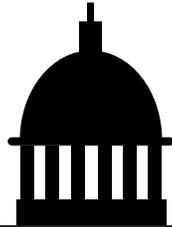


LEAGUE OF MINNESOTA CITIES



2016
Law
Summaries

Final Legislative Action

MINNESOTA SESSION LAWS 2016



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Session 2016: An Unfinished Sprint

If the 2016 legislative session had been a footrace, it would have been a sprint ending with the runners tripping over one another just short of the finish line.

The Minnesota Legislature reconvened on March 8, 2016, to begin the second half of its 89th biennial session. The session was billed as short—the constitutional adjournment date was May 23, allowing only 11 weeks to work—and focused on contentious issues such as taxes, transportation, and bonding.

The brevity of the session was not the only factor that gave it an unconventional flavor. The state Capitol, which is closed to the public for major renovations until 2017, remained inaccessible to all but construction workers, House members, and House staff. The Senate met in the newly constructed Minnesota Senate Building, where a makeshift chamber provided limited space for news media and the public.

In the end, relatively few new chapters of law were enacted, and major goals of the session were not met. That said, there were some positive outcomes for cities, including new laws providing guidance on how to handle data collected by body cameras, funds for broadband development, and changes to election laws.

State general fund surplus reduced to \$900 million

Just as the session got underway, legislators and Gov. Dayton received mixed news about the state's budget in the February 2016 Budget and Economic Forecast. The forecast projected a budget surplus of \$900 million by the end of the current 2016–2017 biennium, which ends on June 30, 2017. Although the positive forecast was generally good news for state lawmakers, the surplus projection was down by roughly \$300 million from the previous state budget forecast released in November.

What happened?

Despite the small setback in the budget forecast, the session began with legislative leaders and Gov. Dayton “on message” about the need to finish work on omnibus transportation and tax bills that were left on the table when the 2015 session lurched to a halt. They also seemed to be in agreement that they could come together around a capital investment package. A capital investment, or “bonding,” bill is typically the major outcome of an even-year session.

As the early weeks of the session came and went without significant progress on tax and transportation issues, the Senate and Gov. Dayton turned their focus to producing a bonding bill. The Senate released a proposal that would have borrowed \$1.8 billion to fund state and local capital projects. This amount was comparable to the \$1.4 billion

initiative Gov. Dayton released in January, and reflected similar priorities.

The House took a slower approach to a capital investment bill, with leaders calling the bonding bill the “desert” to be considered when other work is finished. House leaders insisted their proposal would total only about \$600 million and would be largely for investments in roads and bridges.

Ultimately, the Senate's bonding bill failed by just one vote to receive a supermajority of 41 votes needed to pass the full Senate. Weeks later, the House's \$800 million bonding bill met a similar fate when it received just 69 of the needed 81 “yes” votes. So, legislators put the bonding bill on hold with the hope of returning to it after other difficult negotiations were finished.

As the final days of the 2016 session unfolded, it became painfully obvious that negotiations between the Republican-controlled House and DFL-controlled Senate over a long-awaited transportation bill would not yield the robust package promised at the end of the 2015 session. During the last week of session, leaders, including Gov. Dayton, began discussing proposals that would merge transportation funding with the bonding bill. In the end, neither a transportation nor a bonding package passed.

Last-minute chaos

With just minutes remaining, and documents unavailable to the public, the Minnesota House passed a \$1.1 billion bonding bill on a vote of 91–39 as dissenting members shouted on the House Floor. Moments later, it was amended in the Senate to include a funding mechanism for the proposed Southwest light rail line from Minneapolis to Eden Prairie—a key sticking point in negotiations.

The House adjourned *sine die* before the amended bonding bill was returned to the House for a final vote. The Senate attempted to remove the amendment so they could vote on a motion to concur with the House, but it was past midnight, making a vote on the measure constitutionally impossible.

Lawmakers did manage to pass a supplemental budget bill and tax bill in time. The governor signed the supplemental budget bill, but he chose to not sign the tax bill because of a drafting error in the bill that would have significantly reduced state revenues. Thus, he essentially vetoed the bill.

Special session discussions

A day after the omnibus tax bill's demise, the governor and legislative leaders began discussions of a special session. Senate Majority Leader Tom Bakk, Speaker of the House Kurt Daudt, and Gov. Dayton all previously said they

would be open to coming back for a one-day special session at some point to work on the tax bill, a bonding bill, and a transportation funding package, as well as deal with federal Real ID Act compliance, another issue that fell apart in the session's final hours.

Only the governor can call the Legislature back into session outside of its constitutionally prescribed meeting time. Gov. Dayton insisted that all four caucus leaders would need to agree to his terms in writing before he would call a special session.

Enumerated in a five-page letter to House and Senate leadership, Gov. Dayton's demands included funding for metropolitan transit, additional higher education spending, and specific additions to the \$1 billion bonding bill agreed to—but not passed—in the session's final minutes on May 22. The governor also wanted lawmakers to fix a drafting error in a gambling provision included in the omnibus tax bill that would result in the loss of \$102 million to the state's Minnesota Vikings stadium fund, and to restore an \$800,000 tax exemption for the Minnesota State High School League.

Gridlock wins

The July 1 start of the new fiscal year came and went, and summer stretched into its final days. Legislative leaders and Gov. Dayton had only met a handful of times and appeared to be making little headway in resolving major differences. On Aug. 18, after a meeting that again failed to yield a special session agreement, Gov. Dayton announced he would not be calling a special session to complete unfinished business.

The tax bill left unresolved included several notable changes that would have impacted cities, including a \$20 million increase in local government aid (LGA), small business relief from the state business property tax, relief to farmers from school district capital debt levies, and the repeal of a property tax exemption for agricultural containment facilities—all of which were originally scheduled to impact property taxes in 2017.

The various versions of the 2016 bonding bill included state and local project funding ranging from \$1.1 billion to \$1.8 billion. These projects will now have to wait until at least 2017, or possibly 2018, the next typical bonding session. By not providing a \$138 million match in a bonding bill, the state also risks the loss of almost \$900 million in federal funds to build the controversial Southwest light rail line.

Failure to reach agreement on an omnibus transportation finance package means critical transportation infrastructure investments will again be delayed. A League-supported measure that was in play would have imposed a \$10 surcharge on license tab fees to be dedicated to city streets in all cities, regardless of size. Half of the \$57 million raised would have been directed to the Small Cities Assistance Account established by the 2015 Legislature, and half would have been distributed to Municipal State Aid (MSA) cities for non-MSA streets. Since the measure was not adopted, neither the Small Cities Assistance Account nor additional funding for large cities was provided.

Election ahead

With every legislative seat on the November 2016 ballot, Republicans and DFLers are both banking on making gains that would help their caucus prevail on important unresolved issues in the 2017 legislative session. The idea that waiting may produce better results has trumped the desire to compromise and act.

As it stands, Republicans hold the majority in the House, and the DFL party leads the Senate. The DFL governor is not up for re-election, and the only thing certain for him is he will have a different Legislature to work with in 2017. Whether or not the make-up of the new Legislature helps dislodge the chronic gridlock remains to be seen.

The next regular session of the Minnesota Legislature, the 90th biennial session, is scheduled to begin at noon on Tuesday, Jan. 3, 2017.

LMC 2016 Law Summaries

The League of Minnesota Cities (LMC) annually prepares this summary of new laws that impact city operations. This document is intended to highlight relevant new laws, but is not intended to be comprehensive legal advice. Each law summary includes a reference to the session chapter and bill numbers. The number of the bill that was approved by the Legislature and sent to the governor is denoted with an asterisk. The chapter number can be used to locate the actual text of new laws on the state Revisor of Statutes website: www.revisor.leg.state.mn.us/laws.

We have also attempted to provide effective dates for each new law; however, occasionally the legislation may not specify an effective date. If no effective date is provided, Minn. Stat. § 645.02 specifies that each act (except one making appropriations) enacted finally at any session of the Legislature takes effect on Aug. 1, unless a different date is specified in the act. An act making appropriations enacted finally at any session of the Legislature takes effect on July 1, unless a different date is specified in the act. Each act takes effect at 12:01 a.m. on the day it becomes effective, unless a different time is specified in the act.

Special laws affecting individual cities must generally be approved by the city. The law then becomes effective the day after the certificate of approval is filed with the secretary of state (as specified by Minn. Stat. § 645.021), unless a different date is specified in the act. When approval of such a special law is required by two or more local government units, the law becomes effective the day after the last of the required certificates is filed, unless a different date is specified in the act. If you have questions about a new law, an effective date, or the legislative process, contact a member of the LMC Intergovernmental Relations Department. Contact information for each staff member is provided here.

The initials of League staff who work on legislative issues are printed following each summary. For more information, please refer to the list on the right for contact information.

GC=Gary Carlson, Intergovernmental Relations Director
(651) 281-1255 or gcarlson@lmc.org

HC=Heather Corcoran, Intergovernmental Relations Liaison
(651) 281-1256 or hcorcoran@lmc.org

AF=Anne Finn, Assistant Intergovernmental Relations Director
(651) 281-1263 or afinn@lmc.org

CJ=Craig Johnson, Intergovernmental Relations Representative
(651) 281-1259 or cjohnson@lmc.org

IK=Irene Kao, Intergovernmental Relations Counsel
(651) 281-1260 or ikao@lmc.org

AL=Ann Lindstrom, Intergovernmental Relations Representative
(651) 281-1261 or alindstrom@lmc.org

LZ=Laura Ziegler, Intergovernmental Relations Liaison
(651) 281-1267 or lziegler@lmc.org



Clarification of fourth-degree assault against a peace officer

Chapter 93 (HF 2652/SF 2227*) amends Minn. Stat. § 609.2231, subd. 1 by clarifying that the intentional throwing or transferring of bodily fluids or feces at an on-duty peace officer effecting a lawful arrest or executing any other duty imposed by law is a three-year felony under Minnesota’s fourth-degree assault, regardless of the extent of injury to the peace officer. *Effective Aug. 1, 2016. (IK)*

Criminal vehicular homicide enhanced penalty created

Chapter 109 (HF 71*/SF 82) creates an enhanced penalty for an impaired criminal vehicular homicide offense occurring within 10 years of a qualified prior driving offense.

- **“Qualified prior driving offense” defined.** Section 1 amends Minn. Stat. § 609.2111 by adding a definition of “qualified prior driving offense.” “Qualified prior driving offense” is a prior conviction for: first- or second-degree DWI; and criminal vehicular homicide or injury involving impairment.
- **Criminal vehicular homicide enhanced penalty provided.** Section 2 amends Minn. Stat. § 609.2112, subd. 1 by creating a 15-year felony for a person convicted of criminal vehicular homicide involving impairment, occurring within 10 years of a prior qualified driving offense. (Existing law provides the penalty is a 10-year felony.)
- **Death of unborn child vehicular homicide enhanced penalty provided.** Section 3 amends Minn. Stat. § 609.2114, subd. 1 by creating a 15-year felony for a person convicted of criminal vehicular homicide resulting in death to an unborn child involving impairment, occurring within 10 years of a prior qualified driving offense. (Existing law provides the penalty is a 10-year felony.)

Effective Aug. 1, 2016. (AF)

Identity theft statute of limitations extended

Chapter 121 (HF 3482*/SF 3122) amends Minn. Stat. § 628.26. It extends the criminal statute of limitations from three to five years for identity theft crimes involving eight or more direct victims or a combined loss to all victims of more than \$35,000. (This places identity theft in line with other theft-related crimes with losses over \$35,000.) *Effective Aug. 1, 2016, and applies to crimes committed on or after that date and to crimes committed before that date if the limitations period for the crime did not expire before Aug. 1, 2016. (AF)*

Nonconsensual dissemination of private sexual images civil cause of action provided

Chapter 126 (HF 2741/SF 2713*) creates civil and criminal remedies to combat a practice commonly referred to as “revenge porn,” by making it unlawful to: (1) disseminate private sexual images of another without consent; or (2) solicit sex on behalf of another person without consent.

- **Definitions.** Section 1 creates Minn. Stat. § 604.30. It provides definitions of “dissemination,” “image,” “intimate parts,” “personal information,” “sexual act,” “sexual contact,” “social media,” “sexual penetration” and “sexual intercourse.”
- **Cause of action for nonconsensual dissemination of private sexual images and sexual solicitation provided.** Section 2 creates Minn. Stat. § 604.31. It creates two civil causes of action and provides provisions for damages, temporary relief, confidentiality, jurisdiction, venue, statute of limitations, and exceptions to liability.
- **Nonconsensual dissemination of private sexual images.** Section 2, subd. 1 creates a cause of action when a person distributes a photo to another person of an individual depicted in a sex act or who is naked or partially naked, without the consent of the person in the picture to distribute it. It is not a defense if the person agreed to take the photo or the video. The person in the image needs to be identifiable by the image or because of identifying information posted or sent with the image. The person who distributed the image must have known, or should have known, that the image was intended to remain private.
- **Nonconsensual sexual solicitation.** Section 2, subd. 2 creates a cause of action against a person who distributes a sexual invitation on behalf of another person without their permission when they know it will cause the other person to feel harassed, frightened, threatened, oppressed, persecuted, or intimidated.
- **Damages.** Section 2, subd. 3 allows the court to award damages for specific damages and financial losses due to the distribution of the image and damages for pain and suffering and mental anguish. A damage award can equal to the amount of profits made off of the distribution of an image, as well as an award for court costs, fees, and reasonable attorney’s fees. Finally, the court can award a civil penalty to the plaintiff of up to \$10,000.
- **Injunction; temporary relief.** Section 2, subd. 4 allows a court to issue a restraining order or injunction to prevent further harm to the plaintiff and impose a civil fine up to \$1,000 per day for failure to comply with an injunction or restraining order.
- **Confidentiality.** Section 2, subd. 5 requires the court to allow confidential filings to protect the privacy of a plaintiff. Civil actions are generally public record but a plaintiff may request that their identity and private information not be accessible to the public.

- **Liability; exceptions.** Section 2, subd. 6 limits the liability of disseminating pictures or videos of people who are naked or engaged in a sexual act when the picture or video is:
 - Transmitted to report a crime or is part of a criminal investigation or prosecution;
 - Transmitted as part of medical or mental health treatment and is kept confidential;
 - An exposure (nudity or sexual act) in public;
 - Made in a commercial setting for the purposes of the legal sale of goods or services, including artistic productions;
 - Related to a matter of public interest and disseminated for a lawful public purpose;
 - Distributed for scientific research and educational purposes; or
 - Used in a legal proceeding or is protected by court order.
- **Jurisdiction.** Section 2, subd. 7 provides jurisdiction to the court if either the plaintiff or defendant lives in Minnesota.
- **Venue.** Section 2, subd. 8 provides an action can be filed in the county of residence of either the plaintiff or defendant, or where the pictures or videos were taken, reproduced, or stored.
- **Discovery of dissemination.** Section 2, subd. 9 allows the statute of limitations to begin to run (for a cause of action under subdivision 1 related to the dissemination of pictures or videos) when the plaintiff learns that the picture or video has been disseminated.
- **Qualified domestic violence-related offense (QDVRO).** Section 3 amends Minn. Stat. § 609.02, subd. 16 by adding Minn. Stat. § 617.261 (nonconsensual dissemination of private sexual images—section 9) to the definition of QDVRO. A QDVRO may be used to enhance penalties for the following crimes: violation of an order for protection, harassment restraining order, or no contact order; fifth-degree assault; domestic assault; and stalking.
- **Acts constituting coercion modified.** Section 4 adds Minn. Stat. § 617.261 (nonconsensual dissemination of private sexual images—section 9) to the coercion statute. Under this statute, it is a crime to make certain threats to another and cause another, against his or her will, to do any act or forbear doing an act.
- **Attempt to coerce modified.** Section 5 amends Minn. Stat. § 609.271 with a conforming cross-reference to section 4.
- **Definition; harassment restraining order.** Section 6 amends Minn. Stat. § 609.748, subd. 1 by adding “nonconsensual dissemination of private sexual images” (created in section 9) and “nonconsensual sexual solicitation” (created in section 7) to the definition of harassment for purposes of seeking a civil restraining order.
- **Stalking crimes.** Section 7 amends Minn. Stat. § 609.749, subd. 2 by adding “nonconsensual sexual solicitation” to the list of stalking offenses.
- **Criminal defamation.** Section 8 amends Minn. Stat. § 609.765, the criminal act of defamation, to address a Minnesota Court of Appeals’ ruling in *State v. Turner*, 864 N.W.2d 204 (Minn. Ct. App. 2015), which found the statute unconstitutionally overbroad because it criminalized true statements and statements made without malice. The statute is amended to punish only false statements, and strikes a current defense that allows a defendant to argue the act was justified because the defamatory matter was true and was communicated based on good motives and for justifiable ends. *Effective May 20, 2016.*
- **Nonconsensual dissemination of private sexual images.** Section 9 creates Minn. Stat. § 617.261.
 - **Crime.** Section 9, subd. 1 makes it a crime to intentionally disseminate an image of another person depicted in a sexual act or whose intimate parts are exposed when: (1) the person is identifiable; (2) the actor knows or reasonably should know the person did not consent to dissemination; and (3) the image was obtained or created under circumstances in which the person depicted had a reasonable expectation of privacy.
 - **Penalties.** Section 9, subd. 2 creates tiered penalties based on additional factors. Such factors include: victim suffers financial loss, actor disseminates image for profit or with intent to harass, actor posts image online, actor obtained image through theft, or actor has previous conviction under Minn. Stat. ch. 617.
 - **No defense.** Section 9, subd. 3 provides it is not a defense that the person consented to the capture or possession of the image.
 - **Venue.** Section 9, subd. 4 expands venue to the county of residence of the actor or victim, or the county of victim’s safe-at-home designated address, or if those are not available, a county where the image is produced, reproduced, found, stored, received, or possessed.
 - **Exemptions.** Section 9, subd. 5 exempts the following acts from being a crime:
 - Dissemination to report a crime or as part of a criminal investigation or prosecution;
 - Dissemination as part of medical or mental health treatment and are kept confidential;
 - An exposure (nudity or sexual act) in public;
 - Image made in a commercial setting for the purposes of the legal sale of goods or services, including artistic productions;
 - Image related to a matter of public interest and disseminated for a lawful public purpose;
 - Dissemination for scientific research and educational purposes; or
 - Image being used in a legal proceeding or is protected by court order.

- **Immunity.** Section 9, subd. 6 provides immunity from criminal liability for interactive computer services, providers of public mobile services or private radio services, and telecommunications network or broadband providers.
- **Definitions.** Section 9, subd. 7 defines the following terms for purposes of this section: “dissemination,” “harass,” “image,” “intimate parts,” “personal information,” “sexual act” and “social media.”
- **Other crimes.** Section 9, subd. 8 provides that this section shall not limit the state from prosecuting a person for conduct that constitutes any other crime. (For example, the prosecutor could seek charges under pornographic work involving minors if applicable.)

