

- allows employees to disclose wage information to other employees without retaliation;
- supports women entrepreneurs' business development with \$500,000 from the General Fund given to Women Venture and the Women's Business Center of Northeastern Minnesota to facilitate and promote the creation and expansion of women-owned businesses; and
- expands the use of earned sick leave to allow an employee to care for an ill or injured grandchild or parent of a spouse.

HF2536*/SF2050/CH239

ENVIRONMENT

Pollinators, invasive species projects funded by LCCMR

Nearly \$29 million for 71 environmental projects recommended by the Legislative-Citizen Commission on Minnesota Resources is funded with proceeds from the state lottery. Sponsored by Rep. John Persell (DFL-Bemidji) and Sen. Kari Dziedzic (DFL-Mpls), the law appropriates money out of the Environment and Natural Resources Trust Fund.

The law is divided into eight categories of funding:

- land acquisition for habitat and recreation: \$6.9 million;
- water resources: \$4.58 million;
- foundational natural resource data and information: \$4.2 million;
- environmental education: \$3.68 million;
- methods to protect, restore and enhance land, water and habitat: \$3.68 million;
- air quality, climate change and renewable energy: \$3.36 million;
- aquatic and terrestrial invasive species: \$2.3 million; and
- administration and contract agreement reimbursement: \$244,000.

Several projects address the declining number of pollinators in Minnesota. The largest amount is \$864,000 to the University of Minnesota to identify sources of nectar and pollen for native pollinators and honey bees. The university will also receive \$326,000 for research how neonicotinoid insecticides affect bees.

The law also addresses invasive species with \$854,000 to the university to look at changing the operations at Lock and Dam No. 2 to No. 8 to impede invasive carp from moving up the Minnesota, Mississippi and St. Croix rivers.

HF1874*/SF1899/CH226

Outdoor Heritage Fund money will buy conservation lands

A new law, sponsored by Rep. Rick Hansen (DFL-South St. Paul) and Sen. Tom Saxhaug (DFL-Grand Rapids), funds \$109 million in projects recommended by the Lessard-Sams Outdoor Heritage Council. The money comes from the three-eighths of 1 percent increase in the sales tax that voters approved as a constitutional amendment in 2008.

The funding categories include:

- prairies: \$37.4 million;
- habitats: \$30.9 million;
- wetlands: \$24 million;
- forests: \$16 million; and,
- administration: \$885,000.

Among the larger appropriations is \$9.7 million for the Reinvest in Minnesota Wetlands Partnership and \$8.1 million to the Department of Natural Resources to acquire land for wildlife management areas and scientific and natural areas.

HF1926*/SF2098/CH256

GOVERNMENT

Funds for claims against the state approved

More than \$80,000 will be paid out to people who have filed claims against the state.

Sponsored by Rep. Mary Murphy (DFL-Hermantown) and Sen. Jim Carlson (DFL-Eagan), the state is authorized to pay out more than \$73,000 from the General Fund in Fiscal Year 2015 to settle claims against the Department of Corrections related to injuries sustained in state correctional facilities or while a person was participating in sentence-to-serve programs.

Nearly \$11,000 will also be paid to workers who were not compensated in full by a contractor that performed work as part of a Department of Transportation project.

HF3241*/SF2805/CH252

HEALTH AND HUMAN SERVICES

Standards set for dealing with pregnant inmates

Sponsored by Rep. Carolyn Laine (DFL-Columbia Heights) and Sen. Barb Goodwin (DFL-Columbia Heights), a new law will set standards and consistency for officials dealing with pregnant inmates at local or state correctional facilities.

The law will:

- prohibit restraining a woman who is in labor;
- prohibit the use of waist chains or handcuffs behind the back of a pregnant woman or a woman who has given birth within the preceding three days;
- require a pregnancy test of every inmate, unless she is over age 50 or refuses the test;
- require testing a pregnant woman for sexually transmitted diseases;
- provide appropriate educational materials and resources related to pregnancy, child birth, breast feeding, and parenting;
- provide access to free doula services or services at the inmate's expense; and
- provide access to a mental health assessment, and treatment, if necessary, while the inmate is pregnant and postpartum.

All but one section of the law takes effect July 1, 2014, and applies to state correctional facilities beginning on that date, and applies to other correctional facilities beginning July 1, 2015.

HF2833/SF2423*/CH234

HOUSING

Domestic violence victims given process to terminate a lease

Victims of domestic abuse, criminal sexual conduct or stalking, who fear for their safety, will receive some protection from eviction if they need to terminate a lease early.

Sponsored by Rep. Steve Simon (DFL-Hopkins) and Sen. Jeff Hayden (DFL-Mpls), a new law allows victims to give a two-month notice to end their lease and will prevent landlords from evicting renters simply because they have experienced domestic violence or related crimes.

The law also establishes a Housing Opportunities Made Equitable pilot project that instructs the Minnesota Housing Finance Agency to work with certain minority groups to design an affordable housing program to help address the homeownership racial disparity gap.

HF859*/SF771/CH188

TRANSPORTATION

Insurance requirements heightened on limos

Limousine drivers will be required to carry \$1.5 million in per accident insurance, up from the \$300,000 currently required by law. Per person injury insurance requirements will also rise for vehicles with special limousine plates, to at least \$1.5 million per individual in an accident.

Sponsored by Rep. Frank Hornstein (DFL-Mpls) and Sen. Melisa Franzen (DFL-Edina), the law will also broaden the definition of limousine in state statute and allow up to 15 people with the driver.

HF2858*/SF2462/CH175