Effective Aug. 1, 2016, except section 8 is effective May 20, 2016. (AF)

Ex parte hearings authorized to determine significant exposure to bodily fluids

Chapter 145 (HF 2777*/SF 3350) amends Minn. Stat. § 144.7407, subd. 2 to authorize an ex parte hearing to determine if a source individual should be ordered to provide a blood sample for blood-borne pathogen testing when an emergency medical services (EMS) provider has experienced significant exposure. The ex parte hearing (with only one party present) shall be conducted if the source individual does not attend the hearing and the petitioner complied with the notice requirements. In addition, if the source individual does not comply with court-ordered blood collection, the provision authorizes taking the source individual into custody for purposes of obtaining a blood sample. The hold is limited to 24 hours. *Effective Aug. 1, 2016. (AF)*

Energy transmission and telecommunications equipment crime expansion

Chapter 152 (HF 3082/SF 2649*) amends Minn. Stat. § 609.593, subd. 1 to include causing damage to any component used in the generation, transmission, or distribution of electricity such as grounding, system protection, or personnel protection as a crime. *Effective Aug. 1, 2016, and applies to crimes committed on or after that date. (LZ)*

Disability discrimination claim requirements established related to architectural barriers

Chapter 159 (HF 2955*/SF 2584) amends the statute of limitations related to claims for violations of architectural and communication barriers in public accommodations, requires attorneys to send demand letters in these cases, provides affirmative defenses, and creates a statutory short form for the demand letter.

- **Filing options.** Section 1 amends Minn. Stat. § 363A.28, subd. 3 by allowing the one-year statute of limitations to begin running after the time period pro-

vided in a demand letter sent to a business or other entity to cure a violation related to an architectural or communication barrier that limits access for a person with a disability.

- **Actions involving architectural barriers that limit accessibility.** Section 2 creates Minn. Stat. § 363A.311.
- **Definitions.** Section 2, subd. 1 defines “accessibility requirements under law” and “certified professional.” “Certified professional” means a licensed, registered, or otherwise certified professional with demonstrated knowledge of accessibility requirements under law.
- **Notice of architectural barrier.** Section 2, subd. 2 requires that a notice be sent before filing a civil action by an attorney representing a person alleging a business establishment or place of public accommodation has violated an accessibility requirement under law. A notice cannot include a request or demand for money or an offer or agreement to accept money, but may offer to engage in settlement negotiations before litigation.
- **Statutory short form for notice of architectural barrier.** Section 2, subd. 3 provides a statutory short form for the demand letter required to be sent by an attorney prior to a civil action against a place of public accommodation for the violation of an accessibility requirement under the Minnesota Human Rights Act.
- **Affirmative defense, challenging audit.** Section 2, subd. 4 provides an affirmative defense to a defendant who has been sued for failing to remove an architectural barrier when the defendant can demonstrate that the barrier has been removed, the removal is not readily achievable or cannot be accomplished by other means, or the alleged architectural barrier does not violate the law. A plaintiff challenging an audit prepared by a certified professional has the burden of showing that the violation is still occurring or that compliance could be achieved through alternative means.
- **Exemptions.** Section 2, subd. 5 exempts persons not represented by an attorney and attorneys representing the state or a political subdivision from the notice and statutory short form requirements.

Effective May 23, 2016. (IK)

Controlled substance crimes thresholds modifications

Chapter 160 (HF 3983/SF 3481*) changes sentences for certain drug offenses and modifies some proposed sentencing changes by the Minnesota Sentencing Guidelines Commission earlier this year.

- **Definitions.** Section 2 adds “aggravating factor” for the controlled substances law in Minn. Stat. § 152.01, subd. 24.
- **Threshold amounts of certain drug offenses modified.** Sections 3, 4, and 5 amend Minn. Stat. §§

152.021, 152.022, and 152.023 by increasing the threshold amount of cocaine and methamphetamine for sales and possession crime for first-, second-, and third-degree crimes. These sections also decrease the threshold amount of marijuana for sales and possession crimes. A new “kingpin crime,” aggravated controlled substance crime in the first degree, is created for possession of 100 grams or 500 dosage units and if the offense involves firearms or two aggravating factors.

- **No mandatory minimum sentences for lower level offenses.** Sections 5, 6, and 7 amend Minn. Stat. §§ 152.023, 152.024, and 152.025 by striking the current mandatory minimum prison sentence for third-, fourth-, and fifth-degree crimes committed by repeat offenders.
- **New gross misdemeanor for possession offenses.** Section 7 amends Minn. Stat. § 152.025 by creating a new gross misdemeanor offense for possession offenses involving trace amount of drugs and only applies to offenders who have not been previously convicted of a violation of the controlled substances law.
- **New misdemeanor for multiple drug paraphernalia offenses.** Section 9 amends Minn. Stat. § 152.092 by making a violation of the drug paraphernalia law a misdemeanor if the offender has violated it twice before. (Before this new law, a violation was a petty misdemeanor regardless of how many past violations the offender had.)
- **Drug offender stay of adjudication expanded.** Section 10 amends Minn. Stat. § 152.18 by expanding the drug offender stay of adjudication law to make third-degree controlled substance crime possession offenders eligible. This provision also makes mandatory for fifth-degree possession offenders who have not previously been convicted of a felony offense or a gross misdemeanor fifth-degree controlled substance crime.
- **Conditional release program modified.** Sections 11 and 12 amend Minn. Stat. § 244.0513, the conditional release program for certain non-violent controlled substance offenders.

Effective Aug. 1, 2016, except sections 14 and 18 are effective May 23, 2016, and sections 19, 20, and 21 are effective July 1, 2016. (IK)

Crime of interfering with a body or scene of death modified and sentence increased

Chapter 175 (HF 3469*/SF 3213) is also known as Laura’s Law.

- **Crime of concealing evidence amended.** Section 1 amends Minn. Stat. § 609.502, subd. 1 by specifying that a person is guilty of a crime of concealing evidence if a person interferes with a body or scene of death with intent to conceal the body, conceal evidence, or otherwise mislead the coroner or medical examiner.

- **Maximum penalty increased.** Section 2 adds a subdivision to Minn. Stat. § 609.502 by increasing maximum penalty for interfering with a body or scene of death from a gross misdemeanor to a 10-year felony. In addition, the chapter provides that a defendant who is convicted of concealing a body must pay restitution to law enforcement for costs associated with locating the body.

Effective Aug. 1, 2016. (AF)

Respondent filing fee requirements for an order for protection eliminated

Chapter 176 (HF 2553*/SF 2568) amends Minn. Stat. § 518B.01, subd. 3a. It eliminates filing fees for respondents in order for protection (OFP) cases. It also removes the ability of the court to direct a respondent to pay the petitioner’s filing fees and reasonable costs of service of process.

Effective Aug. 1, 2016. (AF)



COMMERCE

Tax debt covered under debt settlement services regulation

Chapter 100 (HF 2641/SF 2869*) includes several changes that clarify what constitutes debt management services and also the status of tax debts owed to federal, state, and local units of government in the debt management services statute (Minn. Stat. ch. 332A) and the debt settlement services statute (Minn. Stat. ch. 332B).

- **Debt management service provider; government exclusion.** Section 1 amends Minn. Stat. § 332A.02, subd. 8 to clarify that the federal government, state, political subdivisions, public agencies, and their employees are not “debt management services providers” when engaged in the regular course of their respective businesses and professions.
- **Venue for legal disputes.** Section 2 amends Minn. Stat. § 332A.10, subd. 4 to prohibit debt management service agreements from including a venue provision that would require legal disputes to be filed outside of Minnesota.
- **Definition of creditors expanded.** Section 3 amends Minn. Stat. § 332B.02, subd. 9 to specify that the federal government, state government, or their political subdivisions to which delinquent taxes are owed are creditors for purposes of debt management services.
- **Definition of debt settlement services.** Section 4 amends Minn. Stat. § 332B.02, subd. 10 to define debt settlement services to include providing advice and acting as an intermediary to settle delinquent taxes owed to the federal or state government.

Effective Aug. 1, 2016. (GC)



Portable recording systems (police-worn body cameras) data

Chapter 171 (HF 430/SF 498*) classifies data collected by portable recording systems (police-worn body cameras), provides for the retention and destruction of the data, use of these systems, audits of the data, vendor practices and liability, and penalties. It also includes public comment and written policy requirements.

- **Data classification for arrest data and response or incident data.** Sections 1 and 2 amends Minn. Stat. § 13.82 by classifying whether a law enforcement agency uses a portable recording system as public data under arrest data and response or incident data.
- **Video and audio recordings included for “clearly offensive to common sensibilities.”** Section 3 amends Minn. Stat. § 13.82 by expanding what kind of data can be classified as private or nonpublic data for “clearly offensive to common sensibilities” purposes. In addition to photographs, any images or recordings, including video and audio recordings, can be classified as private or nonpublic data for this reason.
- **Public benefit data inclusion.** Section 4 amends Minn. Stat. § 13.82 by including portable recording system data classified as private or nonpublic as public benefit data. Public benefit data can be given to any person, agency, or the public if the law enforcement agency determines that the access will aid the law enforcement process, promote public safety, or dispel widespread rumor or unrest.
- **Application of new section.** Section 5 creates Minn. Stat. § 13.825. It applies only to law enforcement agencies that use a portable recording system in investigations or in response to emergencies, incidents, and request for service.
 - **Definitions.** Section 5, subd. 1(b) defines “portable recording system,” “portable recording system data,” and “redact.” “Portable recording system” is a device worn by a peace officer that is capable of both video and audio recording of the officer’s activities and interactions with others, or collecting digital multimedia evidence as part of an investigation.
 - **Portable recording system data generally private data.** Outside of active criminal investigative data, section 5, subd. 2(a) classifies portable recording data as private data on individuals or nonpublic data, except:
 - **Discharge of firearm in course of duty are public data.** Data that document the discharge of a firearm by a peace officer in the course of duty, if notice is required under Minn. Stat. § 626.533, subd. 2, are public. Minn. Stat. § 626.533, subd. 2 provides that peace officers who discharge a firearm for training purposes or to kill an animal would still be private or nonpublic data.

- **Use of force resulting in substantial bodily harm are public data.** Data that document the use of force by a peace officer that results in substantial bodily harm, as defined in Minn. Stat. § 609.02, subd. 7a, are public.
- **Subject of the data can make data public.** Data are public if a subject of the data requests they be made accessible to the public. The data needs to be redacted for those who have not provided consent and undercover officers pursuant to Minn. Stat. § 13.82, subd. 17(a). Peace officers who are on duty may not be redacted from the data.
- **Active criminal investigative data remain confidential or protected nonpublic data.** Portable recording system data that are active criminal investigative data are confidential or protected nonpublic pursuant to Minn. Stat. § 13.82, subd. 7.
- **Inactive criminal investigative data are private or nonpublic data.** Portable recording system data that are inactive criminal investigated data are governed by Minn. Stat. § 13.825.
- **Limited personnel data are public data.** Portable recording system data that document basis for final disposition of discipline, pursuant to Minn. Stat. § 13.43, subd. 2(5), are public.
- **Other private or nonpublic data classifications in the Minnesota Government Data Practices Act retained.** Data that are not public data under other provisions of Minn. Stat. ch. 13 retain that classification.
- **Public portable recording system data may be redacted or withheld if “clearly offensive to common sensibilities.”** Section 5, subd. 2(b) provides that a law enforcement agency may redact or withhold access to portions of data that are public under Minn. Stat. § 13.825 if the data are clearly offensive to common sensibilities.
- **No Tennessee warning needed.** Section 5, subd. 2(c) provides that portable recording system data is not subject to Minn. Stat. § 13.04, subd. 2.
- **Civil action created.** Section 5, subd. 2(d) establishes a procedure under which a person may bring an action in district court to authorize the disclosure of portable recording system data that are private or nonpublic. A person may also bring an action in district court to challenge the redaction or withholding of data because of a “clearly offensive to common sensibilities” determination. (This was based on current law that provides for disclosure of active investigative data.)
- **Retention.** Section 5, subd. 3 contains the rules governing retention and destruction of data captured by a portable recording system that are not active or inactive criminal investigative data.

- **Not criminal investigative data retained for at least 90 days.** Unless the data are described in Section 5, subd. 3(b), they must be maintained for at least 90 days and destroyed pursuant to the law enforcement agency's record retention schedule.
- **Certain data must be retained longer.** Section 5, subd. 3(b) contains a longer retention period for certain types of data. It would apply in cases where the incident involved the discharge of a firearm by a peace officer in the course of duty, the use of force by a peace officer that results in substantial bodily harm, or a formal complaint is made against a peace officer related to the incident. In these cases, the data must be maintained for at least one year and destroyed pursuant to the law enforcement agency's record retention schedule.
- **Subjects of the data can request longer retention.** Section 5, subd. 3(c) allows the subject of the data to submit a written request that the recording be retained for an additional 180-day period for possible evidentiary or exculpatory use relating to the circumstances under which the data were collected. The law enforcement agency must notify the requester that the recording will then be destroyed unless a new request is made.
- **Cities can retain longer.** Section 5, subd. 3(d) allows cities to retain the recording for as long as reasonably necessary for possible evidentiary or exculpatory use relating to the circumstances under which the data were collected.
- **Access by subjects of the data.** Section 5, subd. 4(b) provides that an individual who is the subject of portable recording system data has access to the data, including data on other individuals who are subjects of the recording. If an individual requests a copy, data on other individuals who do not consent to the data's release must be redacted; however, on-duty peace officers engaged in an investigation or response to an emergency, incident, or request for service may not be redacted.
- **Definition.** Section 5, subd. 4(a) defines "portable recording system data subject" to include peace officers, other individuals, and entities. Peace officers are included regardless of whether the officer is or can be identified by the recording or whose image or voice is documented in the data.
- **Inventory.** Section 5, subd. 5 requires a law enforcement agency that uses portable recording systems to maintain specified information regarding the use of those systems, which is public data.
- **Only use of agency-issued systems.** Section 5, subd. 6 requires that while on duty, a peace officer may only use a portable recording system issued and maintained by the officer's agency in documenting the officer's activities.
- **Authorization to access data.** Section 5, subd. 7 requires law enforcement agencies to comply with data security and breach requirements under Minn. Stat. § 13.05, subd. 5 and Minn. Stat. § 13.055 for portable recording systems. The responsible authority must establish written procedures to ensure that law enforcement personnel have access to private or nonpublic data only if authorized in writing by the chief of police, sheriff, or head of the law enforcement agency, or their designee, to obtain access for a legitimate, specified law enforcement purpose.
- **Sharing among agencies.** Section 5, subd. 8 requires any sharing of portable recording system data that are private or nonpublic data with another law enforcement agency, government entity, or federal agency must comply with prescribed written requests, data security and breach requirements, data classification, and destruction under Minn. Stat. § 13.825. Portable recording system data may not be shared or sold to any other individual or entity not explicitly authorized under law.
- **Biennial audit.** Section 5, subd. 9 contains independent, biennial audit requirements. The results of the audit are public. The governing body with jurisdiction over the budget of the agency determines if the agency is complying with the law; if not, the governing body may order additional independent audits. If the governing body determines that there is a pattern of substantial noncompliance, it must order that the portable recording systems be suspended until the governing body has reinstated their use. Suspension may only happen after providing the agency and the public a reasonable opportunity to respond to the audit findings in a public meeting. A summary report must be given to the Legislative Commission on Data Practices and Personal Data Privacy within 60 days following completion of the audit.
- **BCA notification of new surveillance technology.** Section 5, subd. 10 requires that the Bureau of Criminal Apprehension (BCA) be notified within 10 days of when a law enforcement agency obtains new surveillance technology that expands the surveillance capability of portable recording systems beyond video or audio recording. Notices must be available on BCA's website.
- **Portable recording system vendor requirements.** Section 5, subd. 11 subjects vendors to all requirements in Minn. Stat. ch. 13. Vendors that store data in the cloud must meet the security requirements set by Criminal Justice Information Services.
 - **Definition.** "Portable recording system vendor" means a person who is not a government entity and provides services of portable recording system data for a law enforcement agency or other government entity.

- **Penalties.** Vendors who violate Minn. Stat. ch. 13 or improperly disclose private or nonpublic data are subject to penalties under this section.
- **Violation penalties.** Section 5, subd. 12 provides penalties for willful violations of a law enforcement agency, which are in addition to any other remedies provided by law.
- **Legislative auditor review.** Section 7 requires the legislative auditor conduct a comprehensive review based on law enforcement agencies' biennial audits. This review must be submitted to the Legislature by Jan. 15, 2020.

Effective Aug. 1, 2016, but data collected before the effective day must be destroyed as required no later than Aug. 16, 2017. (IK)

Portable recording systems (police-worn body cameras) adoption and written policy requirements

Chapter 171 (HF 430/SF 498*) classifies data collected by portable recording systems (police-worn body cameras), provides for the retention and destruction of the data, use of these systems, audits of the data, vendor practices and liability, and penalties. It also includes public comment requirements before purchasing or implementing portable recording systems and before written policy adoption and written policy requirements.

- **Public comment required before implementation.** Minn. Stat. § 626.8473, subd. 2 requires a law enforcement agency to provide an opportunity for public comment before it purchases or implements a portable recording system. Minimally, the agency must accept public comments submitted electronically or by mail. The governing body with jurisdiction over the budget of the law enforcement agency must also provide an opportunity for public comment at a regularly scheduled meeting.
- **Written policy requirements.**
 - **Public comment required before written policy adoption.** Section 6, subd. 3(a) requires the law enforcement agency provide for public comment and input, minimally by public comments submitted electronically or by mail.
 - **Policy adoption before implementation.** Law enforcement agencies are prohibited from using a system unless it has adopted a policy governing its use and operation.
 - **Policy posted on agency website.** The written policy must be posted on the agency's website, if the agency has a website.
 - **Minimum policy requirements.** Section 6, subd. 3(b) requires the following be addressed in written policies:
 - Data classifications, access procedures, retention policies, and data security safeguards;
 - Testing of portable recording systems;
 - System malfunction or failure, including documentation requirements;

- Circumstances when recording is mandatory, prohibited, or at officer discretion when using the system;
- Circumstances when a subject of the data must be given notice of a recording;
- Circumstances under which a recording may be ended while an investigation, response, or incident is ongoing;
- Secure storage and creation of backup copies of the data; and
- Compliance and violations of the policy, which must include (1) supervisory or internal audits and reviews and (2) employee discipline standards for unauthorized access pursuant to Minn. Stat. § 13.09.

Effective Aug. 1, 2016, but a law enforcement agency must adopt a policy consistent with this section by Jan. 15, 2017, if using a portable recording system on Aug. 1, 2016. (IK)



ECONOMIC DEVELOPMENT

Workforce development areas modifications provided

Chapter 129 (HF 3081/SF 2709*) amends provisions of Minn. Stat. § 116L.666 which pertains to workforce service areas. It changes the designation of “workforce service areas” to “workforce development areas.” It changes “local workforce council” to “local workforce development board.” It specifies area workforce and community-based organization membership on local boards to include: labor, veterans, persons with disabilities, minorities, older workers, housing, secondary career and technical education or philanthropic organizations, which must constitute at least 20 percent of the membership of the board. The existing law percentage is 15 percent. It also specifies that community colleges are included in reference to higher educational agencies and clarifies references to vocational rehabilitation programs and representatives of adult education and literacy programs. It adds the director of area apprenticeship training and a company or trade association with a recognized apprenticeship program to membership on the local board. Finally, it specifies that a local adult basic education program must nominate a member to serve on the board.
Effective Aug. 1, 2016. (AF/HC)

Broadband provisions in the omnibus supplemental budget act

Chapter 189 (HF 2749*/SF 2356) is the omnibus supplemental budget act and contains a significant amount of policy provisions. Article 5 relates to broadband development.

- **Border-to-Border Broadband Grant Program.** Section 1 allocates \$35 million in fiscal year 2017 to the Border-to-Border Broadband Grant Program. No more than \$5 million may be used for broadband grants to underserved areas. Up to \$1 million may be used for administrative and mapping costs by the Office of

Broadband Development in the Department of Employment and Economic Development (DEED). Funds in the amount of \$500,000 may be awarded to areas with a significant proportion of low-income households. Low-income households are households whose income is less than or equal to 200 percent of the most recent calculation of the federal poverty guidelines, adjusted for family size. *Effective July 1, 2016.*

- **Definition of underserved areas.** Section 2 amends Minn. Stat. § 116J.394 to redefine “underserved areas” as households or businesses that lack access of at least 100 megabits per second download and at least 20 megabits per second upload.
- **Publication required.** Section 3 amends Minn. Stat. § 116J.395, subd. 4 to require the commissioner of DEED to publish grant criteria and scoring system the department will use to evaluate or rank applications and award grants at least 30 days prior to the first day applications may be submitted.
- **Application requirements.** Section 4 amends Minn. Stat. § 116J.395, subd. 5 to require any grant applicants to provide evidence they have written all entities providing broadband service in the proposed project area to ask for each broadband service provider’s plan to upgrade service in the project area to meet or exceed the state’s broadband goals within the time frame of the proposed grant activities. Applicants must contact existing area providers at least six weeks prior to submission of the grant application. Any responses collected by the applicant must be submitted with application contents.
- **Challenge process.** Section 5 adds to Minn. Stat. § 116J.395 a challenge process. The Office of Broadband Development must publish the proposed service areas and speeds for each application submitted within three days of the closing of the grant application process. Within the following 30 days, an existing broadband provider may challenge an application if the provider demonstrates they currently provide or will begin construction to provide broadband equal or greater than the state speed goals no later than 18 months after the grants are awarded. The commissioner of DEED must evaluate the challenge and is prohibited from funding a project if the challenge is deemed credible. If the applicant is denied funding due to the challenge and the broadband service provider does not fulfill the commitment to provide broadband at the state speed goals, the commissioner is prohibited from denying funding to an applicant as a result of a challenge by the same broadband service provider for the following two grant cycles.
- **Report required.** Section 6 amends Minn. Stat. § 116J.395 to require the Office of Broadband Development to publish an application evaluation report.
- **Broadband mapping.** Section 7 adds a provision to require the Office of Broadband Development to con-

tract with one or more independent organizations to update the state’s broadband deployment data and maps. Data provided by the broadband providers are nonpublic data. Maps produced as a result of the data are public data.

- **Prevailing wage exemption.** Section 8 exempts the prevailing wage requirement for projects receiving grant funding for the construction, remodeling, or repair of last-mile infrastructure.
- **State broadband goals.** Section 9 updates the state’s broadband speed goals by amending Minn. Stat. § 237.012 subd. 1. The new state speeds goals are:
 - No later than 2022, all Minnesota businesses and homes have access to high-speed broadband that provides minimum download speeds of at least 25 megabits per second and minimum upload speeds of at least three megabits per second; and
 - No later than 2026, all Minnesota businesses and homes have access to at least one provider of broadband with download speeds of at least 100 megabits per second and upload speeds of at least 20 megabits per second.

Effective June 2, 2016, unless otherwise noted. (LZ)

Economic development provisions in the omnibus supplemental budget act

Chapter 189 (HF 2749*/SF 2356) is the omnibus supplemental budget act. Article 7 relates to economic development programs.

- **DEED programs and grants.** Section 2, subd. 2 contains several funding provisions in fiscal year 2017 of interest to cities:
 - One-time reduction of \$9 million for the Minnesota investment fund;
 - One-time reduction of \$11.5 million for the Minnesota job creation fund;
 - \$2 million for the redevelopment program;
 - \$600,000 grant for a city of the second class that is designated as an economically depressed area for redevelopment, job creation, and economic development; and
 - \$100,000 one-time appropriation to the city of Madelia.
- **Minnesota Housing Finance Agency.** Section 5 allocates funds to the Minnesota Housing Finance Agency. A total of \$500,000 is appropriated for the housing trust fund to establish an exploited families rental assistance program. Another \$500,000 is allocated for competitive grant programs to fund housing projects in communities with low housing vacancy rates and that have certain education and training centers. The Workforce and Affordable Homeownership Development Program received \$750,000 in fiscal year 2017.

Effective July 1, 2016. (LZ/HC)

Equity provisions in the omnibus supplemental budget act

Chapter 189 (HF 2749*/SF 2356) is the omnibus supplemental budget act. Article 12 relates to equity-related programs, with appropriations totaling \$35 million in fiscal year 2017.

- **DEED program and grants.** Section 2, subd. 2 allocates funds to the Department of Employment and Economic Development, totaling \$34,250,000 for programs and grants for communities of color, people with disabilities, seniors, and youth.
- **Family stabilization plan program.** Section 2, subd. 3 allocates funds to the Minnesota Housing Finance Agency. It provides \$500,000 for a grant providing a family stabilization plan program.
- **Risk mitigation programs.** Section 2, subd. 3 allocates funds to the Minnesota Housing Finance Agency. It provides \$250,000 as a one-time appropriation for risk mitigation programs to reduce landlord financial risks for renting to persons eligible for family homeless prevention and assistance program pursuant to Minn. Stat. § 462A.204. Higher priority will be given to applicants that can demonstrate a matching amount of money by a local unit of government, business, or non-profit organization.

Effective July 1, 2016. (IK)

Good Food Access program created in the omnibus supplemental budget act

Chapter 189 (HF 2749*/SF 2356) is the omnibus supplemental budget act. Article 2 contains agricultural provisions. Among those is the creation of a new program called the Good Food Access grant program, which could be a useful program for a number of Minnesota communities. The program is intended to “increase availability and access to affordable, nutritious, and culturally appropriate food, including fruits and vegetables, for underserved communities in low- and moderate-income areas.” Several approaches are potentially eligible for assistance funding, including farmers markets, small grocery stores, and small food retailers. Sections 2 and 4 create the program and define eligible projects and how the financing works. Section 5 creates a standing Good Food Access Advisory Committee, which has a number of seats that could be filled by city staff or officials, including two seats for economic or community development staff and two seats for people representing political subdivisions. In Section 28, that committee is required to be appointed by the commissioner of Agriculture by July 1, 2016, and to hold its first meeting by Sept. 1, 2016. *Effective July 1, 2016. (CJ)*



ELECTIONS

Elections administration modifications

Chapter 161 (HF 2688/SF 2381*) is the omnibus elections law. It makes several changes to elections administration law.

Article 1: Election administration

- **Committees; conventions.** Section 1 amends Minn. Stat. § 202A.13 to add electronic mail to the ways delegates or alternates to a political party convention may request interpretive services.
- **Absentee balloting modifications.** Section 2 amends Minn. Stat. § 203B.081 to allow for an alternative procedure for absentee voting in person. Subd. 3 provides that the county auditor may make available a ballot counter and ballot box for use by the voters during the seven days before the election. If a ballot counter is provided, a voter must be given the option of placing their ballot in the ballot counter or in a series of envelopes as provided in Minn. Stat. § 203B.08, subd. 1. If the voter chooses the former, they must sign a voter’s certificate and be issued a ballot. The ballot cannot be taken from the polling place and, once completed, it must be deposited into the ballot box. The election official must immediately record that the voter has voted. *Effective May 23, 2016.*
- **Submission of application.** Section 3 amends Minn. Stat. § 203B.17, subd. 1 to permit an application from a uniformed or overseas absentee voter to be valid through the next regularly scheduled state general election.
- **Ballots; candidates who file by nominating petition.** Section 4 amends Minn. Stat. § 204B.04 to prohibit a major party’s candidate for president or vice president from being nominated by petition to appear on the ballot on behalf of a minor party or as an independent candidate.
- **Application to municipalities.** Section 5 amends Minn. Stat. § 204B.14, subd. 7 to eliminate an obsolete cross reference.
- **Precinct boundaries; description; maps.** Section 6 amends Minn. Stat. § 204B.146, subd. 3 to permit the boundaries of a soil and water conservation district to be modified, if necessary, to align with a modified municipal boundary. It would be ordered by the secretary of state, and is only permitted if the number of affected voters is less than 50. The secretary has this same authority for congressional, legislative, and county district boundaries.
- **Booths; voting stations.** Section 7 amends Minn. Stat. § 204B.18, subd. 1 to eliminate language that directs the specific minimum dimension of voting booths in a polling place.
- **Procedure.** Section 8 amends Minn. Stat. § 204B.45, subd. 2 to update a reference to reflect a 2013 change in

law permitting certain small cities to conduct elections by mail.

- **Elections on a question.** Section 9 amends Minn. Stat. § 204C.07 to clarify the delivery requirements for a petition requesting that challengers be appointed to serve in polling places for a local election on a ballot question.
- **County canvass; return of reports to secretary of state.** Section 10 amends Minn. Stat. § 204C.37 to eliminate obsolete language.
- **Canvassing board; declaration of results; notification.** Section 11 amends Minn. Stat. § 204C.39, subd. 4 to regulate the correction of errors by a county canvassing board and to require the county auditor to notify the secretary of state of the county canvassing board's action by U.S. mail and electronic mail; no longer needs to be certified mail.
- **Posting of writ.** Section 12 amends Minn. Stat. § 204D.22, subd. 2 to require the secretary of state to notify county auditors of a writ of election by mail and electronic mail in special elections to fill a legislative office. A requirement that the notification be by certified mail is eliminated.
- **City councilmember candidates; filing.** Section 13 amends Minn. Stat. § 205.065, subd. 4 to require that if there is more than one city councilmember to be elected to a full term in the same election, the candidates must appear under a single office heading with the number to be elected specified beneath the heading.
- **Cancellation.** Section 14 amends Minn. Stat. § 205.10, subd. 6 to extend the deadline for canceling a city special election to conform to other requirements of law.
- **School board member candidates; filing.** Section 15 amends Minn. Stat. § 205A.03, subd. 3 to require that if there is more than one school board member to be elected to a full term in the same election, the candidates must appear under a single office heading with the number to be elected specified beneath the heading.
- **Vacancies in school district offices.** Section 16 amends Minn. Stat. § 205A.05, subd. 2 to update language to reflect changes enacted in 2015 to the process of filling vacant school district offices.
- **Affidavit of candidacy.** Section 17 amends Minn. Stat. § 205A.06, subd. 1 to require that all affidavits of candidacy for school district offices be the same and meet requirements of current law.
- **Notice of special election.** Section 18 amends Minn. Stat. § 205A.11, subd. 2a to provide a conforming reference to the change made earlier in the law, and current law, related to special school district elections on the date of a March town election.
- **Manner; time; contents.** Section 19 amends Minn. Stat. § 209.021, subd. 1 to add a cross-reference to a section of statute regulating how notice is properly served in an election contest.

- **Presidential electors; 2016 meeting location.** Section 20 specifies that if the executive chamber of the state Capitol is unavailable for the 2016 meeting of presidential electors, the secretary of state must direct that the meeting be held at the Minnesota History Center or another suitable space within the state Capitol complex. If the meeting is moved to one of these locations, the secretary of state must post notices at least 30 days before the meeting.

Effective Aug. 1, 2016, unless otherwise noted.

Article 2: School board vacancies

Section 1 amends Minn. Stat. § 123B.09 to specify how a vacancy on a school board must be filled. Vacancies must be filled by board appointment at a regular or special meeting, and the appointment is effective 30 days following adoption of resolution, which will last until a special election is held for remainder of the term. A special election must be held no later than the next November election following the vacancy, unless the vacancy occurs less than 90 days prior to the next November election, in which case the special election is held no later than the following calendar year November election. There is no special election required if the vacancy occurs less than 90 days prior to the November election in the third year of the term. The appointment is not effective if a petition to reject the nominee, signed by at least 5 percent of voters in the district at the most recent state general election, is filed with the clerk within 30 days of the resolution. If a valid petition is filed, the board must name a new appointee. If vacancy occurred prior to May 23, 2016, but no election has been scheduled, the board may fill the vacancy by appointment. If vacancy occurred prior to May 23, 2016, an election has been scheduled, but the absentee voting period has not yet started, the board may cancel the election and fill the vacancy by appointment or may allow the election to proceed. If canceling the election, the board must adopt a resolution within 14 days following May 23, 2016. *Effective May 23, 2016.*

Article 3: Elections emergency plans

- **Separate precincts; combined polling place.** Section 1 amends Minn. Stat. § 204B.14, subd. 2 to allow election officials to combine two or more polling places after May 1, in case of an emergency, without following the regular procedures to combine a polling place. Local election officials must immediately notify the county auditor and secretary of state of the combination of polling places, the reason for the combination, and the location of the combined polling place. The local elections official must also notify election judges and request the local media to announce the reason for the combination and the location of the new polling place. The local elections official must also post required notices.

- **Change of polling place in an emergency.** Section 2 creates Minn. Stat. § 204B.175 to allow election officials to change a polling place in an emergency without following the normal procedures. Subd. 2 requires election officials to procure a polling place that is as near to the designated polling place as possible that allows for access by elderly and persons with disabilities and that does not sell intoxicating liquors or non-intoxicating malt beverages. If it is not possible to locate a new polling place in the precinct, it may be located outside of the precinct and the normal one-mile distance limitation does not apply. Expenses incurred because of the change are paid as part of the expenses of the election. Subd. 3 requires the local election official to notify the county auditor and secretary of state of the relocation, the reason for it, and the location of the new polling place. The election official must notify the election judges and ask the local media to publicly announce the reason for the relocation and the location of the new polling place. The election official must also post the required notices.
 - **Elections emergency plan.** Section 3 creates Minn. Stat. § 204B.181 to require the secretary of state, along with the governor and the director of Homeland Security and Emergency Management, to develop a state elections emergency plan. The secretary of state, in consultation with the Minnesota State Council on Disability, must also create a state guide to assist local governments in developing a local plan. The guide must include a model county elections emergency plan. Subd. 2 requires a county to develop a county elections emergency plan to be used in all elections in the county. If the county contains jurisdictions that cross county lines, the counties must work together to ensure that the procedures are uniform throughout the jurisdiction. Cities, towns, and school districts may create local elections emergency plans; if so, the local plan governs all election emergencies within the jurisdiction. Local government officials must review their elections emergency plan prior to each state general election. Revisions to the plan must be filed with the secretary of state by July 1 in a state general election year. *Effective Aug. 1, 2016, but the initial required plans are due Sept. 1, 2016.*
 - **Voters in line at closing.** Section 4 amends Minn. Stat. § 204C.05, subd. 2 to allow election officials to extend polling place hours by one hour to accommodate voters that would have been in line to vote at the regular polling place if that polling place had not been combined or relocated on Election Day. The local election official must also notify the county auditor, secretary of state, and election judges of the extended polling place hours. The local election official must also ask the local media to announce the extended polling place hours. Voters in line to register or to vote at the end of the extended polling place hours must be allowed to vote.
 - **Repealer.** Section 5 repeals Minn. Stat. § 204B.17 which allows election judges to change a polling place when a designated polling place does not comply with statutory requirements. This section is replaced by sections 1 and 2.
- Effective Aug. 1, 2016, unless otherwise noted. (AL)*
- Presidential primary establishment**
Chapter 162 (HF 3549/SF 2985*) establishes a presidential primary for 2020.
- **Public information lists.** Section 1 amends Minn. Stat. § 201.091, subd. 4 to add the party choice of any voter who votes in the presidential primary to the public information list compiled by the county auditor.
 - **Time and manner of holding; postponement.** Section 2 amends Minn. Stat. § 202A.14, subd. 1 by modifying requirements related to precinct caucus scheduling. Caucuses cannot occur on the date of the presidential primary or town general election. It also provides the default caucus date in a presidential year if another date is not selected by agreement of the two largest major political parties. The caucuses would be held one week prior to the presidential primary.
 - **Preference ballot.** Section 3 amends Minn. Stat. § 202A.18, subd. 2a to eliminate the office of the president from the precinct caucus preference ballot established in law.
 - **Separate precincts; combined polling place.** Section 4 amends Minn. Stat. § 204B.14, subd. 2 to modify deadlines that apply to the formation of a combined polling place to reflect the establishment of the presidential primary.
 - **Boundary change procedure.** Section 5 amends Minn. Stat. § 204B.14, subd. 4 to provide a conforming reference to the law governing changes to precinct boundaries to reflect the establishment of a presidential primary.
 - **Elections covered.** Section 6 amends Minn. Stat. § 204C.04, subd. 2 to add the presidential primary to current law that allows voters to take time off from work to cast a ballot.
 - **Permanent registration; verification of registration.** Section 7 amends Minn. Stat. § 204C.10 to add new language to the polling place roster used at a presidential primary. The roster will require voters to certify their general agreement with the principles of the party for which they plan to vote and that they understand that their choice of a party's ballot will be public information.
 - **Example ballot.** Section 8 amends Minn. Stat. § 204D.09, subd. 1 to provide a conforming reference to the current law requiring preparation of an example ballot by the secretary of state to distinguish the presidential primary example ballot from the example ballot for the state primary and state general elections.

- **Presidential nomination primary established.** Section 9 creates Minn. Stat. § 207A.11 to establish a presidential primary to be held on the first Tuesday in March of a year in which the office of president is to be elected, or an alternate date mutually agreed-to by the major political parties. This does not change the date of the state primary or other federal and state candidates, which would continue to occur in August, as provided in current law.
- **Conducting presidential nomination primary.** Section 10 creates Minn. Stat. § 207A.12 to establish basic requirements for the conduct of the presidential primary. With some exceptions, the presidential primary would be administered similarly to the state primary. Elections officials will provide separate ballots for each party, and the party's ballot selected by a voter would be recorded on the polling place roster. The primary results must bind each party's election of delegates.
- **Form of ballots; candidates on ballot.** Section 11 creates Minn. Stat. § 207A.13 to provide standards for the format of the presidential primary ballot. Among other requirements, the ballot must be formatted to permit a voter to vote for uncommitted delegates, or for a write-in candidate. The candidates appearing on the ballot would be those submitted by each party chair no later than 63 days before the primary. No later than the seventh day before the primary, the party chairs would determine whether votes for a write-in candidate are counted in the primary results.
- **Notice of presidential nomination primary; sample ballot.** Section 12 creates Minn. Stat. § 207A.14 to specify timelines of notification. Twenty weeks before the presidential primary, the secretary of state must notify the county auditor of the date of the primary. The auditor must then notify each municipal clerk in the county of the date. Seventy days before the primary, the secretary of state must provide a sample ballot to each county auditor. At least 15 days before the primary, each municipal clerk must post a public notice of the presidential nomination primary. The county auditor must post a notice for polling places in unorganized territory; the city or county may also publish notice, but is not required to do so. Failure to do so does not invalidate the primary.
- **Presidential nomination primary election expenses; local reimbursement.** Section 13 creates Minn. Stat. § 207A.15, creating a special revenue fund to reimburse cities and counties for conducting the primary. No later than Sept. 1 of the year preceding the presidential election year, the secretary of state will certify the estimated state and local cost of the election to the commissioner of Management and Budget. Within 15 days of certification, the commissioner will transfer those funds to the general fund. The secretary of state will reimburse

cities and counties for the following: postage for absentee ballots; publication of the sample ballot; preparation of polling places in an amount not to exceed \$150 per polling place; preparation of electronic voting systems in an amount not to exceed \$100 per precinct; compensation for temporary staff or overtime payments; salaries of election judges; and compensation of county canvassing board members. Cities and counties must submit appropriate forms and documentation for reimbursement to the secretary of state within 60 days of the certification of the primary results by the State Canvassing Board.

The secretary of state must reimburse cities and counties within 90 days of the election results being certified.

- **Base increase.** Section 14 provides a base increase to the secretary of state of \$111,000 for fiscal year 2019 for computer programming costs. This is a one-time increase to the base.

Effective July 1, 2017. (AL)



EMERGENCY MEDICAL SERVICES

Hospitals designated as ST-segment elevation myocardial infarction (STEMI) receiving centers and STEMI transport protocols required

Chapter 88 (HF 2613*/SF 2480) adds subd. 8 to Minn. Stat. § 144E.16, requiring local and regional emergency medical services to develop STEMI transport protocols to include standards of care for triage and transport of STEMI patients within a specific time frame from first medical contact until transport to the most appropriate hospital based on the patient's condition, the time of transport, and the hospital's capabilities. *Effective Aug. 1, 2016. (IK)*

EMS provisions in the omnibus supplemental budget act

Chapter 189 (HF 2749*/SF 2356) is the omnibus supplemental budget act. Article 19 pertains to health care.

- **Payment for ambulance services increased.** Article 19, section 10 adds a subdivision to Minn. Stat. § 256B.0625, subd. 17a. It provides that, effective for services provided on or after July 1, 2016, medical assistance payment rates for ambulance services identified in this paragraph are increased by 5 percent. Capitation payments made to managed care plans and county-based purchasing plans for ambulance services provided on or after Jan. 1, 2017, must be increased to reflect this rate increase. The increased rate described applies to ambulance service providers whose base of operations as defined in section 144E.10 is located: (1) outside the metropolitan counties listed in Minn. Stat. § 473.121, subd. 4, and outside the cities of Duluth, Mankato, Moorhead, St. Cloud, and Rochester; or (2) within a municipality with a population of less than 1,000. *Effective July 1, 2016.*

- **Community emergency medical technician (CEMT) services defined and payment set.** Article 19, section 13 adds a subdivision to Minn. Stat. § 256B.025. It provides that medical assistance covers services provided by a CEMT who is certified under Minn. Stat. § 144E.275, subd. 7 when the services are provided in accordance with this subdivision.
- **Post-hospital discharge visits authorized.** A CEMT may provide a post-hospital discharge visit when ordered by a treating physician. The post-hospital discharge visit includes: (1) verbal or visual reminders of discharge orders; (2) recording and reporting of vital signs to the patient's primary care provider; (3) medication access confirmation; (4) food access confirmation; and (5) identification of home hazards.
- **Visits authorized for certain individuals.** An individual who has repeat ambulance calls due to falls, has been discharged from a nursing home, or has been identified by the individual's primary care provider as at risk for nursing home placement, may receive a safety evaluation visit from a CEMT when ordered by a primary care provider in accordance with the individual's care plan. A safety evaluation visit includes: (1) medication access confirmation; (2) food access confirmation; and (3) identification of home hazards.
- **CEMT payment rate established.** A CEMT shall be paid at \$9.75 per 15-minute increment. A safety evaluation visit may not be billed for the same day as a post-hospital discharge visit for the same individual.

Effective Jan. 1, 2017, or upon federal approval, whichever is later. The commissioner of human services must notify the revisor of statutes when federal approval is obtained. (AF)



EMPLOYMENT

Unemployment Trust Fund

Chapter 81 (HF 3178/SF 2891*) creates a new subdivision, Minn. Stat. § 268.051, subd. 2a that establishes an annual review as of Dec. 31 to determine if there are excess reserves in the state's unemployment trust fund. If it is determined that the trust fund balance is in excess of what is required using an average cost multiple of one (plus a cushion of 4 percent), a tax credit will be provided to employers in the following calendar year. The total amount of tax credits is equal to the total amount in the trust fund that is above the amount required by the average high cost multiple of one. An individual employer's tax credit is equal to a percentage of taxes due in the following year, calculated by using the employer's share of all unemployment insurance taxes paid in the year previous to the credit. Taxes paid by maximum experience rated employers are not included nor are these employers eligible for a tax credit. The tax credit is not refundable. A special calculation

is used for tax credits for calendar year 2016. This special calculation results in total tax credits of approximately \$258 million. *Effective retroactively from Dec. 31, 2015. (GC)*

Unemployment benefits extended

Chapter 82 (HF 1405/ SF 1006*) is a session law that authorizes extended unemployment insurance benefits for applicants laid off after March 14, 2015, from an employer in the iron ore mining industry or from an employer providing goods or services to an iron mining industry employer if the applicant was laid off due to the cessation or substantial reduction in operations of an iron mining industry employer. Eligibility for extended unemployment benefits is authorized through June 25, 2017, if an applicant received the majority of their wage credits from an employer included in the program and has exhausted regular benefits, and the applicant meets other statutory requirements for payment of unemployment benefits. *Effective March 25, 2016, and is retroactive to Aug. 31, 2015. (GC)*

Employment provisions in the omnibus supplemental budget act

Chapter 189 (HF 2749*/SF 2356) is the omnibus supplemental budget act. It contains a number of provisions pertaining to employment.

- **Promotion of student loan forgiveness program required.** Article 1, section 16 includes new language requiring public employers to provide information to employees about the federal student loan forgiveness program. Minn. Stat. § 136A.1792, subd. 4 requires the employer to annually provide to each employee in written or electronic form a one-page letter, fact sheet, and frequently asked questions, all of which will be created and made available to employers by the Office of Higher Education. Also, an employer must provide a newly hired employee with that same information within two weeks of the employee's first day of employment. At an employee's request, an employer must provide the employee with a copy of the employment certification form. *Effective Jan. 1, 2017. (AL)*
- **Public employment relations board funding provided.** Article 7, section 11 contains an appropriation of \$125,000 for the next two years for the Public Employment Relations Board. Section 42 delays the effective date of the board until July 1, 2017. *Effective July 1, 2016. (AL)*
- **Veterans Preference Act modifications provided.** Article 13, section 54 amends Minn. Stat. § 197.455, subd. 1 to add new language clarifying that a county, home rule charter or statutory city, town, or school district may require a veteran to complete an initial hiring probationary period as defined under Minn. Stat. § 43A.16. Section 55 amends Minn. Stat. § 197.46 by adding that "after an initial probationary period expires,"

a veteran holding a position in state civil service, or employment in any county, city, town, or school district shall not be removed from the position except for incompetency or misconduct shown after a hearing. The law also reduced the amount of time a veteran has to request a hearing from 60 days to 30 days. In a governmental subdivision that has an established civil service board or commission, or merit system authority, the veteran may elect to have the hearing for removal before the board or before an arbitrator. The employer shall request a list of seven persons to serve as an arbitrator from the Bureau of Mediation Services. The employer shall strike the first name from the list, and the parties shall alternately strike names from the list until the name of one arbitrator remains. The veteran has 48 hours after receiving each of the employer's elections to strike a person from the list. The governmental subdivision shall bear all costs associated with the hearing but not including the veteran's attorney fees. If the veteran prevails, and the hearing reverses the level of the alleged incompetency or misconduct requiring discharge, the governmental subdivision shall pay the veteran's reasonable attorney fees. *Effective July 1, 2016. (AL)*

- **“Killed in the line of duty” presumption clarified.** Article 14, sections 3 and 4 amend Minn. Stat. § 299A.41, subd. 3. This provision is also known as the “Hometown Heroes Act.” It conforms Minnesota's definition of “killed in the line of duty” with the definition found in the federal Hometown Heroes Act for purposes of awarding benefits to the survivors of public safety officers who are killed in the line of duty. The key changes are that the definition (1) expands coverage for accidental deaths while on duty from just peace officers to all public safety officers, and (2) expands coverage to officers who die from work-connected heart attacks, strokes, and vascular ruptures. The bill also amends the Public Employees Retirement Association (PERA), Minn. Stat. ch. 353, by adding a provision that includes peace officer deaths covered under Minn. Stat. ch. 299A as part of the definition of “line of duty death.” Article 14, section 5 provides an additional \$260,000 from the general fund to the commissioner of the Department of Public Safety for payment of public safety officer survivor benefits. *Effective June 2, 2016. (AF)*



Voluntary solar site environmental management
Chapter 181 (HF 3353*/SF 2689) and Chapter 184 (HF 3231*/SF 3018) contain identical language that allows developers of solar energy generation sites greater than 40 megawatts to make claims related to their environmental performance if they choose to implement a set of best

management practices that use native perennial vegetation to reduce erosion and stormwater impacts and also benefit pollinators, game birds, and song birds. Chapter 181 was a stand-alone bill. Chapter 184 is the omnibus agriculture policy bill and has the language in section 9. *Effective Aug. 1, 2016. (CJ)*

Municipal utility infrastructure improvement in the omnibus supplemental budget act

Chapter 189 (HF 2749*/SF 2356) is the omnibus supplemental budget act. Article 6, the energy provisions of the law, includes language strongly supported by the Minnesota Municipal Utilities Association that allows energy savings from electric utility infrastructure projects to be included in a municipal utility's energy conservation plan. *Effective June 2, 2016. (CJ)*



Buffer law changes

Chapter 85 (HF 3000/SF 2503*) amends Minn. Stat. §§ 103B.101, 103E.315, and 103E.48, which is the buffer legislation passed in the 2015 special legislative session. The primary change made that applies to some cities is found in the definition of public waters found in section 4, which is now limited to waters that are on the existing public waters inventory. In addition, sections 1 and 2 limit the ability of the Board of Water and Soil Resources to use their administrative penalty authority. *Effective Aug. 1, 2016. (CJ)*

Sanitary sewer district formation changes

Chapter 95 (HF 1674*/SF 1506) makes several changes to Minn. Stat. ch. 442A related to creating or dissolving a sanitary sewer district, as well as annexing parcels into or detaching parcels from that district. In all cases, there is no longer a requirement to include a justification for the inclusion or exclusion of parcels. Notice is changed from the state register to a newspaper of general circulation and notice to affected property owners can be through mail or email of the final order for the creation, annexation, detachment, or dissolution proposed. A joint public meeting is now only required in cases that proceed to a contested case hearing. *Effective Aug. 1, 2016. (CJ)*

Nutrient standard regulatory certainty provided

Chapter 104 (HF 3409/SF 3272*) creates a new voluntary program in Minnesota for wastewater treatment facilities that choose to use a biological treatment system to address both phosphorus and nitrogen/nitrate levels. The facility would need to continue to meet their current phosphorus limit and would need to accept a permit limit on nitrogen and nitrates, even though the state does not cur-

rently have an effluent limit on those discharges. Once that was done, the standards that facility needs to meet for those discharges would remain the same for the life of the biological treatment infrastructure system, up to 20 years. Applications for this program end Dec. 31, 2031, or the day after the federal government approves a state nitrogen-nitrate aquatic life standard, whichever comes first. *Effective Aug. 1, 2016. (CJ)*

State lands bill

Chapter 154 (HF 3401/SF 2760*) is the omnibus lands law. Legislative approval is required for the sale of certain state-owned lands or tax-forfeited parcels bordering public waters. This act also includes changes to requirements for state sale, valuation, and purchase of lands. *Effective May 23, 2016. (CJ)*

Electronic waste program changes

Chapter 166 (HF 2841*/no Senate File) updates the way electronic waste collections are credited. Changes in the type and weight of electronic waste generated and collected were starting to leave programs underfunded. New reporting requirements will exist for manufacturers, collectors, and recyclers of electronic waste, and new formulas are used to calculate each manufacturer's registration fees. Section 11, subd. 3 makes small changes to the reporting requirement of collectors. Section 13 adds new requirements for collection sites, which must now be staffed and opened sufficiently to meet local needs. They are allowed to limit types of waste accepted per customer per day or visit. They must also use only registered electronic waste recyclers. *Effective July 1, 2016. (CJ)*

Legacy funds appropriated

Chapter 172 (HF 2611/SF 2527*) allocates funds from the constitutional sales tax funds for environmental, natural resource, park and trail, and cultural heritage and arts projects.

- **Lessard-Sams Outdoor Heritage Council.** The Lessard-Sams Outdoor Heritage Council funds are expended annually and those projects are listed in Article 1.
- **Clean Water Fund** (allocated in odd-numbered years). Article 2 makes adjustments to reflect a drop in projected sales tax revenue and a reallocation of some agency expenditures to areas the agencies placed at a higher priority. It also included \$150,000 for continued study on the feasibility of building an augmentation system to pump water from other lakes and rivers into White Bear Lake.
- **Park and Trail Fund** (allocated in odd-numbered years). Article 3 requires state agencies and organizations to report when they request funds whether the request is supplanting or is a substitution for funding from a different source used for the same purpose.
- **Arts and Cultural Heritage Fund** (allocated in odd-numbered years). Article 3 also requires state agencies and

organizations to report when they request funds whether the request is supplanting or is a substitution for funding from a different source used for the same purpose.

Effective July 1, 2016. (CJ)

Environment and natural resources trust fund allocations

Chapter 186 (HF 2993/SF 2963*) allocates the portion of lottery proceeds constitutionally dedicated to long-term environmental protection and research. A number of the projects funded in this cycle relate to city concerns, including projects related to aquatic and terrestrial invasive pests and for a large range of water research and pilot projects related to drinking water, wastewater, and stormwater.

Effective July 1, 2016. (CJ)

Environment and natural resources provisions in the omnibus supplemental budget act

Chapter 189 (HF 2749*/SF 2356) is the omnibus supplemental budget act. Article 3 relates to environmental issues.

- **Wastewater plan review.** Section 2, subd. 2 provides the Minnesota Pollution Control Agency with increased funding for staff to provide technical assistance and facility plan review of municipal wastewater projects expected due to much increased funding of water infrastructure in the bonding bill. As of the end of the 2016 regular session, the bonding bill was not completed, but the added staffing is now funded.
- **SCORE recycling grants.** Section 2, subd. 4 provides a one-time boost of \$500,000 to the SCORE recycling grants program, which goes out through counties, but goes to many cities. Counties and cities have been trying for several years to have the portions of the solid waste tax that currently go to the general fund start going to management of solid waste, which is why the tax is collected. This small step acknowledges the need for the issue to be discussed again in the future to get ongoing funding increases to meet increasingly high state goals for recycling, composting, and organics collection.
- **Cold Spring water appropriation and monitoring.** Section 3, subd. 3 gives the Department of Natural Resources \$225,000 to monitor Cold Spring Creek, the sight of an ongoing difficult situation related to groundwater use and the extent to which it impacts a stream. Section 44 provides a five-year permit allowance for the city to provide additional water for a local brewery while the city seeks other solutions to their water issues.
- **Aggregate Resources Task Force.** Sections 5 and 50 create a new legislative task force to study the issue of identifying and preserving access to aggregate resources. All of the members of this group are legislators. *Effective June 2, 2016.*

Effective July 1, 2016, unless otherwise noted. (CJ)



GAMBLING

Raffle boards provided

Chapter 138 (HF 3281*/SF 2742) amends Minn. Stat. § 297E.02, subds. 6a and 7; Minn. Stat. § 349.2125, subd. 1; Minn. Stat. § 349.2127, subds. 2, 3, and 4 to make conforming changes. The 2015 Legislature added raffle boards to games regulated under the charitable gaming laws. The new 2016 law makes conforming changes to the charitable gaming statutes to treat raffle boards like other gambling devices such as pull-tabs, tipboards, and paddle tickets. *Effective Aug. 1, 2016. (AL)*

Charitable gambling modifications

Chapter 139 (HF 3102*/SF 3034) modifies a number of provisions related to lawful gambling. It authorizes and regulates the use of electronic raffle selection systems, allows for interim gambling manager appointments, modifies bingo prize requirements, and changes the application requirements for employee registrations. Of most significance to cities is the change made to Minn. Stat. § 349.213, subd. 1 regarding the acknowledgement of receipt of contributions. This change requires cities and counties who require gambling organizations to contribute 10 percent of their net profits to those jurisdictions for charitable purposes to acknowledge the source of the contributions. This may occur in communications about the funds as well as in the distribution of funds. *Effective July 1, 2016. (AL)*



GENERAL GOVERNMENT

Surplus equipment donation

Chapter 87 (HF 1003*/SF 1416) permits local units of government to donate certain surplus equipment to non-profit organizations. Section 1 adds a new subdivision to Minn. Stat. § 466.03 to add donation of surplus equipment to the list of exceptions to municipal tort liability. Section 2 creates Minn. Stat. § 471.3459 to permit a county, home rule or statutory city, town, or a joint powers entity formed by any of those political subdivisions to donate used public works equipment, cellular phones, and emergency medical and firefighting equipment. The equipment may no longer be needed because it does not meet industry standards for emergency medical services, police, or fire departments, or has minimal or no resale value. Before the local government makes any donations, it must adopt a policy on how it will determine what equipment is surplus and eligible for donation and how it will determine which nonprofit organizations may receive donations. The policy must also address the obligations of the local government to disclose that the surplus equipment may be defective and cannot be relied upon for safety. *Effective Aug. 1, 2016. (AL)*

Progress payments and retainages

Chapter 133 (HF 2451/SF 1898*) amends two different sections of Minn. Stat. § 337.10 regarding payment to subcontractors and progress payments and retainages. Section 1 adds new language to subd. 3 on prompt payment to subcontractors. If an undisputed payment is not received within 10 days, the prime contractor or subcontractor of any tier that has not received the undisputed payment may suspend work under the building and construction contract until the undisputed payment is received. Section 2 deletes language allowing a contract to allow for retainage to exceed 5 percent of the payment. It also clarifies that nothing in the subdivision is intended to require that retainage be withheld in any building or construction contract. *Effective Aug. 1, 2016, and applies to building and construction contracts executed on or after that date. (AL)*



HEALTH

Patient-designated caregiver opportunity and patient aftercare needs requirements

Chapter 103 (HF 210/SF 107*) requires hospitals to provide a patient or patient's agent with an opportunity to designate a caregiver to provide aftercare assistance upon entry to the hospital and upon discharge or transfer from the hospital. If a patient or a patient's agent designates a caregiver, the hospital is required to notify the caregiver upon the patient's discharge or transfer and is required to provide the caregiver with the patient's discharge plan and instructions for providing aftercare assistance. *Effective Jan. 1, 2017. (IK)*

Medical facilities' television closed captioning requirement

Chapter 150 (HF 2742/SF 2603*) creates Minn. Stat. § 144.611 to require televisions in health care facilities to have the closed captioning feature activated at all times if the television includes a captioning feature. A health care facility must make reasonable efforts to prevent deactivating a captioning feature. *Effective Aug. 1, 2016. (IK)*



HOUSING

Note: Housing provisions related to Minnesota Housing Finance Agency funding provided within the Omnibus Supplemental Budget Act are in the Economic Development section. Provisions related to the temporary family health care housing local permit program are under the Land Use section.

Action plan to increase community integration of people with disabilities

Chapter 163 (HF 3199/SF 2414*) is the omnibus Department of Health and Human Services law. Article 3, section 12 requires the commissioners of Human

Services, Education, the Minnesota Housing Finance Agency, Employment and Economic Development, and Information Technology, in consultation with stakeholders, to develop a collaborative action plan consistent with the state Olmstead Plan to increase community integration of people with disabilities, including housing, community living, and competitive employment. The priority is to align policies and funding, streamline access to services, and increase efficiencies in interagency collaboration. Recommendations must be provided to the Legislature by Jan. 1, 2017, including proposed statutory changes, changes necessary to the data practices act to allow for data sharing, and information technology solutions required to implement the actions. *Effective Aug. 1, 2016. (IK/HC)*

Housing support services

Chapter 163 (HF 3199/SF 2414★) is the omnibus Department of Health and Human Services bill. Article 3, section 13, requires the commissioner of Human Services to design comprehensive housing services to support an individual's ability to obtain or maintain stable housing. The proposal must support the goals of improving housing stability, increasing opportunities for integrated community living, preventing and reducing homelessness, increasing overall health and well-being of people with housing instability, and reducing inefficient use of health care that may result from housing instability. The commissioner is required to present an update to the Legislature by Feb. 1, 2017. *Effective Aug. 1, 2016. (IK/HC)*



INSURANCE

Workers' Compensation Reinsurance Association retention limits

Chapter 91 (HF 2994★/SF 2740) amends Minn. Stat. § 79.34, subd. 2 to allow workers' compensation insurers to maintain a new "jumbo" retention limit, which is defined as an amount equal to 10 times the low retention limit, which is set at \$500,000 for 2016 under the new law. The board of the Workers' Compensation Reinsurance Association is allowed to make adjustments to the retention limits in the future, with approval from the commissioner of the Department of Labor and Industry. Retention limits are the amount a workers' compensation insurer must pay for workers' compensation benefits before the Workers' Compensation Reinsurance Association will begin covering the insurer's losses. *Effective Jan. 1, 2018. (GC)*

Workers' Compensation Advisory Council recommendations

Chapter 110 (HF 2478★/SF 2398) includes the recommendations of the Workers' Compensation Advisory

Council, including changes to the Workers' Compensation Court of Appeals and housekeeping changes to the workers' compensation statutes.

Article 1: Workers' Compensation Court of Appeals proposals

- **Limitation of fees.** Section 1 amends Minn. Stat. § 176.081, subd. 1 to clarify the process for attorneys claiming legal fees in workers' compensation cases by removing reference to the Workers' Compensation Court of Appeals for cases before the court. Under the change, an attorney who is claiming legal fees for representing an employee in a workers' compensation matter must file a statement of attorney fees with the commissioner or compensation judge before whom the matter was heard.
- **Review of attorney fee award.** Section 2 amends Minn. Stat. § 176.081, subd. 3 to clarify the procedure in the Workers' Compensation Court of Appeals for attorneys appealing their fee awards.
- **Service of writ and bond; filing fee.** Section 3 amends Minn. Stat. § 176.471, subd. 3 to eliminate the requirement of paying a bond for parties appealing a decision of Workers' Compensation Court of Appeals to the Minnesota Supreme Court. These changes conform to appellate court rules.
- **Bond.** Section 4 amends Minn. Stat. § 176.471, subd. 5 to delete language related to the bonds at issue in Section 3. The Workers' Compensation Court of Appeals may require a bond in extraordinary circumstances.
- **Disbursements; taxation.** Section 5 amends Minn. Stat. § 176.511, subd. 2 to extend the time limit, from five to 10 days, for seeking costs from the losing party in a workers' compensation case. Current law provides that the prevailing party in such a case is entitled to costs incurred during the litigation.
- **Attorney fee allowance.** Section 6 amends Minn. Stat. § 176.511, subd. 3 to make stylistic changes and conforming changes based on other provisions in the bill.

Article 2: Workers' Compensation Department Proposals

- **Electronic transactions.** Section 1 amends Minn. Stat. § 176.135, subd. 7a to extend the deadline for compliance to Jan. 1, 2017, the requirement that health care providers and insurers submit and receive certain medical records and reports along with a medical bill. Lack of a consistent standard for attaching the documents has caused problems with submitting such documents to insurers. In addition to extending the time limit for compliance by six months, the bill provides more specificity about the attachment standard to be followed.
- **Preliminary investigations.** Section 2 amends Minn. Stat. § 176.136, subd. 1b to replace "management and budget" with "administration" to accurately reflect the state agency workers' compensation claims of injured state employees.

Effective May 13, 2016. (GC)

A Workplace Accident and Injury Reduction (AWAIR) program

Chapter 128 (HF 2992/SF 2733*) amends Minn. Stat. § 182.653, subd. 9 to require that the list of industry types for which employers must establish accident and injury reduction programs for employees must be updated every five years. Under current law, the list of industry types that must comply with AWAIR is updated every two years. (AWAIR requires employer types identified under Minn. Rule 5208.1500 to establish accident and injury reduction programs for employees in a wide array of industry types, including several involving local government such as police protection and fire protection.) *Effective Aug. 1, 2016. (GC)*



LAND USE

Partition fence viewing exemption

Chapter 102 (HF 2757/ SF 2986*) amends the partition fence law. Section 1 amends Minn. Stat. § 344.011 to give home rule charter or statutory city councils the authority to exempt adjoining owners or occupants from the partition fence chapter of law, Minn. Stat. ch. 344, when their land is considered less than 20 acres combined. The exemption would be established by resolution. Section 2 amends Minn. Stat. § 344.20 to give cities the option to consider a fence policy if petitioned by eight or more landowners. If the city adopts the policy, the partition fence chapter of law would not apply in that city. *Effective May 13, 2016. (AL)*

Temporary family health care housing local permit program created

Chapter 111 (HF 2497/SF 2555*) establishes a new special land use permit system for a specific type of mobile health care-related temporary housing that will be required in all cities and counties unless they officially act to opt out of the program. The main stated motivation behind the new law is to provide transitional housing for seniors, but the statute does not include age as a criteria for use of the structure. Anyone who needs assistance with two or more “instrumental activities of daily life” for mental or physical reasons is eligible to be housed in this manner. The legislation is fairly complex and specific in its requirements. Section 1 clarifies that these “temporary family health care dwelling units” are not a “housing with services establishment” under Minn. Stat. ch. 144D, exempting these new temporary dwellings from the registration and regulation requirements on “housing with services establishment,” or commonly referred to as “assisted living.” Section 2 establishes the program and its requirements for counties in Minn. Stat. ch. 394. Section 3 establishes the program and its requirements for cities in Minn. Stat. ch. 462.

- **Definitions.** Subd. 1 includes the definitions of “care-

giver,” “instrumental activities of daily life,” “mentally or physically impaired person,” “relative,” and “temporary family health care dwelling.” These terms are essential to understanding some of the later provisions of this statute.

- **Structural requirements.** Subd. 2 lists the requirements for a dwelling to qualify for this program. Among the 10 criteria are a lack of being attached to a permanent foundation; a 300 square foot maximum size; meeting state accessibility standards, access to water and electrical connection; exterior appearance requirements; R-15 insulation; an anti-backflow valve; and to be classified as a recreational vehicle, prefabricated building, or modular building.
- **Permit process and provisions.** Subd. 3 details the requirements of the permit process for both applicants and the city. The permit process goes into effect in all cities on Sept. 1, 2016, unless the city has already made these dwellings a permitted use or the city has acted to opt out of the program (see subd. 9). There are a number of important requirements in this subdivision.
 - **Exemption from certain ordinances.** Temporary family health care dwellings cannot be prohibited through accessory use ordinances, or recreational vehicle parking or storage ordinances.
 - **Applicant requirements.** The caregiver or a relative must apply for the permit. It must be signed by the primary care giver, the owner of the property on which the unit will be placed, and the resident of the property if the owner does not reside there.
 - **Permit application requirements.** A permit application must include:
 - **Applicant information.** Name, address, and phone number of (1) the property owner, (2) the property resident (if different from the owner), and (3) the primary caregiver for the qualified inhabitant of the unit, as well as the name of the person who will live in the unit;
 - **Health care provider information.** Proof of the provider network providing the primary care, respite care, or remote patient monitoring service;
 - **Verification of need.** Written certification of the need for assistance from a physician, physician’s assistant, or advanced practice registered nurse licensed to practice in Minnesota;
 - **Septic service.** An executed contract for septic service or management;
 - **Neighbor notice.** An affidavit that all adjacent property owners and residents have been notified of the application; and
 - **Site map.** A general site map to show the location of existing structures and the proposed placement of the new unit.
 - **Placement.** The unit must be located on the property where the caregiver or relative resides, must com-

ply with all setback requirements that apply to the primary structure, and must be placed on the lot in a manner that provides emergency access to the unit in a safe and timely manner.

- **Single, named occupant.** The unit is limited to one occupant named on the application. Only one unit is allowed on a lot.
- **Application of other requirements.** The unit must also comply with any other applicable state law, local ordinances, or charter provisions, such as state and local shoreland regulations or stormwater ordinances.
- **Permit duration.** Subd. 4 specifies that the permit is valid for six months. It may be renewed once for an additional six months.
- **Inspection and revocation.** Subds. 5 and 6 allow inspection of the unit and allow revocation of the permit for noncompliance with this statute, with 60 days to remove the structure if the permit is revoked.
- **Default fees.** Subd. 7 sets a default fee rate of up to \$100 for a permit and up to \$50 for a renewal unless a city sets different rates by ordinance.
- **Public process for permit.** Because of the short timeline allowed for a decision and the personal medical information involved, subd. 8 states that these permits do not require a public hearing. Cities must otherwise meet the general issuance requirements of Minn. Stat. § 15.99, except that only 15 days is allotted to review and act on the permit and that time cannot be extended. Cities with councils that meet only once a month have 30 days to act. If the application is incomplete, the city can start that time period over if they notify the applicant of what information is missing within five days of receipt.
- **Opt out.** Subd. 9 allows cities to pass an ordinance opting out of this section of law. An opt-out ordinance is the correct step to take if a city either wants to use their existing land use controls or to develop a customized version that might allow this sort of use in some cases using different processes or criteria. The League has a model opt-out ordinance.

Effective Sept. 1, 2016, and applicable to temporary dwelling permit applications made on or after that date. (CJ/IK)



LIQUOR

Local liquor licenses in the omnibus supplemental budget act

Chapter 189 (HF 2749*/SF 2356) is the omnibus supplemental budget act. Article 4 contains several local liquor licensing provisions.

- **St. Cloud State University's Brooks National Hockey Center.** Section 17 authorizes the City of St. Cloud to issue an on-sale wine and malt liquor license

to St. Cloud State University for the Brooks National Hockey Center.

- **St. Paul's Indiafest.** Section 18 authorizes the City of St. Paul to issue a temporary on-sale intoxicating liquor license to the India Association of Minnesota for Indiafest.
- **St. Paul's Major League Soccer stadium.** Section 19 also authorizes the City of St. Paul to issue an on-sale intoxicating liquor license to the Major League Soccer stadium.
- **Janesville's Prairie Ridge Golf Club.** Section 20 authorizes the City of Janesville to issue an on-sale intoxicating liquor license to the Prairie Ridge Golf Club.
- **Minneapolis restaurant.** Section 21 authorizes the City of Minneapolis to issue an on-sale intoxicating liquor license to a restaurant located at 5000 Hiawatha Avenue.

Effective upon approval by the city councils in each jurisdiction and in compliance with Minn. Stat. § 645.021. (AL)



LOCAL LAWS

Dakota County Community Development Agency membership and laws relating to Washington County Housing and Redevelopment Agency amended

Chapter 92 (HF 2956*/SF 2583) eliminates obsolete language related to the Dakota County Community Development Agency, and changes the name of the Washington County Housing and Redevelopment Agency to the Washington County Community Development Agency.

- Section 1 amends Minn. Stat. § 383D.41, subd. 5 to allow for the Dakota County Commission to include an eighth at-large member, if needed, in accordance with federal law requiring a tenant member.
- Section 2 is a 2016 session law that amends Laws 2012, chapter 199, section 3, to rename Washington County Housing and Redevelopment Authority to the Washington County Community Development Agency.
- Section 3 is a 2016 session law that amends various sections in Laws 1999, chapter 89, section 1 and Laws 2012, chapter 199, section 4, and provides for the governing body of a statutory or home rule charter city or township with an existing municipal economic development authority to request the Washington County Community Development Agency to handle economic development, housing, or redevelopment duties.
- Section 4, subd. 2 is a 2016 session law that amends Laws 2012, chapter 199, section 5 to state that any economic development project undertaken in Washington County by the agency is subject to planning, zoning, sanitary, and building laws, ordinances, and regulations within the locality's boundaries. Additionally, the project must be

authorized by resolution of the governing body of the statutory or home rule charter city or township with respect to each identified parcel or property, unless the locality has authorized the agency's exclusive jurisdiction for economic development duties.

- Section 6 repeals Minn. Stat. § 383D.412, a provision that allowed the Dakota County Community Development Agency to be eligible for Minnesota investment fund grants and loans.

Effective upon local approval. (LZ)

Host community economic development grants modified

Chapter 94 (HF 2514*/SF 2995) amends Minn. Stat. § 116J.548, subd. 2 to clarify definitions of eligible expenditures and projects under the Host Community Economic Development Program. It specifies capital costs to include public acquisition of land and buildings. An eligible project is redefined as one that will generate economic development within five years or facilitate the preparation of long-term economic development within a host community. Furthermore, projects that utilize temporary jobs or fund needed public infrastructure or transportation-related improvements to facilitate long-term economic development can be considered. *Effective Aug. 1, 2016. (LZ)*

Elk River Public Utilities Commission membership increase permitted

Chapter 97 (HF 2718*/SF 2423) expands the Elk River Public Utilities Commission from three to five members, sets staggered terms for members in accordance with its bylaws, and allows the commission to have two city councilmembers instead of one among its membership. *Effective day after completion of local approval process as provided by Minn. Stat. § 645.021, subds. 2 and 3. (LZ)*

Patrol Officer Michael Alan Hogan Memorial Highway designated

Chapter 117 (HF 3104/SF 2315*) adds a subdivision to Minn. Stat. § 161.14, designating a segment of marked Trunk Highway 7 located in McLeod County as "Patrol Officer Michael Alan Hogan Memorial Highway." Subject to Minn. Stat. § 161.139, the commissioner of the Minnesota Department of Transportation shall adopt a suitable design to mark this highway and erect appropriate signs. *Effective May 20, 2016. (AF)*

Staff Sergeant Kevin Witte Memorial Highway designated

Chapter 118 (HF 3652/SF 3262*) adds a subdivision to Minn. Stat. § 161.14, designating a segment of marked Trunk Highway 28 located between the City of Beardley and the City of Graceville as "Staff Sergeant Kevin Witte Memorial Highway." Subject to Minn. Stat. § 161.139, the

commissioner of the Minnesota Department of Transportation shall adopt a suitable design to mark this highway and erect appropriate signs. *Effective May 20, 2016. (AF)*

Richfield firefighters response time residency requirement extended

Chapter 146 (HF 2625*/SF 2515) is a 2016 session law that amends Laws 2010, chapter 207, section 1. It extends to Dec. 31, 2026, a 2010 law allowing the City of Richfield to impose a time response residency requirement on firefighters hired after April 2, 2010. The law had been set to expire in April 2017. (Note: Under general law, residency requirements for public employees are prohibited. Outside the metropolitan area, time response residency requirements are allowed.) *Effective Aug. 1, 2016. (AF)*

Hibbing PUC and city ward system changed

Chapter 157 (HF 3357/SF 3131*) is special legislation related to the City of Hibbing. Section 2 changes the Hibbing Public Utility Commission from three members to five. Section 3 abolishes the existing ward system for the City of Hibbing and replaces it with a new ward system while phasing the city to an Optional Plan A form of government. *Each provision becomes effective the day after the city takes appropriate action to approve that section. (CJ)*



PUBLIC SAFETY

Note: Police-worn body camera data practices provisions are in the Data Practices section. REAL ID program planning provisions are under the Transportation section and the REAL ID implementation provisions are under DNBL—Transportation.

Counties authorized to continue participation in the community corrections subsidy program

Chapter 108 (HF 2870*/SF 2570) adds a provision to Minn. Stat. § 401.02, subd. 1. It authorizes counties that have participated in the Community Corrections Act (CCA) for five or more years to continue to participate in the CCA. Under existing law, only counties that have a population of 30,000 or more may participate. The law provides a CCA participation grandfather clause for smaller counties that have participated in the CCA for five or more years. CCA counties provide all juvenile and adult probation services in their counties. *Effective May 13, 2016. (AF)*

Statewide Criminal and Juvenile Justice Information Policy and Funding Issues Advisory Group provided

Chapter 116 (HF 3423*/SF 2829) amends the structure and purpose of the Criminal and Juvenile Justice Information Group under Minn. Stat. § 299C.65. It adds the word "Advisory" to the group's title and expands the list of specified members from nine to 36. It eliminates the task force

appointed to advise the group and appoints the task force members as full members of the advisory group. It removes references to CriMNet, redefines the group's mission, and simplifies the statutory guidance on how requests for funding submitted to the advisory group should be acted upon. The League maintains two appointments to the group, one of which must be a city attorney. *Effective Aug. 1, 2016. (AF)*

Notice requirement for early termination of an emergency admission

Chapter 120 (HF 2803*/SF 2504) amends Minn. Stat. § 253B.05 to require that when a peace or health officer places a person on an emergency hold at a treatment facility, that officer must provide their name, agency, and contact information so that they can be notified if the person is discharged earlier than 72 hours after admission to the treatment facility or if the person leaves without consent of the treating health care provider. The treatment facility must immediately notify the agency under these situations. *Effective Aug. 1, 2016. (IK)*

Pharmaceutical waste collection and disposal provisions modified; opiate antagonist protocol established

Chapter 124 (HF 1503/SF 1425*) modifies state procedures for the disposal of controlled substances and other legend drugs to, in part, reflect adoption of federal regulations to implement the federal Secure and Responsible Drug Disposal Act of 2010. It also requires the development of an opiate antagonist protocol. Significant provisions of this bill include the following:

- **Exclusion for course of employment clarified.** Section 4 amends Minn. Stat. § 151.37, subd. 6 to clarify the law does not prohibit an employee of specified entities, while acting in the course of employment, from possessing a legend drug for the purpose of disposing of it as pharmaceutical waste provided that controlled substances are collected and disposed of as allowed under Minn. Stat. § 152.105. It modifies the entities by clarifying that the entities include a law enforcement agency; a hazardous waste transporter that has notified the Pollution Control Agency (PCA) of its activity; and a facility licensed by the PCA or a metropolitan county as a household hazardous waste collection program.
- **Pharmacies authorized to collect controlled substances for disposal.** Section 5 adds a subdivision to Minn. Stat. § 151.37. It allows pharmacies to collect controlled substances and legend drugs from the ultimate user or from a long-term care facility on behalf of an ultimate user and dispose of the drugs as pharmaceutical waste. Under existing law, the collection of controlled substances is limited to law enforcement agencies.
- **Opiate antagonists protocol establishment required.** Section 7 adds a subdivision to Minn. Stat. § 151.37. It

requires the Board of Pharmacy to develop an opiate antagonist protocol. When developing the protocol, the board must consult with the Board of Medical Practice, the Board of Nursing, the commissioner of Health, and professional associations of pharmacists, physicians, physician assistants, and advanced practice registered nurses. It requires educational materials concerning the need for, and opportunities to provide, greater access to opiate antagonists. The immunity in Minn. Stat. § 604A.04, subd. 3 is extended to both the commissioner of Health and to the designated practitioner when prescribing according to the protocol under this subdivision. The commissioner of Health and the designated practitioner are both deemed to be acting within the scope of employment for purposes of Minn. Stat. § 3.736, subd. 9, when prescribing according to the protocol under this subdivision.

- **Federal compliance required.** Section 8 creates Minn. Stat. § 152.105. It provides that the collection and disposal of controlled substances must comply with applicable federal regulations.

Effective May 20, 2016. (AF)

Written statement for change of information by registered predatory offenders required, and use of data authorized

Chapter 136 (HF 3370*/SF 3187) requires a written statement for change of information by registered predatory offenders, and authorizes access to registration data by child protection workers for determination of child residence with predatory offender.

- **Notices in writing required.** Section 1 adds a subdivision to Minn. Stat. § 243.166. It requires all notices of predatory offender status required by this section to be in writing and signed by the person required to register.
- **Use of data authorized.** Sections 2 and 3 amend Minn. Stat. § 243.166, subd. 7, and Minn. Stat. § 299C.093 to authorize law enforcement to share predatory offender registration data with child protection workers when there is a need to determine if a child can reside with a predatory offender.

Effective Aug. 1, 2016. (AF)

Legislative Task Force on Child Protection extension and modifications

Chapter 153 (HF 2683/SF 2428*) is a 2016 session law that amends Laws 2015, chapter 71, article 1, section 125. It extends the duration of the Legislative Task Force on Child Protection to Dec. 31, 2020. Existing law sunsets the task force on the last day of the 2016 legislative session. This chapter also modifies the membership of the task force, requires that the task force meet at least quarterly, and requires an annual report containing information on progress toward the implementation of changes to the child protection system. *Effective May 23, 2016. (AF)*

Controlled substances schedules modified

Chapter 182 (HF 3333*/SF 3031) updates the schedules of controlled substances contained in Minn. Stat. ch. 152. Minnesota law requires the executive director of the Board of Pharmacy to recommend to the Legislature updates to the statutory controlled substance schedules so that the statutory schedules match the schedules maintained by the Board. The chapter adds 14 synthetic drugs to Schedule I. These drugs are either cannabinoids, hallucinogens, stimulants, or CNS depressants. The Board of Pharmacy has concluded that each of the drugs can be abused, are potentially addictive, and have no approved medical uses, which are the criteria for placing a drug on Schedule I. The Bureau of Criminal Apprehension and local law enforcement agencies have notified the Board of Pharmacy that these drugs have been confiscated in Minnesota. The chapter also adds the drug eluxadoline to Schedule IV. Eluxadoline is an FDA-approved drug that is used for the treatment of irritable bowel syndrome. Upon its approval, it was placed in the federal Schedule IV. *Effective Aug. 1, 2016. (AF)*

Public safety provisions in omnibus supplemental budget act

Chapter 189 (HF 2749*/SF 2356) is the omnibus supplemental budget act. Article 4 of this law relates to public safety and corrections provisions. Article 25 relates to school crisis response teams.

- **Safe and secure courthouse funds provided.** Article 4, section 2 provides \$1 million for a competitive grant program established by the chief justice of the Supreme Court for the distribution of safe and secure courthouse fund grants to government entities responsible for providing or maintaining a courthouse or other facility where court proceedings are held. Grant recipients must provide a 50 percent nonstate match. This is a onetime appropriation and is available until June 30, 2019. *Effective July 1, 2016.*
- **DNA laboratory funds provided.** Article 4, section 7 provides \$630,000 for the Bureau of Criminal Apprehension DNA laboratory, including the addition of six forensic scientists. The base for this activity is \$1 million in each of the fiscal years 2018 and 2019 for eight forensic scientists. *Effective July 1, 2016.*
- **Sex trafficking investigation grants provided.** Article 4, section 7 provides \$820,000 for grants to state and local units of government to support new or existing multijurisdictional entities to investigate sex trafficking crimes, and to provide technical assistance for sex trafficking crimes, including training and case consultation, to law enforcement agencies statewide. *Effective July 1, 2016.*
- **Felony assault motivated by bias; increased statutory maximum sentence provided.** Article 4, section 14 creates Minn. Stat. § 609.2233. It provides that

a person who violates Minn. Stat. §§ 609.221, 609.222, or 609.223 because of the victim's or another person's actual or perceived race, color, religion, sex, sexual orientation, disability as defined in Minn. Stat. § 363A.03, age, or national origin is subject to a statutory maximum penalty of 25 percent longer than the maximum penalty otherwise applicable. *Effective Aug. 1, 2016, and applies to crimes committed on or after that date.*

- **Crime of prostitution clarified.** Article 4, section 15 clarifies Minn. Stat. § 609.324, subd. 1 to provide that whoever hires, offers, or agrees to hire an individual who the actor reasonably believes to be under the age of 16 years, but at least 13 years, to engage in sexual penetration or sexual contact is guilty of engaging in, hiring, or agreeing to hire a minor to engage in prostitution. The penalties may include imprisonment for not more than 20 years or payment of a fine of not more than \$40,000, or both. *Effective Aug. 1, 2016, and applies to crimes committed on or after that date.*
- **School crisis response teams required.** Article 25, section 1 creates Minn. Stat. § 119A.035. It requires the commissioner of the Minnesota Department of Education to work in cooperation with the Minnesota School Safety Center to collect, maintain, and make available to schools contact information for crisis response teams throughout the state. In regions of Minnesota where an existing crisis response team has not been formed by a school district, county, or city, the commissioner, in cooperation with the Minnesota School Safety Center, must convene a working group in each region to develop a plan to form a crisis response team for that region. Team members from the public and private sectors may represent various disciplines, including school administrators, guidance counselors, psychologists, social workers, teachers, nurses, security experts, media relations professionals, and other related areas. *Effective Aug. 1, 2016. (AF)*



TRANSPORTATION

Commissioner of Public Safety directed to plan for Real ID program implementation

Chapter 83 (HF 1732/SF 1646*) is a 2016 session law that amends Laws 2009, chapter 92, section 1, which was a law prohibiting the commissioner of Public Safety from planning or implementing the Real ID Act. It directs the commissioner of Public Safety to plan for the implementation of Real ID on Oct. 1, 2016, including submitting a report to the Legislature by April 14, 2016. The commissioner could not, however, adopt rules or implement changes to driver's license or identification card requirements to comply with Real ID without legislative authorization. *Effective April 1, 2016. (IK)*

Small vehicle passenger service ordinances regulating pedicabs requirements modification

Chapter 96 (HF 3497/ SF 3084*) amends requirements governing small vehicle passenger service ordinances that regulate pedicabs.

- **City regulation of motorized pedicabs authorized.** Section 1 amends Minn. Stat. § 221.091, subd. 2 to allow cities that regulate pedicabs, rickshaws, and other similar vehicles to permit these vehicles to be equipped with an electric motor.
- **Township regulation of motorized pedicabs authorized.** Section 2 amends Minn. Stat. § 368.01, subd. 12 to allow townships that regulate pedicabs, rickshaws, or other similar vehicles to permit these vehicles to be equipped with an electric motor.
- **Small vehicle passenger service ordinance requirements provided.** Section 3 amends Minn. Stat. § 412.221, subd. 20 to provide that city ordinances that license or regulate taxis and small vehicle passenger services must provide for driver qualifications, insurance, vehicle safety and periodic vehicle inspections as specified in Minn. Stat. § 221.091, subd. 2.

Effective May 7, 2016. (AF)

Service signs at two intersections or interchanges permitted

Chapter 98 (HF 2927*/ SF 3217) amends Minn. Stat. § 160.293, subd. 3. It permits, under a Minnesota Department of Transportation “specific service” sign program, placement of signs at two separate trunk highway intersection or interchange locations for an eligible business or service, if the business is located between and within 15 miles of the locations. The signs are on non-freeway trunk highways in rural areas. State law establishes various requirements for the program, and prior to passage of Chapter 98, one of the restrictions was to allow placement at only one intersection or interchange location. *Effective May 13, 2016. (AF)*

Autocycle regulations established

Chapter 114 (HF 3014*/SF 2776) creates a new motor vehicle category of “autocycle,” which is defined as a specialized type of three-wheeled motorcycle, and it permits autocycle operation with a driver’s license and no motorcycle endorsement. The act also makes various technical and conforming changes (primarily to address the characteristics of autocycles that differ from a typical motorcycle, such as car-like seating instead of a saddle and a cabin space with floorboards instead of footrests).

- **“Autocycle” defined.** Section 1 adds a subdivision to Minn. Stat. § 169.011. It defines “autocycle” as a motorcycle that: (1) has three wheels in contact with the ground; (2) is designed with seating that does not require

operators or any occupants to straddle or sit astride it; (3) has a steering wheel; (4) is equipped with antilock brakes; and (5) is originally manufactured to meet federal motor vehicle safety standards for motorcycles in Code of Federal Regulations, title 49, part 571, and successor requirements.

- **“Motorcycle” definition amended.** Section 2 amends Minn. Stat. § 169.011, subd. 44 to establish that autocycles are included as a type of motorcycle.
- **Seatbelt requirement provided.** Section 3 amends Minn. Stat. § 169.686, subd. 1 to provide that drivers and passengers are required to wear seatbelts in autocycles equipped with seatbelts.
- **License endorsement and permit requirements provided.** Section 4 amends Minn. Stat. § 169.974, subd. 2 by establishing that an autocycle can be operated with a driver’s license, but without a motorcycle endorsement. A motorcycle endorsement is required under current law for all motorcycles, including ones that are three-wheeled.
- **Vehicle equipment requirements provided.** Section 5 amends Minn. Stat. § 169.974, subd. 3 by making a conforming change to accommodate autocycles in a provision on motorcycle seating requirements.
- **Equipment for operator and passenger provided.** Section 6 amends Minn. Stat. § 169.974, subd. 4 to provide that helmets and eye protection are not required to operate an autocycle that has an enclosed cabin.
- **Autocycle driving rules provided and motorcycle driving rule clarified.** Section 7 amends Minn. Stat. § 169.974, subd. 5 by making conforming changes to accommodate autocycles in provisions that outline motorcycle driver and passenger riding conditions. It also clarifies that riding motorcycles two abreast within a lane is permitted only if the vehicles safely fit.

Effective Aug. 1, 2016. (AF)

Weight limits increased for certain vehicles powered by natural gas

Chapter 142 (HF 3588*/SF 3181) establishes a weight limit “credit” for natural gas vehicles, so that the vehicles have increased gross vehicle and per-axle weight limits based on the increased weight of natural gas fuel systems compared to diesel fueling.

- **Gross vehicle weight of all axles modified.** Section 1 amends Minn. Stat. § 169.824, subd. 2 by removing language that provides a weight limit credit for idle- and emissions-reduction technology and providing proof to authorized agency representatives, which is being moved to a new subdivision (see section 2).
- **Weight limit credits; idle- and emissions-reduction technology; natural gas vehicles.** Section 2 adds a subdivision to Minn. Stat. § 169.824. Paragraph (a) substantially reproduces a provision that provides a weight

limit credit for idle- and emissions-reduction technology, which is being moved from another section of statute. Paragraph (b) permits an increase in truck weight limits for vehicles powered by natural gas, calculated as the difference between a natural gas tank and fueling system compared to a comparable diesel fueling system (in the same manner as recently set under the federal FAST Act for operation on the Interstate system). The maximum increase under this credit allowance is 2,000 pounds. Paragraph (c) clarifies that both of the above weight limit increases apply if the vehicle is appropriately equipped.

Effective Aug. 1, 2016. (AF)

Temporary use of certain rights-of-way permit requirements modification

Chapter 168 (HF 3723/SF 3368*) limits the scope of a statute that was enacted in 2015 pertaining to transport of manure for field application. Existing statutory language allows a landowner to apply for a permit from a road authority in order to temporarily place, on a road right-of-way, a flexible force main to transport manure for field application.

- **Limited applicability of law provided.** Section 1 amends Minn. Stat. § 160.27, subd. 10 by limiting the applicability of the language to rights-of-way controlled by the Minnesota Department of Transportation (MnDOT), instead of rights-of-way controlled by local road authorities.
- **Local road authority temporary permit for certain field application provided.** Section 2 adds a subdivision to Minn. Stat. § 160.27. It provides that a local road authority may, by ordinance, establish a permitting process to authorize the placement of pressurized flexible force main within right-of-way under the jurisdiction of the local road authority to transport manure for field application. A town board must be authorized to adopt the ordinance at an annual town meeting. A local road authority must not impose a fee or other charge for the permit. A permit issued under the ordinance is valid for one year or longer as specified by the local road authority. A local road authority that has adopted an ordinance providing for a permitting process must issue a permit to any property owner or occupant who applies for a permit if the applicant submits a complete application at least five days prior to the day the applicant intends to place the force main within the identified right-of-way or a shorter time if approved by the road authority. The permit may only be issued if the conditions outlined in section 4 below are met.
- **General authority for certain field application provided.** Section 3 adds a subdivision to Minn. Stat. § 160.27. It provides that when a local road authority has not implemented a permitting system, a property owner or occupant may use the right-of-way of a local road for a force main to transport manure for field application

under the conditions specified in section 4 below.

- **General regulations regarding certain field applications.** Section 4 adds a subdivision to Minn. Stat. § 160.27. It provides the conditions that must be met before a force main is placed in a road right-of-way under the authority specified above. Those conditions are:
 - The owner or occupant must provide, at least one business day prior to placement of the force main, written or electronic notice to the local road authority of the intent to place a force main within an identified right-of-way;
 - Unless specifically authorized, the force main must not be left in a right-of-way for more than 21 consecutive days;
 - The owner or occupant must identify and notify the local road authority of the intended starting and end points, and the path of the intended placement;
 - The owner or occupant must provide to the local road authority the intended starting and ending dates the force main will be placed in the right-of-way;
 - Unless otherwise instructed by the applicable local road authority, the owner or occupant must place the force main in the backslope of the right-of-way to the extent possible;
 - Unless specifically instructed otherwise, the owner or occupant must place all pumping equipment outside of the right-of-way;
 - The identified right-of-way must not be a controlled-access highway;
 - The owner or occupant must provide the local road authority with: (1) the owner or occupant's full name, address, and phone number where the owner or occupant can be reached during the time the force main is placed within the right-of-way; and (2) any other contact information where the owner or occupant can be reached after the force main has been removed from the right-of-way;
 - Field application must be performed by the holder of a valid commercial animal waste technician applicator license, including proof of financial responsibility;
 - The force main placement must not unreasonably interfere with: (1) another landowner or occupant's access to the owner or occupant's property; (2) the safe use of the right-of-way in which the force main is placed; (3) the safe use of any driveway or private road that the force main crosses; or (4) maintenance activities authorized by the local road authority;
 - No prior notice is required if the placement of the force main is necessary to prevent overflow of a manure lagoon or manure storage pond or to deal with emergency pumping activities created by flooding, natural disaster, or declared emergency. The owner or occupant must make a good faith effort to notify the local road authority of emergency placement and operation of a force main, and must

remove the force main within three days following the end of the impending overflow, flood, natural disaster response, or declared emergency;

- The local road authority may remove or have removed, at the owner or occupant's expense, any force main remaining in a right-of-way beyond the number of days authorized;
 - The owner or occupant is responsible for restoring the right-of-way to the preplacement condition, including the immediate cleanup of any spillage or leakage of manure into the right-of-way; and
 - A local road authority may, by ordinance, restrict the number of force mains simultaneously located in the same right-of-way.
- **Damage or spills liability and immunity provided.** Section 5 adds a subdivision to Minn. Stat. § 160.27. It provides that a commercially licensed animal waste technician company using a pressurized flexible force main for the transport of manure for field application is liable for the costs of cleanup and repair for any spill or damage caused by a commercial animal waste technician applicator during the placement, use, or removal of the force main. Neither MnDOT nor any city, county, or town road authority is subject to any cause of action arising from the placement or operation of a pressurized flexible force main under this section.

Effective June 1, 2016. (AF)

School bus flagger motor vehicle driver stop required; bus passenger seat belt violations application to bus driver prohibited

Chapter 169 (HF 1422/SF 1111*) requires drivers to stop vehicles at the direction of a school bus flagger and provides that a bus driver is not subject to seat belt fines arising out of violations by passengers.

- **Obedience to school bus flagger required.** Section 1 adds a subdivision to Minn. Stat. § 169.06. It provides that person may stop and hold vehicles in place at a location on a street or highway having a speed limit of 35 miles per hour or less until it is safe for the vehicles to proceed, if the person:
 - Is designated by the school district's transportation safety director to act as a school bus flagger;
 - Controls traffic in order to enable one or more school buses to safely leave school property and enter the adjacent street or highway, or to safely enter school property from the adjacent street or highway; and
 - Meets the safety and equipment standards for an adult crossing guard provided in the manual and specifications adopted under subd. 1.
- A person operating a motor vehicle that has been stopped by a school bus flagger may proceed after stopping only on instruction by the school bus flagger or a police officer. The authority does not apply in a school

zone established under Minn. Stat. § 169.14, subd. 5a, in which the speed limit of that street or highway outside the school zone is greater than 35 miles per hour.

- **Seat belt violation prohibited.** Section 2 adds a provision to Minn. Stat. § 169.686, subd. 1. It provides that bus drivers are not subject to fines for seatbelt violations of passengers under the age of 15, when seatbelt use is required. Under existing law, the driver of a motor vehicle in which seatbelt use is required is subject to a fine of \$25 for each violation by a passenger under the age of 15.

Effective June 1, 2016. (AF)



UTILITIES

Note: Provisions related to the broadband grant program are in the Economic Development section.

Public Utilities Commission (PUC) railroads and utilities assessment imposition authority; railroad right-of-way crossing permission requirement

Chapter 180 (HF 963/SF 877*) is a new section of statute dealing with utilities crossing or paralleling railroad rights-of-way.

- **Assessments for certain right-of-way proceedings.** Section 1 adds a subdivision to Minn. Stat. § 216B.62. It provides that the PUC and Department of Commerce may charge a railroad (as defined in Minn. Stat. § 237.045, subd. 1, paragraph (e)) and a utility (as defined in Minn. Stat. § 237.045, subd. 1, paragraph (f)) for the railroad and utility's proportionate share of expenses incurred by the commission and department in the review and disposition of disputes contained in petitions filed under Minn. Stat. § 237.045. A railroad or utility that objects to an assessment of the commission or department has the same right to appeal the assessment as does a public utility.
- **Railroad rights-of-way; crossing or paralleling by utilities.** Section 2 creates Minn. Stat. § 237.045, which deals with utilities crossing or paralleling railroad rights-of-way.
 - **Definitions provided.** Subd. 1 provides the following definitions:
 - "Crossing" means a utility facility constructed over, under, or across a railroad right-of-way. The term does not include longitudinal occupancy of railroad right-of-way.
 - "Facility" or "utility facility" means any item of personal property placed over, across, or underground for use in connection with the storage or conveyance of water; sewage; electronic, telephone, or telegraphic communications; fiber optics; cable television; electric energy; oil; natural gas; or hazardous liquids. Facility includes, but is not limited to, pipes, sewers, conduits, cables, valves, lines, wires,

manholes, and attachments.

- “Parallel” or “paralleling” means a utility facility that runs adjacent to and alongside the lines of a railroad for no more than one mile, or another distance agreed to by the parties, after which the utility facility crosses the railroad lines, terminates, or exits the railroad right-of-way.
- “Railroad” means any association, corporation, or other entity engaged in operating a common carrier by rail, or its agents or assigns, including any entity responsible for the management of crossings or collection of crossing fees.
- “Utility” means cooperative electric association; electric utility; public utility; transmission company; gas utility; municipal utility; municipal power agency; municipality; joint action agency; pipeline company; rural water system; or telephone, telegraph, telecommunications, cable, or fiber optic carrier. Utility includes contractors or agents.
- **Application.** Subd. 2 provides that this section applies to:
 - Any crossing in existence before the effective date of this section if an agreement concerning the crossing has expired or has been terminated. In such instance, if the collective amount that equals or exceeds the standard crossing fee under subd. 6 has been paid to the railroad during the existence of the crossing, no additional fee is required; and
 - Any crossing commenced on or after the effective date of this section.

This section does not apply to a crossing or paralleling of a large energy facility, as defined in Minn. Stat. § 216B.2421, subd. 2, regardless of length.

- **Right-of-way crossing; application for permission.** Subd. 3 provides that any utility that intends to place a facility across or upon a railroad right-of-way must request prior permission from the railroad. The request must be in the form of a completed crossing application, including an engineering design showing the location of the proposed crossing and the railroad’s property, tracks, and wires that the utility will cross. The engineering design must conform with guidelines published in the most recent edition of the (1) National Electric Safety Code, or (2) Manual for Railway Engineering of the American Railway Engineering and Maintenance-of-Way Association. The utility must submit the crossing application on a form provided or approved by the railroad, if available. The application must be accompanied by the standard crossing fee specified in subd. 6 and evidence of insurance as required in subd. 7. The utility must send the application to the railroad by certified mail, with return receipt requested. Within 15 calendar days of receipt of an application that is not complete, the railroad must inform the applicant regarding any additional necessary information and submittals.

- **Inductive interference study.** Subd. 4 provides that a railroad may require an electric utility to conduct an inductive interference study if the facility is for an electric energy transmission line of at least 125 kilovolts; and in accordance with guidelines in the National Electric Safety Code and the Manual for Railway Engineering of the American Railway Engineering and Maintenance-of-Way Association, the railroad reasonably determines that the proposed facility poses a material possibility of creating induction issues or interference with railroad property. The utility must arrange and pay for the study, perform and pay for any costs of modifications to the proposed facility, and pay for any costs of modifications to railroad property that are necessary to ensure safe and reliable railroad operations. The study must be performed by a qualified engineer approved by the railroad. A utility facility for which an inductive interference study has been performed under this subdivision may not be energized until at least 30 calendar days after the railroad receives notice from the utility that the facility is ready to be energized. Within 30 days of receiving notice that the facility is ready to be energized, the railroad shall conduct any appropriate tests to ensure that there will not be any interference with safe operation of the railroad following energization.
- **Right-of-way crossing; construction.** Subd. 5 provides that, beginning 35 calendar days after the receipt by the railroad of a completed crossing application, crossing fee, and certificate of insurance, the utility may commence the construction of the crossing unless the railroad notifies the utility in writing that the proposed crossing or paralleling is a serious threat to the safe operations of the railroad or to the current use of the railroad right-of-way.
- **Standard crossing fee.** Subd. 6 provides that unless otherwise agreed by the parties or determined under Minn. Stat. § 237.04, a utility that crosses a railroad right-of-way, other than a crossing within a public right-of-way, must pay the railroad a one-time standard crossing fee of \$1,250, adjusted for each crossing. Except as otherwise provided, the standard crossing fee is paid in lieu of any license, permit, application, processing fee, or any other fee or charge to reimburse the railroad for direct expenses incurred by the railroad as a result of the crossing. No other fee or charge may be assessed to the utility by the railroad. In addition to the standard crossing fee, the utility must also reimburse the railroad for any reasonable and necessary flagging expense associated with a crossing, based on the railroad traffic at the crossing. No crossing fee is required if the crossing is located within a public right-of-way. The placement of a single conduit and its content is a single facility. No additional fees are payable based on the individual fibers, wires, lines, or other items contained within the conduit. Annually each May 1, the standard

crossing fee must be adjusted based on the percentage change in the annual average producer price index for the preceding year compared to the year prior to the preceding year. Each adjustment is effective for applications submitted on or after June 1. The producer price index is final demand, finished consumer energy goods, as prepared by the Bureau of Labor Statistics of the United States Department of Labor.

- **Certificate of insurance; coverage.** Subd. 7 provides that the certificate of insurance or coverage submitted by:
 - A municipal utility or municipality must include commercial general liability insurance or an equivalent form with a limit of at least \$1 million for each occurrence and an aggregate of at least \$2 million;
 - A utility providing natural gas service must include commercial general liability insurance with a combined single limit of at least \$5 million for each occurrence and an aggregate limit of at least \$10 million; or
 - A utility not specified in clauses (1) and (2) must include commercial general liability insurance with a combined single limit of at least \$2 million for each occurrence and an aggregate limit of at least \$6 million.

The railroad may require protective liability insurance with a combined single limit of \$2 million for each occurrence and \$6 million aggregate. The coverage may be provided by a blanket railroad protective liability insurance policy if the coverage, including the coverage limits, applies separately to each individual crossing. The coverage is required only during the period of construction, repair, or replacement of the facility. The insurance coverage must not contain an exclusion or limitation related to railroads or to activities within 50 feet of railroad property. The certificate of insurance must be from an insurer of the utility's choosing.

- **Objection to crossing; petition to Public Utilities Commission.** Subd. 8 provides that if a railroad objects to the proposed crossing or paralleling due to the proposal being a serious threat to the safe operations of the railroad or to the current use of the railroad right-of-way, the railroad must notify the utility of the objection and the specific basis for the objection. The railroad must send the notice of objection to the utility by certified mail, with return receipt requested. If the parties are unable to resolve the objection, either party may petition the PUC for assistance via mediation or arbitration of the disputed crossing application. The petition must be filed within 60 days of receipt of the objection. Before filing a petition, the parties must make good faith efforts to resolve the objection. If a petition is filed, the PUC must issue an order within 120 days of filing of the petition. The order may be appealed. The PUC must assess the costs associated with a petition equitably among the parties.
- **Additional requirements; objection and petition**

to Public Utilities Commission. Subd. 9 provides that if a railroad imposes additional requirements on a utility for crossing its lines, other than the proposed crossing being a serious threat to the safe operations of the railroad or to the current use of the railroad right-of-way, the utility may object to one or more of the requirements. If it objects, the utility shall provide notice of the objection and the specific basis for the objection to the railroad by certified mail, with return receipt requested. If the parties are unable to resolve the objection, either party may petition the PUC for resolution or modification of the additional requirements. The petition must be filed within 60 days of receipt of the objection. Before filing a petition, the parties must make good faith efforts to resolve the objection. If a petition is filed, the PUC shall determine, after notice and opportunity for hearing, whether special circumstances exist that necessitate additional requirements for the placement of the crossing. The PUC must issue an order within 120 days of filing of the petition. The order may be appealed. The PUC must assess the costs associated with a petition equitably among the parties.

- **Operational relocation.** Subd. 10 provides that a railroad may require a utility to relocate a facility when the railroad determines that relocation is essential to accommodate railroad operations, and the relocation is not arbitrary or unreasonable. Before agreeing to the relocation, a utility may require a railroad to provide a statement and supporting documentation identifying the operational necessity for requesting the relocation. A utility must perform the relocation within a reasonable period of time following the agreement. Relocation is at the expense of the small utility. A standard fee may not be imposed for relocation.
- **Existing agreements.** Subd. 11 provides that nothing in this section prevents a railroad and a utility from continuing under an existing agreement, or from otherwise negotiating the terms and conditions applicable to a crossing or the resolution of any disputes relating to the crossing. A utility may elect to undertake a crossing or paralleling under this section or Minn. Stat. § 237.04. Nothing in this section impairs the authority of a utility to secure crossing rights by easement through exercise of the power of eminent domain.
- **Appropriation provided.** Section 3 provides \$80,000 in fiscal year 2017 from the general fund to the PUC for the purposes of section 2. This appropriation is added to the appropriation in Laws 2015, First Special Session chapter 1, article 1, section 9. The base for this appropriation in fiscal year 2018 and after is \$21,000.

Effective July 1, 2016. (AF)

Omnibus pension bill

Chapter 177 (SF 588*/HF 659) is the 2016 omnibus pension bill vetoed by Gov. Dayton. The bill contained largely technical and plan assumption changes related to the Public Employees Retirement Association (PERA) and the Public Employees Police and Fire Plan as well as policy changes for volunteer fire relief associations. The governor vetoed the bill over temporary reductions in the cost-of-living adjustments for retirees from the Minnesota State Retirement System and the Teachers Retirement Association. **(GC)**

Omnibus tax bill

Chapter 188 (HF 848*/SF 826) is the 2015–2016 omnibus tax bill vetoed by Gov. Dayton. The bill was vetoed due to an error in a lawful gambling tax provision that would have substantially reduced state revenues. **(GC)**

Chapter 188 included a variety of provisions of interest to cities including:

- A \$20 million permanent increase in the local government aid (LGA) appropriation that would have been effective beginning with the 2017 distribution.
- A one-time acceleration of the LGA payment schedule for 2017 that would have distributed 6.5 percent of each city’s LGA on or before June 15, while 43.5 percent would have been distributed on July 20, and the remaining 50 percent on Dec. 26.
- City-specific local sales tax provisions for Hermantown, Mankato, North Mankato, Proctor, East Grand Forks, as well as hotel/motel and food and beverage tax provisions for Duluth.
- Tax increment financing provisions for Burnsville, Duluth, Maple Grove, Anoka, Edina, Coon Rapids, Cottage Grove, Northfield, Richfield, and St. Paul.
- LGA penalty forgiveness for four cities—Oslo, Dundee, Jeffers, and Woodstock. Since the original penalty was imposed, each of these cities has submitted all required reports to the Office of the State Auditor.
- Base year formula aid adjustment for the recently incorporated City of Rice Lake (St. Louis County). The base adjustment was intended to move the new city more quickly toward an LGA level consistent with cities of similar characteristics.
- A repeal of the existing property tax exemption for agricultural containment facilities. After surveying counties in 2015, the Department of Revenue found that counties were not consistently administering the exemption. Consistent application of the exemption by all counties would have applied the exemption to a greater portion of qualifying property valuation which would have significantly reduced the tax base of some smaller cities that host these properties.
- A property tax exemption that would have reduced small business property taxes by providing an exemption for the first \$100,000 of each commercial and industrial property’s market value from the state general property tax levy. The exemption would not apply for city, county, and school district levies.
- A property tax exemption for a professional soccer stadium in St. Paul.
- Property tax relief from the state general property tax levy for commercial and industrial properties surrounding Mille Lacs that would have partially offset the effects of fishing restrictions on local businesses.
- An expanded definition of businesses that would have been required to collect and remit the Minnesota sales tax on online sales.
- An authorization for cities and townships to levy for local historical societies. Current law provides that the funds raised by a city or township under this levy authority must only be paid to the historical society of its respective county.
- A sales tax exemption for building materials and supplies used in, and equipment incorporated into, the construction or replacement of real property in Madelia affected by the Feb. 3, 2016, fire.
- A program modeled after the federal new markets tax credit program, which was designed to focus equity and debt investments to community businesses operating in low-income areas.
- A requirement that each city receiving state aid register an official email address with the commissioner of Revenue for use in communicating with the city.
- Local government grants to:
 - City of Madelia—\$1.2 million in fiscal year 2016
 - City of Hibbing—\$465,000 in fiscal year 2016
 - Stearns County—\$52,288 in fiscal year 2016
 - Mahnommen County—\$2 million in fiscal year 2017 (\$1 million for the Mahnommen Health Center and \$1 million for the White Earth Band of Ojibwe)
 - Hennepin County—\$1.13 million in fiscal year 2017 (\$730,000 for the EMERGE Career and Technology Center and \$400,000 for the Cedar Riverside Opportunity Center)
 - City of Mahnommen—\$1 million for fiscal year 2017
 - City of Lilydale—\$150,000 for fiscal year 2017

(GC)

DNBL—BONDING**Omnibus capital investment bill**

HF 622 (Rep. Torkelson) was the vehicle chosen to carry the House position on a 2017 capital investment package that was passed and sent to the Senate just prior to the House adjourning *sine die* at the end of the 2016 legislative session. The Senate was unable to finish processing that bill in the final minutes that a bill could be considered. Since an agreement has yet to be reached allowing a special session to be scheduled to complete that work, just over \$1 billion of public infrastructure projects have been left unfunded.

Numerous local projects that would have provided significant public health, safety, and economic development benefits have not been able to move forward, despite being shovel ready. Over \$270 million in general obligation and trunk highway bond allocations for local roads and bridges failed to be approved, as did \$25 million in state funding for the local road replacement fund, flood hazard mitigation, and dam repair and removal projects. More than \$150 million in drinking water, wastewater, and stormwater infrastructure funding, including the state match that would have leveraged an additional \$80 million in federal funds, will not be going to communities in need of funding to build or replace water infrastructure. Key policy changes to the criteria of some of the water infrastructure fund programs to expand the type and size of eligible city projects also remain unaddressed. A total of \$35 million in appropriation bonds was included for housing infrastructure bonds, and \$10 million was included for public housing rehabilitation general obligation bonds.

The Legislature may still be called back before the 2017 regular legislative session to complete the work of the 2016 session, but if that does not occur, discussions for a large capital investment bill are likely to be a major issue right from the start in 2017. (CJ/AF/HC)

DNBL—DATA PRACTICES**Access to private data**

HF 2602/SF 3446 (Rep. Peggy Scott, R-Andover/ Sen. Warren Limmer, R-Maple Grove) would have required anyone accessing private or nonpublic data to provide written certification stating that the data would only be used for an authorized purpose. Originally, cities would have had to comply with written certification every time any city official accessed private or nonpublic data. The League successfully got clarification that government entities and their contractors would be exempt from this administrative burden. The bill was passed off the House floor, but was not heard on the Senate floor. (IK)

DNBL—EMPLOYMENT**Paid family leave**

HF 2963/SF 2558 (Rep. Jason Metsa, DFL-Virginia/Sen. Katie Sieben, DFL-Newport), would have created a state-wide insurance program similar to unemployment insurance that would have been funded through a tax assessed equally on employees and employers. Benefits would have been available for pregnancy leave, bonding with a new adopted or foster child, or care for a family member with a serious health condition. The program would have been administered by the Department of Employment and Economic Development. The Senate bill passed out of several committees and was eventually included in the Senate's omnibus tax bill, which was heard and passed off the Senate floor. The House companion never received a hearing in that body. (AL)

DNBL—ENVIRONMENT**Labeling of disposable wipes**

HF 2842/SF 2525 (Rep. Denny McNamara, R-Hastings/Sen. Vicki Jensen, DFL-Owatonna) was legislation proposed by the Minnesota Pollution Control Agency and supported by the League and other city organizations. It would have required the industry to label disposable wipes products as either flushable or clearly labeled "Do Not Flush." As the bill went through Senate committees, the label requirement was changed to exactly match the specifications the national industry trade association promotes as their step to address the problem. The state version would have been mandatory, however, not voluntary, and would use wastewater operator input in defining which products meet the test, not just the manufacturer's input. The bill passed three committees in the Senate and passed the Senate floor with a bipartisan vote of 49-9. It was heard in the House Environment and Natural Resources Policy and Finance Committee, but was laid over without a vote. The League and the administration expect to push for a version of this legislation again next year. (CJ)

Preventing cities from implementing organized solid waste collection

Several bills (HF 2494/ no Senate companion; HF 3389/ no Senate companion; HF 3708/SF 3377) were introduced related to organized solid waste collection. Two suspended the ability of a city to change to an organized collection system for five years, and the other actually prohibited even existing organized systems from taking bids to continue their organized collection. Based on discussions with the bill authors and testimony at the hearing, the legislation was all drafted based on dissatisfaction with Bloomington's decision to organize their solid waste collection in 2015. Only one

of the bills received a hearing. HF 3706 (Rep. Chad Anderson, R-Bloomington) was heard in the House Government Operations and Election Reform Committee after the policy committee deadline for acting on bills had passed. Since that is not consistent with House rules, it was then sent to the Rules Committee and was not acted on again. It is possible that this issue will return in the 2017 session. **(CJ)**

Local access to state solid waste capital project funding

During the conference committee process of the bonding bill, language was added by the House that would have made it extremely expensive and difficult for a city to apply for capital budget funding through the governor's local government bonding request process and would have repeated that difficulty for getting grants from state agencies, despite the funds being specifically designated to go to local government for those types of projects. The National Waste and Recycling Association was insisting that before any state funds can even be applied for by a local government, there would need to be analysis completed showing that the service cannot be provided through private sources and that would need to be verified by the state. Obviously, that bar could almost never be cleared, because the private sector can do anything it wants to do if it is willing to make a low enough bid to be able to get control of that aspect of the solid waste flow in an area. The language was set aside for interim discussion and will be raised next session. **(CJ)**

Urban forestry funding

There were two League-supported bills that related to funding for urban forestry. Both centered on the need for funding for cities to deal with emerald ash borer (EAB) and other invasive tree pests. HF 2219/SF 1987 (Rep. Mark Uglem, R-Champlin/Sen. Fong Hawj, DFL-St. Paul) was introduced in the 2015 session and sought \$5 million from the bonding bill for grants for communities specifically to deal with EAB on public land and easements. HF 2408/SF 3174 (Rep. Rick Hansen, DFL-South St. Paul/Sen. Kevin Dahle, DFL-Northfield) sought \$13 million per year of general fund money for an ongoing program for state agency and community urban forestry activities. While both bills were well-received, neither was included in the final funding packages. The administration did not request any funding for this issue in either their budget or through the bonding bill. The need for this support is growing every year as EAB spreads throughout the state, so the issue will definitely be back next session. **(CJ)**

Abolishment of Legislative Water Commission

The Legislative Water Commission was created by the 2014 Legislature, but was unexpectedly targeted for repeal

in the House State Government Finance budget both last session and this session. The proposal was not adopted as part of the final conference committee agreement for Chapter 189, the omnibus supplemental budget. The League worked in support of creating the commission to have a standing group of legislators from the house and senate that spent time going in-depth into water policy and program issues and developed legislative expertise and recommendations on those complicated issues. The commission has covered numerous issues of city concern over the past year, has toured city water infrastructure, and has taken extensive testimony from city organizations, city officials, city engineers, and city technical and operations public works staff. It continues to be funded through FY 2019 at this point. **(CJ)**

Weed inspection grant program

HF 1613/SF 1389 (Rep. Chris Swedzinski, R-Ghent/Sen. Dan Sparks, DFL-Austin) was legislation that proposed putting \$500,000 into an existing, but unfunded, grant program for local noxious weed inspection and management. Since cities have this responsibility, the League was supportive of the proposal, working with members of the Noxious Weed Advisory Council, county weed inspectors, and others. The House briefly proposed including a small amount of that request, but it was not part of the final budget discussions. The need for this funding is ongoing, so it is an issue we expect to see again next session. **(CJ)**

DNBL—GENERAL GOVERNMENT

Business notification of ordinance changes

HF 1769/SF 1724 (Rep. Chris Swedzinski, R-Ghent/Sen. Gary Dahms, R-Redwood Falls) would have required cities to notify all businesses that might be impacted by a new or modified ordinance. **(GC)**

DNBL—LAND USE

Note: Provisions related to proposed local regulation of sex offender residency are in the DNBL—Public Safety section.

Interim ordinance modifications

HF 2585/SF 2694 (Rep. Jim Nash, R-Waconia/Sen. Melisa Franzen, DFL-Edina), as originally drafted, would have required a 30-day notice of public hearing on an interim ordinance for “activities related to housing” and also required a supermajority vote to pass any interim ordinance. Both House and Senate bills were amended to reduce the 30 days to 10 days and also to eliminate the supermajority requirement to pass any interim ordinance. The House bill passed out of committee and off of the House floor. The House language was also included in the very large omnibus supplemental budget bill, but was not

BILLS THAT DID NOT BECOME LAW (DNBL)

included in the final conference committee report. The Senate bill was laid on the table during its only hearing in that body. **(AL)**

Urban agriculture grant program

HF 3324/SF 3310 (Rep. Karen Clark, DFL-Minneapolis/Sen. Jeff Hayden, DFL-Minneapolis) would have created a pilot project grant program to promote agricultural spaces and activities being established in cities over 10,000 in population. The League worked with bill authors to clarify the time commitment tied to receiving a grant, because the program requires a penalty repayment from the city of triple the grant award if that time period is not met. The issue has received bipartisan support and is likely to return in the 2017 session. **(CJ)**

Small cell wireless facilities deployment

HF 3554 (Rep. Tim Sanders, R-Blaine), as introduced, would have pre-empted local authority and implemented statewide, uniform requirements for cities to allow wireless companies to install small cell facility networks in public rights of way, on publicly owned buildings, and on commercially zoned property. The bill was later amended to establish a task force to study and make recommendations on the deployment of small wireless facilities. The task force would have been comprised of 11 members, with two members appointed by the League of Minnesota Cities. The amendment also included a provision allowing “wireless communications service providers” in public roads, but only if city regulations are followed. The amended bill was included in the House’s omnibus supplemental budget proposal, but was not included in the final bill as adopted by the Legislature. The Senate companion, SF 3269 (Sen. Dan Sparks, DFL-Austin), did not receive a hearing. **(LZ)**

DNBL—MISCELLANEOUS

Massage therapist statewide registration

Another attempt to create statewide regulation of massage therapists failed at the Capitol this year. HF 644/SF 1310 (Rep. Nick Zerwas, R-Elk River/Sen. Chris Eaton, DFL-Brooklyn Park) would have established a voluntary statewide registration system for massage therapists. The League-supported legislation struck a balance between a statewide approach and local control by retaining city authority to require business licenses regardless of registration. The bills made it through all required committees in both bodies and were initially included in both Senate and House omnibus health and human services bills. The language was then removed from the House bill before being added to the supplemental budget bill. The Senate included the language, but it did not survive the conference committee process. **(AL)**

Recreational program awards and trophies allowance

SF 2900/HF 3295 (Sen. Katie Sieben, DFL-Newport/Rep. Denny McNamara, R-Hastings) eliminated the \$800 per year cap that cities, counties, townships, school districts, and incorporated veterans’ organizations can expend on recreational program awards and trophies. Entities would have been allowed to spend available funds for awards and trophies. The bill received a hearing in the Senate and was on the Senate floor, but was not heard in the House. **(LZ)**

DNBL—PUBLIC SAFETY

Local regulation of sex offender residency

HF 3260/SF 3126 (Rep. Jim Newberg, R-Becker/Sen. David Brown, R-Becker) would have allowed cities to pass more restrictive ordinances regulating where level III sex offenders could reside by (1) limiting the concentration of level III sex offenders, and (2) limiting the proximity of their homes to schools, parks, and other locations frequented by children. The bill was only heard in one House committee, and its companion did not receive a hearing in the Senate. **(IK)**

Mental health crisis training requirement for peace officers

HF 2756/SF 2753 (Rep. Kim Norton, DFL-Rochester/Sen. John Marty, DFL-Roseville) would have required peace officers holding an active license to complete a minimum of four hours of continuing education training at least every three years. The Peace Officer Standards and Training (POST) Board would be responsible for creating a list of approved training courses to instruct peace officers in the techniques of responding to a mental health crisis. The measure included course requirements, including techniques on how to respond appropriately in a crisis to the children and families of individuals with mental health illnesses. The bill was included as a provision in the Senate’s omnibus supplemental budget bill, but it was ultimately not included in the conference committee report. The bill did not advance in the House. **(AF)**

Fireworks expansion

HF 1089/SF 645 (Rep. Jason Rarick, R-Pine City/Sen. Torrey Westrom, R-Elbow Lake), a bill backed by the fireworks industry, would have expanded the definition of consumer fireworks in Minnesota to include aerial and audible fireworks. The bill passed off the House floor, but was never given a formal hearing in the Senate. **(AF)**

DNBL—TAXES**Construction materials sales tax exemption simplification**

HF 531/SF 532 (Rep. Chris Swedzinski, R-Ghent/Sen. Ann Rest, DFL-New Hope) would have simplified the sales tax exemption for purchases of construction materials made by a contractor, subcontractor, or builder under a lump sum contract for buildings and facilities used directly by local governments. The language in the bill was also included in HF 848, the House omnibus tax bill, but was not included in Chapter 188, the vetoed omnibus tax bill. **(GC)**

Joint powers sales tax exemption acceleration

HF 2387/SF 2249 (Rep. Mike Frieberg, DFL-Golden Valley/Sen. Ann Rest, DFL-New Hope) would have restored the Jan. 1, 2016, sales tax exemption effective date for joint powers entities and special districts such as economic development authorities, housing and redevelopment authorities, and port authorities. The exemption was originally delayed by one year in the 2015 first special session K-12 education finance bill. **(GC)**

LGA appropriation increase

HF 685/SF 784 (Rep. Paul Anderson, R-Starbuck/Sen. Lyle Koenen, DFL-Clara City) would have fully restored the local government aid (LGA) appropriation over two years to the 2002 appropriation level. Under the bills, the appropriation for local government aid would have increased to \$540.9 million (+\$21.5 million) for aids payable in 2016, and to \$565 million (+\$24.1 million) for aids payable in 2017 and thereafter. The language in the bill was also included in SF 828, the original Senate version of the omnibus tax bill, but only \$20 million was included in Chapter 188, the vetoed omnibus tax bill. **(GC)**

Revised LGA payment structure

SF 944 (Sen. Tom Bakk, DFL-Cook), a bill originally addressing unorganized township local government aid (LGA), was amended in the Senate Taxes Committee to modify the LGA payment structure. Under the bill, which was also included in the Senate omnibus tax bill, the payment dates for local government aids would have been changed from two installments, paid on July 20 and Dec. 26, to four installments paid March 15, July 15, Sept. 15, and Nov. 15. The language in the bill was also included in SF 828, the original Senate version of the omnibus tax bill, but only a small early payment was included in Chapter 188, the vetoed omnibus tax bill. **(GC)**

Local lodging tax base

HF 990/SF 1066 (Rep. Ann Lenczewski, DFL-Bloomington/Sen. Melissa Wiklund, DFL-Bloomington) included

language to clarify that local lodging taxes apply to the entire amount paid by a consumer for lodging, including accommodation intermediary charges. The language in the bill was also included in SF 828, the original Senate version of the omnibus tax bill, but was not included in Chapter 188, the vetoed omnibus tax bill. **(GC)**

TIF for workforce housing

HF 684/SF 668 (Rep. Dan Fabian, R-Roseau/Sen. LeRoy Stumpf, DFL-Plummer) would have expanded the definition of an economic development tax increment financing district (TIF) to allow TIF to be used to finance market-rate workforce housing projects. Versions of this bill were included in HF 848, the original House omnibus tax bill, and SF 828, the original Senate omnibus tax bill, but the language was not included in Chapter 188, the vetoed omnibus tax bill. **(GC)**

Increase in property tax targeting refund

HF 140/SF 129 (Rep. Lyndon Carlson, DFL-Crystal/Sen. Ann Rest, DFL-New Hope) would have increased the homestead property tax targeting refund by decreasing the qualifying percentage increase in a homeowner's property taxes from 12 percent to 10 percent. The language in the bill was also included in SF 828, the original Senate version of the omnibus tax bill, but was not included in Chapter 188, the vetoed omnibus tax bill. **(GC)**

Unemployed veteran hiring grants

SF 79/HF 10 (Sen. Charles Wiger, DFL-Maplewood/Rep. Anna Wills, R-Rosemount) included a grant program for local governments and nonprofit organizations that would have provided up to a \$2,500 grant to local units of government that hire qualified veteran employees. The language in the bill was also included in SF 828, the Senate version of the omnibus tax bill. **(GC)**

City celebration sales tax exemption

Article 6 of HF 848 (the original House omnibus tax bill) contained a provision from HF 2019/SF 1922 (Rep. Joe McDonald, R-Delano/Sen. Bruce Anderson, R-Buffalo) that would have provided a sales tax exemption for sales at and admissions to a city-designated annual celebration to promote community spirit. To qualify for the exemption, the following conditions would have had to be met: (1) city population of less than 10,000; (2) the city celebration must last no more than five consecutive days; (3) the event must be run by the city or a nonprofit organization designated by the city; (4) all receipts from the event are accounted for by the city or nonprofit; and (5) the entire proceeds, minus expenses, must go to the city, or one or more 501(c)(3) or 501(C)(4) organizations, and used strictly for charitable, educational, civic, or governmental purposes. The exemption would not have applied to events

involving bingo or gambling activities and all sales would have become taxable if the requirements listed above were not met. It would have been effective for sales after June 30, 2015. **(HC)**

Reverse referendum on city and county levy decisions

HF 1671/no senate companion (Rep. Steve Drazkowski, R-Mazeppa) would have created a process to allow citizens to retroactively challenge a city council's decision on the property tax levy through a reverse referendum process. The language in the bill was also originally included in HF 848, the House omnibus tax bill, but was not included in Chapter 188, the vetoed omnibus tax bill. **(GC)**

First class city LGA reductions

HF 2034/no senate companion (Rep. Duane Quam, R-Byron) would have enacted a permanent per capita limit on the local government aid (LGA) distributions to first class cities set at 112.5 percent of the average LGA per capita for all non-first class cities. The savings from the LGA cap would have been returned to the state's general fund and, therefore, would not have increased LGA for all other cities. The language in the bill was also originally included in HF 848, the House omnibus tax bill, but was not included in Chapter 188, the vetoed omnibus tax bill. **(GC)**

All local government referendum elections at November general election date

HF 922/SF 1711 (Rep. Steve Drazkowski, R-Mazeppa/Sen. Mary Kiffmeyer, R-Big Lake) would have prohibited most city, county, and school district referendum elections from occurring on a date other than the November general election date. The language in the bill was also originally included in HF 848, the House omnibus tax bill, but was not included in Chapter 188, the vetoed omnibus tax bill. **(GC)**

Reverse referendum requirement for franchise fees

HF 3470/SF 3413 (Rep. Bob Vogel, R-Elko New Market/Sen. Paul Gazelka, R-Nisswa) would have allowed citizens to petition for a referendum on most new or modified franchise fees. **(GC)**

DNBL—TRANSPORTATION

Real ID implementation

HF 3959/SF 3589 (Rep. Dennis Smith, R-Maple Grove/Sen. Scott Dibble, DFL-Minneapolis) would have made Minnesota compliant with federal REAL ID requirements. The conference committee was appointed and made much headway on the differences in the House and Senate bills. However, they could not agree on an issue not directly related to REAL ID requirements: whether the

state should be able to issue driver's licenses for undocumented immigrants. The House conferees wanted to limit the authority of the Department of Public Safety (DPS) to only issue rules related to implementation of REAL ID driver's licenses. Any other rules would need legislative approval. The Senate conferees didn't agree and wanted DPS to issue all rules related to driver's licenses normally, which didn't directly address how DPS should handle driver's licenses for undocumented immigrants. **(IK)**

Municipal street improvement district authority

HF 1020/SF 778 (Rep. Ron Erhardt, DFL-Edina/Sen. Jim Carlson, DFL-Eagan) would have allowed cities to collect fees from property owners within a district to fund municipal street maintenance, construction, reconstruction, and facility upgrades. The street improvement district authority legislation was modeled after Minn. Stat. § 435.22, which allows cities to establish sidewalk improvement districts. The authority would have provided a funding mechanism that establishes a clear relationship between who pays fees and where projects occur, but stops short of the benefit test that sometimes makes special assessments vulnerable to legal challenges. As introduced, it also did not prohibit cities from collecting fees from tax-exempt properties within a district, and the tool could have been used to mitigate or eliminate the need for special assessments. The legislation stalled early in the 2015 Session and did not advance in either the House or Senate in 2016. **(AF)**

Omnibus transportation funding

The omnibus transportation bill that had been identified as a high priority for both bodies of the Legislature and the governor was left unfinished. In the end, legislators were not working off of bill drafts; rather, they were trading offers based on broad funding concepts. This summary provides a simplified version of final offers.

The final Senate offer contained \$758 million in additional revenue between 2017 and 2019 for state, county, and local roads, as well as new transit funding. The funding mechanisms in the package included:

- A 12-cent-per-gallon gas tax phased in over three years.
- Dedicated revenue for city streets in small and large cities.
- Trunk highway bonding for the Transportation Economic Development (\$250 million per year) and Corridors of Commerce (\$500 million per year) programs.
- A 3/4-cent sales tax increase for transit in the metropolitan area.
- Dedication of 75 percent of the motor vehicle lease tax for Greater Minnesota transit.

The House proposal would have used a greater portion of the state's \$900 million surplus—instead of tax increases—to fund roads and bridges exclusively. It would have provided a total of \$600 million as follows:

BILLS THAT DID NOT BECOME LAW (DNBL)

- \$100 million from license tab fee schedule “reform.”
- \$300 million in cash from the state budget surplus.
- \$200 million in the form of bonds.

The most glaring omission from the House offer is transit funding.

The governor offered two alternatives. Both would:

- Provide \$600 million per year for Minnesota road and bridge projects using tab fee increases, general funds, and/or a gas tax increase.
- Impose a half-cent sales tax in the metro area for transit.
- Invest \$2.8 billion over 10 years in transit statewide.

(AF)

Small Cities Assistance Account

The Small Cities Assistance Account, an account created as Minn. Stat. § 162.145 by the 2015 Legislature to help cities under 5,000 population with street maintenance costs, remains unfunded for the current fiscal year. When the account was created in 2015, the Legislature funded it on a one-time basis with \$12.5 million. It was distributed on a formula basis to the more than 700 cities that do not receive Municipal State Aid street funding through the constitutional formula that distributes the gas tax and

other dedicated transportation revenues. Eligible cities received their Small Cities Assistance funds along with their fiscal year 2016 local government aid payments. During the 2016 legislative session, funding for the account was included as a measure in the omnibus transportation finance and omnibus bonding bills that did not become law. **(AF)**

DNBL—UTILITIES

Water tank service contract bidding

HF 3572/SF 2420 (Rep. Bob Vogel, R-Elko New Market/Sen. Kevin Dahle, DFL-Northfield) is legislation that would have amended Minn. Stat. § 471.345, subd. 5b, the law governing contracts related to water storage tank engineering, repair, and maintenance. The bill would have added a new clause to existing law that limited the exemptions from normal bidding processes to cases where the estimated value was less than \$25,000. Currently, a city can use direct negotiation or an RFP process to solicit bids for those services. The bill was not heard in either body this year, but seems to reappear every few years. It will likely be back for future discussion. **(CJ)**

League of Minnesota Cities Intergovernmental Relations Department

The League's Intergovernmental Relations (IGR) staff work on legislative issues that matter to cities. Feel free to contact our IGR staff members with any questions, concerns, or suggestions regarding legislative issues.

IGR staff members and legislative issues:

Gary Carlson

Intergovernmental Relations Director
(651) 281-1255
gcarlson@lmc.org
www.twitter.com/garyncarlson

Legislative issues:

- Aid to cities
- Economic development
- Pensions and retirement
- Property tax system
- Public finance
- Tax increment finance (TIF)
- Workers' compensation

Heather Corcoran

Intergovernmental Relations Liaison
(651) 281-1256
hcorcoran@lmc.org
www.twitter.com/hrceder

Legislative issues:

- Environment
- Housing
- Legislative appointments
- Libraries
- Member advocacy
- Policy committees
- Sustainable development

Anne Finn

Assistant Intergovernmental Relations Director
(651) 281-1263
afinn@lmc.org
www.twitter.com/annemfnn

Legislative issues:

- Emergency management
- Human resources
- Insurance
- Pensions and retirement
- Public safety
- State bonding
- Transportation

Craig Johnson

Intergovernmental Relations Representative
(651) 281-1259
cjohnson@lmc.org
www.twitter.com/cajohnson_1

Legislative issues:

- Energy
- Environment
- Land use and annexation
- Local/tribal relations
- State bonding
- Sustainable development
- Wastewater, drinking water, and stormwater

Irene Kao

Intergovernmental Relations Counsel
(651) 281-1260
ikao@lmc.org
www.twitter.com/irenewkao

Legislative issues:

- Civil liability
- Data practices
- Human resources
- Land use, zoning, and annexation

Ann Lindstrom

Intergovernmental Relations Representative
(651) 281-1261
alindstrom@lmc.org
www.twitter.com/AnnRL

Legislative issues:

- Building codes
- Elections
- Human resources
- Local/state regulation and licensing
- Public safety
- Regulated services and industries

Laura Ziegler

Intergovernmental Relations Liaison
(651) 281-1267
lziegler@lmc.org
www.twitter.com/laurahziegler

Legislative issues:

- Broadband
- Economic development
- Elections
- Legislative appointments
- Member advocacy
- Policy committees
- Transportation
- Utilities



**League of Minnesota Cities
145 University Avenue West
St. Paul, MN 55103-2044**

**TEL: (651) 281-1200
(800) 925-1122
TDD: (651) 281-1290
FAX: (651) 281-1299
WEB: www.lmc.org**